

RESOLUTION NO. 29-03-19

A RESOLUTION OF THE TOWN COMMISSION OF THE TOWN OF LAKE PARK, FLORIDA, AUTHORIZING THE MAYOR TO EXECUTE A LEASE PURCHASE AGREEMENT AND RESOLUTION WITH STERLING NATIONAL BANK FOR INSTALLATION OF AND RENEWAL OF FACILITY INFRASTRUCTURES TO REDUCE ENERGY, WATER, WASTEWATER COSTS, AND REDUCE FUTURE CAPITAL COSTS; PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, the Town of Lake Park, Florida (hereinafter "Town") is a municipality of the State of Florida with such power and authority as has been conferred upon by the Florida Constitution and Chapter 166, Florida Statutes ;

WHEREAS, Chapter 2 of the Town Code requires that the Town Commission authorize the Mayor to execute a Lease/Purchase Agreement to provide energy performance installation by Johnson Controls, and

WHEREAS, The Town is financing the funds to develop an infrastructure renewal project to be funded by reductions in utility costs, reductions in operating and maintenance cost, and future capital cost avoidance by Johnson Controls, Inc.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COMMISSION OF THE TOWN OF LAKE PARK, FLORIDA AS FOLLOWS:

Section 1. The whereas clauses are true and correct and are supported herein.

Section 2. The Mayor is hereby authorized and directed to execute the agreement and resolution for the lease/purchase financing with Sterling National Bank in an amount not to exceed \$1,494,679.00. The term of the agreement is seventeen years and ten months. The debt will be repaid from General Fund Revenues, with a covenant to budget and appropriate annually to meet the debt service payments. A copy of which is attached hereto and incorporated herein as exhibit "A".

Section 3. If any section, subsection, sentence, clause, phase or portion of this Resolution is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portions thereof.

Section 4. This Resolution shall become effective immediately upon adoption.

The foregoing Resolution was offered by Vice-Mayor Glas-Castro, who moved its adoption. The motion was seconded by Commissioner Michaud and upon being put to a roll call vote, the vote was as follows:

	AYE	NAY
MAYOR MICHAEL O'ROURKE	<u>/</u>	<u>—</u>
VICE-MAYOR KIMBERLY GLAS-CASTRO	<u>/</u>	<u>—</u>
COMMISSIONER ERIN FLAHERTY	<u>/</u>	<u>—</u>
COMMISSIONER ANNE LYNCH	<u>Absent</u>	<u>—</u>
COMMISSIONER ROGER MICHAUD	<u>/</u>	<u>—</u>

The Town Commission thereupon declared the foregoing Resolution 29-03-19 duly passed and adopted this 30 day of March, 2019.

TOWN OF LAKE PARK, FLORIDA

BY: 
MICHAEL O'ROURKE
MAYOR

ATTEST:


VIVIAN MENDEZ
TOWN CLERK

Approved as to form and legal sufficiency:

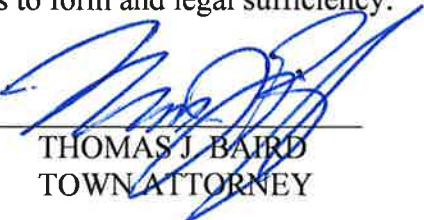
BY: 
THOMAS J. BAIRD
TOWN ATTORNEY



Exhibit A--Sample Amortization Schedule

Funding Amount:	\$1,494,679.00	Interest Rate:	3.650%
Down Payment:	\$0.00	Closing Date:	3/28/2019
Capitalized Interest:	\$0.00	Term (years):	17.83
Cost of Issuance:	<u>\$0.00</u>		
Amount Financed:	\$1,494,679.00		

<u>Payment Number</u>	<u>Payment Date</u>	<u>Payment Amount</u>	<u>Interest Component</u>	<u>Principal Component</u>	<u>Outstanding Balance</u>	<u>Redemption Price</u>
Principal:	3/28/2019				\$1,494,679.00	No Call
1	1/1/2020	\$105,324.00	\$41,701.54	\$63,622.46	\$1,431,056.54	No Call
2	1/1/2021	\$106,278.00	\$52,233.56	\$54,044.44	\$1,377,012.10	No Call
3	1/1/2022	\$107,260.00	\$50,260.94	\$56,999.06	\$1,320,013.04	No Call
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9	1/1/2028	\$113,813.00	\$35,976.35	\$77,836.65	\$907,816.81	\$916,894.98
10	1/1/2029	\$115,020.00	\$33,135.31	\$81,884.69	\$825,932.12	\$834,191.44
11	1/1/2030	\$116,268.00	\$30,146.52	\$86,121.48	\$739,810.64	\$739,810.64
12	1/1/2031	\$117,550.00	\$27,003.09	\$90,546.91	\$649,263.73	\$649,263.73
13	1/1/2032	\$118,872.00	\$23,698.13	\$95,173.87	\$554,089.86	\$554,089.86
14	1/1/2033	\$120,233.00	\$20,224.28	\$100,008.72	\$454,081.14	\$454,081.14
15	1/1/2034	\$121,635.00	\$16,573.96	\$105,061.04	\$349,020.10	\$349,020.10
16	1/1/2035	\$123,080.00	\$12,739.23	\$110,340.77	\$238,679.33	\$238,679.33
17	1/1/2036	\$122,450.00	\$8,711.80	\$113,738.20	\$124,941.13	\$124,941.13
18	1/1/2037	\$129,501.48	\$4,560.35	\$124,941.13	\$0.00	
Totals:		\$2,069,403.48	\$574,724.48	\$1,494,679.00		



Mark A. Cargo
Managing Director
Sterling National Bank
9667 Ravenscroft LN NW
Concord, NC 28027
704-287-4493
Email: mcargo@snb.com
Website: www.snb.com

March 4, 2019

Lake Park, FL
C/O Johnson Controls, Inc.
507 East Michigan Street
Milwaukee, WI 53201

Project: Tax-Exempt Lease Purchase for a Performance Contract Project

Sterling National Bank ("SNB") is pleased to present this financing proposal (the "Term Sheet") to Lake Park, FL subject to final credit approval, in connection with the above-referenced project. Working with SNB has several major advantages, including:

- **Experience and Expertise:** Each member of the SNB Public Finance team has significant experience regarding the financing of essential governmental equipment and projects, and can help you document your financing in a manner that complies with applicable local laws.
- **Financial Capability:** The SNB Public Finance team is part of Sterling National Bank, a publicly traded commercial bank, which has the capability of funding tax-exempt financings on a nationwide basis.
- **Reliability:** The SNB Public Finance team prides itself on excellent customer service and the prompt closing of awarded transactions.
- **Simplified Financing Structure:** SNB is proposing to finance 100% of the Project via a tax-exempt lease purchase agreement.

We look forward to working with you and your team on this assignment, and please do not hesitate to contact us with any questions, comments or concerns. We are positive that you'll enjoy working with SNB.

Very truly yours,

A handwritten signature in blue ink, appearing to read 'Mark A. Cargo', is positioned above the typed name.

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Managing Director
mcargo@snb.com
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TERM SHEET

TYPE OF FINANCING: A Tax Exempt Lease Purchase Agreement (the "Lease"), with repayment subject to annual appropriations, which will enable the Borrower to finance the "Project" as noted in the RFP. Lender will fund the Lease on a private-placement basis.

LESSEE: Lake Park, Florida

LESSOR: Sterling National Bank, or its designee or assignee

ESCROW OPTION: The Lease proceeds shall be funded into an escrow account (the "Escrow Fund"), with disbursements made to the Contractor as the construction is performed and completed. The Escrow shall be set up with Sterling National Bank at no cost and will be collateralized as required by the State of Florida. The Escrow Fund is expected to last approximately nine months and earnings shall accrue to the benefit of the Lessee.

AMOUNT FINANCED: \$1,494,679

EQUIPMENT/USE: The "Project" as noted in the RFP under Project Background.

TERM: Approximately Seventeen (17) years and Ten (10) months (see Exhibit A).

PAYMENT STRUCTURE: Lessee shall make principal and interest Lease payments as set forth in Exhibit A. Payments will be made from any and all legally available funds.

INTEREST RATE: A. 3.65%

INTEREST RATE LOCK: The Interest Rate quoted above is valid for a closing within Twenty Five (25) days from the date of this Term Sheet (through March 29, 2019). Should closing occur after such date, the Interest Rate will be subject to adjustment five (5) days prior to closing date utilizing the following index formula:

$$\text{Interest Rate} = (\text{Index} + 191 \text{ bps}) \times .79$$

Where Index = Ten (10) year Libor Swap Rate, which was 2.75% at close of business on March 1, 2019.

BANK QUALIFICATION:

The Lease will be designated as either Bank or Non-Bank Qualified Tax-Exempt (Exhibit A) Obligation under section 265(b) of the Internal Revenue Code of 1986, as amended.

SECURITY:

The Lessor will be secured by a security interest in the FIMs (as noted in the RFP) and any money related to the project held in escrow. The Lessee's obligation to make lease payments under the Lease are subject to annual appropriation of funds. During the term of the Lease Agreement, the Lessee shall hold legal title to the leased equipment and any repairs, replacements, substitutions, and modifications thereto.

MAINTENANCE & INSURANCE:

All maintenance and insurance are the responsibility of Lessee. Lessee shall bear all risk of loss or damage to the Project and shall be responsible for keeping the Project insured with companies satisfactory to and for such amounts as required by Lessor. Lessor and its affiliates, successors and assigns must be named as loss payee and additional insured as applicable on all insurance policies. Evidence of such insurance must be satisfactory to Lessor.

PREPAYMENT:

Lessee shall have the right to pre-pay the Lease in whole on any payment date by paying the Redemption Price, provided that Lessee gives Lender at least thirty (30) days prior written notice of its intent to do so. The Redemption Price, as a percentage of the then-outstanding TELP balance, shall be equal to:

Exhibits A:

Year:	Percentage:
1-5	No Call
6-10	101%
Thereafter	100%

FEES OF LENDER:

None, for normal and customary document review and generation. The costs of issuance incurred by Lessee, such as loan counsel fees, are payable by Lessee and may be capitalized into the Lease upon request.

DOCUMENTATION:

Lessee shall provide standard Lease documentation for the Lease, subject to review & approval by Lender. Lessee shall provide an opinion of legal counsel attesting to the legal, valid, binding and enforceable nature of the Lease. The Lessor will use Gilmore & Bell as counsel to review the documents.

ASSIGNMENT:

Sterling National Bank (the "Purchaser/Lender") is purchasing the Loan Obligation as a vehicle for making a commercial loan for its own account with the present intent to hold the Loan Obligation to maturity or earlier prepayment, and without any present intent to distribute or sell any interest therein or portion, provided, however, the Purchaser/Lender reserves the right – without the consent of (but with notice to) the Borrower - to assign, transfer or convey the Loan or any interest therein or portion thereof, but no such assignment, transfer or conveyance shall be effective as against the Borrower, unless and until the Purchaser/Lender has delivered to the Borrower written notice thereof that discloses the name and address of the assignee and such assignment, transfer or conveyance shall be made only to (i) an affiliate of the registered owner of the Loan or (ii) banks, insurance companies or other financial institutions or their affiliates. Nothing in the Loan shall limit the right of the Purchaser/Lender or its assignees to sell or assign participation interests in the Loan to one or more entities listed in (i) or (ii). Sterling National Bank will sign an Investment Letter and a sample copy has been included with this Term Sheet.

IRS CIRCULAR 230 DISCLOSURE:

Lessor and its affiliates do not provide tax advice. Accordingly, any discussion of U.S. tax matters contained herein (including any attachments) is not written or intended to be used, and cannot be used, in connection with the promotion, marketing or recommendation by anyone unaffiliated with Lessor of any of the matters addressed herein or for the purpose of avoiding U.S. tax-related penalties.

ADVISORY DISCLOSURE:

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CREDIT APPROVAL:

Although favorably prescreened the Lease is subject to formal credit approval by SNB and the negotiation of mutually acceptable documentation. For due diligence, Lender will require Lessee's three (3) most recent audited financial statements, its most recently adopted budget, a complete Project listing, a copy of any contract in connection with the Project, and any other information that Lessor may reasonably require.

Exhibit A--Sample Amortization Schedule

Funding Amount:	\$1,494,679.00	Interest Rate:	3.650%
Down Payment:	\$0.00	Closing Date:	3/28/2019
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Cost of Issuance:	<u>\$0.00</u>		
Amount Financed:	\$1,494,679.00		

<u>Payment</u>	<u>Payment</u>	<u>Payment</u>	<u>Interest</u>	<u>Principal</u>	<u>Outstanding</u>	<u>Redemption</u>
<u>Number</u>	<u>Date</u>	<u>Amount</u>	<u>Component</u>	<u>Component</u>	<u>Balance</u>	<u>Price</u>
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March 4, 2019

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\$1,494,679

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PROPOSAL EXPIRATION:

Unless accepted by the Lessee or extended in writing by SNB at its sole discretion, this Term Sheet shall expire on March 8, 2019.

Upon receipt of the signed Term Sheet, we will endeavor to provide you with a timely commitment and we will use good faith efforts to negotiate and finance the Lease based on the terms herein. It is a pleasure to offer this financing proposal and we look forward to your favorable review.

Very truly yours,



Mark A. Cargo
Managing Director
mcargo@snb.com
www.snb.com

Agreed to and Accepted by:
Lake Park, Florida


_____ (Name)

Mayor
_____ (Title)

March 20, 2019
_____ (Date)

Exhibit A—Sample Amortization Schedule

Funding Amount:	\$1,517,880.00	Interest Rate:	3.680%
Down Payment:	\$0.00	Closing Date:	3/29/2019
Capitalized Interest:	\$0.00	Term (years):	17.83
Cost of Issuance:	<u>\$0.00</u>		
Amount Financed:	\$1,517,880.00		

<u>Payment Number</u>	<u>Payment Date</u>	<u>Payment Amount</u>	<u>Interest Component</u>	<u>Principal Component</u>	<u>Outstanding Balance</u>	<u>Redemption Price</u>
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3	2/1/2022	\$116,168.69	\$51,010.46	\$65,158.23	\$1,320,995.55	No Call
4	2/1/2023	\$116,168.69	\$48,612.64	\$67,556.05	\$1,253,439.50	No Call
5	2/1/2024	\$116,168.69	\$46,126.57	\$70,042.12	\$1,183,397.38	No Call
6	2/1/2025	\$116,168.69	\$43,549.02	\$72,619.67	\$1,110,777.71	\$1,121,885.49
7	2/1/2026	\$116,168.69	\$40,876.62	\$75,292.07	\$1,035,485.64	\$1,045,840.50
8	2/1/2027	\$116,168.69	\$38,105.87	\$78,062.82	\$957,422.82	\$966,997.05
9	2/1/2028	\$116,168.69	\$35,233.16	\$80,935.53	\$876,487.29	\$885,252.16
10	2/1/2029	\$116,168.69	\$32,254.73	\$83,913.96	\$792,573.33	\$800,499.06
11	2/1/2030	\$116,168.69	\$29,166.70	\$87,001.99	\$705,571.34	\$705,571.34
12	2/1/2031	\$116,168.69	\$25,965.03	\$90,203.66	\$615,367.68	\$615,367.68
13	2/1/2032	\$116,168.69	\$22,645.53	\$93,523.16	\$521,844.52	\$521,844.52
14	2/1/2033	\$116,168.69	\$19,203.88	\$96,964.81	\$424,879.71	\$424,879.71
15	2/1/2034	\$116,168.69	\$15,635.57	\$100,533.12	\$324,346.59	\$324,346.59
16	2/1/2035	\$116,168.69	\$11,935.95	\$104,232.74	\$220,113.85	\$220,113.85
17	2/1/2036	\$116,168.69	\$8,100.19	\$108,068.50	\$112,045.35	\$112,045.35
18	2/1/2037	<u>\$116,168.69</u>	<u>\$4,123.34</u>	<u>\$112,045.35</u>		
Totals:		\$2,091,036.42	\$573,156.42	\$1,517,880.00		



ABOUT – STERLING NATIONAL BANK

Sterling Bancorp, of which the principal subsidiary is Sterling National Bank, specializes in the delivery of service and solutions to business owners, their families, and consumers within the communities we serve through teams of dedicated and experienced relationship managers. Sterling National Bank offers a complete line of commercial, business, and consumer banking products and services. In a 2012 annual survey commissioned by Forbes and prepared by Governance Metrics International, a global leader in corporate governance, we were named one of America’s 100 Most Trustworthy Companies. Sterling National Bank has origins dating to 1888, and Sterling Bancorp is traded on the New York Stock Exchange under the symbol “STL”. For more information about Sterling Bancorp and Sterling National Bank, please visit www.snb.com.

