



## UNIFIED FIRE SERVICE AREA BOARD MINUTES

SEPTEMBER 16, 2025, 8:30 AM (or immediately following the UFA Board Meeting)  
Electronically via Zoom Webinar/UFA Headquarters-3380 South 900 West SLC, UT 84119

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- Call to Order

Quorum present

Chair Hull called the meeting to order at 8:50 am.

- Public Comment

None

Public comment was available live and with a posted email address.

- Minutes Approval

a. July 15, 2025 UFSA LBA Joint Board Meeting Minutes

Council Member Stewart made a motion to approve the minutes from the July 15, 2025, UFSA Board Meeting Minutes as submitted. Mayor Gettel seconded the motion, and all voted in favor; none opposed.

- Quarterly Financial Report-CFO Hill

This quarterly report is a mid-point check-in as the budget year of UFSA is half over. CFO Hill highlighted the revenue for the General Fund, stating that \$5.6 million of revenue for the first six months of the year has been collected. The impact fee line item is trending behind as UFSA has collected just under \$300,000, staff will continue to watch this line item closely.

CFO Hill reviewed the expenditures for the General Fund, highlighting the top three. \$4.1 million spent in bond debt service payments, \$571,000 has been spent on the Sandy contract and \$26.2 paid to UFA for the contract. CFO Hill reviewed the capital fund and debt services fund.

Council Member Stewart made a motion to approve the Quarterly Financial Report as submitted. Council Member Jackson seconded the motion, and all voted in favor; none opposed.

- Finance Committee Update-Chair Overson

No meeting was held. The next UFSA Finance Committee Meeting will be on September 30, 2025 at 1:00pm at the ECC. The Board reviewed the board members that are assigned to the UFSA Finance Committee currently. All board members are welcome to attend the meeting.

- District Administrator Report-Rachel Anderson

The equipment financing that UFA is pursuing is structured as a conduit financing transaction. UFSA will be the entity that borrows the money and passes it to UFA. UFSA can get better loan terms as they are the taxing entity. UFSA serves as the pass-through and there is no liability to UFSA as the liability stays with UFA. There will be some approval needed from the board in the October UFSA meeting.

- 2025 Capital Maintenance Update-AC Robinson

AC Robinson and Captain Park updated the Board on the progress that has been made on the 2025 Capital Maintenance projects.

Station 101 flooring update has been completed with no issues

Station 118 flooring and kitchen remodel expected to start in October and will take four weeks to complete

Station 119 land scaping new design that is more fire/water wise and will begin in 2026

Station 125 west gate project complete

Station 252 overhead door replacement has been completed

Station 252 concrete replacement has begun and will take two weeks to complete

- Possible Closed Session

None

- Adjournment

Council Member Huish moved to adjourn the September 16, 2025 UFA Board Meeting. Council Member Jackson seconded the motion, and all voted in favor; none opposed.

BOARD MEMBERS IN ATTENDANCE

Mayor Dustin Gettel	Council Member Tyler Huish
Council Member Trish Hull	Council Member Sheldon Stewart
Mayor Dan Knopp	Council Member Chystal Butterfield
Mayor Kristie Overson	Council Member Cheri Jackson
Mayor Roger Bourke	Mayor Tom Westmoreland
Mayor Mike Weichers	

BOARD MEMBERS ABSENT

Council Member Catherine Harris	Council Member Kathleen Bailey	Chris Stavros
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STAFF IN ATTENDANCE

CFO Tony Hill  
District Manager Rachel Anderson

Clerk Micayla Dinkel

ATTENDEES

Chief Burchett

AC Dern

AC Robinson

AC Russell

HRD Day

DOC Easton

Captain Park

DC Widdison

Ben Porter

Courtney Samuel

BC Fossum

DC Greensides

Captain Barker

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## **UNIFIED FIRE SERVICE AREA FINANCE COMMITTEE MEETING MINUTES**

September 30, 2025

Meeting held both electronically via Zoom Webinar/UFA Headquarters

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### **Committee Members Present:**

Mayor Overson  
Council Member Jackson  
Council Member Hull

Council Member Butterfield

### **Committee Members Absent:**

Council Member Bailey  
Mayor Dustin Gettel

### **Staff Present:**

Chief Burchett  
CFO Hill

Clerk Dinkel  
District Administrator Anderson

### **Guests:**

AC Robinson  
Captain Barker  
DC Greensides  
Kelly Bird

Courtney Samuel  
AC Russell  
Kate Turnbaugh  
AC Dern

OC Kay

### Call to Order

Meeting called to order by Chair Overson at 1:00 p.m.

### Public Comments

None

Public comment was made available live and with a posted email address.

### Discussion on the 2026 Tentative Budget – CFO Hill

The 2026 Tentative Budget will be approved by the full UFSA Board in the November meeting following a public hearing. The final adoption of the budget will be approved in the December meeting. CFO Hill presented the following highlights from the 2026 tentative budget.

#### 2026 General Fund Highlights

- Property Taxes
  - 2.0% new growth estimate
  - No proposed tax increase
- UFA Member Fee Increase

- Fully captures the cost for Station 253 and 107
- 5.5 % placeholder increase for July through December
- \$59,681,355 total estimate for 2026

2026 UFSA Member Fee		
	2025	2026
January	4,265,172	4,797,489
February	4,353,348	4,797,489
March	4,353,348	4,797,489
April	4,353,348	4,797,489
May	4,353,348	4,797,489
June	4,524,129	4,797,489
July	4,797,489	5,149,403
August	4,797,489	5,149,403
September	4,797,489	5,149,403
October	4,797,489	5,149,403
November	4,797,489	5,149,403
December	4,797,489	5,149,403
Total	54,987,628	59,681,355

- Bond Payments
  - \$2,589,750-Series 2016 Bond
  - \$2,398,625-Series 2021 Bond
- Sandy Contract (85% of property tax collected to Sandy, 15% stay with UFSA)
  - \$1,094,073 in 2024
  - \$1,314,712 in 2025
  - \$1,414,159 in 2026 budget
- Building Maintenance in Fire Stations
  - \$803,443 in 2026 budget
- UFA Administration Fee
  - \$438,414 in 2024
  - \$403,014 in 2025
  - \$399,784 in 2026

#### 2026 General Fund Expenditures

- UFA Member Fee \$59,681,355 (79.46%)
- Fixed or Contract Costs \$13,115,807 (17.46%)
  - Debt Service \$4,988,375
  - Tax Payment \$6,600,000
  - Sandy Contract \$1,414,159

- Herriman/Riverton \$101,773
  - Outside/Auditor \$11,500
  - Tax Revenue Anticipation Note (TRAN) Costs \$920,753 (1.23%)
  - Building Maintenance \$803,443 (1.07%)
- CFO Hill highlighted the capital improvement projects slated for the 2026 budget.
- Administrative Costs \$589,319 (0.78%)
    - UFA admin fee for finance/facilities/clerk, administrator, legal, UASD membership

### Fund Balance Impact

The chart below shows the ending fund balance position through 2028. Using current assumptions, the ending balance of each year is above the board-adopted minimum fund balance reserve.

UNIFIED FIRE SERVICE AREA	ENDING FUND BALANCE	MINIMUM FUND BALANCE RESERVE %
2024 ACTUAL	\$10,149,282	16.3%
2025 BUDGET	\$15,919,543	21.3%
2026 BUDGET	\$17,756,800	23.2%
2027 PROJECTION	\$17,835,133	22.7%
2028 PROJECTION	\$15,749,961	19.6%

Council Member Jackson asked if there was a time limit regarding the bond requirements for Station 112. CFO Hill stated that the money was moved into a slug account per UFSA's bond advisor, where it is fine to stay for two to three years.

Council Member Hull asked if the install of a traffic light in front of Station 111 is included in the 2026 capital improvements. Division Chief Greensides stated that UFA is still doing research regarding this project to decide the best path forward and that it is not included in the proposed building maintenance projects at this time.

Mayor Overson asked staff to address how long a fire station usually lasts and at what point it would be beneficial to stop the improvement projects and do a full remodel of a station. Division Chief Greensides stated that the average station life expectancy is 50 years if the building has been maintained properly.

CFO Hill stated that the UFSA Board Members have done well in managing the growth and the tax rate and that UFSA is in a great spot. Mayor Overson agreed that the board had made some hard decisions and thanked the board for being diligent and looking at the overall picture.

Mayor Hull made a motion to recommend submitting the 2026 tentative budget to the full Board of Directors for consideration. Council Member Jackson seconded the motion.

All voted in favor, none opposed.

### Future Budget Issues-Chief Burchett

Chief Burchett thanked the UFSA Board for their support of the budget. Chief Burchett addressed some of the future needs of UFSA. He discussed the growth in Eagle Mountain City and stated that there will be a need for two or three more stations there in the next ten years if the growth potential is realized. Chief Burchett talked

about the possible addition of another crew at Station 125 in Midvale. Stations 109 and 107 are aging, but staff have made plans for some improvements that will extend the life of both stations. UFSA will continue to work on the right plan for the rebuild of Station 112.

Chief Burchett informed the board members that staff are still working on the recreation area funding project and that he will keep the board informed on the process during the next few months.

Council Member Butterfield asked staff if the seismic study had been completed for Station 107 and Station 109. Chief Burchett confirmed that it was done and complete.

Closed Session

None

Adjournment – Chair Overson

Council Member Jackson moved to adjourn the September 30, 2025, UFSA Finance Committee Meeting.

Council Member Hull seconded the motion.

All voted in favor, none opposed.

DRAFT



# UNIFIED FIRE SERVICE AREA

**TO:** UFSA Finance Committee (Board of Trustees)  
**FROM:** Tony Hill, CFO  
**SUBJECT:** 2026 Tentative Budget Message  
**DATE:** September 30, 2025

I am pleased to present the Unified Fire Service Area (UFSA) 2026 Tentative Budget for your review and consideration. The Tentative Budget will be approved by the Board at the November meeting and following a public hearing, final adoption of the 2026 budget will take place at the December board meeting. Staff have prepared the budget in accordance with Fiscal Procedures for Local Districts (UCA 17B-6).

## 2026 General Fund Budget Highlights

Below are some of the highlights of the 2026 budget development:

- Property Taxes
  - 2.0% new growth estimate
  - No proposed tax increase
- UFA member fee increase
  - Fully captures the cost for stations 253 and 107
  - 5.5% placeholder increase for July through December
  - \$59,681,355 total estimate for 2026

2026 UFSA Member Fee		
	2025	2026
January	4,265,172	4,797,489
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Total	54,987,628	59,681,355



- Bond Payments
  - \$2,589,750 – Series 2016 Bond
  - \$2,398,625 – Series 2021 Bond
- Sandy contract (85% of property tax collected to Sandy, 15% stay with UFSA)
  - \$1,094,073 in 2024
  - \$1,314,712 in 2025
  - \$1,414,159 in 2026 budget
- Building maintenance at fire stations (more detail in packet)
  - \$803,443 in 2026 budget
- UFA Administration Fee (more detail in packet)
  - \$438,414 in 2024
  - \$403,014 in 2025
  - \$399,784 in 2026

## 2026 General Fund Expenditures

Below, UFSA’s 2026 general fund budget is divided into its major categories (\$75,110,677 total budget):

• UFA Member Fee		\$59,681,355 (79.46%)
• Fixed or Contract Costs		\$13,115,807 (17.46%)
○ Debt Service	\$4,988,375	
○ Tax Payments to RDA/CDA	\$6,600,000	
○ Sandy Contract	\$1,414,159	
○ Herriman/Riverton	\$101,773	
○ Outside Auditor	\$11,500	
• Tax Revenue Anticipation Note (TRAN) Costs		\$920,753 (1.23%)
• Building Maintenance		\$803,443 (1.07%)
• Administrative costs		\$589,319 (0.78%)
○ UFA admin fee for finance/facilities/clerk, administrator, legal, UASD membership		

## Fund Balance Impact

The chart below shows the ending fund balance position through 2028. Using current assumptions, the ending balance of each year is above the board adopted minimum fund balance reserve.

<b>UNIFIED FIRE SERVICE AREA</b>	<b>ENDING FUND BALANCE</b>	<b>MIMINMUM FUND BALANCE RESERVE %</b>
<b>2024 ACTUAL</b>	\$10,149,282	16.3%
<b>2025 BUDGET</b>	\$15,919,543	21.3%
<b>2026 BUDGET</b>	\$17,756,800	23.2%
<b>2027 PROJECTION</b>	\$17,835,133	22.7%
<b>2028 PROJECTION</b>	\$15,749,961	19.6%

**UNIFIED FIRE SERVICE AREA  
TENTATIVE BUDGET  
For the Year Ended December 31, 2026**

	GENERAL FUND			CAPITAL PROJECTS FUND (LOCAL BLDG AUTHORITY)			DEBT SERVICE FUND (LOCAL BLDG AUTHORITY)		
	PRIOR YR 2024	CURRENT YR ESTIMATE	BUDGET 2026	PRIOR YR 2024	CURRENT YR ESTIMATE	BUDGET 2026	PRIOR YR 2024	CURRENT YR ESTIMATE	BUDGET 2026
<b>REVENUES</b>									
Taxes: Property	50,710,589	62,449,769	63,698,764						
Taxes: Property - Pass Thru	4,936,545	6,000,000	6,600,000						
Taxes: Property - Increment Remit	82,560	123,776	123,776						
Taxes: Delinquent	826,152	895,250	895,250						
Taxes: Judgement Levy	1,954								
Fee-in-Lieu of Taxes	2,386,560	2,400,000	2,400,000						
Impact Fees	1,559,287	1,500,000	1,350,000						
Interest Income	693,179	700,000	700,000	227,305	150,000	100,000	15,144		
Miscellaneous	6,117	9,264	9,000						
Grant Revenue	129,681								
Intergovernmental Revenue	774,676	775,119	775,029						
Other Financing Sources:									
Transfer In from Capital Projects Fund	531								
Lease Revenue							4,958,023	4,984,250	4,988,375
Use of Fund Balance									
<b>TOTAL REVENUES</b>	<b>62,107,831</b>	<b>74,853,178</b>	<b>76,551,819</b>	<b>227,305</b>	<b>150,000</b>	<b>100,000</b>	<b>4,973,167</b>	<b>4,984,250</b>	<b>4,988,375</b>
<b>EXPENSES</b>									
Administrative & Overhead:									
Supplies	0	2,000	2,000						
Memberships (UASD)	16,500	17,000	17,335						
Outside Auditor	11,500	15,000	11,500						
*UFA Admin Fee	438,414	403,014	399,784						
Bank Fees	10,932	11,200	11,200						
*Professional Fees	80,871	129,000	149,000						
Maintenance to Buildings & Land	21,098		110,000						
Note/Bond Issuance Costs	20,000	25,000	25,000						
Impact Fee Refunds	5,000	10,000	10,000						
Capital Outlay:									
Station 112 Land									
Construction Costs - Station 102				82,578					
Construction Costs - Station 125									
Construction Costs - Station 251				58,908					
Construction Costs - Station 253				61,208					
*Capital Maintenance	191,523	558,233	693,443						
Capital Maintenance - Seismic Retrofits	172,909								
Capital Lease	4,958,023	4,984,250	4,988,375						
Principle Payment on Long-Term Debt							3,075,000	3,225,000	3,375,000
Interest Expense	984,092	895,753	895,753				1,898,375	1,759,250	1,613,375
Sandy Contract	1,094,073	1,314,712	1,414,159						
Tax Payments to RDA/CDA/CRA	4,936,545	6,000,000	6,600,000						
Fund Balance Payments to Herriman/Riverton	101,773	101,773	101,773						
UFA Contract Fees	49,867,671	54,987,628	59,681,355						
Other Financing Uses:									
Transfer Out to General Fund				531					
Contribution to Fund Balance		5,398,615	1,441,142		150,000	100,000			
<b>TOTAL EXPENSES</b>	<b>62,910,923</b>	<b>74,853,178</b>	<b>76,551,819</b>	<b>203,225</b>	<b>150,000</b>	<b>100,000</b>	<b>4,973,375</b>	<b>4,984,250</b>	<b>4,988,375</b>

\*Additional Documentation

# Professional Fees

	<u>2023 Actual</u>	<u>2024 Actual</u>	<u>2025 Budget</u>	<u>2026 Budget</u>
Road Easement - Station 111	2,440	0	0	0
Legal Services/Administrator	96,435	55,780	110,000	110,000
Newspaper Ads	3,600	900	1,500	1,500
Website Restoration/Hosting/Maintenance	66	84	500	500
Truth in Taxation - Postcard Mailings	12,674	15,098	0	0
Trust Management, Continuing Disclosure, <b>Impact Fee</b>	7,000	7,000	7,000	27,000
Other	60,545	2,010	10,000	10,000
	182,759	80,871	129,000	149,000

Exhibit A for Calendar Year 2026

<u>Position</u>	Jan-25		Jan-26		<u>Responsibilities</u>
	<u>% of Time Worked</u>	<u>Salary &amp; Benefits</u>	<u>% of Time Worked</u>	<u>Salary &amp; Benefits</u>	
Logistics Facilities Manager	80%	\$127,274	80%	\$131,142	Specifications/RFP/Bids/Management/ for capital improvement projects; compiling operational and maintenance documents; works through any warranty items on newer projects. Seismic evaluations and retrofit assessments. Station architectural design, rendering, and construction.
Logistics Facilities Specialist	5%	\$5,092	5%	\$5,418	Assists Facilities Manager when needed; provides information for Capital Improvement needs; Meets with contractors.
Logistics Facilities Specialist	2%	\$1,605	2%	\$1,614	Assists Facilities Manager when needed; provides information for Capital Improvement needs; Meets with contractors.
Logistics Purchasing Coordinator	2%	\$2,154	2%	\$2,237	Assists with the processing of MR's and invoices for capital projects.
Logistics Data Coordinator	1%	\$980	1%	\$1,037	Researches information for Logistics as requested.
Logistics Division Chief	20%	\$36,558	20%	\$37,418	Develops, manages, and administers capital improvements budgets; Provides overall direction and management to UFSA facility management. Leads and guides discussions for future fire station designs. Researches optional uses and associated fees of portions of fire stations, such as office space leasing. Co-coordinates seismic evaluations and seismic upgrades projects. Provides project-specific content for use in presentations to the UFSA Board of Directors and communities/members, in preparation for station construction.
Support Services Assistant Chief	10%	\$26,326	10%	\$25,764	Researches property descriptions/locations for fire station rebuilds and new construction. Captures and records the details of properties for fire station constructions. Leads and guides discussions for future fire station design and construction. Researches optional uses and associated fees of portions of fire stations, such as office space leasing. Co-coordinates seismic evaluations and seismic upgrades projects. Provides project-specific content for use in presentations to the UFSA Board of Directors and communities/members, for bonding and bond elections. Meets with individual board members to discuss property and fire station construction issues and strategies.
Finance Purchasing Agent/Contracts	30%	\$42,821	25%	\$37,722	RFP/RFQ/Purchasing processing. Contract coordination and tracking.
Finance Senior Accountant	11.5%	\$16,152	11%	\$16,299	Cash receipting, online payment reporting, impact fee reporting, external audit, capital assets, state transparency
Finance AP/AR Manager	1.5%	\$2,269	2%	\$3,030	AP/AR oversight, cash receipting review/close
Finance Sr. Accounting Specialist	12%	\$11,591	7%	\$7,189	UFSA Desktop Deposits, AR, AP entry & review
Finance Assistant Finance Director	7.5%	\$16,143	7%	\$15,568	External audit, financial statements, accounting oversight, online payment admin, bank reconciliations
CFO	15%	\$42,878	15%	\$44,308	Financial Management, Treasurer
UFSA Clerk	10%	\$12,433	10%	\$12,342	Time needed to fully meet the responsibilities of the Clerk
Records Manager	1%	\$841	1%	\$918	Managing UFSA record requests. Retention schedule and archives
ECC Receptionist	3%	\$2,020	3%	\$2,157	Impact fee collection/receipts, phone calls
Director of Communications	1%	\$2,151	1%	\$2,236	Community Outreach
Community Outreach Specialist	1%	\$1,159	1%	\$1,236	Community Outreach/Construction Projects/Website Maintenance
		\$350,447		\$347,638	
Overhead Charge	15%	<u>\$52,567</u>	15%	<u>\$52,146</u>	Office Space, IT, supplies, etc.
<b>TOTAL</b>		<b>\$403,014</b>		<b>\$399,784</b>	
	Logs	199,712	Logs	205,697	
	Fin	151,632	Fin	142,736	
	Admin	47,863	Admin	47,359	
	IO	3,807	IO	3,993	
		403,014		399,784	

