

# EXHIBIT

## "A"

### MASTER LEASE-PURCHASE AGREEMENT

**Dated As of: OCTOBER 4, 2016**

**Lessee: CITY OF ROUND ROCK**

This Master Lease-Purchase Agreement together with all addenda, riders and attachments hereto, as the same may from time to time be amended, modified or supplemented ("Master Lease") is made and entered by and between JPMORGAN CHASE BANK, N.A. ("Lessor") and the lessee identified above ("Lessee").

**1. LEASE OF EQUIPMENT.** Subject to the terms and conditions of this Master Lease, Lessor agrees to lease to Lessee, and Lessee agrees to lease from Lessor, all Equipment described in each Schedule signed from time to time by Lessee and Lessor.

**2. CERTAIN DEFINITIONS.** All terms defined in the Lease are equally applicable to both the singular and plural form of such terms. (a) "Schedule" means each Lease Schedule signed and delivered by Lessee and Lessor, together with all addenda, riders, attachments, certificates and exhibits thereto, as the same may from time to time be amended, modified or supplemented. Lessee and Lessor agree that each Schedule (except as expressly provided in said Schedule) incorporates by reference all of the terms and conditions of the Master Lease. (b) "Lease" means any one Schedule and this Master Lease as incorporated into said Schedule. (c) "Equipment" means the property described in each Schedule, together with all attachments, additions, accessions, parts, repairs, improvements, replacements and substitutions thereto. (d) "Lien" means any security interest, lien, mortgage, pledge, encumbrance, judgment, execution, attachment, warrant, writ, levy, other judicial process or claim of any nature whatsoever by or of any person.

**3. LEASE TERM.** The term of the lease of the Equipment described in each Lease ("Lease Term") commences on the first date any of such Equipment is accepted by Lessee pursuant to Section 5 hereof or on the date specified in the Schedule for such Lease and, unless earlier terminated as expressly provided in the Lease, continues until Lessee's payment and performance in full of all of Lessee's obligations under the Lease.

#### **4. RENT PAYMENTS.**

**4.1** For each Lease, Lessee agrees to pay to Lessor the rent payments in the amounts and at the times as set forth in the Payment Schedule attached to the Schedule ("Rent Payments"). A portion of each Rent Payment is paid as and represents the payment of interest as set forth in the Payment Schedule. Lessee acknowledges that its obligation to pay Rent Payments including interest therein accrues as of the Accrual Date stated in the Schedule or its Payment Schedule; provided, that no Rent Payment is due until Lessee accepts the Equipment under the Lease or the parties execute an escrow agreement. Rent Payments will be payable for the Lease Term in U.S. dollars, without notice or demand at the office of Lessor (or such other place as Lessor may designate from time to time in writing).

**4.2** If Lessor receives any payment from Lessee later than ten (10) days from the due date, Lessee shall pay Lessor on demand as a late charge five per cent (5%) of such overdue amount, limited, however, to the maximum amount allowed by law.

**4.3** EXCEPT AS SPECIFICALLY PROVIDED IN SECTION 6, THE OBLIGATION TO PAY RENT PAYMENTS UNDER EACH LEASE SHALL BE ABSOLUTE AND UNCONDITIONAL IN ALL EVENTS AND SHALL NOT BE SUBJECT TO ANY SETOFF, DEFENSE, COUNTERCLAIM, ABATEMENT OR RECOUPMENT FOR ANY REASON WHATSOEVER.

#### **5. DELIVERY; ACCEPTANCE; FUNDING CONDITIONS.**

**5.1** Lessee shall arrange for the transportation, delivery and installation of all Equipment to the location specified in the Schedule ("Location") by Equipment suppliers ("Suppliers") selected by Lessee. Lessee shall pay all costs related thereto.

**5.2** Lessee shall accept Equipment as soon as it has been delivered and is operational. Lessee shall evidence its acceptance of any Equipment by signing and delivering to Lessor the applicable Schedule. If Lessee signs and delivers a Schedule and if all Funding Conditions have been satisfied in full, then Lessor will pay or cause to be paid the costs of such Equipment as stated in the Schedule ("Purchase Price") to the applicable Supplier.

**5.3** Lessor shall have no obligation to pay any Purchase Price unless all reasonable conditions established by Lessor ("Funding Conditions") have been satisfied, including, without limitation, the following: (a) Lessee has signed and delivered the Schedule and its Payment Schedule; (b) no Event of Default shall have occurred and be continuing; (c) no material adverse change shall have occurred in the Internal Revenue Code of 1986, as amended, and the related regulations and rulings thereunder (collectively, the "Code"); (d) no material adverse change shall have occurred in the financial condition of Lessee or any Supplier; (e)

the Equipment is reasonably satisfactory to Lessor and is free and clear of any Liens (except Lessor's Liens); (f) all representations of Lessee in the Lease remain true, accurate and complete; and (g) Lessor has received all of the following documents, which shall be reasonably satisfactory, in form and substance, to Lessor: (1) evidence of insurance coverage required by the Lease; (2) an opinion of Lessee's counsel; (3) reasonably detailed invoices for the Equipment; (4) Uniform Commercial Code (UCC) financing statements; (5) copies of resolutions by Lessee's governing body authorizing the Lease and incumbency certificates for the person(s) who will sign the Lease; (6) such documents and certificates relating to the tax-exempt interest payable under the Lease (including, without limitation, IRS Form 8038G or 8038GC) as Lessor may request; and (7) such other documents and information previously identified by Lessor or otherwise reasonably requested by Lessor.

## **6. TERMINATION FOR GOVERNMENTAL NON-APPROPRIATIONS.**

6.1 For each Lease, Lessee represents and warrants: that it has appropriated and budgeted the necessary funds to make all Rent Payments required pursuant to such Lease for the remainder of the fiscal year in which the Lease Term commences; and that it currently intends to make Rent Payments for the full Lease Term as scheduled in the applicable Payment Schedule if funds are appropriated for the Rent Payments in each succeeding fiscal year by its governing body. Without contractually committing itself to do so, Lessee reasonably believes that moneys in an amount sufficient to make all Rent Payments can and will lawfully be appropriated therefor. Lessee directs the person in charge of its budget requests to include the Rent Payments payable during each fiscal year in the budget request presented to Lessee's governing body for such fiscal year; provided, that Lessee's governing body retains authority to approve or reject any such budget request. All Rent Payments shall be payable out of the general funds of Lessee or out of other funds legally appropriated therefor. Lessor agrees that no Lease will be a general obligation of Lessee and no Lease shall constitute a pledge of either the full faith and credit of Lessee or the taxing power of Lessee.

6.2 If Lessee's governing body fails to appropriate sufficient funds in any fiscal year for Rent Payments or other payments due under a Lease and if other funds are not legally appropriated for such payments, then a "Non-Appropriation Event" shall be deemed to have occurred. If a Non-Appropriation Event occurs, then: (a) Lessee shall give Lessor immediate notice of such Non-Appropriation Event and provide written evidence of such failure by Lessee's governing body; (b) on the Return Date, Lessee shall return to Lessor all, but not less than all, of the Equipment covered by the affected Lease, at Lessee's sole expense, in accordance with Section 21 hereof; and (c) the affected Lease shall terminate on the Return Date without penalty to Lessee, provided, that Lessee shall pay all Rent Payments and other amounts payable under the affected Lease for which funds have been appropriated, provided further, that Lessee shall pay month-to-month rent at the rate set forth in the affected Lease for each month or part thereof that Lessee fails to return the Equipment under this Section 6.2. "Return Date" means the last day of the fiscal year for which appropriations were made for the Rent Payments due under a Lease.

**7. LIMITATION ON WARRANTIES. LESSOR MAKES NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, AS TO ANY MATTER WHATSOEVER, INCLUDING, WITHOUT LIMITATION, AS TO THE MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY OF THE EQUIPMENT OR AS TO THE VALUE, DESIGN, CONDITION, USE, CAPACITY OR DURABILITY OF ANY OF THE EQUIPMENT.** For and during the Lease Term, Lessor hereby assigns to Lessee any manufacturer's or Supplier's product warranties, express or implied, applicable to any Equipment and Lessor authorizes Lessee to obtain the customary services furnished in connection with such warranties at Lessee's sole expense. Lessee agrees that (a) all Equipment will have been purchased by Lessor in accordance with Lessee's specifications from Suppliers selected by Lessee, (b) Lessor is not a manufacturer or dealer of any Equipment and has no liability for the delivery or installation of any Equipment, (c) Lessor assumes no obligation with respect to any manufacturer's or Supplier's product warranties or guaranties, (d) no manufacturer or Supplier or any representative of said parties is an agent of Lessor, and (e) any warranty, representation, guaranty or agreement made by any manufacturer or Supplier or any representative of said parties shall not be binding upon Lessor.

## **8. TITLE; SECURITY INTEREST.**

8.1 Upon Lessee's acceptance of any Equipment under a Lease, title to the Equipment shall vest in Lessee, subject to Lessor's security interest therein and all of Lessor's other rights under such Lease including, without limitation, Sections 6, 20 and 21 hereof.

8.2 As collateral security for the Secured Obligations, Lessee hereby grants to Lessor a first priority security interest in any and all of the Equipment (now existing or hereafter acquired) and any and all proceeds thereof. Lessee agrees to execute and deliver to Lessor all necessary documents to evidence and perfect such security interest, including, without limitation, UCC financing statements and any amendments thereto.

8.3 "Secured Obligations" means Lessee's obligations to pay all Rent Payments and all other amounts due and payable under all present and future Leases and to perform and observe all covenants, agreements and conditions (direct or indirect, absolute or contingent, due or to become due, or existing or hereafter arising) of Lessee under all present and future Leases.

**9. PERSONAL PROPERTY.** All Equipment is and will remain personal property and will not be deemed to be affixed or attached to real estate or any building thereon.

**10. MAINTENANCE AND OPERATION.** Lessee agrees it shall, at its sole expense: (a) repair and maintain all Equipment in good condition and working order and supply and install all replacement parts or other devices when required to so maintain the Equipment or when required by applicable law or regulation, which parts or devices shall automatically become part of the Equipment; and (b) use and operate all Equipment in a careful manner in the normal course of its operations and only for the purposes for which it was designed in accordance with the manufacturer's warranty requirements; and (c) comply with all laws and regulations relating to the Equipment. If any Equipment is customarily covered by a maintenance agreement, Lessee will furnish Lessor with a maintenance agreement by a party reasonably satisfactory to Lessor. No maintenance or other service for any Equipment will be provided by Lessor. Lessee will not make any alterations, additions or improvements ("Improvements") to any Equipment without Lessor's prior written consent unless the Improvements may be readily removed without damage to the operation, value or utility of such Equipment, but any such Improvements not removed prior to the termination of the applicable Lease shall automatically become part of the Equipment.

**11. LOCATION; INSPECTION.** Equipment will not be removed from, or if Equipment is rolling stock its permanent base will not be changed from, the Location without Lessor's prior written consent which will not be unreasonably withheld. Upon reasonable notice to Lessee, Lessor may enter the Location or elsewhere during normal business hours to inspect the Equipment.

**12. LIENS, SUBLEASES AND TAXES.**

12.1 Lessee shall keep all Equipment free and clear of all Liens except those Liens created under its Lease. Lessee shall not sublet or lend any Equipment or permit it to be used by anyone other than Lessee or Lessee's employees.

12.2 Lessee shall pay when due all Taxes which may now or hereafter be imposed upon any Equipment or its ownership, lease, rental, sale, purchase, possession or use, upon any Lease or upon any Rent Payments or any other payments due under any Lease. If Lessee fails to pay such Taxes when due, Lessor shall have the right, but not the obligation, to pay such Taxes. If Lessor pays any such Taxes, then Lessee shall, upon demand, immediately reimburse Lessor therefor. "Taxes" means present and future taxes, levies, duties, assessments or other governmental charges that are not based on the net income of Lessor, whether they are assessed to or payable by Lessee or Lessor, including, without limitation (a) sales, use, excise, licensing, registration, titling, gross receipts, stamp and personal property taxes, and (b) interest, penalties or fines on any of the foregoing.

**13. RISK OF LOSS.**

13.1 Lessee bears the entire risk of loss, theft, damage or destruction of any Equipment in whole or in part from any reason whatsoever ("Casualty Loss"). No Casualty Loss to any Equipment shall relieve Lessee from the obligation to make any Rent Payments or to perform any other obligation under any Lease. Proceeds of any insurance recovery will be applied to Lessee's obligations under this Section 13.

13.2 If a Casualty Loss occurs to any Equipment, Lessee shall immediately notify Lessor of the same and Lessee shall, unless otherwise directed by Lessor, immediately repair the same.

