AGENDA ITEM or FINAL CONTRACT REVIEW SUBMITTAL FORM

Agenda Item: Request for Purchase; Landfill Compactor; $437,108

Action Requested: Motion

Parties to the Agreement: Power Equipment and Gunnison County

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

Summary:

The current compactor was purchased in 2001 and has outlived its useful life. Repair bills are increasing.

Fiscal Impact: $437,108.00

Submitted by: Marlene D. Crosby **Submitter's Email Address:** mcrosby@gunnisoncounty.org

Finance Review: (●) Required ( ) Not Required

Comments:
Included in 2021 Budget. kw

Reviewed by: GUNCOUNTY1\kweak Discharge Date: 12/16/2020

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

Comments:
Please see note attorney client note below. db 12/17/20

Reveiwed by: GUNCOUNTY1\dBaumgarten Discharge Date: 12/17/2020 Certificate of Insurance Required

Yes ( ) No (●)

County Manager Review:

Comments:

Reveiwed by: GUNCOUNTY1\mbirnie Discharge Date: 12/18/2020

( ) Consent Agenda (●) Regular Agenda ( ) Worksession Time Allotted: DCM Report

Agenda Date: 12/22/2020

Revised April 2015

POWER EQUIPMENT COMPANY

www.power-equip.com

11/19/2020

Proposal # 21081

PROPOSAL

TO: **GUNNISON COUNTY**
200 EAST VIRGINIA
GUNNISON, CO 81230

ATTENTION: **Lee Partch**
970/641-0044
LPartch@gunnisoncounty.org

Quantity of One, New
BOMAG BC 473 RB-5 Landfill Compactor
Including All Standard Features:
Standard equipment
- Safety glass cabin window panes
- Sun visor
- Hinged window left
- Windscreen wiper / washer front
- Outside rear mirrors
- Wire deflector and drive protection on inner side of wheels
- Blade: 11.80' straight blade
- ROPS/FOPS
- Noise insulated cab with heating - air conditioning
- Vibration insulated cab suspension
- Four wheel drives, hydraulic differential lock in the front / rear
- Wear control in hydraulic circuit
- Oscillating articulated joint between front and rear frames
- Adjustable scrapers in front of and behind each wheel
- Electronic engine management with engine shut-down
- multistage fuel filter system
- Dry air filter
- Fuel bleeding pump

Optional Equipment (Included in price):
Premium compaction wheels with highly wear resistant teeth
CD-Radio
Rotary beacon
Fire extinguisher
Tool kit
Protective grille for cabin
Cold Weather start device (115V block heater and fuel bowl heater)
LED Working head lights
Auxiliary Cabin Heating
50 hour Break-In Service
250 hour Break-In Service
500 Hour First Service
15 amp 24 to 12 volt converter
6 year/5,000 hour/Premier Warranty

5 year, annual payments: $92,350.26 (first payment due in advance)
6 year, annual payments: $78,008.48 (first payment due in advance)
2.82% interest rate

POWER EQUIPMENT COMPANY

Andy Remmo
Municipal Sales Manager

Denver Branch
500 E 62nd Avenue
Denver, CO 80216

Office: (303) 288-6801
Cell: (303) 961-8957
Fax: (866) 852-3382
aremmo@power-equip.com

Pricing Summary

Sourcewell Contract no. 032119-BAI	$477,108
Less Trade-in of Cat 816 s/n: 5FN00490	-$40,000
Total Price	$437,108

All prices subject to applicable taxes and freight. This Quote is valid for thirty (30) days; subject to prior sale. FOB: Power Equipment Yard

EXCLUSION OF WARRANTIES OF MERCHANTABILITY AND WARRANTIES OF FITNESS: Customer is skilled and experienced in use and operation of machinery of the type described in the quotation and will make his selection and decision to order on the basis of his own judgment. SELLER DOES NOT MAKE ANY WARRANTY OF MERCHANTABILITY NOR ANY OTHER WARRANTY EXCEPT THOSE SPECIFICALLY STATED. THIS STATEMENT BECOMES A PART OF ANY PURCHASE.

Purchase Order to: Power Equipment Company

500 E. 62nd. Avenue, P.O. Box 28, Denver, CO 80201

POWER EQUIPMENT COMPANY

CUSTOMER: GUNNISON COUNTY
200 EAST VIRGINIA
GUNNISON, CO 81230

DATE: 11/19/2020

SALES REP: Andy Remmo

Lee Partch
LPartch@gunnisoncounty.org
970/641-0044

DESCRIPTION OF EQUIPMENT ORDERED: Customer hereby orders the following described machinery from Power Equipment Company, Seller. Upon acceptance by signature of an officer of Power Equipment Company, This Purchase Order shall become a contract for purchase and sale of the goods upon the terms and conditions set forth below.

	Purchase(s)	Trade-In Allowance	Net Equipment
BOM BC473RB-5	$477,108.00		
	$477,108.00	$40,000.00	$437,108.00
		Add: Sales Tax	$0.00
		Less: Down Payment	$0.00
		Add: Delivery Charge	$0.00
		TOTAL CASH BALANCE PAYABLE BY CUSTOMER	$437,108.00

ADDITIONAL COMMENTS/TERMS:

All specification and warranty included in attached quote.

