

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE AUTHORIZING THE EXECUTION OF A GOVERNMENT OBLIGATION CONTRACT WITH FIRST CAPITAL EQUIPMENT LEASING CORPORATION; AND PRESCRIBING OTHER MATTERS PERTAINING THERETO.

WHEREAS, the City of Tontitown, Arkansas (the "City") is authorized and empowered under the provisions of Amendment No. 78 to the Arkansas Constitution ("Amendment No. 78") and Title 14, Chapter 78 of the Arkansas Code of 1987 Annotated (the "Authorizing Legislation") to enter into a short-term financing agreement for the purpose of acquiring tangible personal property having an expected useful life of more than one (1) year; and

WHEREAS, the City proposes to acquire police vehicles (the "Vehicles"); and

WHEREAS, it is proposed that the City enter into a Government Obligation Contract with First Capital Equipment Leasing Corporation (the "Obligee") under Amendment No. 78 and the Authorizing Legislation (the "Contract") for the purpose of financing the acquisition of the Vehicles;

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Tontitown, Arkansas:

Section 1. The City Council hereby finds that the Vehicles will have a useful life of more than one (1) year and that the aggregate principal amount of the Contract and any other obligations incurred under Amendment No. 78 and the Authorizing Legislation does not exceed five (5%) of the assessed value of taxable property located within the City as determined by the last tax assessment.

Section 2. The Contract is hereby authorized and shall be in substantially the form submitted to this meeting with such changes as shall be approved by the Mayor, her execution to constitute conclusive evidence of such approval. The Contract shall be in the principal amount of \$360,000 and interest shall accrue at the rate of 4.4% per annum. Four annual payments of principal and interest shall be paid by the City to the Obligee, or its assignee, in the approximate amount of \$100,112.43, as set forth in the Contract.

Section 3. As provided in Amendment No. 78, the principal and interest payments in each fiscal year (the "Payments") shall be charged against and paid from the general revenues of the City for such fiscal year. For the purpose of making the Payments, there is hereby appropriated to pay the Contract, an amount of general revenues of the City sufficient for such purposes. The City Clerk-Treasurer is hereby authorized and directed to withdraw from general revenues of the City the amounts and at the times necessary to make the Payments in accordance with the Contract.

Section 4. (a) The City covenants that it shall not take any action or suffer or permit any action to be taken or condition to exist which causes or may cause the interest paid under the Contract to be included in gross income for federal income tax purposes. Without limiting the generality of the foregoing, the City covenants that the proceeds of the Contract will not be used directly or indirectly in such manner as to cause the Contract to be treated as an "arbitrage bond" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code").

(b) The City represents that it will not use or permit the use of the Vehicles or the proceeds of the Contract in such manner as to cause the Contract to be a "private activity bond" within the meaning of Section 141 of the Code. In this regard, the City covenants that (i) it will not use (directly or indirectly) the proceeds of the Contract to make or finance loans to any person, and (ii) that while the Contract is outstanding the Vehicles will only be used by state and local governmental entities and by other persons on a basis as members of the general public.

(c) The Contract will not be designated as a "qualified tax-exempt obligation" (bank qualified) within the meaning of the Code.

(d) The City covenants that it will submit to the Secretary of the Treasury of the United States, not later than the 15th day of the second calendar month after the close of the calendar quarter in which the City receives funding under the Contract (the "Closing"), a statement concerning the Contract which contains the information required by Section 149(e) of the Code.

(e) The City covenants that it will not reimburse itself from proceeds of the Contract for any costs paid prior to the Closing except in compliance with United States Treasury Regulation §1.150-2 (the "Regulation"). This Ordinance shall constitute an "official intent" for purposes of the Regulation.

(f) The City expects to spend the proceeds of the Contract as follows: (a) at least 15% of the proceeds within six (6) months after the Closing, (b) at least 60% of the proceeds within one year after the Closing and (c) 100% of the proceeds within eighteen (18) months after the Closing.

Section 5. The Mayor, for and on behalf of the City, is hereby authorized and directed to do any and all things necessary to effect the execution and delivery of the Contract and the performance of all obligations of the City thereunder, and the performance of all acts of whatever nature necessary to effect and carry out the authority conferred by this Ordinance. The Mayor and City Clerk-Treasurer are hereby further authorized and directed, for and on behalf of the City, to execute all papers, documents, certificates and other instruments that may be required for the carrying out of such authority or to evidence the exercise thereof.

Section 6. The City Clerk-Treasurer is hereby authorized and directed to file in the office of the City Clerk-Treasurer, as a part of the minutes of the meeting at which this Ordinance is adopted, for inspection by any interested person, a copy of the Contract and such document shall be on file for inspection by any interested person.

Section 7. The provisions of this Ordinance are hereby declared to be separable, and if any article, phrase or provision shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the articles, phrases and provisions.

Section 8. All ordinances, resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

PASSED: \_\_\_\_\_, 2022

APPROVED:

ATTEST:

\_\_\_\_\_  
Angela Russell, Mayor

\_\_\_\_\_  
Rhonda Ardemagni, City Clerk-Treasurer

(SEAL)

CERTIFICATE

The undersigned, City Clerk-Treasurer of the City of Tontitown, Arkansas (the "City"), hereby certifies that the foregoing pages are a true and perfect copy of Ordinance No. \_\_\_\_\_, adopted at a \_\_\_\_\_ session of the City Council at \_\_\_\_\_ p.m., on the \_\_\_\_\_ day of \_\_\_\_\_, 2022, and that the Ordinance is of record in Ordinance Record Book No. \_\_\_\_\_, Page \_\_\_\_\_, now in my possession.

GIVEN under my hand and seal on this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
Rhonda Ardemagni, City Clerk-Treasurer

(SEAL)



**Part VI Miscellaneous**

35 Enter the amount of the state volume cap allocated to the issue under section 141(b)(5) . . . . . **35**

36a Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC) (see instructions) . . . . . **36a**

b Enter the final maturity date of the GIC ▶ (MM/DD/YYYY) \_\_\_\_\_

c Enter the name of the GIC provider ▶ \_\_\_\_\_

37 Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units . . . . . **37**

38a If this issue is a loan made from the proceeds of another tax-exempt issue, check box  and enter the following information:

b Enter the date of the master pool bond ▶ (MM/DD/YYYY) \_\_\_\_\_

c Enter the EIN of the issuer of the master pool bond ▶ \_\_\_\_\_

d Enter the name of the issuer of the master pool bond ▶ \_\_\_\_\_

39 If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box . . . . .

40 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box . . . . .

41a If the issuer has identified a hedge, check here  and enter the following information:

b Name of hedge provider ▶ \_\_\_\_\_

c Type of hedge ▶ \_\_\_\_\_

d Term of hedge ▶ \_\_\_\_\_

42 If the issuer has superintegrated the hedge, check box . . . . .

43 If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box . . . . .

44 If the issuer has established written procedures to monitor the requirements of section 148, check box . . . . .

45a If some portion of the proceeds was used to reimburse expenditures, check here  and enter the amount of reimbursement. . . . . ▶ \_\_\_\_\_

b Enter the date the official intent was adopted ▶ (MM/DD/YYYY) \_\_\_\_\_

**Signature and Consent**

Under penalties of perjury, I declare that I have prepared this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I declare that I consent to the disclosure of the issuer's return information, as necessary to process this return, to the person that I have designated above.