# UFSA Maintenance Projects 2026

9/30/25

Station	Project	Notes	Cost	Running Total
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## Maintenance Projects

All	Heating/AC/Hot Water/Appliances	Replace as needed	\$40,000	\$40,000
119	Landscape	Create xeriscape landscaping (rollover from 2025)	\$124,000	\$164,000
107	Bathroom Remodel	Remodel single shower bathroom to add additional showers and update	\$225,000	\$389,000
107	Air Mations	Install Air mations in apparatus bay for health and safety of crew members	\$55,000	\$444,000
107	Roof Replacement	Roof is falling apart and needs replaced	\$60,000	\$504,000
108	Propane Tank Replacement	Replace four 1,000 gallon tanks with a single 7,000 to 10,000 gallon tank	\$40,000	\$544,000
126	Carpet Replacement	Replace original carpet, installed in 2000	\$75,000	\$619,000
106	Carpet Replacement	Replace original carpet, installed in 2010	\$35,000	\$654,000
252	Vinyl Fence	Install vinyl fence around patio and generator	\$6,500	\$660,500
118	Roof Replacement	Original Shingles from 1999 are degrading and starting to fall apart	\$80,000	\$740,500
All	8.5% Contingency		\$62,943	<b>\$803,443</b>

## Future Year Projects (Sorted by Station)

<b>101</b>	Siding Repair and Paint		\$60,000	\$863,443
<b>106</b>	Siding Repair and Paint		\$60,000	\$923,443
<b>107</b>	Garage Door Repairs		\$50,000	\$973,443
<b>107</b>	Landscape		\$100,000	\$1,073,443
<b>109</b>	Kitchen Remodel		\$100,000	\$1,173,443
<b>111</b>	Traffic Signal		\$20,000	\$1,193,443
<b>118</b>	Bathroom Remodel		\$150,000	\$1,343,443
<b>118</b>	Window Replacement		\$30,000	\$1,373,443
<b>119</b>	Window Replacement		\$35,000	\$1,408,443
<b>119</b>	Siding Repair and Paint		\$60,000	\$1,468,443
<b>123</b>	Siding Repair and Paint		\$60,000	\$1,528,443
<b>126</b>	Sanitary Sewer Line to Road		\$150,000	\$1,678,443
<b>126</b>	Bathroom Remodel		\$55,000	\$1,733,443

UNIFIED FIRE SERVICE AREA	Actual		Budget		Budget		Projection		Projection
LONG RANGE PLAN	2024	%	2025	%	2026	%	2027	%	2028
BEGINNING FUND BALANCE	10,815,505	-6.16%	10,149,282	56.85%	15,919,543	11.54%	17,756,800	0.44%	17,835,133
PRINCIPAL PAYMENTS RECEIVED FROM RELATED PARTY	136,870	4.07%	142,446	4.07%	148,249	4.07%	154,289	4.07%	160,575
TRANSFER TO/FROM CAPITAL PROJECTS FUND	531								
UNRESTRICTED FUND BALANCE:	10,952,906	-6.04%	10,291,728	56.12%	16,067,792	11.47%	17,911,089	0.47%	17,995,708
PROPERTY TAXES	50,710,589	23.15%	62,449,769	2.00%	63,698,764	2.00%	64,972,740	2.00%	66,272,194
PROPERTY TAXES - PASS THRU	4,936,545	21.54%	6,000,000	10.00%	6,600,000	10.00%	7,260,000	10.00%	7,986,000
PROPERTY TAXES - INCREMENT REMIT	82,560	49.92%	123,776	0.00%	123,776	0.00%	123,776	0.00%	123,776
PROPERTY TAXES - DELINQUENT	826,152	8.36%	895,250	0.00%	895,250	0.00%	895,250	0.00%	895,250
JUDGEMENT LEVY	1,954	-100.00%	0	0.00%	0	0.00%	0	0.00%	0
FEE-IN-LIEU	2,386,560	0.56%	2,400,000	0.00%	2,400,000	0.00%	2,400,000	0.00%	2,400,000
IMPACT FEES	1,559,287	-3.80%	1,500,000	-10.00%	1,350,000	0.00%	1,350,000	0.00%	1,350,000
INTEREST INCOME	693,179	0.98%	700,000	0.00%	700,000	0.00%	700,000	0.00%	700,000
MISCELLANEOUS REVENUE	6,117	51.45%	9,264	-2.85%	9,000	0.00%	9,000	0.00%	9,000
GRANT REVENUE	129,681	-100.00%	0	-100.00%	0	0.00%	0	0.00%	0
INTERGOVERNMENTAL REVENUE	774,676	0.06%	775,119	-0.01%	775,029	0.21%	776,687	-0.44%	773,298
CURRENT REVENUE:	62,107,300	20.52%	74,853,178	2.27%	76,551,819	2.53%	78,487,452	2.58%	80,509,519
UFA CONTRACT FEES	49,867,671	10.27%	54,987,628	8.54%	59,681,355	5.50%	62,963,830	5.50%	66,426,840
SANDY CONTRACT	1,094,073	20.17%	1,314,712	7.56%	1,414,159	2.00%	1,442,442	2.00%	1,471,291
TAX PAYMENTS TO RDA/CDA	4,936,545	21.54%	6,000,000	10.00%	6,600,000	10.00%	7,260,000	10.00%	7,986,000
ADMINISTRATIVE/OPERATIONS	583,218	4.97%	612,214	2.22%	625,819	0.00%	625,819	0.00%	625,819
FUND BALANCE DISTRIBUTION TO HERRIMAN/RIVERTON	101,773	0.00%	101,773	0.00%	101,773	0.00%	101,773	0.00%	101,773
DEBT SERVICE PAYMENT (2016 BOND)	2,581,783	0.37%	2,591,250	-0.06%	2,589,750	0.22%	2,595,375	-0.44%	2,583,875
DEBT SERVICE PAYMENT (2021 BOND)	2,376,241	0.71%	2,393,000	0.24%	2,398,625	-0.94%	2,376,125	-0.03%	2,375,500
BUILDING MAINTENANCE	212,621	162.55%	558,233	43.93%	803,443	-30.00%	562,410	0.00%	562,410
CAPITAL MAINTENANCE - SEISMIC RETROFIT	172,909	-100.00%	0			0.00%		0.00%	
INTEREST EXPENSE	984,092	-8.98%	895,753	0.00%	895,753	0.00%	895,753	0.00%	895,753
TOTAL BUDGET:	62,910,923	10.40%	69,454,563	8.14%	75,110,677	4.94%	78,823,527	5.34%	83,029,261
RESERVE (MINIMUM) 15% OF CURRENT REVENUE	9,316,095		11,227,977		11,482,773		11,773,118		12,076,428
ENDING SURPLUS (PROBLEM):	833,187		4,462,367		6,026,162		5,801,897		3,399,537
TOTAL BUDGETED FUND BALANCE:	10,149,282		15,690,343		17,508,935		17,575,015		15,475,965
PROJECTED UNDER EXPEND/OVER REVENUE	0	0.33%	229,200	0.33%	247,865	0.33%	260,118	0.33%	273,997
PROJECTED UNASSIGNED FUND BALANCE	10,149,282		15,919,543		17,756,800		17,835,133		15,749,961
	16.3%		21.3%		23.2%		22.7%		19.6%

**FORM OF AUTHORIZING RESOLUTION (AGREEMENT)**

A RESOLUTION OF THE GOVERNING BODY OF UNIFIED FIRE SERVICE AREA, AUTHORIZING THE EXECUTION AND DELIVERY OF A MASTER EQUIPMENT LEASE/PURCHASE AGREEMENT AND SEPARATE EQUIPMENT SCHEDULES THERETO FOR THE ACQUISITION, FINANCING AND LEASING OF CERTAIN EQUIPMENT FOR THE PUBLIC

BENEFIT WITHIN THE TERMS HEREIN PROVIDED; AUTHORIZING THE EXECUTION AND DELIVERY OF OTHER DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AND AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION.

WHEREAS, Unified Fire Service Area (the "*Lessee*"), a local district duly organized and existing as a political subdivision, municipal corporation or similar public entity of the State of Utah, is authorized by the laws of the State of Utah to acquire, finance and lease personal property (tangible and intangible) for the benefit of the Lessee, the Unified Fire Authority (the "*Sublessee*") and its inhabitants and to enter into contracts with respect thereto; and

WHEREAS, the governing body of the Lessee (the "*Board*") has determined that a need exists for the acquisition, financing and leasing of certain equipment consisting of fire apparatus, light fleet vehicles, equipment and building improvements, which constitutes personal property necessary for the Lessee to assist Sublessee to perform essential governmental functions (collectively, the "*Equipment*") on the terms herein provided; and

WHEREAS, in order to acquire such Equipment, the Lessee proposes to enter into that certain Master Equipment Lease/Purchase Agreement (the "*Agreement*") with JPMorgan Chase Bank, N.A. (or one of its affiliates), as lessor (the "*Lessor*"), substantially in the proposed form presented to the Board at this meeting, and separate Equipment Schedules thereto substantially in the form attached to the Agreement (collectively, the "*Lease*"), and simultaneously enter into a Sublease Agreement, substantially in the proposed form presented to the Board at this meeting, with Sublessee, pursuant which Sublessee shall assume the performance obligations of Lessee under the Lease; and

WHEREAS, the Board deems it for the benefit of the Lessee and for the efficient and effective administration thereof to enter into the Agreement and separate Equipment Schedules thereunder, as well as Sublease Agreements, and the other documentation relating thereto from time to time as provided in the Agreement for the acquisition, financing and leasing of the Equipment to be therein described on the terms and conditions therein and herein provided;

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED by the governing body of the Lessee as follows:



*Section 1. Findings and Determinations.* It is hereby found and determined that the terms of the Agreement (including the form of Equipment Schedule and the form of Payment Schedule, both attached thereto) and the form of Sublease Agreement, in the form presented to the Board at this meeting, are in the best interests of the Lessee for the acquisition financing and leasing of the Equipment as a conduit for Sublessee, thereby allowing Sublessee to finance the Equipment at a federally tax-exempt interest rate to the benefit of the inhabitants of the Lessee.

*Section 2. Approval of Documents.* The form, terms and provisions of the Agreement (including the form of Equipment Schedule and the form of Payment Schedule, both attached thereto), as well as the form of the Sublease Agreement, are hereby approved in substantially the forms presented at this meeting, with such insertions, omissions and changes as shall be approved by the District Administrator or Chief Financial Officer of the Lessee or other members of the governing body of the Lessee (the "*Authorized Officials*") executing the same, the execution of such documents being conclusive evidence of such approval; and the Authorized Officials are hereby authorized and directed to execute the Agreement and any related Exhibits attached thereto and to deliver the Agreement (including such Exhibits) to the respective parties thereto. The Authorized Officials are each hereby authorized and directed to sign and deliver on behalf of the Lessee the Agreement, provided only on Authorized Official need sign, each Equipment Schedule thereto under which a separate Lease (as defined in the Agreement) is created, each Payment Schedule attached thereto, any related Sublease Agreement, and related Escrow Agreement and any related exhibits attached thereto if and when required; *provided, however,* that, without further authorization from the governing body of the Lessee, (a) the aggregate principal component of Rental Payments under all Leases entered into pursuant to the Agreement shall not exceed \$22,509,730.00; (b) the maximum term under any Lease entered into pursuant to the Agreement shall not exceed six years; and (c) the maximum interest rate used to determine the interest component of Rental Payments under each Lease shall not exceed the lesser of the maximum rate permitted by law or X.XXX%) per annum. The Authorized Officials may sign and deliver Leases to the Lessor on behalf of the Lessee pursuant to the Agreement on such terms and conditions as they shall determine are in the best interests of the Lessee up to the maximum aggregate principal component, maximum term and maximum interest rate provided above. The foregoing authorization shall remain in effect for a period of one year from the date hereof during which the Authorized Officials are authorized to sign and deliver Leases pursuant to the Agreement on the terms and conditions herein provided and to be provided in each such Lease. No Lease shall be entered into pursuant to this authority without a corresponding Sublease Agreement.

*Section 3. Other Actions Authorized.* The officers and employees of the Lessee shall take all action necessary or reasonably required by the parties to the Agreement to carry out, give effect to and consummate the transactions contemplated thereby (including the execution and delivery of Final Acceptance Certificates, Sublease Agreements, Escrow Agreements, Disbursement Requests and any tax certificate and agreement, as contemplated in the Agreement) and to take all action necessary in conformity therewith, including, without limitation, the execution and delivery of any closing and other documents required to be delivered in connection with the Agreement and each Lease.

*Section 4. No General Liability.* Nothing contained in this Resolution, the Agreement, any Lease, any Escrow Agreement nor any other instrument shall be construed with respect to the Lessee as incurring a pecuniary liability or charge upon the general credit of the Lessee or against its taxing power, nor shall the breach of any agreement contained in this Resolution, the Agreement, any Lease, any Sublease Agreement, any Escrow Agreement or any other instrument or document executed in connection therewith impose any pecuniary liability upon the Lessee or any charge upon its general credit or against its taxing power, except to the extent that the Rental Payments payable under each Lease entered into pursuant to the Agreement are limited obligations of the Lessee, subject to annual appropriation, as provided in the Agreement.

*Section 5. Appointment of Authorized Lessee Representatives.* The District Administrator and Chief Financial Officer of the Lessee are each hereby designated to act as authorized representatives of the Lessee for purposes of each Lease and related Escrow Agreement until such time as the governing body of the Lessee shall designate any other or different authorized representative for purposes of the Agreement and any Lease or Escrow Agreement.

*Section 6. Severability.* If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

*Section 7. Repealer.* All bylaws, orders and resolutions or parts thereof, inconsistent herewith, are hereby repealed to the extent only of such inconsistency with respect to this Resolution. This repealer shall not be construed as reviving any bylaw, order, resolution or ordinance or part thereof.

*Section 8. Effective Date.* This Resolution shall be effective immediately upon its approval and adoption.

ADOPTED AND APPROVED by the governing body of the Lessee this \_\_\_\_\_ day  
of \_\_\_\_\_, 2025.

**Unified Fire Service Area,**

as lessee

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

Printed Name: \_\_\_\_\_

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

ATTEST:

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

Printed: Name: \_\_\_\_\_

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

The undersigned, a duly elected or appointed and acting Board Clerk of the Lessee identified in the above Resolution No. \_\_\_\_\_(the “Resolution”), hereby certifies that the Resolution is a full, true and correct copy of such Resolution as adopted by the governing body of the Lessee on \_\_\_\_\_, 2025. The Resolution is in full force and effect on the date hereof and has not been amended, modified or otherwise changed by the governing body of the Lessee since the date of adoption of the Resolution.

DATED this day \_\_\_\_\_, 2025.

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Name:

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Title: UFSA Board Clerk

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Attachments:

Form of Master Equipment Lease/Purchase  
Agreement  
Form of Equipment Schedule No. 02  
Form of Sublease  
Agreement  
Form of Escrow  
Agreement

EXHIBIT A

Form of Master Equipment Lease/Purchase Agreement

**MASTER EQUIPMENT LEASE/PURCHASE AGREEMENT**

This Master Equipment Lease/Purchase Agreement (the “*Agreement*”) dated as of October 25, 2022, and entered into by and between JPMorgan Chase Bank, N.A., a national banking association (together with its successors, assigns and transferees, and as more particularly defined herein, “*Lessor*”), and Unified Fire Service Area, a local district existing under the laws of the State of Utah (“*Lessee*”).

**WITNESSETH:**

WHEREAS, Lessee desires to lease and acquire from Lessor certain Equipment described in each Equipment Schedule (as each such term is defined herein) for the purpose of subleasing said Equipment to the Unified Fire Authority, subject to the terms and conditions of and for the purposes set forth in each Lease; and

WHEREAS, the relationship between the parties shall be a continuing one and items of equipment and other personal property may be financed pursuant to one or more Leases entered into from time to time in accordance with this Agreement by execution and delivery of additional Equipment Schedules by the parties hereto, subject to the terms and conditions provided herein; and

WHEREAS, Lessee is authorized under the constitution and laws of the State (as such term is defined herein) to enter into this Agreement and each Equipment Schedule for the purposes set forth herein and therein;

NOW, THEREFORE, for good and valuable consideration, receipt and sufficiency of which are hereby acknowledged, and in consideration of the premises hereinafter contained, the parties hereby agree as follows:

**ARTICLE I**

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

“*Acquisition Amount*” means, with respect to each Lease, the amount specified in the related Equipment Schedule and represented by Lessee to be sufficient for the purpose of

acquiring and installing the Equipment listed in such Lease.

*“Acquisition Period”* means, with respect to each Lease for which an Escrow Account is established, that period identified in the related Equipment Schedule during which the Acquisition Amount attributable to such Lease may be expended on Equipment Costs pursuant to the related Escrow Agreement.

*“Agreement”* means this Master Equipment Lease/Purchase Agreement, including the exhibits hereto, together with any amendments and modifications to this Agreement pursuant to Section 13.04.

*“Casualty Value”* means, with respect to each Lease, the amount that is shown on the Payment Schedule for each Rental Payment Date under the column titled either (i) the Prepayment Price or (ii) the “Casualty Value”, if any.

*“Code”* means the Internal Revenue Code of 1986, as amended. Each reference to a Section of the Code in this Agreement and a Lease shall be deemed to include the relevant United States Treasury Regulations proposed or in effect thereunder.

*“Commencement Date”* means, for each Lease, the date when Lessee’s obligation to pay rent commences under such Lease, which date shall be the earlier of (a) the date on which the Equipment listed in such Lease is accepted by Lessee in the manner described in Section 5.01, or (b) the date on which the Acquisition Amount is deposited in an Escrow Account for the purpose of acquiring and installing the Equipment listed in such Lease.

*“Contract Rate”* means, with respect to each Lease, the rate identified as such in the related Payment Schedule.

*“Disbursement Request”* means, with respect to each Lease for which an Escrow Account is established, the disbursement request attached to the applicable Escrow Agreement as Schedule 1 and made a part thereof.

*“Equipment”* means, with respect to each Lease, the property listed in the related Equipment Schedule and all replacements, repairs, restorations, modifications and improvements thereof or thereto made pursuant to Article V or Section 8.01. Whenever reference is made in this Agreement to Equipment listed in a Lease, such reference shall be deemed to include all such replacements, repairs, restorations, modifications and improvements of or to such Equipment.

