

REQUESTED COMMISSION ACTION:

     Consent           Ordinance        X   Resolution           Consideration/Discussion           Workshop

SHORT TITLE      A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF POMPANO BEACH, FLORIDA APPROVING THE LEASE FINANCING OF CERTAIN EQUIPMENT PURSUANT TO AN ANNUAL APPROPRIATION LEASE; APPROVING THE FORMS, AND AUTHORIZING EXECUTION OF AN EQUIPMENT LEASE-PURCHASE AGREEMENT AND RELATED LEASE DOCUMENTS BETWEEN THE CITY, AS LESSEE AND REGIONS EQUIPMENT FINANCE CORPORATION, AS LESSOR, AUTHORIZING THE APPROVAL OF RELATED FINANCING DOCUMENTS, INCLUDING A FUNDING AGREEMENT AMONG THE CITY, REGIONS EQUIPMENT FINANCE CORPORATION AND REGIONS BANK, AS FUNDING AGENT; PROVIDING FOR CERTAIN AUTHORIZATIONS AND OTHER MATTERS WITH RESPECT THERETO; PROVIDING FOR SEVERABILITY; PROVIDING FOR CONFLICT; PROVIDING AN EFFECTIVE DATE. (FISACL IMPACT – APPROXIMATELY \$468,000 ANNUALLY UP TO 5 YEARS)

**Summary of Purpose and Why:**

It has been determined that it is in the best interest of the City to finance the acquisition of certain equipment for the Fire, Parks & Recreation, Code Compliance and Public Works functions via lease-purchase financing. After soliciting proposals from several banks, it has been determined that Regions Equipment Finance Corporation is providing the best terms to finance the acquisition of the items over a 5 year term, at a fixed interest rate of 1.40% via a bank qualified tax-exempt lease. There is no pre-payment penalty associated with the lease. Please refer to Finance Department memo #16-12 for further discussion.

- (1) Origin of request for this action: Finance Department
- (2) Primary staff contact: Suzette Sibble, Finance Director      954 786-4680
- (3) Expiration of contract, if applicable: One (1) year from execution, subject to annual appropriation for four (4) additional 1 year terms.
- (4) Fiscal impact and source of funding: Annual lease payments under the lease average approximately \$468k annually. FY 2016 lease payment is budgeted for in the General Fund adopted budget (001-9910-599-7160 and 001-9910-599-7210)

DEPARTMENTAL COORDINATION	DATE	DEPARTMENTAL RECOMMENDATION	DEPARTMENTAL HEAD SIGNATURE
Finance	<u>10/21/15</u>	<u>Approval</u>	<u>S. Sibble</u>
City Attorney	<u>10/21/15</u>	<u>Approval</u>	<u>[Signature]</u>
Budget	<u>10/21/2015</u>	<u>Approval</u>	<u>[Signature]</u>
<u>  </u> Advisory Board			
<u>  X  </u> City Manager	<u>[Signature]</u>		<u>[Signature]</u>

**ACTION TAKEN BY COMMISSION:**

<u>Ordinance</u>	<u>Resolution</u>	<u>Consideration</u>
<u>Workshop</u>		
1 <sup>st</sup> Reading	1 <sup>st</sup> Reading	Results:
2 <sup>nd</sup> Reading		Results:





FINANCE DEPARTMENT  
MEMORANDUM 16-12

Date: October 21, 2015  
To: Mayor and City Commission  
From: Suzette Sible, Finance Director   
Via: Dennis Beach, City Manager  
Re: Approval of Equipment Lease-Purchase Documents and Funding Agreement

The Finance Department was requested to seek financing for equipment and vehicles encompassing various City Functions (Fire, Parks & Recreation, Public Works and Code Compliance), as listed at **Attachment 1**. In order to finance the purchase of these items, staff with the assistance of the City's Financial Advisor (Public Financial Management) solicited term sheets from a total of thirty seven (37) banks. A total of twelve (12) proposals were received, the terms of each proposal being summarized at **Attachment 2**. After reviewing the proposals received, it was determined that Regions Equipment Finance Corporation submitted the most favorable terms, as summarized below:

Amount to be financed:	\$2,257,875.40
Financing term:	1 year (with 4 additional 1 year renewal terms)
Fixed interest rate:	1.40%
Pre-payment penalty:	None
Additional fees:	None
Financing structure:	Subject to annual appropriation lease payments

Subject to annual appropriation in essence means that the City is not pledging a specific revenue source for repayment and is also not pledging its taxing authority to repay the lease. This financing structure is also not considered debt under the City's charter and state laws. The lease would be for an initial 1 year term with 4 additional renewal terms, with annual lease payments subject to annual appropriation by the City Commission from available resources, as part of the City's budget adoption process.

I am recommending that the City Commission proceed with awarding the lease financing to Regions Equipment Financing Corporation. A repayment schedule for the lease is at **Attachment 3**

The average annual lease payment will be approximately \$468,000 and the fiscal year 2016 appropriation amount has already been provided for as part of the fiscal year 2016 adopted budget. I am also recommending that Regions Bank serve as funding agent to hold the escrowed funds after closing on the deal, until such time as the City receives delivery of the equipment/vehicles.

ATTACHMENT 1

Comments	VENDOR	INVOICE OR QUOTE	AMOUNT	CONTACT	LOCATION	COMMENTS
	Pierce (Ten-8 Fire Equipment Inc.	bid #468	639,833.05	Michael Schneider	120 SW 3rd Street Pompano Beach 33060	
w/strobe lights	Duval Ford		33,416.86	Bambi Darr 904-388-2144		quote is for \$29,750.00 plus add strobes \$3666.86
	Pierce (Ten-8 Fire Equipment Inc.	bid #465	\$579,400.00	Michael Schneider	120 SW 3rd Street Pompano Beach 33060	
	Hall-Mark (Horton emergency vehicles)	quote 11874	274,779.00	Michael Day 352-629-6305	120 SW 3rd Street Pompano Beach 33060	price discount of \$4,500 if paid by 10-31-15. includes a trade-in of a 2007 Freightliner. Freightliner provided by FYDA Freightliner Columbus Steve Tancos 614-851-0002
w/strobe lights	Alan Jay	quote 4363-1	32,811.00	Scott Wilson 863-402-4292		quote is \$31,006 each, + strobes of \$1805
w/strobe lights	Alan Jay	quote 4363-1	32,811.00	Scott Wilson 863-402-4292		quote is \$31,006 each, + strobes of \$1805
w/strobe lights & tint	Duval Ford	quote	\$29,541.00	Bambi Darr 904-388-2144		quote is for \$27,567, add strobes \$1854 and tint \$120
w/strobes & tint	Duval Ford	quote	24,792.00	Bambi Darr 904-388-2144		plus strobes \$1k, and tint \$120
	Environmental Products	Contract 14-12-0904 spec #49	205,451.00	Paul Hart 561-719-1395		QUOTE IS FOR \$202,451, BUT ADD STROBES (\$2K) AND REFLECTIVE \$1K
	Equipment	#2110000-15-1	19,916.52	Knowles		
	Trailerlogic	bid L-24-15	31,590.00	864-617-9455	1190 NE 3rd Ave Bldg B Pompano Beach 33060	
	Hector	quote #120535	24,668.97	Jason DuPree 954-429-3200		
corners strobe lights	Duval Ford		62,450.00	Bambi Darr 904-388-2144		2 units plus strobes at \$1k
w/strobe lights & tint	Duval Ford		99,168.00	Laura Torbett 904-388-2144		4 units, + 4 strobes at \$1200.00 each + 4 tints at \$120 each
w/strobe lights	Alan Jay	quote 4365-1	27,427.00	Scott Wilson 863-402-4292		quote is for \$26,427.00 + \$1k for strobes
	Alan Jay	quote 4287-2	139,820.00	Chris Wilson 863-402-4234		

2,257,875.40

Pompano Beach Equipment Lease  
RFP Summary

Proposer	City National	Enterprise	Pinnacle Public Finance	PNC Equipment Finance
<b>Proposed Structure</b>	Term loan	Term loan	Term loan, depositing proceeds into an escrow and receiving disbursements	Term loan, depositing proceeds into an escrow and receiving disbursements with \$1.00 buyout at the end of the term
<b>Security</b>	CB&A	Subject to annual appropriation, security interest in property	Subject to annual appropriation, security interest in property	Subject to annual appropriation, security interest in property
<b>Interest Rates</b>	Interest Rate: Five Years - 2.175%	Interest Rate: Five Years (presumed) - 4.07%	Interest Rate: Five Years - 1.69%	Interest Rate: Five Years - 1.84%
<b>Calculation</b>	Not provided in proposal	Not provided in proposal	Not provided in proposal	Rate Calculation: (3 Yr. Swap * 65%) + Spread
<b>Rate Locked to Closing, or Date to be set</b>	Rates locked until closing	Presumed locked (not explicitly stated)	Presumed locked (not explicitly stated)	Locked three business days prior to lease funding.
<b>Prepayment Penalty</b>	No prepayment penalty	Not provided in proposal	Prepayment in whole on a scheduled prepayment date with 1% premium. Subject to negotiation	Lessee shall have the option of paying off this transaction according to the Termination Values listed on the Amortization Schedules as provided in this Proposal. Partial prepayments will not be permitted under this Agreement.
<b>Other Fees</b>	None	Management Fee	\$4,000 for outside counsel (subject to negotiation)	\$250 escrow set up
<b>Amount</b>	\$2,300,000	\$2,300,000	\$2,300,000	\$2,300,000
<b>Other Conditions</b>	Maintenance of depository relationship		Validity opinion	Requires opinion

Pompano Beach Equipment Lease  
RFP Summary

Proposer	Banc of America Public Capital Corp	BBT	BMO Harris Investment Company	Capital One Public Funding	Chase Equipment Finance
<b>Proposed Structure</b>	Term loan (with a possibility for depositing proceeds into an escrow and receiving disbursements)	Term loan (with a possibility for depositing proceeds into a project fund and receiving disbursements)	Term loan (with a possibility for depositing proceeds into an escrow and receiving disbursements)	Term loan	Term loan, depositing proceeds into an escrow and receiving disbursements
<b>Security</b>	Subject to annual appropriation, security interest in property	CB&A	Subject to annual appropriation, security interest in property	Subject to annual appropriation, security interest in property	Appropriation for payment of all lease schedules or none at all
<b>Interest Rates</b>	Interest Rates: 62 Month (until 1/1/21) - 1.67% 50 Month (until 1/1/20) - 1.44%	Interest Rate: Five Years - 1.68%	Interest Rate: Five Years - 1.5962% (Indicative)	Interest Rate: Ten Years (through January 2025) - 2.09%	Interest Rate: Five Years - 1.38% (Indicative)
<b>Calculation</b>	Not provided in proposal	Not provided in proposal	US SWAP Rates ("Swap Rate") of 2.7 years with an	Not provided in proposal	Rate Calculation: (2 Yr. Swap * 64.03%) + Spread
<b>Rate Locked to Closing, or Date to be set</b>	Rates locked until closing if closing on Oct 16, as long as City notifies the bank within 5 business days of receipt of proposal	Rate locked until closing	Locked on the date Lessor prepares the equipment schedule	Rates locked until closing if closing before Oct 22	The final interest rate and payment will be set and fixed for the term 3 days prior to closing.
<b>Prepayment Penalty</b>	Pre-payable in whole on any payment date at par after the first half of the term has expired.	Prepayment in whole on a scheduled prepayment date without penalty.	Not provided in proposal	Prepayment in whole on a scheduled prepayment date with 2% premium.	Prepayment in whole on a scheduled prepayment date with no premium after first 12 months; before that, make-whole
<b>Other Fees</b>	None	None	None	None	None
<b>Amount</b>	\$2,300,000	\$2,300,000	\$2,300,000	\$2,300,000	\$2,300,000
<b>Other Conditions</b>	Validity opinion	Legal opinion	Requires tax opinion	Requires tax opinion	Tax Gross-Up Validity opinion required

Pompano Beach Equipment Lease  
RFP Summary

Proposer	Regions Equipment Finance	SunTrust (STEFL)	US Bank	Whitney Bank
<b>Proposed Structure</b>	Net lease, with \$1.00 buyout at the end of the term	Term loan, depositing proceeds into an escrow and receiving disbursements	Term loan	Term loan, depositing proceeds into an escrow and receiving disbursements
<b>Security</b>	Subject to annual appropriation, security interest in property	Subject to annual appropriation, security interest in property	Subject to annual appropriation, security interest in property	Subject to annual appropriation, security interest in property
<b>Interest Rates</b>	Interest Rate: Five Years - 1.40%	Interest Rate: 62 months - 2.35%	Interest Rate: Five Years - 1.56% (First principal payment 1/1/16) 1.73% (First principal payment 1/1/17)	Interest Rate: Five Years - 1.441%
<b>Calculation</b>	Not provided in proposal	Not provided in proposal	Not provided in proposal	Bloomberg BQ AA 3-Year Municipal Bond Yields
<b>Rate Locked to Closing, or Date to be set</b>	Rates locked until closing if closing before Oct 16	Rates locked until closing if closing before Nov 1	Rates locked until closing if closing before Nov 14	Rates locked until closing if closing before Oct 16
<b>Prepayment Penalty</b>	No prepayment penalty	Prepayment in whole on a scheduled prepayment date with 1% premium.	Prepayment on scheduled prepayment date with 3% premium.	The Lessee will have the option to prepay the lease on any payment date beginning on 1/1/17.
<b>Other Fees</b>	None	Documentation fee \$100 Escrow \$250 set-up fee		Documentation fee \$600
<b>Amount</b>	\$2,300,000	\$2,300,000	\$2,300,000	\$2,300,000
<b>Other Conditions</b>	Requires tax opinion	Tax Gross-Up Opinion required	Requires validity opinion	Requires validity opinion

**EQUIPMENT LEASE-PURCHASE AGREEMENT  
DATED October 29, 2015  
BETWEEN Regions Equipment Finance Corporation  
AND  
City of Pompano Beach**

Commencement Date: **October 29, 2015**

Expiration Date: **October 29, 2020**

Interest Rate: **1.4000%**

Total Obligation of **City of Pompano Beach**  
for Calendar Year of 2015  
Execution and Renewal Years