13.3 If Lessor determines that any item of Equipment has suffered a Casualty Loss beyond repair ("Lost Equipment"), then Lessee shall either: (a) immediately replace the Lost Equipment with similar equipment in good repair, condition and working order free and clear of any Liens (except Lessor's Liens), in which event such replacement equipment shall automatically be Equipment under the applicable Lease, and deliver to Lessor true and complete copies of the invoice or bill of sale covering the replacement equipment; or (b) on earlier of 60 days after the Casualty Loss or the next scheduled Rent Payment date (the "Loss Payment Due Date"), pay Lessor (i) all amounts owed by Lessee under the applicable Lease, including the Rent Payments due on or accrued through such date plus (ii) an amount equal to the Termination Value as of the Rent Payment date (or if the Casualty Loss payment is due between Rent Payment dates, then as of the Rent Payment date preceding the date that the Casualty Loss payment is due) set forth in the Payment Schedule to the applicable Lease plus (iii) a Break Funding Charge. If Lessee is making such payment with respect to less than all of the Equipment under a Lease, then Lessor will provide Lessee with the pro rata amount of the Rent Payment and Termination Value to be paid by Lessee with respect to the Lost Equipment and a revised Payment Schedule. "Break Funding Charge" means the sum of the differences between (i) each scheduled interest payment which would have been made on the Termination Value if such Casualty Loss payment had not occurred and (ii) the corresponding fixed-rate interest payment which would be received under an interest rate swap which the Lender shall be deemed to have entered into as of the Loss Payment Due Date (the "Replacement Swap") covering its payment obligations under an interest rate swap which the Lessor shall be deemed to have entered into when the Lease was originally funded, with each such difference discounted to a present value as of the date of payment using the fixed interest rate of the Replacement Swap as the applicable discount rate; the Lessee acknowledges that the Lessor might not fund or hedge its fixed-rate loan portfolio or any prepayment thereof on a loan-by-loan basis at all times, and agrees that the foregoing is a reasonable and appropriate method of calculating liquidated damages for any prepayment irrespective of whether any of the foregoing hedging

transactions have in fact occurred or occurred precisely as stated with respect to the Lease; all calculations and determinations by the Lessor of the amounts payable pursuant to the preceding provisions or of any element thereof, if made in accordance with its then standard procedures for so calculating or determining such amounts, shall be conclusive absent manifest arithmetic error.

13.4 Lessee shall bear the risk of loss for, shall pay directly, and shall defend Lessor against any and all claims, liabilities, proceedings, actions, expenses (including reasonable attorney's fees), damages or losses arising under or related to any Equipment, including, but not limited to, the possession, ownership, lease, use or operation thereof. These obligations of Lessee shall survive any expiration or termination of any Lease. Lessee shall not bear the risk of loss of, nor pay for, any claims, liabilities, proceedings, actions, expenses (including attorney's fees), damages or losses which arise directly from events occurring after any Equipment has been returned by Lessee to Lessor in accordance with the terms of the applicable Lease or which arise directly from the gross negligence or willful misconduct of Lessor.

#### **14. INSURANCE.**

14.1 (a) Lessee at its sole expense shall at all times keep all Equipment insured against all Casualty Losses for an amount not less than the Termination Value of the Equipment. Proceeds of any such insurance covering damage or loss of any Equipment shall be payable to Lessor as lender loss payee. (b) Lessee at its sole expense shall at all times carry public liability and third party property damage insurance in amounts reasonably satisfactory to Lessor protecting Lessee and Lessor from liabilities for injuries to persons and damage to property of others relating in any way to any Equipment. Proceeds of any such public liability or property insurance shall be payable first to Lessor as additional insured to the extent of its liability, and then to Lessee.

14.2 All insurers shall be reasonably satisfactory to Lessor. Lessee shall promptly deliver to Lessor satisfactory evidence of required insurance coverage and all renewals and replacements thereof. Each insurance policy will require that the insurer give Lessor at least 30 days prior written notice of any cancellation of such policy and will require that Lessor's interests remain insured regardless of any act, error, misrepresentation, omission or neglect of Lessee. The insurance maintained by Lessee shall be primary without any right of contribution from insurance which may be maintained by Lessor.

**15. NO PREPAYMENT.** Lessee shall not be permitted to prepay the Rent Payments or any other obligation under a Lease in whole or in part.

**16. LESSEE'S REPRESENTATIONS AND WARRANTIES.** With respect to each Lease and its Equipment, Lessee hereby represents and warrants to Lessor that: (a) Lessee has full power, authority and legal right to execute and deliver the Lease and to perform its obligations under the Lease, and all such actions have been duly authorized by appropriate findings and actions of Lessee's governing body; (b) the Lease has been duly executed and delivered by Lessee and constitutes a legal, valid and binding obligation of Lessee, enforceable in accordance with its terms; (c) the Lease is authorized under, and the authorization, execution and delivery of the Lease complies with, all applicable federal, state and local laws and regulations (including, but not limited to, all open meeting, public bidding and property acquisition laws) and all applicable judgments and court orders; (d) the execution, delivery and performance by Lessee of its obligations under the Lease will not result in a breach or violation of, nor constitute a default under, any agreement, lease or other instrument to which Lessee is a party or by which Lessee's properties may be bound or affected; (e) there is no pending, or to the best of Lessee's knowledge threatened, litigation of any nature which may have a material adverse effect on Lessee's ability to perform its obligations under the Lease; and (f) Lessee is a state, or a political subdivision thereof, as referred to in Section 103 of the Code, and Lessee's obligation under the Lease constitutes an enforceable obligation issued on behalf of a state or a political subdivision thereof.

#### **17. TAX COVENANTS.**

17.1 Lessee hereby covenants and agrees that: (a) Lessee shall comply with all of the requirements of Section 149(a) and Section 149(e) of the Code, as the same may be amended from time to time, and such compliance shall include, but not be limited to, executing and filing Internal Revenue Form 8038G or 8038GC, as the case may be, and any other information statements reasonably requested by Lessor; (b) Lessee shall not do (or cause to be done) any act which will cause, or by omission of any act allow, any Lease to be an "arbitrage bond" within the meaning of Section 148(a) of the Code or any Lease to be a "private activity bond" within the meaning of Section 141(a) of the Code; and (c) Lessee shall not do (or cause to be done) any act which will cause, or by omission of any act allow, the interest portion of any Rent Payments to be or become includable in gross income for Federal income taxation purposes under the Code.

17.2 Upon the occurrence of an Event of Taxability, the interest portion of any Rent Payment shall be at the Taxable Rate retroactive to the date of occurrence of the Event of Taxability, and Lessee shall pay such additional amount as will result in Lessor receiving the interest portion of the Taxable Rate identified in the Payment Schedule. For purposes of this section, "Event of Taxability" means a determination that the interest portion of Rent Payments is included for federal income tax purposes in the gross income of the Lessor due to Lessee's action or failure to take action, including breach of covenants set forth in section 17.1 hereof. An Event of Taxability shall occur upon the earliest of: (1) the happening of any event which may cause such Event of Taxability, or

(2) Lessor's payment to the applicable taxing authority of the tax increase resulting from such Event of Taxability, or (3) the adjustment of Lessor's tax return to reflect such Event of Taxability, or (4) the date as of which the interest portion of the Rent Payments is determined by the Internal revenue Service to be includable in the gross income of the Lessor for federal income tax purposes.

## 18. ASSIGNMENT.

18.1 Lessee shall not assign, transfer, pledge, hypothecate, nor grant any Lien on, nor otherwise dispose of, any Lease or any Equipment or any interest in any Lease or Equipment.

18.2 Lessor may assign its rights, title and interest in and to any Lease or any Equipment, and/or may grant or assign a security interest in any Lease and its Equipment, in whole or in part, to any party at any time. Any such assignee or lienholder (an "Assignee") shall have all of the rights of Lessor under the applicable Lease. **LESSEE AGREES NOT TO ASSERT AGAINST ANY ASSIGNEE ANY CLAIMS, ABATEMENTS, SETOFFS, COUNTERCLAIMS, RECOUPMENT OR ANY OTHER SIMILAR DEFENSES WHICH LESSEE MAY HAVE AGAINST LESSOR.** Unless otherwise agreed by Lessee in writing, any such assignment transaction shall not release Lessor from any of Lessor's obligations under the applicable Lease. An assignment or reassignment of any of Lessor's right, title or interest in a Lease or its Equipment shall be enforceable against Lessee only after Lessee receives a written notice of assignment which discloses the name and address of each such Assignee, provided, that such notice from Lessor to Lessee of any assignment shall not be so required if Lessor assigns a Lease to JPMORGAN CHASE & CO. or any of its direct or indirect subsidiaries. Lessee shall keep a complete and accurate record of all such assignments in the form necessary to comply with Section 149(a) of the Code and for such purpose, Lessee hereby appoints Lessor (or Lessor's designee) as the book entry and registration agent to keep a complete and accurate record of any and all assignments of any Lease. Lessee agrees to acknowledge in writing any such assignments if so requested.

18.3 Each Assignee of a Lease hereby agrees that: (a) the term Secured Obligations as used in Section 8.3 hereof is hereby amended to include and apply to all obligations of Lessee under the Assigned Leases and to exclude the obligations of Lessee under any Non-Assigned Leases; (b) said Assignee shall have no Lien on, nor any claim to, nor any interest of any kind in, any Non-Assigned Lease or any Equipment covered by any Non-Assigned Lease; and (c) Assignee shall exercise its rights, benefits and remedies as the assignee of Lessor (including, without limitation, the remedies under Section 20 of the Master Lease) solely with respect to the Assigned Leases. "Assigned Leases" means only those Leases which have been assigned to a single Assignee pursuant to a written agreement; and "Non-Assigned Leases" means all Leases excluding the Assigned Leases.

18.4 Subject to the foregoing, each Lease inures to the benefit of and is binding upon the heirs, executors, administrators, successors and assigns of the parties hereto.

**19. EVENTS OF DEFAULT.** For each Lease, "Event of Default" means the occurrence of any one or more of the following events as they may relate to such Lease: (a) Lessee fails to make any Rent Payment (or any other payment) as it becomes due in accordance with the terms of the Lease, and any such failure continues for ten (10) days after the due date thereof; (b) Lessee fails to perform or observe any of its obligations under Sections 12.1, 14 or 18.1 hereof; (c) Lessee fails to perform or observe any other covenant, condition or agreement to be performed or observed by it under the Lease and such failure is not cured within thirty (30) days after receipt of written notice thereof by Lessor; (d) any statement, representation or warranty made by Lessee in the Lease or in any writing delivered by Lessee pursuant thereto or in connection therewith proves at any time to have been false, misleading or erroneous in any material respect as of the time when made; (e) Lessee applies for or consents to the appointment of a receiver, trustee, conservator or liquidator of Lessee or of all or a substantial part of its assets, or a petition for relief is filed by Lessee under any federal or state bankruptcy, insolvency or similar law, or a petition in a proceeding under any federal or state bankruptcy, insolvency or similar law is filed against Lessee and is not dismissed within sixty (60) days thereafter; or (f) Lessee shall be in default under any other Lease or under any other financing agreement executed at any time with Lessor.

**20. REMEDIES.** If any Event of Default occurs, then Lessor may, at its option, exercise any one or more of the following remedies:

(a) Lessor may require Lessee to pay (and Lessee agrees that it shall pay) all amounts then currently due under all Leases and all remaining Rent Payments due under all Leases during the fiscal year in effect when the Event of Default occurs together with interest on such amounts at the rate of twelve percent (12%) per annum (but not to exceed the highest rate permitted by applicable law) from the date of Lessor's demand for such payment;

(b) Lessor may require Lessee to promptly return all Equipment under all or any of the Leases to Lessor in the manner set forth in Section 21 (and Lessee agrees that it shall so return the Equipment), or Lessor may, at its option, enter upon the premises where any Equipment is located and repossess any Equipment without demand or notice, without any court order or other process of law and without liability for any damage occasioned by such repossession;

(c) Lessor may sell, lease or otherwise dispose of any Equipment under all or any of the Leases, in whole or in part, in one or more public or private transactions, and if Lessor so disposes of any Equipment, then Lessor shall retain the entire proceeds of such disposition free of any claims of Lessee, provided, that if the net proceeds of the disposition of all the Equipment exceeds the applicable Termination Value of all the Schedules plus the amounts payable by Lessee under clause (a) above of this Section and under clause (f) below of this Section, then such excess amount shall be remitted by Lessor to Lessee;

(d) Lessor may terminate, cancel or rescind any Lease as to any and all Equipment;

(e) Lessor may exercise any other right, remedy or privilege which may be available to Lessor under applicable law or, by appropriate court action at law or in equity, Lessor may enforce any of Lessee's obligations under any Lease; and/or

(f) Lessor may require Lessee to pay (and Lessee agrees that it shall pay) all out-of-pocket costs and expenses incurred by Lessor as a result (directly or indirectly) of the Event of Default and/or of Lessor's actions under this section, including, without limitation, any attorney fees and expenses and any costs related to the repossession, safekeeping, storage, repair, reconditioning or disposition of any Equipment.

None of the above remedies is exclusive, but each is cumulative and in addition to any other remedy available to Lessor. Lessor's exercise of one or more remedies shall not preclude its exercise of any other remedy. No delay or failure on the part of Lessor to exercise any remedy under any Lease shall operate as a waiver thereof, nor as an acquiescence in any default, nor shall any single or partial exercise of any remedy preclude any other exercise thereof or the exercise of any other remedy.

