



MI-WUK/SUGAR PINE FIRE PROTECTION DISTRICT

"Providing Quality Emergency Response And Fire Protection For The Public"

Notice and Agenda
Mi-Wuk Sugar Pine Fire Protection District
Board of Directors
Regular Meeting, 7:00 PM, Tuesday, April 13, 2021
Mi-Wuk Sugar Pine Fire Protection District
24247 Highway 108, Mi Wuk Village, California

In order to protect public health and the safety of our citizens, the facilities used for this meeting will be sanitized prior to the meeting and social distancing guidelines will be followed.

Face masks are required.

1. Call to Order _____
2. Pledge of Allegiance
3. Roll Call
 - a. President McDonald _____
 - b. Vice President Afshar _____
 - c. Treasurer Massman _____
 - d. Director Doss _____
 - e. Director Blake _____
 - f. Also Present:
 - i. Chief Klyn _____
 - ii. Office Manager/Board Clerk Dahlin _____
 - iii. Guests: _____
4. Oral Communications: This is the time for the public to address the Board of Directors on any matter not on the agenda, but within the jurisdiction of the Board of Directors. Each person shall be permitted to speak for no more than 5 minutes; persons speaking on the behalf of an organization may speak for no more than 15 minutes. Those wishing to speak on a matter that is on the agenda may do so at the time the item is taken up by the Board of Directors.
5. Approval of the Minutes of the March 9, 2021 Regular Meeting.
Moved to Approve: _____ Seconded: _____
Ayes: _____ Noes: _____ Absent: _____ Abstain: _____
6. Written Communications:
7. Reports:
 - a. Auxiliary Report: Sherry Blake, MWSPFPD Auxiliary President: No Action Required
 - b. CAL FIRE Report: No Action Required
 - c. Chief's Report: James Klyn, Fire Chief. No Action Required

8. Standing Committee Reports for Discussion and Action

- a. District Policies & Procedures Committee: Director Doss. No Action Required
 - i. Lexipol - Comprehensive System for Policies and Updates
- b. Treasurers Report on Budget Committee and Financial Reports: Treasurer Massman
Financial Reports for Month Ending February 28, 2020:
 - i. Tuolumne County Trial Balance
 - ii. Tuolumne County Budget Status
 - iii. Month End Cash on Hand History

Moved to Receive: _____ Seconded: _____

Ayes: _____ Noes: _____ Absent: _____ Abstain: _____

9. Discussion and Action Items:

- a. RESOLUTION NO. 2021.04.13.1 Authorizing the execution and delivery of an Equipment Lease Purchase Agreement and Schedule of Equipment No. 01 with Republic First National Corporation in the amount of \$272,548.41 and authorizing and directing certain actions in connection with the acquisition of a new BME Engine; Chief Klyn
- b. Budget Transfer for FY21 to make funds available in the appropriate account to pay off the outstanding loan balance on the water tender and to increase certain funds to cover unanticipated expenditures; Treasurer Massman
- c. Strike team revenue and spending priorities for FY21/22; Chief Klyn
- d. Possible employee benefits; Chief Klyn

10. Director's Comments and Requests: Directors may report about various matters involving the District or may request matters be included on subsequent meeting agenda(s) for discussion and/or action.

Discussion will be limited to that necessary to clarify an issue or request. No action will be taken.

11. Final audience comments:

12. Adjournment: _____

In accordance with the Americans with Disabilities Act, if you need special assistance (i.e. auxiliary aids or services) in order to participate in this public meeting, please contact the District at (209) 586-5256. Notification 48 hours prior to the start of the meeting will enable the District to make reasonable accommodation to ensure accessibility to this public meeting. Pursuant to the California Government Code section 54957.5, public records, including writings relating to an agenda item for open session of a meeting and distributed less than 72 hours prior to the meeting, are available for public inspection at the Mi-Wuk Sugar Pine Fire Protection District office at 24247 Highway 108, Mi Wuk Village, California

This Notice and Agenda was posted pursuant to District Policy on April 9, 2021



MI-WUK/SUGAR PINE FIRE PROTECTION DISTRICT

"Providing Quality Emergency Response And Fire Protection For The Public"

Minutes

Mi-Wuk Sugar Pine Fire Protection District

Board of Directors

Regular Meeting, 7:00 PM, Tuesday, March 9, 2021

Mi-Wuk Sugar Pine Fire Protection District

24247 Highway 108, Mi Wuk Village, California

1. Call to Order – 7:00 PM
2. Pledge of Allegiance
3. Roll Call
 - a. President McDonald - Present
 - b. Vice President Afshar - Present
 - c. Treasurer Massman - Present
 - d. Director Doss - Absent
 - e. Director Blake - Present
 - f. Also Present:
 - i. Chief Klyn - Present
 - ii. Office Manager/Board Clerk Dahlin - Present
 - iii. Guests: _____
4. Oral Communications: This is the time for the public to address the Board of Directors on any matter not on the agenda, but within the jurisdiction of the Board of Directors. Each person shall be permitted to speak for no more than 5 minutes; persons speaking on the behalf of an organization may speak for no more than 15 minutes. Those wishing to speak on a matter that is on the agenda may do so at the time the item is taken up by the Board of Directors. There were none.
5. Approval of the Minutes of the February 9, 2021 Regular Meeting.
Moved to Approve: Vice President Afshar, moved to approve with the correction on agenda item 9a of the word 'rip' to 'ric' Seconded: Director Blake
Ayes: 4 Noes: 0 Absent: 1 Abstain: 0
6. Written Communications:
 - a. There were none.
7. Reports:
 - a. Auxiliary Report: Sherry Blake, MWSPFPD Auxiliary President, reported that she has submitted a grant request to Seventh Day Adventist Community Foundation, at their request, after they read about the rescue at Pinecrest in the Union Democrat, for three types of emergency equipment.
 - b. CAL FIRE Report: No report.

- c. Chief's Report: James Klyn, Fire Chief, in addition to his written report which is in the meeting record, reported that he and Director Doss have talked to Anaiah Kirk who is working with OES and the Sheriff's Department about obtaining a side-by-side to be housed at the station for the District's use when extreme conditions are expected. He also stated that Cal Fire is working on housing one at the Long Barn station.

8. Standing Committee Reports for Discussion and Action

- a. District Policies & Procedures Committee: Director Doss. The meeting was cancelled.
- b. Treasurers Report on Budget Committee and Financial Reports: Treasurer Massman reported that the committee met on March 9th. Most of the discussion was about agenda item 9b. He also went over his written report that is in the meeting record.

Financial Reports for Month Ending January 31, 2020:

- i. Tuolumne County Trial Balance
- ii. Tuolumne County Budget Status (does not reflect January budget adjustments)
- iii. Month End Cash on Hand History

Moved to Receive: Director Blake Seconded: President McDonald

Ayes: 4 Noes: 0 Absent: 1 Abstain: 0

9. Discussion and Action Items:

- a. Receive Mi-Wuk Sugar Pine Fire Protection District Financial Statements and Independent Auditor's Report for the fiscal year ended June 30, 2020 prepared by Blomberg & Griffin Accountancy Corporation; Treasurer Massman informed the board Office Manager Dahlin had requested that the auditor make several corrections to the draft. The corrections were completed in the final report. He said that he, Chief Klyn and Office Manager Dahlin have reviewed the final report and it looks fine.

Moved to Approve: Vice President Afshar Seconded: Director Blake

Ayes: 4 Noes: 0 Absent: 1 Abstain: 0

- b. Discuss possible lease of new Type 3, possible sale of current apparatus, strike team revenue and spending priorities for FY21/22. Treasurer Massman reviewed the recommendations of the Budget Committee and the financing quotes which are in the meeting record. After discussion:

Director Blake moved that the board authorize Chief Klyn and Director Doss to secure a lease purchase agreement for new Type 3 with \$50,000 down payment, 15-year term.

Seconded: Vice President Afshar

Ayes: 4 Noes: 0 Absent: 1 Abstain: 0

President McDonald moved that the District pay off WT777 as soon as funds allow and authorize Chief Klyn to offer WT777 for sale for no less than the outstanding balance of \$104832.

Seconded: Director Blake

Ayes: 4 Noes: 0 Absent: 1 Abstain: 0

10. Director's Comments and Requests: Directors may report about various matters involving the District or may request matters be included on subsequent meeting agenda(s) for discussion and/or action. Discussion will be limited to that necessary to clarify an issue or request. No action will be taken. Director Blake asked if the need for more snow rescue equipment should be put on the next agenda. Treasurer Massman responded that those needs will be addressed in future steps as some of the unknowns, such as the sale of the water tender, become known.
11. Final audience comments:
12. Adjournment: 7:45 PM

Approved by the District Board of Directors in the meeting assembled April 13, 2021.

President McDonald



MI-WUK SUGAR PINE FIRE PROTECTION DISTRICT

"Providing Quality Emergency Response And Fire Protection For The Public"

Chiefs Notes For March

1. Applied for Grant with PG&E for help with our generator that needs to be replaced.
2. Regional SCBA Grant looks "promising"
3. Engineer testing will take place this Monday the 12th. We have a great pool of candidates. 14 applied, 10 expected to make it to the testing.
4. Good news/Bad news- We are losing most of our interns to Cal Fire this year. We will be looking to recruit a new batch of cubs to train up again.
5. Incident breakdown for March:
 - a. 45 incidents-
 - b. 19 in District
 - c. 26 out of District
 - d. 25 EMS (Emergency Medical Service)
 - e. 01 MVA (Motor Vehicle Accident)
 - f. 04 Fires
 - g. 15 PSA (Public Service Assist)

TRIAL BALANCE

BY FUND

Selection Criteria:

Fiscal Year 2021 Period 8 (February)
Fund 9030 Mi-Wuk Fire District

Account	Description	Beginning	Net Activity	Ending
100100	Equity In Treasurers Pooled Ca	41.62	5.44	47.06
100400	Petty Cash	500.00	0.00	500.00
120000	Land	73,132.00	0.00	73,132.00
122000	Buildings And Improvements	731,393.11	0.00	731,393.11
124000	Equipment	367,963.10	0.00	367,963.10
127000	Accum Depreciation-Bldgs & Imp	-334,859.00	0.00	-334,859.00
129100	Accum Depreciation-Equipment	-115,960.92	0.00	-115,960.92
	Total Assets	722,209.91	5.44	722,215.35
201210	Notes Payable-Current	-28,220.28	0.00	-28,220.28
202200	Sales Tax Payable	0.00	0.00	0.00
203150	Payroll Clearing Account	0.00	0.00	0.00
203210	Salaries & Benefits Payable	-11,321.91	2,221.75	-9,100.16
203215	Accrued Vacation	-8,147.00	0.00	-8,147.00
203225	Accrued Sick	-6,425.00	0.00	-6,425.00
203500	Federal Withholding Payable	-1,695.43	622.56	-1,072.87
203600	FICA Payable	-2,906.34	1,116.38	-1,789.96
203700	State Withholding Payable	-597.70	232.14	-365.56
203935	Deferred Compensation Benefits	-125.00	0.00	-125.00
203945	SDI Payable	-180.89	40.48	-140.41
205310	Advances to Other Funds	-100,650.00	82,100.00	-18,550.00
221005	Notes Payable-Long Term	-156,948.46	0.00	-156,948.46
	Total Liabilities	-317,218.01	86,333.31	-230,884.70
262010	Agency Obligation	-12,027.50	0.00	-12,027.50
280600	Capital Assets, net	-721,668.29	0.00	-721,668.29
	Total Fund Balance	-733,695.79	0.00	-733,695.79
411110	Ppty Taxes -Current Secured	-102,105.36	0.00	-102,105.36
412110	Ppty Taxes - Current Unsecured	-3,959.63	0.00	-3,959.63
416110	Supplemental Property Taxes -	-569.44	0.00	-569.44
441110	Interest Income	-322.37	1.03	-321.34
458110	State - Homeowners' Property T	-922.13	0.00	-922.13
459119	State - Emergency Fire Fightin	20,881.00	-119,650.93	-98,769.93
469840	Other Govs- San Francisco	-613.00	0.00	-613.00
471211	Benefit Assessments-Fire Assmt	-154,908.62	0.00	-154,908.62
483110	Miscellaneous Income	-40.00	0.00	-40.00
483111	Misc Income - Reimbursements	-869.21	-177.75	-1,046.96
489107	California Fire Foundation	-15,000.00	0.00	-15,000.00
491110	Sale Of Fixed Assets	-1,500.00	0.00	-1,500.00
496000	Donations	-25.00	0.00	-25.00
496060	Donations- Auxiliary-Utilities	-2,049.22	-713.42	-2,762.64
496063	Donations- Auxiliary- Clothing	-12,851.25	0.00	-12,851.25
496065	Donations- Auxiliary- Misc	-1,944.65	-234.28	-2,178.93
	Total Revenue	-276,798.88	-120,775.35	-397,574.23
511110	Regular Salaries	356,905.92	16,666.68	373,572.60
511132	Recruitment Expense	696.00	30.00	726.00
511140	Salaries - Termination	1,307.88	0.00	1,307.88
511153	Part-Time/Reserve Salaries	35,736.85	4,735.42	40,472.27
511160	Overtime Salaries	45,005.32	2,891.05	47,896.37
512225	Life Insurance	2,364.50	27.00	2,391.50
512310	Workers Compensation Insurance	14,736.76	0.00	14,736.76
512410	F.I.C.A.	33,580.16	1,858.45	35,438.61
512420	Unemployment Insurance	875.00	125.00	1,000.00
521210	Clothing & Personal Supplies	47,400.82	0.00	47,400.82