Date	Funding	Loan Amortization			Balance
		Payment	Interest	Principal	
10/29/2015	\$ 2,257,875.40				\$ 2,257,875.40
1/29/2016		\$ 117,088.52	\$ 7,902.56	\$ 109,185.95	\$ 2,148,689.45
4/29/2016		\$ 117,088.52	\$ 7,520.41	\$ 109,568.10	\$ 2,039,121.35
7/29/2016		\$ 117,088.52	\$ 7,136.92	\$ 109,951.59	\$ 1,929,169.76
10/29/2016		\$ 117,088.52	\$ 6,752.09	\$ 110,336.42	\$ 1,818,833.34
1/29/2017		\$ 117,088.52	\$ 6,365.92	\$ 110,722.60	\$ 1,708,110.74
4/29/2017		\$ 117,088.52	\$ 5,978.39	\$ 111,110.13	\$ 1,597,000.61
7/29/2017		\$ 117,088.52	\$ 5,589.50	\$ 111,499.01	\$ 1,485,501.60
10/29/2017		\$ 117,088.52	\$ 5,199.26	\$ 111,889.26	\$ 1,373,612.34
1/29/2018		\$ 117,088.52	\$ 4,807.64	\$ 112,280.87	\$ 1,261,331.47
4/29/2018		\$ 117,088.52	\$ 4,414.66	\$ 112,673.85	\$ 1,148,657.61
7/29/2018		\$ 117,088.52	\$ 4,020.30	\$ 113,068.21	\$ 1,035,589.40
10/29/2018		\$ 117,088.52	\$ 3,624.56	\$ 113,463.95	\$ 922,125.44
1/29/2019		\$ 117,088.52	\$ 3,227.44	\$ 113,861.08	\$ 808,264.37
4/29/2019		\$ 117,088.52	\$ 2,828.93	\$ 114,259.59	\$ 694,004.78
7/29/2019		\$ 117,088.52	\$ 2,429.02	\$ 114,659.50	\$ 579,345.28
10/29/2019		\$ 117,088.52	\$ 2,027.71	\$ 115,060.81	\$ 464,284.47
1/29/2020		\$ 117,088.52	\$ 1,625.00	\$ 115,463.52	\$ 348,820.95
4/29/2020		\$ 117,088.52	\$ 1,220.87	\$ 115,867.64	\$ 232,953.31
7/29/2020		\$ 117,088.52	\$ 815.34	\$ 116,273.18	\$ 116,680.13
10/29/2020		\$ 117,088.52	\$ 408.38	\$ 116,680.13	\$ (0.00)
	\$ 2,257,875.40	\$ 2,341,770.30	\$ 83,894.90	\$ 2,257,875.40	



**City Attorney's Communication #2016-32**  
October 19, 2015

**TO:** Suzette Sibble, Finance Director  
**FROM:** Carrie L. Sarver, Assistant City Attorney  
**RE:** Resolution – Lease/Purchase of Equipment and Vehicles

As requested, the following form of Resolution, relative to the above-referenced matter, has been prepared and is attached:

**A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF POMPANO BEACH, FLORIDA, APPROVING THE LEASE FINANCING OF CERTAIN EQUIPMENT PURSUANT TO AN ANNUAL APPROPRIATION LEASE; APPROVING THE FORMS, AND AUTHORIZING EXECUTION OF AN EQUIPMENT LEASE-PURCHASE AGREEMENT AND RELATED LEASE DOCUMENTS BETWEEN THE CITY, AS LESSEE AND REGIONS EQUIPMENT FINANCE CORPORATION, AS LESSOR; AUTHORIZING THE APPROVAL OF RELATED FINANCING DOCUMENTS, INCLUDING A FUNDING AGREEMENT AMONG THE CITY, REGIONS EQUIPMENT FINANCE CORPORATION AND REGIONS BANK, AS FUNDING AGENT; PROVIDING FOR CERTAIN AUTHORIZATIONS AND OTHER MATTERS WITH RESPECT THERETO; PROVIDING FOR SEVERABILITY; PROVIDING FOR CONFLICT; PROVIDING AN EFFECTIVE DATE.**

Please feel free to contact me if I may be of further assistance.

  
CARRIE L. SARVER

/jrm  
l:cor/finance/2016-32

Attachment

**CITY OF POMPANO BEACH  
Broward County, Florida**

**A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF POMPANO BEACH, FLORIDA, APPROVING THE LEASE FINANCING OF CERTAIN EQUIPMENT PURSUANT TO AN ANNUAL APPROPRIATION LEASE; APPROVING THE FORMS, AND AUTHORIZING EXECUTION OF AN EQUIPMENT LEASE-PURCHASE AGREEMENT AND RELATED LEASE DOCUMENTS BETWEEN THE CITY, AS LESSEE AND REGIONS EQUIPMENT FINANCE CORPORATION, AS LESSOR; AUTHORIZING THE APPROVAL OF RELATED FINANCING DOCUMENTS, INCLUDING A FUNDING AGREEMENT AMONG THE CITY, REGIONS EQUIPMENT FINANCE CORPORATION AND REGIONS BANK, AS FUNDING AGENT; PROVIDING FOR CERTAIN AUTHORIZATIONS AND OTHER MATTERS WITH RESPECT THERETO; PROVIDING FOR SEVERABILITY; PROVIDING FOR CONFLICT; PROVIDING AN EFFECTIVE DATE.**

**BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF POMPANO BEACH, FLORIDA:**

**SECTION 1. AUTHORITY FOR THIS RESOLUTION; DEFINITIONS.** The City of Pompano Beach, Florida (the “City”) is authorized to adopt this resolution (the “Resolution”) under the authority granted by the provisions of the City Charter of the City, Chapter 166, Florida Statutes, as amended, Section 489.145, Florida Statutes, as amended, and other applicable provisions of law (collectively, the “Act”). All capitalized terms used herein and not otherwise defined herein shall have the meaning ascribed thereto in the Lease (hereinafter defined), unless otherwise provided or unless the context otherwise clearly requires.

**SECTION 2. FINDINGS.** It is hereby found and determined that:

A. The City selected Regions Equipment Finance Corporation pursuant to a proposal process to lease/purchase equipment and approximately thirty-one (31) vehicles of various types to be used for the City's fire services, grounds and parks maintenance, recreation activities, public works and code compliance operations (the "Equipment").

B. The City has solicited interest in financing the purchase of the Equipment and has selected the proposal presented by Regions Equipment Finance Corporation ("Regions") for the lease financing of the Equipment as providing the most favorable terms and conditions to the City.

C. The City has the power, under the City Charter of the City and Chapter 166, Florida Statutes, as amended and other applicable provisions of law, to receive, purchase, acquire and lease equipment such as the Equipment and to enter into lease agreements with respect to thereto.

D. The City hereby determines it is necessary and in the best interests of the City to lease finance the acquisition of the Equipment. In furtherance thereof the City, as lessee, desires to enter into a written equipment lease-purchase agreement substantially in the form attached hereto as composite Exhibit A (the "Equipment Lease-Purchase Agreement") with Regions, lessor, to provide for the lease and financing of the Equipment by the City and an Amortization Schedule to the Equipment Lease-Purchase Agreement to reflect, among other matters, the schedule of rent payments to be made by the City relating to the Equipment.

E. The Original Term of each Lease will become effective on the date of execution of the Equipment Lease-Purchase Agreement, with the commencement date on the date the Equipment is accepted by City, and shall extend to the last day of the fiscal year of the City in which such commencement date occurs. The City has the option to renew the Original Term for four (4) successive twelve-month periods (each, a "Renewal Term"). Each Renewal

Term shall be twelve months, shall correspond to the City's fiscal year and shall commence on the first day following the last day of the Original Term or the preceding Renewal Term, as the case may be; provided, that the last scheduled Renewal Term shall be such lesser number of months as may be necessary to cause the then-current Renewal Term to expire on the date that the last rent payment stated in the Lease Schedule is due and payable. The Original Term and each Renewal Term shall be automatically renewed for a succeeding Renewal Term unless the City's gives written notice of its intent to terminate the Lease for the applicable Renewal Term as provided in the Equipment Lease-Purchase Agreement.

F. All amounts payable by the City in connection with the lease financing of the Equipment, including all rent payments due under the Lease, shall be payable solely from unpledged and legally available funds appropriated for such purpose by the City and it will not be necessary nor has there been authorized the levy of taxes on any property in the City to pay for same, and the full faith and credit of the City is not pledged for payment of such sums.

**SECTION 3. APPROVAL OF LEASE-PURCHASE AGREEMENT AND CERTAIN RELATED DOCUMENTS.** The documents comprising the Lease, consisting of the Equipment Lease-Purchase Agreement, Description of Equipment Exhibit, Equipment Obligation and Payment Schedule with attached Amortization Schedule, Acceptance Certificate, Essential Use Letter, Additional Provisions and Modifications to Standard Terms, Authorized Representative Letter, Incumbency Certificate, Resolution, Opinion of Counsel, Certificate of Appropriation, Notice and Consent to Assignment, Pay Proceeds Letter, Certificate to Tax-Exempt Interest, Qualified Tax-Exempt Obligations and Form 8038-G, are hereby approved (collectively, the "Lease Documents"). Pursuant to the Lease Documents, the aggregate principal amount of the rent payments payable during the Original Term and any Renewal Term is \$2,257,875.40 (together with interest thereon in the aggregate amount of \$83,894.90); (ii) the interest rate per

annum with respect to the Lease is 1.40%; and (iii) the latest date on which the last Renewal Term, if any, of the Lease expiration is October 29, 2020. The City Clerk of the City (the “City Clerk”) and the City Manager, or his designee, are hereby authorized and directed to execute the Lease Documents and the Mayor of the City (the “Mayor”) is hereby authorized and directed to countersign the Lease Documents. The execution and delivery of the Lease Documents by the City Clerk and Mayor shall constitute conclusive evidence of the approval thereof. The Funding Agreement, with its Form of Disbursement Request in the form attached hereto as composite Exhibit B, is hereby approved. The City Clerk of the City and the City Manager, or his designee, are hereby authorized and directed to execute the documents comprising the Funding Agreement and the Mayor is hereby authorized and directed to countersign the documents comprising the Funding Agreement. Regions Bank is hereby approved as Funding Agent. Each of the Mayor, City Manager and Finance Director of the City, respectively, and their respective designees, is hereby authorized to sign the Form of Disbursement requesting disbursements from the escrow established pursuant to the Funding Agreement.

**SECTION 4. AUTHORIZATION.** The Mayor, the City Manager, the City Clerk, the Finance Director of the City, and such other officers and employees of the City as may be designated by the Mayor, are each designated as agents of the City in connection with the Lease Documents and the Finance Agreement, and are authorized and empowered, collectively or individually, to take such actions and steps and to execute such instruments on behalf of the City that are necessary or desirable in connection therewith in order to conclude the transactions contemplated thereby, and which are specifically authorized hereby or are not inconsistent with the terms and provisions of this Resolution.

**SECTION 5. SEVERABILITY.** If any one or more of the provisions of this Resolution should be held invalid or unenforceable by a court of competent jurisdiction, then

such provisions shall be null and void and shall be deemed separate from the remaining provisions of this Resolution.

**SECTION 6. CONTROLLING LAW; MEMBERS OF CITY COMMISSION NOT LIABLE.** All covenants, stipulations, obligations and agreements of the City contained in this Resolution shall be deemed to be covenants, stipulations, obligations and agreements of the City to the full extent authorized by the Act and provided by the Constitution and laws of the State of Florida. No covenant, stipulation, obligation or agreement contained herein shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future member of the City Commission or any officer, agent or employee of the City in his or her individual capacity, and neither the members of the City Commission nor any official or employee of the City with other responsibilities hereunder shall be liable personally under this Resolution or shall be subject to any personal liability or accountability by reason hereof.

**SECTION 7. REPEAL OF INCONSISTENT RESOLUTIONS.** All resolutions or parts thereof in conflict herewith are to the extent of such conflict superseded and repealed.

**SECTION 8. EFFECTIVE DATE.** This Resolution shall become effective upon passage.

**PASSED AND ADOPTED** this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

---

**LAMAR FISHER, MAYOR**

**ATTEST:**

---

**ASCELETA HAMMOND, CITY CLERK**

:cls  
10/19/2015  
L:reso/2016-02

**EXHIBIT A**  
**(LEASE DOCUMENTS)**

Date of Lease: October 29, 2015

Lease No. 001-0000057-001

[FLORIDA]

**EQUIPMENT LEASE-PURCHASE AGREEMENT**

**Lessor: Regions Equipment Finance Corporation**

**Address: P.O. Box 2545, Birmingham, Alabama 35202**

**Lessee: City of Pompano Beach**

**Address: 100 West Atlantic Boulevard, Pompano Beach, FL 33060**

Regions Equipment Finance Corporation ("Lessor") hereby agrees to lease to City of Pompano Beach ("Lessee") and Lessee hereby agrees to lease from Lessor, the items of Equipment (the "Equipment") described in Exhibit A attached to this Equipment Lease-Purchase Agreement (the "Lease"), upon the following terms and conditions:

1. **Delivery and Acceptance.** Lessee, or if Lessee so requests, Lessor, shall cause the Equipment to be delivered to Lessee at the location specified in Exhibit A (the "Equipment Location"). Lessee shall pay all transportation and other costs, if any, incurred in connection with the delivery of the Equipment. Lessee shall accept the Equipment as soon as it has been delivered and is operational, or in the event that the manufacturer or vendor allows a pre-acceptance test period, as soon as the test period has expired. Lessee shall evidence its acceptance of the Equipment by executing and delivering to Lessor an acceptance certificate ("Acceptance Certificate") in the form attached hereto as Exhibit B upon receipt of the Equipment.

2. **Term.** This Lease is effective upon the execution hereof by Lessee and Lessor. The term of this Lease commences on the date the Equipment is accepted pursuant to Section 1 above and, unless earlier terminated as expressly provided for in this Lease, terminates absolutely, without further obligation on the part of the Lessee, at the end of the fiscal year in which this Lease is executed and at the end of each succeeding fiscal year for which it may be renewed as hereinafter provided. The term of this Lease will automatically renew for an additional period of one year at the end of each fiscal year unless Lessee gives written notice to Lessor of its intent to terminate the Lease not less than 60 days prior to the end of the fiscal year. If not sooner terminated, the Lease will continue until the Expiration Date set forth in Exhibit C attached hereto (the "Lease Term"). THIS EQUIPMENT LEASE CANNOT BE CANCELED OR TERMINATED EXCEPT AS EXPRESSLY PROVIDED HEREIN.