**21. RETURN OF EQUIPMENT.** If Lessor is entitled under the provisions of any Lease, including any termination thereof pursuant to Sections 6 or 20 of this Master Lease, to obtain possession of any Equipment or if Lessee is obligated at any time to return any Equipment, then (a) title to the Equipment shall vest in Lessor immediately upon Lessor's notice thereof to Lessee, and (b) Lessee shall, at its sole expense and risk, immediately de-install, disassemble, pack, crate, insure and return the Equipment to Lessor (all in accordance with applicable industry standards) at any location in the continental United States selected by Lessor. Such Equipment shall be in the same condition as when received by Lessee (reasonable wear, tear and depreciation resulting from normal and proper use excepted), shall be in good operating order and maintenance as required by the applicable Lease, shall be free and clear of any Liens (except Lessor's Lien) and shall comply with all applicable laws and regulations. Until Equipment is returned as required above, all terms of the applicable Lease shall remain in full force and effect including, without limitation, obligations to pay Rent Payments and to insure the Equipment. Lessee agrees to execute and deliver to Lessor all documents reasonably requested by Lessor to evidence the transfer of legal and beneficial title to such Equipment to Lessor and to evidence the termination of Lessee's interest in such Equipment.

**22. LAW GOVERNING.** Each Lease shall be governed by the laws of the state where Lessee is located (the "State").

**23. NOTICES.** Any notices and demands under or related to this document shall be in writing and delivered to the intended party at its address stated herein (if to Lessor 1111 Polaris Parkway, Suite 3A – OH1-1085, Columbus, Ohio 43240-2050, to the attention of the GNPH Operations Manager). Notice shall be deemed sufficiently given or made (a) upon receipt if delivered by hand, (b) on the Delivery Day after the day of deposit with a nationally recognized courier service, (c) on the third Delivery Day after the day of deposit in the United States mail, sent certified, postage prepaid with return receipt requested, and (d) only if to Lessee, on the third Delivery Day after the notice is deposited in the United States mail, postage prepaid. "Delivery Day" means a day other than a Saturday, a Sunday, or any other day on which national banking associations are authorized to be closed. Any party may change its address for the purposes of the receipt of notices and demands by giving notice of such change in the manner provided in this provision.

**24. FINANCIAL INFORMATION.** Lessee agrees to furnish to Lessor annual audited financial statements of Lessee within 180 days of the end of each fiscal year of Lessee. Additionally, Lessee agrees to provide additional information as reasonably requested by Lessor.

**25. SECTION HEADINGS.** All section headings contained herein or in any Schedule are for convenience of reference only and do not define or limit the scope of any provision of any Lease.

**26. EXECUTION IN COUNTERPARTS.** Each Schedule to this Master Lease may be executed in several counterparts, each of which shall be deemed an original, but all of which shall be deemed one instrument. If more than one counterpart of each Schedule is executed by Lessee and Lessor, then only one may be marked "Lessor's Original" by Lessor. A security interest in any Schedule may be created through transfer and possession only of: the sole original of said Schedule if there is only one original; or the counterpart marked "Lessor's Original" if there are multiple counterparts of said Schedule.

**27. ENTIRE AGREEMENT; WRITTEN AMENDMENTS.** Each Lease, together with the exhibits, schedules and addenda attached thereto and made a part hereof and other attachments thereto constitute the entire agreement between the parties with respect

to the lease of the Equipment covered thereby, and such Lease shall not be modified, amended, altered, or changed except with the written consent of Lessee and Lessor. Any provision of any Lease found to be prohibited by law shall be ineffective to the extent of such prohibition without invalidating the remainder of the Lease.

**28. WAIVER OF IMMUNITY.** Lessee hereby expressly and irrevocably waives any immunity (including sovereign, crown or similar immunity) and any defenses based thereon from any suit, action or proceeding or from any legal process (whether through service of notice, attachment prior to judgment, attachment in aid of execution, execution, exercise of contempt powers, or otherwise) in any forum with respect to this Master Lease, any Lease and the transactions contemplated hereby and thereby. Lessor shall have and be entitled to all available legal and equitable remedies, including the right to specific performance, money damages, and injunctive and declaratory relief.

**JURY WAIVER: ALL PARTIES TO THIS MASTER LEASE WAIVE ALL RIGHTS TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY ANY PARTY AGAINST ANY OTHER PARTY ON ANY MATTER WHATSOEVER ARISING OUT OF, IN CONNECTION WITH OR IN ANY WAY RELATED TO THIS MASTER LEASE AND ANY LEASE.**

**CITY OF ROUND ROCK**  
(Lessee)

By: \_\_\_\_\_

Title: Alan McGraw, Mayor

**JPMORGAN CHASE BANK, N.A.**  
(Lessor)

By: \_\_\_\_\_

Title: Authorized Officer

## LEASE SCHEDULE

Dated as of: **OCTOBER 4, 2016**

Lease No.: **1000138014**

This Lease Schedule, together with its Payment Schedule, is attached and made a part of the Master Lease-Purchase Agreement described below ("Master Lease") between the Lessee and Lessor named below. All terms and conditions of the Master Lease are incorporated herein by reference. Unless otherwise defined herein, capitalized terms defined in the Master Lease will have the same meaning when used herein.

Master Lease-Purchase Agreement dated October 4, 2016.

- A. EQUIPMENT DESCRIBED:** The Equipment includes all of the property described on Schedule A-1 attached hereto and made a part hereof.
- B. EQUIPMENT LOCATION:** See Attached Schedule A-1
- C. ACCEPTANCE OF EQUIPMENT:** AS BETWEEN LESSEE AND LESSOR, LESSEE AGREES THAT: (a) LESSEE HAS RECEIVED AND INSPECTED ALL EQUIPMENT; (b) ALL EQUIPMENT IS IN GOOD WORKING ORDER AND COMPLIES WITH ALL PURCHASE ORDERS, CONTRACTS AND SPECIFICATIONS; (c) LESSEE ACCEPTS ALL EQUIPMENT FOR PURPOSES OF THE LEASE "AS-IS, WHERE-IS"; AND (d) LESSEE WAIVES ANY RIGHT TO REVOKE SUCH ACCEPTANCE.
- D. ESSENTIAL USE; CURRENT INTENT OF LESSEE:** Lessee represents and agrees that the use of the Equipment is essential to Lessee's proper, efficient and economic functioning or to the services that Lessee provides to its citizens and the Equipment will be used by Lessee only for the purpose of performing its governmental or proprietary functions consistent with the permissible scope of its authority. Lessee currently intends for the full Lease Term: to use the Equipment; to continue this Lease; and to make Rental Payments if funds are appropriated in each fiscal year by its governing body.
- E. RENTAL PAYMENTS; LEASE TERM:** The Rental Payments to be paid by Lessee to Lessor, the interest rate at which the interest portion of the Rental Payments is calculated, the Taxable Rate, the commencement date and the Lease Term of this Lease Schedule are each set forth on the Payment Schedule attached to this Lease Schedule.
- F. RE-AFFIRMATION OF THE MASTER LEASE:** Lessee hereby re-affirms all of its representations, warranties and obligations under the Master Lease (including, without limitation, its obligation to pay all Rental Payments, its disclaimers in Section 7 thereof and its representations in Sections 6.1 and 16 thereof).
- G. GOVERNMENT REGULATION. ANTI-CORRUPTION.**
- (a) Representations and Warranties Regarding Anti-Corruption Laws and Sanctions.** Lessee has implemented and maintains in effect policies and procedures designed to ensure compliance by Lessee and its officers, employees and agents with Anti-Corruption Laws and applicable Sanctions, and Lessee and its officers and employees and to the knowledge of Lessee its agents, are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects. None of (a) Lessee or to the knowledge of Lessee any of its respective officers or employees, or (b) to the knowledge of Lessee, any agent of Lessee that will act in any capacity in connection with or benefit from the credit facility established hereby, is a Sanctioned Person. No advance, letter of credit, use of proceeds or other transaction contemplated by this Lease will violate Anti-Corruption Laws or applicable Sanctions.
- (b) Compliance with Anti-Corruption Laws and Sanctions.** Lessee shall maintain in effect and enforce policies and procedures designed to ensure compliance by Lessee and its officers, employees and agents with Anti-Corruption Laws and applicable Sanctions.
- (c) Use of Proceeds.** Lessee shall not use, or permit any proceeds of the Lease to be used, directly or indirectly, by Lessee or its officers, employees and agents: (1) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws; (2) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country; or (3) in any manner that would result in the violation of any Sanctions applicable to any party hereto.



**(d) Definitions.** For the purposes of this Section G, the following terms shall have the following meanings:

"Anti-Corruption Laws" means all laws, rules, and regulations of any jurisdiction applicable to the Lessee or its subsidiaries from time to time concerning or relating to bribery or corruption. "Person" means any individual, corporation, partnership, limited liability company, joint venture, joint stock association, association, bank, business trust, trust, unincorporated organization, any foreign governmental authority, the United States of America, any state of the United States and any political subdivision of any of the foregoing or any other form of entity. "Sanctions" means economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by the U.S. government, including those administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State. "Sanctioned Country" means, at any time, a country, region or territory which is the subject or target of any Sanctions (as at the time of this Agreement, Crimea, Cuba, Iran, North Korea, Sudan and Syria). "Sanctioned Person" means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. Department of State, (b) any Person operating, organized or resident in a Sanctioned Country or (c) any Person controlled by any such Person.

**H. TAX LEVY:** Solely for purposes of this Lease Schedule, the terms and conditions of Sections 6.1 and 6.2 of the Master Lease are deleted and shall have no effect on this Lease Schedule. A special Interest and Sinking Fund ("Interest and Sinking Fund") is hereby created solely for the benefit of this Lease Schedule and the Interest and Sinking Fund shall be established and maintained by Lessee at an official depository bank of Lessee. The Interest and Sinking Fund shall be kept separate and apart from all other funds and accounts of Lessee, and shall be used only for paying the interest on, and the principal of, this Lease Schedule. All ad valorem taxes levied and collected for and on account of this Lease Schedule shall be deposited, as collected, to the credit of the Interest and Sinking Fund. During each year while this Lease Schedule or any principal or interest thereon are outstanding and unpaid, the governing body of Lessee shall compute and ascertain a rate and amount of ad valorem tax money required to pay the interest on this Lease Schedule as such interest becomes due, and to provide and maintain a sinking fund adequate to pay the principal of this Lease Schedule as such principal becomes due (but never less than 2% each year) and said tax shall be based on the latest approved tax roll of Lessee with full allowance made for tax delinquencies and the cost of tax collection. So long as any part of Lessee's obligations under this Lease Schedule remain unfulfilled, Lessee represents, warrants and covenants that: (a) nothing in this Lease Schedule shall cause it to be deemed an "arbitrage bond" within the meaning established by Section 148 of the Code and its regulations; (b) Lessee shall keep and retain adequate records in accordance with the Code and its regulations relating to arbitrage matters; and (c) Lessee shall comply with all of the requirements of the Code and its regulations relating to the rebate of arbitrage profit to the United States of America (including, without limitation, Section 148(f) of the Code) and will rebate to the United States of America all arbitrage profit required thereby.

Equipment/Escrow Acceptance Date: September 22, 2016

**CITY OF ROUND ROCK**

(Lessee)

By: \_\_\_\_\_

Title: Alan McGraw, Mayor

**JPMORGAN CHASE BANK, N.A.**

(Lessor)

By: \_\_\_\_\_

Title: Authorized Officer

**SCHEDULE A-1**  
(Equipment List)

**Expected Equipment Purchase Price**                      **\$2,250,000.00**

**Net Amount Financed**                                      **\$2,250,000.00**

**Equipment Location:**

212 East Main Street  
Round Rock, TX 78664

**Equipment Description:**

Multiple Types of Vehicles, Mowers, and Other Types of Essential Equipment for Various City Purposes

Please see the attached Exhibit A for more details

TOGETHER WITH ALL ATTACHMENTS, ADDITIONS, ACCESSIONS, PARTS, REPAIRS, IMPROVEMENTS,  
REPLACEMENTS AND SUBSTITUTIONS THERETO.

This Schedule A-1 is attached to the Lease Schedule **1000138014** or a Receipt Certificate/Payment Request relating to the Lease Schedule.