The public finance group of Sterling National Bank provides tax-exempt and taxable financing solutions on a nationwide basis for state & local governments, non-profit corporations, and the federal government. Projects financed include virtually all types of essential capital items, including equipment, vehicles, energy efficiency & renewable energy equipment, and real property. Financing terms are tied to the useful life of the capital improvements, and range from 3 to 20 years. Each member of the public finance team has 25 or more years of lending experience, and is committed to the timely closing of awarded transactions.

CONTACT INFORMATION

For more information about this financing opportunity, please contact:

Mark Cargo
Managing Director
Sterling National Bank
Phone: (704) 287-4493
Email: mcargo@snb.com

\$1,494,679
EQUIPMENT LEASE PURCHASE AGREEMENT
DATED AS OF MARCH 28, 2019, BETWEEN
STERLING NATIONAL BANK, AS LESSOR, AND THE
TOWN OF LAKE PARK, FLORIDA, AS LESSEE
CLOSING DATE: MARCH 28, 2019

LIST OF CLOSING DOCUMENTS

Document
Number

1. Equipment Lease Purchase Agreement, with the following exhibits attached:
Exhibit A: Equipment Schedule.
Exhibit B: Payment Schedule.
2. Florida Rider to Equipment Lease Purchase Agreement.
3. Escrow Agreement, with the following items attached:
Exhibit A: Certificate of Acceptance and Payment Request.
Schedule I: Escrow Agent Fees.
4. Third Party Custodian Agreement among Lessee, Sterling National Bank, as escrow agent, and Bank of New York, as custodian.
5. Lessee's Closing Certificate, with evidence of authorization from Lessee's governing body attached.
6. Essential Use Certificate.
7. Opinion of Lessee's Counsel.
8. IRS Form 8038-G.
9. Insurance Coverage Requirements, together with certificates of insurance.
10. Performance Contract.
11. Payment and Performance Bonds, together with Dual Obligee Rider naming Lessor as an additional obligee.
12. Form W-9 from Lessee.
13. Letter from Sterling National Bank to Lessee regarding municipal advisor representation.
14. Participation Certificate between Sterling National Bank and Sterling National Funding Corp.
15. Lessor's Disclosure Letter.
16. Distribution List.

EQUIPMENT LEASE PURCHASE AGREEMENT

THIS EQUIPMENT LEASE PURCHASE AGREEMENT (the “Agreement”), is dated as of March 28, 2019, between **STERLING NATIONAL BANK**, a national banking association organized and existing under the laws of the United States of America, as Lessor (“Lessor”), and the **TOWN OF LAKE PARK, FLORIDA**, a municipal corporation organized and existing under the laws of the State of Florida, as Lessee (“Lessee”), wherein the parties hereby agree as follows:

Section 1. Definitions. The following terms will have the meanings indicated below unless the context clearly requires otherwise:

“**Agreement**” means this Equipment Lease Purchase Agreement and any other schedule, exhibit or escrow agreement made a part hereof by the parties hereto, together with any amendments to this Agreement.

“**Code**” means the Internal Revenue Code of 1986, as amended.

“**Commencement Date**” is the date when the term of this Agreement and Lessee’s obligation to pay rent commences, which date will be the earlier of (i) the date on which the Equipment is accepted by Lessee in the manner described in **Section 13**, or (ii) the date on which sufficient moneys to purchase the Equipment are deposited for that purpose with an escrow agent.

“**Equipment**” means the property described on the Equipment Schedule attached hereto as **Exhibit A**, and all replacements, substitutions, repairs, restorations, modifications, attachments, accessions, additions and improvements thereof or thereto.

“**Event of Default**” means an Event of Default described in **Section 35**.

“**Issuance Year**” is the calendar year in which the Commencement Date occurs.

“**Lease Term**” means the Original Term and all Renewal Terms, but ending on the occurrence of the earliest event specified in **Section 6**.

“**Lessee**” means the entity described as such in the first paragraph of this Agreement, its successors and its assigns.

“**Lessor**” means the entity described as such in the first paragraph of this Agreement, its successors and its assigns.

“**Maximum Lease Term**” means the Original Term and all Renewal Terms through the Renewal Term including the last Rental Payment Date set forth on the Payment Schedule.

“**Net Proceeds**” means the amount remaining from the gross proceeds of any insurance claim or condemnation award after deducting all expenses (including attorneys’ fees) incurred in the collection of such claim or award.

“**Original Term**” means the period from the Commencement Date until the end of the fiscal year of Lessee in effect at the Commencement Date.

“**Payment Schedule**” means the schedule of Rental Payments and Purchase Price set forth on **Exhibit B**.

“**Purchase Price**” means the amount set forth on the Payment Schedule that Lessee may, at its option, pay to Lessor to purchase the Equipment.

“**Renewal Terms**” means the optional renewal terms of this Agreement, each having a duration of one year and a term co-extensive with Lessee’s fiscal year.

“**Rental Payment Dates**” means the dates set forth on the Payment Schedule on which Rental Payments are due.

“**Rental Payments**” means the basic rental payments payable by Lessee pursuant to **Section 9**.

“**State**” means the State of Florida.

“**Vendor**” means the manufacturer of the Equipment as well as the agents or dealers of the manufacturer from whom Lessor purchased or is purchasing the Equipment, as listed on **Exhibit A**.

Section 2. Representations and Covenants of Lessee. Lessee represents, warrants and covenants for the benefit of Lessor as follows:

(a) Lessee is a municipal corporation duly organized and existing under the constitution and laws of the State. Lessee will do or cause to be done all things to preserve and keep in full force and effect its existence as a municipal corporation. Lessee has a substantial amount of one or more of the following sovereign powers: (a) the power to tax, (b) the power of eminent domain, and (c) police power.

(b) Lessee is authorized under the constitution and laws of the State to enter into this Agreement and the transaction contemplated hereby and to perform all of its obligations hereunder.

(c) Lessee has been duly authorized to execute and deliver this Agreement by proper action and approval of its governing body at a meeting duly called, regularly convened and attended throughout by a requisite majority of the members thereof or by other appropriate official approval.

(d) This Agreement constitutes the legal, valid and binding obligation of Lessee enforceable in accordance with its terms, except to the extent limited by applicable bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally.

(e) No event or condition that constitutes, or with the giving of notice or the lapse of time or both would constitute, an Event of Default exists at the Commencement Date.

(f) Lessee has, in accordance with the requirements of law, fully budgeted and appropriated sufficient funds for the current fiscal year to make the Rental Payments scheduled to come due during the Original Term and to meet its other obligations for the Original Term, and such funds have not been expended for other purposes.

(g) Lessee has complied with such public bidding requirements as may be applicable to this Agreement and the acquisition by Lessee of the Equipment hereunder.

(h) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending or threatened against or affecting Lessee, nor to the best knowledge of Lessee is there any basis therefor, wherein an unfavorable decision, ruling or finding would materially adversely affect the transactions contemplated by this Agreement or any other document, agreement or certificate which is used or contemplated for use in the consummation of the transactions contemplated by this Agreement or materially adversely affect the financial condition or properties of Lessee.

(i) All authorizations, consents and approvals of governmental bodies or agencies required in connection with the execution and delivery by Lessee of this Agreement or in connection with the carrying out by Lessee of its obligations hereunder have been obtained.

(j) The entering into and performance of this Agreement or any other document or agreement contemplated hereby to which Lessee is or is to be a party will not violate any judgment, order, law or regulation applicable to Lessee or result in any breach of, or constitute a default under, or result in the creation of any lien, charge, security interest or other encumbrance on any assets of Lessee or the Equipment pursuant to any indenture, mortgage, deed of trust, bank loan or credit agreement or other instrument to which Lessee is a party or by which it or its assets may be bound, except as herein provided.

(k) The Equipment described in this Agreement is essential to the function of Lessee or to the service Lessee provides to its citizens. Lessee has an immediate need for, and expects to make immediate use of, substantially all the Equipment, which need is not temporary or expected to diminish in the foreseeable future. The Equipment will be used by Lessee only for the purpose of performing one or more of Lessee's governmental or proprietary functions consistent with the permissible scope of Lessee's authority.

(l) Neither the payment of the Rental Payments hereunder nor any portion thereof is (i) secured by any interest in property used or to be used in a trade or business of a non-exempt person (within the meaning of Section 103 of the Code) or in payments in respect of such property or (ii) derived from payments in respect of property, or borrowed money, used or to be used in a trade or business of a non-exempt person (within the meaning of Section 103 of the Code). No portion of the Equipment will be used directly or indirectly in any trade or business carried on by any non-exempt person (within the meaning of Section 103 of the Code).

(m) Lessee will comply with all applicable provisions of the Code, including without limitation Sections 103 and 148 thereof, and the applicable regulations of the Treasury Department to maintain the exclusion of the interest components of Rental Payments from gross income for purposes of federal income taxation.

(n) Lessee will use the proceeds of this Agreement as soon as practicable and with all reasonable dispatch for the purpose for which this Agreement has been entered into. No part of the proceeds of this Agreement will be invested in any securities, obligations or other investments or used, at any time, directly or indirectly, in a manner which, if such use had been reasonably anticipated on the date of issuance of this Agreement, would have caused any portion of this Agreement to be or become "arbitrage bonds" within the meaning of Section 103(b)(2) or Section 148 of the Code and the applicable regulations of the Treasury Department.

(o) Lessee has never failed to pay payments coming due under any bond issue, lease purchase agreement or other indebtedness obligation of Lessee.

(p) The useful life of the Equipment will not be less than the Maximum Lease Term.

(q) The application, statements and credit or financial information submitted by Lessee to Lessor are true and correct and made to induce Lessor to enter into this Agreement and the escrow agreement, and Lessee has experienced no material change in its financial condition since the date(s) of such information.

(r) Lessee has provided Lessor with audited financial statements through September 30, 2017. Lessee has experienced no material change in its financial condition or in the revenues expected to be utilized to meet Rental Payments due under the Agreement since September 30, 2017.

(s) Lessee will pay the excess (if any) of the actual costs of acquiring the Equipment under the Agreement over the amount deposited by Lessor in the escrow fund, if any, established under any related escrow agreement and interest earnings thereon.

(t) Lessee will, upon request of Lessor and at Lessor's expense, assist Lessor in obtaining a current rating on the payment obligations of Lessee under the Agreement from a nationally recognized securities rating organization selected by Lessor.

(u) *[Lessee initial here if the following provision IS applicable: _____]*
[Lessee initial here if the following provision IS NOT applicable: _____]

Lessee hereby designates this Agreement as a "qualified tax-exempt obligation" as defined in Section 265(b)(3)(B) of the Code. The aggregate face amount of all tax-exempt obligations (excluding private activity bonds other than qualified 501(c)(3) bonds) issued or to be issued by Lessee and all subordinate entities thereof during the current calendar year is not reasonably expected to exceed \$10,000,000. Lessee and all subordinate entities thereof will not issue or enter into in excess of \$10,000,000 of tax-exempt obligations (including this Agreement, but excluding private activity bonds other than qualified 501(c)(3) bonds) during the current calendar year, without first obtaining an opinion of nationally recognized counsel in the area of tax-exempt municipal obligations acceptable to Lessor that the designation of this Agreement as a "qualified tax-exempt obligation" will not be adversely affected.

Section 3. Certification as to Arbitrage. Lessee hereby represents as follows:

(a) The estimated total costs of the Equipment, together with any costs of entering into this Agreement that are expected to be financed under this Agreement, will not be less than the total principal portion of the Rental Payments.

(b) The Equipment has been ordered or is expected to be ordered within six months of the Commencement Date, and the Equipment is expected to be delivered and installed, and the Vendor fully paid, within eighteen months of the Commencement Date.

(c) Lessee has not created or established, and does not expect to create or establish, any sinking fund or other similar fund (i) that is reasonably expected to be used to pay the Rental Payments, or (ii) that may be used solely to prevent a default in the payment of the Rental Payments.

(d) The Equipment has not been and is not expected to be sold or otherwise disposed of by Lessee, either in whole or in major part, prior to the last maturity of the Rental Payments.

(e) To the best of our knowledge, information and belief, the above expectations are reasonable.

Section 4. Lease of Equipment. Lessor hereby demises, leases and lets the Equipment to Lessee, and Lessee rents, leases and hires the Equipment from Lessor, in accordance with the provisions of this Agreement, for the Lease Term.

Section 5. Lease Term. The Original Term of this Agreement will commence on the Commencement Date and will terminate on the last day of Lessee's current fiscal year. The Lease Term may be continued, solely at the option of Lessee, at the end of the Original Term or any Renewal Term for an additional Renewal Term up to the Maximum Lease Term. At the end of the Original Term and at the end of each Renewal Term until the Maximum Lease Term has been completed, Lessee will be deemed to have exercised its option to continue this Agreement for the next Renewal Term unless Lessee has terminated this Agreement pursuant to **Section 6** or **Section 31**. The terms and conditions during any Renewal Term will be the same as the terms and conditions during the Original Term, except that the Rental Payments will be as provided in the Payment Schedule.

Section 6. Termination of Lease Term. The Lease Term will terminate upon the earliest of any of the following events:

(a) the expiration of the Original Term or any Renewal Term of this Agreement and the nonrenewal of this Agreement in the event of nonappropriation of funds pursuant to **Section 8**;

(b) the exercise by Lessee of the option to purchase the Equipment under the provisions of **Section 31** and payment of the Purchase Price and all amounts payable in connection therewith;

(c) a default by Lessee and Lessor's election to terminate this Agreement under **Section 36**; or

(d) the payment by Lessee of all Rental Payments authorized or required to be paid by Lessee hereunder during the Maximum Lease Term.

Section 7. Continuation of Lease Term. Lessee currently intends, subject to the provisions of **Section 8** and **Section 12**, to continue the Lease Term through the Original Term and all of the Renewal Terms and to pay the Rental Payments hereunder. Lessee reasonably believes that legally available funds in an amount sufficient to make all Rental Payments during the Original Term and each of the Renewal Terms can be obtained. The responsible financial officer of Lessee will do all things lawfully within his or her power to obtain and maintain funds from which the Rental Payments may be made, including making provision for such Rental Payments to the extent necessary in each proposed annual budget submitted for approval in accordance with applicable procedures of Lessee and to exhaust all available reviews and appeals in the event such portion of the budget is not approved. Notwithstanding the foregoing, the decision whether or not to budget or appropriate funds or to extend this Agreement for any Renewal Term is solely within the discretion of the then current governing body of Lessee.

Section 8. Nonappropriation. Lessee is obligated only to pay such Rental Payments under this Agreement as may lawfully be made from funds budgeted and appropriated for that purpose during Lessee's then current fiscal year. In the event sufficient funds will not be appropriated or are not otherwise legally available to pay the Rental Payments required to be paid in the next occurring Renewal Term, as set forth in the Payment Schedule, this Agreement will be deemed to be terminated at the end of the then current Original Term or Renewal Term. Lessee agrees to deliver notice to Lessor of such termination at least 90 days prior to the end of the then current Original Term or Renewal Term, but failure to give such notice will not extend the Lease Term beyond such Original Term or Renewal Term. If this Agreement is terminated in accordance with this Section, Lessee agrees, at Lessee's cost and expense, to peaceably deliver the Equipment to Lessor at the location or locations specified by Lessor.

Section 9. Rental Payments. Lessee will pay Rental Payments, exclusively from legally available funds, in lawful money of the United States of America to Lessor in the amounts and on the dates set forth on the Payment Schedule. Rental Payments will be in consideration for Lessee's use of the Equipment during the fiscal year in which such payments are due. Any Rental Payment not received on or before its due date will bear interest at the rate of 10% per annum or the maximum amount permitted by law, whichever is less, from its due date.

In the event that it is determined that any of the interest components of Rental Payments may not be excluded from gross income for purposes of federal income taxation, Lessee agrees to pay to Lessor promptly after any such determination and on each Rental Payment Date thereafter an additional amount determined by Lessor to compensate Lessor for the loss of such excludability (including without limitation, compensation relating to interest expense, penalties or additions to tax), which determination shall be conclusive absent manifest error.

Section 10. Interest Component. As set forth on the Payment Schedule, a portion of each Rental Payment is paid as, and represents payment of, interest.

Section 11. Rental Payments To Be Unconditional. Except as provided in Section 8, the obligations of Lessee to make Rental Payments and to perform and observe the other covenants and agreements contained herein shall be absolute and unconditional in all events without abatement, diminution, deduction, set-off or defense, for any reason, including without limitation any failure of the Equipment to be delivered or installed, any defects, malfunctions, breakdowns or infirmities in the equipment or any accident, condemnation or unforeseen circumstances.