1. Unless otherwise stated, all goods shall be shipped F.O.B. Seller's yard. Delivery by the Seller to carrier shall be delivery to customer.
2. Risk of loss passes to Customer upon delivery to Customer.
3. Customer agrees to inspect shipments promptly on arrival and to give Seller immediate written notice of any shortage in shipment; failure of Customer to deliver written claim to Seller within fifteen days after receipt of goods is a waiver of claims for shortages in shipment.
4. Seller shall be excused for delays in delivery or failure to perform caused by accident, labor troubles, scarcities, fire, flood, acts of God; labor shortages, priorities, allocations by public authority or manufacturer, delays in manufacture or transportation or other causes similar or dissimilar not within Seller's control.
5. For all amounts payable by the Customer for which credit is given or which are not paid, Customer hereby grants to Seller a security interest in the goods sold, which security interest shall extend to all parts or accessories now or hereafter attached to the machinery and to the proceeds therefrom. Customer agrees to execute financing statements, notes and security agreements on Seller's forms for all amounts not paid at delivery, plus interest and time charges and differentials.
6. If the Customer does not pay as agreed and his account is turned over to an attorney, Customer agrees to pay all costs of collection including a reasonable attorney's fee together with all incidental damages permitted by law.
7. SELLER'S WARRANTIES: For all machinery sold, whether new or used, Seller warrants that the title conveyed shall be good and its transfer rightful and that the goods shall be delivered free from any security interest or other lien or encumbrance except liens and security interests securing the purchase price payable by Customer.
8. EXCLUSION OF WARRANTIES OF MERCHANTABILITY AND WARRANTIES OF FITNESS: Customer is skilled and experienced in use and operation of machinery of the type described in this Purchase Order and has made his selection and decision to order on the basis of his own judgment. SELLER DOES NOT MAKE ANY WARRANTY OF MERCHANTABILITY NOR ANY OTHER WARRANTY EXCEPT THOSE STATED ABOVE UNDER "SELLER'S WARRANTIES" AND FOR USED MACHINERY, THE APPLICABLE WARRANTY, IF ANY, STATED BELOW UNDER 'WARRANTIES FOR USED MACHINERY'."
9. MANUFACTURER'S WARRANTY ONLY FOR NEW MACHINERY: Customer buys new machinery by its trade name and on the basis of the manufacturer's warranty. Seller's only warranty is good title. Customer acknowledges receipt of a copy of the manufacturer's warranty and Seller will, on request, provide Customer additional copies. Seller will, during regular working hours, make all repairs and replacements required of the manufacturer as provided in its warranty and will look to the manufacturer for payment. IF AT CUSTOMER'S REQUEST, SELLER MAKES WARRANTY REPAIRS DURING OVER-TIME HOURS, CUSTOMER SHALL PAY SELLER THE DIFFERENCE BETWEEN SELLER'S REGULAR TIME LABOR RATES AND ITS OVER-TIME LABOR RATES.
10. WARRANTIES FOR USED MACHINERY: There is no implied warranty for used machinery and the machinery is sold with all faults as-is and where-is.
11. CONTRACTUAL LIMITATION OF REMEDIES AND LIABILITY; Consequential damages are hereby excluded from any liability of Seller arising out of the sale of the goods described. Remedies against Seller for any liability arising out of the sale of the goods described are limited to return of the goods and repayment of the purchase price or to repair and replacement of the nonconforming goods or parts, Seller to have the election.
12. Customer examined the goods as fully as desired
13. The customer shall save and hold harmless Seller from any and all liability for injury or damage of any kind, or claims for same, to any persons or property, arising out of the operation of the machinery while in Customer's possession and control, and from the time the risk of loss passes according to this agreement, and shall fully indemnify Seller from any and all expense resulting therefrom; Seller shall not be liable for any damages resulting to the Customer by reason of any delays or any alleged failure of any machine to operate, or of any goods to perform.
14. CHOICE OF LAW AND FORUM: This agreement shall be enforced and construed pursuant to the laws of the State of Colorado. Any action to enforce, interpret, construe, or collect damages under this Lease, or for any claims arising our of the manufacture, sale, selection, use, operation, maintenance, or repair of the Equipment, shall be brought in the District Court for the City and County of Denver, Colorado. Owner and Customer, and any guarantors of this Lease, hereby agree to the jurisdiction of such court.
15. THIS IS THE ENTIRE AGREEMENT: All prior statements, representations, negotiations and proposals, if any, are superseded by and merged into this Purchase Order, which upon acceptance by Seller, will constitute the entire agreement between Customer and Seller, and shall survive delivery of the goods and invoicing of the Customer.

GUNNISON COUNTY ACCEPTANCE (Name)

POWER EQUIPMENT COMPANY ACCEPTANCE

Title **Date** **Customer PO**

Title **Date**

CUSTOMER'S BILL OF SALE FOR TRADE-IN

DESCRIPTION OF TRADE-IN: 2000 Caterpillar 816F 5FN00490

Landfill Compactor

Effective upon acceptance of this Purchase Order by Seller, Customer hereby sells and conveys to Power Equipment Company the articles offered as trade-in and described under "Description of Trade-in." Customer covenants that Customer is the lawful owner of the articles, that they are free from encumbrances except as shown below, and that Customer has good right to sell them and will warrant and defend them against any and all claims and demands of any third person.

Amount of encumbrance $ _____ Due _____ Payable to: _____

By _____ Date _____

Version #20190108

KS StateBank

Baystone Government Finance

SIMPLE FUNDING PROGRAM

Return completed application with required financial information.

Legal Name of Obligor: Gunnison County — Fed. Tax ID #: 84-6000-770

Address: 200 East Virginia

City: Gunnison — County: Gunnison — State: CO — Zip: 81230

Contact Person: Lee Partch — Title: Fleet Manager

Phone: (970) 641-0044 — Fax: (970) 641-8120

Email Address: lpartch@gunnisoncounty.org — Alt Contact Email Address: mcrosby@gunnisoncounty.org

Alternative Contact Person: Marlene D. Crosby — Title: Public Works Dir. — Phone: (970) 641-0044

Date municipal entity was established: 3/9/1877 — Does the obligor self-insure for property & liability insurance? Yes

Total Cost of Equipment/Project: $ 477,108 — Term (years): 5 years

*Down Payment: $ 0.00 — Source of Down Payment:

Trade In: $ 40,000 — Payment Amount: $ — Delivery Date:

Other: $ — Payment Due: ☐ Advance ☐ Arrears

Amount to Finance: $ 437,108 — Payments: ☐ Monthly ☒ Quarterly ☐ Semi-Annual ☐ Annual

*Obligor's down payment should be made before or at delivery. Proof of down payment is required prior to payment of any contract proceeds, unless otherwise negotiated.

Has the obligor paid, or does obligor intend to pay, a vendor for any portion of the equipment being financed with the intent of being reimbursed with proceeds from this financing? ☐ Yes ☒ No

How will the contract payments be made? ☐ P-Card *Addt'l Fees Will Apply* ☒ Check ☐ ACH ☐ Other (specify)

What fund will the remaining contract payments be made from? ☐ General ☒ Special (specify) Solid Waste

Will any federal monies be applied to the contract payments? ☐ Yes ☒ No If yes, explain.

Equipment Description: BOMAG BC473 RB-5 Landfill Compactor

New Equipment: ☒ Yes ☐ No — If no, list age of equipment or date manufactured:

Refurbished: ☐ Yes ☐ No — Year:

Replacement: ☒ Yes ☐ No — Age of current equipment: 2000 — Year purchased: 2001

If not a replacement, why is the equipment needed?

Buyout Included: ☐ Yes ☒ No — Amount of buyout included: $

Soft Costs Included: ☐ Yes ☒ No — Amount of soft costs included (shipping, software, and sales tax): $

Physical location of equipment after delivery: Gunnison County Landfill

Describe the essential use of the equipment: Trash Compactor

Has the obligor ever defaulted or non-appropriated on a lease, bond, or legal obligation? ☐ Yes ☒ No

Will the obligor issue more than $10,000,000 in tax-exempt debt in this calendar year? ☐ Yes ☒ No

Is the project a building? ☐ Yes ☒ No If yes, who owns the land?