**CITY OF ROUND ROCK**  
(Lessee)

**JPMORGAN CHASE BANK, N.A**  
(Lessor)

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: Alan McGraw, Mayor

Title: Authorized Officer

# Exhibit A

## List of Equipment:

	Year/Make/Model	VIN / SERIAL NO.
1	2015 FORD F-150	1FTEX1C80FKD70872
2	2015 FORD F-150	1FTEX1C82FKD70873
3	2016 Toro Mower (GM360 - 4WD)	315000119
4	2016 Toro Mower (GM360 - 2WD)	315000109
5	2016 Toro Mower (GM360 - 2WD)	315000514
6	2016 Toro Mower (GM360 - 2WD)	315000101
7	2016 Toro Mower (GM360 - 2WD)	315000104
8	2016 Toro Mower (GM360 - 2WD)	315000106
9	2016 Toro Mower (GM360 - 2WD)	315000108
10	2016 Ford Louisville Dump Truck	1FVHCYCY9GHHU9571
11	2016 Ford Louisville Dump Truck	1FVHCYCY2GHHU9573
12	2016 Dodge Grand Caravan	2C4RDGCG5GR314899
13	2016 FORD F550 CHASSIS XL SD, REG CAB	1FDUF5GT9GEB97031
14	2016 FORD F350	1FT8W3BT1GEC73777
15	2016 FORD EXPLORER	1FM5K8AR7GGA72080
16	2016 Ford Escape	1FMCU0F77GUC82190
17	2016 Ford Escape	1FMCU0F79GUC82191
18	2016 Ford F-250	1FDBF2B69GEC45330
19	2016 Ford Explorer	1FM5K7B83GGC36263
20	2016 Ford Expedition	1FMJU1FT7GEF08880
21	2016 Ford Taurus	1FAHP2D83FG208146
22	2016 Ford Taurus	1FAHP2D85FG208147
23	2016 Ford Taurus	1FAHP2D85FG208150
24	2016 Ford Taurus	1FAHP2D85FG189163
25	2016 Ford Taurus	1FAHP2D87FG208148
26	2016 Ford Taurus	1FAHP2D87FG208151
27	2016 Ford F-150	1FTEX1C89FKD70871
28	2016 Ford F-250	1FT7W2A66GEC53610
29	2016 Ford F-250	1FT7X2A63GEC53612
30	2016 Ford F-250	1FD7X2A65GEC53722
31	2016 FORD EXPLORER	1FM5K8AR7GGC14573
32	2016 FORD EXPLORER	1FM5K8AR9GGC14574
33	2016 FORD EXPLORER	1FM5K8AR0GGC14575
34	2016 FORD EXPLORER	1FM5K8AR2GGC14576
35	2016 FORD EXPLORER	1FM5K8AR4GGC14577
36	2016 FORD EXPLORER	1FM5K8AR8GGC14579
37	2016 FORD EXPLORER	1FM5K8ARXGGC14583

38	2016 FORD EXPLORER	1FM5K8AR3GGC14585
39	2016 FORD EXPLORER	1FM5K8AR6GGC14595
40	2016 FORD EXPLORER	1FM5K8AR5GGC14586
41	2016 FORD EXPLORER	1FM5K8AR7GGC14590
42	2016 FORD EXPLORER	1FM5K8AR0GGC14592
43	2016 FORD EXPLORER	1FM5K8AR1GGC14598
44	2016 FORD EXPLORER	1FM5K8AR4GGC14580
45	2016 FORD EXPLORER	1FM5K8AR1GGC14584
46	2016 FORD EXPLORER	1FM5K8AR7GGC14587
47	2016 FORD EXPLORER	1FM5K8AR9GGC14588
48	2016 FORD EXPLORER	1FM5K8AR6GGC14578
49	2016 FORD EXPLORER	1FM5K8AR6GGC14581
50	2016 FORD EXPLORER	1FM5K8AR8GGC14582
51	2016 FORD EXPLORER	1FM5K8AR0GGC14589
52	2016 FORD EXPLORER	1FM5K8AR9GGC14591
53	2016 FORD EXPLORER	1FM5K8AR2GGC14593
54	2016 FORD EXPLORER	1FM5K8AR4GGC14594
55	2016 FORD EXPLORER	1FM5K8AR8GGC14596
56	2016 FORD EXPLORER	1FM5K8ARXGGC14597
57	2016 MAGIC TILT 1517N Boat, motor, trailer	1M5BM1710G1E17321
58	2016 BMW Motorcycle	WB10A1306GZ194910
59	2016 BMW Motorcycle	WB10A1308GZ194911
60	2016 SCAG STC48V-651FS	L9500011
61	2016 SCAG 87952	L8800216

### Payment Schedule

This Payment Schedule is attached and made a part of the Lease Schedule identified below which is part of the Master Lease-Purchase Agreement identified therein, all of which are between the Lessee and Lessor named below.

Lease Schedule No.       **1000138014**

Lease Schedule Dated:   **October 4, 2016**

Accrual Date               **October 4, 2016**

Amount Financed         **\$2,250,000.00**

Interest Rate             **1.3250% per annum**

Taxable Rate              **2.0964% per annum**

Rent Number	Rent Date	Rent Payment	Interest Portion	Principal Portion	Principal Balance	Termination Value
1	4/4/2017	\$233,279.63	\$14,906.25	\$218,373.38	\$2,031,626.62	\$2,092,575.42
2	10/4/2017	\$233,279.63	\$13,459.52	\$219,820.11	\$1,811,806.51	\$1,866,160.71
3	4/4/2018	\$233,279.63	\$12,003.21	\$221,276.42	\$1,590,530.09	\$1,638,245.99
4	10/4/2018	\$233,279.63	\$10,537.26	\$222,742.37	\$1,367,787.72	\$1,408,821.35
5	4/4/2019	\$233,279.63	\$9,061.59	\$224,218.04	\$1,143,569.68	\$1,177,876.77
6	10/4/2019	\$233,279.63	\$7,576.14	\$225,703.49	\$917,866.19	\$945,402.18
7	4/4/2020	\$233,279.63	\$6,080.86	\$227,198.77	\$690,667.42	\$711,387.44
8	10/4/2020	\$233,279.63	\$4,575.67	\$228,703.96	\$461,963.46	\$475,822.36
9	4/4/2021	\$233,279.63	\$3,060.50	\$230,219.13	\$231,744.33	\$238,696.66
10	10/4/2021	\$233,279.63	\$1,535.30	\$231,744.33	\$0.00	\$0.00
		\$2,332,796.30	\$82,796.30	\$2,250,000.00		

**CITY OF ROUND ROCK**  
(Lessee)

By: \_\_\_\_\_  
Title: Alan McGraw, Mayor

**JPMORGAN CHASE BANK, N.A.**  
(Lessor)

By: \_\_\_\_\_  
Title: Authorized Officer

**TEXAS LEASE SCHEDULE ADDENDUM**  
(Local Government)

**Dated:**                   **OCTOBER 4, 2016**

**Lease Schedule No:** 1000138014

**Lessee:**                   **CITY OF ROUND ROCK**

Reference is made to the above Lease Schedule ("Schedule") and to the Master Lease-Purchase Agreement ("Master Lease") identified in the Schedule, which are by and between **JPMORGAN CHASE BANK, N.A.** ("Lessor") and the above lessee ("Lessee"). As used herein: "Lease" shall mean the Schedule and the Master Lease, but only to the extent that the Master Lease relates to the Schedule. This Schedule Addendum amends and supplements the terms and conditions of the Lease. Unless otherwise defined herein, capitalized terms defined in the Lease shall have the same meaning when used herein. **Solely for purposes of the Schedule, Lessor and Lessee agree as follows:**

NOW THEREFORE, solely for purposes of the Lease, Lessor and Lessee hereby agree as follows:

**1. AMENDMENTS.**

(a) All of Section 6 of the Master Lease is deleted and replaced with the following:

**"6. TERMINATION FOR GOVERNMENTAL NON-APPROPRIATIONS.**

"6.1 For the Lease, Lessee represents and warrants: that it has appropriated and budgeted the necessary funds to make all Rent Payments required pursuant to such Lease for the remainder of the fiscal year in which the Lease Term commences; and that it currently intends to make Rent Payments for the full Lease Term as scheduled in the applicable Payment Schedule if funds are appropriated for the Rent Payments in each succeeding fiscal year by its governing body. Without contractually committing itself to do so, Lessee reasonably believes that moneys in an amount sufficient to make all Rent Payments can and will lawfully be appropriated and made available for such Rent Payments. All Rent Payments shall be payable out of the general funds of Lessee or out of other funds legally available for such Rent Payments. Lessor agrees that the Lease will not be a general obligation of Lessee and the Lease shall not constitute a pledge of either the full faith and credit of Lessee or the taxing power of Lessee.

"6.2 If Lessee's governing body fails to appropriate sufficient funds in any fiscal year for Rent Payments or other payments due under the Lease and if other funds are not legally available for such payments, then a "Non-Appropriation Event" shall be deemed to have occurred. If a Non-Appropriation Event occurs, then: (a) Lessee shall give Lessor immediate notice of such Non-Appropriation Event and provide written evidence of such failure by Lessee's governing body; (b) on the Return Date, Lessee shall return to Lessor all, but not less than all, of the Equipment covered by the Lease, at Lessee's sole expense, in accordance with Section 21 hereof (provided, that if under applicable State law Lessee's obligation to pay the expenses of returning the Equipment would render the Lease void or unenforceable under State law, then Lessee shall not be obligated to pay the expenses of returning the Equipment under section 21 hereof, but Lessee shall be required to cooperate with Lessor in Lessor's taking possession of the Equipment); and (c) the Lease shall terminate on the Return Date without penalty to Lessee, provided, that Lessee shall pay all Rent Payments and other amounts payable under the Lease for which funds shall have been appropriated or are otherwise legally available, provided further, that Lessee shall pay month-to-month rent at the rate set forth in the Lease for each month or part thereof that Lessee fails to return the Equipment under this Section 6.2. "Return Date" means the last day of the fiscal year for which appropriations were made for the Rent Payments due under the Lease."

(b) The following provision is added to Section 20 as a new subsection:

"(g) Lessor may enforce any and all rights to payment by mandamus;"

**2. DECLARATION OF PERSONAL PROPERTY FINANCING.**

(a) **LESSEE AND LESSOR EXPRESSLY DECLARE AND AGREE THAT THE EQUIPMENT SHALL CONSTITUTE PERSONAL PROPERTY AND THAT THE EQUIPMENT SHALL NOT BE DEEMED, OR IDENTIFIED AS, ANY OF THE FOLLOWING: REAL PROPERTY; AN IMPROVEMENT ON ANY REAL PROPERTY; A PERMANENT BUILDING OR STRUCTURE ON ANY REAL PROPERTY; OR A FIXTURE ON ANY REAL PROPERTY.**

- (b) Lessee represents and warrants to Lessor that the Equipment is personal property and that the Equipment is not any of the following: real property; an improvement on any real property; a permanent building or structure on any real property; or a fixture on any real property. Upon Lessor's written request, Lessee shall furnish to Lessor a certificate executed by an independent engineer or architect who is reasonably satisfactory to Lessor wherein said engineer or architect certifies that the Equipment is relocatable or transportable and will remain personal property.
- (c) Without limiting the generality of the representations in the Master Lease as it applies to the Lease, Lessee represents and warrants to Lessor that the Lease complies with all applicable provisions of the laws of the State of Texas, including, without limitation, all applicable public finance laws of the State of Texas.
3. **NO SALE OF FRACTIONAL INTERESTS IN THE LEASE.** Lessor agrees that: (a) unless otherwise agreed by Lessee in writing, Lessor will not create or sell fractional interests in the Lease or participation interests in the Lease; (b) if Lessor sells or assigns its rights in the Lease, then, unless otherwise agreed by Lessee in writing, such sale or assignment shall be of an undivided interest in all of Lessor's right, title and interest in the Lease to a single purchaser or assignee; and (c) if Lessee consents to the creation or sale of any fractional interests in the Lease or any participation interests in the Lease, Lessor agrees that such transaction shall comply with applicable State and federal law.
4. **INTEREST RATE.** The interest rate payable under the Lease Schedule shall never exceed the then maximum interest rate allowed for similar governmental obligations pursuant to Chapter 1204, Texas Government Code, as amended, or other applicable laws in effect as of the date of such Lease Schedule.
5. **SECTION 26.02 NOTICE.** THE MASTER LEASE, THE LEASE SCHEDULE, THIS SCHEDULE ADDENDUM AND ALL OTHER INSTRUMENTS, DOCUMENTS AND AGREEMENTS EXECUTED AND DELIVERED IN CONNECTION THEREWITH EMBODY THE FINAL, ENTIRE AGREEMENT AMONG THE PARTIES HERETO AND SUPERSEDE ANY AND ALL PRIOR COMMITMENTS, AGREEMENTS, REPRESENTATIONS AND UNDERSTANDINGS, WHETHER WRITTEN OR ORAL, RELATING THERETO, AND MAY NOT BE CONTRADICTED OR VARIED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OR DISCUSSIONS OF THE PARTIES HERETO.

Except as expressly amended or supplemented by this Addendum and other instruments signed by Lessor and Lessee, the Lease remains unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Addendum as of the date first written above.

**CITY OF ROUND ROCK**  
(Lessee)

By: \_\_\_\_\_

Title: Alan McGraw, Mayor

**JPMORGAN CHASE BANK, N.A.**  
(Lessor)

By: \_\_\_\_\_

Title: Authorized Officer

**VEHICLE SCHEDULE ADDENDUM**

**Dated As of:           OCTOBER 4, 2016**

**Lease Schedule No: 1000138014**

**Lessee:               CITY OF ROUND ROCK**

Reference is made to the above Lease Schedule ("Schedule") to the Master Lease-Purchase Agreement identified in the Schedule ("Master Lease") by and between JPMORGAN CHASE BANK, N.A. ("Lessor") and the above lessee ("Lessee"). This Addendum amends and modifies the terms and conditions of the Schedule and is hereby made a part of the Schedule. Unless otherwise defined herein, capitalized terms defined in the Master Lease shall have the same meaning when used herein.