Section 12. Rental Payments to Constitute a Current Expense of Lessee. The obligation of Lessee to pay Rental Payments hereunder will constitute a current expense of Lessee, is from year to year and does not constitute a mandatory payment obligation of Lessee in any fiscal year beyond the then current fiscal year of Lessee. Lessee's obligation hereunder will not in any way be construed to be an indebtedness of Lessee in contravention of any applicable constitutional, charter or statutory limitation or requirement concerning the creation of indebtedness by Lessee, nor will anything contained herein constitute a pledge of the general credit, tax revenues, funds or moneys of Lessee.

Section 13. Delivery, Installation and Acceptance of the Equipment. Lessee will order the Equipment, cause the Equipment to be delivered and installed at the locations specified on Exhibit A and pay any and all delivery and installation costs in connection therewith. When the Equipment has been delivered and installed, Lessee will immediately accept the Equipment and evidence said acceptance by executing and delivering to Lessor an acceptance certificate in form and substance acceptable to Lessor. After it has been installed, the Equipment will not be moved from the locations specified on Exhibit A without Lessor's consent, which consent will not be unreasonably withheld.

Section 14. Enjoyment of Equipment. Lessor hereby covenants to provide Lessee with quiet use and enjoyment of the Equipment during the Lease Term, and Lessee will peaceably and quietly have and hold and enjoy the Equipment during the Lease Term, without suit, trouble or hindrance from Lessor, except as otherwise expressly set forth in this Agreement.

Section 15. Right of Inspection. Lessor will have the right at all reasonable times during regular business hours to enter into and upon the property of Lessee for the purpose of inspecting the Equipment.

Section 16. Use of the Equipment. Lessee will not install, use, operate or maintain the Equipment improperly, carelessly, in violation of any applicable law or in a manner contrary to that contemplated by this Agreement. Lessee will obtain all permits and licenses, if any, necessary for the installation and operation of the Equipment. In addition, Lessee agrees to comply in all respects (including, without limitation, with respect to the use, maintenance and operation of each item of the Equipment) with all applicable laws, regulations and rulings of any legislative, executive, administrative or judicial body; provided, however, that Lessee may contest in good faith the validity or application of any such law, regulation or ruling in any reasonable manner that does not, in the opinion of Lessor, adversely affect the interest of Lessor in and to the Equipment or its interest or rights under this Agreement.

Section 17. Maintenance of Equipment. Lessee agrees that it will, at Lessee's own cost and expense, maintain, preserve and keep the Equipment in good repair, working order and condition. Lessor will have no responsibility to maintain, or repair or to make improvements or additions to the Equipment. If requested to do so by Lessor, Lessee will enter into a maintenance contract for the Equipment with Vendor.

Section 18. Title to the Equipment. During the Lease Term, title to the Equipment and any and all additions, repairs, replacements or modifications will vest in Lessee, subject to the rights of Lessor under this Agreement; provided that title will thereafter immediately and without any action by Lessee vest in Lessor, and Lessee will immediately surrender possession of the Equipment to Lessor upon (a) any termination of this Agreement other than termination pursuant to Section 31 or (b) the occurrence of an Event of Default. It is the intent of the parties hereto that any transfer of title to Lessor pursuant to this Section will occur automatically without the necessity of any bill of sale, certificate of title or other instrument of conveyance. Lessee will, nevertheless, execute and deliver any such instruments as Lessor may request to evidence such transfer. Lessee irrevocably designates, makes, constitutes and appoints Lessor and its assignee as Lessee's true and lawful attorney (and agent in-fact) with power, at such time of termination or times thereafter as Lessor in its sole and absolute discretion may determine, in Lessee's or Lessor's or such assignee'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.

Section 19. Security Interest. To secure the payment of all of Lessee's obligations under this Agreement and to the extent permitted by law, Lessor retains a security interest constituting a first lien on the Equipment and on all additions, attachments and accessions thereto and substitutions therefor and proceeds therefrom. Lessee agrees to execute such additional documents in form satisfactory to Lessor, that Lessor deems necessary or appropriate to establish and maintain its security interest. Lessee agrees that financing statements may be filed with respect to the security interest in the Equipment.

As further security therefor, Lessee grants to Lessor a first priority security interest in the cash and negotiable instruments from time to time comprising the escrow fund, if any, established under any related escrow agreement and all proceeds (cash and non-cash) thereof, and agrees with respect thereto that Lessor shall have all the rights and remedies of a secured party.

Section 20. Personal Property. Lessor and Lessee agree that the Equipment is and will remain personal property. The Equipment 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 such real estate or any building thereon. Upon the request of Lessor, Lessee will, at Lessee's expense, furnish a waiver of any interest in the Equipment from any party having an interest in any such real estate or building.

Section 21. Liens, Taxes, Other Governmental Charges and Utility Charges. Lessee will keep the Equipment free and clear of all liens, charges and encumbrances, except those created under this Agreement. The parties to this Agreement contemplate that the Equipment will be used for a governmental or proprietary purpose of Lessee and, therefore, that the Equipment will be exempt from all property taxes and other similar charges. If the use, possession or acquisition of the Equipment is found to be subject to taxation in any form, Lessee will pay all taxes and governmental charges lawfully assessed or levied against or with respect to the Equipment. Lessee will pay all utility and other charges incurred in the use and maintenance of the Equipment. Lessee will pay such taxes and charges as the same become due; provided that, with respect to any such taxes and charges that may lawfully be paid in installments over a period of years, Lessee will be obligated to pay only such installments that accrue during the Lease Term.

Section 22. Insurance. At its own expense, Lessee will maintain (a) casualty insurance insuring the Equipment against loss or damage by fire and all other risks covered by the standard extended coverage endorsement then in use in the State and any other risks reasonably required by Lessor in an amount at least equal to the then applicable Purchase Price of the Equipment, (b) liability insurance that protects Lessor from liability in all events in form and amount satisfactory to Lessor, and (c) workers' compensation coverage as required by the laws of the State; provided that, with Lessor's prior written consent, Lessee may self-insure against the risks described in clauses (a) and (b). Lessee shall also provide to Lessor a payment and performance bond naming Lessor as a dual obligee and issued by a surety company rated "A" or better by AM Best. All insurance proceeds from casualty losses will be payable as hereinafter provided. Lessee will furnish to Lessor certificates evidencing such coverage throughout the Lease Term.

All such casualty and liability insurance will be with insurers that are acceptable to Lessor, will name Lessor as a loss payee and an additional insured and will contain a provision to the effect that such insurance will not be cancelled or modified materially without first giving written notice thereof to Lessor at least ten days in advance of such cancellation or modification. All such casualty insurance will contain a provision making any losses payable to Lessee and Lessor, as their respective interests may appear.

Section 23. Advances. In the event Lessee fails to maintain the insurance required by this Agreement, pay taxes or charges required to be paid by it under this Agreement or fails to keep the Equipment in good repair and operating condition, Lessor may (but will be under no obligation to) purchase the required policies of insurance and pay the cost of the premiums on the thereof, pay such taxes and charges and make such Equipment repairs or replacements as are necessary and pay the cost thereof. All amounts so advanced by Lessor will become additional rent for the then current Original Term or Renewal Term. Lessee agrees to pay such amounts with interest thereon from the date paid at the rate of 10% per annum or the maximum permitted by law, whichever is less.

Section 24. Financial Information. Lessee shall maintain proper books of record and account in which proper entries shall be made in accordance with generally accepted government accounting standards, consistently applied, of all its business and affairs. Lessee shall have an annual audit of the financial condition of Lessee made by an independent certified public accountant promptly following the end of each fiscal year. Such report shall include statements in reasonable detail, certified by such accountant, reflecting Lessee's financial position as of the end of such fiscal year and the results of Lessee's operations and changes in the financial position of its funds for the fiscal year. Lessee shall furnish to Lessor copies of such audit report immediately after it is accepted by Lessee, but not later than two hundred and seventy (270) days after the end of the fiscal year. If the audit is publicly available on Lessee's website or on the "EMMA" website maintained by the Municipal Securities Rulemaking Board, the requirement to provide the audit to Lessor will be satisfied if Lessee emails a link to the posted item to Lessor within such 270-day period. The electronic audit or link may be sent to the following email address (or such other address as Lessor supplies to Lessee in writing): Public_Finance_Servicing@snbcloud.onmicrosoft.com.

Section 25. Release and Indemnification. To the extent permitted by Section 768.28, Fla. Stat., Lessee will indemnify, protect and hold harmless Lessor from and against any and all liability, obligations, losses, claims and damages whatsoever, regardless of cause thereof, and expenses in connection therewith (including, without limitation, counsel fees and expenses and any federal income tax and interest and penalties connected therewith imposed on interest received) arising out of or as the result of (a) the entering into this Agreement, (b) the ownership of any item of the Equipment, (c) the manufacturing, ordering, acquisition, use, operation, condition, purchase, delivery, rejection, storage or return of any item of the Equipment, (d) any accident in connection

with the operation, use, condition, possession, storage or return of any item of the Equipment resulting in damage to property or injury or death to any person or (e) the breach of any covenant herein or any material misrepresentation contained herein. The indemnification arising under this paragraph will continue in full force and effect notwithstanding the full payment of all obligations under this Agreement or the termination of the Lease Term for any reason.

Section 26. Risk of Loss. Lessee assumes, from and including the Commencement Date, all risk of loss of or damage to the Equipment from any cause whatsoever. No such loss of or damage to the Equipment nor defect therein nor unfitness or obsolescence thereof will relieve Lessee of the obligation to make Rental Payments or to perform any other obligation under this Agreement.

Section 27. Damage, Destruction, Condemnation; Use of Proceeds. If (a) the Equipment or any portion thereof is destroyed, in whole or in part, or is damaged by fire or other casualty, or (b) title to, or the temporary use of, the Equipment or any part thereof or the interest of Lessee or Lessor in the Equipment or any part thereof will be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm or corporation acting under governmental authority, Lessee and Lessor will cause the Net Proceeds of any insurance claim or condemnation award to be applied to the prompt replacement, repair, restoration, modification or improvement of the Equipment, unless Lessee has exercised its option to purchase the Equipment pursuant to **Section 31**. Any balance of the Net Proceeds remaining after such work has been completed will be paid to Lessee.

Section 28. Insufficiency of Net Proceeds. If the Net Proceeds are insufficient to pay in full the cost of any repair, restoration, modification or improvement referred to in **Section 27**, Lessee will either (a) complete such replacement, repair, restoration, modification or improvement and pay any costs thereof in excess of the amount of the Net Proceeds, or (b) purchase Lessor's interest in the Equipment pursuant to **Section 31**. The amount of the Net Proceeds, if any, remaining after completing such repair, restoration, modification or improvement or after purchasing the Equipment will be retained by Lessee. If Lessee will make any payments pursuant to this Section, Lessee will not be entitled to any reimbursement therefor from Lessor nor will Lessee be entitled to any diminution of the amounts payable under **Section 9**.

Section 29. Disclaimer of Warranties. LESSOR MAKES NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR PARTICULAR USE OR PURPOSE OF THE EQUIPMENT OR AGAINST INFRINGEMENT, OR ANY OTHER WARRANTY OR REPRESENTATION WITH RESPECT THERETO. IN NO EVENT SHALL LESSOR BE LIABLE FOR ANY ACTUAL, INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGE IN CONNECTION WITH OR ARISING OUT OF THIS AGREEMENT OR THE EXISTENCE, FURNISHING, FUNCTIONING OR LESSEE'S USE OR MAINTENANCE OF ANY EQUIPMENT OR SERVICES PROVIDED FOR IN THIS AGREEMENT.

Section 30. Vendor's Warranties. Lessee may have rights under the contract evidencing the purchase of the Equipment; Lessee is advised to contact the Vendor for a description of any such rights. Lessee hereby assigns to Lessor during the Lease Term all warranties running from Vendor to Lessee. Lessor hereby irrevocably appoints Lessee its agent and attorney-in-fact during the Lease Term, so long as Lessee will not be in default hereunder, to assert from time to time whatever claims and rights (including without limitation warranties) related to the Equipment that Lessor may have against the Vendor. Lessee's sole remedy for the breach of any such warranty, indemnification or representation will be against the Vendor, and not against Lessor. Any such matter will not have any effect whatsoever on the rights and obligations of Lessor with respect to this Agreement, including the right to receive full and timely payments hereunder. Lessee expressly acknowledges that Lessor makes, and has made, no representations or warranties whatsoever as to the existence or availability of such warranties by the Vendor.

Section 31. Purchase Option; Prepayment.

(a) Lessee will have the option to purchase the Equipment, upon giving written notice to Lessor at least 30 days before the date of purchase, at the following times and upon the following terms:

(i) On January 1, 2025, and any Rental Payment Date thereafter, upon payment in full of the Rental Payment then due hereunder plus all other amounts due hereunder plus the then applicable Purchase Price to Lessor; or

(ii) In the event of substantial damage to or destruction or condemnation (other than by Lessee or any entity controlled by or otherwise affiliated with Lessee) of substantially all of the Equipment, on the day Lessee specifies as the purchase date in Lessee's notice to Lessor of its exercise of the purchase option, upon payment in full of the Rental Payment and all other amounts then due hereunder plus (A) the Purchase Price designated on the Payment Schedule for such purchase date if such purchase date is a Rental Payment Date or the Purchase Price for the immediately preceding Rental Payment Date if such purchase date is not a Rental Payment Date, and (B) if such day is not a Rental Payment Date, an amount equal to the portion of the interest component of the Rental Payment scheduled to come due on the following Rental Payment Date accrued from the immediately preceding Rental Payment Date to such purchase date, computed on the basis of a 360-day year of twelve 30-day months.

Upon the exercise of the option to purchase set forth above, title to the Equipment will be vested in Lessee, free and clear of any claim by or through Lessor.

(b) In the event monies remain in any escrow fund established under an escrow agreement, upon receipt by the escrow agent under such escrow agreement of a duly executed certificate of acceptance and payment request identified as the final such request, the remaining monies in such escrow fund shall, first be applied to all reasonable fees and expenses incurred by such escrow agent, if applicable, in connection with such escrow fund as evidenced by its statement forwarded to Lessor and Lessee; and, second be paid to Lessor, for application against the outstanding principal components of Rental Payments, including prepayment of Rental Payments hereunder, unless Lessor directs that payment of such amount be made in such other manner that, in the opinion of nationally recognized counsel in the area of tax exempt municipal obligations satisfactory to Lessor, will not adversely affect the exclusion of the interest components of Rental Payments from gross income for federal income tax purposes. If any such amount is applied against the outstanding principal components of Rental Payments, the Payment Schedule attached hereto will be revised accordingly.

Section 32. Determination of Fair Purchase Price. Lessee and Lessor hereby agree and determine that the Rental Payments hereunder during the Original Term and each Renewal Term represent the fair value of the use of the Equipment and that the amount required to exercise Lessee's option to purchase the Equipment pursuant to **Section 31** represents, as of the end of the Original Term or any Renewal Term, the fair purchase price of the Equipment. Lessee hereby determines that the Rental Payments do not exceed a reasonable amount so as to place Lessee under a practical economic compulsion to renew this Agreement or to exercise its option to purchase the Equipment hereunder. In making such determinations, Lessee and Lessor have given consideration to (a) the costs of the Equipment, (b) the uses and purposes for which the Equipment will be employed by Lessee, (c) the benefit to Lessee by reason of the acquisition and installation of the Equipment and the use of the Equipment pursuant to the terms and provisions of this Agreement, and (d) Lessee's option to purchase the Equipment. Lessee hereby determines and declares that the acquisition and installation of the Equipment and the leasing of the Equipment pursuant to this Agreement will result in equipment of comparable quality and meeting the same requirements and standards as would be necessary if the acquisition and installation of the Equipment were performed by Lessee other than pursuant to this Agreement. Lessee hereby determines and declares that the Maximum Lease Term does not exceed the useful life of the Equipment.

Section 33. Assignment by Lessor. Lessor's interest in, to and under this Agreement and the Equipment may be assigned and reassigned in whole or in part to one or more assignees by Lessor without the necessity of obtaining the consent of Lessee; provided that any assignment will not be effective against Lessee until (a) Lessee has received written notice of the name and address of the assignee and (b) in the event that such assignment is made to a bank or trust company for holders of certificates representing interests in this Agreement, such bank or trust company agrees to maintain, or cause to be maintained, a register by which a record of the names and addresses of such holders as of any particular time is kept and agrees, upon request of Lessee, to furnish such information to Lessee. Lessee will retain all such notices as a register of all assignees and will make all payments to the assignee or assignees designated in such register. Lessee agrees to execute all documents, including notices of assignment and chattel mortgages or financing statements that may be reasonably requested by Lessor or any assignee to protect its interest in the Equipment and in this Agreement and agrees to the filing of financing statements with respect to the Equipment and this Agreement. Lessee will not have the right to and will not assert against any assignee any claim, counterclaim, defense, set-off or other right Lessee may have against Lessor.