What is the physical address of the new building/project?

Financial Information Required

- **Two (2) most recently completed audits**
- **If the fiscal year end of the audit is more than three (3) months ago, also provide current year-to-date Balance Sheet with Debt Service Commitments and Income Statement**
- **For any unaudited fiscal year provide comprehensive financial statements to include a Balance Sheet with Debt Service Commitments and an Income Statement in place of the audits**

Without complete financial information, the credit review process may be delayed. Please call if you have any questions or concerns prior to returning this application to Baystone Government Finance.

Completed By (signature): Marlene D. Crosby — Printed Name and Title: Marlene D. Crosby, Public Work Director, Deputy County Manager — Date: 12/16/20

- *Additional financial information may be requested if deemed necessary during credit review.*
- *By signing this application Obligor representative agrees to the following statement: "Everything stated in this application is correct to the best of my knowledge. I understand Obligee will retain this application whether or not it is approved. Obligee is authorized to verify any information on this application with an appropriate third party as necessary to complete the credit review process."*
- *Please note that, depending on circumstances, we reserve the right to charge a reasonable fee to Obligor/broker, if this transaction is not funded. This fee is for expenses incurred and services performed related to the processing of the transaction. This fee will NOT be charged if the transaction is funded by Obligee.*

Certificate of Participation

Colorado Counties Casualty and Property Pool (CAPP)

For the Coverage Period January 1, 2021 through December 31, 2021

GUNNISON COUNTY

Colorado Counties Casualty and Property Pool (CAPP) hereby certifies that **Gunnison County** is a participating Member of CAPP for the period beginning January 1, 2021 through December 31, 2021. The coverages, conditions of membership, and other provisions applicable to members of CAPP are as described in CAPP's Bylaws and Intergovernmental Agreement and in the applicable excess policies, policy statements and endorsements thereto, copies of which have been or will be provided to **Gunnison County.**

The types and monetary limits of the coverages provided to **Gunnison County** through membership in CAPP, in consideration of the payment of its contributions, are limited, as of the date of this certificate, to those which are shown below. The scope, terms, conditions and limitations of coverages are governed by the aforementioned agreement and policies.

I) The types of coverages, subject to the limit on CAPP's liability in Section II below, are as follows:

- **A)** Property (including EDP, mobile equipment, and auto physical damage)
- **B)** Liability
  - **1)** Bodily Injury, Property Damage (General Liability, Auto Liability)
  - **2)** Wrongful Acts committed in the conduct of duties (Public Entity Management Liability)
  - **3)** Bodily Injury, Property Damage, Personal Injury (Law Enforcement Liability)
  - **4)** Errors or omissions in the administration of an insured's employee benefits (Employee Benefits Liability)
  - **5)** Injury resulting from healthcare professional services rendered by any insured who is not a medical doctor, psychologist, psychotherapist or nurse practitioner. (Healthcare Professional Liability).
- **C)** Crime
  - **1)** Monies and Securities (inside)
  - **2)** Monies and Securities (outside)
  - **3)** Employee Fidelity
- **D)** Boiler and Machinery
- **E)** Network Security Liability

II) CAPP Retention,Aggregate Limits, and Member Deductibles

For the coverages described in Section I, CAPP shall be liable only for payment of the self-insured retention and only to a total annual aggregate amount for members of CAPP as a whole of the amount of the CAPP loss fund for the coverage period. CAPP's per claim/occurrence retentions are limited to the following for the foregoing coverages:

- **A)** $150,000 per claim/occurrence **property**, except wind/hail, which is 2% per location total value subject to a minimum $1M per claim/occurrence. County deductible $500
- **B)** $250,000 per claim/occurrence **liability** (per coverage line) –County deductible $0 except in certain claims - See CAPP Policy Statements. Annual Pool aggregate retention protection $6,000,000.
- **C)** $150,000 or $250,000 per claim/occurrence **crime** – County deductible $500
- **D)** $5,000 per loss **boiler and machinery** – County deductible $500
- **E)** $25,000 or $50,000 per claim/occurrence **network security liability** – County deductible $0. Pool annual limit aggregate $5,000,000.

There is a maintenance deductible of $500, which applies to each of the County's first party claims/occurrences/losses (property claims). Payment of the deductible reduces the amount otherwise payable under the applicable CAPP retention.

Coverages in excess of the foregoing pool retentions are provided only by the excess insurers in applicable excess policies, and are payable only by those excess insurers. The limits of coverage provided by the excess insurers are as follows:

A. Liability-Old Republic

From $250,000 per claim/occurrence to $10 million per claim/occurrence except for auto, which is non-aggregated, subject to the following:

All liability coverages are provided on a claims-made coverage form. In no event shall the maximum per claim/occurrence payment exceed the following for general liability, auto liability, public entity management liability, law enforcement liability, employee benefits liability or healthcare professional liability claims subject to the Governmental Immunity Act: $387,000 per person and $1,093,000 per occurrence. Additional limits, sublimits and aggregates apply as provided in the applicable excess policies.

B. Crime-Policy-Hiscox

From $150,000 or $250,000 to $1 million each occurrence. Additional limits, sublimits and aggregates apply as provided in the applicable excess policies.

C. Boiler and Machinery- Liberty

From $5,000 to the cost of repair/replacement for each actual loss sustained up to $100 million. Additional limits, sublimits and aggregates apply as provided in the applicable excess policies.

D. Property

From $150,000 to $100 million each occurrence, except hail/wind claims, with a sublimit of $5,000,000 for vehicle physical damage over the road. $250,000 each occurrence for hail/wind claims. "All Risk" basis with sublimits of $10 million newly acquired property, $5 million new construction each occurrence and $2.5 million unnamed/unscheduled locations. Sublimits of $5 million for property in Flood Zone A and $50 million for property in all other flood zones. Newly acquired property must be reported within 90 days. If new locations are not reported, then the location becomes an unscheduled location. Additional limits, sublimits and aggregates apply as provided in the applicable excess policies.

Property Coverage Layers	Carrier
$150,000 to $10 million	Lloyds Colony AWAC Westchester 2% hail deductible/per location
$10 million to $25 million	Evanston Lloyds CV Starr Westchester
$25 million to $100 million	Lexington Homeland Ins of NY
$50 million to $100 million	RSUI Homeland
Auto Phys Dmg $4m xs $1m	Endurance
$5k - $100 million Equipment Breakdown	Liberty Mutual

E. Network Security Liability-Ace

First Part Liability (Cyber Incident Response, Business/Interruption & Extra Expense, Digital Data Recovery & Network Extortion): $1,000,000 each claim/$1,000,000 Annual Aggregate, Third Party Liability (Cyber, Privacy & Network Security Liability, Electronic, Social & Printed Media Liability) $1,000,000 each claim/$1,000,000 Annual Aggregate. All member limits are subject to the Pool Aggregate Limit of $5,000,000.