3. **Rent.** Lessee hereby agrees to pay to Lessor or its assignee the lease payments (the "Lease Payments"), including the interest portion, equal to the aggregate amounts specified in Exhibit C; provided, however, that the Lessee shall be obligated to make such Lease Payments during any fiscal year to the extent that such Lease Payments may be made from current revenues lawfully budgeted and appropriated for such purpose during such year. The Lease Payments are payable without notice or demand at the office of the Lessor (or such other place as Lessor or its assignee may from time to time designate in writing), and commence on the first Lease Payment date as set forth in Exhibit C and thereafter on the dates set forth in Exhibit C. Any payments received later than ten days from the due date will bear interest from the due date at the rate of 3% in excess of the rate set forth on Exhibit C or the highest rate permitted by law, whichever is less. Except as specifically provided in Section 4 hereof, and to the extent permitted by applicable law,

the obligation to make the Lease Payments is absolute and unconditional in all events and is not subject to any set-off, defense, counterclaim or recoupment for any reason whatsoever. Any and all payment(s) received by Lessor hereunder shall be applied to amounts due hereunder at Lessor's sole discretion notwithstanding any contrary instruction or instrumentation by Lessee. Unless Lessor decides, in its sole discretion, to apply any and all payments(s) received from Lessee in a different manner, then any payments shall be applied in the following order of priority: (i) to repay any reimbursement items due Lessor from Lessee pursuant to the provisions of this Lease; (ii) to pay for any amounts owed by Lessee by virtue of its indemnification obligations under Section 16 hereof; (iii) to any accrued interest owed in connection with a late Lease Payment; (iv) to any accrued interest with respect to any Lease Payments then due; and then (iv) to reduce the principal component(s) of the Lease Payment(s) as and when due hereunder.

It is Lessee's present intent to make Lease Payments for the full lease term and in that regard Lessee represents that the use of the Equipment is essential to its proper, efficient and economic operation.

The total obligation of Lessee for the fiscal year of execution is the sum of the **Quarterly** payments for such fiscal year as set forth on Exhibit C. The total obligation of Lessee in each fiscal year renewal term is the sum of the **Quarterly** payments during such fiscal year renewal term as set forth on Exhibit C. A schedule of Lessee's total obligation for the fiscal year of execution and for each fiscal year in which this Lease is renewed is attached hereto as Exhibit C.

**4. Nonappropriation of Funds.** In the event no funds or insufficient funds are appropriated and budgeted, or funds are otherwise not available out of current revenues of Lessee by any means whatsoever, in any fiscal period for Lease Payments due under this Lease, then Lessee will immediately notify Lessor or its assignee of such occurrence and this Lease shall terminate on the last day of the fiscal period for which appropriations were received without penalty or expense to Lessee of any kind whatsoever, except as to the portions of Lease Payments herein agreed upon for which funds shall have been appropriated and budgeted or are otherwise available. In the event of such termination, Lessee hereby agrees to peaceably and immediately surrender possession of the Equipment to Lessor or its assignee on the date of such termination, packed for shipment in accordance with manufacturer specifications and freight prepaid and insured to any location in the continental United States designated by Lessor and to execute any and all documents necessary or convenient to memorialize the relinquishment of all of Lessee's rights, title and or interest in such Equipment to Lessor or its successors and assigns. Lessor will have all legal and equitable rights and remedies to take possession of the Equipment in the event of termination, but, for avoidance of any doubt, no rights to forcible possession.

Notwithstanding any provision to the contrary contained in this Lease, it is expressly understood and agreed that Lease Payments to be made in each fiscal year shall be payable only out of current revenues of Lessee for that fiscal year lawfully budgeted and appropriated during such year.

**5. Limitation on Warranties and Disclaimer.** Lessee acknowledges and agrees that the Equipment is of a size, design and capacity selected by Lessee, that Lessor is neither a manufacturer nor a vendor of such equipment, and that LESSOR HAS NOT MADE, AND DOES NOT HEREBY MAKE, ANY REPRESENTATION, WARRANTY, OR COVENANT, EXPRESS OR IMPLIED, WITH RESPECT TO THE MERCHANTABILITY, CONDITION, QUALITY, DURABILITY, DESIGN, OPERATION, FITNESS FOR USE OR SUITABILITY OF THE EQUIPMENT IN ANY RESPECT WHATSOEVER OR IN CONNECTION WITH OR FOR THE PURPOSES AND USES OF LESSEE, OR ANY OTHER REPRESENTATION, WARRANTY OR COVENANT OF ANY KIND OR CHARACTER, EXPRESS OR IMPLIED, WITH RESPECT THERETO, AND LESSOR SHALL NOT BE OBLIGATED OR LIABLE FOR ACTUAL, INCIDENTAL, CONSEQUENTIAL, OR OTHER DAMAGES OF OR TO LESSEE OR ANY OTHER PERSON OR ENTITY ARISING OUT OF OR IN CONNECTION WITH THE USE OR PERFORMANCE OF THE EQUIPMENT INCLUDING THE

MAINTENANCE , INSTALLATION, OPERATION, OR REPAIR THEREOF. Lessee acknowledges that it has selected the Equipment based upon its own judgment and expressly disclaims any reliance upon any statements or representations made by Lessor. As between the Lessor and Lessee, all Equipment is or will be accepted by the Lessee "as is" after inspection by Lessee, and nothing herein shall be construed to affect, extinguish, limit or otherwise modify Lessee's rights and remedies between Lessee and any manufacturer or servicer.

Lessor hereby assigns to Lessee during the Lease Term, so long as no Event of Default (as hereinafter defined) has occurred and is continuing, all warranties, including all manufacturer's warranties, if any, express or implied with respect to the Equipment, and Lessor authorizes Lessee to obtain the customary services furnished in connection with such warranties at Lessee's expense.

6. **Authority and Authorization.** Lessee represents, covenants and warrants, and as requested by Lessor, will deliver an opinion of counsel to the effect that: (i) Lessee is a fully constituted political subdivision, agency or public corporation of the State of Florida; (ii) the execution, delivery and performance by Lessee of this Lease has been duly authorized by all necessary action on the part of Lessee; (iii) this Lease has been executed on behalf of the Lessee by its duly authorized officers; and (iv) this Lease constitutes a legal, valid and binding obligation of Lessee enforceable in accordance with its terms, together with such other legal matters in connection therewith as Lessor shall reasonably request. . Lessee hereby agrees that (i) it will do or cause to be done all things necessary to preserve and keep the Lease in full force and effect; (ii) it has complied with all bidding requirements where necessary and by due notification presented this Lease for approval and adoption as a valid obligation on its part; and (iii) it has sufficient appropriations or other funds available to pay all amounts due hereunder for the current fiscal period.

7. **Title.** Upon acceptance of the Equipment by Lessee hereunder, title to the Equipment will vest in Lessee; subject to reversion to Lessor (i) in the event of termination of this Lease by Lessee pursuant to Section 4 hereinabove; or (ii) upon the occurrence of an Event of Default hereunder related to said Equipment, and as long as such Event of Default is continuing. Lessee (i) shall not sell, assign, subject or otherwise dispose of, or permit legal process or encumbrance upon or against any interest in, this Lease or the Equipment; and (ii) shall keep the Equipment free of liens and give immediate written notice to Lessor of any such process or encumbrance;. Lessee shall affix to the Equipment any markings requested by Lessor or execute any and all documents reasonably requested to be signed by Lessee to memorialize Lessor's interest in such Equipment.

In the event of a reversion of the Equipment to Lessor as described in the above paragraph, Lessee, irrevocably, hereby designates, makes, constitutes and appoints Lessor (and all persons designated by Lessor) as Lessee's true and lawful attorney (and agent-in-fact) with power, at such time of default or non-appropriation or times thereafter as Lessor in its sole and absolute discretion may determine, in Lessee's or Lessor's name, to endorse the name of Lessee upon any bill of sale, document, instrument, invoice, freight bill, bill of lading or similar document relating to the Equipment in order to vest title in Lessor and transfer possession to Lessor.

8. **[Reserved].**

9. **Personal Property.** The Equipment is and will remain personal property and will not be deemed to be affixed to or a part of the real estate on which it may be situated, notwithstanding that the Equipment or any part thereof may be or hereafter become in any manner physically affixed or attached to

real estate or any building thereon. If requested by Lessor, Lessee shall, at Lessee's expense, furnish a landlord or mortgagee waiver with respect to the Equipment.

**10. Use; Repairs.** Lessee shall use the Equipment in a careful manner for the use contemplated by the manufacturer of the Equipment and shall comply with all laws, ordinances, insurance policies and regulations relating to, and shall pay all costs, claims, damages, fees and charges arising out of its possession, use or maintenance. Lessee, at its expense, will keep the Equipment in good repair, good operating condition and working order, according to the manufacturer's recommended guidelines or the equivalent and meet any and all recertification requirements and shall furnish proof of such maintenance, if requested by Lessor, and shall furnish all needed servicing and parts, which parts shall become the property of Lessor and part of the Equipment. Lessor shall have no responsibility in any of these matters or for the making of any improvements or additions to the Equipment, as further discussed in Section 11 below. If the Equipment is such as is customarily covered by a maintenance agreement, Lessee shall, at its expense, furnish Lessor upon its reasonable request with a maintenance agreement with a party satisfactory to Lessor.

**11. Alterations.** Lessee shall not make any alterations, additions or improvements to the Equipment without Lessor's prior written consent unless such alterations, additions or improvements may be readily removed without damage to the Equipment. Any alteration to the Equipment which cannot be readily removed without damage to the Equipment will become part of the Equipment and the property of Lessor. Notwithstanding the foregoing, any upgrade, addition or modification added by the Lessee as required by law or under any manufacturer's or service's recommendations will, without further action, become a part of the Equipment and the sole property of Lessor.

**12. Location; Inspection.** The Equipment will not be removed from, or if the Equipment consists of rolling stock, its permanent base will not be changed from, the Equipment Location without Lessor's prior written consent which will not be unreasonably withheld. Lessor is entitled to enter upon the Equipment Location or elsewhere during reasonable business hours to inspect the Equipment or observe its use and operation.

**13. Liens and Taxes.** Lessee shall keep the Equipment free and clear of all levies, liens and encumbrances except those created under this Lease. Lessee shall pay, when due, all charges and taxes (local, state and federal) which may now or hereafter be imposed upon the ownership, leasing, rental, sale, purchase, possession or use of the Equipment. If Lessee fails to pay said charges and taxes when due, Lessor shall have the right, but shall not be obligated, to pay said charges and taxes. If Lessor pays any charges or taxes for which Lessee is responsible or liable under this Lease, Lessee shall reimburse Lessor therefor immediately upon demand from Lessor. Lessee hereby agrees to cooperate with Lessor in filing all tax returns and informational statements, if any, required by any federal, state, and/or local governmental agency.

**14. Risk of Loss; Damage; Destruction.** Lessee hereby assumes all risk of loss of or damage to the Equipment from any cause whatsoever, and no such loss of or damage to the Equipment nor defect therein nor unfitness or obsolescence thereof shall relieve Lessee of the obligation to make Lease Payments or to perform any other obligation under this Lease. In the event of damage to any item of Equipment, Lessee shall immediately place the same in good repair with the proceeds of any insurance recovery applied to the cost of such repair. If Lessor determines that any item of Equipment is lost, stolen, destroyed or damaged beyond repair, Lessee, at Lessor's option, shall: either (a) replace the same with like equipment in good repair; or (b) on the next Lease Payment date, pay Lessor: (i) all amounts then owed by Lessee to Lessor under this Lease, including the Lease Payment due on such date; and (ii) an amount equal to the applicable Concluding Payment set forth in Exhibit C. In the event that Lessee is obligated to make such payment with respect to less than all of the Equipment, Lessor will provide Lessee with the pro rata amount

of the Lease Payment and the Concluding Payment to be made by Lessee with respect to the Equipment which has suffered the event of loss. Lessee hereby appoints Lessor as Lessee's attorney-in-fact to make claim for, receive payments of, negotiate with insurance carrier(s), bring lawsuits, settle claims or suits, and execute and endorse all documents, checks or drafts issued with respect to any loss, damage, destruction, to, or theft of, the Equipment and/or under any insurance policy relating to the Equipment. Nothing contained in this Lease is intended to be a waiver of the Lessee's sovereign immunity as provided for in Fla. Stat., 768.28 as amended.

**15. Insurance.** Lessee shall, at its expense, maintain at all times during the Term, fire and extended coverage, public liability and property damage insurance with respect to the Equipment in such amounts, covering such risks, and with such insurers as shall be satisfactory to Lessor, or, with Lessor's prior written consent, may self-insure against any or all such risks. In no event will the insurance limits be less than the amount of the then applicable Concluding Payment with respect to such Equipment. Each insurance policy will name Lessee as an insured and Lessor or its assigns as an additional insured and loss payee, and will contain a clause requiring the insurer to give Lessor at least 30 days prior written notice of any alteration in the terms of such policy or the cancellation thereof. The proceeds of any such policies will be payable to Lessee and Lessor or its assigns as their interests may appear. Upon acceptance of the Equipment and upon each insurance renewal date, Lessee shall deliver to Lessor a certificate evidencing such insurance. In the event that Lessee has been permitted to self-insure, Lessee shall furnish Lessor with a letter or certificate to such effect. In the event of any loss, damage, injury or accident involving the Equipment, Lessee shall promptly provide Lessor with written notice thereof and make available to Lessor all information and documentation relating thereto. Lessee shall furnish a certificate of insurance or other evidence satisfactory to Lessor that the required insurance coverage is in effect. Lessor has no duty to ascertain the existence of or to examine the insurance policies to advise Lessee if the insurance coverage does not comply with the requirements of this Section.

In the event Lessee fails to maintain the full insurance coverage on the Equipment as required by this Lease or fails to keep the Equipment in good repair and operating condition, Lessor may, but is not obligated to, purchase the required policies of insurance and pay the premiums on the same or may make such repairs or replacements which are necessary and provide for payment thereof; and all amounts so advanced therefore by Lessor are considered additional rent for the then current Lease Payments, which amounts Lessee hereby agrees to pay, together with interest thereon at the rate of three (3%) per cent per annum in excess of the rate set forth on Exhibit C or at the highest rate permitted by applicable law, whichever is less.

Lessee hereby consents to Lessor's release, upon its failure to obtain appropriate insurance coverage, of any and all information necessary to obtain insurance with respect to the Equipment and/or Lessor's interest therein. Lessor retains the right to substitute its own insurance for any insurance obtained by Lessee in accordance with this Section upon reasonable notice to Lessee with an insurer or through an agent or broker of its choice, at Lessee's sole cost.

**16. Certain Claims.** Lessee acknowledges and agrees that Lessor shall have no liability to Lessee for any claims, costs, expenses (including, but not limited to, attorneys' fees and expenses), damages, losses, judgments and liabilities of any nature whatsoever that may be imposed on, incurred by, or asserted against the Lessee with respect to any item of Equipment or its purchase, acceptance, delivery, ownership, leasing, possession, maintenance, use, operation or transportation by the Lessee and its officials, officers, employees and agents, whether or not other parties are involved, or arising out of this Lease or the transactions contemplated hereby, including, without limitation, (a) claims for injury to or death of persons and for damage to property, (b) claims relating to patent, copyright or trademark infringement, and (c) claims relating to latent or other defects in the Equipment whether or not discoverable by Lessor. The provisions of this Section 16 survive the termination of this Lease. For avoidance of any doubt, this Section

does not require the Lessee to indemnify the Lessor in regard to any of the foregoing matters or the Lessor to indemnify the Lessee in regard to any of the foregoing matters.