Section 34. Assignment and Subleasing by Lessee. None of Lessee's right, title and interest in, to and under this Agreement and the Equipment may be assigned or encumbered by Lessee for any reason, except that Lessee may sublease all or part of the Equipment if Lessee obtains the prior written consent of Lessor and an opinion of nationally recognized counsel in the area of tax exempt municipal obligations satisfactory to Lessor that such subleasing will not adversely affect the exclusion of the interest components of the Rental Payments from gross income for federal income tax purposes. Any such sublease of all or part of the Equipment will be subject to this Agreement and the rights of Lessor in, to and under this Agreement and the Equipment.

Section 35. Events of Default Defined. Subject to the provisions of **Section 8**, any of the following will be "Events of Default" under this Agreement:

(a) Failure by Lessee to pay any Rental Payment or other payment required to be paid hereunder at the time specified herein;

(b) Failure by Lessee to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in **Section 35(a)**, for a period of 30 days after written notice, specifying such failure and requesting that it be remedied, is given to Lessee by Lessor, unless Lessor will agree in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice cannot be corrected within the applicable period, Lessor will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by Lessee within the applicable period and diligently pursued until the default is corrected;

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

(d) Any provision of this Agreement will at any time for any reason cease to be valid and binding on Lessee, or will be declared to be null and void, or the validity or enforceability thereof will be contested by Lessee or any governmental agency or authority if the loss of such provision would materially adversely affect the rights or security of Lessor, or Lessee will deny that it has any further liability or obligation under this Agreement;

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

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

Section 36. Remedies on Default. Whenever any Event of Default exists, Lessor will have the right, at its sole option without any further demand or notice, to take one or any combination of the following remedial steps:

(a) By written notice to Lessee, Lessor may declare all Rental Payments and other amounts payable by Lessee hereunder to the end of the then current Original Term or Renewal Term to be due;

(b) With or without terminating this Agreement, Lessor may enter the premises where the Equipment is located and retake possession of the Equipment or require Lessee at Lessee's expense to promptly return any or all of the Equipment to the possession of Lessor at a place specified by Lessor, and sell or lease the Equipment or, for the account of Lessee, sublease the Equipment, holding Lessee liable for the difference between (i) the Rental Payments and other amounts payable by Lessee hereunder plus the applicable Purchase Price, and (ii) the net proceeds of any such sale, lease or sublease (after deducting all expenses of Lessor in exercising its remedies under this Agreement, including without limitation, all expenses of taking possession, storing, reconditioning and selling or leasing the Equipment and all brokerage, auctioneers' and attorneys' fees) provided that the amount of Lessee's liability under this subparagraph (b) shall not exceed the Rental Payments and other amounts otherwise due hereunder plus the remaining Rental Payments and other amounts payable by Lessee to the end of the then current Original Term or Renewal Term; and

(c) Lessor may take whatever other action at law or in equity may appear necessary or desirable to enforce its rights as the owner of the Equipment.

In addition, Lessee will remain liable for all covenants and indemnities under this Agreement and for all legal fees and other costs and expenses, including court costs, incurred by Lessor with respect to the enforcement of any of the remedies listed above or any other remedy available to Lessor.

Section 37. No Remedy Exclusive. No remedy herein conferred upon or reserved to Lessor is intended to be exclusive and every such remedy will be cumulative and will be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default will impair any such right or power or will be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle Lessor to exercise any remedy reserved to it in this Agreement it will not be necessary to give any notice, other than such notice as may be required in this Agreement.

Section 38. Notices. All notices, certificates or other communications hereunder will be sufficiently given and will be deemed given when delivered or mailed by registered mail, postage prepaid, to the parties at the addresses immediately after the signatures to this Agreement (or at such other address as either party hereto will designate in writing to the other for notices to such party), to any assignee at its address as it appears on the register maintained by Lessee.

Section 39. Binding Effect. This Agreement will inure to the benefit of and will be binding upon Lessor and Lessee and their respective successors and assigns.

Section 40. Severability. In the event any provision of this Agreement will be held invalid or unenforceable by any court of competent jurisdiction, such holding will not invalidate or render unenforceable any other provision hereof.

Section 41. Entire Agreement. This Agreement constitutes the entire agreement between Lessor and Lessee.

Section 42. Amendments. This Agreement may be amended, changed or modified in any manner by written agreement of Lessor and Lessee. Any waiver of any provision of this Agreement or any right or remedy hereunder must be affirmatively and expressly made in writing and will not be implied from inaction, course of dealing or otherwise.

Section 43. Execution in Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which will be an original and all of which will constitute but one and the same instrument.

Section 44. Captions. The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement.

Section 45. Applicable Law; Venue. This Agreement will be governed by and construed in accordance with the laws of the State, and the venue for any federal or State lawsuits shall be in Palm Beach County, Florida.

Section 46. Electronic Transactions. The parties agree that the transaction described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Section 47. Role of Lessor. Lessor has not acted and will not act as a fiduciary for Lessee or as Lessee's agent or municipal advisor. Lessor has not and will not provide financial, legal, tax, accounting or other advice to Lessee or to any financial advisor or placement agent engaged by Lessee with respect to this Agreement. Lessee, its financial advisor, placement agent or municipal advisor, if any, shall each seek and obtain its own financial, legal, tax, accounting and other advice with respect to this Agreement from its own advisors (including as it relates to structure, timing, terms and similar matters).

Section 48. Participation of Agreement from Lessor to SNFC. Lessor hereby notifies Lessee, and Lessee hereby acknowledges such notification, that simultaneously with the execution and delivery of this Agreement, Lessor will enter into a participation agreement with Sterling National Funding Corp., a New York corporation and a wholly-owned subsidiary of Lessor ("SNFC"), whereby Lessor will assign to SNFC a 100% participation interest in this Agreement at par. Lessor will continue to service this Agreement and collect all Rental Payments and payment of the Purchase Price hereunder.


[Signature page follows.]

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

STERLING NATIONAL BANK

By: _____
Name: Kevin C. King
Title: Senior Vice President, Senior Managing Director
Address: 500 Seventh Avenue, 3rd Floor
New York, NY 10018
Attention: NYC Team 114

TOWN OF LAKE PARK, FLORIDA


By: _____
Name: Michael O'Rourke
Title: Mayor
Address: 535 Park Avenue
Lake Park, FL 33403

CERTIFICATION

I, the undersigned, do hereby certify (i) that the officer of Lessee who executed the foregoing Agreement on behalf of Lessee and whose genuine signature appears thereon, is the duly qualified and acting officer of Lessee as stated beneath his or her signature and has been authorized to execute the foregoing Agreement on behalf of Lessee, and (ii) that the fiscal year of Lessee is from October 1 to September 30.

DATED: March 28, 2019.

By:  _____
Vivian Mendez, City Clerk

EXHIBIT A TO EQUIPMENT LEASE PURCHASE AGREEMENT
EQUIPMENT SCHEDULE

Equipment Description:

The Equipment consists of energy savings improvements, as set forth in the Performance Contract dated March __, 2019, between Lessee and Johnson Controls, Inc., as described in and at the locations listed therein, together with any and all replacement parts, additions, repairs, modifications, attachments and accessories thereto, any and all substitutions, replacements or exchanges therefor, and any and all insurance and/or proceeds thereof. See also "Schedule 1 - Scope of Work" attached hereto for a further description of the Equipment.

Locations:

The Equipment will be located at the following facilities:

Town Hall
535 Park Avenue
Lake Park, FL 33403

Lake Shore Tennis Center
600 Lake Shore Drive
Lake Park, FL 33403

Library
529 Park Avenue
Lake Park, FL 33403

Evergreen House
701 Lake Shore Drive
Lake Park, FL 33403

Sherriff's Annex
700 6th Street
Lake Park, FL 33403

Kelsey Park
701 Lake Shore Drive
Lake Park, FL 33403

Public Works Department
640 Old Dixie Highway
Lake Park, FL 33403

Bayberry Sports Complex (Bert Bostrom Park)
311 7th Street
Lake Park, FL 33403

Lake Park Marina
105 Lake Shore Drive
Lake Park, FL 33403

Vendor:

The Vendor for the Equipment is Johnson Controls, Inc., 6600 Congress Avenue, Boca Raton, Florida 33487.

This Equipment Schedule shall be deemed to be supplemented by the descriptions of the Equipment included in the Certificate of Acceptance and Payment Requests submitted to Sterling National Bank, in its capacity as escrow agent, pursuant to the Escrow Agreement dated as of March 28, 2019, among Lessor, Lessee and Sterling National Bank, in its capacity as escrow agent, which descriptions shall be deemed to be incorporated herein.

EXHIBIT B TO EQUIPMENT LEASE PURCHASE AGREEMENT


PAYMENT SCHEDULE

Principal Amount: \$1,494,679
 Interest Rate: 3.65%; 30/360 basis
 Commencement Date: March 28, 2019

Rental payments will be made in accordance with **Section 9** and this Payment Schedule.

Rental Payment Date	Total Rental Payment	Interest Portion	Principal Portion	Purchase Price ⁽¹⁾
1/1/2020	\$105,324.00	\$41,701.54	\$63,622.46	\$1,445,367.11
1/1/2021	106,278.00	52,233.56	54,044.44	1,390,782.22
1/1/2022	107,260.00	50,260.94	56,999.06	1,333,213.17
1/1/2023	108,274.00	48,180.48	60,093.52	1,272,518.72
1/1/2024	109,318.00	45,987.06	63,330.94	1,208,554.47
1/1/2025 ⁽²⁾	110,390.00	43,675.48	66,714.52	1,141,172.80
1/1/2026	111,498.00	41,240.40	70,257.60	1,070,212.62
1/1/2027	112,639.00	38,676.00	73,963.00	995,509.99
1/1/2028	113,813.00	35,976.35	77,836.65	916,894.98
1/1/2029	115,020.00	33,135.31	81,884.69	834,191.44
1/1/2030	116,268.00	30,146.52	86,121.48	739,810.64
1/1/2031	117,550.00	27,003.09	90,546.91	649,263.73
1/1/2032	118,872.00	23,698.13	95,173.87	554,089.86
1/1/2033	120,233.00	20,224.28	100,008.72	454,081.14
1/1/2034	121,635.00	16,573.96	105,061.04	349,020.10
1/1/2035	123,080.00	12,739.23	110,340.77	238,679.33
1/1/2036	122,450.00	8,711.80	113,738.20	124,941.13
1/1/2037	<u>129,501.48</u>	<u>4,560.35</u>	<u>124,941.13</u>	0.00
Totals	<u>\$2,069,403.48</u>	<u>\$574,724.48</u>	<u>\$1,494,679.00</u>	

TOWN OF LAKE PARK, FLORIDA

By: 
 Michael O'Rourke, Mayor

⁽¹⁾ Lessee's option to purchase is subject to provisions of Section 31 of the Agreement.
⁽²⁾ First available optional prepayment date pursuant to Section 31 of the Agreement is January 1, 2025.

**FLORIDA RIDER TO
EQUIPMENT LEASE PURCHASE AGREEMENT**

This Rider to that certain Equipment Lease Purchase Agreement (together with all Exhibits and this Rider, the "Agreement") dated as of March 28, 2019, between STERLING NATIONAL BANK (together with its successors and assigns, "Lessor"), and the TOWN OF LAKE PARK, FLORIDA (together with its successors and assigns, "Lessee"), is incorporated in and is hereby made a part of the Agreement.

Lessor and Lessee hereby agree that capitalized terms used herein and not otherwise defined herein shall have the terms assigned to such terms in the Agreement and that the following changes and additions shall be made to the Agreement:

1. **Section 8** of the Agreement is hereby amended by adding the following sentence at the end of that Section:

Upon return of the Equipment to Lessor, Lessor will use its best efforts to lease or sell the Equipment upon such terms as Lessor in its reasonable judgment deems prudent. Lessor will apply the net proceeds of that sale or lease in the following manner: (i) first, to reimburse Lessor for all costs associated with the taking, removing, holding, repairing and leasing or selling of the Equipment; (ii) second, to pay to Lessor an amount equal to the Purchase Price for the Equipment at the time of the termination of this Agreement; (iii) third, to pay to Lessor the amount necessary to satisfy Lessee's remaining obligations under this Agreement; and (iv) fourth, to remit any amounts thereafter remaining to Lessee. No deficiency will be allowed against Lessee.

2. **Section 12** of the Agreement is hereby deleted, and the following **Section 12** is hereby inserted in lieu thereof:

Section 12. Rental Payments to Constitute a Current Expense of Lessee. The obligation of Lessee to pay Rental Payments hereunder will constitute a current expense of Lessee payable from sources other than ad valorem taxes and does not constitute a mandatory payment obligation of Lessee in any fiscal year beyond the then current fiscal year of Lessee. Lessee's obligations hereunder will not in any way be construed to be an indebtedness of Lessee in contravention of any applicable constitutional, charter or statutory limitation or requirement concerning the creation of indebtedness by Lessee, nor will anything contained herein constitute a pledge of the ad valorem tax revenues, funds or moneys of Lessee. Lessor and Lessee further understand that the use of the ad valorem taxing power to make Rental Payments cannot be compelled.

3. **Section 19** of the Agreement is hereby deleted.

4. **Section 36** of the Agreement is hereby amended by adding the following language to the end of that Section:

Lessor and Lessee agree that there is no intention to create under this Agreement a right of Lessor to dispossess Lessee involuntarily of the legal title to or the right of use of the Equipment. Lessor hereby irrevocably waives any right to specific performance of Lessee's covenant to transfer legal title and return of possession of the Equipment to Lessor.


Except as specifically set forth in this Rider, all terms and conditions contained in the Agreement will remain in full force and effect and are hereby ratified and confirmed.

Date: March 28, 2019.

STERLING NATIONAL BANK

By: _____
Name: Kevin C. King
Title: Senior Vice President, Senior Managing Director

TOWN OF LAKE PARK, FLORIDA

By:  _____
Name: Michael O'Rourke
Title: Mayor

ESCROW AGREEMENT

LESSOR:
Sterling National Bank
500 Seventh Avenue, 3rd Floor
New York, NY 10018
Attention: NYC Team 114

ESCROW AGENT:
Sterling National Bank
400 Rella Boulevard
Montebello, NY 10901
Attention: Corporate Trust Department

LESSEE:
Town of Lake Park, Florida
535 Park Avenue
Lake Park, FL 33403

THIS ESCROW AGREEMENT (this "Escrow Agreement") dated March 28, 2019, is entered into by and among Sterling National Bank (in its capacity as lessor, "Lessor"), the Town of Lake Park, Florida ("Lessee"), and Sterling National Bank (in its capacity as escrow agent, the "Escrow Agent").

Lessor and Lessee have heretofore entered into that certain Equipment Lease Purchase Agreement dated as of March 28, 2019 (the "Agreement"). The Agreement contemplates that certain Equipment described therein (the "Equipment") is to be acquired from the vendor(s) or manufacturer(s) thereof.

After acceptance of the Equipment by Lessee, the Equipment is to be leased by Lessor to Lessee pursuant to the terms of the Agreement.

The Agreement contemplates that Lessor will deposit with the Escrow Agent cash in the amount of \$1,494,679, to be held in escrow by the Escrow Agent and applied on the express terms and conditions set forth herein. Such deposit, together with all interest and additions received with respect thereto (hereinafter, the "Escrow Fund"), is to be applied from time to time to pay certain costs of acquiring the Equipment (a portion of which may be paid in multiple payments and prior to acceptance of all Equipment by Lessee) and, if requested by Lessee and approved by Lessor, to pay certain costs of entering into the Agreement.

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

NOW, THEREFORE, the parties agree as follows:

1. Each of Lessor and Lessee hereby appoint, and the Escrow Agent hereby agrees, to serve as escrow agent upon the express terms and conditions set forth herein. The Escrow Agent agrees that the Escrow Fund shall be held irrevocably in trust for the account and benefit of Lessee and Lessor and all interest earned with respect to the Escrow Fund shall accrue to the benefit of Lessee and shall be applied as expressly set forth herein.

To the limited extent required to perfect the security interest granted by Lessee to Lessor in the cash and negotiable instruments from time to time comprising the Escrow Fund, Lessor hereby appoints the Escrow Agent as its security agent, and the Escrow Agent hereby accepts the appointment as security agent, and agrees to hold physical possession of such cash and negotiable instruments on behalf of Lessor.

2. On such day as determined to the mutual satisfaction of the parties (the "Commencement Date"), Lessor shall deposit with the Escrow Agent cash in the amount of \$1,494,679, to be held by the Escrow Agent on the express terms and conditions set forth herein. The Escrow Agent agrees to accept the deposit of the Escrow Fund by Lessor, and further agrees to hold the amount so deposited together with all interest and other additions received with respect thereto in escrow on the express terms and conditions set forth herein.