**Please SIGN HERE**

**FILL IN THE BLANKS**

Signature of issuer's authorized representative \_\_\_\_\_ Date \_\_\_\_\_ **Angela Russell, Mayor**  
Type or print name and title

**Paid Preparer Use Only**

Print/Type preparer's name <b>H. Evan Howe</b>	Preparer's signature <i>H. Evan Howe</i>	Preparer's name HEvanHowe KS StateBank 2022.08.02 10:13:23-05'00'	Date <b>08/02/2022</b>	Check <input type="checkbox"/> if self-employed	PTIN <b>P01438994</b>
Firm's Name ▶ <b>Baystone Financial LLC</b>			Firm's EIN ▶ <b>48-1223987</b>		
Firm's Address ▶ <b>10601 Mission Road, Suite 200, Leawood, KS 66206</b>			Phone no. <b>(800) 752-3562</b>		

**Information Return for Tax-Exempt Governmental Obligations**

Department of the Treasury  
Internal Revenue Service

► Under Internal Revenue Code section 149(e)  
► See separate instructions.

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

If Amended Return, check here

**Part I Reporting Authority**

1 Issuer's name <b>City of Tontitown, Arkansas</b>		2 Issuer's employer identification number (EIN) <b>71-6081840</b>
3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions)		3b Telephone number of other person shown on 3a
4 Number and street (or P.O. box if mail is not delivered to street address) <b>235 East Henri de Tonti Boulevard</b>	Room/suite	5 Report number (For IRS Use Only) <b>3</b>
6 City, town, or post office, state, and ZIP code <b>Tontitown, Arkansas 72762</b>		7 Date of issue <b>08/01/2022</b>
8 Name of issue <b>Government Obligation Contract</b>		9 CUSIP number <b>None</b>
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information (see instructions) <b>Mr. Corey Jenison, Police Chief</b>		10b Telephone number of officer or other employee shown on 10a <b>(479) 439-3576</b>

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

11 Education	11		
12 Health and hospital	12		
13 Transportation	13		
14 Public safety	14		
15 Environment (including sewage bonds)	15		
16 Housing	16		
17 Utilities	17		
18 Other. Describe ► <b>Six (6) 2022 Dodge Durango AWD Police Pursuit Vehicles with Upfitting</b>	18	<b>363,312</b>	<b>00</b>
19 If obligations are TANs or RANs, check only box 19a			<input type="checkbox"/>
If obligations are BANs, check only box 19b			<input type="checkbox"/>
20 If obligations are in the form of a lease or installment sale, check box			<input type="checkbox"/>

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

	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	<b>08/01/2026</b>	<b>\$ 363,312.00</b>	<b>\$ 360,000.00</b>	<b>2.554</b> years	<b>4.352</b> %

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

22 Proceeds used for accrued interest	22		
23 Issue price of entire issue (enter amount from line 21, column (b))	23	<b>363,312</b>	<b>00</b>
24 Proceeds used for bond issuance costs (including underwriters' discount)	24	<b>3,312</b>	<b>00</b>
25 Proceeds used for credit enhancement	25		
26 Proceeds allocated to reasonably required reserve or replacement fund	26		
27 Proceeds used to refund prior tax-exempt bonds. Complete Part V.	27		
28 Proceeds used to refund prior taxable bonds. Complete Part V.	28		
29 Total (add lines 24 through 28)	29	<b>3,312</b>	<b>00</b>
30 Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	30	<b>360,000</b>	<b>00</b>

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

31 Enter the remaining weighted average maturity of the tax-exempt bonds to be refunded	_____	years
32 Enter the remaining weighted average maturity of the taxable bonds to be refunded	_____	years
33 Enter the last date on which the refunded tax-exempt bonds will be called (MM/DD/YYYY)	_____	
34 Enter the date(s) the refunded bonds were issued (MM/DD/YYYY)	_____	

## 8038 REVIEW FORM

The 8038 form attached hereto is an important part of the documentation package and must be properly filled out and submitted to the Department of the Treasury in order for you to receive the lower tax-exempt rate. Unless you instruct us otherwise, we have engaged a Paid Preparer to assist in the filling out of this form. The Paid Preparer has filled out the relevant portions of this form based on the current understanding of what is required by the Department of the Treasury. The responses on this 8038 form are based on the dates and amounts which you have requested (structure of the transaction) and which are on the Payment Schedule.

1. Please review our responses for accuracy. If anything is inaccurate, please contact our office so that we can make proper revisions.
2. If the information provided to you on this form is accurate, please sign where indicated and return with the document package.
3. If there are any changes to the structure of the transaction that occur prior to funding which require a change to the 8038 form, we will make such changes and provide notification to you.
4. We will return to you a copy of the 8038 form that was mailed to the Department of the Treasury.

### Important Note:

The IRS is now requesting information regarding tax-exempt issuers' and borrowers' written policies and procedures designed to monitor post-issuance compliance with the federal tax rules applicable to tax-exempt obligations (boxes 43 and 44). Do not check items 43 and 44 on the 8038 form unless you have established written procedures in accordance with the instructions referenced directly below. If you choose to "check" items 43 and/or 44, please be prepared to provide copies of such written procedures to the Paid Preparer or any representatives of the IRS upon request. Written procedures should contain certain key characteristics, including making provisions for:

- Due diligence review at regular intervals;
- Identifying the official or employee responsible for review;
- Training of the responsible official/employee;
- Retention of adequate records to substantiate compliance (e.g., records relating to expenditure of proceeds);
- Procedures reasonably expected to timely identify noncompliance; and
- Procedures ensuring that the issuer will take steps to timely correct noncompliance.

For additional guidance on this 8038 form, you can refer to the Documentation Instructions located on the following government website: <http://www.irs.gov/app/picklist/list/formsInstructions.html>, or contact your local IRS office.



# INVOICE

DATE SENT: 08-02-2022

**BILL TO:**  
CITY OF TONTITOWN, ARKANSAS  
ATTN: ACCOUNTS PAYABLE  
235 EAST HENRI DE TONTI BOULEVARD  
TONTITOWN, ARKANSAS 72762

**REMIT TO:**  
KS STATEBANK  
GOVERNMENT FINANCE DEPARTMENT  
~~PO BOX 69~~  
MANHATTAN, KS 66505-0069  
FOR INQUIRIES: 800-541-0114

ACCOUNT NUMBER	INVOICE NUMBER	PAYMENT DATE	PAYMENT DUE DATE	TOTAL AMOUNT DUE
3360786	60786-08-2022	At Closing	At Closing	\$687.00

PLEASE RETURN THIS CHECK  
WITH YOUR LEASE CONTRACT

DESCRIPTION	AMOUNT
DOCUMENTATION FEE:	\$687.00
VEHICLES WITH UPFITTING	
<b>TOTAL DUE</b>	<b>\$687.00</b>

*Additional interest will be assessed on any payment received after the due date.*



**\*PREFERRED\***

\*As an additional payment option for Obligor, we are now providing the option of ACH (Automatic Clearing House). By completing this form, you are authorizing Obligee to withdraw said payment amount on said date.

**FILL IN THE  
BLANKS**

### DEBIT AUTHORIZATION

I hereby authorize KS StateBank Government Finance Department to initiate debit entries for the Payment Amount (including, but not limited to, any late fees, rate changes, escrow modifications, etc.). I acknowledge that KS StateBank Government Finance Department may reinitiate returned entries up to two additional times, to the account indicated below at the financial institution named below and to debit the same to such account for:

<b>Contract Number</b> 3360786	<b>Payment Amount</b> \$100,112.43	<b>Frequency of Payments</b> Annual
<b>Beginning</b> Month _____ Year _____	<b>Day of Month</b> Debits will be made according to Exhibit B of the Contract	

I acknowledge that the origination of ACH transactions to this account must comply with the provisions of U.S. law.

<b>Financial Institution Name</b>		<b>Branch</b>	
<b>Address</b>	<b>City</b>	<b>State</b>	<b>Zip</b>
<b>Routing Number</b>		<b>Account Number</b>	

**Type of Account**     Checking     Savings

If the account does not have sufficient funds, KS StateBank Government Finance Department may attempt, but shall have no obligation to continue to attempt to deduct the payment from the account. If the account has insufficient funds when KS StateBank Government Finance Department attempts to deduct a payment, KS StateBank Government Finance Department may terminate the automatic deduction of payments upon notice to borrower and me. Until such time as payment is made, borrower shall be responsible to make such payments, and all other payments that may be due to KS StateBank Government Finance Department regarding the above-referenced loan.