**17. Purchase Option.** Upon 30 days prior written notice from Lessee to Lessor, and on the condition that there is no Event of Default, or an event which with notice or lapse of time, or both, could become an Event of Default, then existing, Lessee will be entitled to purchase Lessor's interest in, to the extent thereof, the Equipment on the Lease Payment dates set forth in Exhibit C (without any prepayment penalty) by paying to Lessor, on such date, the Lease Payment then due together with the Concluding Payment amount set forth opposite such date. Upon satisfaction by Lessee of such purchase conditions, Lessor shall transfer any and all of its right, title and interest in the Equipment to Lessee as is, without warranty, express or implied, except that Lessor shall warrant to Lessee that the Equipment is free and clear of any liens created by Lessor. Unless Lessee exercises an option to purchase the Equipment or renews the terms of this Lease as provided in any Exhibit to this Lease and except as otherwise provided in this Lease, upon expiration of the Term as to each item of Equipment or upon demand of Lessor pursuant to this section, Lessee, at its own risk and expense, including, but not limited to the expense of maintaining all insurance thereon, shall either (a) provide adequate and suitable storage space at the place where the Equipment was delivered hereunder or to which it was moved in accordance with this Lease, and shall permit Lessor to store such Equipment free of charge, and at the risk of Lessee for public liability and physical damage exposure, for a period not to exceed one hundred eighty (180) days, during which period Lessee shall provide Lessor reasonable access thereto; or (b) immediately assemble, prepare for shipment, and return the Equipment to Lessor in the same condition as delivered, ordinary wear and tear excepted, and meeting all recertification requirements, with all damaged or missing parts replaced, at such location within the United States as Lessor designates. Lessee hereby agrees to provide to Lessor written notice at least one hundred eighty (180) days prior to the end of the Term of the Lease if Lessee intends to return the Equipment to Lessor (the "Return Notice"). In the event Lessee fails to deliver to Lessor the Return Notice at least one hundred eighty (180) days prior to the end of the Term of the Lease, the Term will be extended automatically for one hundred eighty (180) days and Lessee shall continue to pay Lease Payments as agreed to by the Lessor and Lessee at such time.

**18. Assignment.** Without Lessor's prior written consent, Lessee shall not (i) assign, transfer, pledge, hypothecate, grant any security interest in or otherwise dispose of this Lease or the Equipment or any interest in this Lease or the Equipment, or (ii) sublet or lend the Equipment or permit it to be used by anyone other than Lessee or Lessee's employees or agents. Lessee shall remain primarily liable on this Lease. Lessor may assign its right, title and interest in and to this Lease, the Equipment and any other documents executed with respect to this Lease and/or grant or assign a security interest in this Lease and the Equipment, in whole or in part. Lessee hereby agrees that any such assignment shall not materially change Lessee's duties or obligations under this Lease. Any such assignees shall have all the rights of Lessor under this Lease. No assignment or reassignment of any of Lessee's right, title or interest in this Lease or the Equipment will be effective unless and until Lessor consents to such assignment and Lessor has received a duplicate original counterpart of the document by which the assignment or reassignment is made, disclosing the name and address of each such assignee. DURING THE LEASE TERM LESSEE SHALL KEEP A COMPLETE AND ACCURATE RECORD OF ALL SUCH ASSIGNMENTS IN FORM NECESSARY TO COMPLY WITH SECTION 149(a) OF THE INTERNAL REVENUE CODE OF 1986, OR ANY SUCCESSOR PROVISION THERETO, AND THE REGULATIONS, PROPOSED OR EXISTING, FROM TIME TO TIME PROMULGATED THEREUNDER. Subject to the foregoing, this Lease inures to the benefit of and is binding upon the successors and assigns of the parties hereto. No further action will be required by Lessor or by Lessee to evidence the assignment, but Lessee shall acknowledge such assignments in writing if so requested.

**19. Events of Default.** The term "Event of Default", as used herein, means the occurrence of any one or more of the following events:

(a) Subject to Lessee's annual rights in respect of non-appropriation contained herein, Lessee fails to make any Lease Payment (or any other payment including insurance premiums required hereunder) when due in accordance with the terms of this Lease;

(b) Lessee fails to perform or observe any other covenant, condition or agreement to be performed or observed by it hereunder and such failure is not cured within 20 days after written notice thereof by Lessor; or

(c) The discovery by Lessor that any statement, representation or warranty made by Lessee in this Lease or in any writing ever delivered by Lessee pursuant hereto or in connection herewith is false, misleading or erroneous in any material respect;

(d) Lessee shall attempt to abandon, remove, sell, encumber or sublet any item of Equipment or to assign any rights under or interest in this Lease; or

(e) Lessee shall become insolvent or make an assignment for the benefit of creditors, or a trustee or receiver shall be appointed for Lessee or for a substantial part of its assets, or bankruptcy, reorganization or insolvency proceedings shall be instituted by or against Lessee; or

(f) Lessee shall suffer a material adverse change in its financial conditions or operations; or

(g) Lessee shall be in default under any other agreement with Lessor or any of its affiliates or any other lender.

**20. Remedies.** Upon the occurrence of an Event of Default, and so long as such Event of Default is continuing, title to the equipment shall revert to Lessor as provided in Section 7 above, and Lessor may, at its option, at any time or from time to time, exercise any one or more or all of the following rights and remedies without necessity of any further notice to Lessee:

(a) Lessor may declare all installments of the Lease Payments for the then remaining for the then current annual term of this Lease, to the extent previously appropriated, to be immediately due and payable, whereupon the same shall become immediately due and payable;

(b) Lessor may terminate this Lease, whereupon Lessor may require that Lessee, at Lessee's expense, promptly (but in any event within 10 days) return all Equipment to the possession of Lessor at such place within the United States as Lessor shall specify (and should Lessee fail to do so, Lessor will have all legal and equitable rights and remedies to take possession of the Equipment itself but, for avoidance of any doubt, no rights to forcible possession), after receipt of which Lessor shall use commercially reasonable efforts to sell or lease the Equipment or, for the account of Lessee, sublease the Equipment, or otherwise dispose of the Equipment, on such terms and notices as Lessor deems reasonable and, in addition to reclaiming the total proceeds received from such lease or sale, recover from Lessee damages, not as a penalty, but liquidated damages for all purposes an amount equal to the sum of (i) any accrued and unpaid Lease Payments that have been previously appropriated, and all other amounts then due hereunder, as of the later of (A) the date of the Event of Default, (B) the date Lessee has made an effective tender of possession of the Equipment back to Lessor in accordance with the terms hereof, or (C) such other date on which Lessor has obtained possession of the Equipment ("Default Date"); and (ii) interest at the same

rate per annum charged by the Internal Revenue Service for the late payment of tax, less the amount received by Lessor upon any such sale, lease, sublease or other disposition of Equipment, after deducting all of Lessor's expenses incurred in connection therewith, , including without limitation, all repossession costs, broker's commissions, attorney's fees and expenses, and alteration costs and expenses of preparing the Equipment for disposition, and Lessor may proceed by attachment, lawsuit or otherwise to collect the entire amount of such claim; provided that if the net amount received by Lessor from any such disposition exceeds the aggregate amounts then recoverable from lessee set forth hereinabove, Lessor shall remit any such excess amount or to Lessee or as otherwise may be required under applicable law; and

(c) Lessor may exercise any other right, remedy or privilege which may be available to it under applicable laws of the State of Florida or any other applicable laws or proceed by appropriate court action to enforce the terms of this Lease or to recover damages for the breach of this Lease or to rescind this Lease as to any or all of the Equipment.

In addition, Lessee will remain liable for all covenants and, to the extent permitted by applicable law, indemnities under this Lease and for all legal fees and other costs and expenses, including court costs and reasonable attorney's fees, incurred by Lessor with respect to the enforcement of any of the remedies listed above or any other remedy available to Lessor. A cancellation hereunder shall occur only upon notice by Lessor and only as to such Items of Equipment as Lessor specifically elects to cancel, and this Lease shall continue in full force and effect as to the remaining items of Equipment, if any. Lessee shall be liable for and shall pay to Lessor all attorneys' fees and expenses and other costs incurred by Lessor in exercising Lessor's remedies, including placing any Equipment in the condition required by Section 10 hereof. No remedy referred to in this Lease is intended to be exclusive, but each shall be in addition to any other remedy referred to or otherwise available to Lessor at law or in equity. No express or implied waiver by Lessor of any Default will constitute a waiver of any other Default by Lessor or a waiver of any of Lessor's rights and no delay by Lessor in enforcing any right or requiring performance of any provisions of this Lease by Lessee will be a waiver of such right or affect the right of Lessor to enforce such provision.

Notwithstanding any provision of this Section to the contrary, the Lessee may terminate this Lease as provided in Section 4, and the Lessee shall not be liable under this Lease for any Lease Payments in excess of the amount otherwise due under Section 3.

**21. Notices.** All notices to be given under this Lease shall be made in writing and mailed by certified mail, return receipt requested, to the other party at its address set forth herein or at such address as the party may provide in writing from time to time. Any such notice shall be deemed to have been received five days subsequent to mailing if mailed in accordance with this Section.

**22. Section Headings.** All section headings contained herein are for convenience of reference only and are not intended to define or limit the scope of any provision of this Lease.

**23. Governing Law.** This Lease shall be construed in accordance with, and governed by the laws of, the State of Florida.

**24. Delivery of Related Documents.** Lessee shall execute or provide, as requested by Lessor, such other documents and information as are reasonably necessary with respect to the transaction contemplated by this Lease. At the request of Lessor, Lessee shall furnish Lessor annual financial statements of Lessee within 180 days after the end of Lessee's fiscal year.

**25. Entire Agreement: Waiver.** This Lease, together with the Acceptance Certificate and other attachments hereto, and other documents or instruments executed by Lessee and Lessor in connection herewith, constitute the entire agreement between the parties with respect to the lease of the Equipment, and this Lease shall not be modified, amended, altered or changed except with the written consent of Lessee and Lessor. Any provision of this Lease found to be invalid or unenforceable shall be ineffective to the extent of such invalidity or unenforceability without invalidating the remainder of this Lease. The waiver by Lessor of any breach by Lessee of any term, covenant or condition hereof shall not operate as a waiver of any subsequent breach thereof.

**26. Decrease in Deductibility of Interest Expense.** The Lessee hereby acknowledges that the Lease Payments were calculated assuming that a financial institution that accepted an assignment of Lessor's interest on the date of delivery of this Lease could deduct 80% of such financial institution's interest expense allocable to this Lease. If (i) the Lessor, or any assignee of the Lessor or its assigns, is a financial institution for purposes of Section 265 of the Internal Revenue Code of 1986 (the "Code"), (ii) the deductible portion of such financial institution's interest expense allocable to this Lease is decreased for any reason (including without limitation a change in applicable law or the fact that this Lease does not qualify as a "qualified tax-exempt obligation" under Section 265(b)(3) of the Code), and (iii) such decrease would have been effective if such financial institution had acquired its interest in the Lease on the date of delivery of this Lease, then for each whole percentage point of decrease (below 80%) in the portion of allocable interest expense allowed as a deduction, the interest rate used to calculate the Lease Payments shall increase in an amount sufficient to provide Lessor with the exact same rate of return as initially calculated assuming that the Lease Payments payable to Lessor by Lessee are "qualified tax-exempt obligations."

The interest rate adjustment required by this Section shall be made each time that the allowable deduction for allocable interest expense decreases and shall be effective as of the date such decrease becomes effective for the financial institution that is at the time Lessor (or an assignee of Lessor or its assigns). No such adjustment in the interest rate shall be effective during any period when the Lessor (or an assignee of Lessor or its assigns) is not a financial institution for purposes of Section 265 of the Code.

Any adjustment required by this Section shall increase the amount of interest payable as a part of each Lease Payment affected, but shall not change the principal component of any Lease Payment.

**27. Covenant Regarding Tax-Exempt Interest.** The Lessee hereby represents and warrants that the interest portion of each Lease Payment will not be includible in gross income of the Lessor. The Lessee hereby covenants and agrees that it will not take any action, or fail to take any action, if such action or failure to act would cause the interest portion of each Lease Payment to be or become includible in gross income of the Lessor for purposes of federal income taxation. Without limiting the generality of the preceding sentence, the Lessee hereby covenants and agrees that, to the extent necessary for the interest portion of each Lease Payment to be so excludable from gross income,

(a) the Equipment shall not be used in any private business use; the Lease Payments shall not be secured by, or derived from, property used in a private business use; no portion of the proceeds of this Lease shall be used to make or finance loans to persons other than governmental units; and proceeds of this Lease shall not be used in any manner that would cause this Lease to be or become a "private activity bond", as defined in Section 141 of the Code; and

(b) the Lessee shall submit to the Secretary of the Treasury a statement or report with respect to the execution and delivery of this Lease as required by Section 149(e) of the Code.

If Lessor determines in good faith (which determination shall be supported by an opinion of nationally recognized bond counsel) or if the Internal Revenue Service shall claim in writing that the interest portion of the Lease Payments is includible in the gross income of Lessor or any former Lessor ("Taxable"), then the interest rate hereunder shall be adjusted to the Prime Rate plus 1.0%, determined daily according to the Prime Rate in effect for such date, effective as to the earliest date that such interest was Taxable. Any additional amount of interest due for the period prior to the date Lessee was notified that interest was Taxable and began making payments at the adjusted rate shall be paid by Lessee, at the option of Lessor, (i) within thirty (30) days after the date Lessee is notified of the amount due, or (ii) on such other payment schedule as shall be satisfactory to Lessor. "Prime Rate" shall mean the rate of interest announced by Regions Bank (the "Bank") as its prime rate, with the understanding that the Bank's prime rate is one of its base rates established from time to time for lending purposes and is not necessarily the best or lowest rate offered by the Bank and is evidenced by the recording thereof after its announcement in such internal publication or publications as the Bank may designate.

