AGENDA ITEM or FINAL CONTRACT REVIEW SUBMITTAL FORM

Agenda Item: Equipment Lease Purchase; Sterling National Bank

Action Requested: Board of County Commissioners' Signature

Parties to the Agreement:

Term Begins: **Term Ends:** **Grant Contract #:**

Summary:

Master lease purchase agreement and County resolution for financing of Energy Services Contract

Fiscal Impact:

Submitted by: John Cattles **Submitter's Email Address:** jcattles@gunnisoncounty.org

Finance Review: (●) Required ( ) Not Required

Comments:
No concerns after update to show payment schedule in all documents. I'll prepare a fiscal impact document for the discussion on Tuesday. ln

Reviewed by: GUNCOUNTY1\lNienhueser Discharge Date: 11/15/2019

County Attorney Review: (●) Required ( ) Not Required

Comments:
ok db 11/15/19

Reveiwed by: GUNCOUNTY1\dBaumgarten Discharge Date: 11/15/2019 Certificate of Insurance Required

Yes ( ) No (●)

County Manager Review:

Comments:

Reveiwed by: GUNCOUNTY1\khaase Discharge Date: 11/15/2019

( ) Consent Agenda (●) Regular Agenda ( ) Worksession Time Allotted: 20

Agenda Date: 11/19/2019

Revised April 2015

GUNNISON COUNTY, COLORADO

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE LEASING OF CERTAIN EQUIPMENT AND THE EXECUTION AND DELIVERY BY THE COUNTY OF A MASTER EQUIPMENT LEASE PURCHASE AGREEMENT AND RELATED SCHEDULES, AN ESCROW AGREEMENT, A THIRD PARTY CUSTODIAN AGREEMENT, AND OTHER RELATED DOCUMENTS AND CERTIFICATES; SETTING FORTH CERTAIN PARAMETERS AND RESTRICTIONS WITH RESPECT TO THE LEASING OF SUCH EQUIPMENT; AUTHORIZING OFFICIALS OF THE COUNTY TO TAKE ALL ACTION NECESSARY TO CARRY OUT THE TRANSACTIONS CONTEMPLATED HEREBY; RATIFYING ACTIONS PREVIOUSLY TAKEN; AND PROVIDING FOR OTHER MATTERS RELATED THERETO.

WHEREAS, Gunnison County, Colorado (the "County"), is a duly organized and existing county, existing as such under and by virtue of the Constitution and laws of the State of Colorado; and

WHEREAS, the County has the power, pursuant to Sections 30-11-101(b) and (c) and 30-11-104.1, of the Colorado Revised Statutes, as amended, to lease, as lessor or as lessee, equipment to be used for governmental purposes, and to enter into lease-purchase agreements for the purpose of financing such equipment; and

WHEREAS, the Board of County Commissioners of the County (the "Board") has determined and hereby determines that it is in the best interest of the County and its inhabitants to acquire certain equipment generally described in Schedule I attached hereto (collectively, the "Equipment"); and

WHEREAS, the Board has determined and hereby determines to finance the cost of acquiring the Equipment by entering into one or more lease purchase financings with Sterling National Bank (the "Lender"); and

WHEREAS, the Board hereby determines that in order to finance the acquisition of the Equipment it is in the best interest of the County and its inhabitants that: (a) the County (in its name and/or the name of the Board) enter into a Master Equipment Lease Purchase Agreement, together with related Schedules permitting the sequential leasing of all or any portion of the Equipment, with the Lender (collectively, the "Lease"), which Lease contains certain options to purchase the financed Equipment; (b) an Escrow Agreement (the "Escrow Agreement") among the County, the Lender, and Sterling National Bank, as escrow agent (the "Escrow Agent"), whereby the Lender will from time to time deposit proceeds necessary to purchase the Equipment in escrow with the Escrow Agent until such funds are disbursed to purchase the Equipment in the Lender's name (subject to the terms of the Lease); and (c) a Third

Party Custodian Agreement (the "Custodial Agreement") between the County and Sterling National Bank, as custodian, relating to the deposit of public funds related to the acquisition price of the Equipment with the Lender; and

WHEREAS, pursuant to the Lease, and subject to the right of the County to terminate the Lease and other limitations as therein provided, the County will pay certain Rental Payments (as such term is defined in the Lease) and other incidental payments in consideration for the right of the County to use the Equipment; and

WHEREAS, the County's obligation under the Lease to pay Rental Payments and other incidental payments shall be from year to year only; shall constitute currently budgeted expenditures of the County; shall not constitute a mandatory charge or requirement in any ensuing budget year; and shall not constitute a general obligation or other indebtedness or multiple fiscal year financial obligation of the County within the meaning of any constitutional or statutory limitation or requirement concerning the creation of indebtedness or multiple fiscal year financial obligation, nor a mandatory payment obligation of the County in any ensuing fiscal year beyond any fiscal year during which the Lease shall be in effect; and

WHEREAS, Section 11-57-204 of the Supplemental Public Securities Act, constituting Title 11, Article 57, Part 2, C.R.S., as amended (the "Supplemental Act"), provides that a public entity, including the County, may elect in an act of issuance to apply all or any of the provisions of the Supplemental Act; and

WHEREAS, there have been presented to the Board and are recorded at the offices of the County Clerk and Recorder, the following: (i) the proposed form of the Lease; (ii) the proposed form of the Escrow Agreement; and (iii) the proposed form of the Custodial Agreement.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF GUNNISON COUNTY, COLORADO:

Section 1. Recitals Incorporated. The foregoing recitals are incorporated herein by reference and adopted as findings and determinations of the Board.

Section 2. Ratification and Approval of Prior Actions. All action heretofore taken (not inconsistent with the provisions of this Resolution) by the Board or the officers, agents or employees of the County relating to the Lease, the Escrow Agreement, the Custodial Agreement, and the leasing of the Equipment, is hereby ratified, approved and confirmed.

Section 3. Finding of Best Interests. The Board hereby finds and determines pursuant to the Constitution and laws of the State of Colorado that the leasing of the Equipment pursuant to the terms set forth in the Lease, is in the best interest of the County and serves a valid public purpose and the Board hereby authorizes and approves the same.

Section 4. Supplemental Act; Parameters. The Board hereby elects to apply all of the provisions of the Supplemental Act to the Lease and in connection therewith delegates to each of the Chair of the Board and the County Manager the independent authority to make any

determination delegable pursuant to Section 11-57-205(1)(a-i) C.R.S., as amended, in relation to the Lease, and to execute a sale certificate (the "Sale Certificate") setting forth such determinations, including without limitation, the term of the Lease (as indicated in each Schedule thereto) and the rental amount to be paid by the Trustee pursuant to the Lease (as indicated in each Schedule thereto):

(a) the term of the Lease, as indicated in each Schedule thereto, shall not extend beyond December 31, 2036;

(b) the aggregate principal amount of the Rental Payments payable by the County pursuant to the Lease and all related Schedules shall not exceed $2,500,000;

(c) the maximum interest rate on the interest component of the Rental Payments shall not exceed 2.672% per annum, provided that such interest rate may be increased in the event that it is determined that any of the interest components of Rental Payments for the Lease may not be excluded from gross income for purposes of federal income taxation; and

The delegation set forth in this Section 4 shall be effective for one year following the date hereof. It is expressly acknowledged that the Equipment is intended to be acquired over a period of not more than one year following the date hereof through the execution of certain Schedules to the Master Equipment Lease Agreement that collectively comprise the Lease. Provided such Schedules, when aggregated, do not exceed the parameters set forth in this Section 4, such Schedules are expressly authorized to be executed by the Chair of the Board or the County Manager pursuant to the authorization granted by this Resolution.

Section 5. Approval of Documents. The Lease (including all related Schedules), the Escrow Agreement, and the Custodial Agreement, in substantially the forms presented to the Board and on file with the County, are in all respects approved, authorized and confirmed, and the Chair of the Board or the County Manager is hereby authorized and directed for and on behalf of the County to execute and deliver the Lease (including all related Schedules), the Escrow Agreement, and the Custodial Agreement in substantially the forms and with substantially the same contents as presented to the Board, provided that such documents may be completed, corrected or revised as deemed necessary by the parties thereto in order to carry out the purposes of this Resolution.

Section 6. Authorization to Execute Collateral Documents. The County Clerk and Recorder (the "County Clerk") is hereby authorized and directed to attest all signatures and acts of any official of the County in connection with the matters authorized by this Resolution and to place the seal of the County on any document authorized and approved by this Resolution. The Chair of the Board, the County Clerk, the County Manager, and other employees and officials of the County are hereby authorized and directed to execute and deliver for and on behalf of the County any and all additional certificates, documents and other papers, and to perform all other acts that they may deem necessary or appropriate in order to implement and carry out the transactions and other matters authorized by this Resolution. The approval hereby given to the various documents referred to above includes an approval of such additional details therein as may be necessary and appropriate for their completion, deletions therefrom and additions thereto as may be approved by the County Manager prior to the execution of the

documents. The execution of any instrument by the appropriate officers of the County herein authorized shall be conclusive evidence of the approval by the County of such instrument in accordance with the terms hereof.

Section 7. No General Obligation Debt. No provision of this Resolution, the Lease, the Escrow Agreement, or the Custodial Agreement shall be construed as creating or constituting a general obligation or other indebtedness or multiple fiscal year financial obligation of the County within the meaning of any constitutional, or statutory, nor a mandatory charge or requirement against the County in any ensuing fiscal year beyond the then current fiscal year. The Rental Payments may be terminated by the County in accordance with the provisions of the Lease. None of the Lease, the Escrow Agreement, or the Custodial Agreement shall constitute a mandatory charge or requirement of the County in any ensuing fiscal year beyond the then current fiscal year or constitute or give rise to a general obligation or other indebtedness or multiple fiscal year financial obligation of the County within the meaning of any constitutional, or statutory debt limitation and shall not constitute a multiple fiscal year direct or indirect debt or other financial obligation whatsoever. No provision of the Lease, the Escrow Agreement, or the Custodial Agreement shall be construed or interpreted as creating an unlawful delegation of governmental powers nor as a donation by or a lending of the credit of the County within the meaning of Sections 1 or 2 of Article XI of the Colorado Constitution. None of the Lease, the Escrow Agreement, or the Custodial Agreement shall directly or indirectly obligate the County to make any payments beyond those budgeted and appropriated for the County's then current fiscal year.

Section 8. Reasonableness of Rentals. The Board hereby determines and declares that the Rental Payments due under the Lease (including the Schedules thereto), in the maximum amounts authorized pursuant to Section 4 hereof, constitute the fair rental value of the Equipment and do not exceed a reasonable amount so as to place the County under an economic compulsion to renew the Lease or to exercise its option to purchase the Lender's interest in the Equipment pursuant to the Lease. The Board hereby determines and declares that the period during which the County has an option to purchase the Lender's interest in the Equipment (i.e., the entire maximum term of the Lease) does not exceed the useful life of the Equipment.

Section 9. Bank Qualification. The County hereby delegates to the County Manager the determination as to whether the Lease or any portion thereof constitutes a "qualified tax-exempt obligation" for purposes of Section 265(b)(3) of the Internal Revenue Code, as amended.

Section 10. No Recourse against Officers and Agents. Pursuant to Section 11-57-209 of the Supplemental Act, if a member of the Board, or any officer or agent of the County acts in good faith, no civil recourse shall be available against such member, officer, or agent for payment of the Rental Payments. Such recourse shall not be available either directly or indirectly through the Board or the County, or otherwise, whether by virtue of any constitution, statute, rule of law, enforcement of penalty, or otherwise. By executing and delivering the Lease, the Lender and its successors and assigns specifically waive any such recourse.

Section 11. Repealer. All bylaws, orders, and resolutions, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revise any bylaw, order, or resolution, or part thereof, heretofore repealed.

Section 12. Severability. If any section, subsection, paragraph, clause or other provision of this Resolution for any reason is held to be invalid or unenforceable, the invalidity or unenforceability of such section, subsection, paragraph, clause or other provision shall not affect any of the remaining provisions of this Resolution, the intent being that the same are severable.

Section 13. Effective Date. This resolution shall be in full force and take effect immediately upon its passage and approval.

PASSED, ADOPTED AND APPROVED this November 19, 2019.

_____
Chair of the Board of
County Commissioners

(SEAL)

Attest:

_____
County Clerk

SCHEDULE I

DESCRIPTION OF LEASED EQUIPMENT

Installation of LED tubes, lamps and fixtures to retrofit or replace existing inefficient lighting at the following Gunnison County buildings:

Site
ARFF Building
Blackstock Building
Public Safety Building
Public Works

Installation of photovoltaic (PV) electric power generation systems on the rooftops of the following buildings with the scope for each as identified herein.

Site
Blackstock Building
County Courthouse
Family Services Center
Public Safety
Public Works

Installation of necessary equipment to replace the HVAC system in the Blackstock building with a ground source heat pump and geothermal well field.

STATE OF COLORADO)
) SS. CERTIFICATE OF COUNTY CLERK
COUNTY OF GUNNISON)

I, Kathy Simillion, the Clerk and Recorder of Gunnison County, Colorado (the "County"), do hereby certify as follows:

1. The foregoing pages are a true and correct copy of a resolution (the "Resolution") passed and adopted by the Board of County Commissioners of the County (the "Board") at a regular meeting held on November 19, 2019.

2. The Resolution was duly moved and seconded and the Resolution was adopted at the regular meeting of November 19, 2019, by an affirmative vote of a majority of the members of the Board as follows:

Name	"Yes"	"No"	Absent	Abstain
Jonathan Houck, Chair				
John Messner				
Roland Mason				

3. The members of the Board were present at such meeting and voted on the passage of such Resolution as set forth above.

4. The Resolution was approved and authenticated by the signature of the Chair of the Board, sealed with the County seal, attested by the County Clerk and recorded in the minutes of the Board.

5. There are no bylaws, rules or regulations of the Board which might prohibit the adoption of said Resolution.

6. Attached hereto as Exhibit A is a copy of the notice of the regular meeting on November 19, 2019, which notice was posted at least 24 hours before such meeting as provided by law.

[The remainder of this page intentionally left blank.]

WITNESS my hand and the seal of the County affixed this 5th day of November, 2019.

(SEAL)

_____

Clerk and Recorder
Gunnison County, Colorado

EXHIBIT A

(Attach copy of notice given prior to the November 19, 2019 meeting)

MASTER EQUIPMENT LEASE PURCHASE AGREEMENT

THIS MASTER EQUIPMENT LEASE PURCHASE AGREEMENT (the "Master Agreement"), is dated as of November 22, 2019, between **STERLING NATIONAL BANK,** a national banking association organized and existing under the laws of the United States of America, as Lessor ("Lessor"), and **GUNNISON COUNTY, COLORADO**, a political subdivision organized and existing under the laws of the State of Colorado, as Lessee ("Lessee"), wherein the parties hereby agree as follows:

WITNESSETH:

WHEREAS, Lessee desires to lease certain property from Lessor described in the schedules to this Master Agreement, substantially in the form of **Exhibit A** hereto, that are to be executed from time to time by the parties hereto (such schedules, whether now or hereafter executed, are hereinafter collectively referred to as the "Schedules," and the items of property leased to Lessee hereunder, together with all substitutions, proceeds, replacement parts, repairs, additions, attachments, accessories and replacements thereto, thereof or therefor, are hereinafter collectively referred to as the "Equipment") subject to the terms and conditions of and for the purposes set forth in this Master Agreement; and

WHEREAS, the relationship between the parties shall be a continuing one and items of property may be added to or deleted from the Equipment from time to time by execution of additional Schedules by the parties hereto and as otherwise provided herein; and

WHEREAS, Lessee is authorized under the constitution and laws of the State of Colorado to enter into this Master Agreement for the purposes set forth herein;

NOW, THEREFORE, for and in consideration of the premises hereinafter contained, the parties hereby agree as follows:

Section 1. Definitions. The following terms will have the meanings indicated below unless the context clearly requires otherwise:

"Code" means the Internal Revenue Code of 1986, as amended.

"Commencement Date" means, with respect to any Lease, the date when the term of this Master Agreement with respect to that Lease and Lessee's obligation to pay Rental Payments under that Lease commences, which date shall be the earlier of (i) the date on which the Equipment listed in the related Schedule is accepted by Lessee in the manner described in **Section 13**, or (ii) the date on which sufficient moneys to purchase the Equipment listed in that Schedule are deposited for that purpose with an escrow agent.

"Equipment" means the property subject to a Lease, as described in the related Schedule, and all replacements, substitutions, repairs, restorations, modifications, attachments, accessions, additions and improvements thereof or thereto.

"Event of Default" means, with respect to any Lease, an Event of Default described in **Section 35**.

"Fiscal Year" means the fiscal year of Lessee, which is from January 1 to December 31.

"Issuance Year" is the calendar year in which the Commencement Date with respect to any Lease occurs.

"Lease" means an individual Schedule and this Master Agreement, the terms and provisions of which are incorporated into the Schedule, except as provided therein.

"Lease Term" means, with respect to any Lease, the Original Term and all Renewal Terms of that Lease, but ending on the occurrence of the earliest event specified in **Section 6**.

"Lessee" means the entity described as such in the first paragraph of this Master Agreement, its successors and its assigns.

"Lessor" means, with respect to each Lease, (i) if Lessor's interest in, to and under that Lease has not been assigned pursuant to **Section 33**, the entity described as such in the first paragraph of this Master Agreement, its successors and assigns, or (ii) if Lessor's interest in, to and under that Lease has been assigned pursuant to **Section 33,** the assignee thereof, its successors and assigns.

"Master Agreement" means this Master Equipment Lease Purchase Agreement, including any exhibit made a part hereof by the parties hereto, together with any amendments to this Master Agreement.

"Maximum Lease Term" means, with respect to any Lease, the Original Term and all Renewal Terms through the Lease Term including the last Rental Payment Date set forth in the related Schedule that is part of that Lease; provided, however, the Maximum Lease Term shall not extend beyond fifteen (15) years from the Commencement Date for such Lease.

"Net Proceeds" means the amount remaining from the gross proceeds of any insurance claim or condemnation award after deducting all expenses (including attorneys' fees) incurred in the collection of such claim or award.

"Original Term" means, with respect to any Lease, the period from the Commencement Date for the related Schedule that is part of that Lease until the end of the Fiscal Year of Lessee in effect at that Commencement Date.

"Payment Schedule" means, with respect to any Lease, the schedule of Rental Payments and Purchase Price attached to the related Schedule.