*“Equipment Costs”* means, with respect to each Lease, the total cost of the Equipment listed in the related Equipment Schedule, including related soft costs such as freight, installation and taxes and other capitalizable costs, legal fees, financing costs and other costs necessary to vest full, clear legal title to the Equipment in Lessee, subject to the security interest granted to and retained by Lessor as set forth in each Lease, and other costs incurred in connection with the acquisition, installation and/or financing of the Equipment as provided in the related Lease;

*provided* that (a) any such soft costs on a cumulative basis shall not exceed a percentage approved by Lessor of the total cost of the Equipment subject to such Lease and (b) in no event shall capitalizable delivery costs, installation charges, taxes and similar capitalizable soft costs relating to such Equipment be included without Lessor's prior consent.

*“Equipment Schedule”* means each separately numbered Equipment Schedule, substantially in the form of either *Exhibit A-1* (general Equipment) or *Exhibit A-2* (energy services Equipment) hereto, together with the related Payment Schedule.

*“Escrow Account”* means, with respect to any Lease, the account established and held by the Escrow Agent pursuant to the related Escrow Agreement.

*“Escrow Agent”* means, with respect to each Lease for which an Escrow Account is established, the Escrow Agent identified in the related Escrow Agreement, and its successors and assigns.

*“Escrow Agreement”* means, with respect to each Lease for which an Escrow Account is established, an Escrow Agreement in form and substance acceptable to and executed by Sublessee, Lessor and the Escrow Agent, pursuant to which an Escrow Account is established and administered.

*“Event of Default”* means an Event of Default described in Section 12.01.

*“Event of Non-appropriation”* means, with respect to a Lease, the failure of Lessee’s governing body to appropriate or otherwise make available funds to pay Rental Payments under such Lease following the Original Term or then current Renewal Term sufficient for the continued performance of such Lease by Lessee and with respect to a Sublease, the failure of Sublessee’s governing body to appropriate or otherwise make available funds to pay Rental Payments under such Sublease following the Original Term or then current Renewal Term sufficient for the continued performance of such Sublease by Sublessee.

*“Lease”* means an Equipment Schedule and the terms and provisions of this Agreement which are incorporated by reference into such Equipment Schedule.

*“Lease Term”* means, with respect to each Lease, the Original Term and all Renewal Terms provided in the related Equipment Schedule.

*“Lessee”* means the entity referred to as Lessee in the first paragraph of this Agreement.

*“Lessor”* means (a) the entity referred to as Lessor in the first paragraph of this Agreement and its successors or (b) any assignee or transferee pursuant to Section 11.01 of any right, title or interest of Lessor in and to the Equipment under the applicable Lease (including the Rental Payments and other amounts due thereunder), any related Escrow Agreement and Escrow Account, but does not include any entity solely by reason of that entity retaining or assuming any obligation of Lessor to perform hereunder or under such Lease.

*“Material Adverse Change”* means (a) any change in Lessee’s or Sublessee’s creditworthiness that could have a material adverse effect on (i) the financial condition or operations of Lessee or Sublessee, or (ii) Lessee’s or Sublessee’s ability to perform its obligations

under this Agreement, any Lease or any Sublease or (b) a downgrade in Lessee's or Sublessee's external debt rating from the date of this Agreement of two or more subgrades by



either Moody's Investors Service, Inc. or S&P Global Ratings or any equivalent successor credit rating agency, or any downgrade by either such agency that would cause Lessee's or Sublessee's credit rating to be below investment grade, or, if any such rating agency no longer publishes such ratings at the date of determination, any other nationally recognized statistical rating organization that is selected by Lessee or Sublessee for purposes of such long-term general obligation bond ratings and long-term general fund related bond ratings.

*"Original Term"* means, with respect to each Lease, the period from the Commencement Date identified in the related Equipment Schedule until the end of the fiscal year of Lessee in effect at such Commencement Date.

*"Outstanding Balance"* means, with respect to each Lease, the amount that is shown for each Rental Payment Date under the column titled "Outstanding Balance" on the Payment Schedule.

*"Payment Schedule"* means, with respect to each Lease, the Payment Schedule attached to and made a part of the related Equipment Schedule and substantially in the form of *Exhibit B* attached to this Agreement.

*"Prepayment Price"* means, with respect to each Lease, the amount that is shown for each Rental Payment Date under the column titled "Prepayment Price" on the Payment Schedule.

*"Principal Portion"* means, with respect to each Lease, the amount that is shown for each Rental Payment Date under the column titled "Principal Portion" on the Payment Schedule.

*"Related Documents"* means, with respect to each Lease, the Lease, this Agreement, the Sublease and, if applicable, the related Escrow Agreement, each as may be amended and supplemented.

*"Renewal Terms"* means, with respect to each Lease, the consecutive renewal terms of such Lease as specified in the related Equipment Schedule, the first of which commences immediately after the end of the Original Term and each having a duration and a term coextensive with each successive fiscal year of Lessee; *provided* that the final such Renewal Term shall commence on the first day of the last such fiscal year and end on the first business day after the last scheduled Rental Payment Date.

*"Rental Payment Date"* means, with respect to each Lease, each date on which Lessee is required to make a Rental Payment under such Lease as specified in the related Payment Schedule.

*"Rental Payments"* means, with respect to each Lease, the basic rental payments payable by Lessee on the Rental Payment Dates and in the amounts as specified in the related Payment Schedule, consisting of a principal component and an interest component, and in all cases sufficient to repay the principal component under such Lease and interest thereon at the

applicable Contract Rate (or Taxable Rate if then in effect).

“SEC” means the U.S. Securities and Exchange Commission.

“State” means the State of Utah.

“*Sublease Agreement*” means a Sublease Agreement, in the form attached hereto as Exhibit J, entered into by Lessee, as sublessor, and the Sublessee, as sublessee, pursuant to which the Equipment under an Equipment Schedule is subleased to the Sublessee and Sublessee assumes obligations of Lessee under a Lease.

“*Sublessee*” means the Unified Fire Authority, as sublessee under a Sublease Agreement.

“*Taxable Rate*” means, with respect to each Lease, for each day that the interest component of Rental Payments is taxable for Federal income tax purposes, an interest rate equal to the Contract Rate plus a rate sufficient such that the total interest to be paid on any Rental Payment Date would, after such interest was reduced by the amount of any Federal, state or local income tax (including any interest, penalties or additions to tax) actually imposed thereon, equal the amount of interest otherwise due to Lessor.

“*Vendor*” means the manufacturer, installer or supplier of the Equipment listed in an Equipment Schedule or any other person as well as the agents or dealers of the manufacturer, installer or supplier with whom Lessee or Sublessee arranged Lessee’s or Sublessee’s acquisition, installation, maintenance and/or servicing of the Equipment pursuant to the applicable Lease and Sublease.

“*Vendor Agreement*” means any contract entered into by Lessee or Sublessee and any Vendor for the acquisition, installation, maintenance and/or servicing of the Equipment under a Lease.

## ARTICLE II

*Section 2.01. Representations and Covenants of Lessee.* Lessee represents, covenants and warrants for the benefit of Lessor on the date hereof and as of the Commencement Date of each Lease as follows:

(a) Lessee is a political subdivision of the State within the meaning of Section 103(c) of the Code, duly organized and existing under the constitution and laws of the State, with full power and authority to enter into the Related Documents and the transactions contemplated thereby and to perform all of its obligations thereunder.

(b) Lessee has duly authorized the execution and delivery of the Related Documents by proper action of its governing body at a meeting duly called, regularly convened and attended throughout by the requisite quorum of the members thereof, or

by other appropriate official approval, and all requirements have been met and procedures

have occurred in order to ensure the validity and enforceability of the Related Documents.

(c) No event or condition that constitutes, or with the giving of notice or the lapse of time or both would constitute, an Event of Default exists at the date hereof. No Event of Non-appropriation has occurred or is threatened with respect to any Lease.

(d) Lessee will do or cause to be done all things necessary to preserve and keep in full force and effect its existence as a local district of the State.

(e) Lessee has complied with such procurement and public bidding requirements as may be applicable to the Related Documents and the acquisition and installation by Lessee of the Equipment as provided in each Lease.

(f) During the Lease Term under each Lease, the Equipment will be used by Lessee only for the purpose of performing essential governmental or proprietary functions of Lessee consistent with the permissible scope of Lessee's authority. Lessee does not intend to sell or otherwise dispose of the Equipment or any interest therein prior to the last Rental Payment (including all Renewal Terms) scheduled to be paid under the related Lease.

(g) Lessee has kept, and throughout the Lease Term of each Lease shall keep, its books and records in accordance with generally accepted accounting principles and practices consistently applied, and shall deliver to Lessor (i) annual audited financial statements (including (1) a balance sheet, (2) statement of revenues, expenses and changes in fund balances for budget and actual, (3) statement of cash flows, and (4) footnotes, schedules and attachments to the financial statements) within two hundred seventy (270) days after the end of its fiscal year, (ii) such other financial statements and information as Lessor may reasonably request, and (iii) upon Lessor's request, its annual budget for any prior or current fiscal year or for the following fiscal year when approved but not later than thirty (30) days prior to the end of its current fiscal year. The financial statements described in this subsection (g)(i) shall be accompanied by an unqualified opinion of Lessee's independent auditor. Credit information relating to Lessee may be disseminated among Lessor and any of its affiliates and any of their respective successors and assigns.

(h) Lessee has an immediate need for the Equipment listed on each Equipment Schedule and expects to make immediate use of the Equipment listed on each Equipment Schedule. Lessee's need for the Equipment is not temporary and Lessee does not expect the need for any item of the Equipment to diminish during the related Lease Term.

(i) The payment of the Rental Payments or any portion thereof is not (under the terms of any Lease or any underlying arrangement) directly or indirectly (x) secured

by any interest in property used or to be used in any activity carried on by any person other than a state or local governmental unit or payments in respect of such property; or

(y) on a present value basis, derived from payments (whether or not to Lessee) in respect of property, or borrowed money, used or to be used in any activity carried on by any person other than a state or local governmental unit. The Equipment will not be used, directly or indirectly, in any activity carried on by any person other than a state or local governmental unit. No portion of the Acquisition Amount relating to any Lease will be used, directly or indirectly, to make or finance loans to any person other than Lessee. Lessee has not entered into any management or other service contract with respect to the use and operation of the Equipment.

(j) There is no pending litigation, tax claim, proceeding or dispute that may adversely affect Lessee's financial condition or impairs its ability to perform its obligations under the Related Documents. Lessee will, at its expense, maintain its legal existence and do any further act and execute, acknowledge, deliver, file, register and record any further documents Lessor may reasonably request in order to protect Lessor's first priority security interest in the Equipment and the Escrow Account and Lessor's rights and benefits under each Lease and related Escrow Agreement.

(k) Lessee (i) is the fee owner of the real estate where the Equipment under each Lease is and will be located (the "*Real Property*") and has good and marketable title thereto, and there exists no mortgage, pledge, lien, security interest, charge or other encumbrance of any nature whatsoever on or with respect to such Real Property, or (ii) has sufficient possessory rights to the Real Property where the Equipment under each Lease is and will be located for the Lease Term applicable for such Lease and the legal documents providing such possessory rights does not allow for the encumbrance of such Equipment situated on such Real Property.

(l) No lease, rental agreement, lease-purchase agreement, payment agreement or contract for purchase to which Lessee has been a party at any time has been terminated by Lessee as a result of insufficient funds being appropriated in any fiscal year. No event has occurred which would constitute an event of default under any debt, revenue bond or obligation which Lessee has issued during the past ten (10) years.

(m) In connection with the Lessee's compliance with any continuing disclosure undertakings (each, a "*Continuing Disclosure Agreement*") entered into by the Lessee pursuant to SEC Rule 15c2-12 promulgated pursuant to the Securities and Exchange Act of 1934, as amended (the "*Rule*"), the Lessee may be required to file with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system, or its successor ("*EMMA*"), notice of its incurrence of its obligations under the Related Documents and notice of any accommodation, waiver, amendment, modification of terms or other similar events reflecting financial difficulties in connection with the Related Documents, in each case including posting a full copy thereof or a description of the material terms thereof (each such posting, an "*EMMA Posting*"). Except to the extent required by applicable law, including the Rule, the Lessee shall not file or submit or permit

the filing or submission of any EMMA Posting that includes the following unredacted confidential information about the Lessor or its affiliates and any Escrow



Agent in any portion of such EMMA Posting: address and account information of the Lessor or its affiliates and any Escrow Agent; e-mail addresses telephone numbers, fax numbers, names and signatures of officers, employees and signatories of the Lessor or its affiliates and any Escrow Agent; and the form of Disbursement Request that is attached to the Escrow Agreement.

The Lessee acknowledges and agrees that the Lessor and its affiliates are not responsible for the Lessee's or any other entity's (including, but not limited to, any broker-dealer's) compliance or noncompliance (or any claims, losses or liabilities arising therefrom) with the Rule, any Continuing Disclosure Agreement or any applicable securities or other laws, including but not limited to those relating to the Rule.

### ARTICLE III

*Section 3.01. Lease of Equipment.* Subject to the terms and conditions of this Agreement, Lessor agrees to provide the funds specified in each Lease to be provided by it for Lessee to acquire the Equipment described in the related Equipment Schedule. Upon the execution and delivery of each Lease, Lessor thereby demises, leases and transfers to Lessee, and Lessee thereby acquires, rents and leases from Lessor, the Equipment as set forth in such Lease and in accordance with the terms thereof. The Lease Term for each Lease may be continued, solely at the option of Lessee, at the end of the Original Term or any Renewal Term for the next succeeding Renewal Term up to the maximum Lease Term set forth in such Lease. At the end of the Original Term and at the end of each Renewal Term until the maximum Lease Term has been completed, Lessee shall be deemed to have exercised its option to continue each Lease for the next Renewal Term unless Lessee shall have terminated such Lease pursuant to Section 3.03 or Section 10.01 of this Agreement. The terms and conditions during any Renewal Term shall be the same as the terms and conditions during the Original Term, except that the Rental Payments shall be as provided in the applicable Lease. Each Equipment Schedule signed and delivered by Lessor and Lessee pursuant to this Agreement shall constitute a separate and independent lease and installment purchase of the Equipment therein described.

*Section 3.02. Continuation of Lease Term.* Lessee intends, subject to Section 3.03 hereof, to continue the Lease Term of each Lease through the Original Term and all Renewal Terms and to pay the Rental Payments due thereunder. Lessee affirms that sufficient funds are legally available for the current fiscal year, and Lessee reasonably believes that an amount sufficient to make all Rental Payments during the entire Lease Term of each Lease can be obtained from legally available funds of Lessee. Lessee further intends to do all things lawfully within its power to obtain and maintain funds sufficient and available to discharge its obligation to make Rental Payments due under each Lease, including making provision for such payments to the extent necessary in each budget or appropriation request submitted and adopted in accordance with applicable provisions of law. Notwithstanding the foregoing, the decision whether or not to budget and appropriate funds or to extend the Lease Term for any Renewal Term for each Lease is within the sole discretion of the governing body of Lessee.

*Section 3.03. Non-appropriation.* Lessee is obligated only to pay such Rental Payments under each Lease as may lawfully be made during Lessee's then current fiscal year from funds

budgeted and appropriated for that purpose. Should Lessee or Sublessee fail to budget, appropriate or otherwise make available funds to pay Rental Payments under any Lease following the then current Original Term or Renewal Term, such Lease or Leases shall be deemed terminated at the end of the then current Original Term or Renewal Term thereunder. Lessee agrees to deliver notice to Lessor of such termination promptly after any decision to non-appropriate is made, but failure to give such notice shall not extend the term beyond such Original Term or Renewal Term. If any Lease is terminated in accordance with this Section 3.03, Lessee agrees to cease use of the Equipment thereunder and peaceably remove and deliver to Lessor, at Lessee's sole expense (from legally available funds), such Equipment to Lessor at the location(s) to be specified by Lessor on or before the end of the applicable Original Term or Renewal Term for which Rental Payments have been appropriated for the applicable Lease (each, a "*Non-Appropriation Return Date*"). Lessor may take whatever action at law or in equity as may be necessary or desirable to enforce Lessee's obligations in the immediately preceding sentence. Without limiting or reducing in any way Lessee's obligations in the second preceding sentence or Lessor's rights in the immediately preceding sentence, if the Lessee fails to return the Equipment to Lessor on or before the applicable Non-Appropriation Return Date pursuant to this Section 3.03, Lessee shall pay month-to-month rent at the Contract Rate (or the Taxable Rate if then in effect) set forth in the affected Lease for each month or part thereof that Lessee fails to return the Equipment thereunder pursuant to this Section 3.03.

*Section 3.04. Conditions to Lessor's Performance.* (a) As a prerequisite to the performance by Lessor of any of its obligations pursuant to any Lease, Lessee shall deliver to Lessor, in form and substance satisfactory to Lessor, the following:

- (i) A fully completed Equipment Schedule, executed by Lessee;
- (ii) If an Escrow Account is to be established with respect to such Lease, an Escrow Agreement substantially in the form attached hereto as *Exhibit I*, satisfactory to Lessor and executed by Sublessee and the Escrow Agent;
- (iii) A certified copy of a resolution, ordinance or other official action of Lessee's governing body, substantially in the form attached hereto as *Exhibit C-1A* or *Exhibit C-1B*, as applicable, authorizing the execution and delivery of this Agreement and the applicable Lease and related Escrow Agreement, if any, entered into pursuant hereto and performance by Lessee of its obligations under this Agreement and the applicable Lease and related Escrow Agreement, if any, entered into pursuant hereto;
- (iv) A Certificate completed and executed by the Clerk or Secretary or other comparable officer of Lessee, substantially in the form attached hereto as *Exhibit C-2A* or *Exhibit C-2B*, as applicable, completed to the satisfaction of Lessor;
- (v) An opinion of counsel to Lessee, substantially in the form attached hereto as *Exhibit D*, and otherwise satisfactory to Lessor;

(vi) Evidence of insurance as required by Section 7.02 hereof;

(vii) All documents, including financing statements, affidavits, notices and similar instruments, which Lessor deems necessary or appropriate at that time pursuant to Section 6.02 hereof;

(viii) A waiver or waivers of interest in the Equipment from any mortgagee or any other party having an interest in the real estate on which the Equipment will be located and/or landlord of the real estate on which the Equipment will be located;

(ix) If Lessee has designated the Lease then being entered into as a “qualified tax-exempt obligation” within the meaning of Section 265(b)(3) of the Code, a certificate substantially in the form attached hereto as *Exhibit G* executed by an authorized official of Lessee; ;

(x) A copy of the Form 8038-G with respect to the Lease then being entered into, fully completed and executed by Lessee;

(xi) In the event that Lessee is to be reimbursed for expenditures that it has paid more than sixty (60) days prior to the Commencement Date for the Lease then being entered into, evidence of the adoption of a reimbursement resolution or other official action covering the reimbursement from tax exempt proceeds of expenditures incurred not more than sixty (60) days prior to the date of such resolution;

(xii) If any items of Equipment are motor vehicles, properly completed certificates of title or certificates of origin (or applications therefor) for such vehicles with Lessor’s interest noted thereon in accordance with the instructions of Lessor;

(xiii) Copies of invoices (and proofs of payment of such invoices, if Lessee seeks reimbursement) and bills of sale (if title to Equipment has passed to Lessee), to the extent required by Section 5.01(b) hereof;

(xiv) Wire instructions for payments to be made to Vendors and Form W-9 from each such Vendor;

(xv) A certified copy of a resolution or other official action of Sublessee’s governing body in form acceptable to Lessor and its legal counsel, authorizing the execution and delivery of the related Sublease Agreement and related Escrow Agreement, if any, entered into pursuant hereto and performance by Sublessee of its obligations under the Sublease Agreement and related Escrow Agreement, if any, entered into pursuant hereto;

(xvi) A Certificate completed and executed by the Clerk of Sublessee, substantially in the form attached as *Exhibit A-1* to the form of Escrow Agreement, completed to the satisfaction of Lessor;

(v) An opinion of counsel to Sublessee, in form acceptable to Lessor and its legal counsel as to the validity and enforceability of the Sublease Agreement and the Escrow Agreement; and

(xv) Such other items as are set forth in the related Equipment Schedule or are reasonably required by Lessor.