NOW, THEREFORE, as part of the valuable consideration to induce the execution of the Schedule, Lessor and Lessee hereby agree to amend the Schedule as follows:

1. In the event that any unit of Equipment covered by the Schedule is a vehicle or trailer under applicable State law, then the following provisions shall also apply to the Schedule:
  - (a) each manufacturer's statement of origin and certificate of title shall state that Lessor has the first and sole lien on or security interest in such unit of Equipment;
  - (b) the public liability insurance required by the terms of clauses (b) of Section 14.1 of the Master Lease shall be in an amount not less than \$300,000.00 combined single limit per unit per occurrence. Physical damage should not be less than the replacement cost coverage for the equipment identified on the Schedule A-1;
  - (c) Lessee shall furnish and permit only duly licensed, trained, safe and qualified drivers to operate any such unit of Equipment, and such drivers shall be agents of Lessee and shall not be agents of Lessor; and
  - (d) Lessee shall cause each such unit of Equipment to be duly registered and licensed as required by applicable State law with Lessor noted as lienholder, listed at address below and Lessee as owner.

Lessor's Address:  
JPMORGAN CHASE BANK, N.A.  
1111 Polaris Parkway, Suite 3A  
Columbus, Ohio 43240-2050

2. Except as expressly amended by this Addendum and other modifications signed by Lessor, the Schedule remains unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Addendum as of the date first referenced above.

**CITY OF ROUND ROCK**  
(Lessee)

By: \_\_\_\_\_

Title: Alan McGraw, Mayor

**JPMORGAN CHASE BANK, N.A.**  
(Lessor)

By: \_\_\_\_\_

Title: Authorized Officer



**PREPAYMENT SCHEDULE ADDENDUM**  
(Lockout Period)

Dated as of: **OCTOBER 4, 2016**

Lease Schedule No.: **1000138014**

Lessee: **CITY OF ROUND ROCK**

Reference is made to the above Lease Schedule ("Schedule") and to the Master Lease-Purchase Agreement ("Master Lease") identified in the Schedule, which are by and between JPMORGAN CHASE BANK, N.A. ("Lessor") and the above lessee ("Lessee"). As used herein: "Lease" shall mean the Schedule and the Master Lease, but only to the extent that the Master Lease relates to the Schedule. This Schedule Addendum amends and supplements the terms and conditions of the Lease. Unless otherwise defined herein, capitalized terms defined in the Lease shall have the same meaning when used herein. **Solely for purposes of the Schedule, Lessor and Lessee agree as follows:**

1. Notwithstanding anything to the contrary herein or the Lease, Lessee and Lessor agree that Lessee shall not exercise its prepayment or early purchase rights under the Lease (including, without limitation, Section 15 of the Master Lease as it relates to the Schedule) or this Addendum prior to the end of the Lock-Out Period specified below.

**Lock-Out Period:** the first 12 months of the Lease Term of the Schedule

2. Notwithstanding anything to the contrary in the Lease (including, without limitation, Section 15 of the Master Lease as it relates to the Schedule), Lessee and Lessor agree that so long as no Event of Default has occurred and continues under the Lease **and** so long as Lessee gives Lessor at least 30 days prior written notice (the "Notice Period") **and** so long as the above Lock-Out Period has expired, Lessee may elect to prepay its obligations under the Schedule by paying to Lessor on the Rent Payment due date (a "Prepayment Date") following the Notice Period the total of the following (the "Prepayment Amount"): (a) all accrued Rent Payments, interest, taxes, late charges and other amounts then due and payable under the Lease; plus (b) the remaining principal balance payable by Lessee under the Schedule as of said Prepayment Date.
3. The parties acknowledge that the Termination Value column of the Payment Schedule to the Schedule is included solely for purposes of the calculations required by Section 13.3 of the Master Lease (casualty loss of Equipment), Section 14.1 of the Master Lease (required amount of casualty loss insurance) and Subsection 20(c) of the Master Lease (post-default remedies of Lessor) and said Termination Value column does not negate the restrictions on purchase options or voluntary prepayment in paragraphs 1 and 2 of this Addendum.
4. The prepayment or early purchase option rights granted herein shall control in the event of any conflict between the provisions of this Addendum and the Master Lease as it relates to the Schedule. Except as expressly amended or supplemented by this Addendum and other instruments signed by Lessor and Lessee, the Lease remains unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Addendum as of the date first written above.

**CITY OF ROUND ROCK**  
(Lessee)

**JPMORGAN CHASE BANK, N.A.**  
(Lessor)

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: Alan McGraw, Mayor

Title: Authorized Officer

**RESOLUTION NO. R-2016-\_\_\_\_\_**

**A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A MASTER LEASE-PURCHASE AGREEMENT AND MASTER LEASE-PURCHASE AMENDMENT WITH JP MORGAN CHASE BANK, N.A.; LEASE SCHEDULE; SCHEDULE A-1; PAYMENT SCHEDULE; AND RELATED INSTRUMENTS, AND DETERMINING OTHER MATTERS IN CONNECTION THEREWITH.**

**WHEREAS**, the City of Round Rock, Texas, as Lessee, proposes to enter into a Master Lease-Purchase Agreement with JP Morgan Chase Bank, N.A., as Lessor; and

**WHEREAS**, the principal amount expected to be financed is \$2,250,000.00; and

**WHEREAS**, Lessee is a political subdivision of the State of Texas in which Lessee is located (the "State") and is duly organized and existing pursuant to the constitution and laws of the State of Texas; and

**WHEREAS**, pursuant to applicable law, the governing body of Lessee ("City Council") is authorized to acquire, dispose of and encumber real and personal property including, without limitation, rights and interests in property, leases and easements necessary to the functions or operations of Lessee; and

**WHEREAS**, the City Council desires to obtain certain equipment described in Schedule A-1 "Equipment List" to the Master Lease-Purchase Agreement in an amount not to exceed \$2,250,000.00 (collectively the "Lease") with JP Morgan Chase Bank, N.A.; and

**WHEREAS**, the City Council hereby finds and determines that the execution of one or more lease-purchase agreements ("Equipment Leases") in the principal amount not exceeding the amount stated above ("Principal Amount") for the purpose of acquiring the property ("Property") described specifically in the Equipment Leases is appropriate and necessary to the functions and operations of Lessee, and that the Equipment is essential for Lessee to perform its governmental functions; and

**WHEREAS**, Lessee has taken the necessary steps, including those relating to any applicable legal bidding requirements, to arrange for the acquisition of the Equipment; and

**WHEREAS**, Lessee may pay certain capital expenditures in connection with the Property prior to its receipt of the proceeds of the Equipment Leases (“Lease Purchase Proceeds”) for such expenditures and such expenditures are not expected to exceed the Principal Amount; and

**WHEREAS**, the U.S. Treasury Department regulations do not allow the proceeds of tax-exempt borrowing to be spent on working capital and the Lessee shall hereby declare its official intent to be reimbursed for any capital expenditures for Property from the Lease Purchase Proceeds, Now Therefore

**BE IT RESOLVED BY THE COUNCIL OF THE CITY OF ROUND ROCK, TEXAS,**

**Section 1.** That the Mayor (“Authorized Representative”) acting on behalf of Lessee is hereby authorized to negotiate, enter into, execute, and deliver one or more Equipment Leases in substantially the form set forth in Exhibit A and presently before the City Council, attached hereto and incorporated herein, which document is available for public inspection at the office of the Lessee. Each Authorized Representative acting on behalf of Lessee is hereby authorized to negotiate, enter into, execute, and deliver such other documents relating to the Equipment Lease as the Authorized Representative deems necessary and appropriate. All other related contracts and agreements necessary and incidental to the Equipment Leases are hereby authorized.

**Section 2.** That by a written instrument signed by an Authorized Representative, said Authorized Representative may designate specifically identified officers or employees of Lessee to execute and deliver agreements and documents relating to the Equipment Leases on behalf of

Lessee.

**Section 3.** That the aggregate original principal amount of the Equipment Leases shall not exceed the Principal Amount and shall bear interest as set forth in the Equipment Leases and the Equipment Leases shall contain such options to purchase by Lessee as set forth therein.

**Section 4.** The Lessee's obligations under the Equipment Leases shall be subject to annual appropriation or renewal by the City Council as set forth in each Equipment Lease and the Lessee's obligations under the Equipment Leases shall not constitute a general obligation of the Lessee or indebtedness under the constitution of the laws of the State of Texas.

**Section 5.** The City Council of Lessee anticipates that the Lessee may pay certain capital expenditures in connection with the Property prior to the receipt of the Lease Purchase Proceeds for the Property. The City Council hereby declares the Lessee's official intent to use the Lease Purchase Proceeds to reimburse itself for Property expenditures. This section of the Resolution is adopted by the City Council for the purpose of establishing compliance with the requirements of Section 1.150-2 of Treasury Regulations. This section of the Resolution does not bind the Lessee to any expenditures, incur any indebtedness, or proceed with the purchase of the Property.

**Section 6.** This Resolution shall take effect immediately upon its adoption and approval.

The City Council hereby finds and declares that written notice of the date, hour, place and subject of the meeting at which this Resolution was adopted was posted and that such meeting was open to the public as required by law at all times during which this Resolution and the subject matter hereof were discussed, considered and formally acted upon, all as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended.

**RESOLVED** this 22<sup>nd</sup> day of September, 2016.

---

ALAN MCGRAW, Mayor  
City of Round Rock, Texas

ATTEST:

---

SARA L. WHITE, City Clerk

The undersigned City Clerk of the above-named Lessee hereby certifies and attests that the undersigned has access to the official records of the City Council of Lessee, that the foregoing Resolution was duly adopted by said City Council of Lessee at a meeting of said City Council, and that such Resolution has not been amended or altered and is in full force and effect on the date stated below.

---

Signature of Clerk of Lessee

Print Name: Sara L. White

Official Title: City Clerk

Date: September 22, 2016

## CERTIFICATE OF INCUMBENCY

**Dated: OCTOBER 4, 2016**

**Lease Schedule No: 1000138014**

**Lessee:** **CITY OF ROUND ROCK**

I, the undersigned Secretary/Clerk identified below, do hereby certify that I am the duly elected or appointed and acting Secretary/Clerk of the above Lessee (the "Lessee"), a political subdivision duly organized and existing under the laws of the State where Lessee is located, that I have the title stated below, and that, as of the date hereof, the individuals named below are the duly elected or appointed officers of the Lessee holding the offices set forth opposite their respective names.

**[NOTE: Use same titles as Authorized Representatives stated in Resolutions.]**

Alan McGraw	Mayor	
Name	Title	Signature

<b>Name</b>	<b>Title</b>	<b>Signature</b>
-------------	--------------	------------------

**IN WITNESS WHEREOF, I have duly executed this certificate and affixed the seal of such Lessee as of the date set forth below.**

Signature of Secretary/Clerk of Lessee

Print Name: Sara L. White

**Official Title: City Clerk**

**Date:** September 22, 2016

**NOTE: In case the Secretary/Clerk is also the authorized representative that executes a Lease-Purchase Agreement / documents by the above incumbency, this certificate must also be signed by a second officer.**

Print Name: \_\_\_\_\_ Signature: \_\_\_\_\_

**Title:** \_\_\_\_\_

# Sheets & Crossfield, P.C.

ATTORNEYS AT LAW

309 East Main Street • Round Rock, TX 78664-5246

Phone 512-255-8877 • fax 512-255-8986

[www.sheets-crossfield.com](http://www.sheets-crossfield.com)

October 4, 2016

Lessee: City of Round Rock, Texas  
Lessor: JPMorgan Chase Bank, N.A.  
Re: Lease Schedule No. 1000138014 dated October 4, 2016, together with its Master Lease-Purchase Agreement dated as of October 4, 2016, by and between the above-named Lessee and the above-named Lessor

Sir/Madam:

I have acted as counsel to Lessee with respect to the Lease Schedule and its Addenda, the Master Lease-Purchase Agreement and its Addenda, and all other agreements described above or related thereto (collectively, the "Agreements") and various related matters, and in this capacity have reviewed a duplicate original or certified copy of the Agreements and such other documents as I have deemed necessary for the purposes of this opinion.

Based upon the examination of such documents, it is my opinion that:

1. Lessee is a political subdivision of the State of Texas (the "State"), duly organized, existing and operating under the Constitution and laws of the State of Texas.
2. Lessee is authorized and has power under State law to enter into all of the Agreements, and to carry out its obligations thereunder and the transactions contemplated thereby.
3. The Agreements and all other documents related thereto have been duly authorized, approved and executed by and on behalf of Lessee, and each of the Agreements is a valid and binding contract of Lessee enforceable in accordance with its terms, except to the extent limited by State and Federal laws affecting creditors' remedies and by bankruptcy, reorganization or other laws of general application relating to or affecting the enforcement of creditors' rights.
4. The authorization, approval and execution of the Agreements and all other proceedings of Lessee relating to the transactions contemplated thereby have been performed in accordance with all applicable Local, State and Federal laws (including open meeting laws and public bidding and property acquisition laws).

5. To the best of my knowledge, there is no litigation or proceeding pending before any court, administrative agency or governmental body, that challenges: the organization or existence of Lessee; the authority of its officers; the proper authorization; approval and execution of any of the Agreements or any documents relating thereto; the appropriation of monies to make payments under the Agreements for the current fiscal year; or the ability of Lessee otherwise to perform its obligations under the Agreements and the transactions contemplated thereby.
6. Lessee is a political subdivision of the State as referred to in Section 103 of the Internal Revenue Code of 1986, as amended, and the related regulations and rulings thereunder.

Lessor, its Assignee, and any of their assigns may rely upon this opinion.