"Purchase Price" means the amount set forth in the Payment Schedule for any Lease that Lessee may, at its option, pay to Lessor to purchase the Equipment subject to such Lease.

"Renewal Terms" means, with respect to any Lease, the optional renewal terms of that Lease, each having a duration of one year and a term co-extensive with Lessee's Fiscal Year.

"Rental Payment Dates" means, with respect to any Lease, the dates set forth in the Payment Schedule for the related Schedule on which Rental Payments are due.

"Rental Payments" means the basic rental payments payable by Lessee pursuant to **Section 9**.

"Schedule" means any Schedule to this Master Agreement, entered into in substantially the form of **Exhibit A** hereto, executed and delivered from time to time by the parties hereto.

"State" means the State of Colorado.

"Vendor" means any manufacturer of Equipment as well as the agents or dealers of the manufacturer from whom Lessor purchased or is purchasing Equipment.

"Vendor Agreement" means the Energy Performance Contract dated _____, 2019, between Lessee and Johnson Controls, Inc., as supplemented and amended from time to time.

Section 2. Representations and Covenants of Lessee. Lessee represents, warrants and covenants for the benefit of Lessor as follows with respect to each separate Lease and related Schedule:

(a) Lessee is a political subdivision duly organized and existing under the constitution and laws of the State. Lessee will do or cause to be done all things to preserve and keep in full force and effect its existence as a political subdivision. Lessee has a substantial amount of one or more of the following sovereign powers: (i) the power to tax, (ii) the power of eminent domain, and (iii) police power.

(b) Lessee is authorized under the constitution and laws of the State to enter into the Lease and this Master Agreement, which is incorporated therein, and the transactions contemplated thereby and hereby and to perform all of its obligations thereunder and hereunder.

(c) Lessee has been duly authorized to execute and deliver the Lease and this Master Agreement, which is incorporated therein, by proper action and approval of its governing body at a meeting duly called, regularly convened and attended throughout by a requisite majority of the members thereof or by other appropriate official approval.

(d) Each Lease constitutes a legal, valid and binding obligation of Lessee enforceable in accordance with its terms, except to the extent limited by applicable bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally.

(e) As of the Commencement Date, no event or condition that constitutes, or with the giving of notice or the lapse of time or both would constitute, an Event of Default exists under the Lease or any other Lease previously entered into pursuant to this Master Agreement.

(f) Lessee has, in accordance with the requirements of law, fully budgeted and appropriated sufficient funds for the current Fiscal Year to make the Rental Payments scheduled to come due during the current Fiscal Year and to meet its other obligations under the Lease for the current Fiscal Year, and such funds have not been expended for other purposes.

(g) Lessee has complied with such public bidding requirements as may be applicable to the Lease and the acquisition by Lessee of the Equipment thereunder.

(h) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending or threatened against or affecting Lessee, nor to the best knowledge of Lessee is there any basis therefor, wherein an unfavorable decision, ruling or finding would materially adversely affect the transactions contemplated by the Lease or any other document, agreement or certificate which is used or contemplated for use in the consummation of the transactions contemplated by the Lease or this Master Agreement or materially adversely affect the financial condition or properties of Lessee.

(i) All authorizations, consents and approvals of governmental bodies or agencies required in connection with the execution and delivery by Lessee of the Lease or in connection with the carrying out by Lessee of its obligations thereunder have been obtained.

(j) The entering into and performance of the Lease or any other document or agreement contemplated thereby to which Lessee is or is to be a party will not violate any judgment, order, law or regulation applicable to Lessee or result in any breach of, or constitute a default under, or result in the creation of any lien, charge, security interest or other encumbrance on any assets of Lessee or the Equipment pursuant to any indenture, mortgage, deed of trust, bank loan or credit agreement or other instrument to which Lessee is a party or by which it or its assets may be bound, except as therein provided.

(k) During the Lease Term, the Equipment to be acquired under the Lease will be used only for the purpose of performing essential functions of Lessee or to the service Lessee provides to its citizens. Lessee has a present need for the Equipment listed on the Schedule related to the Lease, and expects to make immediate use of such Equipment upon installation and acceptance. Lessee does not expect the need for any item of the Equipment to diminish in the foreseeable future, including the Maximum Lease Term applicable to such item. The Equipment will be used by Lessee only for the purpose of performing one or more of Lessee's governmental or proprietary functions consistent with the permissible scope of Lessee's authority.

(l) Neither the payment of the Rental Payments under the Lease nor any portion thereof is (i) secured by any interest in property used or to be used in a trade or business of a non-exempt person (within the meaning of Section 103 of the Code) or in payments in respect of such property or (ii) derived from payments in respect of property, or borrowed money, used or to be used in a trade or business of a non-exempt person (within the meaning of Section 103 of the Code). No portion of the Equipment will be used directly or indirectly in any trade or business carried on by any non-exempt person (within the meaning of Section 103 of the Code).

(m) Lessee will comply with all applicable provisions of the Code, including without limitation Sections 103 and 148 thereof, and the applicable regulations of the Treasury Department to maintain the exclusion of the interest components of Rental Payments from gross income for purposes of federal income taxation.

(n) Lessee will use the proceeds of the Lease as soon as practicable and with all reasonable dispatch for the purpose for which such Lease is entered into. No part of the proceeds of a Lease will be invested in any securities, obligations or other investments or used, at any time, directly or indirectly, in a manner which, if such use had been reasonably anticipated on the date of issuance of such Lease, would have caused any portion of Lessee's obligation under the Lease to be or become an "arbitrage bond" within the meaning of Section 103(b)(2) or Section 148 of the Code and the applicable regulations of the Treasury Department.

(o) Lessee has never failed to pay payments coming due under any bond issue, lease purchase agreement or other indebtedness obligation of Lessee.

(p) The useful life of the Equipment under the Lease will not be less than the Maximum Lease Term for that Lease.

(q) The application, statements and credit or financial information submitted by Lessee to Lessor are true and correct and made to induce Lessor to enter into the Lease and the related escrow agreement, and Lessee has experienced no material change in its financial condition since the date(s) of such information.

(r) Lessee will not approve any change orders to the Vendor Agreement that would cause the costs of acquiring the Equipment under a Lease to exceed the aggregate of (i) the amount deposited by Lessor in the escrow fund, if any, established under any related escrow agreement and interest earnings thereon, and (ii) any equity contribution by Lessee, unless a supplemental appropriation for the excess amount has been approved by Lessee.

(s) The Equipment to be acquired under the Lease is not a replacement, repair, substitution or proceeds of any equipment or personal property subject to a prior lien or security interest of a third party.

(t) Lessee is the fee owner of the real estate where the Equipment acquired under the Lease is and will be located and has good and marketable title thereto, and, except for the Lease, there exists no mortgage, pledge, lien, security interest, charge or other encumbrance of any nature whatsoever on or with respect to such real estate.

Section 3. Conditions to Lessor's Performance under Schedules. As a prerequisite to the performance by Lessor of any of its obligations pursuant to the execution and delivery of any Schedule, Lessee shall deliver to Lessor the following:

(a) Opinion(s) of Counsel to Lessee in substantially the form attached hereto as **Exhibit B** respecting such Schedule and otherwise satisfactory to Lessor.

(b) A Closing Certificate executed by the County Manager or other comparable officers of Lessee, in substantially the form attached hereto as **Exhibit C** respecting such Schedule and otherwise satisfactory to Lessor.

(c) All documents, including acceptance certificate, escrow agreement, escrow collateralization custodian agreement, tax certificate, financing statements, affidavits, notices and similar instruments, in form satisfactory to Lessor, which Lessor deems necessary or appropriate at that time pursuant to **Section 22**.

(d) Such other items, if any, as are set forth in such Schedule or are reasonably required by Lessor.

Section 4. Lease of Equipment. Lessor hereby demises, leases and lets to Lessee, and Lessee rents, leases and hires from Lessor, the Equipment in accordance with the provisions of the related Lease for the Lease Term thereof.

Section 5. Lease Term. The Original Term of each Lease will commence on the Commencement Date and will terminate on the last day of Lessee's current Fiscal Year. The Lease Term for each Lease may be continued, solely at the option of Lessee, at the end of the Original Term or any Renewal Term for an additional Renewal Term up to the Maximum Lease Term for that Lease. At the end of the Original Term and at the end of each Renewal Term until the Maximum Lease Term has been completed for a Lease, Lessee will be deemed to have exercised its option to continue this Master Agreement for the next Renewal Term unless Lessee shall have terminated this Master Agreement pursuant to **Section 6** or **Section 31**. The terms and conditions during any Renewal Term will be the same as the terms and conditions during the Original Term, except that the Rental Payments will be as provided in the Payment Schedule.

Section 6. Termination of Lease Term. The Lease Term for each Lease will terminate upon the earliest of any of the following events:

(a) the expiration of the Original Term or any Renewal Term of that Lease and the nonrenewal of that Lease in the event of nonappropriation of funds pursuant to **Section 8**;

(b) the exercise by Lessee of the option to purchase the Equipment under that Lease granted under the provisions of **Section 31** and payment of the Purchase Price and all amounts payable in connection therewith;

(c) a default by Lessee and Lessor's election to terminate that Lease under **Section 36**; or

(d) the payment by Lessee of all Rental Payments authorized or required to be paid by Lessee under that Lease during the Maximum Lease Term thereof.

Section 7. Continuation of Lease Term. Lessee currently intends, subject to the provisions of **Section 8** and **Section 12**, to continue the Lease Term for each Lease through the Original Term and all of the Renewal Terms and to pay the Rental Payments

hereunder. Lessee reasonably believes that legally available funds in an amount sufficient to make all Rental Payments during the Maximum Lease Term for each Lease can be obtained. The responsible financial officer of Lessee is hereby directed to make provision for the Rental Payments of each Lease to the extent necessary in each proposed annual budget submitted for approval in accordance with applicable procedures of Lessee. Notwithstanding the foregoing, the decision whether or not to budget or appropriate funds or to extend a Lease for any Renewal Term is solely within the discretion of the then current governing body of Lessee.

Section 8. Nonappropriation. Lessee is obligated only to pay such Rental Payments under this Master Agreement as may lawfully be made from funds budgeted and appropriated for that purpose during Lessee's then current Fiscal Year. In the event sufficient funds will not be appropriated or are not otherwise legally available to pay the Rental Payments required to be paid under a Lease in the next occurring Renewal Term, that Lease will be deemed to be terminated at the end of the then current Original Term or Renewal Term. Lessee agrees to deliver notice to Lessor of such termination at least 90 days prior to the end of the then current Original Term or Renewal Term, but failure to give such notice will not extend the Lease Term beyond such Original Term or Renewal Term. If a Lease is terminated in accordance with this Section, Lessee agrees, at Lessee's cost and expense, to peaceably deliver the Equipment then subject to that Lease to Lessor at the location or locations specified by Lessor.

Section 9. Rental Payments. Lessee will pay Rental Payments from all legally available funds, in lawful money of the United States of America to Lessor in the amounts and on the dates set forth in the Payment Schedule for each Lease. Rental Payments will be in consideration for Lessee's use of the Equipment that is subject to such Lease during the Fiscal Year in which such payments are due. Any Rental Payment not received on or before its due date will bear interest at the rate of 10% per annum or the maximum amount permitted by law, whichever is less, from its due date, which amounts shall be payable by Lessee from a supplemental appropriation, and the determination regarding the appropriation of such supplemental amounts shall be solely within the discretion of the then current governing body of Lessee.

In the event that it is determined that any of the interest components of Rental Payments for a Lease may not be excluded from gross income for purposes of federal income taxation, Lessee agrees to pay to Lessor promptly after any such determination and on each Rental Payment Date thereafter for that Lease an additional amount determined by Lessor to compensate Lessor for the loss of such excludability (including without limitation, compensation relating to interest expense, penalties or additions to tax), which determination shall be conclusive absent manifest error. Any such additional amount shall be payable by Lessee from a supplemental appropriation, and the determination regarding the appropriation of such supplemental amounts shall be solely within the discretion of the then current governing body of Lessee.

Section 10. Interest Component. As set forth on each Payment Schedule, a portion of each Rental Payment is paid as, and represents payment of, interest.

Section 11. Rental Payments To Be Unconditional. Except as provided in Section 8, the obligations of Lessee to make Rental Payments and to perform and observe the other covenants and agreements contained herein shall be absolute and unconditional in all events without abatement, diminution, deduction, set-off or defense, for any reason, including without limitation any failure of the Equipment to be delivered or installed, any defects, malfunctions, breakdowns or infirmities in the Equipment or any accident, condemnation or unforeseen circumstances.

Section 12. Rental Payments to Constitute a Current Expense of Lessee. Neither any Lease nor the payment by Lessee of Rental Payments under any Lease shall be deemed or construed as creating an indebtedness of Lessee within the meaning of any provision of the Colorado constitution or the laws of the State concerning or limiting the creation of indebtedness by Lessee, and shall not constitute a multiple fiscal year direct or indirect debt or other financial obligation of Lessee within the meaning of Article X, Section 20(4) of the State constitution or a mandatory charge or requirement against Lessor in any ensuing Fiscal Year beyond the then current Fiscal Year. The obligation of Lessee to pay Rental Payments under any Lease shall be from year to year only, shall constitute currently budgeted expenditures of Lessee, shall not constitute a mandatory charge or requirement in any ensuing budget year, nor a mandatory payment obligation of Lessee in any ensuing Fiscal Year beyond any Fiscal Year during which any Lease shall be in effect. In the event that any Lease is not renewed, the sole security available to Lessor shall be the Equipment subject to such Lease.

Section 13. Delivery, Installation and Acceptance of the Equipment. Lessee will order the Equipment, cause the Equipment to be delivered and installed at the locations specified in the applicable Schedule and pay any and all delivery and installation costs in connection therewith. When the Equipment listed in any Schedule has been delivered and installed, Lessee will immediately inspect such Equipment and accept such Equipment after Lessee, in its sole discretion, determines that such Equipment is satisfactory, and evidence said acceptance by executing and delivering to Lessor an acceptance certificate in form and substance acceptable to Lessor. After it has been accepted, the Equipment will not be moved from the locations specified in the applicable Schedule without Lessor's consent, which consent will not be unreasonably withheld.

Section 14. Enjoyment of Equipment. Lessor hereby covenants with Lessee that Lessor shall not interfere with Lessee's quiet use and enjoyment of the Equipment during the Lease Term of the Lease, and Lessee will peaceably and quietly have and hold and enjoy the Equipment during such Lease Term, without suit, trouble or hindrance from Lessor, except as otherwise expressly set forth in this Master Agreement.

Section 15. Right of Inspection. Lessor will have the right at all reasonable times during regular business hours to enter into and upon the property of Lessee for the purpose of inspecting the Equipment.

Section 16. Use of the Equipment. Lessee will not install, use, operate or maintain the Equipment improperly, carelessly, in violation of any applicable law or in a manner contrary to that contemplated by this Master Agreement. Lessee will obtain all permits and licenses, if any, necessary for the installation and operation of the Equipment. In addition, Lessee agrees to comply in all respects (including, without limitation, with respect to the use, maintenance and operation of each item of the Equipment) with all applicable laws, regulations and rulings of any legislative, executive, administrative or judicial body; provided, however, that Lessee may contest in good faith the validity or application of any such law, regulation or ruling in any reasonable manner that does not, in the opinion of Lessor, adversely affect the interest of Lessor in and to the Equipment or its interest or rights under this Master Agreement.

Section 17. Maintenance of Equipment. Lessee agrees that it will, at Lessee's own cost and expense, maintain, preserve and keep the Equipment in good repair, working order and condition. Lessor will have no responsibility to maintain, or repair or to make improvements or additions to the Equipment.

Section 18. Title to the Equipment. During the Lease Term of a Lease, title to the Equipment that is subject to each Lease shall be retained by Lessor, except for those modifications that are added to the Equipment that is subject to any Lease by Lessee and that may be removed without damaging such Equipment. Lessee shall not have any right, title or interest in the Equipment that is subject to a Lease, except as expressly set forth in this Master Agreement. Upon the occurrence of an Event of Default or nonappropriation with respect to a Lease as set forth in **Section 8**, Lessee will, at Lessee's cost and expense, peaceably deliver the Equipment that is subject to such Lease to Lessor at the location or locations specified by Lessor. Upon the exercise of the purchase option under any Lease by Lessee pursuant to **Section 31(a)**, title to the Equipment subject to that Lease shall immediately and without further action by Lessor vest in Lessee. It is the intent of the parties hereto that any transfer of title to Lessee pursuant to this Section shall occur automatically without the necessity of any bill of sale, certificate of title or other instrument of conveyance. Lessor will, nevertheless, execute and deliver any such instruments as Lessee may request to evidence such transfer.

Section 19. [Reserved].

Section 20. Personal Property; No Encumbrances. Lessor and Lessee agree that the Equipment is and will remain personal property. The Equipment will not be deemed to be affixed to or a part of the real estate on which it may be situated, notwithstanding that the Equipment or any part thereof may be or hereafter become in any manner physically affixed or attached to such real estate or any building thereon. Upon the request of Lessor, Lessee will, at Lessee's expense, furnish a waiver of any interest in the Equipment from any party having an interest in any such real estate or building. Lessee shall not create, incur, assume or permit to exist any mortgage, pledge, lien, security interest, charge or other encumbrance of any nature whatsoever on any of the real estate where the Equipment is or will be located or enter into any agreement to sell or assign or enter into any sale/leaseback arrangement of such real estate without the prior written consent of Lessor; provided, that if Lessor or its assigns is furnished with a waiver of interest in the Equipment acceptable to Lessor or its assigns in its discretion from any party taking an interest in any such real estate prior to such interest taking effect, such consent shall not be unreasonably withheld.

Section 21. Liens, Taxes, Other Governmental Charges and Utility Charges. Lessee will keep the Equipment free and clear of all liens, charges and encumbrances, except those created under this Master Agreement. The parties to this Master Agreement contemplate that the Equipment will be used for a governmental or proprietary purpose of Lessee and, therefore, that the Equipment will be exempt from all property taxes and other similar charges. If the use, possession or acquisition of the Equipment is found to be subject to taxation in any form, Lessee will pay all taxes and governmental charges lawfully assessed or levied against or with respect to the Equipment, which such taxes and governmental charges shall be payable by Lessee from a supplemental appropriation, and the determination regarding the appropriation of such supplemental amounts shall be solely within the discretion of the then current governing body of Lessee. Lessee will pay all utility and other charges incurred in the use and maintenance of the Equipment. Lessee will pay such taxes and charges as the same become due; provided that, with respect to any such taxes and charges that may lawfully be paid in installments over a period of years, Lessee will be obligated to pay only such installments that accrue during the Lease Term of a Lease.