(b) In addition to satisfaction of the conditions set forth in subsection (a) of this Section 3.04, the performance by Lessor of any of its obligations under the Related Documents shall be subject to: (i) no Material Adverse Change having occurred since the date of this Agreement, (ii) no Event of Default having occurred and then be continuing under any Lease then in effect, (iii) no Event of Non-appropriation under any Lease then in effect having occurred or being threatened, and (iv) no Lease having been terminated as the result of the occurrence of an Event of Default or an Event of Non-appropriation.

(c) Subject to satisfaction of the foregoing, (i) Lessor will pay the Acquisition Amount for Equipment described in an Equipment Schedule to the Vendor or reimburse Lessee for its prior expenditures with respect to such Equipment (subject to satisfaction of Section 3.04(a)(xi) hereof), upon receipt of the documents described in Sections 5.01(a) and (b) hereof; or (ii) if an Escrow Account is being established with respect to the related Lease, Lessor will deposit the Acquisition Amount for Equipment described in the applicable Equipment Schedule with the Escrow Agent to be held and disbursed pursuant to the related Escrow Agreement.

(d) This Agreement is not a commitment by Lessor or Lessee to enter into any Lease not currently in existence, and nothing in this Agreement shall be construed to impose any obligation upon Lessor or Lessee to enter into any proposed Lease, it being understood that whether Lessor or Lessee enters into any proposed Lease shall be a decision solely within their respective discretion.

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

(f) In the event of any conflict in terms between an Equipment Schedule and this Agreement, the terms of the Equipment Schedule shall control in the interpretation of the Lease created thereby.

#### **ARTICLE IV**

*Section 4.01. Rental Payments.* Subject to Section 3.03 of this Agreement, Lessee shall promptly pay Rental Payments, in lawful money of the United States of America, to Lessor on the

Rental Payment Dates and in such amounts as provided in each Lease. If any Rental Payment or other amount payable hereunder is not paid within ten (10) days of its due date,

Lessee shall pay an administrative late charge of five percent (5%) of the amount not timely paid or the maximum amount permitted by law, whichever is less. Lessee shall not permit the Federal Government to guarantee any Rental Payments under any Lease. Rental Payments consist of principal and interest components as more fully detailed on the Payment Schedule for each Lease, the interest on which begins to accrue as of the Commencement Date for each such Lease.

*Section 4.02. Interest and Principal Components.* A portion of each Rental Payment is paid as, and represents payment of, interest, and the balance of each Rental Payment is paid as, and represents payment of, principal. Each Lease shall set forth the principal and interest components of each Rental Payment payable thereunder during the applicable Lease Term.

*Section 4.03. Rental Payments to Constitute a Current Expense of Lessee.* Lessor and Lessee understand and intend that the obligation of Lessee to pay Rental Payments under each Lease shall constitute a current expense of Lessee payable solely from its general fund or other funds that are legally available for that purpose and shall not in any way be construed to be a debt of Lessee in contravention of any applicable constitutional or statutory limitation or requirement concerning the creation of indebtedness by Lessee, nor shall anything contained in this Agreement or in any Lease constitute a pledge of the general tax revenues, funds or moneys of Lessee.

*Section 4.04. Rental Payments to be Unconditional.* Except as provided in Section 3.03 of this Agreement, the obligations of Lessee to make Rental Payments and to perform and observe the other covenants and agreements contained in each Lease shall be absolute and unconditional in all events without abatement, diminution, deduction, set-off or defense, for any reason, including without limitation any failure of the Equipment, disputes with the Lessor, Sublessee or the Vendor of any Equipment, any defects, malfunctions, breakdowns or infirmities in the Equipment or any accident, condemnation or unforeseen circumstances or failure of any Vendor to deliver any Equipment or otherwise perform any of its obligations for whatever reason, including bankruptcy, insolvency, reorganization or any similar event with respect to any Vendor.

*Section 4.05 Tax Covenants.* Lessee agrees that it will not take any action that would cause the interest component of Rental Payments to be or to become ineligible for the exclusion from gross income of the owner or owners thereof for Federal income tax purposes, nor will it omit to take or cause to be taken, in a timely manner, any action, which omission would cause the interest component of Rental Payments to be or to become ineligible for the exclusion from gross income of the owner or owners thereof for Federal income tax purposes. In connection with the foregoing, Lessee hereby agrees that (a) so long as any Rental Payments under a Lease remain unpaid, moneys on deposit in the Escrow Account under any Escrow Agreement related to such Lease shall not be used in a manner that will cause such Lease to be classified as an "arbitrage bond" within the meaning of Section 148(a) of the Code; and (b) Lessee shall rebate, from funds legally available for the purpose, an amount equal to excess earnings on the Escrow Account under any Escrow Agreement to the Federal Government if required by, and in accordance with, Section 148(f) of the Code, and make the determinations and maintain the records required by



the Code.

*Section 4.06. Event of Taxability.* Upon the occurrence of an Event of Taxability with respect to a Lease, the interest component of Rental Payments under such Lease and any charge on Rental Payments or other amounts payable based on the Contract Rate shall have accrued and be payable at the Taxable Rate applicable to such Lease retroactive to the date as of which the interest component is determined by the Internal Revenue Service to be includible in the gross income of the owner or owners thereof for Federal income tax purposes (which retroactive date for such Lease shall be the earliest date as of which the interest component of any Rental Payment for such Lease is deemed includible in the gross income of the owner or owners thereof for Federal income tax purposes, which may be earlier than the date of delivery of such determination by the Internal Revenue Service), and Lessee will pay such additional amount as will result in the owner receiving the interest component at the Taxable Rate identified in the related Lease.

For purposes of this Section, “*Event of Taxability*” means the circumstance of the interest component of any Rental Payment paid or payable pursuant to a Lease becoming includible for Federal income tax purposes in an owner’s gross income as a consequence of any act, omission or event whatsoever, including but not limited to the matters described in the immediately succeeding sentence, and regardless of whether the same was within or beyond the control of Lessee. An Event of Taxability shall be presumed to have occurred upon (a) the receipt by Lessor or Lessee of an original or a copy of an Internal Revenue Service Technical Advice Memorandum or Statutory Notice of Deficiency or other written correspondence which legally holds that the interest component of any Rental Payment under such Lease is includable in the gross income of the owner thereof; (b) the issuance of any public or private ruling of the Internal Revenue Service that the interest component of any Rental Payment under such Lease is includable in the gross income of the owner thereof; or (c) receipt by Lessor or Lessee of a written opinion of a nationally recognized firm of attorneys experienced in matters pertaining to the tax-exempt status of interest on obligations issued by states and their political subdivisions, selected by Lessor and acceptable to Lessee, to the effect that the interest component of any Rental Payment under a Lease has become includable in the gross income of the owner thereof for Federal income tax purposes. For all purposes of this definition, an Event of Taxability shall be deemed to occur on the date as of which the interest component of any Rental Payment is deemed includable in the gross income of the owner thereof for Federal income tax purposes.

*Section 4.07. Mandatory Prepayment.* If the Acquisition Amount for a Lease is deposited into an Escrow Account, any funds not applied to Equipment Costs and remaining in such Escrow Account on the earlier of (a) the expiration of the applicable Acquisition Period, (b) the date on which Sublessee delivers to the Lessor the executed Disbursement Request to effect the final disbursement to pay (or reimburse) Equipment Costs from such Escrow Account or (c) a termination of the Escrow Account as provided in the Escrow Agreement shall be applied by Lessor on each successive Rental Payment Date thereafter to pay all or a portion of the Rental Payment due and owing in the succeeding twelve (12) months and any remaining amounts shall be applied by Lessor as prepayment to the applicable unpaid Principal Portion of Rental Payments owing under the related Lease in the inverse order of the Rental Payment Dates.

## ARTICLE V

*Section 5.01. Acquisition, Delivery Installation and Acceptance of Equipment.* (a) With respect to each Lease, Lessee shall order the Equipment to be acquired and financed thereunder, cause the Equipment to be delivered and installed at the location specified in such Lease and pay any and all delivery and installation costs and other Equipment Costs in connection therewith. When the Equipment listed in a Lease has been delivered and installed, Lessee shall promptly accept such Equipment and evidence said acceptance by executing and delivering to Lessor a Final Acceptance Certificate in the form attached hereto as *Exhibit E*; *provided, however*, that if an Escrow Account has been established with respect to such Lease as provided in Section 3.04 hereof, Lessee shall execute and deliver Disbursement Requests to the Lessor pursuant to the related Escrow Agreement for the purpose of effecting disbursements from the Escrow Account to pay (or reimburse) Equipment Costs for the Equipment so acquired and installed pursuant to such Lease. In connection with the execution and delivery by Lessee to Lessor of the final Disbursement Request under the applicable Escrow Agreement for a Lease, Lessee shall deliver to Lessor a "Final Acceptance Certificate" in the form attached hereto as *Exhibit E*.

(b) (i) With respect to a Lease entered into without an Escrow Agreement, Lessee shall deliver to Lessor copies of invoices (and proof of payment of such invoices if Lessee seeks reimbursement for prior expenditures) and bills of sale (if title to such Equipment has passed to Lessee) relating to each item of Equipment accepted by Lessee. Lessee shall execute and deliver to Lessor an Equipment Schedule pursuant to Section 3.04(a)(i) within 5 business days of receipt from Lessor, subject to satisfaction of the conditions set forth in Section 3.04.

(ii) With respect to a Lease entered into with an Escrow Agreement, Lessor shall prepare an Equipment Schedule. In connection with the execution and delivery of the related Escrow Agreement, which Escrow Agreement shall be entered into by Sublessee, Lessee shall execute and deliver to Lessor such Equipment Schedule pursuant to Section 3.04(a)(i) within 5 business days of receipt, subject to satisfaction of the conditions set forth in Section 3.04. Sublessee shall deliver to Lessor together with each Disbursement Request invoices (and proof of payment of such invoices if Sublessee seeks reimbursement for prior expenditures) and bills of sale or other evidence of title transfer to Sublessee relating to each item of Equipment accepted by Sublessee as evidenced by such Disbursement Request. Once approved, Lessor shall deliver such Disbursement Request to the Escrow Agent for disbursement from the Escrow Account in accordance with the Escrow Agreement.

*Section 5.02. Quiet Enjoyment of Equipment.* So long as no Event of Default exists under the related Lease, neither Lessor nor any entity claiming by, through or under Lessor, shall interfere with Lessee's quiet use and enjoyment of the Equipment during the Lease Term under such Lease.

*Section 5.03. Location; Inspection.* Once installed, no item of the Equipment will be moved or relocated from the location (or the base location with respect to motor vehicles) specified for it in the related Lease without Lessor's prior written consent, which consent shall not be

unreasonably withheld. Lessor shall have the right at all reasonable times during regular business hours to enter into and upon the property where the Equipment is located for the

purpose of inspecting the Equipment. For Equipment consisting of vehicles, the location shall be deemed the base location for such vehicles as set forth initially in the Schedule and as may be revised with written notice to Lessor.

*Section 5.04. Use and Maintenance of the Equipment.* Lessee shall not install, use, operate or maintain the Equipment (or cause the Equipment to be installed, used, operated or maintained) improperly, carelessly, in violation of any applicable law or in a manner contrary to that contemplated by the related Lease. Lessee shall provide all permits and licenses, if any, necessary for the installation and operation of the Equipment. In addition, Lessee agrees to comply in all respects with all applicable laws, regulations and rulings of any legislative, executive, administrative or judicial body, including, without limitation, all anti-money laundering laws and regulations; *provided* that Lessee may contest in good faith the validity or application of any such law, regulation or ruling in any reasonable manner that does not, in the opinion of Lessor, adversely affect the interest of Lessor in and to the Equipment or its interest or rights under the related Lease.

Lessee agrees that it shall maintain, preserve and keep the Equipment in good repair and working order, in a condition comparable to that recommended by the manufacturer. Lessor shall have no responsibility to maintain, repair or make improvements or additions to the Equipment. In all cases, Lessee agrees to pay any costs necessary for the manufacturer to re-certify the Equipment as eligible for manufacturer's maintenance upon the return of the Equipment to Lessor as provided for in Sections 3.03 and 12.02(b) of this Agreement.

Lessee shall not alter any item of Equipment or install any accessory, equipment or device on an item of Equipment if that would impair any applicable warranty, the originally intended function or the value of that Equipment. All repairs, parts, accessories, equipment and devices furnished, affixed to or installed on any Equipment, excluding temporary replacements, shall thereupon become subject to the security interest of Lessor.

## **ARTICLE VI**

*Section 6.01. Title to the Equipment.* During the Lease Term under each Lease, and so long as Lessee is either not in default under Article XII hereof or an Event of Non-appropriation has not occurred, all right, title and interest in and to each item of the Equipment under the related Lease shall be vested in Lessee immediately upon its acceptance of each item of Equipment, subject to the terms and conditions hereof and under the applicable Lease. Lessee shall at all times protect and defend, at its own cost and expense, its title, and Lessor's first priority security interest, in and to the Equipment (and Lessor's other Collateral as defined in Section 6.02 hereof) from and against all claims, liens and legal processes of its creditors, and keep all Equipment (and such other Collateral) free and clear of all such claims, liens and processes. Upon the occurrence of an Event of Default under a Lease or upon termination of a Lease pursuant to Section 3.03 hereof, full and unencumbered legal title to the Equipment shall, at Lessor's option, pass to Lessor, and Lessee shall have no further interest therein. In addition, upon the occurrence of such an Event of Default or such termination, Lessee shall execute and deliver to Lessor such

documents as Lessor may request to evidence the passage of such legal title to Lessor and the termination of Lessee's interest therein, and upon request by Lessor shall

deliver possession of the Equipment to Lessor in accordance with Section 3.03 or 12.02 of this Agreement, as applicable. Upon payment of all amounts due and owing under a Lease by Lessee in accordance with Section 10.01 hereof (including upon payment of all Rental Payments and other amounts payable under such Lease), Lessor's security interest or other interest in the Equipment under such Lease shall terminate, and Lessor shall execute and deliver to Lessee such documents as Lessee may request to evidence the termination of Lessor's security interest in the Equipment subject to the related Lease.

*Section 6.02. Security Interest.* As additional security for the payment and performance of all of Lessee's obligations under each Lease, upon the execution of such Lease, Lessee hereby grants to Lessor a first priority security interest constituting a first lien on (a) the Equipment subject to such Lease, (b) moneys and investments held from time to time in any related Escrow Account, (c) all right, title and interest of Lessee's sublessor interest in a Sublease Agreement, including payment of sublease payments thereunder, and (d) any and all proceeds of any of the foregoing, including, without limitation, insurance proceeds (collectively, the "*Collateral*"). Upon the execution of each Lease, Lessee authorizes Lessor to file (and Lessee agrees to execute, if applicable) such notices of assignment, chattel mortgages, financing statements and other documents, in form satisfactory to Lessor, which Lessor deems necessary or appropriate to establish and maintain Lessor's security interest in the Collateral, including, without limitation, such financing statements with respect to personal property and fixtures under Article 9 of the Uniform Commercial Code in effect in the State and treating such Article 9 as applicable to entities such as Lessee.

*Section 6.03. Personal Property; No Encumbrances.* Lessee agrees that the Equipment is deemed to be and will remain personal property and will not be deemed to be affixed to or a part of the real estate on which it may be situated, notwithstanding that the Equipment or any part thereof may be or hereafter become in any manner physically affixed or attached to real estate or any building thereon. Lessee shall not create, incur, assume or permit to exist any mortgage, pledge, lien, security interest, charge or other encumbrance of any nature whatsoever on any of the real estate where the Equipment under a Lease is or will be located or enter into any agreement to sell or assign or enter into any sale/leaseback arrangement of such real estate without the prior written consent of Lessor; *provided*, that if Lessor or its assigns is furnished with a waiver of interest in the Equipment under such Lease acceptable to Lessor or its assigns in their respective discretion from any party taking an interest in any such real estate prior to such interest taking effect, such consent shall not be unreasonably withheld.

## **ARTICLE VII**

*Section 7.01. Liens, Taxes, Other Governmental Charges and Utility Charges.* Lessee shall keep the Equipment under each Lease free of all levies, liens, and encumbrances except those created by such Lease. The parties to this Agreement contemplate that the Equipment under each Lease will be used for a governmental or proprietary purpose of Lessee and that the Equipment will therefore be exempt from all property taxes. If the lease, sale, purchase, operation, use, possession or acquisition of any Equipment is nevertheless determined to be

subject to taxation, Lessee shall pay when due all taxes and governmental charges lawfully assessed or levied against or with respect to such Equipment. Lessee shall pay all utility and



other charges incurred in the operation, use and maintenance of the Equipment. Lessee shall pay such taxes, assessments or charges as the same may become due; *provided* that, with respect to any such taxes, assessments or charges that may lawfully be paid in installments over a period of years, Lessee shall be obligated to pay only such installments as accrue during the Lease Term under the affected Lease. During the Lease Term under each Lease, Lessor will not claim ownership of the Equipment thereunder for the purposes of any tax credits, benefits or deductions with respect to such Equipment.

*Section 7.02. Insurance.* Lessee shall, during the Lease Term under each Lease, maintain or cause to be maintained (a) casualty insurance naming Lessor and its assigns as loss payee and insuring the Equipment against loss or damage by fire and all other risks covered by the standard extended coverage endorsement then in use in the State, and any other risks reasonably required by Lessor, in an amount at least equal to the greater of (i) the then applicable Casualty Value of the Equipment under such Lease or (ii) the replacement cost of such Equipment; (b) liability insurance naming Lessor and its assigns as additional insured that protects Lessor from liability for bodily injury and property damage coverage (i) in such coverage amounts as may be required by Lessor for the applicable Equipment or (ii) in such minimum coverage amounts as may be agreed upon between Lessor and Lessee in connection with the execution and delivery of a Lease, and in all events under clauses (a) and (b) issued in form and amount satisfactory to Lessor and by an insurance company that is authorized to do business in the State and having a financial strength rating by A.M. Best Company of "A-" or better; and (c) worker's compensation coverage as required by the laws of the State. Notwithstanding the foregoing, Lessee may self-insure against the risks described in clauses (a) and/or (b) through a government pooling arrangement, self-funded loss reserves, risk retention program or other self-insurance program, in each case with Lessor's prior consent (which Lessor may grant, withhold or deny in its sole discretion) and *provided* that Lessee has delivered to Lessor such information as Lessor may request with respect to the adequacy of such self-insurance to cover the risks proposed to be self-insured and otherwise in form and substance acceptable to Lessor. In the event Lessee is permitted, at Lessor's sole discretion, to self-insure as provided in this Section 7.02, Lessee shall provide to Lessor a self-insurance letter in substantially the form attached hereto as *Exhibit F*. Lessee shall furnish to Lessor evidence of such insurance or self-insurance coverage throughout the Lease Term under each Lease. Lessee shall not cancel or modify such insurance or self-insurance coverage in any way that would affect the interests of Lessor without first giving written notice thereof to Lessor at least thirty (30) days in advance of such cancellation or modification.