Information concerning the CAPP loss fund for the coverage period may be obtained by contacting CAPP through its Administrator, County Technical Services, Inc. (CTSI).

Colorado Counties Casualty and Property Pool

John Taylor, CTSI Executive
December 5, 2019

PLEASE NOTE: This Sample contract, presented upon your request, may or may not contain the same language as the contract proposed after credit approval is obtained. As such, no negotiation of contract terms will occur until after credit approval and issuance of formal contract.

GOVERNMENT OBLIGATION CONTRACT

Obligor **Obligee**

Dated as of

This Government Obligation Contract dated as of the date listed above is between Obligee and Obligor listed directly above. Obligee desires to finance the purchase of the Equipment described in Exhibit A to Obligor and Obligor desires to have Obligee finance the purchase of the Equipment subject to the terms and conditions of this Contract which are set forth below.

I. Definitions

Section 1.01 Definitions. The following terms will have the meanings indicated below unless the context clearly requires otherwise:

"Additional Schedule" refers to the proper execution of additional schedules to Exhibit A and Exhibit B, as well as other exhibits or documents that may be required by the Obligee all of which relate to the financing of additional Equipment.

"Budget Year" means the Obligor's fiscal year.

"Commencement Date" is the date when Obligor's obligation to pay Contract Payments begins.

"Contract" means this Government Obligation Contract and all Exhibits attached hereto, all addenda, modifications, schedules, refinancings, guarantees and all documents relied upon by Obligee prior to execution of this Contract.

"Contract Payments" means the payments Obligor is required to make under this Contract as set forth on Exhibit B.

"Contract Term" means the Original Term and all Renewal Terms.

"Exhibit" includes the Exhibits attached hereto, and any "Additional Schedule", whether now existing or subsequently created.

"Equipment" means all of the items of Equipment listed on Exhibit A and any Additional Schedule, whether now existing or subsequently created, and all replacements, restorations, modifications and improvements.

"Government" as used in the title hereof means a State or a political subdivision of the State within the meaning of Section 103(a) of the Internal Revenue Code of 1986, as amended ("Code"), or a constituted authority or district authorized to issue obligations on behalf of the State or political subdivision of the State within the meaning of Treasury Regulation 1.103-1(b), or a qualified volunteer fire company within the meaning of section 150(e)(1) of the Code.

"Obligee" means the entity originally listed above as Obligee or any of its assignees.

"Obligor" means the entity listed above as Obligor and which is financing the Equipment through Obligee under the provisions of this Contract.

"Original Term" means the period from the Commencement Date until the end of the Budget Year of Obligor.

"Renewal Term" means the annual term which begins at the end of the Original Term and which is simultaneous with Obligor's Budget Year and each succeeding Budget Year for the number of Budget Years necessary to comprise the Contract Term.

"State" means the state in which Obligor is located.

II. Obligor Warranties

Section 2.01 Obligor represents, warrants and covenants as follows for the benefit of Obligee or its assignees:

(a) Obligor is an "issuer of tax exempt obligations" because Obligor is the State or a political subdivision of the State within the meaning of Section 103(a) of the Internal Revenue Code of 1986, as amended, (the "Code") or because Obligor is a constituted authority or district authorized to issue obligations on behalf of the State or political subdivision of the State within the meaning of Treasury Regulation 1.103-1(b), or a qualified volunteer fire company within the meaning of section 150(e)(1) of the Code.

(b) Obligor has complied with any requirement for a referendum and/or competitive bidding.

(c) Obligor has complied with all statutory laws and regulations that may be applicable to the execution of this Contract; Obligor, and its officer executing this Contract, are authorized under the Constitution and laws of the State to enter into this Contract and have used and followed all proper procedures of its governing body in executing and delivering this Contract. The officer of Obligor executing this Contract has the authority to execute and deliver this Contract. This Contract constitutes a legal, valid, binding and enforceable obligation of the Obligor in accordance with its terms.

(d) Obligor shall use the Equipment only for essential, traditional government purposes.

(e) Should the IRS disallow the tax-exempt status of the interest portion of the Contract Payments as a result of the failure of the Obligor to use the Equipment for governmental purposes, or should the Obligor cease to be an issuer of tax exempt obligations, or should the obligation of Obligor created under this Contract cease to be a tax exempt obligation for any reason, then Obligor shall be required to pay additional sums to the Obligee or its assignees so as to bring the after tax yield on this Contract to the same level as the Obligee or its assignees would attain if the transaction continued to be tax-exempt.

(f) Obligor has never non-renewed funds under a contract similar to this Contract.

(g) Obligor will submit to the Secretary of the Treasury an information reporting statement as required by the Code.

(h) Upon request by Obligee, Obligor will provide Obligee with current financial statements, reports, budgets or other relevant fiscal information.

(i) Obligor shall retain the Equipment free of any hazardous substances as defined in the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. 9601 et. seq. as amended and supplemented.

(j) Obligor hereby warrants the General Fund of the Obligor is the primary source of funds or a backup source of funds from which the Contract Payments will be made.

(k) Obligor presently intends to continue this Contract for the Original Term and all Renewal Terms as set forth on Exhibit B hereto. The official of Obligor responsible for budget preparation will include in the budget request for each Budget Year the Contract Payments to become due in such Budget Year, and will use all reasonable and lawful means available to secure the appropriation of money for such Budget Year sufficient to pay the Contract Payments coming due therein. Obligor reasonably believes that moneys can and will lawfully be appropriated and made available for this purpose.

(l) Obligor has selected both the Equipment and the vendor(s) from whom the Equipment is to be purchased upon its own judgment and without reliance on any manufacturer, merchant, vendor or distributor, or agent thereof, of such equipment to the public.

(m) Obligor owns free and clear of any liens any additional collateral pledged, subject only to the lien described herein; Obligor has not and will not, during the Contract Term, create, permit, incur or assume any levies, liens or encumbrances of any kind with respect to the Equipment and any additional collateral except those created by this Contract.

Section 2.02 Escrow Agreement. In the event both Obligee and Obligor mutually agree to utilize an Escrow Account, then immediately following the execution and delivery of this Contract, Obligee and Obligor agree to execute and deliver and to cause Escrow Agent to execute and deliver the Escrow Agreement. This Contract shall take effect only upon execution and delivery of the Escrow Agreement by the parties thereto. Obligee shall deposit or cause to be deposited with the Escrow Agent for credit to the Equipment Acquisition Fund the sum of N/A, which shall be held, invested and disbursed in accordance with the Escrow Agreement.