**28. Representations of Lessee.** Lessee hereby represents and warrants that: (i) Lessee is a duly constituted, organized and validly existing political subdivision existing under the laws of the State of Florida and is authorized to lease personal property and to sell or lease or otherwise dispose of personal property; (ii) Lessee has full power, authority, and legal right to execute, deliver and perform the agreements on its part contained in this Lease; (iii) the person or persons executing this Lease on behalf of Lessee have been duly authorized under the laws of the State of Florida and a duly adopted resolution of Lessee's governing body is in full force and effect on the date hereof to execute this Lease on behalf of Lessee and to obligate Lessee hereunder; (iv) Lessee has taken all necessary steps or complied with all procedures required for the authorization and execution of this Lease; (v) all Lease Payments which are to be made hereunder will be paid out of funds which are legally available for such purpose; (vi) Lessee has obtained or made, or does not require, the approval of or the giving of notice to any Federal, State, local or foreign governmental authority in order to enter into this Lease; (vii) Lessee is not required to submit this Lease to Lessee's electorate for approval; (viii) Lessee, by entering into this Lease, does not violate any law binding on Lessee or contravene any indenture, credit agreement, or any other agreement under which Lessee is a party or by which it is bound; (ix) this Lease constitutes a legal, valid and binding obligation of Lessee, enforceable in accordance with its terms; (x) there are no pending or threatened actions or proceedings before any court, administrative agency or other tribunal or body or judgments which may materially adversely affect Lessee's financial condition or operations; (xi) the Equipment is personal property and is not now nor will it become either real property or a fixture or inventory; (xii) the use of the Equipment is essential, necessary, useful, and appropriate to the lawful purposes of Lessee and in the discharge of its duties as a governmental body; (xiii) the Lease application (if any) is true and is not misleading; (xiv) the execution of this Lease does not constitute a default in any other agreement of Lessee; (xv) there is not existing, and Lessee will not directly or indirectly create, incur, assume or suffer to exist, any mortgage, security interest, pledge, lien, charge, encumbrance or claim on or with respect to the Equipment, title thereto or any interest therein, except the respective rights of Lessor and Lessee under this Lease and further excepting any mortgage, security interest, pledge, lien or encumbrance granted by Lessor; (xvi) the Equipment is of size, design, capacity and manufacture selected by Lessee and will be suitable for Lessee's purposes; (xvii) Lessee will cause to be done, executed, acknowledged and delivered all such further acts, instruments, conveyances and assurances as Lessor shall require for accomplishing the purposes of this Lease; (xviii) Lessee shall promptly furnish to Lessor such information as may be required to enable Lessor to timely file any reports required to be filed by it under this Lease with any governmental authority; (xix) Lessee has complied with the insurance provisions of Section 15; (xx) Lessee will execute or file any reports or tax forms required by State or Federal authorities; (xxi) Lessee and its governing body reasonably believe that Lessee shall have sufficient available funds during each fiscal year through the maximum term to elect to appropriate monies to make the Lease Payments hereunder; and (xxii) all actions of the governing body of the Lessee and its members concerning this Lease have been taken in accordance with the laws of the State of Florida.

**29. Arbitration.** Lessee represents to Lessor that its business and affairs constitute substantial interstate commerce and that it contemplates using the Equipment in substantial interstate commerce. Except as otherwise specifically set forth below, any action, dispute, claim, counterclaim or controversy (“Dispute” or “Disputes”), between or among Lessor, Lessee or any guarantor, including any claim based on or arising from an alleged tort, shall be resolved by arbitration as set forth below. As used herein, Disputes shall include all actions, disputes, claims, counterclaims or controversies arising in connection with this Lease (including all Exhibits and other addenda), any extension of or amendments to this Lease, any security or collateral given to Lessor, any action taken (or any omission to take any action) in connection with any of the foregoing, any part, present and future agreement between or among Lessor, Lessee or any guarantor (including this Lease and any related guaranty agreement), and any past, present or future transactions between or among Lessor, Lessee or any guarantor.

To the extent permitted by applicable law, all Disputes will be resolved by binding arbitration in accordance with Title 9 of the U.S. Code and the Commercial Arbitration Rules of the American Arbitration Association (the “AAA”) in Broward County, Florida. Defenses based on statutes of limitations, estoppel, waiver, laches and similar doctrines, that would otherwise be applicable to an action brought by a party, shall be applicable in any such arbitration proceeding, and the commencement of an arbitration proceeding with respect to this Lease shall be deemed the commencement of an action for such purposes.

Whenever an arbitration is required hereunder, the arbitrator shall be selected in accordance with the Commercial Arbitration Rules of the AAA. The AAA shall designate a panel of 10 potential arbitrators knowledgeable in the subject matter of the Dispute. Each of Lessor and Lessee shall designate, within thirty (30) days of the receipt of the list of potential arbitrators, one of the potential arbitrators to serve, and the two arbitrators so designed shall select a third arbitrator from the eight remaining potential arbitrators. The panel of three arbitrators shall determine the resolution of the Dispute.

**30. No Agency.** Lessee hereby acknowledges and agrees that neither the manufacturer, the supplier, nor any salesman, representative or other agent of the manufacturer or supplier, is an agent of Lessor. No salesman, representative or agent of the manufacturer or supplier is authorized to waive or alter any term of condition of this Lease and no representation as to the Equipment or any other matter by the manufacturer or supplier shall in any way affect Lessee’s duty to pay Lease Payments and perform its other obligations as set forth in this Lease.

**31. Finance Lease.** Lessee hereby acknowledges that for purposes of the Florida Uniform Commercial Code, this Lease is a finance lease and Lessor is not an agent of the manufacturer or vendor of the equipment. Lessee hereby acknowledges that Lessee has selected the supplier of the equipment and directed Lessor to purchase the equipment from the supplier. Lessee hereby acknowledges that it is entitled under the UCC to all warranties and other rights provided to Lessee by the supplier of the equipment and to contact the supplier for an accurate and complete statement of any such express warranties and other rights and any disclaimers or limitations of such rights or of remedies.

**32. Lessee Acknowledgments.** To the extent permitted by Florida law, Lessee acknowledges and agrees that, except as otherwise expressly set forth herein, Lessee shall not have any right to (a) cancel or repudiate the Lease, (b) reject or revoke acceptance of the Equipment after its acceptance thereof in accordance herewith, (c) recover damages from the Lessor for breach of warranty in respect of, or for any other reason related to, the Equipment (d) claim a security interest in any rejected Equipment in the Lessee’s possession or control, (e) deduct from rent all or any part of any claimed damages resulting from the Lessor’s default under the Lease, (f) “cover” by making any purchase or lease of substitute equipment, (g) recover from the Lessor or any assignee of the Lessor any general, special, incidental or consequential damages for any reason whatsoever, and (h) obtain specific performance, replevin or the like for any of the

Equipment. The Lessee also agrees that it shall have no right to require the Lessor to sell or re-lease the Equipment or otherwise to mitigate damages.

**33. Additional Provisions.** Any additional provisions and modifications, if any, to the standard language of this Lease are set forth in Exhibit D attached hereto.

**LESSEE:**  
**City of Pompano Beach**

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

Title: MAYOR

The official signature page of the City of Pompano Beach is attached hereto and incorporated into this document.

Attest:

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

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

**LESSOR:**  
**Regions Equipment Finance Corporation**

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

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

**"CITY":**

Witnesses:

**CITY OF POMPANO BEACH**

\_\_\_\_\_

By: \_\_\_\_\_  
LAMAR FISHER, MAYOR

\_\_\_\_\_

By: \_\_\_\_\_  
DENNIS W. BEACH, CITY MANAGER

Attest:

\_\_\_\_\_  
ASCELETA HAMMOND, CITY CLERK

(SEAL)

Approved As To Form:

\_\_\_\_\_  
MARK E. BERMAN, CITY ATTORNEY

**STATE OF FLORIDA**

COUNTY OF BROWARD

The foregoing instrument was acknowledged before me this \_\_\_\_ day of October, 2015 by **LAMAR FISHER** as Mayor, **DENNIS W. BEACH** as City Manager and **ASCELETA HAMMOND** as City Clerk of the City of Pompano Beach, Florida, a municipal corporation, on behalf of the municipal corporation, who are personally known to me.

NOTARY'S SEAL:

\_\_\_\_\_  
NOTARY PUBLIC, STATE OF FLORIDA

\_\_\_\_\_  
(Name of Acknowledger Typed, Printed or Stamped)

\_\_\_\_\_  
Commission Number

**EXHIBIT A**  
**TO**  
**EQUIPMENT LEASE-PURCHASE AGREEMENT**  
**DATED October 29, 2015**  
**BETWEEN Regions Equipment Finance Corporation**  
**AND**  
**City of Pompano Beach**

Description of Equipment

<b>Quantity</b>	<b>Description</b>	<b>Location</b>
1	Fire Engine	City of Pompano Beach, FL
1	Sedan	City of Pompano Beach, FL
1	Squad-Special Ops Unit	City of Pompano Beach, FL
1	Rescue Van	City of Pompano Beach, FL
1	Pickup truck	City of Pompano Beach, FL
1	Pickup truck	City of Pompano Beach, FL
1	Minivan	City of Pompano Beach, FL
1	SUV	City of Pompano Beach, FL
1	Street Sweeper	City of Pompano Beach, FL
2	Front Lawn Mower	City of Pompano Beach, FL
4	Enclosed Lawn Trailers	City of Pompano Beach, FL
1	Toro Workman	City of Pompano Beach, FL
2	T-250 Van	City of Pompano Beach, FL
4	SUV	City of Pompano Beach, FL
1	Pickup Truck	City of Pompano Beach, FL
8	Pickup Truck (single cab)	City of Pompano Beach, FL

This is a general equipment description. This exhibit will be amended and updated with specific equipment information once the equipment is identified and the escrow account is fully funded and closed.

Identified by:

Lessor: \_\_\_\_\_

Lessee: \_\_\_\_\_

10/19/2015  
001-0000057-001

**EXHIBIT B  
TO  
EQUIPMENT LEASE-PURCHASE AGREEMENT  
DATED October 29, 2015  
BETWEEN Regions Equipment Finance Corporation  
AND  
City of Pompano Beach**

Acceptance Certificate

Regions Equipment Finance Corporation  
P.O. Box 2545  
Birmingham, Alabama 35202

Ladies and Gentlemen:

In accordance with the terms of the Equipment Lease-Purchase Agreement dated **October 29, 2015** (the "Lease") between **Regions Equipment Finance Corporation** ("Lessor"), and **City of Pompano Beach** ("Lessee"), Lessee hereby certifies and represents to, and agrees with, Lessor as follows:

1. The Equipment, as such term is defined in the Lease, has been delivered and installed at the Equipment Location specified in Exhibit A to the Lease and was accepted by Lessee on

(Date) \_\_\_\_\_

2. Lessee has conducted such inspection and/or testing of the Equipment as it deems necessary and appropriate and hereby acknowledges that it accepts the Equipment for all purposes.

3. No Event of Default (as defined in the Lease) and no event which with notice or lapse of time, or both, would become an Event of Default, has occurred and is continuing.

Dated: \_\_\_\_\_

**City of Pompano Beach**

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

Title: MAYOR

10/19/2015  
001-0000057-001

**EXHIBIT C  
TO  
EQUIPMENT LEASE-PURCHASE AGREEMENT  
DATED October 29, 2015  
BETWEEN Regions Equipment Finance Corporation  
AND  
City of Pompano Beach**

Commencement Date: **October 29, 2015**  
 Expiration Date: **October 29, 2020**  
 Interest Rate: **1.4000%**

**Total Obligation of City of Pompano Beach  
 for Calendar Year of 2015  
 Execution and Renewal Years**

Loan Amortization					
Date	Funding	Payment	Interest	Principal	Balance
10/29/2015	\$ 2,257,875.40				\$ 2,257,875.40
1/29/2016		\$ 117,088.52	\$ 7,902.56	\$ 109,185.95	\$ 2,148,689.45
4/29/2016		\$ 117,088.52	\$ 7,520.41	\$ 109,568.10	\$ 2,039,121.35
7/29/2016		\$ 117,088.52	\$ 7,136.92	\$ 109,951.59	\$ 1,929,169.76
10/29/2016		\$ 117,088.52	\$ 6,752.09	\$ 110,336.42	\$ 1,818,833.34
1/29/2017		\$ 117,088.52	\$ 6,365.92	\$ 110,722.60	\$ 1,708,110.74
4/29/2017		\$ 117,088.52	\$ 5,978.39	\$ 111,110.13	\$ 1,597,000.61
7/29/2017		\$ 117,088.52	\$ 5,589.50	\$ 111,499.01	\$ 1,485,501.60
10/29/2017		\$ 117,088.52	\$ 5,199.26	\$ 111,889.26	\$ 1,373,612.34
1/29/2018		\$ 117,088.52	\$ 4,807.64	\$ 112,280.87	\$ 1,261,331.47
4/29/2018		\$ 117,088.52	\$ 4,414.66	\$ 112,673.85	\$ 1,148,657.61
7/29/2018		\$ 117,088.52	\$ 4,020.30	\$ 113,068.21	\$ 1,035,589.40
10/29/2018		\$ 117,088.52	\$ 3,624.56	\$ 113,463.95	\$ 922,125.44
1/29/2019		\$ 117,088.52	\$ 3,227.44	\$ 113,861.08	\$ 808,264.37
4/29/2019		\$ 117,088.52	\$ 2,828.93	\$ 114,259.59	\$ 694,004.78
7/29/2019		\$ 117,088.52	\$ 2,429.02	\$ 114,659.50	\$ 579,345.28
10/29/2019		\$ 117,088.52	\$ 2,027.71	\$ 115,060.81	\$ 464,284.47
1/29/2020		\$ 117,088.52	\$ 1,625.00	\$ 115,463.52	\$ 348,820.95
4/29/2020		\$ 117,088.52	\$ 1,220.87	\$ 115,867.64	\$ 232,953.31
7/29/2020		\$ 117,088.52	\$ 815.34	\$ 116,273.18	\$ 116,680.13
10/29/2020		\$ 117,088.52	\$ 408.38	\$ 116,680.13	\$ (0.00)
	\$ 2,257,875.40	\$ 2,341,770.30	\$ 83,894.90	\$ 2,257,875.40	

Identified by:

Lessor: \_\_\_\_\_

Lessee: \_\_\_\_\_

10/19/2015  
 001-0000057-001

**EXHIBIT D  
TO  
EQUIPMENT LEASE-PURCHASE AGREEMENT  
DATED October 29, 2015  
BETWEEN Regions Equipment Finance Corporation  
AND  
City of Pompano Beach**

Additional Provisions and  
Modifications to Standard Terms

None

Identified by:

Lessor: \_\_\_\_\_

Lessee: \_\_\_\_\_

10/19/2015  
001-0000057-001



ESSENTIAL USE LETTER

Dated: October 29, 2015

Lessor  
P.O. Box 2545  
Birmingham, Alabama 35202

Re: Equipment Lease-Purchase Agreement dated October 29, 2015

Gentlemen:

This letter is being written with respect to the use of the equipment (the "Equipment") to be leased to the undersigned pursuant to the above-referenced Equipment Lease-Purchase Agreement. The Equipment will be used by

The Fire, Public Works, Parks, Recreation & Cultural Arts and Code Compliance Departments  
(Department or Division Using Equipment)

for the following purposes:

To carry our essential City functions in the normal course of City operations (Public Safety, Maintenance & General Government operations)  
(State how and for what purposed the Equipment will be used)

The undersigned hereby represents that the use of the Equipment is essential and necessary to its proper, efficient and economic operation of its governmental functions and its purchase is pursuant to a legitimate public purpose.