Section 22. Insurance. At its own expense, Lessee will maintain (a) casualty insurance insuring the Equipment against loss or damage by fire and all other risks covered by the standard extended coverage endorsement then in use in the State and any other risks reasonably required by Lessor in an amount at least equal to the then applicable Purchase Price of the Equipment, (b) liability insurance that protects Lessor from liability in all events in form and amount satisfactory to Lessor, and (c) workers' compensation coverage as required by the laws of the State; provided that, with Lessor's prior written consent, Lessee may self-insure against the risks described in clauses (a) and (b). Lessee shall also provide or cause to be provided to Lessor payment and performance bonds from Vendor, each naming Lessor as a dual obligee and issued by a surety company rated "A" or better by AM Best in an amount equal to the Equipment. All insurance proceeds from casualty losses will be payable as hereinafter provided. Lessee will furnish to Lessor certificates evidencing such coverage throughout the Lease Term of each Lease.

All such casualty and liability insurance will be with insurers that are acceptable to Lessor, will name Lessee and Lessor as insureds and will contain a provision to the effect that such insurance will not be cancelled or modified materially without first giving written notice thereof to Lessor at least ten days in advance of such cancellation or modification. All such casualty insurance will name Lessor as an additional insured and contain a provision making any losses payable to Lessee and Lessor, as their respective interests may appear. All such liability insurance will name Lessor as an additional insured.

Section 23. Advances. In the event Lessee fails to maintain the insurance required by this Master Agreement, pay taxes or charges required to be paid by it under this Master Agreement or fails to keep the Equipment in good repair and operating condition, Lessor may (but will be under no obligation to) purchase the required policies of insurance and pay the cost of the premiums thereof, pay such taxes and charges and make such Equipment repairs or replacements as are necessary and pay the cost thereof. All amounts so advanced by Lessor will become additional rent for the then current Original Term or Renewal Term. Lessee agrees to pay such amounts with interest thereon from the date paid at the rate of 10% per annum or the maximum permitted by law, whichever is less, which such amounts shall be payable by Lessee from a supplemental appropriation, and the determination regarding the appropriation of such supplemental amounts shall be solely within the discretion of the then current governing body of Lessee.

Section 24. Financial Information. Lessee shall maintain proper books of record and account in which proper entries shall be made in accordance with generally accepted government accounting standards, consistently applied, of all its business and affairs. Lessee shall have an annual audit of the financial condition of Lessee made by an independent certified public accountant promptly following the end of each Fiscal Year. Such report shall include statements in reasonable detail, certified by such accountant, reflecting Lessee's financial position as of the end of such Fiscal Year and the results of Lessee's operations and changes in the financial position of its funds for the Fiscal Year. Lessee shall furnish to Lessor copies of such audit report immediately after it is accepted by Lessee, but not later than two hundred and seventy (270) days after the end of the Fiscal Year. If the audit is publicly available on Lessee's website or on the "EMMA" website maintained by the Municipal Securities Rulemaking Board, the requirement to provide the audit to Lessor will be satisfied if Lessee emails a link to the posted item to Lessor within such 270-day period. The electronic audit or link may be sent to the following email address (or such other address as Lessor supplies to Lessee in writing): Public_Finance_Servicing@snbcloud.onmicrosoft.com.

Section 25. No Liability of Lessor. Lessor shall have no liability for any claims or damages arising out of or as the result of (a) the ownership of any item of the Equipment, (b) the manufacturing, ordering, acquisition, use, operation, condition, purchase, delivery, rejection, storage or return of any item of the Equipment, or (c) any accident in connection with the operation, use, condition, possession, storage or return of any item of the Equipment resulting in damage to property or injury or death to any person.

Section 26. Risk of Loss. Lessee assumes, from and including the Commencement Date, all risk of loss of or damage to the Equipment from any cause whatsoever. No such loss of or damage to the Equipment nor defect therein nor unfitness or obsolescence thereof will relieve Lessee of the obligation to make Rental Payments or to perform any other obligation under any Lease.

Section 27. Damage, Destruction, Condemnation; Use of Proceeds. If (a) the Equipment or any portion thereof is destroyed, in whole or in part, or is damaged by fire or other casualty, or (b) title to, or the temporary use of, the Equipment or any part thereof or the interest of Lessee or Lessor in the Equipment or any part thereof will be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm or corporation acting under governmental authority, Lessee and Lessor will cause the Net Proceeds of any insurance claim or condemnation award to be applied to the prompt replacement, repair, restoration, modification or improvement of the Equipment, unless Lessee has exercised its option to purchase the Equipment pursuant to **Section 31**. Any balance of the Net Proceeds remaining after such work has been completed will be paid to Lessee.

Section 28. Insufficiency of Net Proceeds. If the Net Proceeds are insufficient to pay in full the cost of any repair, restoration, modification or improvement referred to in **Section 27**, Lessee will either (a) complete such replacement, repair, restoration, modification or improvement and pay any costs thereof in excess of the amount of the Net Proceeds, or (b) purchase Lessor's interest in the Equipment pursuant to **Section 31**, which such amounts shall be payable by Lessee from a supplemental appropriation, and

the determination regarding the appropriation of such supplemental amounts shall be solely within the discretion of the then current governing body of Lessee. The amount of the Net Proceeds, if any, remaining after completing such repair, restoration, modification or improvement or after purchasing the Equipment will be retained by Lessee. If Lessee will make any payments pursuant to this Section, Lessee will not be entitled to any reimbursement therefor from Lessor nor will Lessee be entitled to any diminution of the amounts payable under **Section 9**.

Section 29. Disclaimer of Warranties. LESSOR MAKES NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR PARTICULAR USE OR PURPOSE OF THE EQUIPMENT OR AGAINST INFRINGEMENT, OR ANY OTHER WARRANTY OR REPRESENTATION WITH RESPECT THERETO. IN NO EVENT SHALL LESSOR BE LIABLE FOR ANY ACTUAL, INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGE IN CONNECTION WITH OR ARISING OUT OF THIS MASTER AGREEMENT OR ANY LEASE OR THE EXISTENCE, FURNISHING, FUNCTIONING OR LESSEE'S USE OR MAINTENANCE OF ANY EQUIPMENT OR SERVICES PROVIDED FOR IN ANY LEASE.

Section 30. Vendor's Warranties. Lessee may have rights under the contract evidencing the purchase of the Equipment; Lessee is advised to contact the Vendor for a description of any such rights. Lessee hereby assigns to Lessor during the Lease Term of each Lease all warranties running from Vendor to Lessee. Lessor hereby irrevocably appoints Lessee its agent and attorney-in-fact during the Lease Term of a Lease, so long as Lessee will not be in default hereunder, to assert from time to time whatever claims and rights (including without limitation warranties) related to the Equipment that Lessor may have against the Vendor. Lessee's sole remedy for the breach of any such warranty, indemnification or representation will be against the Vendor, and not against Lessor. Any such matter will not have any effect whatsoever on the rights and obligations of Lessor with respect to any Lease, including the right to receive full and timely payments hereunder. Lessee expressly acknowledges that Lessor makes, and has made, no representations or warranties whatsoever as to the existence or availability of such warranties by the Vendor.

Section 31. Purchase Option; Prepayment.

(a) Lessee will have the option to purchase the Equipment subject to any Lease, upon giving written notice to Lessor at least 30 days before the date of purchase, at the following times and upon the following terms:

(i) On any Rental Payment Date designated on the related Schedule as a date on which the purchase option may be exercised, upon payment to Lessor in full of the Rental Payments then due under that Lease, plus the accrued interest component of Rental Payments to the purchase date, plus all other amounts due thereunder plus the then applicable Purchase Price set forth on the related Schedule. If a Purchase Price is not listed for such date that Lessee has designated as the purchase date, the Purchase Price for that date shall be calculated as the Rental Payment then due plus 102% of the then outstanding principal balance of the Lease.

(ii) In the event of substantial damage to or destruction or condemnation (other than by Lessee or any entity controlled by or otherwise affiliated with Lessee) of substantially all of the Equipment subject to that Lease, on the Rental Payment Date that Lessee specifies as the purchase date in Lessee's notice to Lessor of its exercise of the purchase option, upon payment in full of the Rental Payments, plus the accrued interest component of Rental Payments to the purchase date, and any other amounts then due under that Lease, plus the Purchase Price set forth on the related Schedule for such purchase date.

Upon the exercise of the option to purchase set forth above, title to the Equipment so purchased will be vested in Lessee, free and clear of any claim by or through Lessor.

(b) In the event monies remain in any escrow fund established under an escrow agreement, upon receipt by the escrow agent under such escrow agreement of a duly executed certificate of acceptance and payment request identified as the final such request, the remaining monies in such escrow fund shall, first be applied to all reasonable fees and expenses incurred by such escrow agent, if applicable, in connection with such escrow fund as evidenced by its statement forwarded to Lessor and Lessee; and, second be paid to Lessor, for application against the outstanding principal components of Rental Payments, including prepayment of Rental Payments under the related Lease, unless Lessor directs that payment of such amount be made in such other manner that, in the opinion of nationally recognized counsel in the area of tax exempt municipal obligations satisfactory to Lessor, will not adversely affect the exclusion of the interest components of Rental Payments from gross income for federal income tax purposes. If any such amount is applied against the outstanding principal components of Rental Payments, the Payment Schedule for the Lease will be revised accordingly.

Section 32. Determination of Fair Purchase Price. Lessee and Lessor hereby agree and determine that the Rental Payments under each Schedule during the Original Term and each Renewal Term represent the fair value of the use of the Equipment listed in that Schedule and that the amount required to exercise Lessee's option to purchase the Equipment listed in that Schedule pursuant

to **Section 31** represents, as of the end of the Original Term or any Renewal Term under that Schedule, the fair purchase price of the Equipment listed in that Schedule. Lessee hereby determines that the Rental Payments do not exceed a reasonable amount so as to place Lessee under a practical economic compulsion to renew the term of any Schedule or to exercise its option to purchase the Equipment under any Schedule. In making such determinations, Lessee and Lessor have given consideration to (a) the costs of the Equipment, (b) the uses and purposes for which the Equipment will be employed by Lessee, (c) the benefit to Lessee by reason of the acquisition and installation of the Equipment and the use of the Equipment pursuant to the terms and provisions of this Master Agreement, and (d) Lessee's option to purchase the Equipment. Lessee hereby determines and declares that the acquisition and installation of the Equipment and the leasing of the Equipment pursuant to this Master Agreement will result in equipment of comparable quality and meeting the same requirements and standards as would be necessary if the acquisition and installation of the Equipment were performed by Lessee other than pursuant to this Master Agreement. Lessee hereby determines and declares that the Maximum Lease Term does not exceed the useful life of the Equipment.

Section 33. Assignment by Lessor. Lessor's interest in, to and under this Master Agreement, each Lease and the Equipment subject thereto may be assigned and reassigned by Lessor in whole, but not in part, without the necessity of obtaining the consent of Lessee; but no such assignment, transfer or conveyance shall be effective as against Lessee unless and until Lessor has delivered to Lessee written notice thereof that discloses the name and address of the assignee or the Lease Servicer (as hereafter provided). Nothing herein shall limit the right of Lessor or its assignees to sell, assign or grant participation interests in this Agreement to one or more entities listed in (i) or (ii); provided that if such assignment is made pursuant to a participation, custodial or similar agreement under which multiple ownership interests in this Agreement are created, it shall establish a single entity, owner, servicer or other fiduciary or agent to act on behalf of all of the holders of such participation interests (herein referred to as the "Lease Servicer") with respect to the rights and interests of such holders hereunder, including the exercise of rights and remedies thereunder upon the occurrence of an event of default or an event of non-appropriation, and further including the maintenance of a register by which a record of the names, addresses and tax identification numbers of such holders as of any particular time is kept and agrees, upon request of Lessee, to furnish such information to Lessee. Lessee will retain all such notices as a register of all assignees and will make all payments to the assignee or assignees designated in such register. Lessee agrees to execute all documents, including notices of assignment and chattel mortgages or financing statements that may be reasonably requested by Lessor or any assignee to protect its interest in the Equipment and in this Master Agreement and each Lease, and agrees to the filing of financing statements with respect to each Lease and the Equipment subject thereto. Lessee will not have the right to and will not assert against any assignee any claim, counterclaim, defense, set-off or other right Lessee may have against Lessor.

Section 34. Assignment and Subleasing by Lessee. None of Lessee's right, title and interest in, to and under this Master Agreement, any Lease or in the Equipment may be assigned or encumbered by Lessee for any reason, except that Lessee may sublease all or part of the Equipment if Lessee obtains the prior written consent of Lessor and an opinion of nationally recognized counsel in the area of tax exempt municipal obligations satisfactory to Lessor that such subleasing will not adversely affect the exclusion of the interest components of the Rental Payments under the applicable Lease from gross income for federal income tax purposes. Any such sublease of all or part of the Equipment will be subject to the applicable Lease and the rights of Lessor in, to and under the Lease and the Equipment.

Section 35. Events of Default Defined. Subject to the provisions of **Section 8**, any of the following will be "Events of Default" under any Lease:

(a) Failure by Lessee to pay any Rental Payment or other payment required to be paid under that Lease at the time specified therein;

(b) Failure by Lessee to observe and perform any covenant, condition or agreement on its part to be observed or performed under that Lease, other than as referred to in **Section 35(a)** of this Master Agreement, for a period of 30 days after written notice, specifying such failure and requesting that it be remedied, is given to Lessee by Lessor, unless Lessor will agree in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice cannot be corrected within the applicable period, Lessor will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by Lessee within the applicable period and diligently pursued until the default is corrected;

(c) Any statement, representation or warranty made by Lessee in or pursuant to that Lease or its execution, delivery or performance will prove to have been false, incorrect, misleading or breached in any material respect on the date when made;

(d) Any provision of that Lease will at any time for any reason cease to be valid and binding on Lessee, or will be declared to be null and void, or the validity or enforceability thereof will be contested by Lessee or any governmental agency or authority if the loss of such provision would materially adversely affect the rights or security of Lessor, or Lessee will deny that it has any further liability or obligation under that Lease;

(e) Lessee will (i) apply for or consent to the appointment of a receiver, trustee, custodian or liquidator of Lessee, or of all or a substantial part of the assets of Lessee, (ii) be unable, fail or admit in writing its inability generally to pay its debts as they become due, (iii) make a general assignment for the benefit of creditors, (iv) have an order for relief entered against it under applicable federal bankruptcy law, or (v) file a voluntary petition in bankruptcy or a petition or an answer seeking reorganization or an arrangement with creditors or taking advantage of any insolvency law or any answer admitting the material allegations of a petition filed against Lessee in any bankruptcy, reorganization or insolvency proceeding; or

(f) An order, judgment or decree will be entered by any court of competent jurisdiction, approving a petition or appointing a receiver, trustee, custodian or liquidator of Lessee or of all or a substantial part of the assets of Lessee, in each case without its application, approval or consent, and such order, judgment or decree will continue unstayed and in effect for any period of 30 consecutive days.

Section 36. Remedies on Default. Whenever any Event of Default under any Lease exists, Lessor will have the right, at its sole option without any further demand or notice, to take one or any combination of the following remedial steps:

(a) By written notice to Lessee, Lessor may declare all Rental Payments and other amounts payable by Lessee under that Lease to the end of the then current Original Term or Renewal Term thereof to be due;

(b) With or without terminating that Lease, Lessor may enter the premises where the Equipment that is subject to that Lease is located and retake possession of that Equipment or require Lessee at Lessee's expense to promptly return any or all of that Equipment to the possession of Lessor at a place specified by Lessor, and sell or lease that Equipment or, for the account of Lessee, sublease the Equipment, holding Lessee liable for the difference between (i) the Rental Payments and other amounts payable by Lessee under that Lease to the end of the then current Original Term or Renewal Term, plus the applicable Purchase Price, and (ii) the net proceeds of any such sale, lease or sublease (after deducting all expenses of Lessor in exercising its remedies under the Lease, including without limitation, all expenses of taking possession, storing, reconditioning and selling or leasing that Equipment and all brokerage, auctioneers' and attorneys' fees); provided that the amount of Lessee's liability under this subparagraph (b) shall not exceed the Rental Payments and other amounts otherwise due under the Lease plus the remaining Rental Payments and other amounts payable by Lessee to the end of the then current Original Term or Renewal Term; and

(c) Lessor may take whatever other action at law or in equity may appear necessary or desirable to enforce its rights as the owner of the Equipment that is subject to that Lease.

In addition, Lessee will remain liable for all covenants and indemnities under this Master Agreement and for all legal fees and other costs and expenses, including court costs, incurred by Lessor with respect to the enforcement of any of the remedies listed above or any other remedy available to Lessor.

Section 37. No Remedy Exclusive. No remedy herein conferred upon or reserved to Lessor is intended to be exclusive and every such remedy will be cumulative and will be in addition to every other remedy given under this Master Agreement or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default will impair any such right or power or will be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle Lessor to exercise any remedy reserved to it in this Master Agreement it will not be necessary to give any notice, other than such notice as may be required in this Master Agreement.

Section 38. Notices. All notices, certificates or other communications hereunder will be sufficiently given and will be deemed given when delivered or mailed by registered mail, postage prepaid, to the parties at the addresses immediately after the signatures to this Master Agreement (or at such other address as either party hereto will designate in writing to the other for notices to such party), to any assignee at its address as it appears on the register maintained by Lessee.

Section 39. Binding Effect. This Master Agreement will inure to the benefit of and will be binding upon Lessor and Lessee and their respective successors and assigns.

Section 40. Severability. In the event any provision of this Master Agreement or any Lease is held invalid or unenforceable by any court of competent jurisdiction, such holding will not invalidate or render unenforceable any other provision hereof or thereof.

Section 41. Entire Agreement. As to each Schedule to be entered into pursuant to the terms hereof, the Lease, which incorporates this Master Agreement, constitutes the entire agreement between Lessor and Lessee.

Section 42. Amendments. This Master Agreement may be amended, changed or modified in any manner by written agreement of Lessor and Lessee. Any waiver of any provision of this Master Agreement or any right or remedy hereunder must be affirmatively and expressly made in writing and will not be implied from inaction, course of dealing or otherwise.