III. Acquisition of Equipment, Contract Payments and the Purchase Option Price

Section 3.01 Acquisition and Acceptance. Obligor shall be solely responsible for the ordering of the Equipment and for the delivery and installation of the Equipment. Execution of the Certificate of Acceptance or, alternatively, Payment Request and Equipment Acceptance Form, by a duly authorized representative of Obligor, shall constitute acceptance of the Equipment on behalf of the Obligor.

Section 3.02 Contract Payments. Obligor shall pay Contract Payments exclusively to Obligee or its assignees in lawful, legally available money of the United States of America. The Contract Payments shall be sent to the location specified by the Obligee or its assignees. The Contract Payments shall constitute a current expense of the Obligor and shall not constitute an indebtedness of the Obligor. The Contract Payments, payable without notice or demand, are due as set forth on Exhibit B. Obligee shall have the option to charge interest at the highest lawful rate on any Contract Payment received later than the due date for the number of days that the Contract Payment(s) were late, plus any additional accrual on the outstanding balance for the number of days that the Contract Payment(s) were late. Obligee shall also have the option, on monthly payments only, to charge a late fee of up to 10% of the monthly Contract Payment that is past due. Furthermore, Obligor agrees to pay any fees associated with the use of a payment system other than check, wire transfer, or ACH. Once all amounts due Obligee hereunder have been received, Obligee will release any and all of its rights, title and interest in the Equipment.

SECTION 3.03 CONTRACT PAYMENTS UNCONDITIONAL. Except as provided under Section 4.01,THE OBLIGATIONS OF OBLIGOR TO MAKE CONTRACT PAYMENTS AND TO PERFORM AND OBSERVE THE OTHER COVENANTS CONTAINED IN THIS CONTRACT SHALL BE ABSOLUTE AND UNCONDITIONAL IN ALL EVENTS WITHOUT ABATEMENT, DIMINUTION, DEDUCTION, SET-OFF, OR SUBJECT TO DEFENSE OR COUNTERCLAIM.

Section 3.04 Purchase Option Price. Upon thirty (30) days written notice, Obligor shall have the option to pay, in addition to the Contract Payment, the corresponding Purchase Option Price which is listed on the same line on Exhibit B. This option is only available to the Obligor on the Contract Payment date and no partial prepayments are allowed. If Obligor chooses this option and pays the Purchase Option Price to Obligee then Obligee will transfer any and all of its rights, title and interest in the Equipment to Obligor.

Section 3.05 Contract Term. The Contract Term shall be the Original Term and all Renewal Terms until all the Contract Payments are paid as set forth on Exhibit B except as provided under Section 4.01 and Section 9.01 below. If, after the end of the budgeting process which occurs at the end of the Original Term or any Renewal Term, Obligor has renewed as provided for in this Contract then the Contract Term shall be extended into the next Renewal Term and the Obligor shall be obligated to make all the Contract Payments that come due during such Renewal Term.

Section 3.06 Disclaimer of Warranties. OBLIGEE MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY, FITNESS FOR PARTICULAR PURPOSE OR ANY OTHER WARRANTY WITH RESPECT TO THE EQUIPMENT. OBLIGEE IS NOT A MANUFACTURER, SELLER, VENDOR OR DISTRIBUTOR, OR AGENT THEREOF, OF SUCH EQUIPMENT; NOR IS OBLIGEE A MERCHANT OR IN THE BUSINESS OF DISTRIBUTING SUCH EQUIPMENT TO THE PUBLIC. OBLIGEE SHALL NOT BE LIABLE FOR ANY INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGE ARISING OUT OF THE INSTALLATION, OPERATION, POSSESSION, STORAGE OR USE OF THE EQUIPMENT BY OBLIGOR.

IV. Non-Renewal

Section 4.01 Non-Renewal. The Contract shall terminate absolutely and without further obligation on the part of the Obligor at the end of each Budget Year during the Contract Term unless it is automatically renewed as set forth below. If Obligor chooses to not renew, then all obligations of the Obligor under this Contract regarding Contract Payments for all remaining Renewal Terms shall be terminated at the end of the then current Budget Year without penalty or liability to the Obligor of any kind provided that if Obligor has not delivered possession of the Equipment to Obligee as provided herein and conveyed to Obligee or released its interest in the Equipment by the end of the last Budget Year for which Contract Payments were paid, the termination shall nevertheless be effective but Obligor shall be responsible for the payment of damages in an amount equal to the amount of the Contract Payments thereafter coming due under Exhibit B which are attributable to the number of days after such Budget Year during which Obligor fails to take such actions and for any other loss suffered by Obligee as a result of Obligor's failure to take such actions as required. This Contract will automatically renew at the end of each Budget Year unless positive action is taken by Obligor as evidenced by a resolution passed by the Obligor's governing body to terminate the Contract. Obligor shall immediately notify the Obligee as soon as the decision to non-renew is made. If such non-renewal occurs, then Obligor shall deliver the Equipment to Obligee as provided below in Section 9.04. Obligor shall be liable for all damage to the Equipment other than normal wear and tear. If Obligor fails to deliver the Equipment to Obligee, then Obligee may enter the premises where the Equipment is located and take possession of the Equipment and charge Obligor for costs incurred.

V. Insurance, Damage, Insufficiency of Proceeds

Section 5.01 Insurance. Obligor shall maintain both property insurance and liability insurance at its own expense with respect to the Equipment. Obligor shall be solely responsible for selecting the insurer(s) and for making all premium payments and ensuring that all policies are continuously kept in effect during the period when Obligor is required to make Contract Payments. Obligor shall provide Obligee with a Certificate of Insurance which lists the Obligee and/or assigns as a loss payee and an additional insured on the policies with respect to the Equipment.

(a) Obligor shall insure the Equipment against any 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 Obligee in an amount at least equal to the then applicable Purchase Option Price of the Equipment. Alternatively, Obligor may insure the Equipment under a blanket insurance policy or policies.

(b) The liability insurance shall insure Obligee from liability and property damage in any form and amount satisfactory to Obligee.

(c) Obligor may self-insure against the casualty risks and liability risks described above. If Obligor chooses this option, Obligor must furnish Obligee with a certificate and/or other documents which evidences such coverage.

(d) All insurance policies issued or affected by this Section shall be so written or endorsed such that the Obligee and its assignees are named additional insureds and loss payees and that all losses are payable to Obligor and Obligee or its assignees as their interests may appear. Each policy issued or affected by this Section shall contain a provision that the insurance company shall not cancel or materially modify the policy without first giving thirty (30) days advance notice to Obligee or its assignees. Obligor shall furnish to Obligee certificates evidencing such coverage throughout the Contract Term.