*Section 7.03. Risk of Loss.* Whether or not covered by insurance or self-insurance, Lessee hereby assumes all risk of loss of, or damage to and liability related to injury or damage to any persons or property arising from the Equipment under any Lease from any cause whatsoever, and no such loss of or damage to or liability arising from the Equipment under any Lease shall relieve Lessee of the obligation to make the Rental Payments or to perform any other obligation under any Lease. Whether or not covered by insurance or self-insurance, Lessee hereby agrees to reimburse Lessor (to the fullest extent permitted by applicable law, but only from legally available funds) for any and all liabilities, obligations, losses, costs, claims, taxes or damages suffered or incurred by Lessor, regardless of the cause thereof and all expenses incurred in connection

therewith (including, without limitation, counsel fees and expenses, and penalties

connected therewith imposed on interest received) arising out of or as a result of (a) entering into this Agreement or any Lease or any of the transactions contemplated hereby or thereby, (b) the ordering, acquisition, ownership, use, operation, condition, purchase, delivery, acceptance, rejection, storage or return of any item of the Equipment under any Lease, (c) any accident in connection with the operation, use, condition, possession, storage or return of any item of the Equipment under any Lease resulting in damage to property or injury to or death to any person, and/or (d) the breach of any covenant of Lessee under or in connection with this Agreement or any Lease or any material misrepresentation provided by Lessee under or in connection with this Agreement or any Lease. The provisions of this Section 7.03 shall continue in full force and effect notwithstanding the full payment of all obligations under any or all Leases or the termination of the Lease Term under any or all Leases for any reason.

*Section 7.04. Advances.* In the event Lessee shall fail to keep the Equipment in good repair and working order or shall fail to maintain any insurance required by Section 7.02 hereof, Lessor may, but shall be under no obligation to, maintain and repair the Equipment or obtain and maintain any such insurance coverages, as the case may be, and pay the cost thereof. All amounts so advanced by Lessor shall constitute additional rent for the then current Original Term or Renewal Term under the affected Lease, and Lessee covenants and agrees to pay such amounts so advanced by Lessor with interest thereon from the due date until paid at a rate equal to the Contract Rate (or the Taxable Rate if then in effect) *plus* five percent (5%) per annum or the maximum amount permitted by law, whichever is less.

## **ARTICLE VIII**

*Section 8.01. Damage, Destruction and Condemnation.* If, prior to the termination of the Lease Term under the related Lease, (a) the Equipment or any portion thereof is destroyed, in whole or in part, or is damaged by fire or other casualty or (b) title to, or the temporary use of, the Equipment or any part thereof shall be taken under the exercise or threat of the power of eminent domain by any governmental body or by any person, firm or corporation acting pursuant to governmental authority, (i) Lessee and Lessor will cause the Net Proceeds of any insurance claim or condemnation award or sale under threat of condemnation to be applied to the prompt replacement, repair, restoration, modification or improvement of the Equipment or such part thereof and any balance of the Net Proceeds remaining after such work has been completed shall be paid to Lessee or (ii) Lessee shall exercise its option to prepay the obligations under the affected Lease in accordance with Section 10.01(b) hereof.

If Lessee elects to replace any item of the Equipment (the "*Replaced Equipment*") pursuant to this Section 8.01, the replacement equipment (the "*Replacement Equipment*") shall be new or of a quality type, utility and condition at least as good as the Replaced Equipment and shall be of equal or greater value than the Replaced Equipment as determined and approved by Lessor in its sole discretion. Lessee shall grant to Lessor a first priority security interest in any such Replacement Equipment. Lessee shall represent, warrant and covenant to Lessor that each

item of Replacement Equipment is free and clear of all claims, liens, security interests and encumbrances, excepting only those liens created by or through Lessor, and shall provide to Lessor any and all documents as Lessor may reasonably request in connection with the

replacement, including, but not limited to, documentation in form and substance satisfactory to Lessor evidencing Lessor's security interest in the Replacement Equipment. Lessor and Lessee hereby acknowledge and agree that any Replacement Equipment acquired pursuant to this paragraph shall constitute "Equipment" for purposes of this Agreement and the related Lease. Lessee shall complete the documentation of Replacement Equipment on or before the next Rental Payment Date after the occurrence of a casualty event, or be required to prepay the obligations under the related Lease with respect to the damaged Equipment for an amount that shall be determined and approved by Lessor in its sole discretion.

For purposes of this Article VIII, the term "*Net Proceeds*" shall mean the amount remaining from the gross proceeds of any insurance claim or condemnation award or sale under threat of condemnation after deducting all expenses, including attorneys' fees, incurred in the collection thereof.

*Section 8.02. Insufficiency of Net Proceeds.* If the Net Proceeds are insufficient to pay in full the cost of any repair, restoration, modification or improvement referred to in Section 8.01, Lessee shall either (a) complete such replacement, repair, restoration, modification or improvement and pay any costs thereof in excess of the amount of the Net Proceeds, or (b) pay or cause to be paid to Lessor the amount of the then applicable Casualty Value under the related Lease *plus* all other amounts then owing thereunder, and, upon such payment, the applicable Lease Term shall terminate and Lessor's security interest in the Equipment shall terminate as provided in Section 6.01 hereof. The amount of the Net Proceeds remaining, if any, after completing such repair, restoration, modification or improvement or after paying such Casualty Value for such Lease *plus* all other amounts then owing thereunder shall be retained by Lessee. If Lessee shall make any payments pursuant to this Section 8.02, Lessee shall not be entitled to any reimbursement therefor from Lessor nor shall Lessee be entitled to any diminution of the amounts payable under Article IV.

## **ARTICLE IX**

*Section 9.01. Disclaimer of Warranties.* Lessor makes no warranty or representation, either express or implied, as to the value, design, condition, merchantability or fitness for particular purpose or fitness for use of any of the Equipment under each Lease, or any other warranty or representation, express or implied, with respect thereto and, as to Lessor, Lessee's acquisition of the Equipment under each Lease shall be on an "as is" basis. In no event shall Lessor be liable for any incidental, indirect, special or consequential damage in connection with or arising out of this Agreement, any Lease, any Equipment or the existence, furnishing, functioning or Lessee's use of any item, product or service provided for in this Agreement or any Lease.

*Section 9.02. Vendor Agreements; Warranties.* Lessee covenants that it shall not in any material respect amend, modify, rescind or alter any Vendor Agreement for any Lease without the prior written consent of Lessor. Materiality with respect to the prior sentence shall be such actions as would materially limit the value of the Equipment acquired under the Vendor Agreement, create any encumbrance upon the Equipment acquired under the Vendor

Agreement or materially limit the warranties and remedies under the Vendor Agreement.  
Lessor hereby

irrevocably appoints Lessee its agent and attorney-in-fact during the Lease Term under each Lease, so long as Lessee shall not be in default under such Lease, to assert from time to time whatever claims and rights (including without limitation warranties) relating to the Equipment that Lessor may have against a Vendor. Lessee's sole remedy for the breach of such warranty, indemnification or representation shall be against the applicable Vendor of the Equipment and not against Lessor. Any such matter shall not have any effect whatsoever on the rights and obligations of Lessor with respect to any Lease, including the right to receive full and timely Rental Payments and other payments under each Lease. Lessee expressly acknowledges that Lessor makes, and has made, no representations or warranties whatsoever as to the existence or the availability of such warranties relating to any of the Equipment under each Lease.

## ARTICLE X

### *Section 10.01. Prepayment; Payment in Full.*

(a) *Prepayment.* Lessee shall have the option to prepay or satisfy all, but not less than all, of its obligations under a Lease, at the following times and upon the following terms:

(i) *Optional Prepayment.* From and after the date specified (if any) in the applicable Payment Schedule (the "*Prepayment Option Commencement Date*"), on the Rental Payment Dates specified in such Payment Schedule, upon not less than fifteen (15) days prior written notice, and upon payment of the principal amount so being paid *plus* the interest accruing on said principal amount to the date of prepayment, as well as any prepayment premium as set forth in such Payment Schedule; or

(ii) *Casualty or Condemnation Prepayment.* In the event of substantial damage to or destruction or condemnation of substantially all of the Equipment listed in a Lease, on the day specified in Lessee's notice to Lessor of its exercise of the prepayment option (which shall be the earlier of the next Rental Payment Date or sixty (60) days after the casualty event) upon payment in full to Lessor of (A) in the event such prepayment occurs on a Rental Payment Date, the sum of (i) all Rental Payments then due under such Lease *plus* (ii) the then applicable Casualty Value for such Lease *plus* (iii) all other amounts then owing thereunder OR, (B) in the event such prepayment for such Lease occurs on a date other than a Rental Payment Date, the sum of (i) the applicable Casualty Value shown on the Payment Schedule for such Lease for the Rental Payment Date immediately preceding the applicable date of such prepayment (or if the date of such prepayment occurs prior to the first Rental Payment Date for such Lease, the earliest Casualty Value shown on the related Payment Schedule) *plus* (ii) accrued interest at the Contract Rate (or the Taxable Rate if then in effect) on the Outstanding Balance as of the Rental Payment Date immediately preceding the applicable date of such prepayment from such Rental Payment Date (or if the date of such prepayment occurs prior to the first Rental Payment Date, the Commencement Date for such Lease) to the date of such prepayment *plus* (iii) all other amounts then owing thereunder.

(b) *Payment in Full.* Upon the expiration of the Lease Term under a Lease, the payment in full of all Rental Payments then due and all other amounts then owing under such Lease by Lessee to Lessor.

(c) Lessor's security interests in and to the related Equipment under such Lease will be terminated and Lessee will own such Equipment free and clear of Lessor's security interest in such Equipment after either (i) payment of either (A) the applicable Prepayment Price and all other amounts then owing under a Lease in accordance with Section 10.01(a)(i) of this Agreement or (B) the applicable Casualty Value and all other amounts then owing under a Lease in accordance with Section 10.01(a)(ii) of this Agreement or (ii) upon the expiration of the Lease Term of a Lease and payment in full of all Rental Payments then due and all other amounts then owing thereunder in accordance with Section 10.01(b) of this Agreement.

## ARTICLE XI

*Section 11.01. Assignment by Lessor.* (a) Lessor's right, title and interest in and to the Rental Payments and any other amounts payable by Lessee under any and all of the Leases and the Escrow Agreement relating to any Lease, its security interest in the Equipment subject to the related Lease and in any related Escrow Account and Sublease Agreement, and all proceeds therefrom (collectively, with respect to each Lease and related Escrow Agreement, the "*Related Assigned Rights*"), may be assigned and reassigned by Lessor at any time, in whole or in part, to one or more assignees or sub-assignees without the necessity of obtaining the consent of Lessee; *provided*, that any such assignment, transfer or conveyance (i) shall be made only to investors each of whom Lessor reasonably believes is a "*qualified institutional buyer*" as defined in Rule 144A(a)(1) promulgated under the Securities Act of 1933, as amended, or an "*accredited investor*" as defined in Section 501(a)(1), (2), (3) or (7) of Regulation D promulgated under the Securities Act of 1933, as amended, and in either case is purchasing the Related Assigned Rights (or any interest therein) for its own account with no present intention to resell or distribute such Related Assigned Rights (or interest therein), subject to each investor's right at any time to dispose of the Related Assigned Rights (or any interest therein) as it determines to be in its best interests, (ii) shall not result in more than 35 owners of the Related Assigned Rights with respect to a Lease or the creation of any interest in the Related Assigned Rights with respect to a Lease in an aggregate principal component that is less than \$100,000 and (iii) shall not require Lessee to make Rental Payments, to send notices or otherwise to deal with respect to matters arising under the Related Assigned Rights with respect to a Lease with or to more than one Lease Servicer (as such term is defined below), and any trust agreement, participation agreement or custodial agreement under which multiple ownership interests in the Related Assigned Rights with respect to a Lease are created shall provide the method by which the owners of such interests shall establish the rights and duties of a single entity, trustee, owner, servicer or other fiduciary or agent acting on behalf of all of the assignees (herein referred to as the "*Lease Servicer*") to act on their behalf with respect to the Related Assigned Rights with respect to a Lease, including with respect to the exercise of rights and remedies of Lessor on behalf of such owners upon the occurrence of an Event of Default or an Event of Non-appropriation under the related Lease. Lessor and Lessee hereby acknowledge and agree that the restrictions and limitations on transfer



as provided in this Section 11.01 shall apply to the first and subsequent

assignees and sub-assignees of any of the Related Assigned Rights with respect to a Lease (or any interest therein).

(b) Unless to an affiliate controlling, controlled by or under common control with Lessor, no assignment, transfer or conveyance permitted by this Section 11.01 shall be effective as against Lessee until Lessee shall have received a written notice of assignment that discloses the name and address of each such assignee; *provided*, that if such assignment is made to a bank or trust company as trustee or paying agent for owners of certificates of participation, participation interests, trust certificates or partnership interests with respect to the Rental Payments payable under a Lease, it shall thereafter be sufficient that Lessee receives notice of the name and address of the bank, trust company or other entity that acts as the Lease Servicer for such Lease. Notices of assignment provided pursuant to this Section 11.01(b) shall contain a confirmation of compliance with the transfer requirements imposed by Section 11.01(a) hereof. During the Lease Term under each Lease, Lessee shall keep, or cause to be kept, a complete and accurate record of all such assignments in form necessary to comply with Section 149 of the Code. Lessee shall retain all such notices as a register of all assignees and shall make all payments to the assignee or assignees or Lease Servicer last designated in such register. Lessee shall not have the right to and shall not assert against any assignee any claim, counterclaim or other right Lessee may have against Lessor or any Vendor. Assignments in part may include, without limitation, assignment of all of Lessor's security interest in and to the Equipment listed in a particular Lease and all rights in, to and under the Lease related to such Equipment and all of Lessor's security interest in and to the related Escrow Account, or all rights in, to and under the related Escrow Agreement.

(c) If Lessor notifies Lessee of its intent to assign a Lease, Lessee agrees that it shall execute and deliver to Lessor a Notice and Acknowledgement of Assignment with respect to such Lease, substantially in the form of *Exhibit H* attached hereto, within five (5) business days after its receipt of such request.

*Section 11.02. Assignment and Subleasing by Lessee; Sublease Agreement Approval and Terms.* Other than pursuant to a Sublease Agreement, **none of Lessee's right, title and interest in, to and under this Agreement, any Lease or any portion of the Equipment, any Sublease Agreement, any Escrow Agreement or the Escrow Account related thereto may be assigned, encumbered or subleased by Lessee for any reason, and any purported assignment, encumbrance or sublease without Lessor's prior written consent shall be null and void.**

The parties intend that each Lease shall be accompanied with a Sublease Agreement with respect to that Lease and the Equipment thereunder. Lessor understands the following with respect to said Sublease Agreements:

(a) Under the Sublease Agreement, all monetary obligations of Lessee under the Lease are being assumed by Sublessee and Lessor shall look to Sublessee for performance of said monetary obligations.

(b) Under the Sublease Agreement, all non-monetary performance obligations of Lessee under the Lease are being assumed by Sublessee and Lessor shall look to Sublessee for performance of said non-monetary performance obligations.

To the extent that Lessee's cooperation is needed by Sublessee in undertaking such assumed obligations, Lessee shall reasonably cooperate with Sublessee and Sublessee shall compensate Lessee for such reasonable cost and expenses incurred by Lessee in such cooperation.

To the extent that Lessee's cooperation is needed by Lessor in enforcing such assumed obligations against Sublessee, Lessee shall reasonably cooperate with Lessor and Sublessee shall compensate Lessee for such reasonable cost and expenses incurred by Lessee in such cooperation with Lessor.

## ARTICLE XII

*Section 12.01. Events of Default Defined.* Any of the following events shall constitute an "Event of Default" under a Lease:

(a) Failure by Lessee or Sublessee to (i) pay any Rental Payment or other payment required to be paid under any Lease or Sublease within ten (10) days of the date when due as specified therein, (ii) maintain insurance as required under such Lease (including Section 7.02 of this Agreement, which is incorporated therein), or (iii) observe and perform any covenant, condition or agreement on its part to be observed or performed under Section 6.01 or 6.02 hereof for any Lease;

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

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

(d) Any default occurs under any other agreement for borrowing money, lease financing of property or otherwise receiving credit under which Lessee or Sublessee is an obligor, if such default (i) arises under any other agreement for borrowing money, lease

financing of property or provision of credit provided by Lessor or any affiliate of Lessor (including, without limitation, the occurrence of any Event of Default under any other

Lease), or (ii) arises under any obligation under which there is outstanding, owing or committed an aggregated amount in excess of \$100,000.00;

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

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

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

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

(i) An order, judgment or decree shall be entered by any court of competent jurisdiction, approving a petition or appointing a receiver, trustee, custodian or liquidator for Sublessee or of all or a substantial part of the assets of Sublessee, in each case without its application, approval or consent, and such order, judgment or decree shall continue

unstayed and in effect for any period of thirty (30) consecutive days.

*Section 12.02. Remedies on Default.* Whenever any Event of Default exists under any Lease, Lessor shall have the right, at its sole option without any further demand or notice, to take one or any combination of the following remedial steps with respect to any or all Leases with an Event of Default under this Agreement, including those with an Event of Default pursuant to Section 12.01(d) (each a “Defaulted Lease”):

(a) By written notice to Lessee and Sublessee, Lessor may declare all Rental Payments payable by Lessee pursuant to one or more Defaulted Leases and other amounts payable by Lessee under each such Defaulted Lease to the end of the then current Original Term or Renewal Term to be immediately due and payable;

(b) With or without terminating the Lease Term under any one or more Defaulted Leases, Lessor may enter the premises where the Equipment listed in any one or more of each such Defaulted Leases is located and retake possession of such Equipment or require Lessee at Lessee’s expense to promptly return any or all of such Equipment to the possession of Lessor at such place within the United States as Lessor shall specify, and sell or lease such Equipment or, for the account of Lessee, sublease such Equipment, continuing to hold Lessee liable, but solely from legally available funds, for the difference between (i) the Rental Payments payable by Lessee pursuant to each such Defaulted Lease and other amounts related to each such Defaulted Lease that are payable by Lessee to the end of the then current Original Term or Renewal Term, as the case may be, and (ii) the net proceeds of any such sale, leasing or subleasing (after deducting all expenses of Lessor in exercising its remedies under each such Defaulted Lease, including without limitation all expenses of taking possession, storing, reconditioning and selling or leasing such Equipment and all brokerage, auctioneer’s and attorney’s fees), subject, however, to the provisions of Section 3.03 of this Agreement. The exercise of any such remedies respecting any such Event of Default under any such Defaulted Lease shall not relieve Lessee of any other liabilities under each such Defaulted Lease or any other Lease that Lessor determines not to treat as a Defaulted Lease or with respect to the Equipment listed therein;

(c) Lessor may terminate the Escrow Agreement relating to any one or more of such Defaulted Leases and apply any proceeds in each such applicable Escrow Account thereunder to the Rental Payments scheduled to be paid under any one or more of such Defaulted Leases as Lessor shall determine; and/or

(d) Lessor may take whatever action at law or in equity as may appear necessary or desirable to enforce its rights under any one or more of such Defaulted Leases or each such Escrow Agreement relating thereto or as a secured party in any or all of the Equipment subject to any one or more of such Defaulted Leases or with respect to the related Escrow Account for one or more of such Defaulted Leases.

*Section 12.03. No Remedy Exclusive.* No remedy herein conferred upon or reserved to Lessor is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to

every other remedy given hereunder and/or under any Lease now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any



default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle Lessor to exercise any remedy reserved to it in this Article XII it shall not be necessary to give any notice other than such notice as may be required in this Article XII.