Section 43. Execution in Counterparts. This Master Agreement may be simultaneously executed in several counterparts, each of which will be an original and all of which will constitute but one and the same instrument.

Section 44. Captions. The captions or headings in this Master Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Master Agreement.

Section 45. Applicable Law. This Master Agreement will be governed by and construed in accordance with the laws of the State.

Section 46. Electronic Transactions. The parties agree that the transaction described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Section 47. Role of Lessor. Lessor has not acted and will not act as a fiduciary for Lessee or as Lessee's agent or municipal advisor. Lessor has not and will not provide financial, legal, tax, accounting or other advice to Lessee or to any financial advisor or placement agent engaged by Lessee with respect to this Master Agreement. Lessee, its financial advisor, placement agent or municipal advisor, if any, shall each seek and obtain its own financial, legal, tax, accounting and other advice with respect to this Master Agreement from its own advisors (including as it relates to structure, timing, terms and similar matters).

Section 48. Lessee's Notice Filings Related to a Lease for SEC Rule 15c2-12. In connection with Lessee's compliance with any continuing disclosure undertakings (each, a "Continuing Disclosure Agreement") entered into by Lessee on and after February 27, 2019, pursuant to SEC Rule 15c2-12 promulgated pursuant to the Securities and Exchange Act of 1934, as amended (the "Rule"), Lessor acknowledges that Lessee may be required to file with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system, or its successor ("EMMA"), notice that Lessee has incurred obligations under a Lease and notice of certain subsequent events reflecting financial difficulties in connection therewith. Lessee agrees that it shall not file or submit, or permit to be filed or submitted, with EMMA any documentation that includes the following unredacted sensitive or confidential information about Lessor or its affiliates: address and account information of Lessor or its affiliate, e-mail addresses, telephone numbers, fax numbers, names and signatures of officers, employees and signatories of Lessor or its affiliates, or any account information for any related escrow agreement, unless otherwise required for compliance with the Rule or otherwise required by law. Lessee acknowledges that Lessor is not responsible for Lessee's compliance or noncompliance with the Rule or any Continuing Disclosure Agreement.

[Signature page follows.]

IN WITNESS WHEREOF, Lessor and Lessee have caused this Master Agreement to be executed in their corporate names by their duly authorized officers as of the date first above written.

STERLING NATIONAL BANK

By: _____
Name: Kevin C. King
Title: Senior Vice President, Senior Managing Director
Address: 500 Seventh Avenue, 3rd Floor
New York, NY 10018
Attention: Public Sector Finance

GUNNISON COUNTY, COLORADO

By: _____
Name: _____
Title: _____
Address: 200 E. Virginia
Gunnison, CO 81230

CERTIFICATION

I, the undersigned, do hereby certify (i) that the officer of Lessee who executed the foregoing Agreement on behalf of Lessee and whose genuine signature appears thereon, is the duly qualified and acting officer of Lessee as stated beneath his or her signature and has been authorized to execute the foregoing Agreement on behalf of Lessee, and (ii) that the Fiscal Year of Lessee is from January 1 to December 31.

DATED: November 22, 2019.

By: _____
Name: _____
Title: _____

EXHIBIT A TO MASTER EQUIPMENT LEASE PURCHASE AGREEMENT

FORM OF SCHEDULE OF EQUIPMENT NO. ___

COUNTERPART NO. ____ OF 2

LESSOR'S INTEREST IN, TO AND UNDER THE LEASE, CONSISTING OF THIS SCHEDULE AND THE INCORPORATED MASTER AGREEMENT AS IT RELATES TO THIS SCHEDULE, MAY BE SOLD OR PLEDGED ONLY BY DELIVERING POSSESSION OF COUNTERPART NO. 1 OF THIS SCHEDULE, WHICH COUNTERPART NO. 1 SHALL CONSTITUTE CHATTEL PAPER FOR PURPOSES OF THE UNIFORM COMMERCIAL CODE.

Re: Schedule of Equipment No. __ dated as of _____, 20__ (the "Schedule"), to Master Equipment Lease Purchase Agreement dated as of November 22, 2019 (the "Master Agreement" and, as amended and supplemented by this Schedule, the "Lease"), each between Sterling National Bank, as Lessor, and Gunnison County, Colorado, as Lessee.

1. Defined Terms. All terms used herein have the meanings ascribed to them in the Master Agreement.

2. Equipment. The Equipment included under this Schedule is comprised of the items described in the Equipment Description attached hereto as **Attachment 1**, together with all replacements, substitutions, repairs, restorations, modifications, attachments, accessions, additions and improvements thereof or thereto.

3. Payment Schedule. The Rental Payments and Purchase Prices under this Schedule are set forth in the Payment Schedule attached as **Attachment 2** hereto.

4. Representations, Warranties and Covenants.

(a) Lessee hereby reaffirms its representations, warranties and covenants set forth in the Master Agreement as if made on the Commencement Date of the Lease and this Schedule.

(b) Lessee has provided Lessor with audited financial statements through December 31, 20__. Lessee has experienced no material change in its financial condition or in the revenues expected to be utilized to meet Rental Payments due hereunder since December 31, 20__.

(c) Lessee has complied with such public bidding requirements as may be applicable to the Lease and this related Schedule, and the acquisition of the Equipment hereunder.

(d) The application, statements and credit or financial information submitted by Lessee to Lessor are true and correct and made to include Lessor to enter into the Lease and this related Schedule, and Lessee has experienced no material change in its financial condition since the date(s) of such information.

5. Tax-Exempt Interest Related Covenants, Representations and Warranties. Lessee hereby covenants, represents and warrants as follows:

(a) The estimated total costs of the Equipment listed in this Schedule, together with any costs of entering into this Schedule that are expected to be financed under this Schedule, will not be less than the total principal portion of the Rental Payments listed in this Schedule.

(b) The Equipment listed in this Schedule has been ordered or is expected to be ordered within six months of the commencement of this Schedule, and the Equipment is expected to be delivered and installed, and the Vendor fully paid, within eighteen months of the commencement of this Schedule.

(c) Lessee has not created or established, and does not expect to create or establish, any sinking fund or other similar fund (i) that is reasonably expected to be used to pay the Rental Payments listed in this Schedule, or (ii) that may be used solely to prevent a default in the payment of the Rental Payments listed in this Schedule.

(d) During the Lease Term of this Schedule, title to the Equipment listed in this Schedule shall be retained by Lessor, and Lessee shall not have any right, title or interest in the Equipment, except as expressly set forth in the Master Agreement.

(e) To the best of Lessee's knowledge, information and belief, the above expectations are reasonable.

(f) Lessee has not been notified of any listing or proposed listing of it by the Internal Revenue Service as an issuer whose arbitrage certificates may not be relied upon.

(g) Lessee will comply with all applicable provisions of the Internal Revenue Code of 1986, as amended, including without limitation Sections 103, 141 and 148 thereof, and the applicable regulations of the Treasury Department to maintain the exclusion of the interest components of Rental Payments from gross income for purposes of federal income taxation.

(h) *[Lessee initial here if the following provision IS applicable: _____]*

[Lessee initial here if the following provision IS NOT applicable: _____]

Lessee hereby designates the Lease and this related Schedule as a "qualified tax-exempt obligation" as defined in Section 265(b)(3)(B) of the Code. The aggregate face amount of all tax-exempt obligations (excluding private activity bonds other than qualified 501(c)(3) bonds) issued or to be issued by Lessee and all subordinate entities thereof during the current calendar year is not reasonably expected to exceed $10,000,000. Lessee and all subordinate entities thereof will not issue or enter into in excess of $10,000,000 of tax-exempt obligations (including the Lease and this related Schedule, but excluding private activity bonds other than qualified 501(c)(3) bonds) during the current calendar year, without first obtaining an opinion of nationally recognized counsel in the area of tax-exempt municipal obligations acceptable to Lessor that the designation of the Lease and this related Schedule as a "qualified tax-exempt obligation" will not be adversely affected.

6. Incorporation of the Master Agreement Terms and Provisions. Lessee and Lessor hereby ratify and confirm the Master Agreement, the terms and provisions of which (other than to the extent that they relate solely to other Leases or Equipment listed on Schedules to other Leases), except as specifically amended under paragraph 9 below, are hereby incorporated by reference and made a part hereof.

7. Purchase Option. Lessee may exercise its purchase option with respect to the Equipment subject to this Lease on _____, 20__, and any Rental Payment Date thereafter at the applicable Purchase Price shown on the Payment Schedule attached hereto, all in accordance with Section 31 of the Master Agreement.

8. Participation of the Lease from Lessor to SNFC. Lessor hereby notifies Lessee, and Lessee hereby acknowledges such notification, that simultaneously with the execution and delivery of this Schedule, Lessor will enter into a participation agreement with Sterling National Funding Corp., a New York corporation and a wholly-owned subsidiary of Lessor ("SNFC"), whereby Lessor will assign to SNFC a 100% participation interest in the Lease related to this Schedule at par. Lessor will continue to service the Lease and collect all Rental Payments and payment of the Purchase Price hereunder.

9. Other Provisions. [To be provided, if any.]

Dated: _____, 20__.

[Signature page follows.]

STERLING NATIONAL BANK

By: _____
Name: Kevin C. King
Title: Senior Vice President, Senior Managing Director
Address: 500 Seventh Avenue, 3rd Floor
New York, NY 10018
Attention: Public Sector Finance

GUNNISON COUNTY, COLORADO

By: _____
Name: _____
Title: _____
Address: 200 E. Virginia
Gunnison, CO 81230

ATTACHMENT 1 TO
SCHEDULE OF EQUIPMENT NO. ___

EQUIPMENT DESCRIPTION

Equipment Description:

The Equipment consists of all equipment and other property acquired and installed in connection with the energy savings improvements described in the applicable Description of Work under the Energy Performance Contract dated _____, 2019, between Lessee and Johnson Controls, Inc., at the locations listed therein, together with any and all replacement parts, additions, repairs, modifications, attachments and accessories thereto, any and all substitutions, replacements or exchanges therefor, and any and all insurance and/or proceeds thereof. See also "Schedule B – Description of Work" attached hereto for a further description of the Equipment.

Locations:
The Equipment will be located at the following facilities:

_____
_____
_____
_____
_____
_____

List of facilities (including address) where the energy savings improvements will be installed to be provided by Lessee.

Vendor:
The Vendor for the Equipment is Johnson Controls, Inc., 10289 W. Centennial Road, Littleton, Colorado 80127.

This Equipment Description shall be deemed to be supplemented by the descriptions of the Equipment included in the Certificate of Acceptance and Payment Requests submitted to Sterling National Bank, in its capacity as escrow agent, pursuant to the Escrow Agreement dated _____, 20__, among Lessor, Lessee and Sterling National Bank, in its capacity as escrow agent, which descriptions shall be deemed to be incorporated herein.

ATTACHMENT 2 TO
SCHEDULE OF EQUIPMENT NO. ___

PAYMENT SCHEDULE

Principal Amount: $ 1,320,689
Interest Rate: 2.431%, 30/360 basis
Commencement Date: November 22, 2019

Rental Payments will be made in accordance with **Section 9** of the Master Agreement and this Payment Schedule.

Rental Payment Date	Interest Portion	Principal Portion	Total Rental Payment	Purchase Price[1]
8/1/2020	$22,206.62	$127,055.83	$149,262.45	N/A
8/1/2021	29,017.22	120,245.23	149,262.45	N/A
8/1/2022	26,094.06	123,168.39	149,262.45	$969,223.94
8/1/2023	23,099.84	126,162.61	149,262.45	840,538.08
8/1/2024	20,032.82	129,229.63	149,262.45	708,723.86
8/1/2025	16,891.25	132,371.20	149,262.45	573,705.23
8/1/2026	13,673.31	135,589.14	149,262.45	431,135.64
8/1/2027	10,377.14	138,885.31	149,262.45	290,861.48
8/1/2028	7,000.83	142,261.62	149,262.45	147,177.24
8/1/2029	3,542.45	145,720.04	149,262.49	0.00
Totals	$171,935.54	$1,320,689.00	$1,492,624.54	

GUNNISON COUNTY, COLORADO

By: _____

Name: _____
Title: _____

[1] Lessee's option to purchase is subject to the provisions of Section 31 of the Master Agreement, as amended by paragraph 9 of this Schedule.

EXHIBIT B TO MASTER EQUIPMENT LEASE PURCHASE AGREEMENT

FORM OF OPINION OF LESSEE COUNSEL
[To be furnished on Attorney's letterhead.]

_____, 20__

Sterling National Bank
500 Seventh Avenue, 3rd Floor
New York, New York 10018
Attention: Public Sector Finance

Re: Schedule of Equipment No. __ dated as of _____, 20__ (the "Schedule"), to Master Equipment Lease Purchase Agreement dated as of November 22, 2019 (the "Master Agreement" and, as amended and supplemented by the Schedule, the "Lease"), each between Sterling National Bank, as lessor ("Lessor"), and Gunnison County, Colorado, as lessee ("Lessee")

Ladies and Gentlemen:

As legal counsel to Lessee, I have examined (a) executed counterparts of the Master Agreement and the Schedule, which, among other things, provides for the lease by Lessee from Lessor of certain property listed in the Schedule (the "Equipment"), (b) an executed counterpart of the Escrow Agreement dated _____, 20__ (the "Escrow Agreement"), among Lessor, Lessee and Sterling National Bank, in its capacity as escrow agent, (c) an executed counterpart of the Energy Performance Contract dated _____, 2019 (the "Energy Contract"), between Lessee and Johnson Controls, Inc., (d) an executed copy of the resolution of Lessee which, among other things, authorizes Lessee to execute the Lease, the Escrow Agreement and the Energy Contract, and (e) such other opinions, documents and matters of law as I have deemed necessary in connection with the following opinions.

Based on the foregoing, I am of the following opinions:

1. Lessee is a political subdivision duly organized and existing under the laws of the State of Colorado, and has a substantial amount of one or more of the following sovereign powers: (a) the power to tax, (b) the power of eminent domain, and (c) police power.

2. Lessee has the requisite power and authority to purchase the Equipment and to execute and deliver the Lease, the Escrow Agreement and the Energy Contract and to perform its obligations thereunder.

3. The Lease, the Escrow Agreement, the Energy Contract and the other documents either attached thereto or required therein have been duly authorized, approved and executed by and on behalf of Lessee, and the Lease, the Escrow Agreement and the Energy Contract are valid and binding obligations of Lessee enforceable in accordance with their respective terms.

4. The authorization, approval and execution of the Lease, the Escrow Agreement, the Energy Contract and all other proceedings of Lessee relating to the transactions contemplated thereby have been performed in accordance with all open meeting laws, applicable public bidding or procurement laws and all other applicable state and federal laws.

5. There is no proceeding pending or threatened in any court or before any governmental authority or arbitration board or tribunal that, if adversely determined, would adversely affect the transactions contemplated by the Lease, the Escrow Agreement or the Energy Contract or the security interest of Lessor or its assigns, as the case may be, in the Equipment.

6. The Equipment to be leased pursuant to the Lease constitutes personal property and when subjected to use by Lessee will not be or become a fixture under applicable law.

7. The authorization, execution, delivery and performance of the Lease, the Escrow Agreement and the Energy Contract by Lessee do not require submission to, approval of, or other action by any governmental authority or agency which action has not been taken and is final and non-appealable.

8. The holding of the moneys in the Escrow Fund by the Escrow Agent and the investment of such moneys in Qualified Investments as specifically identified in the Escrow Agreement are legally permissible as required by any applicable law or requirement to which Lessee is subject.

All capitalized terms herein will have the same meanings as in the Master Agreement. Lessor, its successors and assigns and any counsel rendering an opinion on the exclusion of the interest components of Rental Payments from gross income for purposes of federal income taxation are entitled to rely on this opinion.

Very truly yours,

EXHIBIT C TO MASTER EQUIPMENT LEASE PURCHASE AGREEMENT

FORM OF LESSEE'S CLOSING CERTIFICATE

$[PRINCIPAL AMOUNT]
SCHEDULE OF EQUIPMENT NO. __ DATED AS OF _____, 20__ TO
MASTER EQUIPMENT LEASE PURCHASE AGREEMENT DATED AS OF NOVEMBER 22, 2019
BETWEEN
STERLING NATIONAL BANK, AS LESSOR
AND
GUNNISON COUNTY, COLORADO, AS LESSEE

We, the undersigned, the duly appointed, qualified and acting _____ and _____, respectively, of Gunnison County, Colorado, do hereby certify as follows:

Capitalized terms used herein and not otherwise defined will be as defined in that certain Master Equipment Lease Purchase Agreement dated as of November 22, 2019 (the "Master Agreement" and, as amended and supplemented by Schedule of Equipment No. __ thereto dated as of _____, 20__, the "Lease"), each between Gunnison County, Colorado, as lessee ("Lessee"), and Sterling National Bank, as lessor ("Lessor").

1. Lessee did, at a meeting of the governing body of Lessee held November 19, 2019, by motion duly made, seconded and carried, in accordance with all requirements of law, approve and authorize the execution and delivery of the above-referenced Lease and the related escrow agreement on its behalf by the following named representative of Lessee:

_____

Printed Name Title Signature

[This signature line to be signed by person who executed the Lease and the related escrow agreement on behalf of Lessee.]

2. The above-named representative of Lessee held at the time of such authorization and holds at the present time the office designated above and the signature set forth opposite his or her name is the true and correct specimen of his or her genuine signature.

3. At the meeting described in (1) above, the representative of Lessee named in (1) above and the officers or employees of the Lessee from time to time holding the offices or titles set forth below were designated as authorized representatives of the Lessee for the Lease and the related escrow agreement (any of them acting alone), and each of the persons listed below is the current holder of the office or title indicated and the signature set forth opposite name of each of them is the true and correct specimen of his or her genuine signature:

Title	Printed Name	Signature
_____	_____	_____
_____	_____	_____
_____	_____	_____

4. The meeting of the governing body of Lessee at which the Lease and the related escrow agreement (including escrow collateralization custodian agreement) were approved and authorized to be executed was duly called, regularly convened and attended by the requisite majority of the members thereof or by other appropriate official approval and that the action approving the Lease and the related escrow agreement and authorizing the execution thereof has not been altered or rescinded. *Attached hereto is a true and correct copy of the resolution or other documents constituting such official action*.

5. No event or condition that constitutes, or with the giving of notice or the lapse of time or both would constitute, an Event of Default (as such term is defined in the Lease) exists at the date hereof.