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

4. Lessee hereby directs the Escrow Agent to invest the cash comprising the Escrow Fund from time to time in Qualified Investments (as hereinafter defined). Interest or other amounts earned and received by the Escrow Agent with respect to the

Escrow Fund shall be deposited in and comprise a part of the Escrow Fund. No investment shall be made that would cause the Agreement to be deemed to be an arbitrage bond within the meaning of Section 148(a) of the Internal Revenue Code of 1986, as amended (the "Code"). For purposes of this paragraph 4, the term "Qualified Investments" means moneys held in Demand Deposit Account # _____ [To be provided by Escrow Agent] created by the Escrow Agent, or such other investments as Lessee may specify in writing and such writing is actually received by Escrow Agent, to the extent the same are at the time legal for investment of the funds being invested.

5. Lessor and Lessee hereby authorize the Escrow Agent to take the following actions with respect to the Escrow Fund:

a. From time to time, the Escrow Agent shall pay the vendor or manufacturer of the Equipment or Lessee or other payee upon receipt of the following: (a) a duly executed Certificate of Acceptance and Payment Request in the form attached as **Exhibit A** to this Escrow Agreement approved for payment by Lessor (or its assignee, if any), (b) the vendor(s) or manufacturer(s) invoice(s) specifying the acquisition price of the Equipment described in the requisition request, (c) in the event that certain costs of entering into the Agreement are described in the requisition request, invoice(s), budget(s), closing statement(s) or other additional documentation specifying the amount(s) of such costs, and (d) any additional documentation required by Lessor prior to Lessor's approval of such requisition request. Lessor's approval on the Certificate of Acceptance and Payment Request in each case shall be conclusive evidence that all invoices, budgets, closing statements and any additional documentation requirements have been received by and are acceptable to Lessor for payment purposes. Without limiting the foregoing, Lessor shall not approve any such payment unless and until Lessee shall have provided to Lessor (i) certificates of insurance evidencing coverage in accordance with Section 22 of the Agreement and satisfactory to Lessor and (ii) a payment and performance bond naming Lessor as a dual obligee and issued by a surety company rated "A" or better by AM Best in form and substance satisfactory to Lessor.

b. In the event that Lessor provides to the Escrow Agent and the Escrow Agent actually receives written notice of the occurrence of an Event of Default as defined in the Agreement or a nonappropriation by Lessee under the Agreement, the Escrow Agent shall thereupon promptly remit to Lessor the entire balance of the Escrow Fund *after* application of the Escrow Fund to all reasonable fees and expenses incurred by the Escrow Agent in connection herewith as evidenced by its statement forwarded to Lessor and Lessee.

c. Upon actual receipt by the Escrow Agent of a duly executed Certificate of Acceptance and Payment Request identified as the final such request, the remaining monies in the Escrow Fund shall, *first* be applied to all reasonable fees and expenses incurred by the Escrow Agent in connection herewith as evidenced by its statement forwarded to Lessor and Lessee; and, *second* be paid to Lessor, for its application against the outstanding principal components of Rental Payments (as defined in the Agreement) under the Agreement, as provided therein, unless Lessor directs that payment of such amount be made in such other manner directed by Lessor that, in the opinion of nationally recognized counsel in the area of tax-exempt municipal obligations satisfactory to Lessor, will not adversely affect the exclusion of the interest components of Rental Payments from gross income for federal income tax purposes. If any such amount is used to prepay principal, the Payment Schedule attached to the Agreement will be revised accordingly as specified by Lessor.

d. Lessor and Lessee agree that the security procedures under this Section 5 are commercially reasonable.

e. In the event that the Escrow Agent makes any payment to any payee pursuant to this Escrow Agreement and for any reason such payment (or any portion thereof) is required to be returned to the Escrow Fund or is subsequently invalidated, declared to be fraudulent or preferential, set aside and/or required to be repaid to a receiver, trustee or other party under any bankruptcy or insolvency law, other federal or state law, common law or equitable doctrine, then the party who benefited from the payment to the payee shall repay to the Escrow Agent upon written request the amount so paid to the payee. The Escrow Agent shall not be liable to any party or any other person by reason of such payment.

6. The reasonable fees and expenses of the Escrow Agent incurred in connection herewith shall be the responsibility of Lessor, so long as the Escrow Agent is the same entity as Lessor or any affiliate of Lessor and are herein further described on **Schedule 1**.

7.

a. The Escrow Agent shall have no liability for acting upon any written instruction presented by Lessee and Lessor in connection with this Escrow Agreement which the Escrow Agent in good faith believes to be genuine. Furthermore, the Escrow Agent shall not be liable for any act or omission in connection with this Escrow Agreement except for its own gross negligence or willful misconduct. The Escrow Agent shall not be liable for any loss or diminution in value of the Escrow Fund as a result of the investment decisions made pursuant to Section 4. The Escrow Agent shall have only those duties and responsibilities as

expressly set forth herein, and no other duty, obligation or covenant, fiduciary or otherwise, shall be implied or enforceable against the Escrow Agent by any person.

b. Without limiting the effect of Section 7(a) hereof, the Escrow Agent shall have no obligation or liability to any other party hereto (or any person claiming through any of them): (i) to review, examine, enforce, administer or take notice of any agreement, instrument or document other than this Escrow Agreement; (ii) to determine whether any conditions precedent to a disbursement of moneys in the Escrow Fund, other than as set forth in Section 5, have been or will be satisfied or otherwise to investigate any notice received by the Escrow Agent hereunder; (iii) to evaluate or determine the validity or legality of any action or omission of any third party, including any federal or state bank regulator; (iv) to make any payment to the other parties or other payees set forth in written instructions received under Section 5 from any source other than moneys in the Escrow Fund, and no such payment shall be made if the amount of moneys on deposit in the Escrow Fund is inadequate; (v) to communicate with any person other than as expressly provided for in this Escrow Agreement; (vi) for any action or omission of the Escrow Agent taken or made upon the oral or written, joint instructions of the parties hereto; (vii) for any other action or omission of, or for errors in judgment by, the Escrow Agent under or in connection with this Escrow Agreement taken or made in good faith and without gross negligence or willful misconduct; and (viii) for special, incidental, consequential, indirect or punitive damages in any event, even if the Escrow Agent has been advised or was otherwise aware of the likelihood of such loss or damages and regardless of the form of action.

8. To the extent authorized by Section 768.28, Fla. Stat., Lessee hereby agrees to indemnify and save the Escrow Agent harmless against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder and which are not due to the Escrow Agent's gross negligence or willful misconduct. No indemnification will be made under this Section or elsewhere in this Escrow Agreement for damages arising solely out of gross negligence or willful misconduct by the Escrow Agent, its officers, agents, employees, successors or assigns.

9. The Escrow Agent may at any time resign by giving at least 30 days' prior written notice to Lessee and Lessor, but such resignation shall not take effect until the appointment of the successor Escrow Agent. The substitution of another bank or trust company to act as Escrow Agent under this Escrow Agreement may occur by written agreement of Lessor and Lessee. In addition, the Escrow Agent may be removed at any time, with or without cause, by instrument in writing executed by Lessor and Lessee. Such notice shall set forth the effective date of the removal. In the event of any resignation or removal of the Escrow Agent, a successor Escrow Agent shall be appointed by an instrument in writing executed by Lessor and Lessee. Such successor Escrow Agent shall indicate its acceptance of such appointment by an instrument in writing delivered to Lessor, Lessee and the predecessor Escrow Agent.

Upon the effective date of resignation or removal, the Escrow Agent will transfer the Escrow Fund then held by it to the successor Escrow Agent selected by Lessor and Lessee.

If the other parties are unable to agree upon a successor escrow agent within 30 days after such notice, the other parties hereby agree that either of them acting unilaterally shall apply to a court of competent jurisdiction for the appointment of a successor escrow agent or for other appropriate relief. The costs and expenses (including reasonable attorneys' fees and expenses) incurred by the Escrow Agent in connection with such proceeding shall be paid in accordance with Section 6.

10. In the event of any dispute with respect to the Escrow Fund, the interpretation of this Escrow Agreement or the rights and obligations of the parties hereunder, or to the propriety of any action contemplated by the Escrow Agent hereunder, or if the Escrow Agent in good faith is in doubt as to what action should be taken hereunder, then in any such case the Escrow Agent shall not be obligated to resolve the dispute or disagreement or to make any disbursement of all or any portion of the Escrow Fund, but may commence an action in the nature of an interpleader and seek to deposit such funds with a court of competent jurisdiction, and thereby shall be discharged from any further duty or obligation with respect to the Escrow Fund. The costs of such interpleader action shall be borne by Lessee. In the event Lessee shall fail on demand to reimburse the Escrow Agent for such costs, then Lessee irrevocably authorizes the Escrow Agent to deduct any such amounts from the Escrow Fund without any further notice or demand to any person. The Escrow Agent may, in its sole discretion in lieu of filing such action in interpleader, elect to cease to perform under this Escrow Agreement and to ignore all instructions received in connection herewith until the Escrow Agent has received a written notice of resolution signed by the parties to such dispute or disagreement or an order of a court of competent jurisdiction over the matter directing a disposition of the Escrow Fund.

11. This Escrow Agreement and the Escrow Fund established hereunder shall terminate upon receipt by the Escrow Agent of the written notice from Lessor specified in Section 5(b) or Section 5(c) hereof.

12. All notices hereunder shall be in writing, sent by certified mail, return receipt requested, or by mutually recognized overnight carrier addressed to the other parties at their respective addresses shown on page 1 of this Escrow Agreement or at

such other address as each such party shall from time to time designate in writing to the other parties; and shall be effective on the date or receipt. In addition, all notices sent to the Escrow Agent shall also be sent as follows:

Sterling National Bank
21 Scarsdale Road
Yonkers, NY 10707
Attention: Office of the General Counsel

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

14. Except as provided in the next sentence, this Escrow Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof, and no waiver, consent, modification or change of terms hereof shall bind any party unless in writing signed by all parties. This Escrow Agreement is in addition to any related account applications and other account opening and authorizing documents and/or resolutions on file with the Escrow Agent and such documents are hereby incorporated by reference into this Escrow Agreement (the "Account Agreements"). In the event that there are inconsistencies between this Escrow Agreement and any other Account Agreement, the terms of this Escrow Agreement shall control.

15. The Escrow Agent may employ agents, attorneys and accountants in connection with its duties hereunder (such costs to be paid as set forth in Section 6) and shall not be liable for any action taken or omitted in good faith in accordance with the advice of counsel, accountants or other skilled persons.

16. This Escrow Agreement shall be governed by and be construed and interpreted in accordance with the internal laws of the State of Florida (the "State"), and the venue for any federal or State lawsuits shall be in Palm Beach County, Florida.

17. This Escrow Agreement may be executed in several counterparts, and each counterpart so executed will be an original. In addition, the parties agree that the transaction described herein may be conducted and related documents may be received, sent or stored by electronic means. Copies, teletypes, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

18. TO THE EXTENT PERMITTED BY LAW, EACH OF THE PARTIES HERETO EXPRESSLY WAIVES THE RIGHT TO TRIAL BY JURY IN RESOLVING ANY CLAIM OR COUNTERCLAIM RELATING TO OR ARISING OUT OF THIS ESCROW AGREEMENT.

19. Lessee represents, warrants and covenants for the benefit of the Escrow Agent as follows:

a. Lessee is authorized under the constitution and laws of the State to enter into this Escrow Agreement and the transaction contemplated hereby and to perform all of its obligations hereunder.

b. Lessee has been duly authorized to execute and deliver this Escrow Agreement by proper action and approval of its governing body at a meeting duly called, regularly convened and attended throughout by a requisite majority of the members thereof or by other appropriate official approval.

c. This Escrow Agreement constitutes the legal, valid and binding obligation of Lessee enforceable in accordance with its terms, except to the extent limited by applicable bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally.

d. Lessee will comply with all applicable provisions of the Internal Revenue Code of 1986, as amended, including without limitation Sections 103 and 148 thereof, and the applicable regulations of the Treasury Department. No part of the Escrow Fund shall be invested at Lessee's discretion in any securities, obligations or other investments or used, at any time, directly or indirectly, in a manner which, if such use had been reasonably anticipated on the date of the execution and delivery of the Agreement, would have caused any portion of the Agreement to be or become an "arbitrage bond" within the meaning of Section 103(b)(2) or Section 148 of the Code and the applicable regulations of the Treasury Department.

20. The parties acknowledge that in order to help the United States government fight the funding of terrorism and money laundering activities, pursuant to Federal regulations that became effective on October 1, 2003 (Section 326 of the USA PATRIOT Act) all financial institutions are required to obtain, verify, record and update information that identifies each person establishing a relationship or opening an account. The parties to this Escrow Agreement agree that they will provide to the

Escrow Agent such information as it may request, from time to time, in order for the Escrow Agent to satisfy the requirements of the USA PATRIOT Act, including but not limited to the name, address, tax identification number and other information that will allow it to identify the individual or entity who is establishing the relationship or opening the account and may also ask for formation documents such as articles of incorporation or other identifying documents to be provided.

21. With respect to the Agreement, Sterling National Bank shall have the same rights and powers under the Agreement as any other lessor and may exercise the same as though it were not the Escrow Agent. Lessor may lend money to, invest in, and generally engage in any kind of business with Lessee, all as if Sterling National Bank were not the Escrow Agent. Lessee acknowledges the potential conflict of interest between Sterling National Bank as Lessor and Sterling National Bank as the Escrow Agent.

[Signature page follows.]

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

LESSOR:

STERLING NATIONAL BANK

By: _____
Name: Kevin C. King
Title: Senior Vice President, Senior Managing Director

LESSEE:

TOWN OF LAKE PARK, FLORIDA

By:  _____
Name: Michael O'Rourke
Title: Mayor

ESCROW AGENT:

STERLING NATIONAL BANK

By: _____
Name: Kevin C. King
Title: Senior Vice President, Senior Managing Director

EXHIBIT A

CERTIFICATE OF ACCEPTANCE AND PAYMENT REQUEST

Sterling National Bank (in its capacity as escrow agent, the "Escrow Agent"), as escrow agent under that certain Escrow Agreement dated March 28, 2019 (the "Escrow Agreement"), by and among the Town of Lake Park, Florida ("Lessee"), Sterling National Bank (in its capacity as lessor, "Lessor") and the Escrow Agent, is hereby requested to pay from the Escrow Fund (as defined in the Escrow Agreement) established and maintained thereunder, the amount set forth below to the named payee(s). The equipment and costs described below are (i) costs of acquiring and installing part or all of the Equipment listed in the Equipment Schedule to that certain Equipment Lease Purchase Agreement dated as of March 28, 2019 (the "Agreement"), between Lessor and Lessee, or (ii) certain costs of entering into the Agreement. The amount shown is due and payable under (i) a purchase order or contract (or has been paid by and not previously reimbursed to Lessee), or (ii) invoices, budgets, closing statements or any other additional documentation.

DESCRIPTION OF COST PAID	AMOUNT	PAYEE
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Lessee hereby certifies and represents to and agrees with Lessor as follows: (i) the amount to be disbursed is not being paid in advance of the time, if any, fixed for any payment, and does not include any retained percentage entitled to be retained by Lessee at this time; (ii) no amount requested to be disbursed was included in any payment request previously filed with the Escrow Agent for which payment was actually made by the Escrow Agent; (iii) Lessee has made such investigation of such sources of information as are deemed necessary and is of the opinion that the applicable portion of the Equipment and related work has been fully paid for, and no claim or claims exist against the Lessee or any Vendor out of which a lien based on furnishing labor or material exists or might arise; (iv) acquisition and installation of the applicable portion of the Equipment for which payment is being requested has been completed in accordance with plans and specifications approved by the Lessee and in accordance with the terms and conditions of the Performance Contract dated March __, 2019, between Lessee and Johnson Controls, Inc. (the "Contract"), and said applicable portion of the Equipment is suitable and sufficient for the expected uses thereof, however, this statement is made without prejudice to any rights against third parties which exist at the date hereof or which may subsequently come into being; (v) a present need exists for the portion of the Equipment for which payment is being requested, which need is not temporary or expected to diminish in the near future; (vi) such Equipment is essential to and will be used by Lessee only for the purpose of performing one or more governmental functions of Lessee consistent with the permissible scope of Lessee's authority; (vii) the estimated useful life of such Equipment based upon the manufacturer's representations and Lessee's projected needs is not less than the term of lease with respect to such Equipment; (viii) Lessee has conducted such inspection and/or testing of such Equipment as it deems necessary and appropriate and hereby acknowledges that it accepts such Equipment for all purposes as of the date of this Certificate; (ix) such Equipment is covered by insurance in the types and amounts required by the Agreement; (x) no Event of Default, as such term is defined in the Agreement, or nonappropriation under the Agreement, and no event which with the giving of notice or lapse of time or both, would become an Event of Default or nonappropriation under the Agreement, has occurred and is continuing on the date hereof; and (xi) sufficient funds have been appropriated by Lessee for the payment of all rental payments due under the Agreement during Lessee's current fiscal year.