This authority is to remain in full force and effect until KS StateBank has received written notification from any authorized signer of the account of its termination in such time and manner as to afford KS StateBank a reasonable opportunity to act on it.

<b>Obligor Name on Contract</b> City of Tontitown, Arkansas	
<b>Signature</b>	<b>Printed Name and Title</b> Angela Russell, Mayor
<b>Tax ID Number</b> 71-6081840	<b>Date</b>

**PLEASE ATTACH COPY OF A VOIDED CHECK TO THIS FORM!**

#### USA Patriot Act

USA Patriot Act requires identity verification for all new accounts. This means that we may require information from you to allow us to make a proper identification.

## INSURANCE REQUIREMENTS

Pursuant to Article V of the Government Obligation Contract, you have agreed to provide us evidence of insurance covering the Equipment.

A Certificate of Insurance listing the information stated below should be sent to us no later than the date on which the equipment is delivered.

<b>Insured:</b> City of Tontitown, Arkansas 235 East Henri de Tonti Boulevard Tontitown, Arkansas 72762	<b>Certificate Holder:</b> KS StateBank 1010 Westloop, P.O. Box 69 Manhattan, Kansas 66505-0069
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1. **Equipment Description**
  - ◆ Six (6) 2022 Dodge Durango AWD Police Pursuit Vehicles with Upfitting
  - ◆ Please include all applicable VIN's, serial numbers, etc.
2. **Deductible**
  - ◆ The deductible amounts on the insurance policy should not exceed \$2,500.00.
3. **Physical Damage**
  - ◆ All risk coverage to guarantee proceeds of at least \$360,000.00.
4. **Liability**
  - ◆ Minimum Combined Single Limit of \$1,000,000.00 on bodily injury and property damage.
5. **Additional Insured and Loss Payee**
  - ◆ KS StateBank AOIA (and/or Its Assigns) MUST be listed as additional insured and loss payee.

Please forward certificate as soon as possible to:      Email: Bob@LeaseExperts.com  
or  
Fax: 508-833-6692

Please complete the information below and return this form along with the Contract

City of Tontitown, Arkansas

FILL IN THE  
BLANKS

Insurance Company: \_\_\_\_\_

Agent's Name: \_\_\_\_\_

Telephone #: \_\_\_\_\_

Fax #: \_\_\_\_\_

Address: \_\_\_\_\_

City, State Zip: \_\_\_\_\_

Email: \_\_\_\_\_

**NOTICE OF ASSIGNMENT**

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**AUGUST 1, 2022**

First Capital Equipment Leasing Corporation (Obligee/Assignor) hereby gives notice of an Assignment between Obligee/Assignor and KS StateBank (Assignee) of the Government Obligation Contract (Contract) between Obligee/Assignor and City of Tontitown, Arkansas, dated as of August 1, 2022.

All Contract Payments coming due pursuant to the Contract shall be made to:

KS StateBank  
P.O. Box 69  
Manhattan, Kansas 66505-0069

**First Capital Equipment Leasing Corporation,  
Obligee/Assignor**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name and Title

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**ACKNOWLEDGEMENT OF AND CONSENT TO ASSIGNMENT**

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City of Tontitown, Arkansas (Obligor) as party to a Government Obligation Contract dated as of August 1, 2022 between Obligor and First Capital Equipment Leasing Corporation (Obligee), hereby acknowledges receipt of a Notice of Assignment dated August 1, 2022 whereby Obligee gave notice of its assignment to KS StateBank of its right to receive all Contract Payments due from Obligor under the Contract and hereby consents to that Assignment. Pursuant to the Notice of Assignment from Obligee, Obligor agrees to deliver all Contract Payments coming due under the Contract to:

KS StateBank  
P.O. Box 69  
Manhattan, Kansas 66505-0069

**City of Tontitown, Arkansas**

\_\_\_\_\_  
Signature

Angela Russell, Mayor

\_\_\_\_\_  
Printed Name and Title



**Please ...  
SIGN HERE**



EXHIBIT I  
BANK QUALIFIED CERTIFICATE

RE: Government Obligation Contract dated as of August 1, 2022, between First Capital Equipment Leasing Corporation (Obligee) and City of Tontitown, Arkansas (Obligor)

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Whereas, Obligor hereby represents that it is a "Bank Qualified" Issuer for the calendar year in which this Contract is executed by making the following designations with respect to Section 265 of the Internal Revenue Code of 1986, as amended (the "Code"). (A "Bank Qualified Issuer" is an issuer that issues less than ten million (\$10,000,000) dollars of tax-exempt obligations other than "private activity bonds" as defined in Section 141 of the Code, excluding certain "qualified 501(c)(3) bonds" as defined in Section 145 of the Code, during the calendar year).

Now, therefor, Obligor hereby designates this Contract as follows:

1. **Designation as Qualified Tax-Exempt Obligation.** Pursuant to Section 265(b)(3)(B)(i) of the Code, the Obligor hereby specifically designates the Contract as a "qualified tax-exempt obligation" for purposes of Section 265(b)(3) of the Code. In compliance with Section 265(b)(3)(D) of the Code, the Obligor hereby represents that the Obligor will not designate more than \$10,000,000 of obligations issued by the Obligor in the calendar year during which the Contract is executed and delivered as such "qualified tax-exempt obligations".
2. **Issuance Limitation.** In compliance with the requirements of Section 265(b)(3)(C) of the Code, the Obligor hereby represents that the Obligor (including all subordinate entities of the Obligor within the meaning of Section 265(b)(3)(E) of the Code) reasonably anticipates not to issue in the calendar year during which the Contract is executed and delivered, obligations bearing interest exempt from federal income taxation under Section 103 of the Code (other than "private activity bonds" as defined in Section 141 of the Code and excluding certain "qualified 501(c)(3) bonds" as defined in Section 145 of the Code) in an amount greater than \$10,000,000.

City of Tontitown, Arkansas



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Signature  
Angela Russell, Mayor  
Printed Name and Title

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EXHIBIT H

OBLIGOR ACKNOWLEDGEMENT

RE: Government Obligation Contract dated as of August 1, 2022, between First Capital Equipment Leasing Corporation (Obligee) and City of Tontitown, Arkansas (Obligor)

Obligor hereby acknowledges that it has ordered or caused to be ordered the equipment that is the subject of the above-mentioned Contract.

Please complete the below information, attach another page if necessary

FILL IN THE  
BLANKS

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

Equipment: \_\_\_\_\_

Cost of Equipment: \_\_\_\_\_

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

Equipment: \_\_\_\_\_

Cost of Equipment: \_\_\_\_\_

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

Equipment: \_\_\_\_\_

Cost of Equipment: \_\_\_\_\_

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

Equipment: \_\_\_\_\_

Cost of Equipment: \_\_\_\_\_

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

Equipment: \_\_\_\_\_

Cost of Equipment: \_\_\_\_\_

Obligor will immediately notify Obligee if any of the information listed above is changed.

PLEASE INCLUDE  
VENDOR EMAIL  
THX

EXHIBIT G  
SIGNATURE CARD

RE: Government Obligation Contract dated as of August 1, 2022, between First Capital Equipment Leasing Corporation (Obligee) and City of Tontitown, Arkansas (Obligor)

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The below signatures will be used for purposes of verifying the signature on a Payment Request and Equipment Acceptance Form prior to making payments from the Equipment Acquisition Fund or Vendor Payable Account. By signing below, the undersigned represents and warrants that s/he has received all appropriate authority from City of Tontitown, Arkansas.