Very truly yours,

Stephan L. Sheets,  
City Attorney



**PROCEEDS DISBURSEMENT AUTHORIZATION**

JPMORGAN CHASE BANK, N.A.  
1111 Polaris Parkway, Suite A3 (OH1-1085)  
Columbus, OH 43240

Date: September 22, 2016

Re: Disbursements Of Proceeds Under The MASTER LEASE PURCHASE AGREEMENT Referred To Below

Reference is made to that certain Master Lease Purchase Agreement dated October 4, 2016 between **CITY OF ROUND ROCK**, ("Lessee") and JPMORGAN CHASE BANK, N.A. (the "Lessor")

I hereby instruct you and authorize you to disburse \$2,250,000.00 to the account number(s) as specified below:

**Payee #1**

**Wire:**

Name of Bank:	_____
ABA No.:	_____
Account Number:	_____
Account Name:	<u>City of Round Rock</u>
Amount:	<u>\$2,250,000.00</u>
Re:	<u>Reimbursement of various equipment</u>

By signing below, Lessee authorizes Lessor to issue checks or direct fund transfers to the payees, in the amounts, and per the instructions (if applicable) set forth above. Lessee also acknowledges that it may be responsible for paying other fees directly to third parties, such as Lessor's counsel, and making other disbursements in connection with the lease transaction per the terms of the lease documents. Lessor may rely and act on the instructions set forth herein and shall not be responsible for the use or application of the funds, and Lessee shall indemnify, defend and hold harmless Lessor from and against any and all losses, costs, expenses, fees, claims, damages, liabilities, and causes of action in any way relating to or arising from acting in accordance therewith. In the event of any conflict with any other instruction set forth herein, the ABA # and Account # shall control.

IN WITNESS WHEREOF, the Lessee has caused this Proceeds Disbursement Authorization to be executed as of the day and year first above written.

**CITY OF ROUND ROCK**  
(Lessee)

By: \_\_\_\_\_

Title: Alan McGraw, Mayor



**LEASE-PURCHASE INSURANCE REQUEST LETTER  
PUBLIC SECTOR**

August 26, 2016

AGENT TML Intergovernmental Risk Pool

ADDRESS PO Box 149194

CITY/ST/ZIP Austin, TX 78714

PHONE#: (512) 491-2300

EMAIL:

Dear Agent:

**JPMORGAN CHASE BANK, N.A.** (the "Bank") requires proof of acceptable insurance coverage before the transaction can close. The requirements identified below must be provided to us on a Certificate of Insurance and stay in full effect throughout the term of the transaction.

1. The certificate of insurance must be issued directly to JPMorgan Chase Bank, N.A. and shall be issued by a company having an A.M. Best Rating of at least A- with a Financial Size Category of at least VIII.
2. The certificate of insurance must be executed.
3. The insurance must be primary and without right of contribution and any insurance maintained by the Bank or any other additional insured or loss payee will be in excess and non-contributory.
4. Policies must include a Waiver of Subrogation in favor of "JPMorgan Chase Bank, N.A., its parent and affiliates, successors or assigns".
5. Policies must include a Severability of Interest and Cross-Liability clause.
6. Policies must include written Notice of Cancellation to the Certificate Holder/Additional Insured pursuant to the terms of the policy. Such notice must be directed by certified mail to: JPMorgan Chase Bank, N.A., 1111 Polaris Parkway, Suite A3, Columbus, Ohio 43240, Attn: Insurance Dept.
7. **PHYSICAL DAMAGE**
  - a. Replacement cost coverage for the non-titled equipment identified on the attached Schedule A-1, and Full Coverage Physical Damage for titled vehicles identified on the attached Schedule A-1, which is estimated to be **\$2,250,000.00**.
  - b. "JPMorgan Chase Bank, N.A., its parent and affiliates, successors or assigns" shall be named as Loss Payee.
8. **LIABILITY**
  - a. General liability and Auto liability coverage must be provided in the amount of **\$300,000.00**.
  - b. "JPMorgan Chase Bank, N.A., its parent and affiliates, successors or assigns" shall be named as Additional Insured.

Please immediately send proof of the above insurance requirements **VIA EMAIL TO: Britney.a.posey@jpmorgan.com**.

Sincerely,

**CITY OF ROUND ROCK**

By: \_\_\_\_\_



## Certificate of Coverage

<b>TMLIRP Contract Number:</b> 3127	<b>Company Affording Coverage:</b> Texas Municipal League Intergovernmental Risk Pool (TMLIRP) PO Box 149194 Austin, TX 78714-9194 (512) 491-2300 or (800) 537-6655 Fax: (512) 491-2404
<b>Member:</b> Round Rock Mr. Michael Bennett Risk Manager 221 E Main Ave Ste 100 Round Rock, Texas 78664	

<b>Certificate Holder:</b>  Chase Equipment Leasing Inc. its Parent and Affiliates, Successors or Assigns 1111 Polaris Pkwy., Ste. A3 Columbus, Ohio 43240-2031	
--	--

This is to certify that the coverages listed below have been provided to the member and are in effect at this time. Notwithstanding any requirements, terms, or conditions of any other contract or agreement with respect to which this certificate may be issued or may pertain, the coverage afforded by TMLIRP described herein is subject only to the terms, exclusions and additions of TMLIRP's coverage contracts between TMLIRP and its member(s).

<b>General Liability</b> Effective Date: 10/1/2015 Anniversary Date: 10/1/2016 Limits of Liability (Each Occurrence): \$1,000,000 Sudden Events Involving Pollution (Each Occurrence): \$1,000,000 Annual Aggregate: \$2,000,000 Deductible per Occurrence: \$2,500		<b>Real &amp; Personal Property</b> Effective Date: 10/1/2015 Anniversary Date: 10/1/2016 Limits of Coverage: \$309,116,151 Deductible per Occurrence: \$2,500 <b>Mobile Equipment</b> Effective Date: _____ Anniversary Date: _____																																		
<b>Law Enforcement Liability</b> Effective Date: _____ Anniversary Date: _____ Limits of Liability (Each Occurrence): _____ Annual Aggregate: _____ Deductible per Occurrence: _____		Limits of Coverage: _____ Deductible per Occurrence: _____ <b>Boiler &amp; Machinery - Broad Form</b> Effective Date: _____ Anniversary Date: _____ Per Accident Limit: _____ Deductible per Occurrence: _____																																		
<b>Errors and Omissions Liability</b> Effective Date: _____ Anniversary Date: _____ Limits of Liability (Each Wrongful Act): _____ Annual Aggregate: _____ Deductible per Occurrence: _____		<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th style="text-align: center;">Yes</th> <th style="text-align: center;">No</th> </tr> </thead> <tbody> <tr> <td style="text-align: right;">Mortgagee</td> <td style="text-align: center;"></td> <td style="text-align: center;">X</td> </tr> <tr> <td style="text-align: right;">Loss Payee</td> <td style="text-align: center;">X</td> <td style="text-align: center;"></td> </tr> <tr> <td style="text-align: right;">Loan Number:</td> <td colspan="2"></td> </tr> </tbody> </table>			Yes	No	Mortgagee		X	Loss Payee	X		Loan Number:																							
	Yes	No																																		
Mortgagee		X																																		
Loss Payee	X																																			
Loan Number:																																				
<b>Auto Liability</b> Effective Date: _____ Anniversary Date: _____ Limits of Liability (Each Occurrence): _____ Deductible per Occurrence: _____		<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Year/Make/Model</th> <th style="text-align: center;">VIN</th> <th style="text-align: center;">Value</th> </tr> </thead> <tbody> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> </tbody> </table>		Year/Make/Model	VIN	Value																														
Year/Make/Model	VIN	Value																																		
<b>Auto Physical Damage</b> Effective Date: _____ Anniversary Date: _____ Limits of Liability: _____ Collision Deductible: _____ Comprehensive Deductible: _____		<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th style="text-align: center;">Yes</th> <th style="text-align: center;">No</th> </tr> </thead> <tbody> <tr> <td style="text-align: right;">Loss Payee:</td> <td style="text-align: center;"></td> <td style="text-align: center;"></td> </tr> <tr> <td style="text-align: right;">Loan Number:</td> <td colspan="2"></td> </tr> </tbody> </table>			Yes	No	Loss Payee:			Loan Number:																										
	Yes	No																																		
Loss Payee:																																				
Loan Number:																																				

**DESCRIPTION:**  
 Evidence of coverage for Handheld Radios, Mobile Radios, and other related Emergency Equipment located at Police/Fire or Public Works Departments - Value \$2,500,000. Lease No 1000130700

**Cancellation:** Should any of the above described coverages be canceled before the anniversary date thereof, TMLIRP will endeavor to mail 30 days written notice to the above named certificate holder, but failure to mail such notice shall impose no obligation or liability of any kind upon TMLIRP.

<b>Authorized Representative</b> 	<b>Date Issued</b>  9/2/2015
--------------------------------------	------------------------------------

**LESSOR OF EQUIPMENT**

This endorsement forms a part of the **Declarations** to which attached, effective on the inception date of the coverage unless otherwise stated herein, and clarifies such coverage as is afforded by the provisions of the coverage shown below:

- ☒ **GENERAL LIABILITY**  
☐ **AIRPORT OWNERS AND OPERATORS  
GENERAL LIABILITY**

Entity Name :Round Rock  
Entity ID :3127  
Effective Date :10/1/15

It is understood that coverage is provided to the **Fund Member** for liability arising out of the maintenance, operation, or use by the **Fund Member** of equipment leased to the **Fund Member** by the person or organization set forth below, subject to the following additional exclusions:

1. Coverage does not apply to any occurrence which takes place after the equipment lease expires;
2. Coverage does not apply to **bodily injury** or **property damage** arising out of the sole negligence of the lessor of the equipment.

**Lessor of Equipment**

Name :Chase Equipment Leasing, Inc.  
Its Parent and Affiliates, Successors or Assigns  
Address :1111 Polaris Pkwy., Ste A3  
City, State & ZIP :Columbus, OH 43240-2031

**LOSS PAYABLE CLAUSE - REAL & PERSONAL PROPERTY**

This endorsement forms a part of the Declarations to which attached, effective on the inception date of the coverage unless otherwise stated herein, and modifies such coverage as is afforded by the provisions of the coverage shown below:

**COMPREHENSIVE PROPERTY COVERAGE**

Entity Name : Round Rock  
Entity ID : 3127  
Effective Date : 10/01/15

Loss on the items shown below shall be payable to:

Name : Chase Equipment Leasing, Inc.  
its Parent and Affiliates, Successors or Assigns  
Address : 1111 Polaris Pkwy, Suite A3  
City, State & ZIP : Columbus, OH 43240-2031

as mortgagee, loss payee or lienholder as their interest may appear at the time of loss.

**Designation of Property**

Location	Description	Value
Police, Fire, Public Works Depts Round Rock, TX	Handheld Radios, Mobile Radios and other related Emergency Equipment (Lease No. 1000130700)	\$2,500,000

# SIGN UP . . . . FOR AUTOMATED BILL PAYMENT

Please complete ALL Sections and return this form:

I authorize JPMORGAN CHASE BANK, N.A. to make withdrawals from the account listed below. I understand that I control my withdrawals for payments on leases and loans. If at any time I decide to discontinue this payment service, I will notify the biller. I also understand that any future leases and loans will automatically be set up with auto debit withdrawals unless JPMorgan Chase Bank, N.A. elects to the contrary. All assessments and other fees payable under the leases and loans will be withdrawn with rental/installment payments unless otherwise instructed.

(PLEASE PRINT)

## Customer Information:

## Financial Institution:

Name:	CITY OF ROUND ROCK		Name:	JPMORGAN CHASE BANK, N.A.	
Address:	221 E. MAIN		Address:	1111 POLARIS PARKWAY, SUITE 3A	
City:	ROUND ROCK		City:	COLUMBUS	
State:	TX	Zip: 78664	State:	OH	Zip: 43240

Account Type (check one) ☐ Checking ☐ Savings

Routing /ABA Number \_\_\_\_\_ Account Number \_\_\_\_\_

(Please enclose a voided check)

## Biller Information:

Your JPMorgan Chase Bank, N.A. Account Number(s) as Shown on Agreement or Invoice.  
(A sign up form is required for each unique financial institution account and routing/ABA number.)

1000138014 1000 \_\_\_\_\_ 1000 \_\_\_\_\_ 1000 \_\_\_\_\_

**Notice to Customer** - This agreement authorizes the periodic transfer of funds from your account at the financial institution listed on this sign up form by electronic means. Your rights and liabilities under this agreement are governed in part by federal laws and regulations dealing with electronic fund transfers. You should consult your agreement with the financial institution, which holds your account for a more complete disclosure of your legal rights. Withdrawal amount may change to reflect the payment schedule defined in the agreement. This authorization and change of payment method will not modify or amend the agreement, including any rights or remedies of JPMorgan Chase Bank, N.A. The biller reserves the right to discontinue this payment service at biller's discretion and upon notice to the customer.

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Telephone No.