TRIAL BALANCE

BY FUND

Selection Criteria:

Fiscal Year 2021 Period 8 (February)

Fund 9030 Mi-Wuk Fire District

Account	Description	Beginning	Net Activity	Ending
521310	Communications	1,935.56	444.19	2,379.75
521425	Food - Other	146.90	119.97	266.87
521510	Household Expense	1,397.00	114.31	1,511.31
521610	Insurance	6,581.00	0.00	6,581.00
522110	Maintenance Equipment	2,661.12	1,728.15	4,389.27
522120	Maint Equip-Vehicles	4,517.95	67.14	4,585.09
522122	Maint- Vehicles- Internal	425.63	0.00	425.63
522177	Fire Extinguisher Testing	129.73	110.81	240.54
522510	Maintenance - Buildings & Imps	2,243.24	114.10	2,357.34
522512	Maintenance - Grounds	1,622.41	0.00	1,622.41
523210	Dues & Memberships	3,722.25	0.00	3,722.25
525110	Office Expense	658.90	0.00	658.90
525140	Office Expense - Photocopy	623.17	56.04	679.21
525150	Office Expense - Postage	289.65	22.00	311.65
526110	P S & S-Professional Services	6,957.80	3,000.00	9,957.80
526124	P S & S-Auditor-Controller	1,338.75	192.50	1,531.25
527210	Rents & Leases-Equipment	879.26	79.25	958.51
527310	Rents & Leases - Bldgs & Impro	0.00	135.00	135.00
527410	Small Tools	104.90	0.00	104.90
528110	Special Departmental Expense	105.65	98.42	204.07
529110	Transp. & Travel - Fuel	7,608.37	0.00	7,608.37
529120	Travel - Training And Seminars	0.00	80.00	80.00
529130	Trans. & Travel - Private Auto	233.98	37.58	271.56
529140	Travel	117.56	0.00	117.56
529210	Utilities	6,014.03	1,703.54	7,717.57
529910	Expendable Equipment	1,619.39	0.00	1,619.39
598410	Interest - Long-Term Debt	14,183.14	0.00	14,183.14
598420	Interest - Internal Borrowing	776.22	0.00	776.22
	Total Expenditures	605,502.77	34,436.60	639,939.37
822	Overtime Hours	1,506.40	90.00	1,596.40
850	Vacation Taken	330.00	0.00	330.00
852	Sick Leave	154.60	2.00	156.60
860	Vacation Leave Pay Off	72.55	0.00	72.55
862	Sick Leave Payoff	6.00	0.00	6.00
	Total Non-Budgetary Expenditures	2,069.55	92.00	2,161.55
		2,069.55	92.00	2,161.55

Report ID: TCGL0012R

PeopleSoft
ORGANIZATION BUDGET STATUS

Page No. 1
Run Date 03/24/2021
Run Time 16:45:37

Fiscal Year: 2021 As of: 02-28-2021
Fund: 9030
Department: %
Beg. Account: % to 999999
Program Code: %

Dept 500 Revenue

Mi Wuk Fire

Fund	Dept.	Program	Account	Description	Budgeted Amount	Current Period	Amount Received	Remaining Amount	Percent Remaining
9030	204500	0000	411110	Ppty Taxes - Current Secured	187,884.00	0.00	102,105.36	85,778.64	45.66
9030	204500	0000	412110	Ppty Taxes - Current Unsecured	4,291.00	0.00	3,959.63	331.37	7.72
9030	204500	0000	414110	Ppty Taxes - Prior Unsecured	82.00	0.00	0.00	82.00	100.00
9030	204500	0000	416110	Supplemental Property Taxes -	2,301.00	0.00	569.44	1,731.56	75.25
				Total Taxes	194,558.00	0.00	106,634.43	87,923.57	45.19
9030	204500	0000	441110	Interest Income	1,500.00	-1.03	321.34	1,178.66	78.58
				Total Revenue From Use of Money And	1,500.00	-1.03	321.34	1,178.66	78.58
9030	204500	0000	458110	State - Homeowners' Property T	2,027.00	0.00	922.13	1,104.87	54.51
				Total State Revenues	2,027.00	0.00	922.13	1,104.87	54.51
9030	204500	0000	469840	Other Govs- San Francisco	613.00	0.00	613.00	0.00	0.00
				Total Federal Revenues	613.00	0.00	613.00	0.00	0.00
9030	204500	0000	471211	Benefit Assessments-Fire Assmt	285,413.00	0.00	154,908.62	130,504.38	45.72
				Total Charges for Services	285,413.00	0.00	154,908.62	130,504.38	45.72
9030	204500	0000	483110	Miscellaneous Income	40.00	0.00	40.00	0.00	0.00
9030	204500	0000	483111	Misc Income - Reimbursements	0.00	0.00	0.00	0.00	0.00
				Total Miscellaneous Revenues	40.00	0.00	40.00	0.00	0.00
9030	204500	0000	491110	Sale Of Fixed Assets	0.00	0.00	1,500.00	-1,500.00	0.00
9030	204500	0000	496000	Donations	0.00	0.00	25.00	-25.00	0.00
				Total Other Financing Sources	0.00	0.00	1,525.00	-1,525.00	0.00
				Department Total	484,151.00	-1.03	264,964.52	219,186.48	45.27

Report ID: TCGL0012R

PeopleSoft
ORGANIZATION BUDGET STATUS

Page No. 2
Run Date 03/24/2021
Run Time 16:45:38

Fiscal Year: 2021 As of: 02-28-2021
Fund: 9030
Department: %
Beg. Account: % to 999999
Program Code: %

Dept 550 Revenue

MI Wuk- Special Projects

<u>Fund</u>	<u>Dept.</u>	<u>Program</u>	<u>Account</u>	<u>Description</u>	<u>Budgeted Amount</u>	<u>Current Period</u>	<u>Amount Received</u>	<u>Remaining Amount</u>	<u>Percent Remaining</u>
9030	204550	0000	459119	State - Emergency Fire Fightin	513,527.00	119,650.93	98,769.93	414,757.07	80.77
				Total State Revenues	513,527.00	119,650.93	98,769.93	414,757.07	80.77
9030	204550	0000	469207	Fed- VFA Grant	15,585.00	0.00	0.00	15,585.00	100.00
				Total Federal Revenues	15,585.00	0.00	0.00	15,585.00	100.00
9030	204550	0000	483111	Misc Income - Reimbursements	3,500.00	177.75	1,046.96	2,453.04	70.09
9030	204550	0000	489107	California Fire Foundation	15,000.00	0.00	15,000.00	0.00	0.00
				Total Miscellaneous Revenues	18,500.00	177.75	16,046.96	2,453.04	13.26
9030	204550	0000	496060	Donations- Auxiliary-Utilities	4,900.00	713.42	2,762.64	2,137.36	43.62
9030	204550	0000	496063	Donations- Auxiliary- Clothing	3,358.00	0.00	12,851.25	-9,493.25	-282.71
9030	204550	0000	496065	Donations- Auxiliary- Misc	13,650.00	234.28	2,178.93	11,471.07	84.04
				Total Other Financing Sources	21,908.00	947.70	17,792.82	4,115.18	18.78
				Department Total	569,520.00	120,776.38	132,609.71	436,910.29	76.72
				Fund Total	1,053,671.00	120,775.35	397,574.23	656,096.77	62.27

End of Report

Report ID: TCGL0012

PeopleSoft
ORGANIZATION BUDGET STATUS

Page No. 1
Run Date 03/24/2021
Run Time 16:45:37

Fiscal Year: 2021 As of: 02-28-2021
Fund: 9030
Department: %
Beg. Account: % to 999999
Program Code: %

Dept 500 Expense

Mi Wuk Fire

Target
33.33%

Fund	Dept.	Program	Account	Description	Budgeted Amount	Current Period	Encumbered Amount	Expended Amount	Remaining Amount	Percent Remaining
9030	204500	0000	511110	Regular Salaries	215,000.00	16,666.68	0.00	131,578.36	83,421.64	38.80
9030	204500	0000	511132	Recruitment Expense	2,810.00	30.00	0.00	726.00	2,084.00	74.16
9030	204500	0000	511140	Salaries - Termination	1,308.00	0.00	0.00	1,307.88	0.12	0.01
9030	204500	0000	511153	Part-Time/Reserve Salaries	73,000.00	4,735.42	0.00	40,472.27	32,527.73	44.56
9030	204500	0000	511160	Overtime Salaries	63,600.00	2,891.05	0.00	47,896.37	15,703.63	24.69
9030	204500	0000	512215	Employee Physicals	200.00	0.00	0.00	0.00	200.00	100.00
9030	204500	0000	512225	Life Insurance	2,722.00	27.00	0.00	2,391.50	330.50	12.14
9030	204500	0000	512310	Workers Compensation Insurance	14,737.00	0.00	0.00	14,736.76	0.24	0.00
9030	204500	0000	512320	Sheriff (4850) Salaries	0.00	0.00	0.00	0.00	0.00	0.00
9030	204500	0000	512410	F.I.C.A.	26,319.00	1,858.45	0.00	27,401.01	-1,082.01	-4.11
9030	204500	0000	512420	Unemployment Insurance	1,500.00	125.00	0.00	1,000.00	500.00	33.33
Total Salaries and Employee Benefits					401,196.00	26,333.60	0.00	267,510.15	133,685.85	33.32
9030	204500	0000	521210	Clothing & Personal Supplies	4,000.00	0.00	0.00	3,964.57	35.43	0.89
9030	204500	0000	521310	Communications	4,088.00	444.19	0.00	2,379.75	1,708.25	41.79
9030	204500	0000	521425	Food - Other	255.00	0.00	0.00	0.00	255.00	100.00
9030	204500	0000	521510	Household Expense	1,100.00	0.00	0.00	466.29	633.71	57.61
9030	204500	0000	521610	Insurance	6,581.00	0.00	0.00	6,581.00	0.00	0.00
9030	204500	0000	522110	Maintenance Equipment	5,600.00	1,452.49	0.00	4,113.61	1,486.39	26.54
9030	204500	0000	522120	Maint Equip-Vehicles	12,000.00	67.14	0.00	4,600.16	7,399.84	61.67
9030	204500	0000	522122	Maint- Vehicles- Internal	3,500.00	0.00	0.00	425.63	3,074.37	87.84
9030	204500	0000	522177	Fire Extinguisher Testing	340.00	110.81	0.00	240.54	99.46	29.25
9030	204500	0000	522510	Maintenance - Buildings & Imps	3,372.00	114.10	0.00	2,107.34	1,264.66	37.50
9030	204500	0000	522512	Maintenance - Grounds	2,150.00	0.00	0.00	1,622.41	527.59	24.54
9030	204500	0000	523210	Dues & Memberships	3,793.00	0.00	0.00	3,722.25	70.75	1.87
9030	204500	0000	525110	Office Expense	1,000.00	0.00	0.00	500.55	499.45	49.95
9030	204500	0000	525140	Office Expense - Photocopy	700.00	56.04	0.00	333.01	366.99	52.43
9030	204500	0000	525150	Office Expense - Postage	400.00	22.00	0.00	311.65	88.35	22.09
9030	204500	0000	526106	P S & S - Tax Admin Fee	5,088.00	0.00	0.00	0.00	5,088.00	100.00
9030	204500	0000	526107	P S & S -Tax Parcel Fee	4,052.00	0.00	0.00	0.00	4,052.00	100.00
9030	204500	0000	526110	P S & S-Professional Services	9,720.00	3,000.00	0.00	9,957.80	-237.80	-2.45
9030	204500	0000	526124	P S & S-Auditor-Controller	2,500.00	192.50	0.00	1,531.25	968.75	38.75
9030	204500	0000	527110	Publications & Legal Notices	175.00	0.00	0.00	0.00	175.00	100.00
9030	204500	0000	527210	Rents & Leases-Equipment	1,450.00	79.25	0.00	958.51	491.49	33.90
9030	204500	0000	527310	Rents & Leases - Bldgs & Impro	135.00	135.00	0.00	135.00	0.00	0.00
9030	204500	0000	527410	Small Tools	300.00	0.00	0.00	104.90	195.10	65.03
9030	204500	0000	528110	Special Departmental Expense	1,000.00	98.42	0.00	204.07	795.93	79.59
9030	204500	0000	528184	SDE-Awards & Certificates	50.00	0.00	0.00	0.00	50.00	100.00
9030	204500	0000	529110	Transp. & Travel - Fuel	10,000.00	0.00	0.00	3,478.25	6,521.75	65.22
9030	204500	0000	529120	Travel - Training And Seminars	2,500.00	80.00	0.00	80.00	2,420.00	96.80
9030	204500	0000	529130	Trans. & Travel - Private Auto	450.00	37.58	0.00	271.56	178.44	39.65
9030	204500	0000	529140	Travel	100.00	0.00	0.00	0.00	100.00	100.00