6. All insurance required in accordance with the Lease is currently maintained by Lessee.

7. Lessee has, in accordance with the requirements of law, fully budgeted and appropriated sufficient funds for the current fiscal year to make the Rental Payments scheduled to come due during the Original Term and to meet its other obligations for the Original Term (as such terms are defined in the Lease), and such funds have not been expended for other purposes.

8. There is no proceeding pending or threatened in any court or before any governmental authority or arbitration board or tribunal that, if adversely determined, would adversely affect the transactions contemplated by the Lease or the interest of Lessor or its assigns, as the case may be, in the Equipment.

9. The correct billing address for Rental Payments is as follows:

Gunnison County, Colorado
200 E. Virginia
Gunnison, CO 81230
Attention: Finance Director

DATED: _____, 20__.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

THIRD PARTY CUSTODIAN AGREEMENT

THIS AGREEMENT, made and executed as of _____ between Gunnison County, Colorado ("Local Government"), Sterling National Bank ("Bank") and The Bank of New York ("Custodian").

W I T N E S S E T H

WHEREAS, Local Government desires to maintain or continue to maintain public deposits with the Bank;

WHEREAS, the Bank desires to obtain such deposits and to provide security therefor as required by applicable law, regulation or statute;

WHEREAS, the Custodian agrees to provide safekeeping services and to hold any securities pledged by the Bank in a custodial account established for the benefit of the Local Government as secured party pursuant to this Agreement

NOW, THEREFORE, in consideration of the mutual promises set forth hereafter, the parties hereto agree as follows:

1. Security Requirements.

(a) The Bank, to secure the timely payment of Uninsured Deposits heretofore or hereafter made by the Local Government, including any interest due thereon and any costs or expenses incurred by Local Government and arising out of the collection of any deposits made with the Bank, has deposited with the Custodian certain securities more fully described in the initial confirmation or safekeeping receipt of such deposit delivered by the Custodian to the Bank and the Local Government respectively (which securities together with any additions thereto, substitutions therefor and the proceeds thereof, are hereinafter collectively called the "Securities"), to be held by the Custodian pursuant to the provisions hereof . The Bank hereby grants to the Local Government a pledge and security interest in and to such Securities and shall deliver Securities to the Custodian in the manner prescribed in Section 2 of this Agreement. The security interest of the Local Government in Securities shall terminate upon the transfer of such Securities from the Account.

(b) The Bank may substitute Securities and/or cash for any Securities and/or cash previously provided pursuant to this Agreement so long as the Substitute Securities and/or cash have a Market Value equal to or greater than the Securities and/or cash which they will replace. Custodian has no obligation to determine whether the Market Value of Substitute Securities and/or cash in the Account is equal to or greater than the Securities and/or cash which they will replace. The Bank is responsible at all times for ensuring that the Market Value of Substitute Securities and/or cash in the Account is equal to or greater than the Securities and/or cash they will replace. Except as set forth in Section 2 (c) (i), Custodian shall have no obligations with respect to the determination of Market Value. The Bank shall give Written or Oral Instructions to the Custodian with respect to any proposed substitution. The Custodian, shall act in accordance with the Bank's Oral and Written Instructions with respect to the transfer the Securities out of the Account and delivery of Substitute Securities to the Account.

(c) The Custodian assumes no responsibility to determine or monitor whether or not any such Securities or cash originally deposited hereunder or substitute or additional Securities or cash hereafter deposited are eligible for deposit under any applicable provision of law or whether the Market Value of the Securities and/or cash thereof meets the requirements of any law, rule or regulation applicable to the deposit hereunder. The determination of eligibility and whether the market value of the Securities and/or cash satisfies statutory or regulatory requirements will be the responsibility of the Bank. The Custodian shall be fully protected in relying on Written or Oral Instructions of either Bank or Local Government directing the Custodian to release any of the Securities and/or cash to the Bank. To the extent of any conflict in the instructions of the Local Government and the Bank, the instructions of the Local Government shall control and the Bank shall hold the Custodian harmless for acting in accordance with the Local Government's instructions.

2. Custody of Securities and Cash

(a) The Bank and Local Government hereby appoint the Custodian as custodian of all Securities and/or cash at any time delivered to the Custodian pursuant to this agreement. The Custodian hereby accepts appointment as such Custodian and agrees to establish and maintain the Account and appropriate records identifying the Securities as pledged by the Bank to the Local Government. The Account shall be kept separate and apart from the general assets of the Custodian on the Custodian's books and records and will not, in any circumstances, be commingled with or become part of the backing for any other deposit or liability of the Custodian or any other person or entity. The Custodian, in performing its duties and responsibilities pursuant to this Agreement, shall act as custodian for, and agent of, the Local Government.

(b) The Bank and Local Government agree that Securities delivered to the Custodian for deposit in the Account may be in the form of credits to the accounts of Custodian at the Book Entry System or a Depository or by delivery to the Custodian of physical certificates in a form suitable for transfer or with an assignment in blank to the Local Government or Custodian. The Bank and Local Government hereby authorize the Custodian on a continuous and ongoing basis to deposit in the Book Entry System and/or the Depositories all Securities that may be deposited therein and to utilize the Book Entry System and/or Depositories and the receipt and delivery of physical Securities or any combination thereof in connection with its performance hereunder. Securities credited to the Account and deposited in the Book Entry System or Depositories or other financial intermediaries will be represented in accounts of The Bank of New York that include only assets held by The Bank of New York for its customers, and including but not limited to accounts in which The Bank of New York acts in a fiduciary, agency or representative capacity. Securities that are not held in the Book Entry System, Depositories or through another financial intermediary will be held in the Custodian's vault and physically segregated from securities and other non-cash property belonging to the Custodian.

(c) (i) The Custodian shall provide the Local Government each month with a statement identifying all Securities and/or cash in the Account and the Market Value thereof as of the date of such statement. The Custodian shall also provide, upon request, the Local Government and Bank with a written confirmation on any Business Day on which Securities and/or cash are transferred to and from the Account. Such confirmation shall identify the specific securities which are the subject to the confirmation and state the Market Value thereof.

(ii) Local Government agrees that it shall promptly review all such confirmation statements and shall promptly advise Custodian by Oral or Written Instruction of any error, omission or inaccuracy in such statements. In the event that Custodian receives such a Written or Oral Instruction identifying a specific concern with respect to the Market Value or any other matter connected with the Account, Custodian shall undertake to correct any errors, failures or omissions, if any, that are reported to Custodian by Local Government provided that Custodian agrees, in the sole good faith determination of Custodian, that such error, failure or omission actually occurred. Any such corrections shall be reflected on subsequent confirmation statements.

(d) The Account shall not be subject to any security interest, lien or any right of set-off by the Custodian.

(e) With respect to all Securities held in the Account, the Custodian by itself, or through the use of the Book Entry System or the appropriate Depository, shall, unless otherwise instructed to the contrary by the Bank: (i) collect all income and other payments reflecting interest and principal on the Securities in the Account and credit such amounts to the account of the Bank; (ii) forward to the Bank copies of all information or documents that it may receive from an issuer of Securities which, in the opinion of the Custodian, is intended for the beneficial owner of the Securities including, without limitation all proxies and other authorizations properly executed and all proxy statements, notices and reports; (iii) execute, as Custodian, any certificates of ownership, affidavits, declarations or other certificates under any tax laws now or hereafter in effect in connection with the collection of bond and note coupons; (iv) hold directly, or through the Book Entry System or Depository, all rights issued with respect to any Securities held by the Custodian hereunder; and (v) upon receipt of Written Instructions from the Bank, the Custodian will, to the extent possible, exchange Securities held hereunder for other securities and/or cash in connection with (a) any conversion privilege, reorganization, recapitalization, redemption in kind, consolidation, tender offer or exchange offer, or (b) any exercise, subscription, purchase or other similar rights.

3. <u>Events of Default</u>

In the event the Bank shall fail to pay the Local Government any amount of the Uninsured Deposits by the Local Government covered by this Agreement in accordance with the terms of such Deposit, or should the Bank fail or suspend active operations, the Uninsured Deposits in such Bank shall become due and payable immediately and the Local Government shall have the right to unilaterally demand delivery of all Securities and/or cash in the Account by Written Instructions to the Custodian and to sell such securities at public or private sale. In the event of such sale, the Local Government, after deducting all legal expenses and other costs, including reasonable attorneys fees, from the proceeds of such sale, shall apply the remainder towards any one or more of the liabilities of the Bank to the Local Government and shall return the surplus, if any, to the Bank.

4. Representation and Warranties

(a) Representations of the Bank. The Bank represents and warrants, which representations shall be deemed to be continuing that:

(1) this Agreement has been legally and validly entered into, does not and will not violate any statute or regulation applicable to it and is enforceable against the Bank in accordance with its terms;

(2) it is the legal and actual owner, free and clear of all liens and claims, of all Securities pledged pursuant to this Agreement;

(3) this Agreement was executed by an officer of the Bank who was authorized by the Bank's board of directors to do so and will at all times be maintained as an official record of the Bank;

(4) all Securities and cash held by Custodian hereunder are eligible to secure Local Government’s deposits at the Bank under applicable statute or regulation and the market value of the Securities held by Custodian hereunder at all times meet the requirements of any such statute or regulation ;

(5) the Bank is a bank or trust company duly authorized to do business in the state where it is located;

(6) all acts, conditions and things required to exist, happen or to be performed on its part precedent to and in the execution and delivery of this Agreement exist or have happened or have been performed.

(b) Representations of the Local Government. The Local Government hereby represents and warrants which representations shall be deemed to be continuing that:

(1) this Agreement has been legally and validly entered into, does not and will not violate any statute or regulation applicable to it and is enforceable against the Local Government in accordance with its terms;

(2) the appointment of the Custodian has been duly authorized and no other action by the Local Government is required and this Agreement was executed by an officer of the Local Government authorized to do so;

(3) it will not transfer, assign its interests in or the rights with respect thereto any Securities pledged pursuant to this Agreement except as authorized pursuant to Section 3 of the Agreement;

(4) all acts, conditions and things required to exist, happen or to be performed on its part precedent to and in the execution and delivery of this Agreement exist or have happened or have been performed.

5. Concerning the Custodian.

(a) The Custodian shall not be liable for any loss or damage, including counsel fees, resulting from its action or omission to act or otherwise, except for any loss, damage, claim or expense arising out of its own negligence or willful misconduct, and shall have no obligation hereunder for any loss or damage, including counsel fees, which are sustained or incurred by reason of any action or inaction by the Book Entry System or any Depository. In no event shall Custodian be liable to Local Government, Bank or any third party for special, indirect or consequential damages, or lost profits or loss of business, arising in connection with this Agreement. The Custodian may, with respect to questions of law, apply for and obtain the advice and opinion of competent counsel and shall be fully protected with respect to anything done or omitted by it in good faith and conformity with such advice or opinion. The Local Government and Bank agree, jointly and severally, to indemnify the Custodian and to hold it harmless against any and all costs, expenses, damages, liabilities or claims, including reasonable fees and expenses of counsel, which the Custodian may sustain or incur or which may be asserted against the Custodian by reason of or as a result of any action taken or omitted by the Custodian in connection with operating under this Agreement except those costs, expenses, damages, liabilities or claims arising out of the negligence or willful misconduct of the Custodian or any of its employees or duly appointed agencies. This indemnity shall be a continuing obligation of the Local Government and Bank notwithstanding the termination of this Agreement.

(b) The Custodian shall not be responsible for, or considered to be the Custodian of, any Securities received by it for deposit in the Account until the Custodian actually receives and collects such Securities directly or by the final crediting of the Custodian's account on the books of the Book Entry System or the appropriate Depository. The Custodian will be entitled to reverse any credits made on the Local Government's behalf where such credits have been previously made and the Securities are not finally collected.

(c) The Custodian shall have no duties or responsibilities whatsoever except such duties and responsibilities as are specifically set forth in this Agreement and no covenant or obligation shall be implied against the Custodian in connection with this Agreement.

(d) The Local Government's authorized officer, upon reasonable notice, shall have access to the Custodian's books and records maintained with respect to the Local Government's interest in the Account during the Custodian's normal business hours. Upon the reasonable request of the Local Government, copies of any such books and records shall be provided by the Custodian to the Local Government or the Local Government's authorized officer at the Local Government's expense.

(e) The Custodian may enter into subcontracts, agreements and understandings, whenever and on such terms and conditions as it deems necessary or appropriate, to perform its services hereunder; such subcontracts, agreements and understandings may be with third parties and may be with other subsidiaries of The Bank of New York Company, Inc. or any successor to The Bank of New York Company, Inc. or with other persons not a party hereto. No such subcontract, agreement or understanding shall discharge the Custodian from its obligations hereunder.

(f) Reliance on Pricing Services Custodian is authorized to utilize any generally recognized pricing information service (including brokers and dealers of securities) in order to perform its valuation responsibilities hereunder, and the Bank and the Local Government agree to hold Custodian harmless from and against any Losses incurred as a result of errors or omissions of any such pricing information service, broker or dealer.

(g) Force Majeure. Custodian shall not be responsible or liable for any failure or delay in the performance of its obligations under this Agreement arising out of or caused, directly or indirectly, by circumstances beyond its reasonable control, including without limitation, acts of God, earthquakes, fires, floods, wars, civil or military disturbances, sabotage, epidemics, riots, loss or malfunctions of utilities, computer (hardware or software) or communications service, labor disputes, acts of civil or military authority, or governmental, judicial or regulatory action; provided however, that Custodian shall use its best efforts under the circumstances to resume normal performance as soon as practicable.

6. Termination

Any of the parties hereto may terminate this Agreement by giving to the other parties a notice in writing specifying the date of such termination, which shall be the earlier of (i) not less than 90 days after the date of giving such notice or (ii) the date on which the Deposits are repaid in full. Such notice shall not affect or terminate the Local Government's security interest in the Securities in the Account. Upon termination hereof, the Custodian shall follow such reasonable Written Instructions of the Bank and the Local Government concerning the transfer of custody of Securities and/or cash, collateral records and other items. Upon the date set forth in the termination notice, this Agreement shall terminate except as otherwise provided herein and all obligations of the parties to each other hereunder shall cease.

7. Miscellaneous.

(a) The Local Government and Bank each agrees to furnish to the Custodian a new Certificate (Exhibit A) in the event that any present Authorized Person ceases to be an Authorized Person or in the event that any other Authorized Persons are appointed and authorized. Until such new Certificate is received, the Custodian shall be fully protected in acting upon Oral or Written Instructions or signatures of the present Authorized Persons.

(b) Custodian shall be entitled to rely upon any Certificate, Written or Oral Instruction actually received by Custodian and reasonably believed by Custodian to be duly authorized and delivered. The Bank and the Local Government each agrees to forward to Custodian Written Instructions confirming Oral Instructions in such manner so that such Written Instructions are received by Custodian by the close of business of the same day that such Oral Instructions are given to Custodian. The Bank and the Local Government each agrees that the fact that such confirming Written Instructions are not received or that contrary instructions are received by Custodian shall in no way affect the validity or enforceability of the transactions previously authorized and effected by Custodian.

(c) Any Written Instructions or other instrument in writing authorized or required by this Agreement shall be given to the Custodian and shall be sufficiently given if sent to the Custodian by regular mail to its offices at 240 Greenwich Street, 4th Floor, New York, New York 10286, Attn: GCS Collateral Management, or at such other place as the Custodian may from time to time designate in writing.

(d) Any notice or other instrument in writing authorized or required by this Agreement to be given to the Bank shall be sufficiently given if sent to the Bank by regular mail to its offices at 25 West 45th Street Suite 1300, New York, NY 10036, or at such other place as the Bank may from time to time designate in writing.

(e) Any notice or other instrument in writing, authorized or required by this Agreement to be given to the Local Government shall be sufficiently given if sent to the Local Government by regular mail to its offices at _____, or at such other offices as the Local Government may from time to time designate in writing.

(f) In case any provision in or obligation under this Agreement shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and unenforceability of the remaining provisions or obligations shall not in any way be affected or impaired thereby and if any provision is inapplicable to any person or circumstances, it shall nevertheless remain applicable to all other persons and circumstances.

(g) This Agreement may not be amended or modified in any manner except by written agreement executed by all of the parties hereto.

(h) This Agreement shall extend to and be binding upon the parties hereto, and their respective successors and assigns; provided, however, that this Agreement shall not be assignable by any party without the written consent of the other parties.

(i) This Agreement shall be construed in accordance with the substantive laws of the State of New York, without regard to conflicts of laws principles thereof. Bank, Local Government and Custodian hereby consent to the jurisdiction of a state or federal court situated in New York City, New York in connection with any dispute arising hereunder. Bank, Local Government and Custodian hereby irrevocably waive, to the fullest extent permitted by applicable law, any objection which it may now or hereafter have to the laying of venue of any such proceeding brought in such a court and any claim that such proceeding brought in such a court has been brought in an inconvenient forum.

Bank, Local Government and Custodian each hereby irrevocably waives any and all rights to trial by jury in any legal proceeding arising out of or relating to this Agreement.
.

(j) Waiver of Immunity. To the extent that in any jurisdiction any party may now or hereafter be entitled to claim, for itself or its assets, immunity from suit, execution, attachment (before or after judgment) or other legal process, if permitted by law, each party irrevocably agrees not to claim, and, to the extent permitted by law, it hereby waives, such immunity in connection with this Agreement.

(k) Execution; Counterparts. This Agreement may be executed in any number of counterparts by means of (i) a DocuSign® electronic signature, (ii) an original, manual signature, or (iii) a faxed, scanned or photocopied manual signature. Each DocuSign®, faxed, scanned or photocopied manual signature shall for all purposes have the same validity, legal effect and admissibility in evidence as an original manual signature and the parties hereby waive any objection to the contrary. Each such counterpart shall be deemed to be an original, but such counterparts shall, together, constitute only one instrument.

8. Definitions.

Whenever used in this Agreement the following terms shall have the following meanings:

(a) "Account" shall mean the custodial account established with the Custodian for the benefit of the Local Government as secured party in accordance with this Agreement.

(b) "Authorized Person" shall be any officer of the Local Government or Bank, as the case may be, duly authorized to give Oral Instructions or Written Instructions on behalf of Local Government or Bank, such persons to be designated in a Certificate substantially in the form of Exhibit "A"- attached hereto, as such Exhibit may be amended from time to time.

(c) "Book Entry System" shall mean the Federal Reserve/Treasury Book Entry System for receiving and delivering U.S. Government Securities.