Section 5.02 Damage to or Destruction of Equipment. Obligor assumes the risk of loss or damage to the Equipment. If the Equipment or any portion thereof is lost, stolen, damaged, or destroyed by fire or other casualty, Obligor will immediately report all such losses to all possible insurers and take the proper procedures to obtain all insurance proceeds. At the option of Obligee, Obligor shall either (1) apply the Net Proceeds to replace, repair or restore the Equipment or (2) apply the Net Proceeds to the applicable Purchase Option Price. For purposes of this Section and Section 5.03, the term Net Proceeds shall mean the amount of insurance proceeds collected from all applicable insurance policies after deducting all expenses incurred in the collection thereof.

Section 5.03 Insufficiency of Net Proceeds. If there are no Net Proceeds for whatever reason or if the Net Proceeds are insufficient to pay in full the cost of any replacement, repair, restoration, modification or improvement of the Equipment, then Obligor shall, at the option of Obligee, either (1) complete such replacement, repair, restoration, modification or improvement and pay any costs thereof in excess of the amount of the Net Proceeds or (2) apply the Net Proceeds to the Purchase Option Price and pay the deficiency, if any, to the Obligee.

Section 5.04 Obligor Negligence. Obligor assumes all risks and liabilities, whether or not covered by insurance, for loss or damage to the Equipment and for injury to or death of any person or damage to any property whether such injury or death be with respect to agents or employees of Obligor or of third parties, and whether such property damage be to Obligor's property or the property of others (including, without limitation, liabilities for loss or damage related to the release or threatened release of hazardous substances under the Comprehensive Environmental Response, Compensation and Liability Act, the Resource Conservation and Recovery Act or similar or successor law or any State or local equivalent now existing or hereinafter enacted which in any manner arise out of or are incident to any possession, use, operation, condition or storage of any Equipment by Obligor), which is proximately caused by the negligent conduct of Obligor, its officers, employees and agents.

Section 5.05 Reimbursement. Obligor hereby assumes responsibility for and agrees to reimburse Obligee for all liabilities, obligations, losses, damages, penalties, claims, actions, costs and expenses (including reasonable attorneys' fees) of whatsoever kind and nature, imposed on, incurred by or asserted against Obligee that in any way relate to or arise out of a claim, suit or proceeding, based in whole or in part upon the negligent conduct of Obligor, its officers, employees and agents, or arose out of installation, operation, possession, storage or use of any item of the Equipment, to the maximum extent permitted by law.

VI. Title and Security Interest

Section 6.01 Title. Title to the Equipment shall vest in Obligor when Obligor acquires and accepts the Equipment. Title to the Equipment will automatically transfer to the Obligee in the event Obligor chooses to not renew under Section 4.01 or in the event Obligor defaults under Section 9.01. In such event, Obligor shall execute and deliver to Obligee such documents as Obligee may request to evidence the passage of legal title to the Equipment to Obligee.

Section 6.02 Security Interest. To secure the payment of all Obligor's obligations under this Contract, as well as all other obligations, debts and liabilities, plus interest thereon, whether now existing or subsequently created, Obligor hereby grants to Obligee a security interest under the Uniform Commercial Code constituting a first lien on the Equipment described more fully on Exhibit A. Furthermore, Obligor agrees that any other collateral securing any other obligation(s) to Obligee, whether offered prior to or subsequent hereto, also secures this obligation. The security interest established by this section includes not only all additions, attachments, repairs and replacements to the Equipment but also all proceeds therefrom. Obligor authorizes Obligee to prepare and record any Financing Statement required under the Uniform Commercial Code to perfect the security interest created hereunder. Obligor agrees that any Equipment listed on Exhibit A is and will remain personal property and will not be considered a fixture even if attached to real property.

VII. Assignment

Section 7.01 Assignment by Obligee. All of Obligee's rights, title and/or interest in and to this Contract may be assigned and reassigned in whole or in part to one or more assignees or sub-assignees by Obligee at any time without the consent of Obligor. No such assignment shall be effective as against Obligor until the assignor shall have filed with Obligor written notice of assignment identifying the assignee. Obligor shall pay all Contract Payments due hereunder relating to such Equipment to or at the direction of Obligee or the assignee named in the notice of assignment. Obligor shall keep a complete and accurate record of all such assignments.

Section 7.02 Assignment by Obligor. None of Obligor's right, title and interest under this Contract and in the Equipment may be assigned by Obligor unless Obligee approves of such assignment in writing before such assignment occurs and only after Obligor first obtains an opinion from nationally recognized counsel stating that such assignment will not jeopardize the tax-exempt status of the obligation.

VIII. Maintenance of Equipment

Section 8.01 Equipment. Obligor shall keep the Equipment in good repair and working order, and as required by manufacturer's and warranty specifications. If Equipment consists of copiers, Obligor is required to enter into a copier maintenance/service agreement. Obligee shall have no obligation to inspect, test, service, maintain, repair or make improvements or additions to the Equipment under any circumstances. Obligor will be liable for all damage to the Equipment, other than normal wear and tear, caused by Obligor, its employees or its agents. Obligor shall pay for and obtain all permits, licenses and taxes related to the ownership, installation, operation, possession, storage or use of the Equipment. If the Equipment includes any titled vehicle(s), then Obligor is responsible for obtaining such title(s) from the State and also for ensuring that Obligee is listed as First Lienholder on all of the title(s). Obligor shall not use the Equipment to haul, convey or transport hazardous waste as defined in the Resource Conservation and Recovery Act, 42 U.S.C. 6901 et. seq. Obligor agrees that Obligee or its Assignee may execute any additional documents including financing statements, affidavits, notices, and similar instruments, for and on behalf of Obligor which Obligee deems necessary or appropriate to protect Obligee's interest in the Equipment and in this Contract. Obligor shall allow Obligee to examine and inspect the Equipment at all reasonable times.

IX. Default

Section 9.01 Events of Default defined. The following events shall constitute an "Event of Default" under this Contract:

(a) Failure by Obligor to pay any Contract Payment listed on Exhibit B for fifteen (15) days after such payment is due according to the Payment Date listed on Exhibit B.

(b) Failure to pay any other payment required to be paid under this Contract at the time specified herein and a continuation of said failure for a period of fifteen (15) days after written notice by Obligee that such payment must be made. If Obligor continues to fail to pay any payment after such period, then Obligee may, but will not be obligated to, make such payments and charge Obligor for all costs incurred plus interest at the highest lawful rate.

(c) Failure by Obligor to observe and perform any warranty, covenant, condition, promise or duty under this Contract for a period of thirty (30) days after written notice specifying such failure is given to Obligor by Obligee, unless Obligee agrees in writing to an extension of time. Obligee will not unreasonably withhold its consent to an extension of time if corrective action is instituted by Obligor. Subsection (c) does not apply to Contract Payments and other payments discussed above.