*Section 12.04. Application of Moneys.* Any net proceeds from the exercise of any remedy under this Agreement, including the application specified in Section 12.02(b)(ii) (after deducting all expenses of Lessor in exercising such remedies including without limitation all expenses of taking possession, storing, reconditioning and selling or leasing Equipment and all brokerage, auctioneer's or attorney's fees), shall be applied as follows:

(a) If such remedy is exercised solely with respect to a single Defaulted Lease, Equipment listed in such Defaulted Lease or rights thereunder, then to amounts due pursuant to such Defaulted Lease and to other amounts related to such Defaulted Lease or such Equipment.

(b) If such remedy is exercised with respect to more than one Defaulted Lease, Equipment listed in more than one Defaulted Lease or rights under more than one Defaulted Lease, then to amounts due pursuant to one or more of such Defaulted Leases as Lessor shall determine and distribute on a pro rata basis or on such other basis as Lessor shall determine.

### **ARTICLE XIII**

*Section 13.01. Notices.* All notices, certificates or other communications under this Agreement or any Lease shall be sufficiently given and shall be deemed given when delivered or mailed by registered mail, postage prepaid, or delivered by overnight courier, or sent by facsimile transmission (with electronic confirmation) to the parties hereto at the addresses immediately after the signatures to this Agreement (or at such other address as either party hereto shall designate in writing to the other for notices to such party) and to any assignee at its address as it appears on the registration books maintained by Lessee. All notices, certificates or other communications under this Agreement or any Lease or any Sublease Agreement or Escrow Agreement being sent to Lessor or Lessee shall also be sent to Sublessee as provided above to the following address:

Unified Fire Authority  
3380 South 900 West  
Salt Lake City, UT 84119  
Attn: Chief Financial Officer Fax:  
(801) 743-7211

*Section 13.02. Binding Effect.* This Agreement and each Lease shall inure to the benefit of and shall be binding upon Lessor and Lessee and their respective successors and assigns.

*Section 13.03. Severability.* In the event any provision of this Agreement or any Lease shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof or thereof.

*Section 13.04. Amendments, Changes and Modifications.* This Agreement and each Lease may only be amended by Lessor and Lessee in writing.

*Section 13.05. Execution in Counterparts.* This Agreement and each Lease may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument; *provided* that only Counterpart No. 1 of each Lease (including the terms and provisions of this Agreement incorporated therein by reference) shall constitute chattel paper for purposes of the applicable Uniform Commercial Code.

*Section 13.06. Applicable Law; Venue; Waiver of Jury Trial.* This Agreement and each Lease shall be governed by and construed in accordance with the laws of the State. The parties hereto, including the Sublessee by entering into the Sublease Agreement, consent and submit to the jurisdiction of the State and venue in any state or Federal court of such State for the purposes of any suit, action or other proceeding arising in connection with this Agreement or any Lease, as well as any Sublease Agreement, and each party expressly waives any objections that it may have to the venue of such courts. The parties hereto expressly waive any right to trial by jury in any action brought on or with respect to this Agreement or any Lease, as well as any Sublease Agreement.

*Section 13.07. Captions.* The captions or headings in this Agreement and in each Lease are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement or any Lease.

*Section 13.08. No Advisory or Fiduciary Relationship.* In connection with all aspects of each transaction contemplated by this Agreement and each Lease thereunder (including in connection with any amendment, waiver or other modification hereof or of any other related document), the Lessee acknowledges and agrees that: (a) (i) the transactions regarding this Agreement and each Lease thereunder provided by the Lessor and any affiliate thereof are arm's-length commercial transactions between the Lessee, on the one hand, and the Lessor and its affiliates, on the other hand, (ii) the Lessee has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (iii) the Lessee is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated by this Agreement and each Lease thereunder and by the other related documents; (b) (i) the Lessor and its affiliates each is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary, for the Lessee, or any other person and (ii) neither the Lessor nor any of its affiliates has any obligation to the Lessee with respect to the transactions contemplated by this Agreement and each Lease thereunder except those obligations expressly set forth herein

and in the other related documents; and (c) the Lessor and its affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Lessee, and neither

the Lessor nor any of its affiliates has any obligation to disclose any of such interests to the Lessee. To the fullest extent permitted by law, the Lessee, hereby waives and releases any claims that it may have against the Lessor or any of its affiliates with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transactions contemplated by this Agreement and each Lease thereunder.

*Section 13.09. Offshoring.* Certain services may be performed by Lessor or any affiliate, including affiliates, branches or units located in any country in which Lessor conducts business or has a service provider. The Lessee authorizes Lessor to transfer Lessee information to such affiliates, branches or units at such locations as the Lessor deems appropriate. Lessor reserves the right to store, access, or view data in locations it deems appropriate for the services provided.

*Section 13.10. Government Regulation; Anti-Corruption.*

(a) Use of Proceeds. Lessee shall not use, or permit any proceeds of the Lease to be used, directly or indirectly, by Lessee or any of its subsidiaries or its or their respective directors, 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.

(b) Definitions. For the purposes of this Section 13.10, 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 or territory which is the subject or target of any Sanctions. "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.

*Section 13.11. Entire Agreement.* The parties agree that this Agreement and each Lease hereunder constitutes the final and entire agreement between the parties superseding all conflicting terms or provisions of any prior proposals, term sheets, solicitation documents, requests for proposals, award notices, approval letters or any other agreements or

understandings between the parties.

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[SIGNATURE PAGE FOLLOWS]

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

LESSOR:

LESSEE:

LESSOR:

JPMorgan Chase Bank, N.A.  
1111 Polaris Parkway  
Suite 1P (OH1-1085)  
Columbus, OH 43240  
Attention: GNPH Operations Manager

LESSEE:

Unified Fire Service Area  
3380 South 900 West  
Salt Lake City, UT 84119  
Attention: Chief Financial Officer  
Fax No.: (801) 743-7211

By: Karen Williams  
Name: Karen Williams  
Title: Authorized Officer \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

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

LESSOR:

LESSEE:

LESSOR:

JPMorgan Chase Bank, N.A.  
1111 Polaris Parkway  
Suite IP (OHI-1085)  
Columbus, OH 43240  
Attention: GNPH Operations Manager

LESSEE:

Unified Fire Service Area  
3380 South 900 West  
Salt Lake City, UT 84119  
Attention: Chief Financial Officer Fax  
No.: (801) 743-7211

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

By: Rachel S. Anderson  
Name: Rachel S. Anderson  
Title: District Administrator

Signature Page of Master Equipment Lease/Purchase Agreement



## LIST OF DOCUMENTS

	Equipment Schedule No. 01
Exhibit A-2	Reserved
Exhibit B	Payment Schedule
Exhibit C-1A	Form of Authorizing Resolution (Agreement)
Exhibit C-1B	Reserved
Exhibit C-2A	Incumbency and Authorization Certificate (Agreement)
Exhibit C-2B	Reserved
Exhibit D	Form of Opinion of Counsel to Lessee
Exhibit E	Form of Final Acceptance Certificate
Exhibit F	Form of Self-Insurance Certificate
Exhibit G	Bank Qualification Certificate – Not Applicable Exhibit H
	Form of Notice and Acknowledgement of Assignment
Exhibit I	Form of Escrow Agreement
Exhibit J	Form of Sublease Agreement

Exhibit B  
Form of Equipment Schedule No. 02

**EQUIPMENT SCHEDULE No.02**

Re: Master Equipment Lease/Purchase Agreement, dated as of October 25, 2022, between JPMorgan Chase Bank, N.A., a national banking association, as Lessor, and Unified Fire Service Area, as Lessee

1. *Defined Terms.* All terms used herein have the meanings ascribed to them in the above-referenced Master Equipment Lease/Purchase Agreement (the “Agreement”).

2. *Equipment.* For purposes of the Lease created hereby, the following items of Equipment are hereby included under this Equipment Schedule together with all attachments, additions, accessions, parts, repairs, improvements, replacements and substitutions thereto as provided in the Agreement.

APPARATUS	Current Cost	Life Span	#	Estimated Total Cost
Nine (9) Year Financing				
Type I Engine	\$1,055,000	9/12	5	\$5,275,000
Type 1/3 Engine	\$722,000	9/12	2	\$1,444,000
Ambulance	\$390,000	9/12	5	\$1,950,000
Tractor Drawn Aerial	\$2,184,000	9/12	3	\$6,552,000
Heavy Rescue Engine	\$1,370,000	18/21	1	\$1,370,000
UTV	\$34,000	15	4	\$136,000
Mechanic Truck	\$148,000	9	3	\$444,000
Forklift	\$40,000	15	1	\$40,000
Breathing Air Compressor	\$92,750	15	2	\$185,500
Stretchers	\$36,100	9	10	\$361,000
Stretcher Power load	\$31,400	9/12	5	\$157,000
High Pressure Airbag Kit	\$9,270	15	4	\$37,080
Crew Carrier	\$225,000	9/12	2	\$450,000
Total Amount to be Financed – 9 Years				\$18,401,580
Six (6) Year Financing				
Thermal Imagers	\$5,630	6	75	\$422,250
Portable Radios SB	\$4,800	6	8	\$38,400
Cardiac Monitors	\$63,500	6	47	\$2,984,500
Staff Vehicles	\$51,000	6	13	\$663,000
Total Amount to be Financed – 6 Years				\$4,108,150

Total Amount to be Financed		\$22,509,730
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**Final description, quantity, serial numbers, model numbers and the location of the Equipment shall be provided with each Disbursement Request.**

The parties contemplate that the list of Equipment set forth in this Equipment Schedule may be changed or modified during the Acquisition Period. Lessee agrees that, should it propose to substitute an item of Equipment listed on this Equipment Schedule with a different item of Equipment, such different item shall be of the same type and estimated useful life as the item to be substituted. The parties shall be deemed to have amended this Schedule for items not on this Equipment Schedule upon submission of a Disbursement Request by Lessee for an item of property and approval of such Disbursement Request by Lessor and payment for such property with Lease Proceeds, at which time such item will be deemed Equipment and this Equipment Schedule shall be deemed amended to include such item of Equipment. If an item of Equipment listed in this Equipment Schedule has not been submitted for payment from Lease Proceeds by Lessee by the time that all of the Lease Proceeds have been expended, then such item of Equipment shall be deemed removed from the list on this Equipment Schedule and this Equipment Schedule shall be deemed to be so amended.

**The Equipment shall include also all property and equipment acquired with the proceeds of this Equipment Schedule.**

3. *Payment Schedule.*

(a) *Rental Payments; Commencement Date.* The Rental Payments shall be in such amounts and payable on such Rental Payment Dates as set forth in the Payment Schedule attached to this Equipment Schedule and incorporated herein by this reference, subject to adjustment upon the occurrence of an Event of Taxability as provided in Section 4.06 of the Agreement. Lessee's obligation to pay Rental Payments under the Lease created hereby shall commence on the earlier of (i) the date on which the Equipment listed in this Equipment Schedule is accepted by Lessee in the manner described in Section 5.01 of the Agreement, as evidenced by the Final Acceptance Certificate executed by Lessee and substantially in the form of *Exhibit E* attached to the Agreement, or (ii) the date on which the Acquisition Amount is deposited in an Escrow Account for the purpose of acquiring and installing the Equipment listed in this Equipment Schedule pursuant to Section 3.04(c) of the Agreement (the earlier of such two dates being herein referred to as the "*Commencement Date*").

(b) *Prepayment Price Schedule.* The Prepayment Price on each Rental Payment Date shall be the amount set forth for such Rental Payment Date in the "Prepayment Price" column of the Payment Schedule attached to this Equipment Schedule *plus* all Rental Payments then due (including the Rental Payment due on such Rental Payment Date) *plus* all other amounts then owing under this Equipment Schedule.

(c) *Release of Lien on Six Year Financing Equipment.* If upon payment of the October 28,

2031 Rental Payment and all prior Rental Payments in full no Event of Default or Event of Non-appropriation is currently in existence, then the lien and security interest in the Six Year Financing Equipment shall be released and Sublessee shall have acquired all right, title and interest

of Lessor and Lessee in said Equipment, as is.

4. *Representations, Warranties and Covenants.* Lessee hereby represents, warrants and covenants that its representations, warranties and covenants set forth in the Agreement (particularly Section 2.01 thereof) are true and correct as though made on the Commencement Date. Lessee further represents and warrants that (a) no Material Adverse Change has occurred since the dated date of the Agreement; (b) no Event of Default has occurred and is continuing under any Lease currently in effect; (c) no Event of Non-appropriation under any Lease currently in effect has occurred or is threatened; (d) no Lease has been terminated as the result of the occurrence of an Event of Default or an Event of Non-appropriation; (e) the governing body of Lessee has authorized the execution and delivery of the Agreement and this Equipment Schedule; (f) the Equipment listed in this Equipment Schedule is essential to the functions of Lessee or to the services Lessee provides its citizens; (g) Lessee has an immediate need for, and expects to make immediate use of, substantially all such Equipment, which will be used by Lessee only for the purpose of performing one or more of Lessee's governmental or proprietary functions consistent with the permissible scope of its authority; and (h) Lessee expects and anticipates adequate funds to be available for all future payments or rent due after the current budgetary period.

5. *The Lease; Sublease Agreement.* The terms and provisions of the Agreement (other than to the extent that they relate solely to other Equipment Schedules or Equipment listed on other Equipment Schedules) are hereby incorporated into this Equipment Schedule by reference and made a part hereof. Simultaneous with the entering into of this Equipment Schedule, Lessee, as sublessor, has entered into a Sublease Agreement with Unified Fire Authority, as sublessee. Lessor has received a copy of the executed Sublease Agreement and acknowledged said Sublease Agreement.

6. *Acquisition Amount.* The Acquisition Amount that Lessor shall pay to the Escrow Agent for deposit into the Escrow Account in connection with this Equipment Schedule is \$22,509,730.00. It is expected that by thirty-six (36) months from the date of this Equipment Schedule, Lessee will have taken possession of all items of Equipment shown above and that the Lessee's final Disbursement Request pursuant to the Escrow Agreement will be signed by Lessee, approved by Lessor and delivered to the Escrow Agent on or before thirty-six (36) months from the date of this Equipment Schedule.

7. *Acquisition Period.* The Acquisition Period applicable to this Equipment Schedule shall end at the conclusion of the thirty-sixth (36th) month following the date hereof.

8. *Surety Bonds; Lessee to Pursue Remedies Against Contractors and Sub-Contractors and Their Sureties.* Lessee shall secure from each Vendor directly employed by Lessee in connection with the acquisition, construction, installation, improvement or equipping of the Equipment listed in this Equipment Schedule, a payment and performance bond ("Surety Bond") executed by a surety company authorized to do business in the State, having a financial strength rating by A.M. Best Company of "A-" or better, and otherwise satisfactory to Lessor and naming Lessor as a co-obligee in a sum equal to the entire amount to become payable under each Vendor

Agreement. Each bond shall be conditioned on the completion of the work in accordance with the plans and specifications for the Equipment listed in this Equipment Schedule and upon payment of all claims of subcontractors and suppliers. Lessee shall cause the surety company to add Lessor as a co-obligee on each Surety Bond, and shall deliver a certified copy of each Surety

Bond to Lessor promptly upon receipt thereof by Lessee. Any proceeds from a Surety Bond shall be applied in accordance with such Surety Bond to the payment and performance of the Vendor's obligations in accordance with the related Vendor Agreement and, if for whatever reason such proceeds are not so applied, first to amounts due Lessor under this Equipment Schedule, and any remaining amounts shall be payable to Lessee.

In the event of a material default of any Vendor under any Vendor Agreement in connection with the acquisition, construction, maintenance and/or servicing of the Equipment listed in this Equipment Schedule or in the event of a material breach of warranty with respect to any material workmanship or performance guaranty with respect to such Equipment, Lessee will promptly proceed to exhaust its remedies against the Vendor in default. Lessee shall advise Lessor of the steps it intends to take in connection with any such default. Any amounts received by Lessee in respect of damages, refunds, adjustments or otherwise in connection with the foregoing shall be paid to Lessor and applied against Lessee's obligations under this Equipment Schedule.

As a prerequisite to the performance by Lessor of any of its obligations under this Equipment Schedule, Lessee shall deliver to Lessor, in form and substance satisfactory to Lessor, a certified copy of each Surety Bond satisfying the conditions set forth in this Section 8, or, at Lessor's sole discretion, such Surety Bonds may be provided after the Commencement Date of this Equipment Schedule, provided however, that no "Disbursement Request" pursuant to the Escrow Agreement for this Equipment Schedule shall be authorized by Lessor until such Surety Bonds satisfying the conditions set forth in this Section 8 have been delivered to Lessor.

As an additional prerequisite to the performance by Lessor of any of its obligations under this Equipment Schedule, Lessee shall deliver to Lessor, in form and substance satisfactory to Lessor, a purchase agreement assignment for security, or, at Lessor's sole discretion, such purchase agreement assignment for security may be provided after the Commencement Date of this Equipment Schedule, provided however, that no "Disbursement Request" pursuant to the Escrow Agreement for this Equipment Schedule shall be authorized by Lessor until purchase agreement assignment for security have been delivered to Lessor.

**Notwithstanding the foregoing**, a surety bond and a purchase agreement assignment for security shall not be required if no progress payments are being made on the Equipment being acquired under a Vendor Agreement, with payment from the Escrow Account for the Equipment being made only upon acceptance of the Equipment by Lessee.

9. *Lease Term.* The Lease Term shall consist of the Original Term and eight consecutive Renewal Terms, with the final Renewal Term ending on October 28, 2033, subject to earlier termination pursuant to the Agreement.

10. The Lessor represents and warrants that it is not currently engaged in a boycott of the State of Israel or an economic boycott of a boycotted company, as such terms are defined in the immediately succeeding two sentences. As currently defined in Section 63G-27-102(5) of the Utah Code, "economic boycott" means an action targeting a "boycotted company" with the intention of penalizing or inflicting economic harm to such company. Furthermore, as currently



defined in Section 63G-27-102(3) of the Utah Code “boycotted company” means a company that

(1) engages in the exploration, production, utilization, transportation, sale, or manufacture of fossil fuel-based energy, timber, mining, or agriculture, (2) engages in, facilitates, or supports the

manufacture, distribution, sale, or use of firearms, (3) does not meet or commit to meet environmental standards, including standards for eliminating, reducing, offsetting, or disclosing greenhouse gas-emissions, beyond applicable state and federal law requirements or (4) does not facilitate or commit to facilitate access to abortion or sex characteristic surgical procedures. The Lessor covenants and agrees not to engage in a boycott of the State of Israel or an economic boycott of a boycotted company for the duration of any contractual arrangement with the Issuer, including this Equipment Schedule.

11. *Registration.* Any Equipment that is a motor vehicle is to be registered and titled as follows:

- |     |                          |                                                                 |
|-----|--------------------------|-----------------------------------------------------------------|
| (a) | <i>Registered Owner:</i> | Unified Fire Authority                                          |
| (b) | <i>Lienholder:</i>       | JPMorgan Chase Bank, N.A.<br>P.O. Box 6026<br>Chicago, IL 60680 |

Lessee shall be responsible for the correct titling of all Equipment leased hereunder. Lessee will cause the original Certificates of Title to be delivered to Lessor for retention in Lessor's files throughout the Lease Term of the Lease created hereby. Upon written request, Lessor will provide Lessee and Sublessee with the JPMorgan Titled Vehicle Fact Sheet.