(d) "Business Day" shall mean any day on which the Custodian and the Bank are open for Business and on which the Book Entry System and/or the Depositories are open for business.

(e) "Certificate" shall mean the Certificate attached hereto as Exhibit "A".

(f) "Depository" shall include the Depository Trust Company, the Participants Trust Company and other securities depositories and clearing agencies (and their successors and nominees) registered with the Securities and Exchange Commission or otherwise regulated by appropriate federal or state agencies as a securities depository or clearing agency.

(g) "Deposits" shall mean all deposits by the Local Government in the Bank that are available for all uses generally permitted by the Bank to the Local Government for actually and finally collected funds under the Bank's account agreement or policies.

(h) "Market Value" shall mean, with respect to any Security held in the Account, the market value of such Security as made available to the Custodian by a generally recognized source selected by the Custodian plus, if not reflected in the market value, any accrued interest thereon, or, if such source does not make available a market value, the market value shall be as determined by the Custodian in its sole discretion based on information furnished to the Custodian by one or more brokers or dealers; provided however that, if agreed in writing by the parties hereto, the Bank may provide the Custodian with such Market Values.

(i) "Nationally Recognized Statistical Rating Organization" shall mean Moody's, Standard and Poor’s, Fitch, Duff and Phelps, BankWatch and IBCA.

(j) "Oral Instructions" shall mean verbal instructions actually received by the Custodian from an Authorized Person or from a person reasonably believed by the Custodian to be an Authorized Person.

(k) "Substitute Securities" shall have the meaning set forth in paragraph b of Section 1 of this Agreement.

(l) "Uninsured Deposits" shall mean that portion of the Local Government's Deposits with the Bank which exceeds the insurance coverage available from the Federal Deposit Insurance Corporation.

(m) "Written Instructions" shall mean written communications actually received by the Custodian from an Authorized Person or from a person reasonably believed by the Custodian to be an Authorized Person by a computer, telex, telecopier or any other system whereby the receiver of such communications is able to verify by codes or otherwise with a reasonable degree of certainty the identity of the sender of such communication.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers thereunto duly authorized and their respective seals to be hereunto affixed, as of the day and year first above written.

GUNNISON COUNTY, COLORADO

_____

By:

Title:

STERLING NATIONAL BANK

_____

By:

Title:

THE BANK OF NEW YORK

_____

By:

Title:

nonnycolldep4
(10/00)

EXHIBIT A

CERTIFICATE OF AUTHORIZED PERSONS
(Local Government - Oral and Written Instructions)

The undersigned hereby certifies that he/she is the duly elected and acting _____ of _____ (the "Local Government"), and further certifies that the following officers or employees of the Local Government have been duly authorized in conformity with the Local Government's _____ to deliver Oral and Written Instructions to The Bank of New York ("Custodian") pursuant to the Third Party Custodian Agreement between the Local Government, Sterling National Bank ("Bank") and Custodian dated _____, and that the signatures appearing opposite their names are true and correct:

Name	Title	Signature
Name	Title	Signature
Name	Title	Signature
Name	Title	Signature
Name	Title	Signature
Name	Title	Signature
Name	Title	Signature
Name	Title	Signature
Name	Title	Signature

This certificate supersedes any certificate of authorized individuals you may currently have on file.

[corporate seal]

_____

Title:

Date:

EXHIBIT B
Schedule of Eligible Collateral

Margin %		
102	(i)	Obligations issued by the United States of America, an agency thereof or a United States government sponsored corporation or obligations fully insured or guaranteed as to the payment of principal and interest by the United States of America, an agency thereof or a United States government sponsored corporation.
102	(iii)	Obligations partially insured or guaranteed by any agency of the United States of America, at a proportion of the Market Value of the obligation that represents the amount of the insurance or guaranty.
102	(iv)	Obligations issued or fully insured or guaranteed by the State of New York, obligations issued by a municipal corporation, school district or district corporation of such State or obligations of any public benefit corporation which under a specific State statute may be accepted as security for deposit of public moneys.
102	(v)	Obligations issued by states (other than the State of New York) of the United States rated in one of the three highest rating categories by at least one nationally recognized statistical rating organization.
102	(viii)	Obligations of domestic corporations rated in one of the two highest rating categories by at least one nationally recognized statistical rating organization.

CERTIFICATE OF AUTHORIZED PERSONS
(Bank - Oral and Written Instructions)

The undersigned hereby certifies that he/she is the duly elected and acting _____ of Gunnison County, Colorado (the "Bank"), and further certifies that the following officers or employees of the Bank have been duly authorized in conformity with the Bank's Articles of Incorporation and By-Laws to deliver to deliver Oral and Written Instructions to The Bank of New York ("Custodian") pursuant to the Third Party Custodian Agreement between the Bank, _____ ("Local Government") and Custodian dated _____, and that the signatures appearing opposite their names are true and correct:

Name	Title	Signature
Name	Title	Signature
Name	Title	Signature
Name	Title	Signature
Name	Title	Signature
Name	Title	Signature
Name	Title	Signature
Name	Title	Signature
Name	Title	Signature
Name	Title	Signature

This certificate supersedes any certificate of authorized individuals you may currently have on file.

[corporate seal]

_____

Title:

Date:

Gilmore & Bell, P.C.
Draft-November 13, 2019

$1,320,689
SCHEDULE OF EQUIPMENT NO. 1 TO
MASTER EQUIPMENT LEASE PURCHASE AGREEMENT,
EACH DATED AS OF NOVEMBER 22, 2019, BETWEEN
STERLING NATIONAL BANK, AS LESSOR, AND
GUNNISON COUNTY, COLORADO, AS LESSEE

CLOSING DATE: NOVEMBER 22, 2019

LIST OF CLOSING DOCUMENTS

Document Number

1. Master Equipment Lease Purchase Agreement, with the following exhibits attached:

   Exhibit A: Form of Schedule of Equipment.
   Exhibit B: Form of Opinion of Lessee Counsel(s).
   Exhibit C: Form of Lessee's Closing Certificate.

2. Schedule of Equipment No. 1, with the following attachments attached:

   Attachment 1: Equipment Description.
   Attachment 2: Payment Schedule.

3. Escrow Agreement, with the following items attached:

   Exhibit A: Certificate of Acceptance and Payment Request Form.

4. Third Party Escrow Collateralization Custodian Agreement

5. Opinions of Lessee's Counsel:

   A. Opinion from Sherman & Howard LLC
   B. Opinion from County Attorney.

6. Lessee's Closing Certificate, with evidence of authorization from Lessee's governing body attached.

7. IRS Form 8038-G.

8. Insurance Coverage Requirements, together with certificates of insurance.

9. Energy Performance Contract.

10. Payment and Performance Bonds, together with Dual Obligee Rider naming Lessor as an additional obligee.

11. UCC Search Results.

12. Form W-9 from Lessee.

13. Letter from Sterling National Bank to Lessee regarding municipal advisor representation.

14. Participation Certificate between Sterling National Bank and Sterling National Funding Corp.

15. Distribution List.

# # #

SCHEDULE OF EQUIPMENT NO. 1

COUNTERPART NO. ____ OF 2

LESSOR'S INTEREST IN, TO AND UNDER THE LEASE, CONSISTING OF THIS SCHEDULE AND THE INCORPORATED MASTER AGREEMENT AS IT RELATES TO THIS SCHEDULE, MAY BE SOLD OR PLEDGED ONLY BY DELIVERING POSSESSION OF COUNTERPART NO. 1 OF THIS SCHEDULE, WHICH COUNTERPART NO. 1 SHALL CONSTITUTE CHATTEL PAPER FOR PURPOSES OF THE UNIFORM COMMERCIAL CODE.

Re: Schedule of Equipment No. 1 dated as of November 22, 2019 (the "Schedule"), to Master Equipment Lease Purchase Agreement dated as of November 22, 2019 (the "Master Agreement" and, as amended and supplemented by this Schedule, the "Lease"), each between Sterling National Bank, as Lessor, and Gunnison County, Colorado, as Lessee.

1. Defined Terms. All terms used herein have the meanings ascribed to them in the Master Agreement.

2. Equipment. The Equipment included under this Schedule is comprised of the items described in the Equipment Description attached hereto as **Attachment 1**, together with all replacements, substitutions, repairs, restorations, modifications, attachments, accessions, additions and improvements thereof or thereto.

3. Payment Schedule. The Rental Payments and Purchase Prices under this Schedule are set forth in the Payment Schedule attached as **Attachment 2** hereto.

4. Representations, Warranties and Covenants.

(a) Lessee hereby reaffirms its representations, warranties and covenants set forth in the Master Agreement as if made on the Commencement Date of the Lease and this Schedule.

(b) Lessee has provided Lessor with audited financial statements through December 31, 2018. Lessee has experienced no material change in its financial condition or in the revenues expected to be utilized to meet Rental Payments due hereunder since December 31, 2018.

(c) Lessee has complied with such public bidding requirements as may be applicable to the Lease and this related Schedule, and the acquisition of the Equipment hereunder.

(d) The application, statements and credit or financial information submitted by Lessee to Lessor are true and correct and made to include Lessor to enter into the Lease and this related Schedule, and Lessee has experienced no material change in its financial condition since the date(s) of such information.

(e) Lessee agrees with Lessor that no moneys shall be disbursed from the escrow fund relating to this Schedule until Lessee has provided to Lessor reasonably satisfactory evidence of the grant awarded by the Colorado Department of Local Affairs in the amount of $497,500.

5. Tax-Exempt Interest Related Covenants, Representations and Warranties. Lessee hereby covenants, represents and warrants as follows:

(a) The estimated total costs of the Equipment listed in this Schedule, together with any costs of entering into this Schedule that are expected to be financed under this Schedule, will not be less than the total principal portion of the Rental Payments listed in this Schedule.

(b) The Equipment listed in this Schedule has been ordered or is expected to be ordered within six months of the commencement of this Schedule, and the Equipment is expected to be delivered and installed, and the Vendor fully paid, within eighteen months of the commencement of this Schedule.

(c) Lessee has not created or established, and does not expect to create or establish, any sinking fund or other similar fund (i) that is reasonably expected to be used to pay the Rental Payments listed in this Schedule, or (ii) that may be used solely to prevent a default in the payment of the Rental Payments listed in this Schedule.

(d) During the Lease Term of this Schedule, title to the Equipment listed in this Schedule shall be retained by Lessor, and Lessee shall not have any right, title or interest in the Equipment, except as expressly set forth in the Master Agreement.

(e) To the best of Lessee's knowledge, information and belief, the above expectations are reasonable.

(f) Lessee has not been notified of any listing or proposed listing of it by the Internal Revenue Service as an issuer whose arbitrage certificates may not be relied upon.

(g) Lessee will comply with all applicable provisions of the Internal Revenue Code of 1986, as amended, including without limitation Sections 103, 141 and 148 thereof, and the applicable regulations of the Treasury Department to maintain the exclusion of the interest components of Rental Payments from gross income for purposes of federal income taxation.

(h) *[Lessee initial here if the following provision IS applicable: _____]*

[Lessee initial here if the following provision IS NOT applicable: _____]

Lessee hereby designates the Lease and this related Schedule as a "qualified tax-exempt obligation" as defined in Section 265(b)(3)(B) of the Code. The aggregate face amount of all tax-exempt obligations (excluding private activity bonds other than qualified 501(c)(3) bonds) issued or to be issued by Lessee and all subordinate entities thereof during the current calendar year is not reasonably expected to exceed $10,000,000. Lessee and all subordinate entities thereof will not issue or enter into in excess of $10,000,000 of tax-exempt obligations (including the Lease and this related Schedule, but excluding private activity bonds other than qualified 501(c)(3) bonds) during the current calendar year, without first obtaining an opinion of nationally recognized counsel in the area of tax-exempt municipal obligations acceptable to Lessor that the designation of the Lease and this related Schedule as a "qualified tax-exempt obligation" will not be adversely affected.

6. Incorporation of the Master Agreement Terms and Provisions. Lessee and Lessor hereby ratify and confirm the Master Agreement, the terms and provisions of which (other than to the extent that they relate solely to other Leases or Equipment listed on Schedules to other Leases), except as specifically amended under paragraph 8 below, are hereby incorporated by reference and made a part hereof.

7. Purchase Option. Lessee may exercise its purchase option with respect to the Equipment subject to this Lease on August 1, 2022 and any Rental Payment Date thereafter at the applicable Purchase Price shown on the Payment Schedule attached hereto, all in accordance with Section 31 of the Master Agreement.

8. Other Provisions.

(a) Lessor and Lessee agree to enter into an additional Schedule of Equipment under the Master Agreement and related escrow agreement to pay costs of acquiring and installing additional Equipment (the "Phase Two Equipment") under the Energy Performance Contract dated _____, 2019 (the "Performance Contract"), between Lessee and Johnson Controls, Inc., subject to satisfaction of the following conditions:

(i) The maximum cost of the Phase Two Equipment under such additional Schedule of Equipment shall not exceed $2,000,000.

(ii) The Commencement Date of such additional Schedule of Equipment shall be no later than six months following the Commencement Date of this Schedule.

(iii) The additional Schedule of Equipment shall provide for not to exceed fifteen (15) annual Rental Payments, consisting of principal and interest components, commencing no later than one year after the Commencement Date thereof, with interest calculated at not to exceed 2.672% per annum (the "Lease Rate").

(iv) Terms for exercise of Lessee's purchase option shall be consistent with this Lease.

(v) As of the Commencement Date of the additional Schedule of Equipment, there shall not exist an event or condition that constitutes, or with the giving of notice or the lapse of time, or both, would constitute an Event of Default under this Lease or a default by either party under the Performance Contract.

(vi) There shall have been, in the sole judgment of Lessor, no material adverse change to the financial condition of Lessee.

(vii) Lessee shall deliver, or cause to be delivered to Lessor the following:

(1) the duly executed Schedule of Equipment and related escrow agreement (including escrow collateralization custodian agreement);
(2) Opinions of Counsel to Lessee (validity opinion) in substantially the form delivered in connection with this Lease;
(3) an executed Lessee's Closing Certificate;
(4) satisfactory evidence of compliance with insurance coverage requirements under the Lease;
(5) a completed and signed IRS Form 8038-G;
(6) an executed amendment to the Performance Contract relating to the Phase Two Equipment; and
(7) such other conditions as Lessor may reasonably require.

(b) Lessee agrees that it will request and consider, but is under no obligation to accept, a financing proposal from Lessor to finance the costs of acquiring and installing additional Equipment (the "Phase Three Equipment") under the Performance Contract prior to requesting financing proposals for such Phase Three Equipment form any other lender.

Dated: November 22, 2019.

[Signature page follows.]

STERLING NATIONAL BANK

By: _____
Name: Kevin C. King
Title: Senior Vice President, Senior Managing Director
Address: 500 Seventh Avenue, 3rd Floor
New York, NY 10018
Attention: Public Sector Finance

GUNNISON COUNTY, COLORADO

By: _____
Name: _____
Title: _____
Address: 200 E. Virginia
Gunnison, CO 81230

ATTACHMENT 1 TO
SCHEDULE OF EQUIPMENT NO. 1

EQUIPMENT DESCRIPTION

Equipment Description:

The Equipment consists of all equipment and other property acquired and installed in connection with the energy savings improvements described in the Description of Work under the Energy Performance Contract dated _____, 2019, between Lessee and Johnson Controls, Inc., at the locations listed therein, together with any and all replacement parts, additions, repairs, modifications, attachments and accessories thereto, any and all substitutions, replacements or exchanges therefor, and any and all insurance and/or proceeds thereof. See also "Schedule B – Description of Work" attached hereto for a further description of the Equipment.

Locations:
The Equipment will be located at the following facilities and locations:

[For review and confirmation by Lessee.]
Gunnison County Public Works Facility
195 Basin Park Drive
Gunnison, CO 81230

Gunnison County Water Treatment Facility
38130 West U.S. Highway 50
Gunnison, CO 81230

Gunnison County Courthouse
200 E. Virginia
Gunnison, CO 81230

Gunnison County Department of Health and Human Services
220 N. Spruce Street
Gunnison, CO 81230

Gunnison County Family Services Center
225 N. Pine Street
Gunnison, CO 81230

Gunnison County Office Building (fka Blackstock School Facility)
221 N. Wisconsin Street
Gunnison, CO 81230

Gunnison County Public Safety Building
510 W. Bidwell Avenue
Gunnison, CO 81230

Vendor:
The Vendor for the Equipment is Johnson Controls, Inc., 10289 W. Centennial Road, Littleton, Colorado 80127.

This Equipment Description shall be deemed to be supplemented by the descriptions of the Equipment included in the Certificate of Acceptance and Payment Requests submitted to Sterling National Bank, in its capacity as escrow agent, pursuant to the Escrow Agreement dated November 22, 2019, among Lessor, Lessee and Sterling National Bank, in its capacity as escrow agent, which descriptions shall be deemed to be incorporated herein.

ATTACHMENT 2 TO
SCHEDULE OF EQUIPMENT NO. 1

PAYMENT SCHEDULE

Principal Amount: $1,320,689
Interest Rate: 2.431%, 30/360 basis
Commencement Date: November 22, 2019

Rental Payments will be made in accordance with **Section 9** of the Master Agreement and this Payment Schedule.

Rental Payment Date	Interest Portion	Principal Portion	Total Rental Payment	Purchase Price[1]
8/1/2020	$22,206.62	$127,055.83	$149,262.45	N/A
8/1/2021	29,017.22	120,245.23	149,262.45	N/A
8/1/2022	26,094.06	123,168.39	149,262.45	$969,223.94
8/1/2023	23,099.84	126,162.61	149,262.45	840,538.08
8/1/2024	20,032.82	129,229.63	149,262.45	708,723.86
8/1/2025	16,891.25	132,371.20	149,262.45	573,705.23
8/1/2026	13,673.31	135,589.14	149,262.45	431,135.64
8/1/2027	10,377.14	138,885.31	149,262.45	290,861.48
8/1/2028	7,000.83	142,261.62	149,262.45	147,177.24
8/1/2029	3,542.45	145,720.04	149,262.49	0.00
Totals	$171,935.54	$1,320,689.00	$1,492,624.54	

GUNNISON COUNTY, COLORADO

By: _____
Name: _____
Title: _____

[1] Lessee's option to purchase is subject to the provisions of **Section 31** of the Master Agreement, as amended by paragraph 8 of this Schedule. Purchase Price represents (A) 102% of the remaining principal balance on Rental Payments on August 1, 2022 through August 1, 2025; and (B) 101% of the remaining principal balance on Rental Payments on August 1, 2026 through August 1, 2028.