Report ID: TCGL0012

PeopleSoft
ORGANIZATION BUDGET STATUS

Page No. 2
Run Date 03/24/2021
Run Time 16:45:37

Fiscal Year: 2021 As of: 02-28-2021
Fund: 9030
Department: %
Beg. Account: % to 999999
Program Code: %

Dept 500 Expense

Target
33.33%

					Mi Wuk Fire						
<u>Fund</u>	<u>Dept.</u>	<u>Program</u>	<u>Account</u>	<u>Description</u>	<u>Budgeted Amount</u>	<u>Current Period</u>	<u>Encumbered Amount</u>	<u>Expended Amount</u>	<u>Remaining Amount</u>	<u>Percent Remaining</u>	
9030	204500	0000	529210	Utilities	9,300.00	1,022.12	0.00	5,043.43	4,256.57	45.77	
9030	204500	0000	529910	Expendable Equipment	1,400.00	0.00	0.00	1,335.10	64.90	4.64	
				Total Services and Supplies	97,099.00	6,911.64	0.00	54,468.63	42,630.37	43.90	
9030	204500	0000	542200	Buildings & Improvements	0.00	0.00	0.00	0.00	0.00	0.00	
9030	204500	0000	543000	Vehicles	0.00	0.00	0.00	0.00	0.00	0.00	
				Total Fixed Assets	0.00	0.00	0.00	0.00	0.00	0.00	
9030	204500	0000	559000	Fixed Asset Contra Account	0.00	0.00	0.00	0.00	0.00	0.00	
				Total Fixed Assets	0.00	0.00	0.00	0.00	0.00	0.00	
9030	204500	0000	597110	Depreciation	0.00	0.00	0.00	0.00	0.00	0.00	
9030	204500	0000	598410	Interest - Long-Term Debt	34,643.00	0.00	0.00	14,183.14	20,459.86	59.06	
9030	204500	0000	598420	Interest - Internal Borrowing	0.00	0.00	0.00	776.22	-776.22	0.00	
				Total Depreciation	34,643.00	0.00	0.00	14,959.36	19,683.64	56.82	
9030	204500	0000	691110	Appropriation For Contingencie	218,917.00	0.00	0.00	0.00	218,917.00	100.00	
9030	204500	0000	691170	Contingencies- Long Term Debt	156,948.00	0.00	0.00	0.00	156,948.00	100.00	
				Total Appropriation for Contingencie	375,865.00	0.00	0.00	0.00	375,865.00	100.00	
				Department Total	908,803.00	33,245.24	0.00	336,938.14	571,864.86	62.93	

Report ID: TCGL0012

PeopleSoft
ORGANIZATION BUDGET STATUSPage No. 3
Run Date 03/24/2021
Run Time 16:45:48

Fiscal Year: 2021 As of: 02-28-2021

Fund: 9030

Department: %

Beg. Account: % to 999999

Program Code: %

Dept 550 Expense

MI Wuk- Special Projects

Fund	Dept.	Program	Account	Description	Budgeted Amount	Current Period	Encumbered Amount	Expended Amount	Remaining Amount	Percent Remaining
9030	204550	0000	511110	Regular Salaries	241,999.00	0.00	0.00	241,994.24	4.76	0.00
9030	204550	0000	512310	Workers Compensation Insurance	13,069.00	0.00	0.00	0.00	13,069.00	100.00
9030	204550	0000	512410	F.I.C.A.	18,515.00	0.00	0.00	8,037.60	10,477.40	56.59
				Total Salaries and Employee Benefits	273,583.00	0.00	0.00	250,031.84	23,551.16	8.61
9030	204550	0000	521210	Clothing & Personal Supplies	46,443.00	0.00	0.00	43,436.25	3,006.75	6.47
9030	204550	0000	521310	Communications	0.00	0.00	0.00	0.00	0.00	0.00
9030	204550	0000	521425	Food - Other	600.00	119.97	0.00	266.87	333.13	55.52
9030	204550	0000	521510	Household Expense	2,050.00	114.31	0.00	1,045.02	1,004.98	49.02
9030	204550	0000	522110	Maintenance Equipment	0.00	275.66	0.00	275.66	-275.66	0.00
9030	204550	0000	522120	Maint Equip-Vehicles	500.00	0.00	0.00	-15.07	515.07	103.01
9030	204550	0000	522510	Maintenance - Buildings & Imps	500.00	0.00	0.00	250.00	250.00	50.00
9030	204550	0000	523210	Dues & Memberships	0.00	0.00	0.00	0.00	0.00	0.00
9030	204550	0000	525110	Office Expense	300.00	0.00	0.00	158.35	141.65	47.22
9030	204550	0000	525140	Office Expense - Photocopy	350.00	0.00	0.00	346.20	3.80	1.09
9030	204550	0000	528110	Special Departmental Expense	0.00	0.00	0.00	0.00	0.00	0.00
9030	204550	0000	529110	Transp. & Travel - Fuel	4,700.00	0.00	0.00	4,130.12	569.88	12.13
9030	204550	0000	529140	Travel	120.00	0.00	0.00	117.56	2.44	2.03
9030	204550	0000	529210	Utilities	4,900.00	681.42	0.00	2,674.14	2,225.86	45.43
9030	204550	0000	529910	Expendable Equipment	10,000.00	0.00	0.00	284.29	9,715.71	97.16
				Total Services and Supplies	70,463.00	1,191.36	0.00	52,969.39	17,493.61	24.83
				Department Total	344,046.00	1,191.36	0.00	303,001.23	41,044.77	11.93
				Fund Total	1,252,849.00	34,436.60	0.00	639,939.37	612,909.63	48.92

End of Report

Cash on Hand by Month

	FY 20/21	FY 19/20	FY 18/19	FY 17/18	FY 16/17	FY 15/16	FY 14/15
Jul 31	\$ 139,966.78	\$ 202,670.42	\$ 160,788.10	\$ 125,178.72	\$ 102,836.45	\$ 91,027.21	\$ 98,475.15
Aug 31	\$ 109,571.47	\$ 158,568.34	\$ 77,662.37	\$ 90,372.49	\$ 65,207.79	\$ 56,481.78	\$ 55,133.05
Sep 30	\$ 94.93	\$ 97,354.43	\$ 30,713.08	\$ 64,183.33	\$ 46,469.69	\$ 26,082.37	\$ 15,583.75
Oct 31	\$ 73.81	\$ 43,783.05	\$ 51.87	\$ 35,625.92	\$ 20,695.14	\$ 54.93	\$ 91.48
Nov 30	\$ 72.42	\$ 59.18	\$ 72.52	\$ 25,495.92	\$ 28,413.14	\$ 117.19	\$ 33.08
Dec 31	\$ 89.36	\$ 140,891.71	\$ 185,032.02	\$ 197,024.76	\$ 174,746.43	\$ 150,895.35	\$ 143,297.01
Jan 31	\$ 41.62	\$ 87,320.27	\$ 172,709.26	\$ 198,245.16	\$ 148,725.48	\$ 123,196.88	\$ 107,361.47
Feb 28	\$ 47.06	\$ 101,410.30	\$ 129,344.83	\$ 161,654.76	\$ 113,087.15	\$ 93,346.87	\$ 80,807.04
Mar 31		\$ 120,130.72	\$ 137,982.68	\$ 135,241.04	\$ 66,058.64	\$ 27,117.75	\$ 51,204.32
Apr 30		\$ 264,014.83	\$ 275,251.54	\$ 272,357.19	\$ 214,194.29	\$ 98,760.14	\$ 165,464.83
May 31		\$ 224,705.05	\$ 271,468.33	\$ 245,512.31	\$ 193,849.35	\$ 69,401.49	\$ 150,907.81
Jun 30		\$ 209,376.59	\$ 256,825.82	\$ 225,419.40	\$ 180,850.91	\$ 166,612.59	\$ 147,732.11

Significant impacts on February cash:

- Repayed \$82,100 of loan from the County for a remaining balance of \$18,550
- FY20 OES reimbursements of \$20,881 for June deployments not yet received
- FY21 OES reimbursements of \$119,651 received.
- Strike team wages paid YTD - \$241,994
- Paid \$3,000 to SCI for final half of 20/21 services.



2525 West State Road 114
Rochester, IN 46975
Phone: (800) 700-7878
Fax: (800) 865-8517

www.republicfirstnational.com

March 24, 2021

James Klyn
Mi-Wuk Sugar Pine Fire Protection District
24247 California 108
Mi Wuk Village, CA 95346

RE: Financing for One (1) 2021 Wildland Type III Engine

Dear James:

The documents for financing of the equipment listed above are enclosed. A Documentation Checklist has been included to guide you through the process of executing the contract. Please use this checklist to ensure the contract is completed accurately and completely so we may expedite funding your lease when we receive the returned original contract. **Please print the documents single sided only. No double-sided documentation will be accepted.**

Listed below are the documents we will need to fund this transaction:

- Lease Agreement with all Exhibits
- Insurance Coverage Requirements
- Escrow Agreement
- Government Certificate of Exemption
- Invoice Instructions
- Notice and Acknowledgment of Assignment
- Payment Request Form
- Documentation Fee

Upon receipt of all listed documents; delivery of the equipment and your approval of the equipment invoice; we will remit payment to the vendor. This transaction is subject to acceptance of the documentation and final review and approval by the Senior Credit Committee of Republic First National, its nominees or assigns. The interest rate quoted is valid through April 7, 2021.

If you have any questions, please feel free to contact me at (800) 700-7878. On behalf of everyone at Republic First National, thank you for your business!

Sincerely,

Logan Newby
Doc Processor

"When results matter"



2525 West State Road 114
Rochester, IN 46975
Phone: (800) 700-7878
Fax: (800) 865-8517

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Invoice

To:
Mi-Wuk Sugar Pine Fire Protection District
Attn: James Klyn
24247 California 108
Mi Wuk Villlage, CA 95346

Re: Lease for One (1) 2021 Wildland Type III Engine

DESCRIPTION	AMOUNT
Documentation Fee:	\$299.00
TOTAL DUE:	\$299.00

Make checks payable to:
Republic First National Corporation
2525 West State Road 114
Rochester, IN 46975

If you have any questions, please feel free to contact Logan Newby
at (800) 700-7878.

"When results matter"

DOCUMENTATION CHECKLIST

The instructions on this checklist should be followed to properly execute the attached documentation. Incomplete or improperly completed documents may delay funding. If you have any questions regarding the instructions please contact our office immediately for assistance at (800)700-7878.

All original documentation must be returned to Republic First National prior to funding.