City of Tontitown, Arkansas



\_\_\_\_\_  
Signature  
Angela Russell, Mayor  
\_\_\_\_\_  
Printed Name and Title

Signature of additional authorized individual (optional) of Obligor

\_\_\_\_\_  
Signature  
\_\_\_\_\_  
Printed Name and Title

**First Capital Equipment Leasing Corp.**  
**LeaseExperts.com™**

Phone 800-541-0114 • Fax 800-403-3529 • Email: [VPsales@LeaseExperts.com](mailto:VPsales@LeaseExperts.com)



*For the City of Tontitown, Arkansas*

Please return this form to First Capital with each Payment Request.

**CURRENT VEHICLE, EQUIPMENT & TITLE STATUS**

When you request a vendor disbursement for a particular vehicle (or any large equipment with wheels or tracks), please provide the following status and return this page with each Payment Request.

➤ For Vehicles & Equipment: Who is in possession? You or the Dealer? (list for each Payment Request)

\_\_\_\_\_

➤ For Titled Vehicles: Who has the original Manufacturer's Certificate of Origin (aka the "MSO") for each vehicle, You or the Dealer? Even if the dealer/seller has the originals, we still need copies of the front and back of each Certificate of Origin with our bank recorded as the first lienholder, and the City of Tontitown, Arkansas showing as the Buyer to process your request (see Vendor Prompt Payment Notes)

\_\_\_\_\_

➤ For Titled Vehicles: Who will be submitting the Application(s) for Title & Registrations to the State—You or the Dealer/Seller?

\_\_\_\_\_

Name (Print: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

**THANKS!**

Questions? Don't hesitate to call! 800-541-0114 x-22



Return with each Payment Request via: EMAIL ([Bob@LeaseExperts.com](mailto:Bob@LeaseExperts.com)) or FAX 800-403-3529

F



BANK WIRE TRANSFER INSTRUCTIONS  
FOR VENDORS

Vendors, please complete this form (OR return your wire instructions) to be paid by bank wire transfer directly to your account. Include your name & email address to receive a wire confirmation that funds were released.

→ Must Be Prepared by the Vendor Representative:

Wires are our FASTEST, MOST SECURE payment method.

Vendor Name on your bank account: \_\_\_\_\_

Customer's Exact Legal Name: City of Tontitown, Arkansas

(Vendor invoices & MCOs must match the legal name as shown above and on the customer's lease contract)

Vendor's Bank Name \_\_\_\_\_

Bank Account # \_\_\_\_\_

ABA/Routing # For Wires (not for ACH) \_\_\_\_\_ (9-Digits)

Bank Phone: \_\_\_\_\_

Only If Applicable: For Further Credit to Bank Name: \_\_\_\_\_

Only If Applicable: For Further Credit to Bank Account #: \_\_\_\_\_

Must Be Prepared by the Vendor Representative:

(We will confirm the wire transfer by email to the contact below on the following business day)

Vendor Representative (print): \_\_\_\_\_ Date: \_\_\_\_\_

Title: \_\_\_\_\_ Phone: \_\_\_\_\_ Email (print): \_\_\_\_\_

**VENDORS: Please COMPLETE THIS WIRE FORM, COPY IT, and RETURN IT TO YOUR CUSTOMER (not us).**

WHAT HAPPENS NEXT? Your customer will forward your invoice and these wire instructions to First Capital for payment on their behalf. Your customer can only release funds after 1) DELIVERY OF THE EQUIPMENT, 2) the customer's UNQUALIFIED ACCEPTANCE OF THE EQUIPMENT, and 3) our RECEIPT of ALL CONTRACT-REQUIRED PAYMENT DOCUMENTATION. (e.g., Payment Request Authorization, a certificate of insurance and proper titling documentation, etc.) Wires are released on your customer's behalf and at your customer's direction. Our bank pays vendor invoices on the customer's behalf, without delay (generally 3 business days), from a vendor payable account set up for that specific purpose. The most common cause of payment delays are vendor errors in the government entity's exact legal name (shown above) and/or missing S/Ns or VINs where required. Please call us if you have any additional questions: 800-541-0114 x-22.



EXHIBIT F**PAYMENT REQUEST AND EQUIPMENT ACCEPTANCE FORM**

**RE: Government Obligation Contract dated as of August 1, 2022, between First Capital Equipment Leasing Corporation (Obligee) and City of Tontitown, Arkansas (Obligor)**

In accordance with Section 10.01, by executing this Payment Request and Equipment Acceptance Form the Obligor hereby represents that the Payee or Payees listed below who are requesting payment have delivered the Equipment or a portion of the Equipment or performed the services to the satisfaction of the Obligor and that the amounts requested below by the Payee or Payees are proportionate with the value of the Equipment delivered or services rendered by the Payee or Payees. The Obligor hereby represents and warrants for all purposes that:

1. Pursuant to the invoice attached hereto, the amount to be disbursed is \$ \_\_\_\_\_ and this amount is consistent with the Contract between Obligor and vendor.
2. Payment is to be made to: Payee: \_\_\_\_\_
3. The undersigned certifies that the following documents are attached to this Payment Request and Equipment Acceptance Form when there is a request for a release of funds from the Vendor Payable Account to pay for a portion, or all, of the Equipment: (1) Invoice from the vendor, (2) copy of the Contract between Obligor and vendor (if requested by the Obligee), (3) Insurance Certificate (if applicable), (4) front and back copy of the original MSO/Title listing KS StateBank and/or its assigns as the first lien holder (if applicable). By executing this Payment Request and Equipment Acceptance Form and attaching the documents as required above, the Obligor shall be deemed to have accepted this portion of the Equipment for all purposes under the Contract, including, without limitation, the obligation of Obligor to make the Contract Payments with respect thereto in a proportionate amount of the total Contract Payment.
4. No amount listed in this exhibit was included in any such exhibit previously submitted.
5. Each disbursement hereby requested has been incurred and is a proper charge against the Vendor Payable Account. No amount hereby requested to be disbursed will be paid to Obligor as reimbursement for any expenditure paid by Obligor more than 60 days prior to the date of execution and delivery of the Contract.
6. The Equipment referenced in the attached has been delivered, installed, inspected and tested as necessary and in accordance with Obligor's specifications and accepted for all purposes.
7. That Obligor is or will be the title owner to the Equipment referenced in the attached, and that in the event that any third party makes a claim to such title that Obligor will take all measures necessary to secure title including, without limitation, the appropriation of additional funds to secure title to such Equipment, or a portion thereof, and keep the Contract in full force and effect. Furthermore, Obligor has obtained insurance coverage as required under the Contract from an insurer qualified to do business in the State.
8. Obligor has appropriated and/or taken other lawful actions necessary to provide moneys sufficient to pay all Contract Payments required to be paid under the Contract during the current Budget Year of Obligor, and such moneys will be applied in payment of all Contract Payments due and payable during such current Budget Year.
9. No event or condition that constitutes or would constitute an Event of Default exists as of the date hereof.

I, the undersigned, hereby certify that I am a duly qualified representative of Obligor and that I have been given the authority by the governing body of Obligor to sign this Payment Request and Equipment Acceptance Form.

Please forward this document and any correspondence relating to vendor payment to:

Email: Bob@LeaseExperts.com

or

Fax: 508-833-6692

Please call 800-541-0114 if you have any questions.

**City of Tontitown, Arkansas**

\_\_\_\_\_  
Signature

Angela Russell, Mayor

\_\_\_\_\_  
Printed Name and Title



# VENDOR PROMPT PAYMENT NOTES

**PLEASE READ THIS!**  
**BEFORE YOU REQUEST PAYMENTS**  
Review with your vendors & insurance company

First Capital Equipment Leasing Corp.  
LeaseExperts.com  
PH 800-541-0114 x-22 • FAX 508-833-6692  
City of Tontitown, Arkansas

1) YOU CAN REQUEST VENDOR PAYMENTS ANYTIME AFTER DELIVERY and YOUR UNQUALIFIED ACCEPTANCE of the equipment. The Payment Request Form ("PRF") confirms that you have received the equipment as ordered and in satisfactory condition. The PRF authorizes our bank to disburse funds from your Vendor Payable Account ("VPA") directly to your vendor on your behalf.