Dated: October 28, 2025

(The next page is the signature page)

**EQUIPMENT SCHEDULE No. 02**  
Signature Page

LESSOR:

JPMorgan Chase Bank, N.A.  
1111 Polaris Parkway  
Suite1A (OH1-1085)  
Columbus, OH 43240  
Officer Attention: GNPH Operations Manager

LESSEE:

Unified Fire Service Area  
3380 South 900 West  
Salt Lake City, UT 84119  
Attention: Chief Financial  
Fax No.: (801) 743-7211

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

Name: Kathryn LoMastro

Title: Authorized Officer

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

Name: Rachel S. Anderson

Title: Chief Financial Officer

Counterpart No. \_\_\_\_ of \_\_\_\_ manually executed and serially numbered counterparts. To the extent that the Lease created hereby constitutes chattel paper (as defined in the applicable Uniform Commercial Code), no security or ownership interest herein may be created through the transfer or possession of any Counterpart other than Counterpart No. 1.

Exhibit C

Form of Sublease Agreement

**AMENDMENT TO SUBLEASE AGREEMENT**

Dated October 28, 2025

Reference is made to that certain Sublease Agreement, dated as of October 25, 2022, between Unified Fire Service Area ("Sublessor"), and Unified Fire Authority ("Sublessee") (the "Sublease Agreement").

This Amendment amends and supplements the terms and conditions of the Sublease Agreement. Unless otherwise defined herein, capitalized terms defined in the Sublease Agreement shall have the same meaning when used herein. Lessor and Lessee agree as follows:

1. The following first rectial in the Sublease Agreement is hereby amended and restated in its entirety as follows:  
"RECITALS

WHEREAS, pursuant to that certain Master Equipment Lease/Purchase Agreement dated October 25, 2022, (the "Master Lease"), and certain Equipment Schedules entered into from time to time (the "Equipment Schedules"), entered into pursuant to the Master Lease (the Master Lease and Equipment Schedules being collectively referred to herein as the "Lease"), JPMorgan Chase Bank, N.A. ("Lessor"), as Lessor thereunder, leases to Unified Fire Service Area, as Lessee thereunder, the Equipment described in the Equipment Schedules ("Equipment") for use in providing fire suppression and fire protection services (collectively, "Emergency Services"); and"

2. Except as expressly amended or supplemented by this Amendment and other instruments signed by Lessor and Lessee, the Sublease Agreement remains unchanged and in full force and effect.

IN WITNESS, the parties have executed this Amendment as of the date first referenced above.

**UNIFIED FIRE SERVICE AREA**  
(Sublessor)

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

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

**UNIFIED FIRE AUTHORITY**  
(Sublessee)

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

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

## SUBLEASE AGREEMENT

This Sublease Agreement ("Sublease"), effective as of October 25, 2022 ("Effective Date"), is entered into by and between Unified Fire Service Area ("Sublessor"), and Unified Fire Authority ("Sublessee"). The Sublessor and the Sublessee are referred to collectively as the "Parties", and individually as a "Party."

### RECITALS

WHEREAS, pursuant to that certain Master Equipment Lease/Purchase Agreement dated October 25, 2022, (the "Master Lease"), and Equipment Schedule No. 01, dated October 25, 2022 (the "Equipment Schedule"), entered into pursuant to the Master Lease (the Master Lease and Equipment Schedule being collectively referred to herein as the "Lease"), JPMorgan Chase Bank, N.A. ("Lessor"), as Lessor thereunder, leases to Unified Fire Service Area, as Lessee thereunder, the Equipment described in the Equipment Schedule ("Equipment") for use in providing fire suppression and fire protection services (collectively, "Emergency Services"); and

WHEREAS, Sublessor has entered into the Lease to serve as a conduit to allow Sublessor to receive the

WHEREAS, Sublessor desires to sublease to Sublessee and Sublessee desires to sublease from Sublessor the Equipment; and

WHEREAS, Sublessor has received Lessor's consent to this Sublease, set forth after the signature page to this Sublease.

NOW THEREFORE, for and in consideration of the mutual promises, covenants, agreements and conditions contained in this Sublease, the Parties agree as follows:

1. Definitions. Capitalized terms not otherwise define herein shall have the meaning as set forth in the Lease.

2. Representations and Agreements of Sublessee. Sublessee represents, warrants and covenants as follows:

(a) Sublessee is an entity created under the Interlocal Cooperation Act, Utah Code Ann. § 11-13-101 et seq. pursuant to the Revised and Restated Interlocal Cooperation Agreement, made December 1, 2019, between Sublessor and various political subdivisions, with full power and authority to enter into this Sublease, the Escrow Agreement, dated as of the Effective Date, between JPMorgan Chase Bank, N.A. (together with its successors and assigns, hereinafter referred to as "Lessor"), Sublessee and U.S. Bank National Association, a national banking association organized under the laws of the United States of America (hereinafter referred to as "Escrow Agent"), and the transactions contemplated thereby and to perform all of its obligations hereunder (the "Related Documents").

(b) Sublessee has duly authorized the execution and delivery of the Related Documents by proper action of its governing body at a meeting duly called, regularly convened and attended throughout by the requisite quorum of the members thereof, or by other appropriate official approval, and all requirements have been met and procedures have occurred in order to ensure the validity and enforceability of the Related Documents.

(c) Sublessee will do or cause to be done all things necessary to preserve and keep in full force and effect its existence.

(d) Sublessee has complied with such procurement and public bidding requirements as may be applicable to the Related Documents and the acquisition and installation by Sublessee of the Equipment as provided in each Lease.

(e) During the Lease Term of the Lease, the Equipment will be used by Sublessee only for the purpose of performing essential governmental or proprietary functions of Sublessee consistent with the permissible scope of Sublessee's authority. Sublessee does not intend to sell or otherwise dispose of the Equipment or any interest therein prior to the last Rental Payment (including all Renewal Terms) scheduled to be paid under the Lease.

(f) Sublessee has kept, and throughout the Lease Term of the Lease shall keep, its books and records in accordance with generally accepted accounting principles and practices consistently applied, and shall deliver to Lessor (i) annual audited financial statements (including (1) a balance sheet, (2) statement of revenues, expenses and changes in fund balances for budget and actual, (3) statement of cash flows, and (4) footnotes, schedules and attachments to the financial statements) within two hundred seventy (270) days after the end of its fiscal year, (ii) such other financial statements and information as Lessor may reasonably request, and (iii) upon Lessor's request, its annual budget for any prior or current fiscal year or for the following fiscal year when approved but not later than thirty (30) days prior to the end of its current fiscal year. The financial statements described in this subsection (f) shall be accompanied by an unqualified opinion of Sublessee's independent auditor. Credit information relating to Sublessee may be disseminated among Lessor and any of its affiliates and any of their respective successors and assigns.

(g) Sublessee has an immediate need for the Equipment and expects to make immediate use of the Equipment. Sublessee's need for the Equipment is not temporary and Sublessee does not expect the need for any item of the Equipment to diminish during the Lease Term.

(h) There is no pending litigation, tax claim, proceeding or dispute that may adversely affect Sublessee's financial condition or impairs its ability to perform its obligations under the Related Documents. Sublessee will, at its expense, maintain its legal existence and do any further act and execute, acknowledge, deliver, file, register and record any further documents Lessor may reasonably request in order to protect Lessor's first priority security interest in the Equipment and the Escrow Account and Lessor's rights and benefits under the Lease and Escrow Agreement.

(i) Either Sublessee or Sublessor (i) is the fee owner of the real estate where the Equipment is and will be located (the "*Real Property*") and has good and marketable title thereto, and there exists no mortgage, pledge, lien, security interest, charge or other encumbrance of any nature whatsoever on or with respect to such Real Property, or (ii) has sufficient possessory rights to the Real Property where the Equipment under the Lease is and will be located for the Lease Term and the legal documents providing such possessory rights does not allow for the encumbrance of such Equipment situated on such Real Property. Sublessee indemnifies Sublessor for any and all damages, including attorney's fees, caused by any claims or encumbrances resulting from Sublessee's use of Real Property on which the Equipment is located.

(j) No lease, rental agreement, lease-purchase agreement, payment agreement or contract for purchase to which Sublessee has been a party at any time has been terminated by Sublessee as a result of insufficient funds being appropriated in any fiscal year. No event has occurred which would constitute an event of default under any debt, revenue bond or obligation which Sublessee has issued during the past ten (10) years.

(k) Sublessee agrees that it will not take any action that would cause the interest component of

Rental Payments under the Lease to be or to become ineligible for the exclusion from gross income of the owner or owners thereof for Federal income tax purposes, nor will it omit to take or cause to be taken, in a timely manner, any action, which omission would cause the interest component of Rental Payments to be or to become ineligible for the exclusion from gross income of the owner or owners thereof for Federal income tax purposes. In connection with the foregoing, Sublessee hereby agrees that (a) so long as any Rental Payments under a Lease remain unpaid, moneys on deposit in the Escrow Account under the Escrow Agreement shall not be used in a manner that will cause the Lease to be classified as an "arbitrage bond" within the meaning of Section 148(a) of the Code; and (b) Sublessee shall rebate, from funds legally available for the purpose, an amount equal to excess earnings on the Escrow Account under the Escrow Agreement to the Federal Government if required by, and in accordance with, Section 148(f) of the Code, and make the determinations and maintain the records required by the Code.

3. Subleased Equipment; Rent. Sublessor hereby subleases to Sublessee, and Sublessee hereby accepts and Subleases from Sublessor, the Equipment, subject to the terms and conditions of the Lease and the terms and conditions set forth in this Sublease. The rent payable under this Sublease by Sublessee shall be the Rental Payments payable under the Lease, as well as any other monetary payments required of Lessee under the Lease.

4. Non-Appropriation. Sublessee is obligated only to pay such Rental Payments under the Lease as may lawfully be made during Sublessee's then current fiscal year from funds budgeted and appropriated for that purpose. Should Sublessee fail to budget, appropriate or otherwise make available funds to pay Rental Payments under the Lease following the then current Original Term or Renewal Term, the Lease and this Sublease shall be deemed terminated at the end of the then current Original Term or Renewal Term thereunder. Sublessee agrees to deliver notice to Lessor of such termination promptly after any decision to non-appropriate is made, but failure to give such notice shall not extend the term beyond such Original Term or Renewal Term. If the Lease is terminated in accordance with Section 3.03 of the Lease and this Section 4, hereof, Sublessee agrees to cease use of the Equipment and peaceably remove and deliver to Lessor, at Sublessee's sole expense (from legally available funds), such Equipment to Lessor at the location(s) to be specified by Lessor on or before the end of the applicable Original Term or Renewal Term for which Rental Payments have been appropriated for the applicable Lease (each, a "*Non-Appropriation Return Date*"). Lessor may take whatever action at law or in equity as may be necessary or desirable to enforce Lessee's obligations in the immediately preceding sentence. Without limiting or reducing in any way Lessee's obligations in the second preceding sentence or Lessor's rights in the immediately preceding sentence, if the Lessee fails to return the Equipment to Lessor on or before the applicable Non-Appropriation Return Date pursuant to this Section 3.03, Lessee shall pay month-to-month rent at the Contract Rate (or the Taxable Rate if then in effect) set forth in the affected Lease for each month or part thereof that Lessee fails to return the Equipment thereunder pursuant to this Section 3.03

5. Use of Equipment. Sublessor hereby grants to Sublessee the right to use the Equipment for the provision of Emergency Services within and outside the Sublessee's jurisdictional boundaries as may be necessary or appropriate to protect the health, safety and welfare of the citizens and their property within, and visitors passing through, the Sublessee's jurisdictional boundaries and the citizens and their property outside the Sublessee's jurisdictional boundaries through such automatic or mutual aid agreements and/or other emergency services arrangements as Sublessee has entered into. The Equipment shall be used only for their intended purpose, and in a prudent manner in compliance with all requirements for their operation and maintenance, including as provided in the Lease.

6. Term of Sublease. The term of this Sublease shall commence on the Effective Date and shall end at such time as the Lease has expired or is terminated.

7 Conveyance of Equipment; Title; Security Interest. Notwithstanding any other provision

contained herein to the contrary, at such time as the Sublessor's payment and other obligations under the Lease have been performed and paid in full, the Equipment shall be transferred to Sublessee and shall vest in Sublessee free and clear of this Sublease. Pursuant to Section 6.01 of the Lease, title in the Equipment shall reside in Sublessee so long as no Event of Default or Event of Non-appropriation exists under the Lease. As additional security for the payment and performance of all of Lessee's obligations under the Lease, upon the execution of this Sublease, Sublessee hereby grants to Lessor a first priority security interest constituting a first lien on (a) the Equipment subject to such Lease, (b) moneys and investments held from time to time in the Escrow Account, and (d) any and all proceeds of any of the foregoing, including, without limitation, insurance proceeds (collectively, the "*Collateral*"). Upon the execution of this Sublease, Sublessee authorizes Lessor to file such notices of assignment, chattel mortgages, financing statements and other documents, in form satisfactory to Lessor, which Lessor deems necessary or appropriate to establish and maintain Lessor's security interest in the Collateral, including, without limitation, such financing statements with respect to personal property and fixtures under Article 9 of the Uniform Commercial Code in effect in the State of Utah and treating such Article 9 as applicable to entities such as Sublessee.

8. Lease. Sublessee hereby represents that it has received a copy of the Lease and has read the Lease in its entirety and understands the provisions of the Lease. This Sublease shall be subject to, and shall be deemed to include all the terms, provisions, agreements, covenants and conditions of the Lease to the extent such terms, provisions, agreements, covenants and conditions relate to the Equipment, as if such terms, provisions, agreements, covenants and conditions were set forth in full in this Sublease. All of the terms, provisions, agreements, covenants and conditions that the Sublessor is obligated to perform, and with which it is required to comply under the Lease shall be binding upon and enforceable against the Sublessee during the term of this Sublease with respect to the Equipment. During the term of this Sublease, Sublessee covenants to perform all such obligations and otherwise comply with all requirements to which Sublessor is bound under the Lease. If for any reason Sublessee fails to perform its obligations under this Sublease, Sublessor shall have the right to perform those obligations and charge the cost of any such performance to Sublessee.

9. Relationship of the Parties Under Terms of Lease. The Parties intend, except as otherwise expressly provided in this Sublease, that the relationship between Sublessor and Sublessee shall be governed by the provisions of the Lease as though all references in the Lease to the term Lessor were substituted by the term Sublessor and all references to the term Lessee were substituted by the term Sublessee. So long as no Event of Default or Event of Non-appropriation has occurred or is continuing, Sublessee shall have the right to exercise all rights and remedies of the Lessee under the Lease.

10. Insurance. At its sole expense, Sublessee shall maintain all of the insurance required under Section 7.02 of the Lease. Sublessor shall be included as an additional insured with respect to liability insurance coverage set forth in Section 7.02, clause (b).

11. Assignment by Sublessee. Sublessee shall not assign or encumber this Sublease or further sublet, assign or encumber all or any portion of the Equipment without: (a) the Sublessor's prior written consent under this Sublease, and (b) the Lessor's prior written consent under the terms and provisions of the Lease. Sublessee acknowledges and accepts its obligation under Section 11.02 to compensate Sublessor for its cooperation as set forth therein.

12. Acquisition of the Equipment; Escrow Account. Sublessee shall be responsible for contracting with the Vendor, entering into the Vendor Agreements, and accepting delivery of the Equipment. The proceeds of the Lease shall pursuant to the terms of the Lease be deposited in the Escrow Account under the Escrow Agreement, dated as of October 25, 2022 (the "*Escrow Agreement*"), by and among Lessor, Sublessee and U.S. Bank National Association, as Escrow Agent, which Sublessee shall be a party, and Sublessee shall be responsible for preparation, execution and administration of the Disbursement Requests from the Escrow Account.



13. Default and Remedies. The terms of default set forth in the Lease also shall constitute a default under this Sublease and such provisions of the Lease are incorporated into and made a part of this Sublease. Without limiting the foregoing, any financial obligations assumed by the Sublessee under this Sublease, shall not be considered a multiple fiscal year obligation and shall be subject to annual appropriation by the Sublessee as set forth in Section 4, above.

14. Notice. All notices and demands under this Sublease shall be in accordance with the provisions of Section 13.01 of the Lease.

15. Additional Terms and Conditions. This Sublease shall be governed by and construed in accordance with the provisions of Section 13.06 of the Lease. This Sublease and the applicable provisions of the Lease set forth the entire agreement between the Parties and there are no oral or collateral agreements or understandings. This Sublease may only be amended by a document signed by the Parties. Course of conduct, no matter how long, shall not constitute an amendment to this Sublease. If any provision is held invalid or unenforceable, all other provisions shall continue in full force and effect. Waiver of a breach of this Sublease shall not operate or be construed as a waiver of any subsequent breach. This Sublease shall inure to the benefit of and be binding upon the Parties and their successors. This Sublease is not intended to, and shall not confer, rights on any person or entity not named as a party to this Sublease. This Sublease may be executed in several counterparts each of which shall be deemed an original and all of which shall constitute one and the same instrument.

16. Offshoring. Certain services may be performed by Lessor or any affiliate, including affiliates, branches or units located in any country in which Lessor conducts business or has a service provider. The Sublessee authorizes Lessor to transfer Sublessee information to such affiliates, branches or units at such locations as the Lessor deems appropriate. Lessor reserves the right to store, access, or view data in locations it deems appropriate for the services provided.

17. Government Regulation; Anti-Corruption.

(a) Use of Proceeds. Sublessee shall not use, or permit any proceeds of the Lease to be used, directly or indirectly, by Sublessee or any of its subsidiaries or its or their respective directors, 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.

(b) Definitions. For the purposes of this Section 17, 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 or territory which is the subject or target of any Sanctions. "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.

18. Indemnification Sublessee hereby indemnifies, holds harmless, and agrees to defend Sublessor, its officers, directors, employees, agents, and representatives, from and against any and all losses, expenses, costs, damages, and liabilities imposed or claimed to be imposed upon the Lessor, its officers, directors, employees, agents, and representatives, including damage to credit, sustained as a result of the Sublease of the Equipment as described in this Sublease and any and all obligations Sublessee has to Sublessor or Lessor pursuant to the Related Documents. The Parties agree that both Sublessee and Sublessor are governmental entities under the Utah Governmental Immunity Act, Utah Code Ann. Section 63G-7-101 et. seq. (the "Act"). Nothing in this Sublease shall be construed as a waiver of any rights or defenses otherwise applicable under the Act for either Sublessee or Sublessor, including the provisions of section 63G-7-604 regarding limitation of judgments.

[Signature page follows.]

IN WITNESS WHEREOF, the Parties have executed this Sublease Agreement as of the Effective Date.

SUBLESSOR:

UNIFIED FIRE SERVICE AREA

By: \_\_\_\_\_  
Rachel Anderson  
District Administrator & Legal Counsel

SUBLESSEE:

UNIFIED FIRE AUTHORITY

By: \_\_\_\_\_  
Dominic Burchett  
Fire Chief

Approved as to form:

By: \_\_\_\_\_  
Brian F. Roberts  
Chief Legal Officer

CONSENT OF LESSOR:

JPMorgan Chase Bank, N.A., hereby consents as of the Effective Date to the sublease of the Equipment pursuant to the terms of the Sublease set forth above.

JPMORGAN CHASE BANK, N.A.