Based on the foregoing, the Escrow Agent is hereby authorized and directed to pay or cause to be paid, the manufacturer(s)/vendor(s), Lessee or other payee(s) the amounts set forth on the attached invoices from the Escrow Fund held under the Escrow Agreement in accordance with its terms.

The following documents are attached hereto and made a part hereof: (a) invoice(s) for costs being paid; (b) a current IRS Form W-9 for the payee (unless such IRS Form W-9 has been previously submitted to the Escrow Agent); and (c) lien waivers, if applicable.

IF REQUEST IS FOR REIMBURSEMENT, CHECK HERE . Lessee paid an invoice prior to the commencement date identified in the Equipment Schedule and is requesting reimbursement for such payment. A copy of evidence of such payment, together with a copy of Lessee's Declaration of Official Intent and any other evidence required by Lessor prior to Lessor's approval hereof that Lessee has satisfied the requirements for reimbursement set forth in Treas. Reg. 1.150-2, is hereby attached. Lessor's approval hereof shall evidence that Lessee has delivered to Lessor such required documentation.

IF REQUEST IS FINAL REQUEST, CHECK HERE . Lessee hereby certifies that (a) all of the Equipment described in the Equipment Schedule to the Agreement has been received in good condition and has been installed in accordance with the Contract; (b) such Equipment is accepted "AS-IS, WHERE-IS"; (c) Lessee has inspected the Equipment, and determined that it is in good working order and complies with all purchase orders, contracts and specifications; (d) Lessee has fully and satisfactorily performed all covenants and conditions to be performed by it as of this date under the Agreement with regard to such Equipment; (e) Lessee waives any right to revoke its acceptance; and (f) the Equipment is fully insured in accordance with Section 22 of the Agreement. This certificate is made without prejudice to any rights against third parties which may exist as of the date hereof or which may subsequently come into being.

Date: _____, 20__.

Approved for Payment:

STERLING NATIONAL BANK, as Lessor and servicer
for STERLING NATIONAL FUNDING CORP.

TOWN OF LAKE PARK, FLORIDA, as Lessee

By: _____

Name: _____

Title: _____

By:  _____

Name: Michael O'Rourke

Title: Mayor

SCHEDULE 1

Attached to and made a part of the Escrow Agreement (the "Escrow Agreement") dated March 28, 2019, by and among Sterling National Bank (in its capacity as lessor, "Lessor"), the Town of Lake Park, Florida, as Lessee, and Sterling National Bank (in its capacity as escrow agent, the "Escrow Agent").

A. Based upon our current understanding of your proposed transaction, the proposed services are as follows:

1. **New Account Acceptance**

Encompassing review, negotiation and execution of governing documentation, opening of the account, and completion of all due diligence documentation.

2. **Monthly Administration**

Covering our usual and customary ministerial duties, including record keeping, distributions, document compliance and such other duties and responsibilities expressly set forth in the governing documents for each transaction.

B. Extraordinary Services and Out-of-Pocket Expenses

Any additional services beyond our standard services as specified above, and all reasonable out-of-pocket expenses including attorney's or accountant's fees and expenses will be considered extraordinary services for which related costs, transaction charges, and additional fees may be billed at the Escrow Agent's then standard rate. Disbursements, receipts, investments or tax reporting exceeding 25 items per year may be treated as extraordinary services.

THIRD PARTY CUSTODIAN AGREEMENT

THIS AGREEMENT, made and executed as of March 28, 2019 between Town of Lake Park, Florida ("Local Government"), Sterling National Bank ("Bank") and The Bank of New York ("Custodian").

W I T N E S S E T H

WHEREAS, Local Government desires to maintain or continue to maintain public deposits with the Bank;

WHEREAS, the Bank desires to obtain such deposits and to provide security therefor as required by applicable law, regulation or statute;

WHEREAS, the Custodian agrees to provide safekeeping services and to hold any securities pledged by the Bank in a custodial account established for the benefit of the Local Government as secured party pursuant to this Agreement

NOW, THEREFORE, in consideration of the mutual promises set forth hereafter, the parties hereto agree as follows:

1. Security Requirements.

(a) The Bank, to secure the timely payment of Uninsured Deposits heretofore or hereafter made by the Local Government, including any interest due thereon and any costs or expenses incurred by Local Government and arising out of the collection of any deposits made with the Bank, has deposited with the Custodian certain securities more fully described in the initial confirmation or safekeeping receipt of such deposit delivered by the Custodian to the Bank and the Local Government respectively (which securities together with any additions thereto, substitutions therefor and the proceeds thereof, are hereinafter collectively called the "Securities"), to be held by the Custodian pursuant to the provisions hereof . The Bank hereby grants to the Local Government a pledge and security interest in and to such Securities and shall deliver Securities to the Custodian in the manner prescribed in Section 2 of this Agreement. The security interest of the Local Government in Securities shall terminate upon the transfer of such Securities from the Account.

(b) The Bank may substitute Securities and/or cash for any Securities and/or cash previously provided pursuant to this Agreement so long as the Substitute Securities and/or cash have a Market Value equal to or greater than the Securities and/or cash which they will replace. Custodian has no obligation to determine whether the Market Value of Substitute Securities and/or cash in the Account is equal to or greater than the Securities and/or cash which they will replace. The Bank is responsible at all times for ensuring that the Market Value of Substitute Securities and/or cash in the Account is equal to or greater than the Securities and/or cash they will replace. Except as set forth in Section 2 (c) (i), Custodian shall have no obligations with respect to the determination of Market Value. The Bank shall give Written or Oral Instructions to the Custodian with respect to any proposed substitution. The Custodian, shall act in accordance with the Bank's Oral and Written Instructions with respect to the transfer the Securities out of the Account and delivery of Substitute Securities to the Account.

(c) The Custodian assumes no responsibility to determine or monitor whether or not any such Securities or cash originally deposited hereunder or substitute or additional Securities or cash hereafter deposited are eligible for deposit under any applicable provision of law or whether the Market Value of the Securities and/or cash thereof meets the requirements of any law, rule or regulation applicable to the deposit hereunder. The determination of eligibility and whether the market value of the Securities and/or cash satisfies statutory or regulatory requirements will be the responsibility of the Bank. The Custodian shall be fully protected in relying on Written or Oral Instructions of either Bank or Local Government directing the Custodian to release any of the Securities and/or cash to the Bank. To the extent of any conflict in the instructions of the Local Government and the Bank, the instructions of the Local Government shall control and the Bank shall hold the Custodian harmless for acting in accordance with the Local Government's instructions.

2. Custody of Securities and Cash

(a) The Bank and Local Government hereby appoint the Custodian as custodian of all Securities and/or cash at any time delivered to the Custodian pursuant to this agreement. The Custodian hereby accepts appointment as such Custodian and agrees to establish and maintain the Account and appropriate records identifying the Securities as pledged by the Bank to the Local Government. The Account shall be kept separate and apart from the general assets of the Custodian on the Custodian's books and records and will not, in any circumstances, be commingled with or become part of the backing for any other deposit or liability of the Custodian or any other person or entity. The Custodian, in performing its duties and responsibilities pursuant to this Agreement, shall act as custodian for, and agent of, the Local Government.

(b) The Bank and Local Government agree that Securities delivered to the Custodian for deposit in the Account may be in the form of credits to the accounts of Custodian at the Book Entry System or a Depository or by delivery to the Custodian of physical certificates in a form suitable for transfer or with an assignment in blank to the Local Government or Custodian. The Bank and Local Government hereby authorize the Custodian on a continuous and ongoing basis to deposit in the Book Entry System and/or the Depositories all Securities that may be deposited therein and to utilize the Book Entry System and/or Depositories and the receipt and delivery of physical Securities or any combination thereof in connection with its performance hereunder. Securities credited to the Account and deposited in the Book Entry System or Depositories or other financial intermediaries will be represented in accounts of The Bank of New York that include only assets held by The Bank of New York for its customers, and including but not limited to accounts in which The Bank of New York acts in a fiduciary, agency or representative capacity. Securities that are not held in the Book Entry System, Depositories or through another financial intermediary will be held in the Custodian's vault and physically segregated from securities and other non-cash property belonging to the Custodian.

(c) (i) The Custodian shall provide the Local Government each month with a statement identifying all Securities and/or cash in the Account and the Market Value thereof as of the date of such statement. The Custodian shall also provide, upon request, the Local Government and Bank with a written confirmation on any Business Day on which Securities and/or cash are transferred to and from the Account. Such confirmation shall identify the specific securities which are the subject to the confirmation and state the Market Value thereof.

(ii) Local Government agrees that it shall promptly review all such confirmation statements and shall promptly advise Custodian by Oral or Written Instruction of any error, omission or inaccuracy in such statements. In the event that Custodian receives such a Written or Oral Instruction identifying a specific concern with respect to the Market Value or any other matter connected with the Account, Custodian shall undertake to correct any errors, failures or omissions, if any, that are reported to Custodian by Local Government provided that Custodian agrees, in the sole good faith determination of Custodian, that such error, failure or omission actually occurred. Any such corrections shall be reflected on subsequent confirmation statements.

(d) The Account shall not be subject to any security interest, lien or any right of set-off by the Custodian.

(e) With respect to all Securities held in the Account, the Custodian by itself, or through the use of the Book Entry System or the appropriate Depository, shall, unless otherwise instructed to the contrary by the Bank: (i) collect all income and other payments reflecting interest and principal on the Securities in the Account and credit such amounts to the account of the Bank; (ii) forward to the Bank copies of all information or documents that it may receive from an issuer of Securities which, in the opinion of the Custodian, is intended for the beneficial owner of the Securities including, without limitation all proxies and other authorizations properly executed and all proxy statements, notices and reports; (iii) execute, as Custodian, any certificates of ownership, affidavits, declarations or other certificates under any tax laws now or hereafter in effect in connection with the collection of bond and note coupons; (iv) hold directly, or through the Book Entry System or Depository, all rights issued with respect to any Securities held by the Custodian hereunder; and (v) upon receipt of Written Instructions from the Bank, the Custodian will, to the extent possible, exchange Securities held hereunder for other securities and/or cash in connection with (a) any conversion privilege, reorganization, recapitalization, redemption in kind, consolidation, tender offer or exchange offer, or (b) any exercise, subscription, purchase or other similar rights.

3. Events of Default

In the event the Bank shall fail to pay the Local Government any amount of the Uninsured Deposits by the Local Government covered by this Agreement in accordance with the terms of such Deposit, or should the Bank fail or suspend active operations, the Uninsured Deposits in such Bank shall become due and payable immediately and the Local Government shall have the right to unilaterally demand delivery of all Securities and/or cash in the Account by Written Instructions to the Custodian and to sell such securities at public or private sale. In the event of such sale, the Local Government, after deducting all legal expenses and other costs, including reasonable attorneys fees, from the proceeds of such sale, shall apply the remainder towards any one or more of the liabilities of the Bank to the Local Government and shall return the surplus, if any, to the Bank.

4. Representation and Warranties

(a) Representations of the Bank. The Bank represents and warrants, which representations shall be deemed to be continuing that:

- (1) this Agreement has been legally and validly entered into, does not and will not violate any statute or regulation applicable to it and is enforceable against the Bank in accordance with its terms;
- (2) it is the legal and actual owner, free and clear of all liens and claims, of all Securities pledged pursuant to this Agreement;
- (3) this Agreement was executed by an officer of the Bank who was authorized by the Bank's board of directors to do so and will at all times be maintained as an official record of the Bank;
- (4) all Securities and cash held by Custodian hereunder are eligible to secure Local Government's deposits at the Bank under applicable statute or regulation and the market value of the Securities held by Custodian hereunder at all times meet the requirements of any such statute or regulation ;
- (5) the Bank is a bank or trust company duly authorized to do business in the state where it is located;
- (6) all acts, conditions and things required to exist, happen or to be performed on its part precedent to and in the execution and delivery of this Agreement exist or have happened or have been performed.

(b) Representations of the Local Government. The Local Government hereby represents and warrants which representations shall be deemed to be continuing that:

- (1) this Agreement has been legally and validly entered into, does not and will not violate any statute or regulation applicable to it and is enforceable against the Local Government in accordance with its terms;
- (2) the appointment of the Custodian has been duly authorized and no other action by the Local Government is required and this Agreement was executed by an officer of the Local Government authorized to do so;
- (3) it will not transfer, assign its interests in or the rights with respect thereto any Securities pledged pursuant to this Agreement except as authorized pursuant to Section 3 of the Agreement;
- (4) all acts, conditions and things required to exist, happen or to be performed on its part precedent to and in the execution and delivery of this Agreement exist or have happened or have been performed.

5. Concerning the Custodian.

(a) The Custodian shall not be liable for any loss or damage, including counsel fees, resulting from its action or omission to act or otherwise, except for any loss, damage, claim or expense arising out of its own negligence or willful misconduct, and shall have no obligation hereunder for any loss or damage, including counsel fees, which are sustained or incurred by reason of any action or inaction by the Book Entry System or any Depository. In no event shall Custodian be liable to Local Government, Bank or any third party for special, indirect or consequential damages, or lost profits or loss of business, arising in connection with this Agreement. The Custodian may, with respect to questions of law, apply for and obtain the advice and opinion of competent counsel and shall be fully protected with respect to anything done or omitted by it in good faith and conformity with such advice or opinion. The Local Government and Bank agree, jointly and severally, to indemnify the Custodian and to hold it harmless against any and all costs, expenses, damages, liabilities or claims, including reasonable fees and expenses of counsel, which the Custodian may sustain or incur or which may be asserted against the Custodian by reason of or as a result of any action taken or omitted by the Custodian in connection with operating under this Agreement except those costs, expenses, damages, liabilities or claims arising out of the negligence or willful misconduct of the Custodian or any of its employees or duly appointed agencies. This indemnity shall be a continuing obligation of the Local Government and Bank notwithstanding the termination of this Agreement.

(b) The Custodian shall not be responsible for, or considered to be the Custodian of, any Securities received by it for deposit in the Account until the Custodian actually receives and collects such Securities directly or by the final crediting of the Custodian's account on the books of the Book Entry System or the appropriate Depository. The Custodian will be entitled to reverse any credits made on the Local Government's behalf where such credits have been previously made and the Securities are not finally collected.

(c) The Custodian shall have no duties or responsibilities whatsoever except such duties and responsibilities as are specifically set forth in this Agreement and no covenant or obligation shall be implied against the Custodian in connection with this Agreement.

(d) The Local Government's authorized officer, upon reasonable notice, shall have access to the Custodian's books and records maintained with respect to the Local Government's interest in the Account during the Custodian's normal business hours. Upon the reasonable request of the Local Government, copies of any such books and records shall be provided by the Custodian to the Local Government or the Local Government's authorized officer at the Local Government's expense.

(e) The Custodian may enter into subcontracts, agreements and understandings, whenever and on such terms and conditions as it deems necessary or appropriate, to perform its services hereunder; such subcontracts, agreements and understandings may be with third parties and may be with other subsidiaries of The Bank of New York Company, Inc. or any successor to The Bank of New York Company, Inc. or with other persons not a party hereto. No such subcontract, agreement or understanding shall discharge the Custodian from its obligations hereunder.

(f) Reliance on Pricing Services Custodian is authorized to utilize any generally recognized pricing information service (including brokers and dealers of securities) in order to perform its valuation responsibilities hereunder, and the Bank and the Local Government agree to hold Custodian harmless from and against any Losses incurred as a result of errors or omissions of any such pricing information service, broker or dealer.

(g) Force Majeure. Custodian shall not be responsible or liable for any failure or delay in the performance of its obligations under this Agreement arising out of or caused, directly or indirectly, by circumstances beyond its reasonable control, including without limitation, acts of God, earthquakes, fires, floods, wars, civil or military disturbances, sabotage, epidemics, riots, loss or malfunctions of utilities, computer (hardware or software) or communications service, labor disputes, acts of civil or military authority, or governmental, judicial or regulatory action; provided however, that Custodian shall use its best efforts under the circumstances to resume normal performance as soon as practicable.