- ☐ **Master Equipment Lease Purchase Agreement**
 - Sign under 'Lessee', print title and current date
 - Witness signature and printed title should be from another member of the governing committee but not the Clerk or Secretary (area highlighted in green)
- ☐ **Exhibit A---Schedule of Equipment**
 - Sign under 'Lessee' and print title and current date
 - Witness signature and printed title should be member of governing committee as signed on Lease Purchase Agreement (area highlighted in green)
- ☐ **Attachment 1-Equipment Description**
- ☐ **Attachment 2- Payment Schedule**
 - Sign under 'Lessee' and print title and current date
- ☐ **Exhibit B---Municipal Certificate**
 - The Clerk or Secretary of the municipality should complete the section regarding their title and current date
 - Type the date of the meeting at which the governing body approved the purchase
 - Print the name and title of the individual authorized to execute the Agreement (***this is the individual who also signs the agreement under 'Lessee' throughout the contract***)
 - Type in the fiscal year for the lessee
 - The Clerk or Secretary must sign the document and print their title, thereby verifying the authority of the individual named to enter into the agreement on behalf of the municipality (area highlighted in yellow)
- ☐ **Exhibit C---Opinion of Lessee's Counsel**
 - Request your legal counsel retype the 'Opinion of Lessee's Counsel' (Exhibit C, sample) on his/her business letterhead with his/her signature and the current date
- ☐ **Void Exhibit D---Acceptance Certificate**
 - Sign, title and date the document
 - (Optional) Have additional authorized individual sign, title and date
- ☐ **Exhibit D---Acceptance Certificate**
 - Sign under 'Lessee' and print title and current date
- ☐ **Insurance Coverage Requirements**
 - Complete the information for your insurance company and agent as listed on the document
 - Sign, title and date the document
- ☐ **Escrow Agreement**
 - Sign, title and date the document
- ☐ **Government Certificate of Exemption**
 - Sign, title, and date the document; and provide municipality's Federal Tax ID number
- ☐ **Invoice Instructions**
 - Complete the information regarding mailing address of invoices; contact person in event a payment is not received; and physical address of equipment location once installed and in operation
- ☐ **Notice and Acknowledgment of Assignment**
 - Sign, title, date, and provide contact phone number under Lessee
- ☐ **Payment Request Form**
 - Sign, title and date the document
- ☐ **Documentation Fee**
 - Remit payment of Documentation Fee to Republic First National as per the invoice provided



2525 West State Road 114
Rochester, IN 46975
Phone: (800) 700-7878
Fax: (800) 865-8517

www.republicfirstnational.com

MASTER EQUIPMENT LEASE PURCHASE AGREEMENT

LESSEE: Mi-Wuk Sugar Pine Fire Protection District

This Master Equipment Lease Purchase Agreement, dated as of March 11, 2021, and entered into between Republic First National Corporation ("Lessor"), and Mi-Wuk Sugar Pine Fire Protection District, 24247 California 108, Mi Wuk Village, CA 95346 a body corporate and politic duly organized and existing under the laws of the State of California ("Lessee");

RECITALS

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

WHEREAS, The relationship between the parties shall be a continuing one and items of equipment 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.

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

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

ARTICLE I. REPRESENTATIONS, WARRANTIES AND COVENANTS OF LESSEE

Section 1.01. Lessee represents, covenants and warrants, for the benefit of Lessor and its assignees, as follows:

- (a) Lessee is a public body, corporate and politic, duly organized and existing under the Constitution and laws of the State.
- (b) Lessee will do or cause to be done all things necessary to preserve and keep in full force and effect its existence as a body corporate and politic. Lessee is a political subdivision of the State within the meaning of Section 103(a) of the Code or a constituted authority authorized to issue obligations on behalf of a state or local governmental unit within the meaning of the regulations promulgated pursuant to said Section of the Code.
- (c) Lessee has full power and authority under the Constitution and laws of the State to enter into this Agreement and the transactions contemplated hereby, and to perform all of its obligations hereunder.
- (d) Lessee has duly authorized the execution and delivery of this Agreement by proper action by its governing body at a meeting duly called, regularly convened and attended throughout by the requisite majority of the members thereof, or by other appropriate official approval, and all requirements have been met and procedures have occurred in order to ensure the enforceability of this Agreement.
- (e) Lessee has complied or will comply with such public bidding requirements as may be applicable to this Agreement and the acquisition by Lessee of the Equipment.
- (f) During the Lease Term, the Equipment will be used by Lessee only for the purpose of performing one or more essential governmental or proprietary functions of Lessee consistent with the permissible scope of Lessee's authority and will not be used in a trade or business of any person or entity other than Lessee.
- (g) During the Lease Term, Lessee will annually provide Lessor with current financial statements, budgets, proof of appropriation for the ensuing fiscal year and such other financial information relating to the ability of Lessee to continue this Agreement as may be reasonably requested by Lessor.
- (h) The Equipment will have a useful life in the hands of Lessee that is substantially in excess of the Original Term and all Renewal Terms.
- (i) The Equipment is, and during the Lease Term will remain personal property and when subjected to use by the Lessee, will not be or become fixtures.
- (j) The Equipment is essential to the function of the Lessee and the services provided to its citizens and will be used throughout the period that this Agreement is in force for the purpose of performing one or more governmental or proprietary functions consistent with the permissible scope of its authority.
- (k) During the term of this Agreement, Lessee will not dispose of or sell any part of the Equipment.
- (l) Lessee has not terminated a lease, rental agreement, installment purchase contract, or any other type of such agreement in the past five (5) years as a result of insufficient funds being appropriated for payments due under such an agreement.
- (m) This 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.
- (n) 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 at the date hereof.
- (o) 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 this Agreement for the current fiscal year, and such funds have not been expended for other purposes.
- (p) 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 therefore, wherein an unfavorable decision, ruling or finding would materially adversely affect the transactions contemplated by this Agreement or any other document, agreement or certificate which is used or contemplated for use in the consummation of the transactions contemplated by this Agreement or materially adversely affect the financial condition or properties of Lessee.
- (q) All authorizations, consents and approvals of governmental bodies or agencies required in connection with the execution and delivery by Lessee of this Agreement or in connection with the carrying out by Lessee of its obligations hereunder have been obtained.
- (r) The entering into and performance of this Agreement or any other document or agreement contemplated hereby 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 herein provided.

ARTICLE II. DEFINITIONS

Section 2.01. The following terms will have the meanings indicated below unless the context clearly requires otherwise:

"Agreement" means this Master Equipment Lease Purchase Agreement, including the Schedules and any other schedule, exhibit or escrow agreement made a part hereof by the parties hereto, whether currently in existence or hereafter executed, as the same may be supplemented or amended from time to time in accordance with the terms hereof. "Code" means the Internal Revenue Code of 1986, as amended.

"Commencement Date" means, with respect to any Schedule, the date when the term of this Agreement with respect to that Schedule and Lessee's obligation to pay rent under that Schedule commence, which date shall be the earlier of (i) the date on which the Equipment listed in that Schedule is accepted by Lessee in the manner described in an Acceptance Certificate substantially in the form of Exhibit D hereto, or (ii) the date on which sufficient moneys to purchase the Equipment listed in that Schedule are deposited by Lessor for that purpose with an escrow agent.

"Equipment" means the property described in the Schedules and all replacements, substitutions, repairs, restorations, modifications, attachments, accessions, additions and improvements thereof or thereto. Whenever reference is made in this Agreement to Equipment listed in a Schedule, that reference shall be deemed to include all replacements, repairs, restorations, modifications and improvements of or to that Equipment.

"Event of Default" means, with respect to any Lease, an Event of Default described in Section 10.01.

"Lease" means, at any time, (i) if none of Lessor's interest in, to and under any Schedule has been assigned pursuant to Section 9.01, or if all of Lessor's interest in, to and under this Agreement and all Schedules have been assigned to the same assignee without any reassignment, this Agreement, or (ii) if Lessor's interest in, to and under any Schedule or Schedules has been assigned or reassigned pursuant to Section 9.01, all Schedules that have the same Lessor and this Agreement as it relates to those Schedules and the Equipment listed therein, which shall constitute a separate single lease relating to that Equipment.

"Lease Term" means, with respect to any Lease, the Original Term and all Renewal Terms of that Lease.

"Lessee" means the entity which is described in the first paragraph of this Agreement, its successors and assigns.

"Lessor" means, with respect to each Schedule and the Lease of which that Schedule is a part, (i) if Lessor's interest in, to and under that Schedule has not been assigned pursuant to Section 9.01, the entity described as such in the first paragraph of this Agreement or its successor, or (ii) if Lessor's interest in, to and under that Schedule has been assigned pursuant to Section 9.01, the assignee thereof or its successor.

"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 first Commencement Date for any Schedule under that Lease until the end of the fiscal year of Lessee in effect at that Commencement Date.

"Purchase Price" means, with respect to the Equipment listed on any Schedule, the amount set forth in that Schedule as the Purchase Price for that Equipment.

"Renewal Terms" means, with respect to any Lease, the automatic renewal terms of that Lease, as provided for in Article III of this Agreement, each having a duration of one year and a term co-extensive with the Lessee's fiscal year except the last of such automatic renewal terms which shall end on the due date of the last Rental Payment set forth in the Schedule.

"Rental Payments" means the basic rental payments payable by Lessee pursuant to Section 4.02.

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

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

ARTICLE III. LEASE TERM

Section 3.01. Lease of Equipment. Lessor hereby demises, leases and lets to Lessee, and Lessee rents, leases and hires from Lessor, the Equipment listed in each Schedule in accordance with this Agreement and that Schedule for the Lease Term for the Lease of which that Schedule is a part. The Lease Term for each Lease may be continued at the end of the Original Term or any Renewal Term for an additional Renewal Term; provided, however, that at the end of the Original Term and at the end of each Renewal Term, Lessee shall be deemed to have continued that Lease for the next Renewal Term unless Lessee shall have terminated that Lease pursuant to **Section 4.06** or **Section 5.04**. The terms and conditions during any Renewal Term shall be the same as the terms and conditions during the Original Term, except that the Rental Payments shall be as provided in the Schedules. Lessor hereby covenants to provide Lessee during the Lease Term with quiet use and enjoyment of the Equipment, and Lessee shall during the Lease Term peaceably and quietly have and hold and enjoy the Equipment, without suit, trouble or hindrance from Lessor, except as expressly set forth in this Agreement.

Section 3.02. Continuation of Lease Term. Lessee currently intends, subject to **Section 4.06**, 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 Lease Term for each Lease can be obtained. The responsible financial officer of Lessee shall do all things lawfully within his or her power to obtain and maintain funds from which the Rental Payments may be made, including making provision for the Rental Payments to the extent necessary in each proposed annual budget submitted for approval in accordance with applicable procedures of Lessee and to exhaust all available reviews and appeals in the event such portion of the budget is not approved. 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 3.03. Return of Equipment on Termination. Upon expiration or earlier termination of any Schedule under any provision of this Agreement at a time when Lessee does not exercise its option to purchase the Equipment described in that Schedule under the provisions of this Agreement, Lessee shall deliver, at Lessee's expense, the Equipment described in that Schedule to Lessor in the same condition as existed at the Commencement Date, ordinary wear and tear expected, packaged or otherwise prepared in a manner suitable by shipment by truck or rail common carrier at a location specified by Lessor.

Section 3.04. 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) A Municipal Certificate executed by the Clerk or Secretary or other comparable officer of Lessee, in substantially the form attached hereto as Exhibit B, completed to the satisfaction of Lessor;
- (b) An Opinion of Counsel to Lessee in substantially the form attached hereto as Exhibit C respecting such Schedule and otherwise satisfactory to Lessor;
- (c) All documents, including financing statements, affidavits, notices and similar instruments, in form satisfactory to Lessor, which Lessor deems necessary or appropriate at that time;
- (d) Such other items, if any, as are set forth in such Schedule or are reasonably required by Lessor.

This Agreement is not a commitment by Lessor to enter into any Schedule not currently in existence, and nothing in this Agreement shall be construed to impose any obligation upon Lessor to enter into any proposed Schedule, it being understood that whether Lessor enters into any proposed Schedule shall be a decision solely within Lessor's discretion.

Lessee will cooperate with Lessor in Lessor's review of any proposed Schedule. Without limiting the foregoing, Lessee will provide Lessor with any documentation or information Lessor may request in connection with Lessor's review of any proposed Schedule. Such documentation may include, without limitation, documentation concerning the Equipment and its contemplated use and location and documentation or information concerning the financial status of Lessee and other matters related to Lessee.

ARTICLE IV. RENTAL PAYMENTS

Section 4.01. Rental Payments to Constitute a Current Expense of Lessee. Lessor and Lessee understand and intend that the obligation of Lessee to pay Rental Payments hereunder shall constitute a current expense of Lessee and shall not in any way be construed to be a debt of Lessee in contravention of any applicable constitutional or statutory limitations or requirements concerning the creation of indebtedness by Lessee, nor shall anything contained herein constitute a pledge of the general tax revenues, funds or monies of Lessee.

Section 4.02. Payment of Rental Payments. Lessee shall pay Rental Payments, exclusively from legally available funds, in lawful money of the United States of America to Lessor or, in the event of assignment by Lessor, to its assignee, in the amounts and on the dates set forth in each Schedule. Rental Payments shall be in consideration for Lessee's use of the Equipment during the applicable year in which such payments are due. The Rental Payments will be payable without notice or demand at the office of Lessor (or such other place as Lessor may from time to time designate in writing). If any Rental Payment or other sum payable under any Schedule is not paid when due, Lessee shall pay to Lessor accrued interest on such delinquent amount from the date due thereof until paid at the greater of 18% or the maximum rate allowed by law. In the event that it is determined that any of the interest components of Rental Payments 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 the date of each Rental Payment thereafter 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.

Section 4.03. Interest and Principal Components. A portion of each Rental Payment is paid as, and represents payment of, interest, and the balance of each Rental Payment is paid as, and represents payment of, principal. Each Schedule will set forth the interest component and the principal component of each Rental Payment during the Lease Term.