2) FOR TITLED VEHICLES & TRUCKS: Please advise your Dealer ASAP that our bank must be recorded as the "First Lienholder" for all vehicles. THE LEGAL NAME on all invoices must read: "City of Tontitown, Arkansas." > **EXACTLY AS SHOWN HERE** < to match your lease contract. Include an "Invoice" or "Bill of Sale" (w/VIN #'s) and an itemized list of third-party equipment included in the invoice total. WE REQUIRE serial numbers for "hard" equipment or accessories (like plows, buckets, or vehicle bodies (e.g., ambulance, work, dump, etc.)) WE DO NOT REQUIRE serial #'s for "soft" equipment like light bars, radios, radar, electronics, or other items under \$400/each. Your PRF must match the vendor's invoice. We require copies of the FRONT and BACK of each Certificate of Origin (the "MSO") showing "City of Tontitown, Arkansas" > **EXACTLY AS SHOWN HERE** <, as the buyer/first-assignee AND our bank (below) recorded as the First Lienholder. Invoices for EQUIPMENT installed into a titled vehicle (e.g., a video system into a police car) must show the VIN# of the vehicle(s) it was installed into. IF your Dealer has applied for titles, please include proof-of-filing with our bank recorded as First Lienholder. Please include an FCELC "Vehicle & Title Status" form with each payment request (PRF). Questions? Please call 800-541-0114 x-22.

3) FOR EQUIPMENT & NON-TITLED VEHICLES: Please itemize equipment valued at over \$400/item. SERIAL NUMBER requirements are the same as above for vehicles, equipment & weapons. The PRF Payee and Amount fields must match the vendor invoice. ALL invoices and other documents must be made to City of Tontitown, Arkansas." Include copies of the Certificates of Origin, with the bank recorded as First Lienholder for any equipment with a Certificate of Origin. (Generally, anything with wheels or tracks has a Certificate of Origin and may be titled in your state) Questions? Please call 800-541-0114 x-22.

4) A CERTIFICATE of INSURANCE IS REQUIRED for ALL vehicles and equipment before funds can be released. Please list the VIN# and the stated value for each vehicle. Please list equipment by stated value. Insurance must specify ACV ("actual cash value") or GRC ("guaranteed replacement cost") if the actual values are not available. (Feel free to forward this page to your agent)

Comprehensive & Collision: Must cover all risks, including fire, theft & collision coverage sufficient to pay a total of \$360,000.00.  
Insured Vehicles & Equipment Must Be Described or Explicitly Referred To on the Certificate. (Questions? 800-541-0114 x22)

Deductibles: Must be listed for comprehensive and collision coverage (if greater than \$5,000, call first)

Liability: Minimum of \$1,000,000 combined single-limit on bodily injury and property damage—unless limited by statute.

Required Endorsements: 1) Our bank is both an "additional insured" and the "loss payee," AND 2) that coverage will not be canceled or reduced with less than thirty (30) days written notice to the Certificate Holder. (Texas only: TML must also include form EL-200)  
VIN #'s Required for Vehicles/Chassis + Serial #'s Required for Vehicle Bodies (e.g., ambulance, work, dump), and Equipment over \$400.

Our bank is the: FIRST LIENHOLDER • INSURANCE CERTIFICATE HOLDER • ADDITIONAL INSURED • LOSS PAYEE.

KS StateBank (Add "AOIA" to insurance certificates--only)  
1010 Westloop Pl, PO Box 69  
Manhattan, Kansas 66505-0069

5) 3 **FAST WAYS TO PAY YOUR VENDOR:** Our bank pays your vendor directly on your behalf, AFTER DELIVERY, and YOUR ACCEPTANCE is confirmed verbally by the bank. The bank cannot make partial progress or deposit payments before delivery. Upon receipt of your Payment Request, Invoices, Certificates of Origin, and Insurance—YOU HAVE THREE VENDOR PAYMENT OPTIONS:

Option #1: (Preferred) Our bank will WIRE TRANSFER funds directly to your vendor's account on your behalf within three business days of receiving your Payment Request authorization. You will receive a wire confirmation for your records.

Option #2: Our bank will mail a BANK CASHIERS CHECK to your vendor on your behalf. We will email a copy of the cashier's check to you.

Option #3: Our bank can provide a TWO-PARTY BANK CHECK with "City of Tontitown, Arkansas" AND your vendor as "co-payees." You can endorse the bank check to the vendor after inspecting and accepting the equipment at their location or yours.

6) **FINAL STEP TO RELEASE FUNDS--VERBAL CONFIRMATION:** Our bank will call YOU directly for final, verbal authorization.



EXHIBIT F

PAYMENT REQUEST AND EQUIPMENT ACCEPTANCE FORM

RE: Government Obligation Contract dated as of August 1, 2022, between First Capital Equipment Leasing Corporation (Obligee) and City of Tontitown, Arkansas (Obligor)

In accordance with Section 10.01, by executing this Payment Request and Equipment Acceptance Form the Obligor hereby represents that the Payee or Payees listed below who are requesting payment have delivered the Equipment or a portion of the Equipment or performed the services to the satisfaction of the Obligor and that the amounts requested below by the Payee or Payees are proportionate with the value of the Equipment delivered or services rendered by the Payee or Payees. The Obligor hereby represents and warrants for all purposes that:

1. Pursuant to the invoice attached hereto, the amount to be disbursed is \$ \_\_\_\_\_ and this amount is consistent with the Contract between Obligor and vendor.
2. Payment is to be made to: Payee: \_\_\_\_\_
3. The undersigned certifies that the following documents are attached to this Payment Request and Equipment Acceptance Form when there is a request for a release of funds from the Vendor Payable Account to pay for a portion, or all, of the Equipment: (1) Invoice from the vendor, (2) copy of the Contract between Obligor and vendor (if requested by the Obligee), (3) Insurance Certificate (if applicable), (4) front and back copy of the original MSO/Title listing KS StateBank and/or its assigns as the first lien holder (if applicable). By executing this Payment Request and Equipment Acceptance Form and attaching the documents as required above, the Obligor shall be deemed to have accepted this portion of the Equipment for all purposes under the Contract, including, without limitation, the obligation of Obligor to make the Contract Payments with respect thereto in a proportionate amount of the total Contract Payment.
4. No amount listed in this exhibit was included in any such exhibit previously submitted.
5. Each disbursement hereby requested has been incurred and is a proper charge against the Vendor Payable Account. No amount hereby requested to be disbursed will be paid to Obligor as reimbursement for any expenditure paid by Obligor more than 60 days prior to the date of execution and delivery of the Contract.
6. The Equipment referenced in the attached has been delivered, installed, inspected and tested as necessary and in accordance with Obligor's specifications and accepted for all purposes.
7. That Obligor is or will be the title owner to the Equipment referenced in the attached, and that in the event that any third party makes a claim to such title that Obligor will take all measures necessary to secure title including, without limitation, the appropriation of additional funds to secure title to such Equipment, or a portion thereof, and keep the Contract in full force and effect. Furthermore, Obligor has obtained insurance coverage as required under the Contract from an insurer qualified to do business in the State.
8. Obligor has appropriated and/or taken other lawful actions necessary to provide moneys sufficient to pay all Contract Payments required to be paid under the Contract during the current Budget Year of Obligor, and such moneys will be applied in payment of all Contract Payments due and payable during such current Budget Year.
9. No event or condition that constitutes or would constitute an Event of Default exists as of the date hereof.

I, the undersigned, hereby certify that I am a duly qualified representative of Obligor and that I have been given the authority by the governing body of Obligor to sign this Payment Request and Equipment Acceptance Form.

Please forward this document and any correspondence relating to vendor payment to:

Email: Bob@LeaseExperts.com  
or  
Fax: 508-833-6692

Please call 800-541-0114 if you have any questions.