**Do Not Enclose Payment!**

**Mail to:** JPMorgan Chase Bank, N.A.  
1111 Polaris Parkway, Suite 3A  
Columbus, OH 43240  
Phone: 1-800-678-2601 Option #2  
Or  
**Email:** CEFLPortfolio.Service@JPMChase.com

**THINGS YOU NEED TO KNOW ABOUT AUTOMATED BILL PAYMENT**

**Q. How do I sign up?**

A. Complete all sections of this form, sign, enclose a voided check and mail or email to [CEFI.Portfolio.Service@JPMChase.com](mailto:CEFI.Portfolio.Service@JPMChase.com).

**Q. Once I have enrolled in the automated bill payment will JPMorgan Chase Bank, N.A. give me notice of when my automated bill payment will begin?**

A. Yes. You will be notified by mail in advance of your actual start date. Typically, it will take 4 to 6 weeks before you will begin. Please continue to pay until notification is received.

**Q. When will the payment amounts be taken out of my checking or savings account?**

A. The periodic payment will be deducted from your checking or savings account automatically by JPMorgan Chase Bank, N.A. on the payment due date. If the payment due date falls on a weekend or holiday the payment will be deducted on the next business day.

**Q. What if I have a question about my bill payment or want to stop the automated payment plan?**

A. Simply call us at 1-800-678-2601 Option #2.

**Q. How can I be sure my bill has been paid?**

A. Your payment will be clearly itemized on your bank's monthly account statement.

**Q. Is there a charge for this service?**

A. No. You are a valued customer and we offer this service free of charge.

**Q. If I've already signed up, must I complete the form again?**

A. Only if you are adding or changing the financial institution account and/or routing/ABA numbers.

**Q. How will I be billed for assessments?**

A. Assessments such as personal property tax and fees will be deducted with your rental payment unless otherwise instructed by you in writing.

Form **8038-G**

(Rev. September 2011)

Department of the Treasury  
Internal Revenue Service**Information Return for Tax-Exempt Governmental Obligations**

► Under Internal Revenue Code section 149(e)

► See separate instructions.

Caution: If the issue price is under \$100,000, use Form 8038-GC.

OMB No. 1545-0720

<b>Part I Reporting Authority</b>		If Amended Return, check here <input type="checkbox"/>	
1 Issuer's name <b>CITY OF Round Rock</b>		2 Issuer's employer identification number (EIN) <b>74-6017485</b>	
3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions) <b>LORIE LANKFORD, CPA</b>		3b Telephone number of other person shown on 3a <b>512-218-3295</b>	
4 Number and street (or P.O. box if mail is not delivered to street address) <b>221 EAST MAIN STREET</b>	Room/suite	5 Report number (For IRS Use Only) <b>3</b>	
6 City, town, or post office, state, and ZIP code <b>Round Rock, TEXAS 78664</b>		7 Date of issue <b>9-6-2016</b>	
8 Name of issue <b>MASTER LEASE AGREEMENT</b>		9 CUSIP number	
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information (see instructions) <b>SUSAN L. MORGAN, CPA, C.F.O.</b>		10b Telephone number of officer or other employee shown on 10a <b>512-218-5445</b>	

**Part II Type of Issue (enter the issue price). See the instructions and attach schedule.**

11	Education . . . . .	11	
12	Health and hospital . . . . .	12	
13	Transportation . . . . .	13	
14	Public safety . . . . .	14	<b>2,250,000</b>
15	Environment (including sewage bonds) . . . . .	15	
16	Housing . . . . .	16	
17	Utilities . . . . .	17	
18	Other. Describe ►	18	
19	If obligations are TANs or RANs, check only box 19a . . . . .	<input type="checkbox"/>	
	If obligations are BANs, check only box 19b . . . . .	<input type="checkbox"/>	
20	If obligations are in the form of a lease or installment sale, check box . . . . .	<input type="checkbox"/>	

**Part III Description of Obligations. Complete for the entire issue for which this form is being filed.**

	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	<b>10-04-2021</b>	<b>\$ 2,250,000</b>	<b>\$ 2,332,796.30</b>	<b>FIVE (5) years</b>	<b>1.3250 %</b>

**Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)**

22	Proceeds used for accrued interest . . . . .	22	
23	Issue price of entire issue (enter amount from line 21, column (b)) . . . . .	23	
24	Proceeds used for bond issuance costs (including underwriters' discount) . . . . .	24	
25	Proceeds used for credit enhancement . . . . .	25	
26	Proceeds allocated to reasonably required reserve or replacement fund . . . . .	26	
27	Proceeds used to currently refund prior issues . . . . .	27	
28	Proceeds used to advance refund prior issues . . . . .	28	
29	Total (add lines 24 through 28) . . . . .	29	
30	Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here) . . . . .	30	

**Part V Description of Refunded Bonds. Complete this part only for refunding bonds.**

31	Enter the remaining weighted average maturity of the bonds to be currently refunded . . . . .	<b>N/A</b>	years
32	Enter the remaining weighted average maturity of the bonds to be advance refunded . . . . .	<b>N/A</b>	years
33	Enter the last date on which the refunded bonds will be called (MM/DD/YYYY) . . . . .		
34	Enter the date(s) the refunded bonds were issued ► (MM/DD/YYYY)		

For Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 63773S

Form **8038-G** (Rev. 9-2011)



**Part VI Miscellaneous**

- |            |  |  |
|------------|--|--|
| <b>35</b>  |  |  |
| <b>36a</b> |  |  |
| <b>37</b>  |  |  |
- 35** Enter the amount of the state volume cap allocated to the issue under section 141(b)(5) . . . . .
- 36a** Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC) (see instructions) . . . . .
- b** Enter the final maturity date of the GIC ▶ \_\_\_\_\_
- c** Enter the name of the GIC provider ▶ \_\_\_\_\_
- 37** Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units . . . . .
- 38a** If this issue is a loan made from the proceeds of another tax-exempt issue, check box ☐ and enter the following information:
- b** Enter the date of the master pool obligation ▶ \_\_\_\_\_
- c** Enter the EIN of the issuer of the master pool obligation ▶ \_\_\_\_\_
- d** Enter the name of the issuer of the master pool obligation ▶ \_\_\_\_\_
- 39** If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box . . . . . ☐
- 40** If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box . . . . . ☐
- 41a** If the issuer has identified a hedge, check here ☐ and enter the following information:
- b** Name of hedge provider ▶ \_\_\_\_\_
- c** Type of hedge ▶ \_\_\_\_\_
- d** Term of hedge ▶ \_\_\_\_\_
- 42** If the issuer has superintegrated the hedge, check box . . . . . ☐
- 43** If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box . . . . . ☐
- 44** If the issuer has established written procedures to monitor the requirements of section 148, check box . . . . . ☐
- 45a** If some portion of the proceeds was used to reimburse expenditures, check here ☐ and enter the amount of reimbursement . . . . . ▶ \_\_\_\_\_
- b** Enter the date the official intent was adopted ▶ \_\_\_\_\_

<b>Signature and Consent</b>	Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.			
	<div style="display: flex; justify-content: space-between;"> <div style="flex-grow: 1;"> <div style="border-bottom: 1px solid black; margin-bottom: 5px;"></div> <div style="display: flex; justify-content: space-between; font-size: small;"> <span>Signature of issuer's authorized representative</span> <span>Date</span> </div> </div> <div style="flex-grow: 1; text-align: right;"> <div style="border-bottom: 1px solid black; margin-bottom: 5px;">SUSAN L. MORGAN, C.P.A., C.F.D.</div> <div style="font-size: small;">Type or print name and title</div> </div> </div>			
<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed <div style="border: 1px solid black; width: 40px; height: 20px; float: right; font-size: x-small; text-align: center; line-height: 20px;">PTIN</div>
	Firm's name ▶			Firm's EIN ▶
	Firm's address ▶			Phone no. ▶

# Instructions for Form 8038-G (Rev. September 2012)



Department of the Treasury  
Internal Revenue Service

(Use with the September 2011 revision of Form 8038-G.)

## Information Return for Tax-Exempt Governmental Obligations

Section references are to the Internal Revenue Code unless otherwise noted.

### General Instructions

#### Purpose of Form

Form 8038-G is used by issuers of tax-exempt governmental obligations to provide the IRS with the information required by section 149(e) and to monitor the requirements of sections 141 through 150.

#### Who Must File

IF the issue price (line 21, column (b)) is...	THEN, for tax-exempt governmental obligations issued after December 31, 1986, issuers must file...
\$100,000 or more	A separate Form 8038-G for each issue
Less than \$100,000	Form 8038-GC, Information Return for Small Tax-Exempt Governmental Bond Issues, Leases, and Installment Sales



**For all build America bonds and recovery zone economic development bonds use Form 8038-B, Information Return for Build America Bonds and Recovery Zone Economic Development Bonds. For tax credit bonds and specified tax credit bonds use Form 8038-TC, Information Return for Tax Credit Bonds and Specified Tax Credit Bonds.**

#### When To File

File Form 8038-G on or before the 15th day of the 2nd calendar month after the close of the calendar quarter in which the bond is issued. Form 8038-G may not be filed before the issue date and must be completed based on the facts as of the issue date.

**Late filing.** An issuer may be granted an extension of time to file Form 8038-G under Section 3 of Rev. Proc. 2002-48, 2002-37 I.R.B. 531, if it is determined that the failure to file timely is not due to willful neglect. Type or print at the top of the form "Request for Relief under section 3 of Rev. Proc. 2002-48" and attach a letter explaining why Form 8038-G was not submitted to the IRS on time. Also indicate whether the bond issue in question is under examination by the IRS. Do not

submit copies of the trust indenture or other bond documents. See *Where To File* next.

#### Where To File

File Form 8038-G, and any attachments, with the Department of the Treasury, Internal Revenue Service Center, Ogden, UT 84201.

**Private delivery services.** You can use certain private delivery services designated by the IRS to meet the "timely mailing as timely filing/paying" rule for tax returns and payments. These private delivery services include only the following:

- DHL Express (DHL): DHL Same Day Service.
- Federal Express (FedEx): FedEx Priority Overnight, FedEx Standard Overnight, FedEx 2Day, FedEx International Priority, and FedEx International First.
- United Parcel Service (UPS): UPS Next Day Air, UPS Next Day Air Saver, UPS 2nd Day Air, UPS 2nd Day Air A.M., UPS Worldwide Express Plus, and UPS Worldwide Express.

The private delivery service can tell you how to get written proof of the mailing date.

#### Other Forms That May Be Required

For rebating arbitrage (or paying a penalty in lieu of arbitrage rebate) to the Federal government, use Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate.

For private activity bonds, use Form 8038, Information Return for Tax-Exempt Private Activity Bond Issues.

For build America bonds (Direct Pay), build America bonds (Tax Credit), and recovery zone economic development bonds, complete Form 8038-B, Information Return for Build America Bonds and Recovery Zone Economic Development Bonds.

For qualified forestry conservation bonds, new clean renewable energy bonds, qualified energy conservation bonds, qualified zone academy bonds, qualified school construction bonds, clean renewable energy bonds, and all other qualified tax credit bonds (except build America bonds), file Form 8038-TC,

Information Return for Tax Credit Bonds and Specified Tax Credit Bonds.

#### Rounding to Whole Dollars

You may show amounts on this return as whole dollars. To do so, drop amounts less than 50 cents and increase amounts from 50 cents through 99 cents to the next higher dollar.

#### Questions on Filing Form 8038-G

For specific questions on how to file Form 8038-G send an email to the IRS at [TaxExemptBondQuestions@irs.gov](mailto:TaxExemptBondQuestions@irs.gov) and put "Form 8038-G Question" in the subject line. In the email include a description of your question, a return email address, the name of a contact person, and a telephone number.

#### Definitions

**Tax-exempt obligation.** This is any obligation, including a bond, installment purchase agreement, or financial lease, on which the interest is excluded from income under section 103.

#### Tax-exempt governmental obligation.

A tax-exempt obligation that is not a private activity bond (see next) is a tax-exempt governmental obligation. This includes a bond issued by a qualified volunteer fire department under section 150(e).

**Private activity bond.** This includes an obligation issued as part of an issue in which:

- More than 10% of the proceeds are to be used for any private activity business use, and
- More than 10% of the payment of principal or interest of the issue is either (a) secured by an interest in property to be used for a private business use (or payments for such property) or (b) to be derived from payments for property (or borrowed money) used for a private business use.

It also includes a bond, the proceeds of which (a) are to be used directly or indirectly to make or finance loans (other than loans described in section 141(c)(2)) to persons other than governmental units and (b) exceeds the lesser of 5% of the proceeds or \$5 million.

**Issue price.** The issue price of obligations is generally determined under Regulations section 1.148-1(b). Thus,

when issued for cash, the issue price is the first price at which a substantial amount of the obligations are sold to the public. To determine the issue price of an obligation issued for property, see sections 1273 and 1274 and the related regulations.

**Issue.** Generally, obligations are treated as part of the same issue if they are issued by the same issuer, on the same date, and in a single transaction, or a series of related transactions. However, obligations issued during the same calendar year (a) under a loan agreement under which amounts are to be advanced periodically (a "draw-down loan") or (b) with a term not exceeding 270 days, may be treated as part of the same issue if the obligations are equally and ratably secured under a single indenture or loan agreement and are issued under a common financing arrangement (for example, under the same official statement periodically updated to reflect changing factual circumstances). Also, for obligations issued under a draw-down loan that meet the requirements of the preceding sentence, obligations issued during different calendar years may be treated as part of the same issue if all of the amounts to be advanced under the draw-down loan are reasonably expected to be advanced within 3 years of the date of issue of the first obligation. Likewise, obligations (other than private activity bonds) issued under a single agreement that is in the form of a lease or installment sale may be treated as part of the same issue if all of the property covered by that agreement is reasonably expected to be delivered within 3 years of the date of issue of the first obligation.