Section 4.04. Rental Payments to be Unconditional. The obligations of Lessee to make payment of the Rental Payments required under this Article IV and other sections hereof, and to perform and observe the covenants and agreements contained herein, shall be absolute and unconditional in all events, except as expressly provided under this Agreement. Notwithstanding any dispute between Lessee and Lessor, any Vendor or any other dispute between Lessee and Lessor, any Vendor or any other person, Lessee shall make all payments of Rental Payments when due and shall not withhold any Rental Payments pending final resolution of such dispute, nor shall Lessee assert any right of set-off or counterclaim against its obligation to make such payments required under this Agreement. Lessee's obligation to make Rental Payments during the Original Term or the then-current Renewal Term for each Schedule shall not be abated through accident or unforeseen circumstances.

Section 4.05. Continuation of Lease Term by Lessee. Lessee intends, subject to the provisions of Section 4.06, 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 of an amount sufficient to make all Rental Payments during the Original Term and each of the Renewal Terms for each Lease can be obtained. Lessee further intends to do all things lawfully within its power to obtain and maintain funds from which the Rental Payments may be made, including making provision for such payments to the extent necessary in each biannual or annual budget submitted and adopted in accordance with applicable provisions of state law, to have such portion of the budget approved, and to exhaust all available reviews and appeals in the event such portion of the budget is not approved.

Section 4.06. Nonappropriation. Lessee is obligated only to pay such Rental Payments under this Agreement as may lawfully be made from funds budgeted and appropriated for that purpose during Lessee's then current fiscal year. Should Lessee fail to budget, appropriate or otherwise make available funds to pay Rental Payments under a Lease following the then current Original Term or Renewal Term, that Lease shall be deemed terminated at the end of the then current Original Term or Renewal Term. Lessee agrees to deliver written notice to Lessor of such termination at least 60 days prior to the end of the then current Original Term or Renewal Term, but failure to give such written notice shall not extend the term beyond such Original Term or Renewal Term.

ARTICLE V. TITLE TO EQUIPMENT; SECURITY INTEREST; OPTION TO PURCHASE

Section 5.01. Title to the Equipment. Upon acceptance of the Equipment by Lessee, title to the Equipment and any and all additions, repairs, replacements or modifications shall vest in Lessee, subject to the rights of Lessor under this Agreement; provided that title to the Equipment that is subject to any Lease shall thereafter immediately and without any action by Lessee vest in Lessor, and Lessee shall immediately surrender possession of that Equipment to Lessor, upon (a) any termination of that Lease other than termination pursuant to Section 5.04, or (b) the occurrence of an Event of Default with respect to that Lease. It is the intent of the parties hereto that any transfer of title to Lessor pursuant to this Section shall occur automatically without the necessity of any bill of sale, certificate of title or other instrument of conveyance. Lessee shall, nevertheless, execute and deliver any such instruments as Lessor may request to evidence such transfer.

Section 5.02. Security Interest. To secure the payment of all Lessee's obligations under this Agreement, Lessee grants to Lessor a security interest constituting a first lien on the Equipment and on all additions, attachments, accessions, that are considered to be an integral part of the equipment, and substitutions thereto, and on any proceeds there from. Lessee agrees to execute such additional documents, in form satisfactory to Lessor, which Lessor deems necessary or appropriate to establish and maintain its security interest in the Equipment. Lessee hereby authorizes the filing of financing statements under the Uniform Commercial Code in connection with the security interest granted hereunder.

Section 5.03. Personal Property. Lessor and Lessee agree that the Equipment is and will remain personal property and 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 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.

Section 5.04. Option to Purchase. Lessee shall have the option to purchase Lessor's interest in all (but not less than all) of the Equipment described in any Schedule, upon giving written notice to Lessor at least 60 (but not more than 180) days before the date of purchase, at the following times and upon the following terms:

- (a) On the date of the last Rental Payment set forth in that Schedule (assuming this Agreement is renewed at the end of the Original Term and each Renewal Term), if the Agreement is still in effect on such day, upon payment in full to Lessor of the Rental Payments and all other amounts then due under that Schedule plus One Dollar;
- (b) On the last day of the Original Term or any Renewal Term then in effect, upon payment in full to Lessor of the Rental Payments and all other amounts then due under that Schedule plus the then applicable Purchase Price set forth in that Schedule; or
- (c) In the event of substantial damage to or destruction or condemnation of substantially all of the Equipment listed in that Schedule on the day specified in Lessee's written notice to Lessor of its exercise of the purchase option upon payment in full to Lessor of the Rental Payments and all other amounts then due under that Schedule plus the then applicable Purchase Price set forth in that Schedule.

ARTICLE VI. DELIVERY, MAINTENANCE; MODIFICATION; TAXES; INSURANCE AND OTHER CHARGES

Section 6.01. Delivery, Installation and Acceptance of Equipment. Lessee shall order the Equipment, cause the Equipment to be delivered and installed at the locations specified in the Schedules 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 shall immediately accept such Equipment and evidence said acceptance by executing and delivering to Lessor an acceptance certificate in the form attached hereto as Exhibit D.

Section 6.02. Location; Inspection. Once installed, no item of the Equipment will be moved from the location specified for it in the Schedule on which that item is listed without Lessor's consent, which consent shall not be unreasonably withheld. Lessor shall 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 6.03. Maintenance of Equipment by Lessee. Lessee agrees that at all times during the Lease Term Lessee will, at Lessee's own cost and expense, maintain, preserve and keep the Equipment in good repair, working order and condition, and that Lessee will from time to time make or cause to be made all necessary and proper repairs, replacements and renewals. Lessor shall have no responsibility in any of these matters, or for the making of improvements or additions to the Equipment.

Section 6.04. Liens, Taxes, Other Governmental Charges and Utility Charges. Lessee shall keep the Equipment free of all liens, charges and encumbrances except those created by this Agreement. The parties to this 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 taxes presently assessed and levied with respect to personal property. In the event that the use, possession or acquisition of the Equipment is found to be subject to taxation in any form (except for income taxes of Lessor), Lessee will pay, as the same respectively come due, all taxes and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the Equipment and any equipment or other property acquired by Lessee in substitution for, as a renewal or replacement of, or a modification, improvement or addition to the Equipment, as well as all gas, water, steam, electricity, heat, power, telephone, utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Equipment; provided that, with respect to any governmental charges that may lawfully be paid in installments over a period of years, Lessee shall be obligated to pay only such installments as have accrued during the Lease Term.

Section 6.05. Provisions Regarding Insurance. At its own expense, Lessee shall 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). All insurance proceeds from casualty losses shall be payable as hereinafter provided. Lessee shall furnish to Lessor certificates evidencing such coverage throughout the Lease Term. All such casualty and liability insurance shall be with insurers that are acceptable to Lessor, shall name Lessor as a loss payee and an additional insured, respectively, and shall contain a provision to the effect that such insurance shall not be canceled or modified materially without first giving written notice thereof to Lessor at least 30 days in advance of such cancellation or modification. All such casualty insurance shall contain a provision making any losses payable to Lessee and Lessor as their respective interests may appear.

Section 6.06. Advances. In the event Lessee shall fail to maintain the full insurance coverage required by this Agreement or shall fail to keep the Equipment in good repair and operating condition, Lessor may (but shall be under no obligation to) purchase the required insurance and pay the premiums on the same or may make such repairs or replacements as are necessary and provide for payment thereof; and all amounts so advanced therefore by Lessor shall constitute additional rent for the then-current Original Term or Renewal Term, and Lessee covenants and agrees to pay such amounts so advanced by Lessor with interest thereon from the date advanced until paid at the rate of 18% per annum or the maximum interest rate permitted by law, whichever is less.

ARTICLE VII. DAMAGE, DESTRUCTION AND CONDEMNATION: USE OF NET PROCEEDS

Section 7.01. Risk of Loss. Lessee is responsible for the entire risk of loss of or damage or destruction to the Equipment. No such loss, damage or destruction shall relieve Lessee of any obligation under this Agreement or any Lease.

Section 7.02. Damage, Destruction and Condemnation. If (a) the Equipment listed on any Schedule 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 shall be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm or corporation acting pursuant to 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 that Equipment, unless Lessee shall have exercised its option to purchase that Equipment pursuant to Section 5.04. Any balance of the Net Proceeds remaining after such work has been completed shall be paid to Lessee.

Section 7.03. Insufficiency of Net Proceeds. If the Net Proceeds are insufficient to pay in full the cost of any replacement, repair, restoration, modification or improvement referred to in Section 7.02, Lessee shall either complete such replacement, repair, restoration, modification or improvement and pay any costs thereof in excess of the amount of the Net Proceeds, unless Lessee, pursuant to Section 5.04, purchases Lessor's interest in the Equipment destroyed, damaged or taken and any other Equipment listed in the same Schedule. The amount of the Net Proceeds, if any, remaining after completing such repair, restoration, modification or improvement or after purchasing Lessor's interest in the Equipment shall be retained by Lessee. If Lessee shall make any payments pursuant to this Section, Lessee shall not be entitled to any reimbursement therefore from Lessor nor shall Lessee be entitled to any diminution of the amounts payable under Article IV.

ARTICLE VIII. DISCLAIMER OF WARRANTIES; VENDOR'S WARRANTIES; USE OF THE EQUIPMENT

Section 8.01. Disclaimer of Warranties. LESSEE HAS SELECTED THE EQUIPMENT AND THE VENDORS. LESSOR MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE OR FITNESS FOR USE OF THE EQUIPMENT, OR WARRANTY OR REPRESENTATION WITH RESPECT THERETO. In no event shall Lessor be liable for an incidental, indirect, special or consequential damage in connection with or arising out of this Agreement or the existence, furnishing, functioning or Lessee's use of any item or products or service provided for in this Agreement.

Section 8.02. Vendor's Warranties. Lessor hereby irrevocably appoints Lessee its agent and attorney-in-fact during the Lease Term, so long as Lessee shall not be in default hereunder, to assert from time to time whatever claims and rights, including warranties of the Equipment, which Lessor may have against the Vendor of the Equipment. Lessee's sole remedy for the breach of such warranty, indemnification or representation shall be against the Vendor of the Equipment, and not against Lessor, nor shall such matter have any effect whatsoever on the rights and obligations of Lessor with respect to this Agreement, including the right to receive full and timely payments hereunder. Lessee expressly acknowledges that Lessor makes, and has made, no representation or warranties whatsoever as to the existence or availability of such warranties of the Vendor of the Equipment.

Section 8.03. 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 Agreement. Lessee shall provide 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 laws of the jurisdictions in which its operations involving any item of Equipment may extend and any legislative, executive, administrative or judicial body exercising any power or jurisdiction over the items of the Equipment; provided, however, that Lessee may contest in good faith the validity or application of any such law or rule in any reasonable manner which does not, in the opinion of Lessor, adversely affect the title of Lessor in and to any of the items of the Equipment or its interest or rights under this Agreement.

Section 8.04. Essential Nature of the Equipment. Lessee confirms and affirms that the Equipment is essential to the function of Lessee and the services provided to its citizens, that there is an immediate need for the Equipment which is not temporary or expected to diminish in the foreseeable future, and that Lessee will use substantially all the Equipment for the purpose of performing one or more governmental or proprietary functions consistent with the permissible scope of its authority.

ARTICLE IX. ASSIGNMENT, SUBLEASING, INDEMNIFICATION, MORTGAGING AND SELLING

Section 9.01. Assignment by Lessor. Lessor's interest in, to, and under this Agreement; any Lease and the Equipment may be assigned and reassigned in whole or in part to one or more assignees by Lessor at any time subsequent to its execution. Lessee hereby agrees to maintain a written record of each such assignment in form necessary to comply with Section 149(a) of the Code. No such assignment shall be binding on Lessee until it has received written notice from Lessor of the assignment disclosing the name and address of the assignee. Lessee agrees to execute all documents, including chattel mortgages or financing statements that may be reasonably requested by Lessor or any assignee to protect its interests in the Equipment and in this Agreement. Lessee shall not have the right to and shall not assert against any assignee any claim, counterclaim, defense, set-off or other right Lessee may from time to time have against Lessor.

Section 9.02. Assignment and Subleasing by Lessee. None of Lessee's interest in, to and under this Agreement and in the Equipment may be sold, assigned or encumbered by Lessee without the prior written consent of Lessor.