(d) Any statement, material omission, representation or warranty made by Obligor in or pursuant to this Contract which proves to be false, incorrect or misleading on the date when made regardless of Obligor's intent and which materially adversely affects the rights or security of Obligee under this Contract.

(e) Any provision of this Contract which ceases to be valid for whatever reason and the loss of such provision would materially adversely affect the rights or security of Obligee.

(f) Except as provided in Section 4.01 above, Obligor admits in writing its inability to pay its obligations.

(g) Obligor defaults on one or more of its other obligations.

(h) Obligor becomes insolvent, is unable to pay its debts as they become due, makes an assignment for the benefit of creditors, applies for or consents to the appointment of a receiver, trustee, conservator, custodian, or liquidator of Obligor, or all or substantially all of its assets, or a petition for relief is filed by Obligor under federal bankruptcy, insolvency or similar laws, or is filed against Obligor and is not dismissed within thirty (30) days thereafter.

Section 9.02 Remedies on Default. Whenever any Event of Default exists, Obligee shall have the right to take one or any combination of the following remedial steps:

(a) With or without terminating this Contract, Obligee may declare all Contract Payments and other amounts payable by Obligor hereunder to the end of the then current Budget Year to be immediately due and payable.

(b) With or without terminating this Contract, Obligee may require Obligor at Obligor's expense to redeliver any or all of the Equipment and any additional collateral to Obligee as provided below in Section 9.04. Such delivery shall take place within fifteen (15) days after the Event of Default occurs. If Obligor fails to deliver the Equipment and any additional collateral, Obligee may enter the premises where the Equipment and any additional collateral is located and take possession of the Equipment and any additional collateral and charge Obligor for costs incurred. Notwithstanding that Obligee has taken possession of the Equipment and any additional collateral, Obligor shall still be obligated to pay the remaining Contract Payments due up until the end of the then current Original Term or Renewal Term. Obligor will be liable for any damage to the Equipment and any additional collateral caused by Obligor or its employees or agents.

(c) Obligee may take whatever action at law or in equity that may appear necessary or desirable to enforce its rights. Obligor shall be responsible to Obligee for all costs incurred by Obligee in the enforcement of its rights under this Contract including, but not limited to, reasonable attorney fees.

Section 9.03 No Remedy Exclusive. No remedy herein conferred upon or reserved to Obligee is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Contract now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or shall be construed to be a waiver thereof.

Section 9.04 Return of Equipment and Storage.

(a) Surrender: The Obligor shall, at its own expense, surrender the Equipment, any additional collateral and all required documentation to evidence transfer of title from Obligor to the Obligee in the event of a default or a non-renewal by delivering the Equipment and any additional collateral to the Obligee to a location accessible by common carrier and designated by Obligee. In the case that any of the Equipment and any additional collateral consists of software, Obligor shall destroy all intangible items constituting such software and shall deliver to Obligee all tangible items constituting such software. At Obligee's request, Obligor shall also certify in a form acceptable to Obligee that Obligor has complied with the above software return provisions and that they will immediately cease using the software and that they shall permit Obligee and/or the vendor of the software to inspect Obligor's locations to verify compliance with the terms hereto.

(b) Delivery: The Equipment and any additional collateral shall be delivered to the location designated by the Obligee by a common carrier unless the Obligee agrees in writing that a common carrier is not needed. When the Equipment and any additional collateral is delivered into the custody of a common carrier, the Obligor shall arrange for the shipping of the item and its insurance in transit in accordance with the Obligee's instructions and at the Obligor's sole expense. Obligor at its expense shall completely sever and disconnect the Equipment and any additional collateral or its component parts from the Obligor's property all without liability to the Obligee. Obligor shall pack or crate the Equipment and any additional collateral and all of the component parts of the Equipment and any additional collateral carefully and in accordance with any recommendations of the manufacturer. The Obligor shall deliver to the Obligee the plans, specifications, operation manuals or other warranties and documents furnished by the manufacturer or vendor on the Equipment and any additional collateral and such other documents in the Obligor's possession relating to the maintenance and methods of operation of such Equipment and any additional collateral.

(c) Condition: When the Equipment is surrendered to the Obligee it shall be in the condition and repair required to be maintained under this Contract. It will also meet all legal regulatory conditions necessary for the Obligee to sell or lease it to a third party and be free of all liens. If Obligee reasonably determines that the Equipment or an item of the Equipment, once it is returned, is not in the condition required hereby, Obligee may cause the repair, service, upgrade, modification or overhaul of the Equipment or an item of the Equipment to achieve such condition and upon demand, Obligor shall promptly reimburse Obligee for all amounts reasonably expended in connection with the foregoing.

(d) Storage: Upon written request by the Obligee, the Obligor shall provide free storage for the Equipment and any additional collateral for a period not to exceed 60 days after the expiration of the Contract Term before returning it to the Obligee. The Obligor shall arrange for the insurance described to continue in full force and effect with respect to such item during its storage period and the Obligee shall reimburse the Obligor on demand for the incremental premium cost of providing such insurance.

X. Miscellaneous

Section 10.01 Notices. All notices shall be sufficiently given and shall be deemed given when delivered or mailed by registered mail, postage prepaid, to the parties at their respective places of business as first set forth herein or as the parties shall designate hereafter in writing.

Section 10.02 Binding Effect. Obligor acknowledges this Contract is not binding upon the Obligee or its assignees unless the Conditions to Funding listed on the Documentation Instructions have been met to Obligee's satisfaction, and Obligee has executed the Contract. Thereafter, this Contract shall inure to the benefit of and shall be binding upon Obligee and Obligor and their respective successors and assigns.

Section 10.03 Severability. In the event any provision of this Contract shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 10.04 Amendments, Addenda, Changes or Modifications. This Contract may be amended, added to, changed or modified by written agreement duly executed by Obligee and Obligor. Furthermore, Obligee reserves the right to directly charge or amortize into the remaining balance due from Obligor, a reasonable fee, to be determined at that time, as compensation to Obligee for the additional administrative expense resulting from such amendment, addenda, change or modification requested by Obligor.

Section 10.05 Execution in Counterparts. This Contract may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 10.06 Captions. The captions or headings in this Contract do not define, limit or describe the scope or intent of any provisions or sections of this Contract.

Section 10.07 Master Contract. This Contract can be utilized as a Master Contract. This means that the Obligee and the Obligor may agree to the financing of additional Equipment under this Contract at some point in the future by executing one or more Additional Schedules to Exhibit A and Exhibit B, as well as other exhibits or documents that may be required by Obligee. Additional Schedules will be consecutively numbered on each of the exhibits which make up the Additional Schedule and all the terms and conditions of the Contract shall govern each Additional Schedule.