6. Termination

Any of the parties hereto may terminate this Agreement by giving to the other parties a notice in writing specifying the date of such termination, which shall be the earlier of (i) not less than 90 days after the date of giving such notice or (ii) the date on which the Deposits are repaid in full. Such notice shall not affect or terminate the Local Government's security interest in the Securities in the Account. Upon termination hereof, the Custodian shall follow such reasonable Written Instructions of the Bank and the Local Government concerning the transfer of custody of Securities and/or cash, collateral records and other items. Upon the date set forth in the termination notice, this Agreement shall terminate except as otherwise provided herein and all obligations of the parties to each other hereunder shall cease.

7. Miscellaneous.

(a) The Local Government and Bank each agrees to furnish to the Custodian a new Certificate (Exhibit A) in the event that any present Authorized Person ceases to be an Authorized Person or in the event that any other Authorized Persons are appointed and authorized. Until such new Certificate is received, the Custodian shall be fully protected in acting upon Oral or Written Instructions or signatures of the present Authorized Persons.

(b) Custodian shall be entitled to rely upon any Certificate, Written or Oral Instruction actually received by Custodian and reasonably believed by Custodian to be duly authorized and delivered. The Bank and the Local Government each agrees to forward to Custodian Written Instructions confirming Oral Instructions in such manner so that such Written Instructions are received by Custodian by the close of business of the same day that such Oral Instructions are given to Custodian. The Bank and the Local Government each agrees that the fact that such confirming Written Instructions are not received or that contrary instructions are received by Custodian shall in no way affect the validity or enforceability of the transactions previously authorized and effected by Custodian.

(c) Any Written Instructions or other instrument in writing authorized or required by this Agreement shall be given to the Custodian and shall be sufficiently given if sent to the Custodian by regular mail to its offices at One Wall Street, 4th Floor, New York, New York 10286, Attn: BDS – Collateral Manager, or at such other place as the Custodian may from time to time designate in writing.

(d) Any notice or other instrument in writing authorized or required by this Agreement to be given to the Bank shall be sufficiently given if sent to the Bank by regular mail to its offices at 25 West 45th Street Suite 1300, New York, NY 10036, or at such other place as the Bank may from time to time designate in writing.

(e) Any notice or other instrument in writing, authorized or required by this Agreement to be given to the Local Government shall be sufficiently given if sent to the Local Government by regular mail to its offices at 535 Park Avenue, Lake Park, FL 33403, or at such other offices as the Local Government may from time to time designate in writing.

(f) In case any provision in or obligation under this Agreement shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and unenforceability of the remaining provisions or obligations shall not in any way be affected or impaired thereby and if any provision is inapplicable to any person or circumstances, it shall nevertheless remain applicable to all other persons and circumstances.

(g) This Agreement may not be amended or modified in any manner except by written agreement executed by all of the parties hereto.

(h) This Agreement shall extend to and be binding upon the parties hereto, and their respective successors and assigns; provided, however, that this Agreement shall not be assignable by any party without the written consent of the other parties.

(i) This Agreement shall be construed in accordance with the substantive laws of the State of New York, without regard to conflicts of laws principles thereof. Bank, Local Government and Custodian hereby consent to the jurisdiction of a state or federal court situated in New York City, New York in connection with any dispute arising hereunder. Bank, Local Government and Custodian hereby irrevocably waive, to the fullest extent permitted by applicable law, any objection which it may now or hereafter have to the laying of venue of any such proceeding brought in such a court and any claim that such proceeding brought in such a court has been brought in an inconvenient forum.

Bank, Local Government and Custodian each hereby irrevocably waives any and all rights to trial by jury in any legal proceeding arising out of or relating to this Agreement.

(j) Waiver of Immunity. To the extent that in any jurisdiction any party may now or hereafter be entitled to claim, for itself or its assets, immunity from suit, execution, attachment (before or after judgment) or other legal process, if permitted by law, each party irrevocably agrees not to claim, and, to the extent permitted by law, it hereby waives, such immunity in connection with this Agreement.

(k) Execution; Counterparts. This Agreement may be executed in any number of counterparts by means of (i) a DocuSign® electronic signature, (ii) an original, manual signature, or (iii) a faxed, scanned or photocopied manual signature. Each DocuSign®, faxed, scanned or photocopied manual signature shall for all purposes have the same validity, legal effect and admissibility in evidence as an original manual signature and the parties hereby waive any objection to the contrary. Each such counterpart shall be deemed to be an original, but such counterparts shall, together, constitute only one instrument.

8. Definitions.

Whenever used in this Agreement the following terms shall have the following meanings:

(a) "Account" shall mean the custodial account established with the Custodian for the benefit of the Local Government as secured party in accordance with this Agreement.

(b) "Authorized Person" shall be any officer of the Local Government or Bank, as the case may be, duly authorized to give Oral Instructions or Written Instructions on behalf of Local Government or Bank, such persons to be designated in a Certificate substantially in the form of Exhibit "A"- attached hereto, as such Exhibit may be amended from time to time.

(c) "Book Entry System" shall mean the Federal Reserve/Treasury Book Entry System for receiving and delivering U.S. Government Securities.

(d) "Business Day" shall mean any day on which the Custodian and the Bank are open for Business and on which the Book Entry System and/or the Depositories are open for business.

(e) "Certificate" shall mean the Certificate attached hereto as Exhibit "A".

(f) "Depository" shall include the Depository Trust Company, the Participants Trust Company and other securities depositories and clearing agencies (and their successors and nominees) registered with the Securities and Exchange Commission or otherwise regulated by appropriate federal or state agencies as a securities depository or clearing agency.

(g) "Deposits" shall mean all deposits by the Local Government in the Bank that are available for all uses generally permitted by the Bank to the Local Government for actually and finally collected funds under the Bank's account agreement or policies.

(h) "Market Value" shall mean, with respect to any Security held in the Account, the market value of such Security as made available to the Custodian by a generally recognized source selected by the Custodian plus, if not reflected in the market value, any accrued interest thereon, or, if such source does not make available a market value, the market value shall be as determined by the Custodian in its sole discretion based on information furnished to the Custodian by one or more brokers or dealers; provided however that, if agreed in writing by the parties hereto, the Bank may provide the Custodian with such Market Values.

(i) "Nationally Recognized Statistical Rating Organization" shall mean Moody's, Standard and Poor's, Fitch, Duff and Phelps, BankWatch and IBCA.

(j) "Oral Instructions" shall mean verbal instructions actually received by the Custodian from an Authorized Person or from a person reasonably believed by the Custodian to be an Authorized Person.

(k) "Substitute Securities" shall have the meaning set forth in paragraph b of Section 1 of this Agreement.

(l) "Uninsured Deposits" shall mean that portion of the Local Government's Deposits with the Bank which exceeds the insurance coverage available from the Federal Deposit Insurance Corporation.

(m) "Written Instructions" shall mean written communications actually received by the Custodian from an Authorized Person or from a person reasonably believed by the Custodian to be an Authorized Person by a computer, telex, telecopier or any other system whereby the receiver of such communications is able to verify by codes or otherwise with a reasonable degree of certainty the identity of the sender of such communication.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers thereunto duly authorized and their respective seals to be hereunto affixed, as of the day and year first above written.

TOWN OF LAKE PARK, FLORIDA

STERLING NATIONAL BANK

By:  _____

Title: Mayor

By: _____

Title:

THE BANK OF NEW YORK

By: _____

Title:

EXHIBIT A

CERTIFICATE OF AUTHORIZED PERSONS
(Local Government - Oral and Written Instructions)

The undersigned hereby certifies that he/she is the duly elected and acting _____ of Town of Lake Park, Florida (the "Local Government"), and further certifies that the following officers or employees of the Local Government have been duly authorized in conformity with the Local Government's resolution _____ to deliver Oral and Written Instructions to The Bank of New York ("Custodian") pursuant to the Third Party Custodian Agreement between the Local Government, Sterling National Bank ("Bank") and Custodian dated March 28, 2019, and that the signatures appearing opposite their names are true and correct:

John DiAgostino
Name

TOWN MEMBER
Title

[Signature]
Signature

LOURDES CARISO
Name

FINANCE DIRECTOR
Title

[Signature]
Signature

Name

Title

Signature

Name

Title

Signature

Name

Title

Signature

Name

Title

Signature

Name

Title

Signature

Name

Title

Signature

Name

Title

Signature

This certificate supersedes any certificate of authorized individuals you may currently have on file.

[corporate
seal]

[Signature]

Title:

Date: March 20, 2019.



EXHIBIT B
Schedule of Eligible Collateral

Margin %

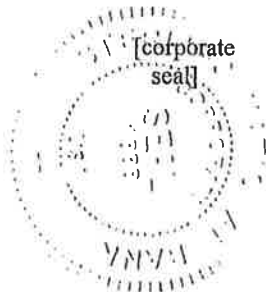
- | | | |
|------------|--------|--|
| <u>100</u> | (i) | Obligations issued by the United States of America, an agency thereof or a United States government sponsored corporation or obligations fully insured or guaranteed as to the payment of principal and interest by the United States of America, an agency thereof or a United States government sponsored corporation. |
| <u>100</u> | (iii) | Obligations partially insured or guaranteed by any agency of the United States of America, at a proportion of the Market Value of the obligation that represents the amount of the insurance or guaranty. |
| <u>100</u> | (iv) | Obligations issued or fully insured or guaranteed by the State of New York, obligations issued by a municipal corporation, school district or district corporation of such State or obligations of any public benefit corporation which under a specific State statute may be accepted as security for deposit of public moneys. |
| <u>100</u> | (v) | Obligations issued by states (other than the State of New York) of the United States rated in one of the three highest rating categories by at least one nationally recognized statistical rating organization. |
| <u>100</u> | (viii) | Obligations of domestic corporations rated in one of the two highest rating categories by at least one nationally recognized statistical rating organization. |

**CERTIFICATE OF AUTHORIZED PERSONS
(Bank - Oral and Written Instructions)**

The undersigned hereby certifies that he/she is the duly elected and acting Corporate Secretary of Sterling National Bank (the "Bank"), and further certifies that the following officers or employees of the Bank have been duly authorized in conformity with the Bank's Articles of Incorporation and By-Laws to deliver Oral and Written Instructions to The Bank of New York Mellon ("Custodian") pursuant to the Third Party Custodian Agreement between the Bank, Town of Lake Park, Florida ("Local Government") and Custodian dated _____, and that the signatures appearing opposite their names are true and correct:

<u>John Sillings</u> Name	<u>SVP, CIO, & Treasurer</u> Title	 Signature
<u>Matthew Vitelli</u> Name	<u>VP, Treasury</u> Title	 Signature
_____ Name	_____ Title	_____ Signature
_____ Name	_____ Title	_____ Signature
_____ Name	_____ Title	_____ Signature
_____ Name	_____ Title	_____ Signature
_____ Name	_____ Title	_____ Signature
_____ Name	_____ Title	_____ Signature
_____ Name	_____ Title	_____ Signature

This certificate supersedes any certificate of authorized individuals you may currently have on file.





Title: Corporate Secretary

Date:

LESSEE'S CLOSING CERTIFICATE

Re: Equipment Lease Purchase Agreement dated as of March 28, 2019, between the Town of Lake Park, Florida, as lessee ("Lessee"), and Sterling National Bank, as lessor ("Lessor") (the "Agreement")

We, the undersigned, the duly appointed, qualified and acting Mayor and City Clerk, respectively, of the above-captioned Lessee do hereby certify as follows:

(1) Lessee did, at a meeting of the governing body of Lessee held March 20, 2019, by motion duly made, seconded and carried, in accordance with all requirements of law, approve and authorize the execution and delivery of the above-referenced Agreement and the related escrow agreement on its behalf by the following named representative of Lessee:

<u>Michael O'Rourke</u>	<u>Mayor</u>	
Printed Name	Title	Signature

[This signature line to be signed by person who executed the Agreement and the related escrow agreement on behalf of Lessee.]

(2) The above-named representative of Lessee held at the time of such authorization and holds at the present time the office designated above and the signature set forth opposite his or her name is the true and correct specimen of his or her genuine signature.

(3) At the meeting described in (1) above, the representative of Lessee named in (1) above and the officers or employees of Lessee from time to time holding the offices or titles set forth below were designated as authorized representatives of Lessee for the Agreement and the related escrow agreement (any of them acting alone), and each of the persons listed below is the current holder of the office or title indicated and the signature set forth opposite name of each of them is the true and correct specimen of his or her genuine signature:

<u>Title</u>	<u>Printed Name</u>	<u>Signature</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

(4) The meeting of the governing body of Lessee at which the Agreement was approved and authorized to be executed was duly called, regularly convened and attended by the requisite majority of the members thereof or by other appropriate official approval and that the action approving the Agreement and authorizing the execution thereof has not been altered or rescinded. *Attached hereto is a true and correct copy of the ordinance, resolution or other documents constituting such official action.*

(5) No event or condition that constitutes, or with the giving of notice or the lapse of time or both would constitute, an Event of Default (as such term is defined in the Agreement) exists at the date hereof.

(6) All insurance required in accordance with the Agreement is currently maintained by Lessee.

(7) Lessee has, in accordance with the requirements of law, fully budgeted and appropriated sufficient funds for the current fiscal year to make the Rental Payments scheduled to come due during the Original Term and to meet its other obligations for the Original Term (as such terms are defined in the Agreement), and such funds have not been expended for other purposes.

(8) There is no proceeding pending or threatened in any court or before any governmental authority or arbitration board or tribunal that, if adversely determined, would adversely affect the transactions contemplated by the Agreement or the interest of Lessor or its assigns, as the case may be, in the Equipment.

(9) The Equipment has not been the subject of a referendum that failed to receive the approval of the voters of Lessee within the preceding four years.

(10) The correct billing address for Rental Payments is as follows:

Town of Lake Park, Florida
535 Park Avenue
Lake Park, FL 33403
Attention: Finance Director

Dated: March 28, 2019.

By: 
Michael O'Rourke, Mayor

By: 
Vivian Mendez, City Clerk

**ATTACHMENT TO
LESSEE'S CLOSING CERTIFICATE**

**COPY OF AUTHORIZATION DOCUMENT
(per Section 4)**

(Please attach. Attached is a form of resolution for adoption by governing body, if no ordinance or resolution previously adopted.)

RESOLUTION

[Subject to revision to comply with State requirements.]

The undersigned, being the officer identified below of the Town of Lake Park, Florida (the "Lessee"), hereby certifies that the following is a true and correct copy of a resolution adopted by the governing body of the Lessee at a meeting duly held on March 20, 2019.

* * * *

WHEREAS, the Town of Lake Park, Florida (the "Lessee") is a municipal corporation duly organized and existing under the laws of the State of Florida; and

WHEREAS, it is hereby determined that a true and real need exists for the acquisition and installation of certain energy savings equipment (the "Equipment"); and

WHEREAS, it is necessary and desirable and in the best interest of the Lessee, as lessee, to enter into an Equipment Lease Purchase Agreement (the "Agreement") with Sterling National Bank, as lessor (the "Lessor"), for the purposes described therein, including the leasing of the Equipment;

NOW, THEREFORE, BE IT RESOLVED, BY THE GOVERNING BODY OF THE TOWN OF LAKE PARK, FLORIDA, AS FOLLOWS:

Section 1. The Agreement, in substantially the same form as presented to this meeting, and the terms and performance thereof are hereby approved, and the Mayor of the Lessee (or its designee) is hereby authorized to execute and deliver the Agreement on behalf of the Lessee, with such changes therein as shall be approved by such officer, such approval to be conclusively evidenced by such officer's execution thereof.

Section 2. The Escrow Agreement (the "Escrow Agreement"), among the Lessee, the Lessor and the escrow agent named therein, in substantially the same form as presented to this meeting, and the terms and performance thereof are hereby approved, and the Escrow Agreement is hereby authorized to be executed and delivered on behalf of the Lessee by a duly authorized officer of the Lessee, with such changes therein as shall be approved by such officer, such approval to be conclusively evidenced by such officer's execution thereof.

Section 3. The Lessee shall, and the officers, agents and employees of the Lessee are hereby authorized and directed to take such further action and execute such other documents (including without limitation any tax certificate), certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution, and to carry out, comply with and perform the duties of the Lessee with respect to the Agreement and the Escrow Agreement.

Section 4. The Lessee has made certain capital expenditures in connection with the acquisition of the Equipment prior to the date hereof, and the Lessee expects to make additional capital expenditures in connection with the acquisition of the Equipment in the future. The Lessee intends to reimburse itself for all or a portion of such expenditures, to the extent permitted by law, with the proceeds of the Agreement or other tax-exempt obligations to be delivered by the Lessee. The maximum principal amount of the Agreement or other tax-exempt obligations expected to be delivered for the Equipment is not expected to exceed \$1,494,679.

Section 5. This Resolution shall take effect and be in full force immediately after its adoption by the governing body of the Lessee.

* * *

I further certify that the foregoing resolution has not been modified, amended or repealed and is in full force and effect as of the date hereof.