FORM OF OPINION OF LESSEE COUNSEL
[To be furnished on Attorney's letterhead.]

[FORM OF BOND COUNSEL OPINION TO BE PROVIDED FOR REVIEW;
REMAINING REQUESTED PORTIONS OF THIS OPINION TO BE RENDERED BY COUNTY ATTORNEY]

November 22, 2019

Sterling National Bank
500 Seventh Avenue, 3rd Floor
New York, New York 10018
Attention: Public Sector Finance

Re: Schedule of Equipment No. 1 dated as of November 22, 2019 (the "Schedule"), to Master Equipment Lease Purchase Agreement dated as of November 22, 2019 (the "Master Agreement" and, as amended and supplemented by the Schedule, the "Lease"), each between Sterling National Bank, as lessor ("Lessor"), and Gunnison County, Colorado, as lessee ("Lessee")

Ladies and Gentlemen:

As legal counsel to Lessee, I have examined (a) executed counterparts of the Master Agreement and the Schedule, which, among other things, provides for the lease by Lessee from Lessor of certain property listed in the Schedule (the "Equipment"), (b) an executed counterpart of the Escrow Agreement dated November 22, 2019 (the "Escrow Agreement"), among Lessor, Lessee and Sterling National Bank, in its capacity as escrow agent, (c) an executed counterpart of the Energy Performance Contract dated _____, 2019 (the "Energy Contract"), between Lessee and Johnson Controls, Inc., (d) an executed copy of the resolution of Lessee which, among other things, authorizes Lessee to execute the Lease, the Escrow Agreement and the Energy Contract, and (e) such other opinions, documents and matters of law as I have deemed necessary in connection with the following opinions.

Based on the foregoing, I am of the following opinions:

1. Lessee is a political subdivision duly organized and existing under the laws of the State of Colorado, and has a substantial amount of one or more of the following sovereign powers: (a) the power to tax, (b) the power of eminent domain, and (c) police power.

2. Lessee has the requisite power and authority to purchase the Equipment and to execute and deliver the Lease, the Escrow Agreement and the Energy Contract and to perform its obligations thereunder.

3. The Lease, the Escrow Agreement, the Energy Contract and the other documents either attached thereto or required therein have been duly authorized, approved and executed by and on behalf of Lessee, and the Lease, the Escrow Agreement and the Energy Contract are valid and binding obligations of Lessee enforceable in accordance with their respective terms.

4. The authorization, approval and execution of the Lease, the Escrow Agreement, the Energy Contract and all other proceedings of Lessee relating to the transactions contemplated thereby have been performed in accordance with all open meeting laws, public bidding or procurement laws and all other applicable state and federal laws, including without limitation **[Note to Counsel: Reference applicable Colorado energy savings statute]**.

5. There is no proceeding pending or threatened in any court or before any governmental authority or arbitration board or tribunal that, if adversely determined, would adversely affect the transactions contemplated by the Lease, the Escrow Agreement or the Energy Contract or the security interest of Lessor or its assigns, as the case may be, in the Equipment.

6. The Equipment to be leased pursuant to the Lease constitutes personal property and when subjected to use by Lessee will not be or become a fixture under applicable law.

7. The authorization, execution, delivery and performance of the Lease, the Escrow Agreement and the Energy Contract by Lessee do not require submission to, approval of, or other action by any governmental authority or agency which action has not been taken and is final and non-appealable.

8. The holding of the moneys in the Escrow Fund by the Escrow Agent and the investment of such moneys in Qualified Investments as specifically identified in the Escrow Agreement are legally permissible as required by any applicable law or requirement to which Lessee is subject.

All capitalized terms herein will have the same meanings as in the Master Agreement. Lessor, its successors and assigns and any counsel rendering an opinion on the exclusion of the interest components of Rental Payments from gross income for purposes of federal income taxation are entitled to rely on this opinion.

Very truly yours,

LESSEE'S CLOSING CERTIFICATE

$1,320,689
SCHEDULE OF EQUIPMENT NO. 1 TO
MASTER EQUIPMENT LEASE PURCHASE AGREEMENT,
EACH DATED AS OF NOVEMBER 22, 2019
BETWEEN
STERLING NATIONAL BANK, AS LESSOR
AND
GUNNISON COUNTY, COLORADO, AS LESSEE

We, the undersigned, the duly appointed, qualified and acting _____ and _____, respectively, of Gunnison County, Colorado, do hereby certify as follows:

Capitalized terms used herein and not otherwise defined will be as defined in that certain Master Equipment Lease Purchase Agreement dated as of November 22, 2019 (the "Master Agreement" and, as amended and supplemented by Schedule of Equipment No. 1 thereto dated as of November 22, 2019, the "Lease"), each between Gunnison County, Colorado, as lessee ("Lessee"), and Sterling National Bank, as lessor ("Lessor").

1. Lessee did, at a meeting of the governing body of Lessee held November 19, 2019, by motion duly made, seconded and carried, in accordance with all requirements of law, approve and authorize the execution and delivery of the above-referenced Lease and the related escrow agreement (including escrow collateralization custodian agreement) on its behalf by the following named representative of Lessee:

_____

Printed Name Title Signature

[This signature line to be signed by person who executed the Lease and the related escrow agreement (including escrow collateralization custodian agreement) on behalf of Lessee.]

2. The above-named representative of Lessee held at the time of such authorization and holds at the present time the office designated above and the signature set forth opposite his or her name is the true and correct specimen of his or her genuine signature.

3. At the meeting described in (1) above, the representative of Lessee named in (1) above and the officers or employees of Lessee from time to time holding the offices or titles set forth below were designated as authorized representatives of Lessee for the Lease and the related escrow agreement (including escrow collateralization custodian agreement) (any of them acting alone), and each of the persons listed below is the current holder of the office or title indicated and the signature set forth opposite name of each of them is the true and correct specimen of his or her genuine signature:

Title	Printed Name	Signature

4. The meeting of the governing body of Lessee at which the Lease and the related escrow agreement (including escrow collateralization custodian agreement) were approved and authorized to be executed was duly called, regularly convened and attended by the requisite majority of the members thereof or by other appropriate official approval and that the action approving the Lease and the related escrow agreement and authorizing the execution thereof has not been altered or rescinded. *Attached hereto is a true and correct copy of the resolution or other documents constituting such official action.*

5. No event or condition that constitutes, or with the giving of notice or the lapse of time or both would constitute, an Event of Default (as such term is defined in the Lease) exists at the date hereof.

6. All insurance required in accordance with the Lease is currently maintained by Lessee.

7. Lessee has, in accordance with the requirements of law, fully budgeted and appropriated sufficient funds for the current fiscal year to make the Rental Payments scheduled to come due during the Original Term and to meet its other obligations for the Original Term (as such terms are defined in the Lease), and such funds have not been expended for other purposes.

8. There is no proceeding pending or threatened in any court or before any governmental authority or arbitration board or tribunal that, if adversely determined, would adversely affect the transactions contemplated by the Lease or the interest of Lessor or its assigns, as the case may be, in the Equipment.

9. The correct billing address for Rental Payments is as follows:

Gunnison County, Colorado
200 E. Virginia
Gunnison, CO 81230
Attention: Finance Director

DATED: November 22, 2019.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

ATTACHMENT TO
LESSEE'S CLOSING CERTIFICATE

COPY OF AUTHORIZATION DOCUMENT
(per Section 4)

(Lessee to provide signed copy of authorizing resolution.)

ESCROW AGREEMENT

LESSOR:
Sterling National Bank
500 Seventh Avenue, 3rd Floor
New York, NY 10018
Attention: Public Sector Finance

ESCROW AGENT:
Sterling National Bank
400 Rella Boulevard
Montebello, NY 10901
Attention: Corporate Trust Department

LESSEE:
Gunnison County, Colorado
200 E. Virginia
Gunnison, CO 81230

THIS ESCROW AGREEMENT (this "Escrow Agreement") dated November 22, 2019, is entered into by and among Sterling National Bank (in its capacity as lessor, "Lessor"), Gunnison County, Colorado ("Lessee"), and Sterling National Bank (in its capacity as escrow agent, the "Escrow Agent").

Lessor and Lessee have heretofore entered into that certain Schedule of Equipment No. 1 dated November 22, 2019 (the "Schedule") to that certain Master Equipment Lease Purchase Agreement dated as of November 22, 2019 (the "Master Agreement," and together with the Schedule, the "Lease"). The Lease contemplates that certain Equipment described therein (the "Equipment") is to be acquired from the vendor(s) or manufacturer(s) thereof.

After acceptance of the Equipment by Lessee, the Equipment is to be leased by Lessor to Lessee pursuant to the terms of the Lease.

The Lease contemplates that Lessor will deposit with the Escrow Agent cash in the amount of $1,320,689, to be held in escrow by the Escrow Agent and applied on the express terms and conditions set forth herein. Such deposit, together with all interest and additions received with respect thereto (hereinafter, the "Escrow Fund"), is to be applied from time to time to pay certain costs of acquiring the Equipment (a portion of which may be paid in multiple payments and prior to acceptance of all Equipment by Lessee) and, if requested by Lessee and approved by Lessor, to pay certain costs of entering into the Lease.

The parties desire to set forth the terms on which the Escrow Fund is to be created and to establish the rights and responsibilities of the parties hereto.

NOW, THEREFORE, the parties agree as follows:

1. Each of Lessor and Lessee hereby appoint, and the Escrow Agent hereby agrees, to serve as escrow agent upon the express terms and conditions set forth herein. The Escrow Agent agrees that the Escrow Fund shall be held irrevocably in trust for the account and benefit of Lessee and Lessor and all interest earned with respect to the Escrow Fund shall accrue to the benefit of Lessee and shall be applied as expressly set forth herein.

To the limited extent required to perfect the security interest granted by Lessee to Lessor in the cash and negotiable instruments from time to time comprising the Escrow Fund, Lessor hereby appoints the Escrow Agent as its security agent, and the Escrow Agent hereby accepts the appointment as security agent, and agrees to hold physical possession of such cash and negotiable instruments on behalf of Lessor.

2. On such day as determined to the mutual satisfaction of the parties (the "Commencement Date"), Lessor shall deposit with the Escrow Agent cash in the amount of $1,320,689, to be held by the Escrow Agent on the express terms and conditions set forth herein. The Escrow Agent agrees to accept the deposit of the Escrow Fund by Lessor, and further agrees to hold the amount so deposited together with all interest and other additions received with respect thereto in escrow on the express terms and conditions set forth herein.

3. The Escrow Agent shall at all times segregate the Escrow Fund into an account maintained for that express purpose, which shall be clearly identified on the books and records of the Escrow Agent as being held in its capacity as Escrow Agent. Securities and other negotiable instruments comprising the Escrow Fund from time to time shall be held or registered in the name of the Escrow Agent (or its nominee). The Escrow Fund shall not, to the extent permitted by applicable law, be subject to levy or attachment or lien by or for the benefit of any creditor of any of the parties hereto (except with respect to the security interest therein held by Lessor).

4. Lessee hereby directs the Escrow Agent to invest the cash comprising the Escrow Fund from time to time in Qualified Investments (as hereinafter defined). Interest or other amounts earned and received by the Escrow Agent with respect to the Escrow Fund shall be deposited in and comprise a part of the Escrow Fund. No investment shall be made that would cause the Lease to be deemed to be an arbitrage bond within the meaning of Section 148(a) of the Internal Revenue Code of 1986, as amended (the "Code"). For purposes of this paragraph 4, the term "Qualified Investments" means moneys held in that certain interest-bearing Demand Deposit Account #6700609130 created by the Escrow Agent.

5. Lessor and Lessee hereby authorize the Escrow Agent to take the following actions with respect to the Escrow Fund:

a. From time to time, the Escrow Agent shall pay the vendor or manufacturer of the Equipment or Lessee or other payee upon receipt of the following: (a) a duly executed Certificate of Acceptance and Payment Request in the form attached as **Exhibit A** to this Escrow Agreement approved for payment by Lessor (or its assignee, if any), (b) the vendor(s) or manufacturer(s) invoice(s) specifying the acquisition price of the Equipment described in the requisition request, (c) in the event that certain costs of entering into the Lease are described in the requisition request, invoice(s), budget(s), closing statement(s) or other additional documentation specifying the amount(s) of such costs, and (d) any additional documentation required by Lessor prior to Lessor's approval of such requisition request. Lessor's approval on the Certificate of Acceptance and Payment Request in each case shall be conclusive evidence that all invoices, budgets, closing statements and any additional documentation requirements have been received by and are acceptable to Lessor for payment purposes. Without limiting the foregoing, Lessor shall not approve any such payment unless and until Lessee shall have provided to Lessor (i) certificates of insurance evidencing coverage in accordance with Section 22 of the Master Agreement and satisfactory to Lessor and (ii) payment and performance bonds, each naming Lessor as a dual obligee and issued by a surety company rated "A" or better by AM Best in form and substance satisfactory to Lessor. Further, Lessee agrees with Lessor that no moneys shall be disbursed from the Escrow Fund until Lessee has provided to Lessor reasonably satisfactory evidence of the grant awarded by the Colorado Department of Local Affairs in the amount of $497,500.

b. In the event that Lessor provides to the Escrow Agent and the Escrow Agent actually receives written notice of the occurrence of an Event of Default as defined in the Lease or a nonappropriation by Lessee under the Lease, the Escrow Agent shall thereupon promptly remit to Lessor the entire balance of the Escrow Fund *after* application of the Escrow Fund to all reasonable fees and expenses incurred by the Escrow Agent in connection herewith as evidenced by its statement forwarded to Lessor and Lessee.

c. Upon actual receipt by the Escrow Agent of a duly executed Certificate of Acceptance and Payment Request identified as the final such request, the remaining monies in the Escrow Fund shall, *first* be applied to all reasonable fees and expenses incurred by the Escrow Agent in connection herewith as evidenced by its statement forwarded to Lessor and Lessee; and, *second* be paid to Lessor, for its application against the outstanding principal components of Rental Payments (as defined in the Lease) under the Lease, as provided therein, unless Lessor directs that payment of such amount be made in such other manner directed by Lessor that, in the opinion of nationally recognized counsel in the area of tax-exempt municipal obligations satisfactory to Lessor, will not adversely affect the exclusion of the interest components of Rental Payments from gross income for federal income tax purposes. If any such amount is used to prepay principal, the Payment Schedule attached to the Lease will be revised accordingly as specified by Lessor.

d. Lessor and Lessee agree that the security procedures under this Section 5 are commercially reasonable.

e. In the event that the Escrow Agent makes any payment to any payee pursuant to this Escrow Agreement and for any reason such payment (or any portion thereof) is required to be returned to the Escrow Fund or is subsequently invalidated, declared to be fraudulent or preferential, set aside and/or required to be repaid to a receiver, trustee or other party under any bankruptcy or insolvency law, other federal or state law, common law or equitable doctrine, then the party who benefited from the payment to the payee shall repay to the Escrow Agent upon written request the amount so paid to the payee. The Escrow Agent shall not be liable to any party or any other person by reason of such payment.

6. The reasonable fees and expenses of the Escrow Agent incurred in connection herewith shall be the responsibility of Lessor, so long as the Escrow Agent is the same entity as Lessor or any affiliate of Lessor; provided, however, Lessee shall be responsible for reasonable fees of the Escrow Agent upon the occurrence of an Event of Default (as defined in the Lease) or a nonappropriation by Lessee under the Lease.

7.

a. The Escrow Agent shall have no liability for acting upon any written instruction presented by Lessee and Lessor in connection with this Escrow Agreement which the Escrow Agent in good faith believes to be genuine. Furthermore, the Escrow Agent shall not be liable for any act or omission in connection with this Escrow Agreement except for its own gross

negligence or willful misconduct. The Escrow Agent shall not be liable for any loss or diminution in value of the Escrow Fund as a result of the investment decisions made pursuant to Section 4. The Escrow Agent shall have only those duties and responsibilities as expressly set forth herein, and no other duty, obligation or covenant, fiduciary or otherwise, shall be implied or enforceable against the Escrow Agent by any person.

b. Without limiting the effect of Section 7(a) hereof, the Escrow Agent shall have no obligation or liability to any other party hereto (or any person claiming through any of them): (i) to review, examine, enforce, administer or take notice of any agreement, instrument or document other than this Escrow Agreement; (ii) to determine whether any conditions precedent to a disbursement of moneys in the Escrow Fund, other than as set forth in Section 5, have been or will be satisfied or otherwise to investigate any notice received by the Escrow Agent hereunder; (iii) to evaluate or determine the validity or legality of any action or omission of any third party, including any federal or state bank regulator; (iv) to make any payment to the other parties or other payees set forth in written instructions received under Section 5 from any source other than moneys in the Escrow Fund, and no such payment shall be made if the amount of moneys on deposit in the Escrow Fund is inadequate; (v) to communicate with any person other than as expressly provided for in this Escrow Agreement; (vi) for any action or omission of the Escrow Agent taken or made upon the oral or written, joint instructions of the parties hereto; (vii) for any other action or omission of, or for errors in judgment by, the Escrow Agent under or in connection with this Escrow Agreement taken or made in good faith and without gross negligence or willful misconduct; and (viii) for special, incidental, consequential, indirect or punitive damages in any event, even if the Escrow Agent has been advised or was otherwise aware of the likelihood of such loss or damages and regardless of the form of action.

8. [Reserved]

9. The Escrow Agent may at any time resign by giving at least 30 days' prior written notice to Lessee and Lessor, but such resignation shall not take effect until the appointment of the successor Escrow Agent. The substitution of another bank or trust company to act as Escrow Agent under this Escrow Agreement may occur by written agreement of Lessor and Lessee. In addition, the Escrow Agent may be removed at any time, with or without cause, by instrument in writing executed by Lessor and Lessee. Such notice shall set forth the effective date of the removal. In the event of any resignation or removal of the Escrow Agent, a successor Escrow Agent shall be appointed by an instrument in writing executed by Lessor and Lessee. Such successor Escrow Agent shall indicate its acceptance of such appointment by an instrument in writing delivered to Lessor, Lessee and the predecessor Escrow Agent.

Upon the effective date of resignation or removal, the Escrow Agent will transfer the Escrow Fund then held by it to the successor Escrow Agent selected by Lessor and Lessee.