**Arbitrage rebate.** Generally, interest on a state or local bond is not tax-exempt unless the issuer of the bond rebates to the United States arbitrage profits earned from investing proceeds of the bond in higher yielding nonpurpose investments. See section 148(f).

**Construction issue.** This is an issue of tax-exempt bonds that meets both of the following conditions:

1. At least 75% of the available construction proceeds are to be used for construction expenditures with respect to property to be owned by a governmental unit or a section 501(c)(3) organization, and
2. All the bonds that are part of the issue are qualified 501(c)(3) bonds, bonds that are not private activity bonds, or private activity bonds issued to finance property to be owned by a governmental unit or a section 501(c)(3) organization.

In lieu of rebating any arbitrage that may be owed to the United States, the issuer of a construction issue may make

an irrevocable election to pay a penalty. The penalty is equal to 1 $\frac{1}{2}$ % of the amount of construction proceeds that do not meet certain spending requirements. See section 148(f)(4)(C) and the Instructions for Form 8038-T.

**Pooled financing issue.** This is an issue of tax-exempt bonds, the proceeds of which are to be used to finance purpose investments representing conduit loans to two or more conduit borrowers, unless those conduit loans are to be used to finance a single capital project.

## Specific Instructions

### Part I—Reporting Authority

**Amended return.** An issuer may file an amended return to change or add to the information reported on a previously filed return for the same date of issue. If you are filing to correct errors or change a previously filed return, check the *Amended Return* box in the heading of the form.

The amended return must provide all the information reported on the original return, in addition to the new or corrected information. Attach an explanation of the reason for the amended return and write across the top, "Amended Return Explanation." Failure to attach an explanation may result in a delay in processing the form.

**Line 1.** The issuer's name is the name of the entity issuing the obligations, not the name of the entity receiving the benefit of the financing. For a lease or installment sale, the issuer is the lessee or the purchaser.

**Line 2.** An issuer that does not have an employer identification number (EIN) should apply for one on Form SS-4, Application for Employer Identification Number. You can get this form on the IRS website at IRS.gov or by calling 1-800-TAX-FORM (1-800-829-3676). You may receive an EIN by telephone by following the instructions for Form SS-4.

**Line 3a.** If the issuer wishes to authorize a person other than an officer or other employee of the issuer (including a legal representative or paid preparer) to communicate with the IRS and whom the IRS may contact about this return (including in writing or by telephone), enter the name of such person here. The person listed in line 3a must be an individual. Do not enter the name and title of an officer or other employee of the issuer here (use line 10a for that purpose).

**Note.** By authorizing a person other than an authorized officer or other employee of the issuer to communicate with the IRS and whom the IRS may contact about this return, the issuer authorizes the IRS to

communicate directly with the individual entered on line 3a and consents to disclose the issuer's return information to that individual, as necessary, to process this return.

**Lines 4 and 6.** If you listed an individual on line 3a to communicate with the IRS and whom the IRS may contact about this return, enter the number and street (or P.O. box if mail is not delivered to street address), city, town, or post office, state, and ZIP code of that person. Otherwise, enter the issuer's number and street (or P.O. box if mail is not delivered to street address), city, town, or post office, state, and ZIP code.

**Note.** The address entered on lines 4 and 6 is the address the IRS will use for all written communications regarding the processing of this return, including any notices.

**Line 5.** This line is for IRS use only. Do not make any entries in this box.

**Line 7.** The date of issue is generally the date on which the issuer physically exchanges the bonds that are part of the issue for the underwriter's (or other purchaser's) funds. For a lease or installment sale, enter the date interest starts to accrue in an MM/DD/YYYY format.

**Line 8.** If there is no name of the issue, please provide other identification of the issue.

**Line 9.** Enter the CUSIP (Committee on Uniform Securities Identification Procedures) number of the bond with the latest maturity. If the issue does not have a CUSIP number, write "None."

**Line 10a.** Enter the name and title of the officer or other employee of the issuer whom the IRS may call for more information. If the issuer wishes to designate a person other than an officer or other employee of the issuer (including a legal representative or paid preparer) whom the IRS may call for more information about the return, enter the name, title, and telephone number of such person on lines 3a and 3b.



Complete lines 10a and 10b even if you complete lines 3a and 3b.

### Part II—Type of Issue



Elections referred to in Part II are made on the original bond documents, not on this form.

Identify the type of obligations issued by entering the corresponding issue price (see *Issue price* under *Definitions* earlier). Attach a schedule listing names and EINs of organizations that are to use proceeds of these obligations, if different from those

of the issuer, include a brief summary of the use and indicate whether or not such user is a governmental or nongovernmental entity.

**Line 18.** Enter a description of the issue in the space provided.

**Line 19.** If the obligations are short-term tax anticipation notes or warrants (TANs) or short-term revenue anticipation notes or warrants (RANs), check box 19a. If the obligations are short-term bond anticipation notes (BANs), issued with the expectation that they will be refunded with the proceeds of long-term bonds at some future date, check box 19b. Do not check both boxes.

**Line 20.** Check this box if property other than cash is exchanged for the obligation, for example, acquiring a police car, a fire truck, or telephone equipment through a series of monthly payments. (This type of obligation is sometimes referred to as a "municipal lease.") Also check this box if real property is directly acquired in exchange for an obligation to make periodic payments of interest and principal. Do not check this box if the proceeds of the obligation are received in the form of cash, even if the term "lease" is used in the title of the issue.

### Part III—Description of Obligations

**Line 21.** For column (a), the final maturity date is the last date the issuer must redeem the entire issue.

For column (b), see *Issue price* under *Definitions* earlier.

For column (c), the stated redemption price at maturity of the entire issue is the sum of the stated redemption prices at maturity of each bond issued as part of the issue. For a lease or installment sale, write "N/A" in column (c).

For column (d), the weighted average maturity is the sum of the products of the issue price of each maturity and the number of years to maturity (determined separately for each maturity and by taking into account mandatory redemptions), divided by the issue price of the entire issue (from line 21, column (b)). For a lease or installment sale, enter instead the total number of years the lease or installment sale will be outstanding.

For column (e), the yield, as defined in section 148(h), is the discount rate that, when used to compute the present value of all payments of principal and interest to be paid on the obligation, produces an amount equal to the purchase price, including accrued interest. See Regulations section 1.148-4 for specific rules to compute the yield on an issue. If the issue is a variable rate issue, write "VR" as the yield of the issue. For other

than variable rate issues, carry the yield out to four decimal places (for example, 5.3125%). If the issue is a lease or installment sale, enter the effective rate of interest being paid.

### Part IV—Uses of Proceeds of Bond Issue

For a lease or installment sale, write "N/A" in the space to the right of the title for Part IV.

**Line 22.** Enter the amount of proceeds that will be used to pay interest from the date the bonds are dated to the date of issue.

**Line 24.** Enter the amount of the proceeds that will be used to pay bond issuance costs, including fees for trustees and bond counsel. If no bond proceeds will be used to pay bond issuance costs, enter zero. Do not leave this line blank.

**Line 25.** Enter the amount of the proceeds that will be used to pay fees for credit enhancement that are taken into account in determining the yield on the issue for purposes of section 148(h) (for example, bond insurance premiums and certain fees for letters of credit).

**Line 26.** Enter the amount of proceeds that will be allocated to such a fund.

**Line 27.** Enter the amount of the proceeds that will be used to pay principal, interest, or call premium on any other issue of bonds within 90 days of the date of issue.

**Line 28.** Enter the amount of the proceeds that will be used to pay principal, interest, or call premium on any other issue of bonds after 90 days of the date of issue, including proceeds that will be used to fund an escrow account for this purpose.

### Part V—Description of Refunded Bonds

Complete this part only if the bonds are to be used to refund a prior issue of tax-exempt bonds. For a lease or installment sale, write "N/A" in the space to the right of the title for Part V.

**Lines 31 and 32.** The remaining weighted average maturity is determined without regard to the refunding. The weighted average maturity is determined in the same manner as on line 21, column (d).

**Line 34.** If more than a single issue of bonds will be refunded, enter the date of issue of each issue. Enter the date in an MM/DD/YYYY format.

### Part VI—Miscellaneous

**Line 35.** An allocation of volume cap is required if the nonqualified amount for the issue is more than \$15 million but is not

more than the amount that would cause the issue to be private activity bonds.

**Line 36.** If any portion of the gross proceeds of the issue is or will be invested in a guaranteed investment contract (GIC), as defined in Regulations section 1.148-1(b), enter the amount of the gross proceeds so invested, as well as the final maturity date of the GIC and the name of the provider of such contract.

**Line 37.** If the issue is a pooled financing issue (as defined under *Pooled financing issue* in *Definitions*), enter the amount of the proceeds used to make loans to other governmental units, the interest on which is tax-exempt.

**Line 38.** If the issue is a loan of proceeds from a pooled financing issue (as defined under *Pooled financing issue* in *Definitions*), check the box and where asked for the date of issue, EIN, and name of the issuer of the master pool obligation, enter the date of issue, EIN, and name of the issuer of the pooled financing issue.

**Line 40.** Check this box if the issue is a construction issue and an irrevocable election to pay a penalty in lieu of arbitrage rebate has been made on or before the date the bonds were issued. The penalty is payable with a Form 8038-T for each 6-month period after the date the bonds are issued. Do not make any payment of penalty in lieu of arbitrage rebate with this form. See Rev. Proc. 92-22, 1992-1 C.B. 736 for rules regarding the "election document."

**Line 41a.** Check this box if the issuer has identified a hedge on its books and records according to Regulations sections 1.148-4(h)(2)(viii) and 1.148-4(h)(5) that permit an issuer of tax-exempt bonds to identify a hedge for it to be included in yield calculations for computing arbitrage.

**Line 42.** In determining if the issuer has super-integrated a hedge, apply the rules of Regulations section 1.148-4(h)(4). If the hedge is super-integrated, check the box.

**Line 43.** If the issuer takes a "deliberate action" after the issue date that causes the conditions of the private business tests or the private loan financing test to be met, then such issue is also an issue of private activity bonds. Regulations section 1.141-2(d)(3) defines a deliberate action as any action taken by the issuer that is within its control regardless of whether there is intent to violate such tests. Regulations section 1.141-12 explains the conditions to taking remedial action that prevent an action that causes an issue to meet the private business tests or private loan financing test from being treated as a deliberate action. Check the box if the issuer has established written procedures to ensure timely remedial action for all nonqualified bonds according to

Regulations section 1.141-12 or other remedial actions authorized by the Commissioner under Regulations section 1.141-12(h).

**Line 44.** Check the box if the issuer has established written procedures to monitor compliance with the arbitrage, yield restriction, and rebate requirements of section 148.

**Line 45a.** Check the box if some part of the proceeds was used to reimburse expenditures. Figure and then enter the amount of proceeds that are used to reimburse the issuer for amounts paid for a qualified purpose prior to the issuance of the bonds. See Regulations section 1.150-2.

**Line 45b.** An issuer must adopt an official intent to reimburse itself for preissuance expenditures within 60 days after payment of the original expenditure unless excepted by Regulations section 1.150-2(f). Enter the date the official intent was adopted. See Regulations section 1.150-2(e) for more information about official intent.

### Signature and Consent

An authorized representative of the issuer must sign Form 8038-G and any applicable certification. Also print the name and title of the person signing Form 8038-G. The authorized representative of the issuer signing this form must have the authority to consent to the disclosure of the issuer's return information, as necessary to process this return, to the person(s) that have been designated in Form 8038-G.

**Note.** If the issuer in Part 1, lines 3a and 3b authorizes the IRS to communicate (including in writing and by telephone) with a person other than an officer or other employee of the issuer, by signing this form, the issuer's authorized representative consents to the disclosure of the issuer's return information, as necessary to process this return, to such person.

### Paid Preparer

If an authorized officer of the issuer filled in this return, the paid preparer's space should remain blank. Anyone who prepares the return but does not charge the organization should not sign the return. Certain others who prepare the return should not sign. For example, a regular, full-time employee of the issuer, such as a clerk, secretary, etc., should not sign.

Generally, anyone who is paid to prepare a return must sign it and fill in the other blanks in the *Paid Preparer Use Only* area of the return.

The paid preparer must:

- Sign the return in the space provided for the preparer's signature (a facsimile signature is acceptable),
- Enter the preparer information, and
- Give a copy of the return to the issuer.

**Paperwork Reduction Act Notice.** We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form varies depending on individual circumstances. The estimated average time is:

Learning about the law or the form . . . . .	2 hr., 41 min.
Preparing, copying, assembling, and sending the form to the IRS . . . .	3 hr., 3 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Internal Revenue Service, Tax Products Coordinating Committee, SE:W:CAR:MP:T:M:S, 1111 Constitution Ave. NW, IR-6526, Washington, DC 20224. **Do not** send the form to this office. Instead, see *Where To File*.