City of Tontitown, Arkansas

\_\_\_\_\_  
Signature  
Angela Russell, Mayor  
\_\_\_\_\_  
Printed Name and Title

PLEASE HOLD UNTIL  
YOU ARE READY TO  
AUTHORIZE A VENDOR  
PAYMENT  
  
- COPY AS NEEDED

EXHIBIT E  
OFFICER'S CERTIFICATE

RE: Government Obligation Contract dated as of August 1, 2022, between First Capital Equipment Leasing Corporation (Obligee) and City of Tontitown, Arkansas (Obligor)

---

I, the undersigned, hereby certify that I am a duly qualified representative of Obligor and that I have been given the authority by the governing body of Obligor to sign this Officer's Certificate with respect to the above referenced Contract. I hereby certify that:

1. Obligor has appropriated and/or taken other lawful actions necessary to provide moneys sufficient to pay all Contract Payments required to be paid under the Contract during the current Budget Year of Obligor, and such moneys will be applied in payment of all Contract Payments due and payable during such current Budget Year.
2. Obligor has obtained insurance coverage as required under the Contract from an insurer qualified to do business in the State.
3. No event or condition that constitutes or would constitute an Event of Default exists as of the date hereof.
4. The governing body of Obligor has approved the authorization, execution and delivery of this Contract on its behalf by the authorized representative of Obligor who signed the Contract.
5. Please list the Source of Funds (Fund Item in Budget) for the Contract Payments that come due under Exhibit B of this Contract.

Source of Funds : General Fund

By signing below, Obligor hereby authorizes the General Fund of the Obligor as a backup source of funds from which the Contract Payments can be made.

City of Tontitown, Arkansas



\_\_\_\_\_  
Signature  
Angela Russell, Mayor  
Printed Name and Title



EXHIBIT D

OBLIGOR RESOLUTION

RE: Government Obligation Contract dated as of August 1, 2022, between First Capital Equipment Leasing Corporation (Obligee) and City of Tontitown, Arkansas (Obligor)

At a duly called meeting of the Governing Body of the Obligor (as defined in the Contract) held on \_\_\_\_\_ the following resolution was introduced and adopted:

BE IT RESOLVED by the Governing Body of Obligor as follows:

- Determination of Need.** The Governing Body of Obligor has determined that a true and very real need exists for the acquisition of the Equipment described on Exhibit A of the Government Obligation Contract dated as of August 1, 2022, between City of Tontitown, Arkansas (Obligor) and First Capital Equipment Leasing Corporation (Obligee).
- Approval and Authorization.** The Governing Body of Obligor has determined that the Contract, substantially in the form presented to this meeting, is in the best interests of the Obligor for the acquisition of such Equipment, and the Governing Body hereby approves the entering into of the Contract by the Obligor and hereby designates and authorizes the following person(s) to execute and deliver the Contract on Obligor's behalf with such changes thereto as such person(s) deem(s) appropriate, and any related documents, including any Escrow Agreement, necessary to the consummation of the transaction contemplated by the Contract.

Authorized Individual(s): Angela Russell, Mayor

(Typed or Printed Name and Title of individual(s) authorized to execute the Contract)

- Adoption of Resolution.** The signatures below from the designated individuals from the Governing Body of the Obligor evidence the adoption by the Governing Body of this Resolution.

Signature: \_\_\_\_\_

(Signature of Board Chairman or other authorized member of the Obligor's Governing Body)

Printed Name & Title: Angela Russell, Mayor

(Printed Name and Title of individual who signed directly above)

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

(Signature of Obligor's Board Secretary or Board Clerk)

Printed Name & Title: \_\_\_\_\_

(Printed Name of individual who signed directly above)

Please ... SIGN HERE

Please ... SIGN HERE

FILL IN THE BLANKS

EXHIBIT C  
ACCEPTANCE OF OBLIGATION  
TO COMMENCE CONTRACT PAYMENTS UNDER EXHIBIT B

RE: Government Obligation Contract dated as of August 1, 2022, between First Capital Equipment Leasing Corporation (Obligee) and City of Tontitown, Arkansas (Obligor)

---

I, the undersigned, hereby certify that I am a duly qualified representative of Obligor and that I have been given the authority by the governing body of Obligor to sign this Acceptance of Obligation to commence Contract Payments with respect to the above referenced Contract. I hereby certify that:

1. The Equipment described on Exhibit A has not been delivered, installed or available for use as of the Commencement date of this Contract.
2. Obligor acknowledges that Obligee has agreed to deposit into a Vendor Payable Account an amount sufficient to pay the total purchase price (the "Purchase Price") for the Equipment so identified in such Exhibit A;
3. The principal amount of the Contract Payments in the Exhibit B accurately reflects the Purchase Price;
4. Obligor agrees to execute a Payment Request and Equipment Acceptance Form authorizing payment of the Purchase Price, or a portion thereof, for each withdrawal of funds from the Vendor Payable Account.

Notwithstanding that the Equipment has not been delivered to or accepted by Obligor on the date of execution of the Contract, Obligor hereby warrants that:

- (a) Obligor's obligation to commence Contract Payments as set forth in Exhibit B is absolute and unconditional as of the Commencement Date and on each date set forth in Exhibit B thereafter, subject to the terms and conditions of the Contract;
- (b) immediately upon delivery and acceptance of all the Equipment, Obligor will notify Obligee of Obligor's final acceptance of the Equipment by delivering to Obligee the "Payment Request and Equipment Acceptance Form" in the form set forth in Exhibit F attached to the Contract;
- (c) in the event that any Surplus Amount is on deposit in the Vendor Payable Account when an event of non-appropriation or default under the Contract occurs, then those amounts shall be applied as provided in Section 10 of the Contract;
- (d) regardless of whether Obligor delivers a final Payment Request and Equipment Acceptance Form, all Contract Payments paid prior to delivery of all the Equipment shall be credited to Contract Payments as they become due under the Contract as set forth in Exhibit B.

City of Tontitown, Arkansas



---

Signature  
Angela Russell, Mayor  
Printed Name and Title

## EXHIBIT B

## PAYMENT SCHEDULE

RE: Government Obligation Contract dated as of August 1, 2022, between First Capital Equipment Leasing Corporation (Obligee) and City of Tontitown, Arkansas (Obligor)

Date of First Payment: August 1, 2023  
 Original Balance: \$360,000.00  
 Total Number of Payments: Four (4)  
 Number of Payments Per Year: One (1)

Pmt No.	Due Date	Contract Payment	Applied to Interest	Applied to Principal	*Purchase Option Price
1	01-Aug-23	\$100,112.43	\$15,839.08	\$84,273.35	\$281,122.85
2	01-Aug-24	\$100,112.43	\$12,131.26	\$87,981.17	\$190,512.37
3	01-Aug-25	\$100,112.43	\$8,260.32	\$91,852.11	\$96,839.26
4	01-Aug-26	\$100,112.43	\$4,219.06	\$95,893.37	\$0.00

City of Tontitown, Arkansas

Please SIGN HERE

Signature

Angela Russell, Mayor

Printed Name and Title

\*Assumes all Contract Payments due to date are paid

EXHIBIT A  
DESCRIPTION OF EQUIPMENT

RE: Government Obligation Contract dated as of August 1, 2022, between First Capital Equipment Leasing Corporation (Obligee) and City of Tontitown, Arkansas (Obligor)

---

Below is a detailed description of all the items of Equipment including quantity, model number and serial number where applicable:

Six (6) 2022 Dodge Durango AWD Police Pursuit Vehicles with Upfitting

Quantity	Model Number	Serial Number	Year	Make	Model
1	161376912	161376912	2022	Dodge	Durango
1	161376912	161376912	2022	Dodge	Durango
1	161376912	161376912	2022	Dodge	Durango
1	161376912	161376912	2022	Dodge	Durango
1	161376912	161376912	2022	Dodge	Durango
1	161376912	161376912	2022	Dodge	Durango

Physical Address of Equipment after Delivery : 235 East Henri de Tonti Boulevard, Tontitown, AR 72762



Section 10.03 Disbursement upon Non-Appropriation or Default. If an event of non-appropriation or default occurs prior to the Partial Prepayment Date, the amount then on deposit in the Vendor Payable Account shall be retained by the Obligee and Obligor will have no interest therein.