If the other parties are unable to agree upon a successor escrow agent within 30 days after such notice, the other parties hereby agree that either of them acting unilaterally shall apply to a court of competent jurisdiction for the appointment of a successor escrow agent or for other appropriate relief. The costs and expenses (including reasonable attorneys' fees and expenses) incurred by the Escrow Agent in connection with such proceeding shall be paid in accordance with Section 6.

10. In the event of any dispute with respect to the Escrow Fund, the interpretation of this Escrow Agreement or the rights and obligations of the parties hereunder, or to the propriety of any action contemplated by the Escrow Agent hereunder, or if the Escrow Agent in good faith is in doubt as to what action should be taken hereunder, then in any such case the Escrow Agent shall not be obligated to resolve the dispute or disagreement or to make any disbursement of all or any portion of the Escrow Fund, but may commence an action in the nature of an interpleader and seek to deposit such funds with a court of competent jurisdiction, and thereby shall be discharged from any further duty or obligation with respect to the Escrow Fund. The costs of such interpleader action shall be borne by Lessee. In the event Lessee shall fail on demand to reimburse the Escrow Agent for such costs, then Lessee irrevocably authorizes the Escrow Agent to deduct any such amounts from the Escrow Fund without any further notice or demand to any person. The Escrow Agent may, in its sole discretion in lieu of filing such action in interpleader, elect to cease to perform under this Escrow Agreement and to ignore all instructions received in connection herewith until the Escrow Agent has received a written notice of resolution signed by the parties to such dispute or disagreement or an order of a court of competent jurisdiction over the matter directing a disposition of the Escrow Fund.

11. This Escrow Agreement and the Escrow Fund established hereunder shall terminate upon receipt by the Escrow Agent of the written notice from Lessor specified in Section 5(b) or Section 5(c) hereof.

12. All notices hereunder shall be in writing, sent by certified mail, return receipt requested, or by mutually recognized overnight carrier addressed to the other parties at their respective addresses shown on page 1 of this Escrow Agreement or at such other address as each such party shall from time to time designate in writing to the other parties; and shall be effective on the date or receipt. In addition, all notices sent to the Escrow Agent shall also be sent as follows:

Sterling National Bank
21 Scarsdale Road
Yonkers, NY 10707
Attention: Office of the General Counsel

13. This Escrow Agreement shall inure to the benefit of and shall be binding upon the parties hereto and their respective successors and assigns. No rights or obligations of the Escrow Agent under this Escrow Agreement may be assigned without the prior written consent of Lessor and Lessee.

14. Except as provided in the next sentence, this Escrow Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof, and no waiver, consent, modification or change of terms hereof shall bind any party unless in writing signed by all parties. This Escrow Agreement is in addition to any related account applications and other account opening and authorizing documents and/or resolutions on file with the Escrow Agent and such documents are hereby incorporated by reference into this Escrow Agreement (the "Account Agreements"). In the event that there are inconsistencies between this Escrow Agreement and any other Account Agreement, the terms of this Escrow Agreement shall control.

15. The Escrow Agent may employ agents, attorneys and accountants in connection with its duties hereunder (such costs to be paid as set forth in Section 6) and shall not be liable for any action taken or omitted in good faith in accordance with the advice of counsel, accountants or other skilled persons.

16. This Escrow Agreement shall be governed by and be construed and interpreted in accordance with the internal laws of the State of Colorado (the "State").

17. This Escrow Agreement may be executed in several counterparts, and each counterpart so executed will be an original. In addition, the parties agree that the transaction described herein may be conducted and related documents may be received, sent or stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

18. **TO THE EXTENT PERMITTED BY LAW, EACH OF THE PARTIES HERETO EXPRESSLY WAIVES THE RIGHT TO TRIAL BY JURY IN RESOLVING ANY CLAIM OR COUNTERCLAIM RELATING TO OR ARISING OUT OF THIS ESCROW AGREEMENT.**

19. Lessee represents, warrants and covenants for the benefit of the Escrow Agent as follows:

a. Lessee is authorized under the constitution and laws of the State to enter into this Escrow Agreement and the transaction contemplated hereby and to perform all of its obligations hereunder.

b. Lessee has been duly authorized to execute and deliver this Escrow Agreement by proper action and approval of its governing body at a meeting duly called, regularly convened and attended throughout by a requisite majority of the members thereof or by other appropriate official approval.

c. This Escrow Agreement constitutes the legal, valid and binding obligation of Lessee enforceable in accordance with its terms, except to the extent limited by applicable bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally.

d. Lessee will comply with all applicable provisions of the Internal Revenue Code of 1986, as amended, including without limitation Sections 103 and 148 thereof, and the applicable regulations of the Treasury Department. No part of the Escrow Fund shall be invested at Lessee's discretion in any securities, obligations or other investments or used, at any time, directly or indirectly, in a manner which, if such use had been reasonably anticipated on the date of the execution and delivery of the Lease, would have caused any portion of the Lease to be or become an "arbitrage bond" within the meaning of Section 103(b)(2) or Section 148 of the Code and the applicable regulations of the Treasury Department.

20. The parties acknowledge that in order to help the United States government fight the funding of terrorism and money laundering activities, pursuant to Federal regulations that became effective on October 1, 2003 (Section 326 of the USA PATRIOT Act) all financial institutions are required to obtain, verify, record and update information that identifies each person establishing a relationship or opening an account. The parties to this Escrow Agreement agree that they will provide to the Escrow Agent such information as it may request, from time to time, in order for the Escrow Agent to satisfy the requirements of the USA PATRIOT Act, including but not limited to the name, address, tax identification number and other information that

will allow it to identify the individual or entity who is establishing the relationship or opening the account and may also ask for formation documents such as articles of incorporation or other identifying documents to be provided.

21. With respect to the Lease, Sterling National Bank shall have the same rights and powers under the Lease as any other lessor and may exercise the same as though it were not the Escrow Agent. Lessor may lend money to, invest in, and generally engage in any kind of business with Lessee, all as if Sterling National Bank were not the Escrow Agent. Lessee acknowledges the potential conflict of interest between Sterling National Bank as Lessor and Sterling National Bank as the Escrow Agent.

[Signature page follows.]

IN WITNESS WHEREOF, the parties hereto have caused this Escrow Agreement to be duly executed as of the day and year first above set forth.

LESSOR: STERLING NATIONAL BANK

By: _____
Name: Kevin C. King
Title: Senior Vice President, Senior Managing Director

LESSEE: GUNNISON COUNTY, COLORADO

By: _____
Name: _____
Title: _____

ESCROW AGENT: STERLING NATIONAL BANK

By: _____
Name: Kevin C. King
Title: Senior Vice President, Senior Managing Director

EXHIBIT A

CERTIFICATE OF ACCEPTANCE AND PAYMENT REQUEST FORM

Sterling National Bank (in its capacity as escrow agent, the "Escrow Agent"), as escrow agent under that certain Escrow Agreement dated November 22, 2019 (the "Escrow Agreement"), by and among Gunnison County, Colorado ("Lessee"), Sterling National Bank (in its capacity as lessor, "Lessor") and the Escrow Agent, is hereby requested to pay from the Escrow Fund (as defined in the Escrow Agreement) established and maintained thereunder, the amount set forth below to the named payee(s). The equipment and costs described below are (i) costs of acquiring and installing part or all of the Equipment listed in Equipment Schedule No. 1 dated November 22, 2019 (the "Schedule"), to that certain Master Equipment Lease Purchase Agreement dated as of November 22, 2019 (the "Master Agreement," and together with the Schedule, the "Lease"), each between Lessor and Lessee, or (ii) certain costs of entering into the Lease. The amount shown is due and payable under (i) a purchase order or contract (or has been paid by and not previously reimbursed to Lessee), or (ii) invoices, budgets, closing statements or any other additional documentation.

DESCRIPTION OF COST PAID	AMOUNT	PAYEE

Lessee hereby certifies and represents to and agrees with Lessor as follows: (i) the amount to be disbursed is not being paid in advance of the time, if any, fixed for any payment, and does not include any retained percentage entitled to be retained by Lessee at this time; (ii) no amount requested to be disbursed was included in any payment request previously filed with the Escrow Agent for which payment was actually made by the Escrow Agent; (iii) Lessee has made such investigation of such sources of information as are deemed necessary and is of the opinion that the applicable portion of the Equipment and related work has been fully paid for, and no claim or claims exist against the Lessee or any Vendor out of which a lien based on furnishing labor or material exists or might arise; (iv) acquisition and installation of the applicable portion of the Equipment for which payment is being requested has been completed in accordance with plans and specifications approved by the Lessee and in accordance with the terms and conditions of the Energy Performance Contract dated _____, 2019, between Lessee and Johnson Controls, Inc. (the "Contract"), and said applicable portion of the Equipment is suitable and sufficient for the expected uses thereof, however, this statement is made without prejudice to any rights against third parties which exist at the date hereof or which may subsequently come into being; (v) the amount remaining in the Escrow Fund will, after payment of the amount requested, together with the grant awarded by the Colorado Department of Local Affairs in the amount of $497,500, be sufficient to pay the remaining costs of the Equipment; (vi) a present need exists for the portion of the Equipment for which payment is being requested, which need is not temporary or expected to diminish in the near future; (vii) such Equipment will be used only for the purpose of performing essential functions of Lessee or to the service Lessee provides to its citizens; (viii) the estimated useful life of such Equipment based upon the manufacturer's representations and Lessee's projected needs is not less than the term of lease with respect to such Equipment; (ix) Lessee has conducted such inspection and/or testing of such Equipment as it deems necessary and appropriate and hereby acknowledges that it accepts such Equipment for all purposes as of the date of this Certificate; (x) such Equipment is covered by insurance in the types and amounts required by the Lease; (xi) no Event of Default, as such term is defined in the Master Agreement, or nonappropriation under the Master Agreement, and no event which with the giving of notice or lapse of time or both, would become an Event of Default or nonappropriation under the Master Agreement, has occurred and is continuing on the date hereof; and (xii) sufficient funds have been appropriated by Lessee for the payment of all rental payments due under the Lease during Lessee's current fiscal year.

Based on the foregoing, the Escrow Agent is hereby authorized and directed to pay or cause to be paid, the manufacturer(s)/vendor(s), Lessee or other payee(s) the amounts set forth on the attached invoices from the Escrow Fund held under the Escrow Agreement in accordance with its terms.

The following documents are attached hereto and made a part hereof: (a) invoice(s) for costs being paid; (b) a current IRS Form W-9 for the payee (unless such IRS Form W-9 has been previously submitted to the Escrow Agent); and (c) lien waivers, if applicable.

IF REQUEST IS FOR REIMBURSEMENT, CHECK HERE ☐. Lessee paid an invoice prior to the commencement date identified in the Schedule and is requesting reimbursement for such payment. A copy of evidence of such payment, together with a copy of Lessee's Declaration of Official Intent and any other evidence required by Lessor prior to Lessor's approval hereof that Lessee has satisfied the requirements for reimbursement set forth in Treas. Reg. 1.150-2, is hereby attached. Lessor's approval hereof shall evidence that Lessee has delivered to Lessor such required documentation.

IF REQUEST IS FINAL REQUEST, CHECK HERE ☐. Lessee hereby certifies that (a) all of the Equipment described in the Lease has been received in good condition and has been installed in accordance with the Contract; (b) such Equipment is accepted **"AS-IS, WHERE-IS"**; (c) Lessee has inspected the Equipment, and determined that it is in good working order and

complies with all purchase orders, contracts and specifications; (d) Lessee has fully and satisfactorily performed all covenants and conditions to be performed by it as of this date under the Lease with regard to such Equipment; (e) Lessee waives any right to revoke its acceptance; and (f) the Equipment is fully insured in accordance with Section 22 of the Master Agreement. This certificate is made without prejudice to any rights against third parties which may exist as of the date hereof or which may subsequently come into being.

Date: _____, 20___.

Approved for Payment:

STERLING NATIONAL BANK,
as Lessor and servicer for STERLING NATIONAL FUNDING CORP.

By: _____

Name: _____

Title: _____

GUNNISON COUNTY, COLORADO, as Lessee

By: _____

Name: _____

Title: _____

IRS FORM 8038-G

[To be prepared and filed by Lessee Counsel.]

INSURANCE COVERAGE REQUIREMENTS

TO LESSOR: (CERTIFICATE HOLDER)
Sterling National Bank, ISAOA
400 Rella Boulevard
Montebello, NY 10940

FROM LESSEE: (INSURED)
Gunnison County, Colorado
200 E. Virginia
Gunnison, CO 81230

Schedule of Equipment No. 1 dated November 22, 2019 (the "Schedule") to Master Equipment Lease Purchase Agreement dated as of November 22, 2019 (the "Master Agreement," and together with the Schedule, the "Lease"), each between the undersigned ("Lessee") and Sterling National Bank

EQUIPMENT LOCATIONS: See **Schedule 1** attached.

SUBJECT: INSURANCE COVERAGE REQUIREMENTS

Check All Appropriate Boxes:

☐ **Third-Party Insurance**. In accordance with Section 22 of the Master Agreement, we have instructed the insurance agent named below to issue the insurance indicated below (please fill in name, address and telephone number of insurance agent):

_____
_____
_____

☐ Casualty insurance on the leased equipment ("Equipment") covered by the Lease, evidenced by a Certificate of Insurance and Long Form Loss Payable Clause **naming Sterling National Bank, and/or its assigns, as additional insured and loss payee.**

Coverage Required: Purchase Price (as defined in the Lease) of the Equipment

☐ Public liability insurance evidenced by a Certificate of Insurance **naming Sterling National Bank, and/or its assigns, as additional insured.**

Minimum Coverage Required:
$1,000,000.00 per person
$1,000,000.00 aggregate bodily injury liability
$100,000.00 property damage liability

☐ Workers' compensation insurance evidenced by a Certificate of Insurance.

Coverage Required: In compliance with State law

Proof of insurance coverage will be provided prior to the time the Equipment is delivered to us.

☐ **Self Insurance.** Pursuant to Section 22 of the Master Agreement, we are self-insured for:

☐ All risk, physical damage.

☐ Public liability.

Such self-insurance covers Sterling National Bank, and/or its assigns to the same extent that commercial insurance would otherwise be required to do so by the Master Agreement. We will provide proof of such self-insurance in letter form together with a copy of the statute or other authority authorizing this form of insurance.

LESSEE: GUNNISON COUNTY, COLORADO

By: _____
Name: _____
Title: _____

SCHEDULE 1 TO
INSURANCE COVERAGE REQUIREMENTS

Equipment Locations

Gunnison County Public Works Facility
195 Basin Park Drive
Gunnison, CO 81230

Gunnison County Water Treatment Facility
38130 West U.S. Highway 50
Gunnison, CO 81230

Gunnison County Courthouse
200 E. Virginia
Gunnison, CO 81230

Gunnison County Department of Health and Human Services
220 N. Spruce Street
Gunnison, CO 81230

Gunnison County Family Services Center
225 N. Pine Street
Gunnison, CO 81230

Gunnison County Office Building (fka Blackstock School Facility)
221 N. Wisconsin Street
Gunnison, CO 81230

Gunnison County Public Safety Building
510 W. Bidwell Avenue
Gunnison, CO 81230

INSURANCE CERTIFICATES (PROPERTY, LIABILITY AND WORKERS' COMPENSATION) COMPLYING WITH THE PROVISIONS OF SECTION 22 OF THE MASTER AGREEMENT TO BE PROVIDED BY LESSEE, WITH THE FOLLOWING PARTY SHOWN AS LOSS PAYEE AND ADDITIONAL INSURED WITH RESPECT TO PROPERTY INSURANCE, AND SHOWN AS ADDITIONAL INSURED WITH RESPECT TO LIABILITY INSURANCE:

Sterling National Bank and its successors and assigns
400 Rella Boulevard
Montebello, NY 10940

[To be provided by Lessee prior to disbursement of funds from Escrow Fund for payment of costs for the Equipment.]

ENERGY PERFORMANCE CONTRACT

[Signed copy to be provided by Lessee and Vendor prior to Closing Date.]

PAYMENT AND PERFORMANCE BONDS RESPECTING THE EQUIPMENT, INCLUDING DUAL OBLIGEE RIDER SHOWING THE FOLLOWING PARTY AS ADDITIONAL OBLIGEE:

Sterling National Bank and its successors and assigns
500 Seventh Avenue, 3rd Floor
New York, NY 10018
Attention: Public Sector Finance

[To be provided by Vendor prior to disbursement of funds from Escrow Fund for payment of costs for the Equipment.]

UCC SEARCH RESULTS

[On file with Lessor.]

FORM W-9 FROM LESSEE

[On file with Lessor.

Gunnison County, Colorado
200 E. Virginia
Gunnison, CO 81230

Re: Schedule of Equipment No. 1 dated as of November 22, 2019 (the "Schedule"), to Master Equipment Lease Purchase Agreement dated as of November 22, 2019 (the "Master Agreement" and, as amended and supplemented by the Schedule, the "Lease"), each between Sterling National Bank, as lessor ("Lessor"), and Gunnison County, Colorado, as lessee ("Lessee")

Ladies and Gentlemen:

Thank you for selecting Sterling National Bank ("SNB") as your lender. We are delivering this letter to describe our role in the transaction.

SNB has not acted and will not act as your agent or serve as your municipal advisor (as defined in Section 15B of the Securities Exchange Act of 1934). We have no fiduciary duty to you and intend only to enter into an arm's-length transaction involving extending credit to you through the purchase of the above-referenced Lease.

Any quote or indication of interest provided to you consists solely of the terms under which SNB may be willing to enter into a transaction with you for its own account.

Please acknowledge the foregoing by signing where indicated below and returning this letter via e-mail to our counsel, Gilmore & Bell, P.C. (e-mail: jjackson@gilmorebell.com). In addition, please identify below any registered municipal advisor, financial advisor or placement agent you are working with on this transaction.

Please let us know if you or your counsel would like to further discuss these matters. Thank you again for doing business with us. We look forward to working with you.

Date: November 22, 2019.

STERLING NATIONAL BANK

☐ Placement Agent _____
(Name of Firm)

☐ Financial Advisor/ Registered Municipal Advisor: _____
(Name of Firm)

☐ No Placement Agent/Financial Advisor/Registered Municipal Advisor

Acknowledgement:
GUNNISON COUNTY, COLORADO

By: _____
Name: _____
Title: _____

PARTICIPATION CERTIFICATE BETWEEN
STERLING NATIONAL BANK AND STERLING NATIONAL FUNDING CORP.

[On file with Lessor.]