Section 9.03. Release and Indemnification Covenants. To the extent permitted by law, Lessee shall indemnify, protect, hold harmless, save and keep harmless Lessor from and against any and all liabilities, obligations, losses, claims and damages whatsoever, regardless of cause thereof, and all expenses

in connection therewith (including, without limitation, counsel fees and expenses, penalties connected therewith imposed on interest received) arising out of or as (a) result of the entering into of this Agreement, (b) the ownership of any item of the Equipment, (c) the manufacture, ordering, acquisition, use, operation, condition, purchase, delivery, rejection, storage or return of any item of the Equipment, (d) or 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 to or death to any person, and/or (e) the breach of any covenant herein or any material misrepresentation contained herein. The indemnification arising under this paragraph shall continue in full force and effect notwithstanding the full payment of all obligations under this Agreement or the termination of the Lease Term for any reason.

ARTICLE X. EVENTS OF DEFAULT AND REMEDIES

Section 10.01. Events of Default Defined. Subject to the provisions of **Section 4.06**, any of the following events shall constitute an "Event 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 in that Lease;
- (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 subparagraph (a) above, 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 shall agree in writing to an extension of such time prior to its expiration; provided that, 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 shall prove to have been false, incorrect, misleading or breached in any material respect on the date when made;
- (d) Any provision of that Lease shall at any time for any reason cease to be valid and binding on Lessee, or shall be declared to be null and void, or the validity or enforceability thereof shall 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 shall deny that it has any further liability or obligation under that Lease.
- (e) Lessee shall (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 shall 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 shall continue unstayed and in effect for any period of 30 consecutive days.

Section 10.02. Remedies on Default. Whenever any Event of Default under any Lease exists, Lessor shall 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, 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 to be due;
- (b) With or without terminating that Lease, Lessor may, upon 5 days written notice to Lessee, enter the premises where any 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 the Equipment to the possession of Lessor at such place within the United States as Lessor shall specify, and sell or lease the Equipment or, for the account of Lessee, sublease the Equipment, continuing to hold Lessee liable for the difference between (i) the Rental Payments and other amounts payable by Lessee under that Lease plus the then-applicable Purchase Price for that Equipment and (ii) the net proceeds of any such sale, leasing or subleasing (after deducting all expenses of Lessor in exercising its remedies under this Agreement, including without limitation all expenses of taking possession, storing, reconditioning and selling or leasing the 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 that Lease plus the remaining Rental Payments and other amounts payable by Lessee under that Lease to the end of the then current Original Term or Renewal Term; and
- (c) Lessor may take whatever action at law or in equity may appear necessary or desirable to enforce its rights under that Lease or as the owner of any or all of the Equipment that is subject to that Lease.

In addition, whenever an Event of Default exists with respect to any Rental Payment required by a particular Schedule or with respect to any other payment, covenant, condition, agreement, statement, representation or warranty set forth in that Schedule or applicable to that Schedule or the Equipment listed therein, Lessor shall 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 payable by Lessee pursuant to that Schedule and other amounts payable by Lessee under this Agreement to the end of the then current Original Term or Renewal Term to be due;
- (b) With or without terminating that Schedule, Lessor may, upon 5 days written notice to Lessee, enter the premises where the Equipment listed in that Schedule 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 such place within the United States as Lessor shall specify, and sell or lease that Equipment or, for the account of Lessee, sublease that Equipment, continuing to hold Lessee liable for the difference between (i) the Rental Payments payable by Lessee pursuant to that Schedule and other amounts related to that Schedule or the Equipment listed therein that are payable by Lessee hereunder plus the then applicable Purchase Price for that Equipment, and (ii) the net proceeds of any such sale, leasing or subleasing (after deducting all expenses of Lessor in exercising its remedies under this Agreement, including without limitation all expenses of taking possession, storing, reconditioning and selling or leasing such 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 that Schedule plus the remaining Rental Payments and other amounts payable by Lessee under that Schedule to the end of the then current Original Term or Renewal Term; and
- (c) Lessor may take whatever action at law or in equity may appear necessary or desirable to enforce its rights under that Schedule, this Agreement with respect to that Schedule and the Equipment listed therein.

In addition to the remedies specified above, Lessor may charge interest on all amounts due to it at the rate of 18% per annum or the maximum amount permitted by law, whichever is less. The exercise of any such remedies respecting any such Event of Default shall not relieve Lessee of any other liabilities under any other Schedules, this Agreement related to any other Schedule or the Equipment listed therein.

Section 10.03. No Remedy Exclusive. No remedy conferred upon or reserved to Lessor by this Article is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this lease. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall 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 by Lessor or its assignee.

Section 10.04. Agreement to Pay Attorneys' Fees and Expenses. If Lessee should default under any of the provisions hereof and Lessor should employ attorneys or incur other expenses for the collection of moneys or for the enforcement of performance or observance of any obligation or agreement on the part of Lessee contained in this Agreement, Lessee agrees, to the extent it is permitted by law to do so, that it will, if assessed by a court of competent jurisdiction, pay to Lessor the reasonable fees of those attorneys and other reasonable expenses so incurred by Lessor.

Section 10.05. Application of Moneys. Any net proceeds from the exercise of any remedy hereunder (after deducting all expenses of Lessor in exercising such remedies including without limitation all expenses of taking possession, storing, reconditioning and selling or leasing Equipment and all brokerage, auctioneer's or attorney's fees) shall be applied as follows:

- (a) If such remedy is exercised solely with respect to a single Schedule, Equipment listed in that Schedule or rights under the Agreement related to that Schedule, then to amounts due pursuant to that Schedule and other amounts related to that Schedule or that Equipment.
- (b) If such remedy is exercised with respect to more than one Schedule, Equipment listed in more than one Schedule or rights under the Agreement

related to more than one Schedule, then to amounts due pursuant to those Schedules pro rata.

ARTICLE XI. MISCELLANEOUS

Section 11.01. Notices. All notices, certificates or other communications hereunder 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.

Section 11.02. Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon Lessor and Lessee and their respective successors and assigns. The terms of this Agreement shall not be waived, altered, modified, supplemented or amended in any manner whatsoever except by written instrument signed by the Lessor and the Lessee; nor shall any such amendment that affects the rights of Lessor's assignee be effective without such assignee's consent. In the event any provision of this Agreement 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 11.03. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State.

Section 11.04. Severability. In the event any provision of this Agreement 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 11.05. Amendments, Changes and Modifications. This Agreement may be amended by Lessor and Lessee.

Section 11.06. Execution in Counterparts; Chattel Paper. This Agreement, including in writing each Schedule, may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument; except (1) to the extent that various Schedules and this Agreement as it relates thereto constitutes separate Leases as provided in this Agreement and (2) that Lessor's interest in, to and under any Schedule and the Agreement as it relates to that Schedule, and the Equipment listed in that Schedule may be sold or pledged only by delivering possession of the original counterpart of that Schedule marked "Counterpart No. 1," which Counterpart No. 1 shall constitute chattel paper for purposes of the Uniform Commercial Code.

Section 11.07. Usury. The parties hereto agree that the charges in this Agreement and any Lease shall not be a violation of usury or other law. Any such excess charge shall be applied in such order as to conform this Agreement and such Lease to such applicable law.

Section 11.08. Jury Trial Waiver. **TO THE EXTENT PERMITTED BY LAW, LESSEE AGREES TO WAIVE ITS RIGHT TO A TRIAL BY JURY.**

Section 11.09. Facsimile Documentation. Lessee agrees that a facsimile copy of this Agreement or any Lease with facsimile signatures may be treated as an original and will be admissible as evidence of this Agreement or such Lease.

Section 11.10. Captions. The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement.

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

Lease No. 0311UMIW

LESSEE: Mi-Wuk Sugar Pine Fire Protection District

By **X** _____

Title James Klyn, Fire Chief

Date **X** _____

Witness _____

Title James McDonald, Fire Board President

LESSOR: Republic First National Corporation

By _____

Title _____

Date _____

EXHIBIT A

SCHEDULE OF EQUIPMENT NO. 01

COUNTERPART NO. 1

LESSOR'S INTEREST IN, TO AND UNDER THIS SCHEDULE AND THE 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. 01 between Republic First National Corporation as Lessor and Mi-Wuk Sugar Pine Fire Protection District as Lessee dated as of March 11, 2021 to Master Equipment Lease Purchase Agreement dated as of March 11, 2021.

1. **Defined Terms.** All terms used herein have the meanings ascribed to them in the above-referenced Master Equipment Lease Purchase Agreement (the "Master Equipment Lease").
2. **Equipment.** The Equipment included under this Schedule of Equipment 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 of Equipment are set forth in the Payment Schedule attached as **Attachment 2** hereto.
4. **Representations, Warranties and Covenants.** Lessee hereby represents, warrants, and covenants that its representations, warranties and covenants set forth in the Agreement are true and correct as though made on the date of commencement of Rental Payments on this Schedule.
5. **Certification as to Arbitrage and Tax Covenants.** Lessee hereby represents as follows:
 - (a) The estimated total costs of the Equipment listed in 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 one year from 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) The Equipment listed in this Schedule has not been and is not expected to be sold or otherwise disposed of by Lessee, either in whole or in major part, prior to the last maturity of the Rental Payments listed in this Schedule.
 - (e) To the best of our 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.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 to maintain the exclusion of the interest components of Rental Payments from gross income for purposes of federal income taxation.
6. **The Master Equipment Lease.** This Schedule is hereby made as part of the Master Equipment Lease and Lessor and Lessee hereby ratify and confirm the Master Equipment Lease. The terms and provisions of the Master Equipment Lease (other than to the extent that they relate solely to other Schedules or Equipment listed on other Schedules) are hereby incorporated by reference and made a part hereof.
7. **Certificate of "Qualified Tax-Exempt Obligation" By Lessee.** Lessee hereby designates the Lease 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 Issuance Year is not reasonably expected to exceed \$10,000,000. Lessee hereby covenants that Lessee and all subordinate entities thereof will not issue in excess of \$10,000,000 of qualified tax-exempt obligations (including the Lease but excluding private activity bonds other than qualified 501(c)(3) bonds) during the Issuance 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 as a "qualified tax-exempt obligation" will not be adversely affected.
8. **Other Provisions.**

Lease Number: 0311UMIW

LESSEE: Mi-Wuk Sugar Pine Fire Protection District

By X _____

Title James Klyn, Fire Chief

Date X _____

Witness _____

The James McDonald, Fire Board President

LESSOR: Republic First National Corporation

By _____

Title _____

Date _____

ATTACHMENT 1 EQUIPMENT DESCRIPTION

RE: Schedule of Equipment No. 01 between Republic First National Corporation as Lessor and Mi-Wuk Sugar Pine Fire Protection District as Lessee dated as of March 11, 2021 to Master Equipment Lease Purchase Agreement dated as of March 11, 2021.

Description

One (1) 2021 Wildland Type III Engine

ATTACHMENT 2 PAYMENT SCHEDULE

RE: Schedule of Equipment No.01 between Republic First National Corporation as Lessor and Mi-Wuk Sugar Pine Fire Protection District as Lessee dated as of March 11, 2021 to Master Equipment Lease Purchase Agreement dated as of March 11, 2021.

Lease Number: 0311UMIW

Cost of Equipment: \$272,548.41

AMORTIZATION SCHEDULE - Normal Amortization, 360 Day Year

Payment Number	Payment Date	Payment Amount	Interest Portion	Principal Portion	Early Termination Purchase Option
1	3/11/2022	\$22,820.54	\$8,160.10	\$14,660.44	Not Available
2	3/11/2023	\$22,820.54	\$7,721.16	\$15,099.38	\$245,829.11
3	3/11/2024	\$22,820.54	\$7,269.09	\$15,551.45	\$229,891.79
4	3/11/2025	\$22,820.54	\$6,803.48	\$16,017.06	\$213,508.22
5	3/11/2026	\$22,820.54	\$6,323.93	\$16,496.61	\$196,665.91
6	3/11/2027	\$22,820.54	\$5,830.02	\$16,990.52	\$179,352.02
7	3/11/2028	\$22,820.54	\$5,321.32	\$17,499.22	\$161,553.34
8	3/11/2029	\$22,820.54	\$4,797.40	\$18,023.14	\$143,256.29
9	3/11/2030	\$22,820.54	\$4,257.78	\$18,562.76	\$124,446.93
10	3/11/2031	\$22,820.54	\$3,702.01	\$19,118.53	\$105,110.90
11	3/11/2032	\$22,820.54	\$3,129.61	\$19,690.93	\$85,233.47
12	3/11/2033	\$22,820.54	\$2,540.06	\$20,280.48	\$64,799.47
13	3/11/2034	\$22,820.54	\$1,932.86	\$20,887.68	\$43,793.32
14	3/11/2035	\$22,820.54	\$1,307.49	\$21,513.05	\$22,198.99
15	3/11/2036	\$22,820.54	\$663.38	\$22,157.16	\$0.00
Grand Totals		\$342,308.10	\$69,759.69	\$272,548.41	

The Lessor or its Assigns shall have the sole option to adjust the interest rate for Rental Payments 11-15. Lessor or its Assigns will first calculate the exact remaining principal balance owed by the Lessee after the 10th Rental Payment is due by Lessee. Lessor or its Assigns will then revise the "Attachment 2" using the same dates for Rental Payments 11-15, as indicated on original "Attachment 2". The revised "Attachment 2" shall contain the Payments 11-15 shall be figured the week after the 10th Rental Payment is due by the Lessor or its Assigns using an interest rate 400 basis points over the 3 month libor 5 year swap then multiplied by 65%. The index rate can be found under interest rate swaps on the following website: <http://www.federalreserve.gov/releases/h15/update/>. If Lessor or its Assigns chooses not to adjust the interest rate then the Rental Payment for payment 11-15 will be as set forth on the original "Attachment 2".