WITNESS my hand this 20th day of March, 2019.

By: 
Vivian Mendez, City Clerk

PLEASE ALSO PROVIDE SIGNED COPY OF RESOLUTION APPROVING ENERGY CONTRACT.

ESSENTIAL USE CERTIFICATE

March 28, 2019

Sterling National Bank
500 Seventh Avenue, 3rd Floor
New York, NY 10018
Attention: NYC Team 114

Re: Equipment Lease Purchase Agreement dated as of March 28, 2019, between the Town of Lake Park, Florida, as lessee ("Lessee"), and Sterling National Bank, as lessor ("Lessor") (the "Agreement")

Ladies and Gentlemen:

I, Michael O'Rourke, a duly elected, appointed, or designated representative of the Town of Lake Park, Florida ("Lessee"), am qualified to answer the questions set forth below regarding the Equipment to be acquired by Lessee in connection with the above-referenced Agreement:

1. *What is the specific use of the Equipment?*

2. *What increased capabilities will the Equipment provide?*

3. *Why is the Equipment essential to your ability to deliver governmental services?*

4. *Does the Equipment replace existing equipment?
(If so, please explain why you are replacing the existing equipment)*

5. *Why did you choose this specific Equipment?*

6. *For how many years do you expect to utilize the Equipment?*

7. *What revenue source will be utilized to make Rental Payments due under the Agreement?*

Very truly yours,

TOWN OF LAKE PARK, FLORIDA

By:  _____

Michael O'Rourke, Mayor

[OPINION OF LESSEE COUNSEL—PLEASE FURNISH ON ATTORNEY'S LETTERHEAD]

March 28, 2019

Sterling National Bank
500 Seventh Avenue, 3rd Floor
New York, NY 10018
Attention: NYC Team 114

Re: Equipment Lease Purchase Agreement dated as of March 28, 2019, between the Town of Lake Park, Florida, as lessee ("Lessee"), and Sterling National Bank, as lessor ("Lessor") (the "Agreement")

Ladies and Gentlemen:

As legal counsel to Lessee, I have examined (a) an executed counterpart of the Agreement, which, among other things, provides for the lease by Lessee from Lessor of the Equipment, (b) an executed counterpart of the Escrow Agreement, dated as of March 28, 2019 (the "Escrow Agreement"), among Lessor, Lessee and Sterling National Bank, in its capacity as escrow agent, (c) an executed counterpart of the Performance Contract dated March __, 2019 (the "Energy Contract"), between Lessee and Johnson Controls, Inc., (d) an executed resolution or ordinance of Lessee which, among other things, authorizes Lessee to execute the Agreement, the Energy Contract and the Escrow Agreement, and (e) such other opinions, documents and matters of law as I have deemed necessary in connection with the following opinions.

Based on the foregoing, I am of the following opinions:

1. Lessee is a municipal corporation duly organized and existing under the laws of the State of Florida, and has a substantial amount of one or more of the following sovereign powers: (a) the power to tax, (b) the power of eminent domain, and (c) police power.

2. Lessee has the requisite power and authority to purchase the Equipment and to execute and deliver the Agreement, the Escrow Agreement and the Energy Contract and to perform its obligations under the Agreement, the Energy Contract and the Escrow Agreement.

3. The Agreement, the Escrow Agreement, the Energy Contract and the other documents either attached thereto or required therein have been duly authorized, approved and executed by and on behalf of Lessee, and the Agreement, the Energy Contract and the Escrow Agreement are valid and binding obligations of Lessee enforceable in accordance with their respective terms.

4. The authorization, approval and execution of the Agreement, the Energy Contract and the Escrow Agreement and all other proceedings of Lessee relating to the transactions contemplated thereby have been performed in accordance with all open meeting laws, public bidding laws and all other applicable state and federal laws, including without limitation **[Note to Counsel: Reference applicable Florida energy savings statute]**.

5. There is no proceeding pending or threatened in any court or before any governmental authority or arbitration board or tribunal that, if adversely determined, would adversely affect the transactions contemplated by the Agreement, the Energy Contract and the Escrow Agreement or the security interest of Lessor or its assigns, as the case may be, in the Equipment.

6. The Equipment to be leased pursuant to the Agreement constitutes personal property and when subjected to use by Lessee will not be or become a fixture under applicable law.

7. The authorization, execution, delivery and performance of the Agreement, the Energy Contract and the Escrow Agreement by Lessee do not require submission to, approval of, or other action by any governmental authority or agency which action has not been taken and is final and non-appealable.

8. The holding of the monies in the Escrow Fund by the Escrow Agent and the investment of such monies in the Qualified Investments as specifically identified in the Escrow Agreement are legally permissible as required by any applicable law or requirement to which Lessee is subject.

All capitalized terms herein will have the same meanings as in the Agreement. Lessor, its successors and assigns and any counsel rendering an opinion on the exclusion of the interest components of Rental Payments from gross income for purposes of federal income taxation are entitled to rely on this opinion.

Very truly yours,

IRS FORM 8038-G QUESTIONNAIRE

[For Completion by Lessee.]

(Lessor Counsel will prepare and file IRS Form 8038-G Post-Closing)

Name of Lessee: Town of Lake Park, Florida
Address of Lessee: 535 Park Avenue, Lake Park, FL 33403
Contact Person: Lourdes Cariseo, Finance Director
Telephone number: (561) 881-3351
Email address: lcariseo@lakeparkflorida.gov
Lessee's FEIN: _____

GENERAL

The Form 8038-G (the form used by Lessees to report the issuance of a tax-exempt obligation) asks specific questions about written procedures to: (1) monitor private use of assets financed with proceeds of a tax-exempt obligation and, as necessary, to take remedial actions to correct any violations of federal tax restrictions on the use of financed assets; and (2) monitor the yield on the investment of gross proceeds of tax-exempt obligations and, as necessary, make payments of arbitrage rebate earned to the United States. In addition, the Form 8038-G asks Lessees to report whether any proceeds will be used to reimburse the Lessee for an expenditure paid prior to issuance. This questionnaire is designed to obtain the information necessary to complete Form 8038-G upon execution and delivery of the Lease.

At this time, the consequences of not having adopted written procedures to monitor private use of financed assets and yield on the investment of gross proceeds of tax-exempt obligations are unknown. Further information is available at <http://www.gilmorebell.com> under the "Continuing Compliance" header. If you have any questions, please consult your regular bond or legal counsel.

Part 1 – Written Tax Compliance Procedures

Note: If either of these questions is not answered, we will assume the Lessee has not adopted the described procedures.

1. Has the Lessee established written procedures designed to monitor compliance with federal tax restrictions for the term of the lease? Among other matters, the written procedures should identify a particular individual within Lessee's organization to monitor compliance with the federal tax requirements related to use of the financed assets and describe actions to be taken in the event failure to comply with federal tax restrictions is contemplated or discovered.
Yes ___ No ___ **If Yes, please attach a copy.**
2. Has the Lessee established written procedures to monitor the yield on the investment of proceeds of the Lease on deposit in an escrow account or similar fund prior to being spent and to ensure that any positive arbitrage rebate earned is paid to the United States?
Yes ___ No ___ **If Yes, please attach a copy.**

Part 2 – Reimbursement of Prior Expenditures

1. As of the funding date, were any of the proceeds of the Lease used to reimburse Lessee for expenditures paid to acquire the financed assets prior to the funding date of the Lease? Yes ___ No ___ *If yes, please attach a spreadsheet listing the expenditure(s) together with the date paid, vendor paid and purpose of the expenditure or other proof of the expenditure(s) containing this information (i.e. invoices, receipts, cancelled checks).*

Items 2 and 3 need to be completed ONLY if the answer to item 1 above is YES.

2. Please attach a copy of Lessee's resolution of intent to finance the financed assets, which includes date of adoption.
3. What is the amount of proceeds of the Lease reimbursed to Lessee? \$ _____

Date: March 28, 2019.

TOWN OF LAKE PARK, FLORIDA

By: 
Michael O'Rourke, Mayor

INSURANCE COVERAGE REQUIREMENTS

TO LESSOR: Sterling National Bank, ISAOA
(CERTIFICATE 400 Rella Boulevard
HOLDER) Montebello, NY 10940

FROM LESSEE: Town of Lake Park, Florida
(INSURED) 535 Park Avenue
Lake Park, FL 33403

Equipment Lease Purchase Agreement dated as of March 28, 2019 (the "Agreement"), between the undersigned ("Lessee") and Sterling National Bank

EQUIPMENT LOCATIONS: See **Schedule 1** attached.

SUBJECT: INSURANCE COVERAGE REQUIREMENTS

Check All Appropriate Boxes:

Third-Party Insurance. In accordance with Section 22 of the Agreement, we have instructed the insurance agent named below to issue the insurance indicated below (please fill in name, address and telephone number of insurance agent):

Casualty insurance on the leased equipment ("Equipment") covered by the Agreement, evidenced by a Certificate of Insurance and Long Form Loss Payable Clause **naming Sterling National Bank, and/or its assigns, as additional insured and loss payee.**

Coverage Required: Purchase Price (as defined in the Agreement) of the Equipment (\$1,445,367.11)

Public liability insurance evidenced by a Certificate of Insurance **naming Sterling National Bank, and/or its assigns, as additional insured.**

Minimum Coverage Required:
\$1,000,000.00 per person
\$1,000,000.00 aggregate bodily injury liability
\$100,000.00 property damage liability

Workers' compensation insurance evidenced by a Certificate of Insurance.

Coverage Required: In compliance with State law

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

Self Insurance. Pursuant to Section 22 of the Agreement, we are self-insured for:

All risk, physical damage.

Public liability.

Such self-insurance covers Sterling National Bank, and/or its assigns to the same extent that commercial insurance would otherwise be required to do so by the Agreement. We will provide proof of such self-insurance in letter form together with a copy of the statute or other authority authorizing this form of insurance.

LESSEE: TOWN OF LAKE PARK, FLORIDA

By: 
Michael O'Rourke, Mayor

SCHEDULE 1 TO
INSURANCE COVERAGE REQUIREMENTS

Equipment Locations

Town Hall
535 Park Avenue
Lake Park, FL 33403

Library
529 Park Avenue
Lake Park, FL 33403

Sherriff's Annex
700 6th Street
Lake Park, FL 33403

Public Works Department
640 Old Dixie Highway
Lake Park, FL 33403

Lake Park Marina
105 Lake Shore Drive
Lake Park, FL 33403

Lake Shore Tennis Center
600 Lake Shore Drive
Lake Park, FL 33403

Evergreen House
701 Lake Shore Drive
Lake Park, FL 33403

Kelsey Park
701 Lake Shore Drive
Lake Park, FL 33403

Bayberry Sports Complex (Bert Bostrom Park)
311 7th Street
Lake Park, FL 33403

INSURANCE CERTIFICATES (PROPERTY, LIABILITY AND WORKERS' COMPENSATION) COMPLYING WITH THE PROVISIONS OF SECTION 22 OF THE AGREEMENT TO BE PROVIDED BY LESSEE, WITH THE FOLLOWING PARTY SHOWN AS LOSS PAYEE AND ADDITIONAL INSURED WITH RESPECT TO PROPERTY INSURANCE, AND SHOWN AS ADDITIONAL INSURED WITH RESPECT TO LIABILITY INSURANCE:

Sterling National Bank and its successors and assigns
400 Rella Boulevard
Montebello, NY 10940

[To be provided by Lessee prior to disbursement of funds from Escrow Fund for payment of costs for the Equipment.]

PERFORMANCE CONTRACT

[Signed copy to be provided by Lessee and Vendor prior to Closing Date.]

PAYMENT AND PERFORMANCE BONDS RESPECTING THE EQUIPMENT, INCLUDING DUAL OBLIGEE RIDER
SHOWING THE FOLLOWING PARTY AS ADDITIONAL OBLIGEE:

Sterling National Bank and its successors and assigns
500 Seventh Avenue, 3rd Floor
New York, NY 10018
Attention: NYC Team 114

[To be provided by Vendor prior to disbursement of funds from Escrow Fund for payment of costs for the Equipment.]

W-9 FROM LESSEE

[Signed copy on file with Lessor.]



Town of Lake Park, Florida
535 Park Avenue
Lake Park, FL 33403

Re: \$1,494,679 Equipment Lease Purchase Agreement dated as of March 28, 2019, between the Town of Lake Park, Florida, as lessee, and Sterling National Bank, as lessor (the "Loan Obligation")

Ladies and Gentlemen:

Thank you for selecting Sterling National Bank ("SNB") as your lender. We are delivering this letter to describe our role in the transaction.

SNB has not acted and will not act as your agent or serve as your municipal advisor (as defined in Section 15B of the Securities Exchange Act of 1934). We have no fiduciary duty to you and intend only to enter into an arm's-length transaction involving extending credit to you through the purchase of the above-referenced Loan Obligation.

Any quote or indication of interest provided to you consists solely of the terms under which SNB may be willing to enter into a transaction with you for its own account.

Please acknowledge the foregoing by signing where indicated below and returning this letter via e-mail to our counsel, Gilmore & Bell, P.C. (e-mail: jjackson@gilmorebell.com). In addition, please identify below any registered municipal advisor, financial advisor or placement agent you are working with on this transaction.

Please let us know if you or your counsel would like to further discuss these matters. Thank you again for doing business with us. We look forward to working with you.

Date: March 28, 2019.

STERLING NATIONAL BANK

- Placement Agent _____
(Name of Firm)
- Financial Advisor/ Registered Municipal Advisor: _____
(Name of Firm)
- No Placement Agent/Financial Advisor/Registered Municipal Advisor

Acknowledgement:
TOWN OF LAKE PARK, FLORIDA

By: 
Michael O'Rourke, Mayor

PARTICIPATION CERTIFICATE BETWEEN
STERLING NATIONAL BANK AND STERLING NATIONAL FUNDING CORP.

[On file with Lessor.]

LESSOR'S DISCLOSURE LETTER

The undersigned, as lessor, proposes to negotiate with the Town of Lake Park, Florida (the "Town"), for the execution and delivery of that certain Equipment Lease Purchase Agreement dated as of March 28, 2019 (the "Agreement"), between Sterling National Bank, as lessor (the "Lessor"), and the Town as lessee, in the principal amount of \$1,494,679. Prior to the execution and delivery of the Agreement, the following information is hereby furnished to the Town:

(a) Set forth below is an itemized list of the nature and estimated amounts of expenses to be incurred for services rendered to the Lessor in connection with the execution and delivery of the Agreement (such fees and expenses to be paid by the Lessor):

Gilmore & Bell, P.C., Lessor's Counsel - \$ _____ [To be completed by Lessor.]

(b) No other fee, bonus or other compensation is estimated to be paid by the Lessor in connection with the execution and delivery of the Agreement to any person not regularly employed or retained by the Lessor (including any "finder" as defined in Section 218.386(1)(a), Florida Statutes).

(c) No person has entered into an understanding with the Lessor, or to the knowledge of the Lessor, with the Town, for any paid or promised compensation or valuable consideration, directly or indirectly, expressly or implied, to act solely as an intermediary between the Town and the Lessor or to exercise or attempt to exercise any influence to effect any transaction in the execution and delivery of the Agreement.

(d) The amount of the upfront fee or spread expected to be realized by the Lessor is \$0.00.

(e) The management fee to be charged by the Lessor is \$0.

(f) Truth-in-Bonding Statement:

(i) The Agreement is being executed and delivered to finance the cost of acquiring the Equipment, as such term is defined in the Agreement. Unless earlier prepaid, the Agreement is expected to be repaid over a period of 18 years. At an assumed interest rate of 3.65% per annum, the total interest paid over the life of the Agreement is estimated to be equal to \$574,724.48.

(ii) The source of repayment or security for the Agreement is the legally available funds of the Town, subject to annual appropriation by the Town. Authorizing this debt or obligation will result in a maximum of \$129,501.00 of the Town's legally available funds not being available to finance the other services of the Town in any one fiscal year during the term of the Agreement.

(g) The name and address of the Lessor is as follows:

Sterling National Bank
500 Seventh Avenue, 3rd Floor
New York, NY 10018
Attention: NYC Team 114

(h) This Disclosure Certificate is provided for the sole purpose of complying with Section 218.385, Florida Statutes, as amended, and does not change the terms of and is not evidence of the terms of the Agreement. It is the understanding of the Lessor that the Town has not requested any further disclosure from the Lessor.

IN WITNESS WHEREOF, the undersigned has executed this Disclosure Certificate on behalf of the Lessor this 28th day of March, 2019.

STERLING NATIONAL BANK

By: _____
Name: Kevin C. King
Title: Senior Vice President, Senior Managing Director

DISTRIBUTION LIST

[See separate file prepared by Vendor.]