Section 10.08 Entire Writing. This Contract constitutes the entire writing between Obligee and Obligor. No waiver, consent, modification or change of terms of this Contract shall bind either party unless in writing and signed by both parties, and then such waiver, consent, modification or change shall be effective only in the specific instance and for the specific purpose given. There are no understandings, agreements, representations, conditions, or warranties, express or implied, which are not specified herein regarding this Contract, the Equipment or any additional collateral, financed hereunder. Any terms and conditions of any purchase order or other documents submitted by Obligor in connection with this Contract which are in addition to or inconsistent with the terms and conditions of this Contract will not be binding on Obligee and will not apply to this Contract.

Obligee and Obligor have caused this Contract to be executed in their names by their duly authorized representatives listed below.

Signature	Signature
Printed Name and Title	Printed Name and Title

SAMPLE

EXHIBIT A

DESCRIPTION OF EQUIPMENT

RE: Government Obligation Contract dated as of , between (Obligee) and (Obligor)

Below is a detailed description of all the items of Equipment including quantity, model number and serial number where applicable:

SAMPLE

Physical Address of Equipment after Delivery : _____

EXHIBIT B

PAYMENT SCHEDULE

RE: Government Obligation Contract dated as of , between (Obligee) and (Obligor)

Date of First Payment:
Original Balance:
Total Number of Payments:
Number of Payments Per Year:

Pmt No.	Due Date	Contract Payment	Applied to Interest	Applied to Principal	*Purchase Option Price

Signature

Printed Name and Title

*Assumes all Contract Payments due to date are paid

SAMPLE

EXHIBIT C

CERTIFICATE OF ACCEPTANCE

RE: Government Obligation Contract dated as of , between (Obligee) and (Obligor)

I, the undersigned, hereby certify that I am a duly qualified representative of Obligor and that I have been given the authority by the Governing Body of Obligor to sign this Certificate of Acceptance with respect to the above referenced Contract. I hereby certify that:

1. The Equipment described on Exhibit A has been delivered and installed in accordance with Obligor's specifications.
2. Obligor has conducted such inspection and/or testing of the Equipment as it deems necessary and appropriate and hereby acknowledges that it accepts the Equipment for all purposes.
3. Obligor has appropriated and/or taken other lawful actions necessary to provide moneys sufficient to pay all Contract Payments required to be paid under the Contract during the current Budget Year of Obligor, and such moneys will be applied in payment of all Contract Payments due and payable during such current Budget Year.
4. Obligor has obtained insurance coverage as required under the Contract from an insurer qualified to do business in the State.
5. No event or condition that constitutes or would constitute an Event of Default exists as of the date hereof.
6. The governing body of Obligor has approved the authorization, execution and delivery of this Contract on its behalf by the authorized representative of Obligor who signed the Contract.
7. Please list the Source of Funds (Fund Item in Budget) for the Contract Payments that come due under Exhibit B of this Contract.

Source of Funds : _____

By signing below, Obligor hereby authorizes the General Fund of the Obligor as a backup source of funds from which the Contract Payments can be made.

_____
Signature

_____
Printed Name and Title

SAMPLE

EXHIBIT D

OBLIGOR RESOLUTION

RE: Government Obligation Contract dated as of , between (Obligee) and (Obligor)

At a duly called meeting of the Governing Body of the Obligor (as defined in the Contract) held on _____ the following resolution was introduced and adopted:

BE IT RESOLVED by the Governing Body of Obligor as follows:

1. **Determination of Need.** The Governing Body of Obligor has determined that a true and very real need exists for the acquisition of the Equipment described on Exhibit A of the Government Obligation Contract dated as of , between (Obligor) and (Obligee).

2. **Approval and Authorization.** The Governing Body of Obligor has determined that the Contract, substantially in the form presented to this meeting, is in the best interests of the Obligor for the acquisition of such Equipment, and the Governing Body hereby approves the entering into of the Contract by the Obligor and hereby designates and authorizes the following person(s) to execute and deliver the Contract on Obligor's behalf with such changes thereto as such person(s) deem(s) appropriate, and any related documents, including any Escrow Agreement, necessary to the consummation of the transaction contemplated by the Contract.

   Authorized Individual(s): _____
   (Typed or Printed Name and Title of individual(s) authorized to execute the Contract)

3. **Adoption of Resolution.** The signatures below from the designated individuals from the Governing Body of the Obligor evidence the adoption by the Governing Body of this Resolution.

Signature: _____
(Signature of Secretary, Board Chairman or other member of the Governing Body)

Printed Name & Title: _____
(Printed Name and Title of individual who signed directly above)

Attested By: _____
(Signature of one additional person who can witness the passage of this Resolution)

Printed Name & Title: _____
(Printed Name of individual who signed directly above)

SAMPLE

EXHIBIT E

BANK QUALIFIED CERTIFICATE

RE: Government Obligation Contract dated as of , between (Obligee) and (Obligor)

Whereas, Obligor hereby represents that it is a "Bank Qualified" Issuer for the calendar year in which this Contract is executed by making the following designations with respect to Section 265 of the Internal Revenue Code of 1986, as amended (the "Code"). (A "Bank Qualified Issuer" is an issuer that issues less than ten million ($10,000,000) dollars of tax-exempt obligations other than "private activity bonds" as defined in Section 141 of the Code, excluding certain "qualified 501(c)(3) bonds" as defined in Section 145 of the Code, during the calendar year).

Now, therefor, Obligor hereby designates this Contract as follows:

1. **Designation as Qualified Tax-Exempt Obligation.** Pursuant to Section 265(b)(3)(B)(i) of the Code, the Obligor hereby specifically designates the Contract as a "qualified tax-exempt obligation" for purposes of Section 265(b)(3) of the Code. In compliance with Section 265(b)(3)(D) of the Code, the Obligor hereby represents that the Obligor will not designate more than $10,000,000 of obligations issued by the Obligor in the calendar year during which the Contract is executed and delivered as such "qualified tax-exempt obligations".
2. **Issuance Limitation.** In compliance with the requirements of Section 265(b)(3)(C) of the Code, the Obligor hereby represents that the Obligor (including all subordinate entities of the Obligor within the meaning of Section 265(b)(3)(E) of the Code) reasonably anticipates not to issue in the calendar year during which the Contract is executed and delivered, obligations bearing interest exempt from federal income taxation under Section 103 of the Code (other than "private activity bonds" as defined in Section 141 of the Code and excluding certain "qualified 501(c)(3) bonds" as defined in Section 145 of the Code) in an amount greater than $10,000,000.

_____
Signature

_____
Printed Name and Title

SAMPLE