LESSEE: Mi-Wuk Sugar Pine Fire Protection District

By **X** _____

Title James Klyn, Fire Chief

Date **X** _____

EXHIBIT B

MUNICIPAL CERTIFICATE

Re: Schedule of Equipment No. 01 between Republic First National Corporation as Lessor and Mi-Wuk Sugar Pine Fire Protection District as Lessee dated as of March 11, 2021 to Master Equipment Lease Purchase Agreement dated as of March 11, 2021.

I, the undersigned, the duly appointed, qualified and acting Secretary of the above captioned Lessee do hereby certify this **X** ____ day of **X** _____, 20 **X** ____, as follows:

- (1) Lessee did, at a meeting of the governing body of the Lessee held on **X** _____, 20 **X** ____, 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 Schedule of Equipment No. 01 (the "Schedule") on its behalf by the following named representative of the Lessee, to witness:

James Klyn
Printed Name of Person Executing the Lease

Fire Chief
Title

X _____
Signature of Person Executing the Lease

- (2) The above-named representative of the Lessee held at the time of such authorization and holds at the present time the office set forth above.
- (3) The meeting of the governing body of the Lessee at which the Schedule was approved and authorized to be executed was duly called, regularly convened and attended throughout by the requisite majority of the members thereof or by other appropriate official approval and that the action approving the Schedule and authorizing the execution thereof has not been altered or rescinded.
- (4) 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 above-referenced Master Equipment Lease Purchase Agreement) exists at the date hereof.
- (5) All insurance required in accordance with the above-referenced Master Equipment Lease Purchase Agreement is currently maintained by the Lessee.
- (6) Lessee has, in accordance with the requirements of law, fully budgeted and appropriated sufficient funds for the current budget 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 above referenced Master Equipment Lease Purchase Agreement) and such funds have not been expended for other purposes.
- (7) The fiscal year of Lessee is from **X** _____ to **X** _____.

IN WITNESS WHEREOF, I hereunto set my hand and the seal of the governing body of the Lessee the day and year first above written.

Mi-Wuk Sugar Pine Fire Protection District

By _____

Printed Name / Title Bonnie Dahlin, Secretary

***Above signature must be in addition to the two signatures on the Master Equipment Lease Purchase Agreement. This person must be authorized by the governing body to execute the documents on behalf of the Municipality.**

EXHIBIT C

OPINION OF LESSEE'S COUNSEL

(Must be re-typed onto attorney's letterhead)

Lessee: Mi-Wuk Sugar Pine Fire Protection District

Republic First National Corporation
2525 West State Road 114
Rochester, IN 46975

Gentlemen:

As legal counsel to Mi-Wuk Sugar Pine Fire Protection District (the "Lessee"), I have examined (a) an executed counterpart of a certain Master Equipment Lease Purchase Agreement, dated as of March 11, 2021, and Exhibits thereto by and between Republic First National Corporation (the "Lessor") and Lessee, Schedule of Equipment No. 01, dated March 11, 2021, by and between Lessor and Lessee, which, among other things, provides for the lease to with option to purchase by the Lessee of certain property listed in the Schedule (the "Equipment"), an executed counterpart of a certain Escrow Agreement dated March 11, 2021, by and between Lessor, Lessee and First State Bank of Livingston as Escrow Agent (collectively, the "Agreement") (b) an executed counterpart of the ordinances or resolutions of Lessee which, among other things, authorizes Lessee to execute the Agreement and (c) 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 public body corporate and politic, duly organized and existing under the laws of the State, and has a substantial amount 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 lease the Equipment with an option to purchase and to execute and deliver the Agreement and to perform its obligations under the Agreement;
- (3) The Agreement 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 Agreement and other documents either attached thereto or required therein are the valid and binding obligations of Lessee enforceable in accordance with their terms;
- (4) The authorization, approval and execution of the Agreement and all other proceedings of Lessee relating to the transactions contemplated thereby have been performed in accordance with all open meeting laws, public bidding laws and all other applicable state or federal laws; and
- (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 Agreement or the security interest of Lessor or its assigns, as the case may be, in the Equipment.
- (6) The signatures of the officers which appear on the Agreement are true and genuine, I know said officers and know them to hold the offices set forth below their names.
- (7) No further approval, consent or withholding of objection is required from any federal, state or local governmental authority with respect to the entering into or performance by the Lessee of the Lease and the transaction contemplated thereby.
- (8) The Equipment leased pursuant to the Agreement constitutes personal property and when subjected to use by Lessee will not be or become fixtures under applicable law.
- (9) The Municipality is a political subdivision within the meaning of Section 103 of the Internal Revenue Code of 1986 as amended and the related regulations and rulings. The portion of payments under the Agreement allocable to interest, upon receipt, will not be includable in Federal gross income under statutes, regulations, court decisions and rulings existing on the date of this opinion and consequently, will be exempt from present Federal income taxes and income tax of the State of California.
- (10) The leasing of the Equipment pursuant to the Agreement is exempt from all sales and use taxes against either the Lessor or the Lessee during the term of the Lease pursuant to the Agreement and the Equipment will be exempt from all state and local personal property or other ad valorem taxes.

All capitalized terms herein shall have the same meanings as in the foregoing Agreement unless otherwise provided herein. Lessor, its successors and assigns, and any counsel rendering an opinion on the tax-exempt status of the interest components of the Rental Payments are entitled to rely on this opinion.

Signature of Attorney

Date

EXHIBIT D

ACCEPTANCE CERTIFICATE VOID TO BE UTILIZED AS A SIGNATURE CARD ONLY

Republic First National Corporation
2525 West State Road 114
Rochester, IN 46975

Ladies and Gentlemen:

Re: Schedule of Equipment No. 01, dated March 11, 2021, to Master Equipment Lease Purchase Agreement, dated as of March 11, 2021, between Republic First National Corporation, as Lessor, and Mi-Wuk Sugar Pine Fire Protection District, as Lessee.

In accordance with the Master Equipment Lease Purchase Agreement (the "Agreement"), the undersigned Lessee hereby certifies and represents to, and agrees with Lessor as follows:

- (1) All of the Equipment (as such term is defined in the Agreement) listed in the above-referenced Schedule of Equipment (the "Schedule") has been delivered, installed and accepted on the date hereof.
- (2) Lessee has conducted such inspection and/or testing of the Equipment listed in the Schedule as it deems necessary and appropriate and hereby acknowledges that it accepts the Equipment for all purposes.
- (3) Lessee is currently maintaining the insurance coverage required by **Section 6.05** of the Agreement.
- (4) No event or condition that constitutes, or with notice or lapse of time, or both, would constitute, an Event of Default (as defined in the Agreement) exists at the date hereof.

LESSEE: Mi-Wuk Sugar Pine Fire Protection District

By X _____

Title James Klyn, Fire Chief _____

Date X _____

Signature of additional authorized individual (optional) of Lessee

By X _____

Title X _____

Date X _____

EXHIBIT D

ACCEPTANCE CERTIFICATE

Republic First National Corporation
2525 West State Road 114
Rochester, IN 46975

Ladies and Gentlemen:

Re: Schedule of Equipment No. 01, dated March 11, 2021, to Master Equipment Lease Purchase Agreement, dated as of March 11, 2021, between Republic First National Corporation, as Lessor, and Mi-Wuk Sugar Pine Fire Protection District, as Lessee.

In accordance with the Master Equipment Lease Purchase Agreement (the "Agreement"), the undersigned Lessee hereby certifies and represents to, and agrees with Lessor as follows:

- (1) All of the Equipment (as such term is defined in the Agreement) listed in the above-referenced Schedule of Equipment (the "Schedule") has been delivered, installed and accepted on the date hereof.
- (2) Lessee has conducted such inspection and/or testing of the Equipment listed in the Schedule as it deems necessary and appropriate and hereby acknowledges that it accepts the Equipment for all purposes.
- (3) Lessee is currently maintaining the insurance coverage required by **Section 6.05** of the Agreement.
- (4) No event or condition that constitutes, or with notice or lapse of time, or both, would constitute, an Event of Default (as defined in the Agreement) exists at the date hereof.

LESSEE: Mi-Wuk Sugar Pine Fire Protection District

By X

Title James Klyn, Fire Chief

Date X

INSURANCE COVERAGE REQUIREMENTS

Re: Schedule of Equipment No. 01 between Republic First National Corporation as Lessor and Mi-Wuk Sugar Pine Fire Protection District as Lessee dated as of March 11, 2021 to Master Equipment Lease Purchase Agreement dated as of March 11, 2021.

Lessee: Mi-Wuk Sugar Pine Fire Protection District

Please mark one of the following:

() 1. In accordance with **Section 6.05** of the Agreement, we have instructed the insurance agent named below to

Insurance Company Name: x		
Agents Name: x		
Address: x		
City: x	State x	Zip: x
Phone: x	Fax: x	Email: x

issue to:

**First State Bank of Livingston, and/or its assigns
112 West Polk Street
Livingston, TX 77351**

on the following equipment:

**One (1) 2021 Wildland Type III Engine
with a total acquisition cost of \$322,548.41**

- a. Risk Physical Damage Insurance on the leased equipment evidenced by a Certificate of Insurance and Long Form Loss Payable Clause naming "First State Bank of Livingston, and/or its assigns" as loss payee with the following coverage required:
 - Full Replacement Value
- b. Public Liability Insurance evidence by a Certificate of Insurance naming "First State Bank of Livingston, and/or its assigns" as an additional Insured with the following minimum coverage required:
 - \$500,000.00 per person
 - \$1,000,000.00 aggregate bodily injury liability
 - \$300,000.00 property damage liability

() 2. Pursuant to Section 6.05 of the Agreement, we are self-insured for all risk, physical damage, and public liability and will provide proof of such self-insurance in letter form, together with a copy of the statute authorizing this form of insurance.

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

Mi-Wuk Sugar Pine Fire Protection District

By X

Title James Klyn, Fire Chief

Date X

GOVERNMENT CERTIFICATE OF EXEMPTION

TO: Republic First National Corp.
2525 West State Road 114
Rochester, IN 46975

The undersigned hereby certifies the purchases of tangible personal property or services being made on this certificate of exemption are being made by the State of California or a county or municipality within the State of California, or the Federal Government, or an agency thereof, and are for the use of such government or agency.

The undersigned also certifies the leasing of the Equipment is exempt from all sales and use taxes against either the Lessor or the Lessee during the term of the Lease and the Equipment will be exempt from all state and local personal property.

Name of government or agency:

Mi-Wuk Sugar Pine Fire Protection District

By X

Title James Klyn, Fire Chief

Date X

Tax ID No. X



2525 West State Road 114
Rochester, IN 46975
Phone: (800) 700-7878
Fax: (800) 865-8517
www.republicfirstnational.com

INVOICE INSTRUCTIONS

Please fill in the address that invoices for the payments should be sent to:

Person/Department:	X
Name of Lessee:	X
Street/P.O. Box:	X
City, State, Zip:	X

Schedule of Equipment No. 01 between Republic First National Corporation as Lessor and Mi-Wuk Sugar Pine Fire Protection District as Lessee dated as of March 11, 2021 to Master Equipment Lease Purchase Agreement dated as of March 11, 2021.

Equipment Description: One (1) 2021 Wildland Type III Engine

Name and phone number of person to contact if payment is not received by due date:

Name:	X
Phone Number:	X

Please fill in the address where the equipment can be located:

Person/Department:	X
Name of Lessee:	X
Street:	X
City, State, Zip:	X
County:	X

"When results matter"



2525 West State Road 114
Rochester, IN 46975
Phone: (800) 700-7878
Fax: (800) 865-8517

www.republicfirstnational.com

NOTICE OF ASSIGNMENT

March 24, 2021

Mi-Wuk Sugar Pine Fire Protection District
24247 California 108
Mi Wuk Village, CA 95346

RE: Schedule of Equipment No. 01, dated March 11, 2021 to Master Equipment Lease Purchase Agreement, dated as of March 11, 2021 (the "Agreement") between Republic First National Corporation ("Lessor") and Mi-Wuk Sugar Pine Fire Protection District ("Lessee").