Section 10.04 Surplus Amount. Any Surplus Amount then on deposit in the Vendor Payable Account on the Partial Prepayment Date shall be applied to pay on such Partial Prepayment Date a portion of the Purchase Option Price then applicable.

Section 10.05 Recalculation of Contract Payments. Upon payment of a portion of the Purchase Option Price as provided in Section 10.04 above, each Contract Payment thereafter shall be reduced by an amount calculated by Obligee based upon a fraction the numerator of which is the Surplus Amount and the denominator of which is the Purchase Option Price on such Partial Prepayment Date. Within 15 days after such Partial Prepayment Date, Obligee shall provide to Obligor a revised Exhibit B to this Contract, which shall take into account such payment of a portion of the Purchase Option Price thereafter and shall be and become thereafter Exhibit B to this Contract. Notwithstanding any other provision of this Section 10, this Contract shall remain in full force and effect with respect to all or the portion of the Equipment accepted by Obligor as provided in this Contract, and the portion of the principal component of Contract Payments remaining unpaid after the Partial Prepayment Date plus accrued interest thereon shall remain payable in accordance with the terms of this Contract, including revised Exhibit B hereto which shall be binding and conclusive upon Obligee and Obligor.

**XI. Miscellaneous**

Section 11.01 Notices. All notices shall be sufficiently given and shall be deemed given when delivered or mailed by registered mail, postage prepaid, to the parties at their respective places of business as first set forth herein or as the parties shall designate hereafter in writing.

Section 11.02 Binding Effect. Obligor acknowledges this Contract is not binding upon the Obligee or its assignees unless the Conditions to Funding listed on the Documentation Instructions have been met to Obligee's satisfaction, and Obligee has executed the Contract. Thereafter, this Contract shall inure to the benefit of and shall be binding upon Obligee and Obligor and their respective successors and assigns.

Section 11.03 Severability. In the event any provision of this Contract shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 11.04 Amendments, Addenda, Changes or Modifications. This Contract may be amended, added to, changed or modified by written agreement duly executed by Obligee and Obligor. Furthermore, Obligee reserves the right to directly charge or amortize into the remaining balance due from Obligor, a reasonable fee, to be determined at that time, as compensation to Obligor for the additional administrative expense resulting from such amendment, addenda, change or modification requested by Obligor.

Section 11.05 Execution in Counterparts. This Contract may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 11.06 Captions. The captions or headings in this Contract do not define, limit or describe the scope or intent of any provisions or sections of this Contract.

Section 11.07 Master Contract. This Contract can be utilized as a Master Contract. This means that the Obligee and the Obligor may agree to the financing of additional Equipment under this Contract at some point in the future by executing one or more Additional Schedules to Exhibit A and Exhibit B, as well as other exhibits or documents that may be required by Obligee. Additional Schedules will be consecutively numbered on each of the exhibits which make up the Additional Schedule and all the terms and conditions of the Contract shall govern each Additional Schedule.

Section 11.08 Entire Writing. This Contract constitutes the entire writing between Obligee and Obligor. No waiver, consent, modification or change shall be effective only in the specific instance and for the specific purpose given. There are no understandings, agreements, representations, conditions, or warranties, express or implied, which are not specified herein regarding this Contract, the Equipment or any additional collateral, financed hereunder. Any terms and conditions of any purchase order or other documents submitted by Obligor in connection with this Contract which are in addition to or inconsistent with the terms and conditions of this Contract will not be binding on Obligee and will not apply to this Contract.

Obligee and Obligor have caused this Contract to be executed in their names by their duly authorized representatives listed below.

City of Tontitown, Arkansas

Please ...  
SIGN HERE

Capital Equipment Leasing Corporation

Signature

Angela Russell, Mayor

Printed Name and Title

Signature

Printed Name and Title





### III.

#### **Acquisition of Equipment, Contract Payments and the Purchase Option Price**

**Section 3.01 Acquisition and Acceptance.** Obligor shall be solely responsible for the ordering of the Equipment and for the delivery and installation of the Equipment. The Payment Request and Equipment Acceptance Form must be signed by the same authorized individual(s) who signed the Signature Card, Exhibit G. By making a Contract Payment after its receipt of the Equipment pursuant to this Contract, Obligor shall be deemed to have accepted the Equipment on the date of such Contract Payment for purposes of this Contract. All Contract Payments paid prior to delivery of the Payment Request and Equipment Acceptance Form shall be credited to Contract Payments as they become due as shown on the Contract Payment Schedule attached as Exhibit B hereto.

**Section 3.02 Contract Payments.** Obligor shall pay Contract Payments exclusively to Obligee or its assignees in lawful, legally available money of the United States of America. The Contract Payments shall be sent to the location specified by the Obligee or its assignees. The Contract Payments shall constitute a current expense of the Obligor and shall not constitute an indebtedness of the Obligor. The Contract Payments, payable without notice or demand, are due as set forth on Exhibit B. Obligee shall have the option to charge interest at the highest lawful rate on any Contract Payment received later than the due date for the number of days that the Contract Payment(s) were late, plus any additional accrual on the outstanding balance for the number of days that the Contract Payment(s) were late. Obligee shall also have the option, on monthly payments only, to charge a late fee of up to 10% of the monthly Contract Payment that is past due. Furthermore, Obligor agrees to pay any fees associated with the use of a payment system other than check, wire transfer, or ACH. Once all amounts due Obligee hereunder have been received, Obligee will release any and all of its rights, title and interest in the Equipment.

**SECTION 3.03 CONTRACT PAYMENTS UNCONDITIONAL.** Except as provided under Section 4.01, THE OBLIGATIONS OF OBLIGOR TO MAKE CONTRACT PAYMENTS AND TO PERFORM AND OBSERVE THE OTHER COVENANTS CONTAINED IN THIS CONTRACT SHALL BE ABSOLUTE AND UNCONDITIONAL IN ALL EVENTS WITHOUT ABATEMENT, DIMINUTION, DEDUCTION, SET-OFF, OR SUBJECT TO DEFENSE OR COUNTERCLAIM.

**Section 3.04 Purchase Option Price.** Upon thirty (30) days written notice, Obligor shall have the option to pay, in addition to the Contract Payment, the corresponding Purchase Option Price which is listed on the same line on Exhibit B. This option is only available to the Obligor on the Contract Payment date and no partial prepayments are allowed. If Obligor chooses this option and pays the Purchase Option Price to Obligee then Obligee will transfer any and all of its rights, title and interest in the Equipment to Obligor.

**Section 3.05 Contract Term.** The Contract Term shall be the Original Term and all Renewal Terms until all the Contract Payments are paid as set forth on Exhibit B except as provided under Section 4.01 and Section 9.01 below. If, after the end of the budgeting process which occurs at the end of the Original Term or any Renewal Term, Obligor has not non-appropriated as provided for in this Contract then the Contract Term shall be extended into the next Renewal Term and the Obligor shall be obligated to make all the Contract Payments that come due during such Renewal Term.

**Section 3.06 Disclaimer of Warranties.** OBLIGEE MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY, FITNESS FOR PARTICULAR PURPOSE OR ANY OTHER WARRANTY WITH RESPECT TO THE EQUIPMENT. OBLIGEE IS NOT A MANUFACTURER, SELLER, VENDOR OR DISTRIBUTOR, OR AGENT THEREOF, OF SUCH EQUIPMENT; NOR IS OBLIGEE A MERCHANT OR IN THE BUSINESS OF DISTRIBUTING SUCH EQUIPMENT TO THE PUBLIC. OBLIGEE SHALL NOT BE LIABLE FOR ANY INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGE ARISING OUT OF THE INSTALLATION, OPERATION, POSSESSION, STORAGE OR USE OF THE EQUIPMENT BY OBLIGOR.