Very truly yours,

\_\_\_\_\_  
**LESSEE**

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

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

INCUMBENCY CERTIFICATE

I, **ASCELETA HAMMOND**, do hereby certify that I am the duly elected or appointed and acting Secretary/Clerk of **City of Pompano Beach**, a political subdivision or agency or public corporation duly organized and existing under the laws of the State of Florida ("Lessee"), that I have custody of the records of such entity, and that, as of the date hereof, the individuals named below are the duly elected or appointed officers of Lessee holding the offices set forth opposite their respective names. I further certify that (i) the signatures set opposite their respective names and titles are their true and authentic signatures and (ii) such officers have the authority on behalf of Lessee to enter into that certain Equipment Lease-Purchase Agreement dated **October 29, 2015**, between Lessee and Lessor, as evidenced by the copy of the resolution of the Lessee attached hereto.

NAME	TITLE	SIGNATURE
LAMAR FISHER	MAYOR	

IN WITNESS WHEREOF, this certificate has been executed by the undersigned and the seal of Lessee has been affixed.

Dated: October 29, 2015

\_\_\_\_\_  
Secretary/Clerk

[SEAL]

## **RESOLUTION**

Replace this page with final Version of Resolution prepared by City's Attorney and approved by REFCO Legal.

(To be written on Counsel's Letterhead)

OPINION OF COUNSEL

Replace this page with the City prepared Opinion of Counsel

(To be written on Counsel's Letterhead)

OPINION OF COUNSEL

Dated: \_\_\_\_\_

Lessor  
P. O. Box 2545  
Birmingham, Alabama 35202

Re: Equipment Lease-Purchase Agreement dated **DATE**

Ladies and Gentlemen:

I have acted as Counsel to **LESSEE** ("Lessee") with respect to that certain Equipment Lease-Purchase Agreement (the "Lease") dated **DATE**, by and between Lessor, as Lessor, and Lessee. I have reviewed the Lease and such other documents, records and certificates of Lessee and appropriate public officials as I have deemed relevant and am of the opinion that:

1. Lessee is a political subdivision or agency of the State of Florida;
2. The execution, delivery and performance by Lessee of the Lease have been duly authorized by all necessary action on the part of Lessee and no other necessary approval or consent is required in order for the Lease to be a legal, valid and binding obligation of Lessee enforceable in accordance with its terms; and
3. The Lease constitutes a legal, valid and binding obligation of Lessee enforceable in accordance with its terms.
4. All necessary approvals, consents, and franchises (if applicable) have been obtained for the acquisition and operation of the equipment financed pursuant to the terms of the Lease.
5. Lessee has complied with all competitive bid law provisions of Florida law applicable to the Lease and the equipment financed thereby.

This opinion is rendered to and may be relied upon by Lessor, and or its successors and assigns and its legal counsel.

Very truly yours,

\_\_\_\_\_  
(Attorney for the Lessee)

CERTIFICATE OF APPROPRIATION

I, **LAMAR FISHER, MAYOR** of **City of Pompano Beach** ("Lessee") hereby certify that all lease payments due by Lessee under that certain Equipment Lease-Purchase Agreement dated as of **October 29, 2015**, between Lessee and Lessor, as Lessor, for the fiscal year ending **2016**, are within such fiscal year's budget for Lessee and within an available, unexhausted and unencumbered appropriation for Lessee.

IN WITNESS WHEREOF, this certificate has been executed on behalf of Lessee by the undersigned officer.

Dated: October 29, 2015

---

**City of Pompano Beach**

Name: **LAMAR FISHER**

Title: **MAYOR of CITY OF POMPANO BEACH**

**NOTICE AND CONSENT TO ASSIGNMENT**

**October 29, 2015**

**City of Pompano Beach  
100 WEST ATLANTIC BOULEVARD  
POMPANO BEACH, FL 33060**

Attention: **Suzette Sibble**

Re: Equipment Lease-Purchase Agreement dated **October 29, 2015**, between **City of Pompano Beach** ("Lessee") and **Regions Equipment Finance Corporation** ("Lessor") an affiliated entity of Regions Bank.

Addressee:

Please be advised that **Regions Equipment Finance Corporation**, an affiliated entity of Regions Bank ("Lessor") has assigned all its rights, title and interest in and to the above referenced Equipment Lease- Purchase Agreement ( the" Lease"), the Equipment leased thereunder, and the right to receive payments thereunder to **Regions Bank** (the " Assignee").

All payments due under the Lease should be made to the Assignee at the following address:

**Regions Bank**  
**C/O Regions Equipment Finance Corporation**  
**P.O. Box 11407**  
**Birmingham, Alabama 35246-1001**

Please acknowledge your acceptance of the assignment, your recordation of the assignment pursuant to the assignment provisions of the Lease, and your agreement to make the payment due under the Lease to the Assignee by the signature of a duly authorized officer in the space provided on the enclosed counterpart of this letter and return it to us at the address shown above.

Sincerely,

**Regions Equipment Finance Corporation, an affiliated entity of Regions Bank.**

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

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

ACKNOWLEDGE AND ACCEPTED:

**City of Pompano Beach**

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

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

**CERTIFICATE WITH RESPECT TO TAX-EXEMPT  
INTEREST AND QUALIFIED TAX-EXEMPT OBLIGATIONS**

I, **LAMAR FISHER**, the **Mayor of City of Pompano Beach** ("Lessee"), am duly charged with the authority for executing that certain Equipment Lease-Purchase Agreement dated as of **October 29, 2015** (the "Lease") by and between Lessee and Lessor and do hereby certify as follows:

1. This certificate is executed for the purpose of establishing (i) that the interest component of each Lease Payment will not be included in gross income of the Lessor for purposes of federal income taxation and (ii) that the Lease qualifies as a qualified tax-exempt obligation of Lessee for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986 (the "Code").

2. Lessee is a political subdivision of the State of Florida.

3. The Agreement is being issued in Calendar year ending **2015** (the "Calendar Year").

4. All proceeds of the Lease will be used to acquire the Equipment on the date of acceptance thereof by the Lessee, and Lessee shall never invest, or have the opportunity to invest, any proceeds of the Lease. None of the proceeds shall be used to reimburse Lessee for any expenditure made prior to sixty (60) days from the date of this Certificate.

5. The Lessee has not established any sinking fund or other similar fund for the payment of the Lease Payments.

6. No portion of the gross proceeds of the Lease will be used to make or finance loans to persons other than governmental units or be used in any trade or business carried on by any person other than a governmental unit.

7. No portion of the payment of principal of, or interest on, the Lease is directly or indirectly (i) secured by any interest in property used or to be used for a private business use, or payments in respect of such property, or (ii) to be derived from payments (whether or not to Lessee) in respect of property, or borrowed money, used or to be used for a private business use.

8. Lessee has designated the Lease as a qualified tax-exempt obligation for purposes of Section 265(b)(3) of the Code, pursuant to a resolution adopted by the governing body of Lessee, on **October 29, 2015**.

9. In the Calendar Year, Lessee has designated \$ 2,257,875.40 of tax-exempt obligations (including the Lessee's obligations under the Lease) as qualified tax-exempt obligations. Including the Lease, Lessee will not designate more than \$10,000,000 of obligations issued during the Calendar Year as qualified tax-exempt obligations.

10. Lessee reasonably anticipates that the total amount of tax-exempt obligations (other than private activity bonds, as defined in Section 265 of the Code) to be issued by Lessee and all subordinate entities during the Calendar Year will not exceed \$10,000,000.

11. For purposes of this certificate, the amount of tax-exempt obligations stated as either issued, designated as qualified tax-exempt obligations or reasonably anticipated to be issued includes tax-exempt obligations issued by all subordinate entities of Lessee, as provided in Section 265(b)(3)(E) of the Code.

12. This certificate is based on facts and circumstances in existence on this date.

IN WITNESS WHEREOF, this certificate has been executed on behalf of Lessee by the undersigned officer.

Dated: **October 29, 2015**

---

**City of Pompano Beach**

Name: **LAMAR FISHER**

Title: **MAYOR of CITY OF POMPANO BEACH**



1900 Fifth Avenue North  
 Suite 2400  
 Birmingham Alabama 35203  
 (866) 545-1758 Office  
 (205) 264-4800 Fax  
 (888) 537-7331 Toll-Free

October 29, 2015

CITY OF POMPANO BEACH  
 100 WEST ATLANTIC BOULEVARD  
 POMPANO, FL 33060

Dear Mr. Fisher:

You, CITY OF POMPANO BEACH ("Customer"), and the undersigned ("Regions") have entered into one or more financing arrangements pursuant to which you have executed with us or in our favor one or more loan agreements, leases, promissory notes, security agreements or other instruments (herein, your "Financing Documents"). This letter is intended to modify your Financing Documents, supersedes any terms thereof in conflict therewith, and is incorporated by reference therein and made part thereof. Specifically, we are requesting that you designate a person or persons, to be listed below, to act as your "Authorized Representative" in making requests to Regions for, giving to Regions, and receiving from Regions, audit confirmations, payoffs, account history, funding confirmations and other customer data in connection with your Financing Documents ("Customer Inquiries"), with the understanding that Regions may rely on and respond to such Customer Inquiries when delivered by any such Authorized Representative without necessity of any further verification or inquiry. Such Authorized Representatives (or any data set forth below concerning such persons) may be changed by Company only by written notice to Regions, specifically referring to the Financing Documents affected, and shall not become effective until actual receipt of such notice and its acceptance in writing by Regions and, then, only as to the Financing Documents so identified by you. Company understands the risks and potential for misuse that exists in Company's making of Customer Inquiries through Authorized Representatives, assumes all consequences thereof and agrees to indemnify, save and hold harmless Regions in regard thereto. At any time and from time to time, Regions may, but shall not be required to, establish testing procedures with Company in regard to verifications of Customer Inquiries delivered (or received) in this manner, and Company shall comply with all such procedures at Regions' request.

Please complete the information below, add your signature below confirming your concurrence herewith, and return this letter to Regions at the address above as soon as practicable. Thank you.

Authorized Representatives

Name	Title	Telephone Number	Email Address	Signature Specimen
Suzette Sibble	Finance Director	954 786-4680	suzette.sibble@copbf1.com	
Agnew Jean-pierre	Controller	954 786-4501	andrew.jean-pierre@copbf1.com	
Linda Dye	Revenue Collections	954 786-4503	linda.dye@copbf1.com	

[REGIONS EQUIPMENT FINANCE CORPORATION]

By \_\_\_\_\_  
 Authorized Officer

AGREED:

[CITY OF POMPANO BEACH]

By \_\_\_\_\_  
 Authorized Officer

**REGIONS EQUIPMENT FINANCE CORPORATION**

**PAY PROCEEDS LETTER**

**COMPANY: CITY OF POMPANO BEACH  
LEASE PURCHASE AGREEMENT  
DATED: OCTOBER 29, 2015**

Regions Equipment Finance Corporation  
1900 Fifth Avenue North  
Suite 2400  
Birmingham, Alabama 35203

**Re:** The Schedule, executed by **CITY OF POMPANO BEACH** (the "Company") and either Regions Equipment Finance Corporation ("Regions") (the Schedule, as it incorporates the terms of the Master Agreement is hereinafter referred to as the "Agreement").

With reference to the Agreement, you are hereby authorized to disburse proceeds in the amount of **\$2,257,875.40** by check, funds transfer or deposit, in such amounts and with such payees as are listed below:

1. Payee: **REGIONS BANK**  
Ref. No.:  
Amount: **\$2,257,875.40**

Check

Funds Transfer to Account No. \_\_\_\_\_ in Payee's Name at **REGIONS BANK** \_\_\_\_\_;  
Notification Information:

Should the closing occur at a later date, the proceeds should be adjusted accordingly.

**COMPANY: CITY OF POMPANO BEACH**

**BY:** \_\_\_\_\_

**ITS: MAYOR**

Form **8038-G**

(Rev. September 2011)

Department of the Treasury  
Internal Revenue Service

# Information Return for Tax-Exempt Governmental Obligations

Under Internal Revenue Code section 149(e)

See separate instructions.

OMB No. 1545-0720

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

Part I Reporting Authority		If Amended Return, check here <input type="checkbox"/>	
1 Issuer's name <b>CITY OF POMPANO BEACH</b>	2 Issuer's employer identification number (EIN) <b>59 6000411</b>		
3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions) <b>SUZETTE SIBBLE</b>	3b Telephone number of other person shown on 3a		
4 Number and street (or P.O. box if mail is not delivered to street address) <b>100 WEST ATLANTIC BOULEVARD</b>	Room/suite	5 Report number (For IRS Use Only)	<b>3</b>
6 City, town, or post office, state, and ZIP code <b>POMPANO BEACH, FL 33060</b>	7 Date of issue <b>October 29, 2015</b>		
8 Name of issue	9 CUSIP number		
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information (see instructions)	10b Telephone number of officer or other employee shown on 10a		

Part II Type of Issue (enter the issue price). See the instructions and attach schedule.	
11 Education	11
12 Health and hospital	12
13 Transportation	13
14 Public safety	14
15 Environment (including sewage bonds)	15
16 Housing	16
17 Utilities	17
18 Other. Describe <input type="checkbox"/>	18
19 If obligations are TANs or RANs, check only box 19a <input type="checkbox"/>	
If obligations are BANs, check only box 19b <input type="checkbox"/>	
20 If obligations are in the form of a lease or installment sale, check box <input type="checkbox"/>	

Part III Description of Obligations. Complete for the entire issue for which this form is being filed.					
	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	October 29, 2020	\$ 2,257,875.40	\$ N/A	2.654 years	1.4000 %

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

Part V Description of Refunded Bonds. Complete this part only for refunding bonds.	
31	Enter the remaining weighted average maturity of the bonds to be currently refunded <input type="checkbox"/> _____ years
32	Enter the remaining weighted average maturity of the bonds to be advance refunded <input type="checkbox"/> _____ years
33	Enter the last date on which the refunded bonds will be called (MM/DD/YYYY) <input type="checkbox"/> _____
34	Enter the date(s) the refunded bonds were issued <input type="checkbox"/> (MM/DD/YYYY)

For Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 5977JS

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

**Part VI Miscellaneous**

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

<b>Signature and Consent</b>	Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.			
	▶ Signature of issuer's authorized representative		Date	Type or print name and title
<b>Paid Preparer Use Only</b>	Print/preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed PTIN
	Firm's name ▶	Firm's EIN ▶		
	Firm's address ▶	Phone no.		

**Request for Taxpayer  
 Identification Number and Certification**

Give form to the  
 requester. Do not  
 send to the IRS.

Print or type  
 See Specific Instructions on page 2.