Dear James:

Please be advised that Republic First National Corporation has assigned all its right, title and interest in, to and under the above referenced Master Lease Purchase Agreement (the "Agreement"), the Equipment leased thereunder and the right to receive Rental Payments thereunder to the following assignee:

**First State Bank of Livingston
112 West Polk Street
Livingston, TX 77351**

All Rental Payments and payment of the Purchase Price due under the Agreement should be made to the Assignee at the above address.

Sincerely,

ACKNOWLEDGED AND ACCEPTED:

Republic First National Corporation

Mi-Wuk Sugar Pine Fire Protection District

By _____

By ~~X~~ _____

Title _____

Title James Klyn, Fire Chief

Date ~~X~~ _____

Phone ~~X~~ _____

"When results matter"



2525 West State Road 114
Rochester, IN 46975
Phone: (800) 700-7878
Fax: (800) 865-8517

www.republicfirstnational.com

PAYMENT REQUEST FORM

We have received, examined and accepted the equipment covered by this invoice and approve payment of the full amount stated herein in accordance with the terms of the Lease Agreement which Lessee has executed with Republic First National Corporation.

Payee:	
Amount:	
Equipment Description:	

Mi-Wuk Sugar Pine Fire Protection District

By **X** _____

Title James Klyn, Fire Chief

Date **X** _____

ESCROW AGREEMENT

This Escrow Agreement (the "Escrow Agreement"), dated as of March 11, 2021, and entered into among Republic First National Corporation, ("Lessor"), Mi-Wuk Sugar Pine Fire Protection District, a public body corporate and politic existing under the laws of California ("Lessee"), and First State Bank of Livingston, a banking corporation, as escrow agent (the "Escrow Agent").

Name of Acquisition Fund;	
Equipment Acquisition Fund Account #:	
Amount of Deposit into Acquisition Fund:	

TERMS AND CONDITIONS

1.This Escrow Agreement relates to and is hereby made a part of Schedule of Equipment No 01, dated as of March 11, 2021 (the "Schedule"), to the Master Equipment Lease Purchase Agreement dated as of March 11, 2021 (the "Agreement"), between Lessor and Lessee.

2.Except as otherwise defined herein, all terms defined in the Agreement shall have the same meaning for the purposes of this Escrow Agreement as in the Agreement.

3.Lessor, Lessee and Escrow Agent agree that the Escrow Agent will act as sole Escrow Agent under the Schedule and this Escrow Agreement, in accordance with the terms and conditions set forth in this Escrow Agreement. The Escrow Agent shall not be deemed to be a party to the Schedule or the Agreement, and this Escrow Agreement shall be deemed to constitute the entire agreement between Lessor and Lessee and Escrow Agent.

4.There is hereby established in the custody of Escrow Agent a special trust fund designated as set forth above (the "Acquisition Fund") to be held and administered by the Escrow Agent in trust for the benefit of Lessor and Lessee in accordance with this Escrow Agreement.

5.Lessor shall deposit in the Acquisition Fund the amount specified above. Moneys held by the Escrow Agent hereunder shall be invested and reinvested by the Escrow Agent upon written direction of an authorized representative of Lessee in Qualified Investments (as hereinafter defined) maturing or subject to redemption at the option of the holder thereof prior to the date on which it is expected that such funds will be needed. The Escrow Agent may act as purchaser or agent in the making or disposing of any investment. The Escrow Agent shall have no obligation to invest or reinvest moneys if deposited with the Escrow Agent after 11:00 a.m. (E.S.T.) on such day of deposit. Instructions received after 11:00 a.m. (E.S.T.) will be treated as if received on the following business day. The Escrow Agent shall have no responsibility for any investment losses resulting from the investment, reinvestment or liquidation of funds held in the Acquisition Fund. Any interest or other income received on such investment and reinvestment of such funds shall become part of the Acquisition Fund and any losses incurred on such investment and reinvestment of such funds shall be debited against the Acquisition Fund. If a selection is not made and a written direction not given to the Escrow Agent, such funds shall remain uninvested with no liability for interest thereon. It is agreed and understood that the entity serving as Escrow Agent may earn fees associated with the investments described herein in accordance with the terms of such investments. Notwithstanding the foregoing, the Escrow Agent shall have the power to sell or liquidate the foregoing investments whenever the Escrow Agent shall be required to pay or disburse all or any portion of the funds held hereunder pursuant to the provisions hereof. In no event shall the Escrow Agent be deemed an investment manager or adviser in respect of any selection of investments hereunder.

6."Qualified Investments" shall be defined for purposes of this Escrow Agreement as follows:

- (a) For Schedules not qualified for the arbitrage rebate exception for small governmental units under Section 148(f)(4)(C) of the Code, "Qualified Investments" means, to the extent the same are at the time legal for investment of the funds being invested: (i) United States Treasury Bills or United States Treasury Notes traded on an open market or issued directly by the United States at a yield not exceeding ____% per annum, (ii) United States Treasury Obligations -- State and Local Government Series time deposit securities with a yield not exceeding ____% per annum, (iii) obligations the interest of which is not includable in the gross income of the owner thereof for federal income tax purposes under Section 103 of the Code and which are rated AA or better by Standard & Poor's Corporation or Aa or better by Moody's Investors Service, Inc., (iv) shares of qualified regulated investment companies which distribute exempt-interest dividends within the meaning of Section 852 of the Code and which are rated AA or better by Standard & Poor's Corporation or Aa or better by Moody's Investors Service, Inc. (tax-exempt mutual funds), or (v) United States Treasury Obligations -- State and Local Government Series demand deposit securities.
- (b) For Schedules qualified for the arbitrage rebate exception for small governmental units under Section 148(f)(4)(C) of the Code, "Qualified Investments" means to the extent the same are at the time legal for investment of the funds being invested: (i) direct general obligations of the United States of America; (ii) obligations the timely payment United States of America; (iii) general obligations of the agencies and instrumentalities of the United States of America acceptable to Lessor; (iv) certificates of deposit, time deposits or demand deposits with any bank or savings institution including the Escrow Agent or any affiliate thereof, provided that such certificates of deposit, time deposits or demand deposits, if not insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation, are fully secured by obligations described in (i), (ii) or (iii) above; (v) repurchase agreements with any state or national bank or trust company, including the Escrow Agent or any affiliate thereof, that are secured by obligations of the type described in (i), (ii) or (iii) above, provided that such collateral is free and clear of claims of third parties and that the Escrow Agent or a third party acting solely as agent for the Escrow Agent has possession of such collateral and a perfected first security interest in such collateral; or (vi) shares of money market funds which are registered under the Investment Act of 1940, as amended, and which are rated AAA by Standard & Poor's Corporation or Aaa by Moody's Investors Service, Inc.

7.Moneys in the Acquisition Fund shall be used to pay for the cost of acquisition of the Equipment listed in the Schedule. Payment shall be made from the Acquisition Fund for the cost of acquisition of part or all of said Equipment listed in the Schedule upon presentation to Escrow Agent of one or more properly executed Payment Request and Acceptance Certificates, a form of which is attached as Exhibit A, executed by Lessee and approved by Lessor, together with an invoice for the cost of the acquisition of said Equipment for which payment is requested and a written approval by Lessor of the Vendor be paid. Escrow Agent's Compensation. No fees are payable for the escrow account. If funds remain in the escrow account, excluding Acquisition Costs and after the full delivery and acceptance of the Equipment, then Lessee and Lessor agree that such excess funds shall be applied towards the Lessee's next payment due.

8. The Acquisition Fund shall terminate upon the occurrence of the earlier of (a) the presentation of a proper Payment Request and Acceptance Certificate, with the portion thereof designated "Final Acceptance Certificate", properly executed by Lessee, or (b) the presentation of written notification by the Lessor, or, if the Lessor shall have assigned its interest under the Schedule, then the assignees or subassignees of all of Lessor's interest under the Schedule or an Agent on their behalf, that an Event of Default has occurred or that Lessee has terminated the Agreement pursuant to **Section 4.06** of the Agreement. Upon termination as described in clause (a) of this paragraph, any amount remaining in the Acquisition Fund shall be used to prepay the principal component of Rental Payments 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 Schedule of Rental Payments appearing in the Schedule shall be revised accordingly as specified by Lessor. Upon termination as described in clause (b) of this paragraph, any amount remaining in the Acquisition Fund shall immediately be paid to Lessor or to any assignees or subassignees of Lessor interest in this Schedule.

9. The moneys and investments held by Escrow Agent under this Escrow Agreement are irrevocably held in trust for the benefit of Lessee and Lessor, and such moneys, together with any income or interest earned thereon, shall be expended only as provided in this Escrow Agreement, and shall not be subject to levy or attachment or lien by or for the benefit of any creditor of Lessee or Lessor. Lessee, Lessor and Escrow Agent intend that the Acquisition Fund constitute an escrow account in which Lessee has no legal or equitable right, title or interest until satisfaction in full of all conditions contained herein and in the Schedule for the disbursement of funds by Escrow Agent therefrom. However, if the parties' intention that Lessee shall have no legal or equitable right, title or interest until all conditions for disbursement are satisfied in full is not respected in any legal proceeding, the parties hereto intend that Lessor have a security interest in the Acquisition Fund, and such security interest is hereby granted to Lessor by Lessee, to secure payment of all sums due to Lessor under the Schedule. Escrow Agent shall hold the Acquisition Fund and the securities and monies therein for the purpose of perfecting Lessor's security interest therein and shall dispose of the Acquisition Fund only in accordance with the terms and conditions of this Escrow Agreement. Escrow Agent hereby accepts appointment as agent and agrees to establish and maintain the Acquisition Fund and the monies and securities therein as a financial intermediary or securities intermediary, as the case may be, for Lessor, as entitlement holder. Escrow Agent confirms that (i) the Acquisition Fund is a "securities account" as such term is defined in §8-501 of the applicable UCC; (ii) Escrow Agent shall, subject to the terms of this Escrow Agreement, treat Lessor as entitled to exercise the rights that comprise any financial asset credited to the Acquisition Fund; (iii) all property delivered to Escrow Agent for deposit into the Acquisition Fund will be promptly credited to the Acquisition Fund; and (iv) all securities and other property underlying any financial assets credited to the Acquisition Fund shall be registered in the name of Escrow Agent, indorsed to Escrow Agent or in blank or credited to another securities account maintained in the name of Escrow Agent, and in no case will any financial asset credited to the Acquisition Fund be registered in the name of Lessee, payable to the order of Lessee or specially indorsed to Lessee. Escrow Agent agrees that each item of property (whether investment property, financial asset, security, instrument or cash) credited to the Acquisition Fund shall be treated as a "financial asset" within the meaning of §8-102(a)(9) of the UCC. If at any time Escrow Agent shall receive an "entitlement order" (within the meaning of §8-102(a)(8) of the UCC) issued by Lessor and relating to the Acquisition Fund, Escrow Agent shall comply with such entitlement order without further consent by Lessee or any other person.

10. The Escrow Agent may at any time resign by giving at least 30 days written notice to Lessee and Lessor, but such resignation shall not take effect until the appointment of a 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, Escrow Agent may be removed at any time, with or without cause, by an instrument in writing executed by Lessor and Lessee. In the event of any resignation or removal of 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. Thereupon such successor Escrow Agent shall, without any further act or deed, be fully vested with all the trusts, powers, rights, duties and obligations of Escrow Agent under this Escrow Agreement and the predecessor Escrow Agent shall deliver all moneys and securities held by it under this Escrow Agreement to such successor Escrow Agent.

11. Escrow Agent incurs no liability to make any disbursements pursuant to the Escrow Agreement except from funds held in the Acquisition Fund. Escrow Agent makes no representations or warranties as to the title to any Equipment listed in the Schedule or as to the performance of any obligations of Lessor or Lessee.

12. This Escrow Agreement shall be governed by and construed in accordance with the laws of the State in which the Escrow Agent is located.

13. In the event any provision of this Escrow Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

14. This Escrow Agreement may not be amended except by a written instrument executed by Lessor, Lessee and Escrow Agent.

15. This Escrow Agreement may be executed in several counterparts, each of which so executed shall be an original.

IN WITNESS WHEREOF, Lessor, Lessee and Escrow Agent have caused this Escrow Agreement to be executed by their duly authorized representatives, all as of March 11, 2021.

LESSEE: Mi-Wuk Sugar Pine Fire Protection District

By: X

Title: James Klyn, Fire Chief

ESCROW AGENT: First State Bank of Livingston

By: _____

Title: _____

LESSOR: Republic First National Corporation

By: _____

Title: _____

Date: _____