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

Name: \_\_\_\_\_

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

## Exhibit D

### Form of Escrow Agreement

THIS ESCROW AGREEMENT ("*Escrow Agreement*") is made as of October 28, 2025, by and among JPMorgan Chase Bank, N.A. ("*Lessor*"), Unified Fire Authority, an entity created under the Interlocal Cooperation Act, Utah Code Ann. § 11-13-101 et seq. pursuant to the Revised and Restated Interlocal Cooperation Agreement, made December 1, 2019, between Unified Fire Service Area (the "*Lessee*") and various political subdivisions (hereinafter referred to as "*Sublessee*") and U.S. BANK NATIONAL ASSOCIATION, as escrow agent ("*Escrow Agent*").

Reference is made to that certain Equipment Schedule No. 02, dated as of October 28, 2025 (the "*Schedule*"), to Master Equipment Lease/Purchase Agreement dated as of October 25, 2022 (the "*Master Agreement*," and the Schedule and, together with the terms and conditions of the Master Agreement incorporated therein, the "*Agreement*"), between Lessor and Unified Fire Service Area (the "*Lessee*"), covering the acquisition and lease of certain Equipment described therein (the "*Equipment*"). The Equipment under the Lease is being subleased to the Sublessee, as sublessee, by the Lessee, as sublessor, pursuant to a Sublease Agreement, dated as of October 25, 2022. (the "*Sublease*"). It is a requirement of the Lease that the Acquisition Amount \$22,509,730.00 be deposited into a segregated escrow account under terms satisfactory to Lessor, for the purpose of fully funding the Lease, and providing a mechanism for the application of such amounts to the purchase of and payment for the Equipment. Such deposit of the Acquisition Amount with Escrow Agent to be held in escrow and applied on the express terms set forth herein.

The Schedule contemplates that the Equipment is to be acquired from the vendor(s) or manufacturer(s) thereof (the "*Vendor*"). After acceptance of the Equipment by Lessee, the Equipment shall be deemed financed by Lessor to Lessee pursuant to the terms of the Agreement and to Sublessee under the Sublease.

Such deposit of the Acquisition Amount, together with all interest and other additions received with respect thereto (hereinafter the "*Escrow Fund*") is to be applied to pay the Vendor its invoice cost (a portion of which may, if required, be paid prior to final acceptance of the Equipment by Sublessee); and, if applicable, to reimburse Sublessee for progress payments already made by it to the Vendor of the Equipment.

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

NOW, THEREFORE, in consideration of the sum of Ten Dollars (\$10.00) in hand paid, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Escrow Agent hereby agrees to serve as escrow agent upon the terms and conditions set forth herein. The moneys and investments held in the Escrow Fund are for the benefit of Sublessee and Lessor, and such moneys, together with any income or interest earned thereon, shall be expended only as provided in this Escrow Agreement, and shall not be subject to levy or attachment or lien by or for the benefit of any creditor of either Sublessee or Lessor. Lessor, Sublessee and Escrow Agent intend that the Escrow Fund constitute an escrow account in which Sublessee has no legal or equitable right, title or interest until satisfaction in full of all conditions contained herein for the disbursement of funds by the Escrow Agent therefrom. However, if the parties' intention that Sublessee shall have no legal or equitable right, title or interest until all conditions for disbursement are satisfied in full is not respected in any legal proceeding, the parties hereto intend that Lessor have a security interest in the Escrow Fund, and such security interest is hereby granted by Sublessee to secure payment of all sums due to Lessor under the Master Agreement and Sublease. For such purpose, Escrow Agent hereby agrees to act as agent for Lessor in connection

with the perfection of such security interest and agrees to note, or cause to be noted, on all books and records relating to the Escrow Fund, the Lessor's interest therein.

2. On such day as is determined to the mutual satisfaction of the parties (the "*Closing Date*"), Lessor shall deposit with Escrow Agent cash in the amount of the Acquisition Amount, to be held in escrow by Escrow Agent on the express terms and conditions set forth herein.

On the Closing Date, Escrow Agent agrees to accept the deposit of the Acquisition Amount by Lessor, and further agrees to hold the amount so deposited together with all interest and other additions received with respect thereto, as the Escrow Fund hereunder, in escrow on the express terms and conditions set forth herein.

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

4. The cash comprising the Escrow Fund from time to time shall be invested and reinvested by Escrow Agent in one or more investments as directed by Sublessee. Absent written direction from Sublessee, the cash will be invested in the U.S. Bank National Association Money Market Deposit Fund. See Exhibit 1 Investment Direction Letter. Sublessee represents and warrants to Escrow Agent and Lessor that the investments selected by Sublessee for investment of the Escrow Fund are permitted investments for Sublessee under all applicable laws. Escrow Agent will use due diligence to collect amounts payable under a check or other instrument for the payment of money comprising the Escrow Fund and shall promptly notify Sublessee and Lessor in the event of dishonor of payment under any such check or other instruments. Interest or other amounts earned and received by Escrow Agent with respect to the Escrow Fund shall be deposited in and comprise a part of the Escrow Fund. Escrow Agent shall maintain accounting records sufficient to permit calculation of the income on investments and interest earned on deposit of amounts held in the Escrow Fund. The parties acknowledge that to the extent regulations of the Comptroller of Currency or other applicable regulatory entity grant a right to receive brokerage confirmations of security transactions of the escrow, the parties waive receipt of such confirmations, to the extent permitted by law. The Escrow Agent shall furnish a statement of security transactions on its regular monthly reports. Escrow Agent may elect, but shall not be obligated, to credit the Escrow Fund with funds representing income or principal payments due on, or sales proceeds due in respect of, assets in the account, or to credit to the account assets intended to be purchased with such funds, in each case before actually receiving the requisite funds from the payment source, or to otherwise advance funds for account transactions. Notwithstanding anything else in this Escrow Agreement, (i) any such crediting of funds or assets shall be provisional in nature, and Escrow Agent shall be authorized to reverse or offset any such transactions or advances of funds in the event that it does not receive good funds with respect thereto, and (ii) nothing in this Escrow Agreement shall constitute a waiver of any of U.S. Bank National Association's rights as a securities intermediary under Uniform Commercial Code §9-206. Escrow Agent may also set-off against and deduct from the Escrow Fund with respect to checks or other deposits that have been credited to the accounts but are subsequently returned unpaid or reversed, or other overdrafts that may arise from time to time in the account (whether by reason of provisional credit, failed or assumed settlements, claw-backs or other reason).

5. Upon request by Sublessee and Lessor, Escrow Agent shall send monthly statements of account to Sublessee and Lessor, which statements shall set forth all withdrawals from and interest earnings on the Escrow Fund as well as the investments in which the Escrow Fund is invested.

6. Escrow Agent shall take the following actions with respect to the Escrow Fund:

(a) Upon Escrow Agent's acceptance of the deposit of the Acquisition Amount, an amount equal to Escrow Agent's acceptance fee, as set forth on Exhibit 2 hereto, shall be disbursed from the Escrow Fund to Escrow Agent in payment of such fee.

(b) Escrow Agent shall pay costs of the Equipment upon receipt of a duly executed Requisition Request (substantially in the format of Exhibit 3) signed by Lessor and Sublessee. Sublessee's authorized signatures are provided in Exhibit 5 attached hereto. Escrow Agent will use best efforts to process requests for payment within one (1) business day of receipt of requisitions received prior to 2:00 p.m. Central Time. The final Requisition shall be accompanied by a duly executed Final Acceptance Certificate form attached as Exhibit 4 hereto.

Escrow Agent is authorized but shall not be required to seek confirmation of such instructions by telephone call-back to any person designated by the instructing party on Exhibit 5 hereto, and Escrow Agent may rely upon the confirmation of anyone purporting to be a person so designated. The persons and telephone numbers for call-backs may be changed only in writing actually received and acknowledged by Escrow Agent and shall be effective only after Escrow Agent has a reasonable opportunity to act on such changes. If Escrow Agent is unable to contact any of the designated representatives identified in Exhibit 5, Escrow Agent is hereby authorized but shall be under no duty to seek confirmation of such instructions by telephone call-back to any one or more of Sublessee's or Lessor's executive officers ("Executive Officers"), as Escrow Agent may select. Such Executive Officer shall deliver to Escrow Agent a fully executed incumbency certificate, and Escrow Agent may rely upon the confirmation of anyone purporting to be any such officer. Sublessee and Lessor agree that Escrow Agent may at its option record any telephone calls made pursuant to this Section. Escrow Agent in any funds transfer may rely solely upon any account numbers or similar identifying numbers provided by Sublessee and Lessor to identify (i) the beneficiary, (ii) the beneficiary's bank, or (iii) an intermediary bank, even when its use may result in a person other than the beneficiary being paid, or the transfer of funds to a bank other than the beneficiary's bank or an intermediary bank so designated. Sublessee and Lessor acknowledge that these optional security procedures are commercially reasonable.

(c) Upon receipt by Escrow Agent of written notice from Lessor that an Event of Default or an Event of Non-appropriation has occurred under the Agreement, all funds then on deposit in the Escrow Fund shall be paid to Lessor for application in accordance with the Master Agreement, and this Escrow Agreement shall terminate.

(d) Upon receipt by Escrow Agent of written notice from Lessor that the purchase price of the Equipment has been paid in full or upon the Escrow Expiration Date set forth below, Escrow Agent shall pay the funds then on deposit in the Escrow Fund to Lessor to be applied first to the next Rental Payment due under the Agreement, second, to reimburse Sublessee for the interest portion of the Rental Payments previously made within the past 18 months, and third, to prepayment of the principal component of Lease Payments in inverse order of maturity. To the extent the Agreement is not subject to prepayment, Lessor consents to such prepayment to the extent of such prepayment amount from the Escrow Fund. Upon disbursement of all amounts in the Escrow Fund, this Escrow Agreement shall terminate.

**Escrow Expiration Date: October 28, 2028.**

(e) This Escrow Agreement shall terminate upon the distribution of all the amounts in the Escrow Fund pursuant to any applicable provision of this Agreement, and Escrow Agent will thereafter have no further obligation or liability whatsoever with respect to this Agreement.

7. The fees and expenses, including any legal fees, of Escrow Agent incurred in connection herewith shall be the responsibility of Lessor. The basic fees and expenses of Escrow Agent shall be as set forth on Exhibit 2 and Escrow Agent is hereby authorized to deduct such fees and expenses from the Escrow Fund as and when the same are incurred without any further authorization from Sublessee or Lessor. Escrow Agent may employ legal

counsel and other experts as it deems necessary for advice in

connection with its obligations hereunder and shall have full and complete authorization and protection in acting in accordance with the advice of such counsel, except in the event of Escrow Agent's gross negligence, willful misconduct or bad faith. Escrow Agent waives any claim against Lessor with respect to compensation hereunder.

8. Escrow Agent undertakes to perform only such duties as are expressly set forth herein and no duties will be implied. Escrow Agent shall have no liability for acting upon any written instruction presented by Lessor in connection with this Escrow Agreement, which Escrow Agent in good faith believes to be genuine. Furthermore, Escrow Agent shall not be liable for any act or omission in connection with this Escrow Agreement except for its own negligence, willful misconduct or bad faith. In no event will Escrow Agent be liable for incidental, indirect, special, consequential or punitive damages or penalties of any kind (including, but not limited to lost profits), even if Escrow Agent has been advised of the likelihood of such damages or penalty and regardless of the form of action. Escrow Agent shall not be liable for any loss or diminution in value of the Escrow Fund as a result of the investments made by Escrow Agent. Lessee shall, to the fullest extent permitted by law, indemnify and hold harmless Escrow Agent and each director, officer, employee and affiliate of Escrow Agent (each, an "Indemnified Party") upon demand against any and all claims, actions and proceedings (whether asserted or commenced by Lessee, Lessor or any other person or entity and whether or not valid), losses, damages, liabilities, penalties, costs and expenses of any kind or nature (including without limitation reasonable attorneys' fees, costs and expenses) (collectively, "Losses") arising from this Escrow Agreement or Escrow Agent's actions hereunder, except to the extent such Losses are finally determined by a court of competent jurisdiction, which determination is not subject to appeal, to have been directly caused solely by the gross negligence, willful misconduct or bad faith of such Indemnified Party. Lessee further agrees to indemnify each Indemnified Party for all costs, including without limitation reasonable attorneys' fees, incurred by such Indemnified Party in connection with action taken to enforce Lessee's obligations to Escrow Agent under this Escrow Agreement. The obligations of Lessee under this Section shall survive any termination of this Escrow Agreement and the resignation or removal of Escrow Agent.

9. Escrow Agent may resign at any time by giving thirty (30) days' prior written notice to Lessor and Sublessee. Lessor may at any time remove Escrow Agent as Escrow Agent under this Escrow Agreement upon written notice to Sublessee and Escrow Agent. Such removal or resignation shall be effective on the date set forth in the applicable notice. Upon the effective date of resignation or removal, Escrow Agent will transfer the Escrow Fund to the successor Escrow Agent selected by Lessor.

10. In the event of any disagreement between the undersigned or any of them, and/or any other person, resulting in adverse claims and demands being made in connection with or for any moneys involved herein or affected hereby, Escrow Agent shall be entitled at its option to refuse to comply with any such claim or demand, so long as such disagreement shall continue, and in so refusing Escrow Agent may refrain from making any delivery or other disposition of any moneys involved herein or affected hereby and in so doing Escrow Agent shall not be or become liable to the undersigned or any of them or to any person or party for its failure or refusal to comply with such conflicting or adverse demands, and Escrow Agent shall be entitled to continue so to refrain and refuse so to act until:

(a) the rights of the adverse claimants have been finally adjudicated in a court assuming and having jurisdiction of the parties and the moneys involved herein or affected hereby; or

(b) all differences shall have been adjusted by Master Agreement and Escrow Agent shall have been notified thereof in writing signed by all of the persons interested.

11. All notices, approvals, consents, requests and other communications hereunder must be in writing (and any communication sent to Escrow Agent hereunder must be in the form of a document that is signed manually or by way of a digital signature provided via DocuSign (or such other digital signature provider as specified in writing to Escrow Agent by either Lessor or Sublessee) or an electronic copy thereof, in English, and may only be delivered (a) by personal delivery, or (b) by national overnight



courier service, or (c) by certified or registered mail, return receipt requested, or (d) by facsimile transmission, with confirmed receipt or (e) by email by way of a PDF attachment thereto. Notice shall be effective upon receipt except for notice via email, which shall be effective only when the recipient, by return email or notice delivered by other method provided for in this Section, acknowledges having received that email (with an automatically generated receipt or similar notice not constituting an acknowledgement of an email receipt for purposes of this Section). Sublessee agrees to assume all risks arising out of the use of digital signatures and electronic methods to submit instructions and directions to Escrow Agent, including without limitation the risk of Escrow Agent acting on unauthorized instructions, and the risk of interception and misuse by third parties.

Delivery of an executed counterpart of a signature page of (A) this Agreement and/or (B) any document, amendment, approval, consent, information, notice, certificate, request, statement, disclosure or authorization related to this Agreement and/or the transactions contemplated hereby (each an "Ancillary Document") that is an Electronic Signature transmitted by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page shall be effective as delivery of a manually executed counterpart of this Agreement or such Ancillary Document, as applicable. The words "execution," "signed," "signature," "delivery," and words of like import in or relating to this Agreement and/or any Ancillary Document shall be deemed to include Electronic Signatures, deliveries or the keeping of records in any electronic form (including deliveries by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page), each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be. Each party hereto shall be entitled to rely on such Electronic Signature purportedly given by or on behalf of any other party without further verification thereof and without any obligation to review the appearance or form of any such Electronic Signature. Upon the request of Escrow Agent or Lessor, any Electronic Signature shall be promptly followed by a manually executed counterpart. Without limiting the generality of the foregoing, each party hereby (A) agrees that, for all purposes, including without limitation, in connection with any workout, restructuring, enforcement of remedies, bankruptcy proceedings or litigation among any of the parties, Electronic Signatures transmitted by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page and/or any electronic images of this Agreement and/or any Ancillary Document shall have the same legal effect, validity and enforceability as any paper original, (B) each party may, at its option, create one or more copies of this Agreement and/or any Ancillary Document in the form of an imaged electronic record in any format, which shall be deemed created in the ordinary course of such party's business, and destroy the original paper document (and all such electronic records shall be considered an original for all purposes and shall have the same legal effect, validity and enforceability as a paper record), and (C) waives any argument, defense or right to contest the legal effect, validity or enforceability of this Agreement and/or any Ancillary Document based solely on the lack of paper original copies of this Agreement and/or such Ancillary Document, respectively, including with respect to any signature pages thereto. As used herein, "Electronic Signature" means an electronic sound, symbol, or process attached to, or associated with, a contract or other record and adopted by a person with the intent to sign, authenticate or accept such contract or record. Each other party agrees to assume the risks arising out of the use of Electronic Signatures and electronic methods to submit Notices to Escrow Agent, including without limitation the risk of Escrow Agent acting on unauthorized instructions, and the risk of interception and misuse by third parties.

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

13. This Escrow Agreement shall be governed by and construed in accordance with the laws in the state of the Escrow Agent's location. This Escrow Agreement constitutes the entire Agreement between the parties hereto with respect to the subject matter hereof, and no waiver, consent, modification or change of terms hereof shall bind any party unless in writing signed by all parties.

14. This Escrow Agreement and any written direction may be executed in two or more counterparts, which when so executed shall constitute one and the same agreement or direction.

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

JPMorgan Chase Bank, N.A.as Lessor
By:
Name: Kathryn LoMastro
Title: Authorized Officer
Address: 1111 Polaris Parkway, Suite 1A OH1-1085 Columbus, OH 43240

Unified Fire Authority, as Sublessee
By:
Name: Dominic Burchett
Title: Fire Chief
Address: 3380 South 900 West Salt Lake City, UT 84119

U.S. BANK NATIONAL ASSOCIATION, as Escrow Agent
By:
Name: Scott Fesler
Title: Vice President
Address: U.S. Bank National Association Global Corporate Trust 10 West Market Street, Suite 830 Indianapolis, IN 46204

Unified Fire Service Area (UFSA)  
Community Reinvestment Agencies (CRA) Within Boundaries

<u>Project</u>	<u>Agency</u>	<u>Percentage</u>	<u>Term</u>	<u>Expires</u>	<u>2024 Amount</u>
Sweetwater #1	Eagle Mountain	80% RP 100% PP	20	2040/2042	\$2,092,766
Pole Canyon	Eagle Mountain	60%	20	2040	\$106,875
Sweetwater #2	Eagle Mountain	67.5% RP 100% PP	20	?	
Sweetwater #3	Eagle Mountain	61% RP 74% PP	20	?	
Triple Tail	Eagle Mountain	55.0%	20 - 40	?	
Sweetwater #4??	Eagle Mountain	55% RP 85% PP	20 - 40	?	
Magna Main Street	Salt Lake County/Magna	80%	10	2027	\$111,704
Magna Arbor Park	Salt Lake County/Magna	90%	15	2029	\$57,652
Utah Inland Port Authority	State of Utah	75%	25	2044	\$423,338
Bingham Junction	Midvale	80%	25	2034	\$934,554
Jordan Bluff	Midvale	80%	25	2045	\$459,504
Main Street	Midvale	60%	20	2043	\$79,687
West Millcreek	Millcreek	80%	22	2036	\$238,010
Millcreek City Center	Millcreek	80%	20	2042	\$127,142
Olympus Hills	Millcreek	65%	20	2045	
Canyon Rim Commons*	Millcreek		?	?	
MedTech	Millcreek	70%	20	2045	
Bennion Point	Taylorsville	75%	15	2034	\$197,123
5400 S Bangerter Hwy	Taylorsville	75%	15	2030	\$46,135
6200 S Redwood Rd	Taylorsville	75%	15	2027	\$62,055

<b>TOTAL</b>	<b>\$4,936,545</b>
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\*Pending