Name (as shown on your income tax return)	
Business name, if different from above CITY OF POMPANO BEACH	
Check appropriate box: <input type="checkbox"/> Individual/Sole proprietor <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Limited liability company. Enter the tax classification (D=disregarded entity, C=corporation, P=partnership) ▶ ..... <input type="checkbox"/> Exempt payee <input type="checkbox"/> Other (see instructions) ▶	
Address (number, street, and apt. or suite no.) 100 WEST ATLANTIC BOULEVARD	Requester's name and address (optional)
City, state, and ZIP code POMPANO BEACH, FL 33060	
List account number(s) here (optional)	

**Part I Taxpayer Identification Number (TIN)**

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Social security number : : :
or
Employer identification number 59 :6000411

**Note.** If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

**Part II Certification**

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person (defined below).

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. See the instructions on page 4.

<b>Sign Here</b>	Signature of U.S. person ▶	Date ▶
------------------	----------------------------	--------

**General Instructions**

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

**Purpose of Form**

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

**Note.** If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

**Definition of a U.S. person.** For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

**Special rules for partnerships.** Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,

- The U.S. grantor or other owner of a grantor trust and not the trust, and
- The U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

**Foreign person.** If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

**Nonresident alien who becomes a resident alien.** Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

**Example.** Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

**What is backup withholding?** Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

**Payments you receive will be subject to backup withholding if:**

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the Part II instructions on page 3 for details),
3. The IRS tells the requester that you furnished an incorrect TIN,

4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate Instructions for the Requester of Form W-9.

Also see *Special rules for partnerships* on page 1.

## Penalties

**Failure to furnish TIN.** If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

**Civil penalty for false information with respect to withholding.** If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

**Criminal penalty for falsifying information.** Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

**Misuse of TINs.** If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

## Specific Instructions

### Name

If you are an individual, you must generally enter the name shown on your income tax return. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

**Sole proprietor.** Enter your individual name as shown on your income tax return on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name" line.

**Limited liability company (LLC).** Check the "Limited liability company" box only and enter the appropriate code for the tax classification ("D" for disregarded entity, "C" for corporation, "P" for partnership) in the space provided.

For a single-member LLC (including a foreign LLC with a domestic owner) that is disregarded as an entity separate from its owner under Regulations section 301.7701-3, enter the owner's name on the "Name" line. Enter the LLC's name on the "Business name" line.

For an LLC classified as a partnership or a corporation, enter the LLC's name on the "Name" line and any business, trade, or DBA name on the "Business name" line.

**Other entities.** Enter your business name as shown on required federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name" line.

**Note.** You are requested to check the appropriate box for your status (individual/sole proprietor, corporation, etc.).

### Exempt Payee

If you are exempt from backup withholding, enter your name as described above and check the appropriate box for your status, then check the "Exempt payee" box in the line following the business name, sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

**Note.** If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

The following payees are exempt from backup withholding:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2),
2. The United States or any of its agencies or instrumentalities,
3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities,
4. A foreign government or any of its political subdivisions, agencies, or instrumentalities, or
5. An international organization or any of its agencies or instrumentalities.

Other payees that may be exempt from backup withholding include:

6. A corporation,
7. A foreign central bank of issue,
8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States,
9. A futures commission merchant registered with the Commodity Futures Trading Commission,
10. A real estate investment trust,
11. An entity registered at all times during the tax year under the Investment Company Act of 1940,
12. A common trust fund operated by a bank under section 584(a),
13. A financial institution,
14. A middleman known in the investment community as a nominee or custodian, or
15. A trust exempt from tax under section 664 or described in section 4947.

The chart below shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 15.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 9
Broker transactions	Exempt payees 1 through 13. Also, a person registered under the Investment Advisers Act of 1940 who regularly acts as a broker
Barter exchange transactions and patronage dividends	Exempt payees 1 through 5
Payments over \$600 required to be reported and direct sales over \$5,000 <sup>1</sup>	Generally, exempt payees 1 through 7 <sup>2</sup>

<sup>1</sup>See Form 1099-MISC, Miscellaneous Income, and its instructions.

<sup>2</sup>However, the following payments made to a corporation (including gross proceeds paid to an attorney under section 6045(f), even if the attorney is a corporation) and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, and payments for services paid by a federal executive agency.

## Part I. Taxpayer Identification Number (TIN)

**Enter your TIN in the appropriate box.** If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-member LLC that is disregarded as an entity separate from its owner (see *Limited liability company (LLC)* on page 2), enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

**Note.** See the chart on page 4 for further clarification of name and TIN combinations.

**How to get a TIN.** If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form online at [www.ssa.gov](http://www.ssa.gov). You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at [www.irs.gov/businesses](http://www.irs.gov/businesses) and clicking on Employer Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting [www.irs.gov](http://www.irs.gov) or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

**Note.** Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

**Caution:** A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

## Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 4, and 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). Exempt payees, see *Exempt Payee* on page 2.

**Signature requirements.** Complete the certification as indicated in 1 through 5 below.

**1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983.** You must give your correct TIN, but you do not have to sign the certification.

**2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983.** You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

**3. Real estate transactions.** You must sign the certification. You may cross out item 2 of the certification.

**4. Other payments.** You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

**5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions.** You must give your correct TIN, but you do not have to sign the certification.

## Secure Your Tax Records from Identity Theft

Identity theft occurs when someone uses your personal information such as your name, social security number (SSN), or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

Call the IRS at 1-800-829-1040 if you think your identity has been used inappropriately for tax purposes.

Victims of identity theft who are experiencing economic harm or a system problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

### Protect yourself from suspicious emails or phishing schemes.

Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to [phishing@irs.gov](mailto:phishing@irs.gov). You may also report misuse of the IRS name, logo, or other IRS personal property to the Treasury Inspector General for Tax Administration at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at: [spam@uce.gov](mailto:spam@uce.gov) or contact them at [www.consumer.gov/idtheft](http://www.consumer.gov/idtheft) or 1-877-IDTHEFT(438-4338).

Visit the IRS website at [www.irs.gov](http://www.irs.gov) to learn more about identity theft and how to reduce your risk.

## What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account <sup>1</sup>
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor <sup>2</sup>
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee <sup>1</sup>
b. So-called trust account that is not a legal or valid trust under state law	The actual owner <sup>1</sup>
5. Sole proprietorship or disregarded entity owned by an individual	The owner <sup>3</sup>
For this type of account:	Give name and EIN of:
6. Disregarded entity not owned by an individual	The owner
7. A valid trust, estate, or pension trust	Legal entity <sup>4</sup>
8. Corporate or LLC electing corporate status on Form 8832	The corporation
9. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
10. Partnership or multi-member LLC	The partnership
11. A broker or registered nominee	The broker or nominee
12. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

<sup>1</sup> List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

<sup>2</sup> Circle the minor's name and furnish the minor's SSN.

<sup>3</sup> You must show your individual name and you may also enter your business or "DBA" name on the second name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

<sup>4</sup> List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships* on page 1.

**Note.** If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

## Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons who must file information returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA, or Archer MSA or HSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation, and to cities, states, the District of Columbia, and U.S. possessions to carry out their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 28% of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to a payer. Certain penalties may also apply.

**EXHIBIT B**

(Funding Agreement)

**FUNDING AGREEMENT**  
**TO REGIONS BANK ACCOUNT NO.:** \_\_\_\_\_

THIS AGREEMENT is made and entered into this 29th day of **October, 2015** by and among **Regions Equipment Finance Corporation**, an Alabama Corporation, as Lessor (“Lessor”), **City of Pompano Beach**, as Lessee (“Lessee”), and **Regions Bank**, as Funding Agent (“Funding Agent”).

**WITNESSETH:**

WHEREAS, Lessor and Lessee are parties to that certain Lease dated **October 29, 2015** date herewith (the “Lease”), a copy of which is attached hereto as Exhibit “A” and made a part hereof; and

WHEREAS, in connection with the Lease, Lessor has agreed to purchase Equipment, as defined therein and as selected by Lessee, and to lease such Equipment to Lessee pursuant to the terms specified therein; and

WHEREAS, Lessee has agreed to select the vendors, related services, and Equipment to be purchased by Lessor, and to lease the same from Lessor pursuant to the terms of the Lease; and

WHEREAS both Lessor and Lessee desire the Funding Agent to act as such hereunder.

NOW, THEREFORE, in consideration of the premises which shall be deemed an integral part of this Agreement and not as mere recitals thereto, and in consideration of the mutual agreements and covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound thereby, agree as follows:

1. Deposits.

(a) Within **five** business days of the date of this Agreement, Lessor shall deposit or cause to be deposited with Funding Agent the amount of **Two Million Two Hundred Fifty Seven Thousand Eight Hundred Seventy Five Dollars and Forty Cents (\$2,257,875.40)** for the purpose of funding the purchase of the Equipment and services related thereto as provided in the Lease, and for such other purposes as stated herein.

(b) Lessee represents and warrants that the amount provided for in subparagraph (a) above is sufficient to purchase and install the Equipment and to procure the related services. It is the intention of the Lessor and the Lessee that the Lessee shall obtain and complete such purchase, installation and procurement pursuant to purchase orders issued for the goods, services and Equipment selected by, delivered to, and accepted by Lessee. In the event the initial deposit provided for in subparagraph (a) above is inadequate to complete the purchase and installation of the Equipment, to make the same operational, and to procure services related to the Equipment as provided for in the Lease, then Lessee shall deposit or cause to be deposited with Funding Agent an amount sufficient to complete such purchase, installation and

procurement. The amounts payable by Lessee are to be payable solely from Lessee's available funds, as described in Section 4 of the Lease, and the foregoing provisions are subject thereto.

(c) In the event the initial deposit provided for in subparagraph (a) above is greater than the amount required to complete the purchase and installation of the Equipment, as well as procurement of services related to the Equipment as provided for in the Lease, then after the completion of the purchase and installation of the Equipment as evidenced by the Lessee's Final Acceptance Certificate as provided for in Section 5(d) hereof, Funding Agent shall pay the balance of the deposited funds to Lessor, who shall apply monthly such balance or the remaining portions thereof to the monthly amounts due from Lessee pursuant to the Lease, until the balance of such deposited funds are depleted fully.

(d) Subject to the terms and conditions of this Agreement, legal and equitable rights to all deposited funds shall remain in Lessor. Funding Agent shall hold, safeguard, administer, and disburse the deposited funds in accordance with the provisions hereof.

2. Term. The term of this Agreement shall commence on the date hereof and shall continue thereafter until the disbursement of the entire deposited funds held by Funding Agent as provided herein.

3. Disbursement of Deposited Fund.

(a) Funding Agent hereby covenants and agrees to disburse the deposited funds, with interest accrued thereon, if any, in accordance with this Agreement, unless otherwise specifically instructed in writing by Lessor and Lessee jointly.

(b) If Funding Agent receives conflicting instructions regarding disbursement of all or part of the deposited funds or otherwise determines that it is appropriate to seek a determination of entitlement to the deposited funds or any part thereof, then it may, at its option, interplead the balance of the deposited funds or such portion thereof then held by the Funding Agent to the custody of any court of competent jurisdiction, as determined by Funding Agent to have jurisdiction, together with such legal pleadings as it may deem appropriate, and thereupon be discharged from all further duties and liabilities under this Funding Agreement.

4. Status and Actions of Funding Agent. The acceptance by the Funding Agent of its duties hereunder is subject to the following terms and conditions, which all parties hereto agree shall govern and control with respect to the right, duties and liabilities of the Funding Agent:

(a) Funding Agent has a business relationship with Lessor. Both are owned by a single holding company. Because of this relationship, use of Funding Agent in this capacity may provide Lessor a financial or other benefit.

(b) Funding Agent acts hereunder as a depository. Funding Agent shall not be responsible or liable in any manner for the sufficiency, correctness, genuineness, validity

or sufficiency of any of the executed agreements, documents or other items or for any claim or action by any person, firm, corporation or trustee concerning the right or power of any depositor to make any transfer or the validity of the transfer of any part of the deposited amount to the Funding Agent;

(c) Funding Agent shall be entitled to act upon, without any independent duty to investigate, any certificate, statement, notice, demand, request, consent, waiver, receipt, agreement or other instrument whatever, not only in reliance upon its due execution and the validity and effectiveness of its provisions, but also as to the accuracy and completeness of any information therein contained, which Funding Agent shall in good faith believe to be genuine and to have been signed or presented by a proper person or persons, and shall be protected in so acting.

(d) Funding Agent shall be entitled to request and receive from any party hereto such documents in addition to those provided for herein as Funding Agent may deem necessary to resolve any questions of fact involved in the provisions hereof.

(e) Funding Agent is authorized to and may, at the joint expense of Lessor and Lessee, consult counsel of its choice in respect to any dispute or conflict, or in respect to the construction of any of the provisions hereof, or in respect to any question relating to its duties or responsibilities under this Agreement, and shall incur no liability and shall be fully protected for any action taken or omitted in good faith on advice of such counsel.

(f) Funding Agent may, but shall be under no obligation to, advance any of its own funds in connection with the maintenance or administration of this Agreement, to institute or defend any action, suit or legal proceeding in connection herewith, or to take any other action likely to involve Funding Agent in expense. The Lessor and Lessee shall indemnify the Funding Agent and hold it harmless against the cost and expense (including without limitation, attorney's fees and expenses) of any such defense or action.

(g) If deemed appropriate by Funding Agent, Funding Agent shall be entitled to demand and receive jointly from Lessor and Lessee such funds as Funding Agent shall deem necessary to institute the interpleader actions described herein.

(h) Funding Agent is not a party to and is not bound by any agreement between any one or more of the parties hereto, except this Funding Agreement, unless otherwise expressly stated herein. Funding Agent shall not be bound by any amendment to this Agreement or by any other agreement between Lessor and Lessee unless Funding Agent shall have executed such amendment or agreement;

(i) Funding Agent shall have only such duties and responsibilities as are expressly set forth in this Agreement, being purely ministerial in nature, and it shall have no responsibility in respect to any of the deposited funds other than faithfully to follow the instructions herein contained.

(j) Funding Agent may resign and be discharged from its duties hereunder at any time by giving notice of such resignation to Lessor and Lessee specifying a date when such resignation shall take effect (which date shall be no fewer than fifteen (15) days after the date of delivery of such notice). Upon receipt of such notice, the Lessor shall appoint a successor funding agent, such successor to become Funding Agent hereunder upon the resignation date specified in the subject notice, at which time the resigning Funding Agent shall transfer the balance of the deposited funds to the successor Funding Agent, together with a statement detailing the history of all deposits, earnings, and disbursements. Any funding agent which shall succeed Funding Agent shall be a person or entity possessing trust powers in the State of Alabama; and

(k) Funding Agent shall not be held liable for any error of judgment, or for any act done or step taken or omitted by it in good faith, or for any mistake of fact or law, or for anything that it may do or refrain from doing in connection herewith. Funding Agent shall be indemnified and held harmless, jointly and severally, by Lessor and Lessee against any and all claims, costs, expenses, damages and other liabilities incurred by it hereunder, including attorneys' fees and costs, whether or not litigation is commenced, except for those resulting from its own willful misconduct or gross negligence.

The provisions of this Section 4 shall survive the termination of this Agreement.

5. Instructions to Funding Agent.

(a) Use of Deposited Funds. Deposited funds shall be used for the purpose of funding the purchase of the Equipment and services related thereto (including installing such Equipment and making the same operational), as provided in the Lease, and for such other purposes as stated herein.

(b) Investment of Deposited Funds. The Funding Agent shall invest the deposited funds, at the written instruction of Lessee, in United States Treasury Bills, or Government Agency obligations, any fund secured by United States Treasury Bills, money market funds, or other interest-bearing or non-interest bearing bank accounts (including without limitation interest-bearing or non-interest bearing bank accounts of Regions Bank), with any remainder being deposited and maintained in an interest-bearing or non-interest bearing demand account with the Funding Agent (as directed by the Lessee), until disbursement of the entire deposited funds. Earnings, if any, on the deposited funds will be added to the deposit and shall become a part thereof. Income and expenses of the deposited funds will be taxed and reported in accordance with applicable income tax laws. The Funding Agent will pay from the deposited funds tax liabilities, if any, payable by the Funding Agent relative to the deposited funds.

(c) Acceptance, Acceptance Certificate, and Notices of Rejection. Lessee will inspect each Item, and either accept or reject delivery and installation. Lessee shall inform Lessor, Funding Agent, and the vendor of the rejected goods or services of Lessee's rejection of any Item, by providing a written notice of rejection to the Lessor,

Funding Agent and such vendor following the delivery, installation or rendering of the rejected goods or services. Lessee's acceptance after having such right of inspection shall constitute Lessee's acknowledgement that: (i) each Item is of the size, design, capacity, specification and manufacture selected by Lessee; (ii) Lessee is satisfied that such Item is suitable for its purpose and such Item is fit for its intended use; (iii) Lessor is neither a manufacturer of such Items nor a dealer therein; (iv) Funding Agent is neither a manufacturer of such Items nor a dealer therein; (v) Lessee waives any and all defenses which it may have against Lessor or Funding Agent arising from the Item including, but not limited to, the operation, delivery, installation or condition; and (vi) Lessee accepts said Equipment **AS IS, WHERE IS AND WITH WAIVER OF ALL WARRANTIES AS SET FORTH IN THE MASTER LEASE**. Lessee will sign a Certificate of Acceptance acknowledging acceptance of delivery and installation, and warranting that the items are being deployed in conformity with this Agreement and the Lease. Each Acceptance of Certificate shall include a description of the items being accepted, including, but not limited to, references to serial numbers, Schedule Number, and Purchase Order Number, and a statement as to whether the Acceptance Certificate includes, or does not include, all Items contained in the referenced Schedule and Purchase Order. Acceptance Certificate to accomplish the foregoing shall be completed by Lessee, using the form of Acceptance Certificate attached hereto as Exhibit B, or such other form as Lessor may subsequently provide for such purpose. Upon completion of the delivery and installation of all of the Items contained in all of the Schedules to the Lease, Lessee shall issue a Final Acceptance Certificate to Lessor and to Funding Agent, indicating such completion.

(e) Payment of Vendors. Upon receiving Acceptance Certificate, as defined in subparagraph (d) above, Funding Agent shall pay from the available deposited funds the providers of Equipment and related services pursuant to the terms and conditions specified in the Purchase Orders, unless otherwise mutually directed in writing by Lessor and Lessee jointly, and in this regard it is understood that Lessee may, with advance notice to Funding Agent, make direct payments to certain vendors on behalf of Funding Agent and request reimbursement from Funding Agent in the amount of such payments upon provision of proof of payment to Funding Agent. Lessee shall be responsible for the payment of all costs, fees, charges, expenses, damages, interest charges, claims, losses and liabilities in connection with or arising out of payment of invoices following the receipt of Acceptance Certificates as provided herein. Funding Agent shall provide to Lessor and to Lessee copies of documentation evidencing each payment by Funding Agent.

(f) Other Payments. Funding Agent shall also pay from the deposited funds other fees, charges and expenses as authorized herein or as mutually directed in writing by the Lessor and Lessee jointly. Funding Agent shall provide to Lessor and to Lessee copies of documentation evidencing each payment by Funding Agent.

(g) Statement of Account. Funding Agent shall provide statements to Lessor and to Lessee, no less frequently than once each calendar quarter, accounting for the deposits and disbursements of deposited funds.

(h) For purposes of subparagraphs (c) through (g) above, Purchase Orders, notices of rejection, Acceptance Certificates, evidence of payments, and statements sent to Lessor shall be sent to the attention of:

Lisa Fulghum  
Regions Equipment Finance Corporation  
4851 Tamiami Trail North  
Naples, FL 34103

or such other person as Lessor may designate in writing from time to time.

For purposes of subparagraphs (c) and (d) above, Purchase Orders, notices of rejection, and Certificates of Acceptance sent to Funding Agent shall be sent to the attention of:

Oscar Herrera  
Regions Bank  
2800 Ponce De Leon Boulevard  
Miami, FL 33134

or such other person as Funding Agent may designate in writing from time to time.

For purposes of subparagraphs (e) through (g) above, evidence of payments and statements sent to Lessee shall be sent to the attention of:

Suzette Sibble  
City of Pompano Beach  
100 West Atlantic Boulevard, Room 480  
Pompano Beach, FL 33060

or such other person as Lessee may designate in writing from time to time.

6. Expenses and Compensation. Intentionally Left Blank

7. Interpleader Action Authorized. In the event of disagreement about the interpretation of this Agreement, or about the rights and obligations or the propriety of any action contemplated by the Funding Agent hereunder or upon the occurrence of the events described in Section 4(j) above, Funding Agent may, at its sole discretion, file an action in interpleader. The Lessor and Lessee shall indemnify the Funding Agent, jointly and severally, for all costs, including reasonable attorney's fees, in connection with the aforesaid interpleader action.

8. Default.

(a) In the event Lessee defaults in the performance of any of the terms of this Agreement or there is a default under the Lease, Lessor, shall, in a writing delivered to Funding Agent and Lessee, notify Funding Agent and Lessee of such default. Lessee shall have fifteen (15) days after the receipt of the aforesaid notice of default to cure same (or cause the same to be cured) and, in a writing acknowledged by Lessor and delivered to Funding Agent, notify Funding Agent of the cure of such default. If a default by

Lessee hereunder is not cured by Lessee within the fifteen-day curative period specified above, Funding Agent shall deliver the deposited funds to Lessor within five (5) days after the expiration of the aforesaid fifteen-day curative period.

(b) In the event that there is a dispute between Lessor and Lessee as to the existence of a default by Lessee in the performance of any of the terms of this Agreement or the Lease, or as to whether a default by Lessee has been cured as herein provided, Funding Agent shall, in its sole discretion, exercise one of the following options:

- (1) continue to hold the deposited funds pending resolution of such dispute between Lessor and Lessee; or
- (2) commence an interpleader action and deliver the deposited funds and any other assets, if any, being held by Funding Agent into the clerk of the court and be released from all obligations and liabilities created by this Agreement with respect to the deposited funds so delivered to the court.

9. Taxes. Lessee agrees to pay for any and all taxes that may be imposed on Funding Agent, excluding federal, state and local taxes imposed on, or measured by, the net income of Funding Agent, as a result of the services provided for herein.

10. Notices. All notices required or desired to be given hereunder shall be deemed sufficient if delivered personally or by certified mail, return receipt requested, and addressed as follows:

Lisa Fulghum  
Regions Equipment Finance Corporation  
4851 Tamiami Trail North  
Naples, FL 34103

Oscar Herrera  
Regions Bank  
2800 Ponce De Leon Boulevard  
Miami, FL 33134

City of Pompano Beach  
Suzette Sibble  
100 West Atlantic Boulevard, Room 480  
Pompano Beach, FL 33060

or to such other address as the party for which such notice is intended shall have previously indicated by notice to the other parties hereto similarly given. In addition to the foregoing, a party may give notice by electronic mail provided however such notice shall not be deemed received until the addressee confirms in writing such receipt either by electronic reply or by written response otherwise delivered in accordance with these notice procedures.

11. Attorneys' Fees. Lessor and Lessee hereby agree that in the event it should become necessary for either party to employ an attorney to enforce against the other any of its rights hereunder, then the prevailing party shall be entitled to reimbursement of all costs and expenses, including attorneys' fees, which may be reasonably incurred or paid at any time or times by it in connection therewith, including, without limitation, attorneys' fees and costs at trial court and appellate court levels.

12. Rules of Construction.

12.1 Entire Agreement. This Agreement, including all exhibits and schedules hereto as referenced herein, constitutes the entire agreement between the parties hereto pertaining to the subject matters hereof, and supersedes all negotiations, preliminary agreements, and all prior and contemporaneous discussions and understandings of the parties in connection with the subject matters hereof, provided, however, that nothing herein shall be deemed to affect adversely Lessor's rights, powers and privileges as provided in the Lease. Except as otherwise herein provided, no covenant, representation or condition not expressed in this Agreement, or in an amendment hereto made and executed in accordance with the provisions of subsection 12.2 of this section, shall be binding upon the parties hereto or shall affect or be effective to interpret, change or restrict the provisions of this Agreement.

12.2 Amendments. No change, modification or termination of any of the terms, provisions, or conditions of this Agreement shall be effective unless made in writing and signed or initialed by all parties hereto.

12.3 Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of Florida.

12.4 Separability. If any section or provision of this Agreement or the application of such section or provision is held invalid, the remainder of the Agreement and the application of such section or provision to persons or circumstances, other than those with respect to which it is held invalid, shall not be affected thereby.

12.5 Headings and Captions. The titles or captions of sections contained in this Agreement are provided for convenience of reference only and shall not be considered a part hereof for purposes of interpreting or applying this Agreement; and, therefore, such titles or captions do not define, limit, extend, explain, or describe the scope or extent of this Agreement or any of its terms provisions, representations, warranties, conditions, etc., in any manner or way whatsoever.

12.6 Gender and Number. All pronouns and variations thereof shall be deemed to refer to the masculine, feminine or neuter and to the singular or plural as the identity of the person or entity or persons or entities may require.

12.7 Binding Effect on Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

12.8 Continuance of Agreement. The rights, responsibilities and duties of the parties hereto and the representations, warranties, covenants and agreements herein contained shall survive the Closing and the execution hereof, shall continue to bind the parties hereto, and shall continue in full force and effect until each and every obligation

of the parties hereto, pursuant to this Agreement and any document or agreement incorporated herein by reference, shall have been fully performed.

12.9 Remedies. All remedies shall be cumulative and not alternative.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above-written.

Lessee: **CITY OF POMPANO BEACH**

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

Title: **MAYOR**

The official signature page of the City of Pompano Beach is attached hereto and incorporated into this document.

STATE OF: FLORIDA

COUNTY OF: BROWARD

The forgoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2015  
By **LAMAR FISHER**, the **MAYOR** of Lessee on behalf of Lessee.

(SEAL)

\_\_\_\_\_  
Notary Public  
My Commission Expires: \_\_\_\_\_

Lessor: **REGIONS EQUIPMENT FINANCE CORPORATION**

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

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

STATE OF ALABAMA

COUNTY OF JEFFERSON

The forgoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2015  
By(name) \_\_\_\_\_, the(title) \_\_\_\_\_ of Regions  
Equipment Finance Corporation on behalf of Lessor.

(SEAL)

\_\_\_\_\_  
Notary Public  
My Commission Expires: \_\_\_\_\_

Funding Agent: **REGIONS BANK**

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

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

STATE OF: \_\_\_\_\_

COUNTY OF: \_\_\_\_\_

The forgoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2015

By(name) \_\_\_\_\_, the(title) \_\_\_\_\_ of Funding  
Agent on behalf of Regions Bank.

(SEAL)

\_\_\_\_\_  
Notary Public  
My Commission Expires: \_\_\_\_\_

**"CITY":**

Witnesses:

**CITY OF POMPANO BEACH**

\_\_\_\_\_

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

LAMAR FISHER, MAYOR

\_\_\_\_\_

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

DENNIS W. BEACH, CITY MANAGER

Attest:

\_\_\_\_\_  
ASCELETA HAMMOND, CITY CLERK

(SEAL)

Approved As To Form:

\_\_\_\_\_  
MARK E. BERMAN, CITY ATTORNEY

**STATE OF FLORIDA  
COUNTY OF BROWARD**

The foregoing instrument was acknowledged before me this \_\_\_\_ day of October, 2015 by **LAMAR FISHER** as Mayor, **DENNIS W. BEACH** as City Manager and **ASCELETA HAMMOND** as City Clerk of the City of Pompano Beach, Florida, a municipal corporation, on behalf of the municipal corporation, who are personally known to me.

NOTARY'S SEAL:

\_\_\_\_\_  
NOTARY PUBLIC, STATE OF FLORIDA

\_\_\_\_\_  
(Name of Acknowledger Typed, Printed or Stamped)

\_\_\_\_\_  
Commission Number

**EXHIBIT A**

**FORM OF DISBURSEMENT REQUEST**

**Date:** \_\_\_\_\_

1. The amount of the requested disbursement: \$ \_\_\_\_\_
  
2. The method of disbursement:  
 Official Check (made payable to: \_\_\_\_\_)  
Mailed to: \_\_\_\_\_  
 \_\_\_\_\_ Bank Account Transfer to Acct #: \_\_\_\_\_  
Acct name: \_\_\_\_\_  
 Wire Transfer Bank Name: \_\_\_\_\_ ABA#: \_\_\_\_\_  
Credit Acct Name: \_\_\_\_\_  
Credit Acct #: \_\_\_\_\_  
Special Instructions: \_\_\_\_\_
  
3. A brief description of the purpose of the payment: \_\_\_\_\_  
\_\_\_\_\_
  
4. The undersigned certifies as follows:  
  - (1) Payment of the disbursement for the purpose requested will not cause the undersigned to be in violation of any of its representations, warranties or covenants under the **Lease Purchase Agreement** dated **October 29, 2015** (the "Contract") including, but not limited to its covenants in the Contract.
  - (2) The amounts requested to be disbursed were properly incurred in connection with the acquisition of the Equipment and were not subject of any previous request for disbursement.
  - (3) The Equipment for which the disbursement is requested has been finally accepted by the Borrower.
  
5. Attached hereto are the following: Bills, receipts, invoices, or other documents evidencing the amounts and purposes for which the disbursement is requested.

**CITY OF POMPANO BEACH**

**REGIONS EQUIPMENT FINANCE CORPORATION**

**By:** \_\_\_\_\_  
\_\_\_\_\_ (Title)

**By:** \_\_\_\_\_  
\_\_\_\_\_ (Title)

**Original Loan Amount: \$2,257,875.40**

\_\_\_\_\_ (Date)