### IV. Non-Appropriation

**Section 4.01 Non-Appropriation.** If insufficient funds are available in Obligor's budget for the next Budget Year to make the Contract Payments for the next Renewal Term and the funds to make such Contract Payments are otherwise unavailable by any lawful means whatsoever, then Obligor may non-appropriate the funds to pay the Contract Payments for the next Renewal Term. Such non-appropriation shall be evidenced by the passage of an ordinance or resolution by the governing body of Obligor specifically prohibiting Obligor from performing its obligations under this Contract and from using any moneys to pay the Contract Payments due under this Contract for a designated Budget Year and all subsequent Budget Years. If Obligor non-appropriates, then all obligations of the Obligor under this Contract regarding Contract Payments for all remaining Renewal Terms shall be terminated at the end of the then current Original Term or Renewal Term without penalty or liability to the Obligor of any kind provided that if Obligor has not delivered possession of the Equipment to Obligee as provided herein and conveyed to Obligee or released its interest in the Equipment by the end of the last Budget Year for which Contract Payments were paid, the termination shall nevertheless be effective but Obligor shall be responsible for the payment of damages in an amount equal to the amount of the Contract Payments thereafter coming due under Exhibit B which are attributable to the number of days after such Budget Year during which Obligor fails to take such actions and for any other loss suffered by Obligee as a result of Obligor's failure to take such actions as required. Obligor shall immediately notify the Obligee as soon as the decision to non-appropriate is made. If such non-appropriation occurs, then Obligor shall deliver the Equipment to Obligee as provided below in Section 9.04. Obligor shall be liable for all damage to the Equipment other than normal wear and tear. If Obligor fails to deliver the Equipment to Obligee, then Obligee may enter the premises where the Equipment is located and take possession of the Equipment and charge Obligor for costs incurred.

### V. Insurance, Damage, Insufficiency of Proceeds

**Section 5.01 Insurance.** Obligor shall maintain both property insurance and liability insurance at its own expense with respect to the Equipment. Obligor shall be solely responsible for selecting the insurer(s) and for making all premium payments and ensuring that all policies are continuously kept in effect during the period when Obligor is required to make Contract Payments. Obligor shall provide Obligee with a certificate of insurance which lists the Obligee and/or assigns as a loss payee and an additional insured on the policies with respect to the Equipment.

- Obligor shall insure the Equipment against any 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 Obligee in an amount at least equal to the then applicable Purchase Option Price of the Equipment. Alternatively, Obligor may insure the Equipment under a blanket insurance policy or policies.
- The liability insurance shall insure Obligee from liability and property damage in any form and amount satisfactory to Obligee.
- Obligor may self-insure against the casualty risks and liability risks described above. If Obligor chooses this option, Obligor must furnish Obligee with a certificate and/or other documents which evidences such coverage.
- All insurance policies issued or affected by this Section shall be so written or endorsed such that the Obligee and its assignees are named additional insureds and loss payees and that all losses are payable to Obligor and Obligee or its assignees as their interests may appear. Each policy issued or affected by this Section shall contain a provision that the insurance company shall not cancel or materially modify the policy without first giving thirty (30) days advance notice to Obligee or its assignees. Obligor shall furnish to Obligee certificates evidencing such coverage throughout the Contract Term.

**Section 5.02 Damage to or Destruction of Equipment.** Obligor assumes the risk of loss or damage to the Equipment. If the Equipment or any portion thereof is lost, stolen, damaged, or destroyed by fire or other casualty, Obligor will immediately report all such losses to all possible insurers and take the proper procedures to obtain all insurance proceeds. At the option of Obligee, Obligor shall either (1) apply the Net Proceeds to replace, repair or restore the Equipment or (2) apply the Net Proceeds to the applicable Purchase Option Price. For purposes of this Section and Section 5.03, the term Net Proceeds shall mean the amount of insurance proceeds collected from all applicable insurance policies after deducting all expenses incurred in the collection thereof.

**Section 5.03 Insufficiency of Net Proceeds.** If there are no Net Proceeds for whatever reason or if the Net Proceeds are insufficient to pay in full the cost of any replacement, repair, restoration, modification or improvement of the Equipment, then Obligor shall, at the option of Obligee, either (1) complete such replacement, repair, restoration, modification or improvement and pay any costs thereof in excess of the amount of the Net Proceeds or (2) apply the Net Proceeds to the Purchase Option Price and pay the deficiency, if any, to the Obligee.

**Section 5.04 Obligor Negligence.** Obligor assumes all risks and liabilities, whether or not covered by insurance, for loss or damage to the Equipment and for injury to or death of any person or damage to any property whether such injury or death be with respect to agents or employees of Obligor or of third parties, and whether such property damage be to Obligor's property or the property of others (including, without limitation, liabilities for loss or damage related to the release or threatened release of hazardous substances under the Comprehensive Environmental Response, Compensation and Liability Act, the Resource Conservation and Recovery Act or similar or successor law or any State or local equivalent now existing or hereinafter enacted which in any manner arise out of or are incident to any possession, use, operation, condition or storage of any Equipment by Obligor), which is proximately caused by the negligent conduct of Obligor, its officers, employees and agents.

**Section 5.05 Reimbursement.** Obligor hereby assumes responsibility for and agrees to reimburse Obligee for all liabilities, obligations, losses, damages, penalties, claims, actions, costs and expenses (including reasonable attorneys' fees) of whatsoever kind and nature, imposed on, incurred by or asserted against Obligee that in any way relate to or arise out of a claim, suit or proceeding, based in whole or in part upon the negligent conduct of Obligor, its officers, employees and agents, or arose out of installation, operation, possession, storage or use of any item of the Equipment, to the maximum extent permitted by law.

### VI. Title and Security Interest

**Section 6.01 Title.** Title to the Equipment shall vest in Obligor when Obligor acquires and accepts the Equipment. Title to the Equipment will automatically transfer to the Obligee in the event Obligor non-appropriates under Section 4.01 or in the event Obligor defaults under Section 9.01. In such event, Obligor shall execute and deliver to Obligee such documents as Obligee may request to evidence the passage of legal title to the Equipment to Obligee.

**Section 6.02 Security Interest.** To secure the payment of all Obligor's obligations under this Contract, as well as all other obligations, debts and liabilities, plus interest thereon, whether now existing or subsequently created, Obligor hereby grants to Obligee a security interest under the Uniform Commercial Code constituting a first lien on the Equipment described more fully on Exhibit A. Furthermore, Obligor agrees that any other collateral securing any other obligation(s) to Obligee, whether offered prior to or subsequent hereto, also secures this obligation. The security interest established by this section includes not only all additions, attachments, repairs and replacements to the Equipment but also all proceeds therefrom. Obligor authorizes Obligee to prepare and record any Financing Statement required under the Uniform Commercial Code to perfect the security interest created hereunder. Obligor agrees that any Equipment listed on Exhibit A is and will remain personal property and will not be considered a fixture even if attached to real property.

## GOVERNMENT OBLIGATION CONTRACT

### Obligor

City of Tontitown, Arkansas  
235 East Henri de Tonti Boulevard  
Tontitown, Arkansas 72762

### Obligee

First Capital Equipment Leasing Corporation  
32 Wolf Hill Road, PO Box 1018  
East Sandwich, Massachusetts 02537-1981

**Dated as of August 1, 2022**

This Government Obligation Contract dated as of the date listed above is between Obligee and Obligor listed directly above. Obligee desires to finance the purchase of the Equipment described in Exhibit A to Obligor and Obligor desires to have Obligee finance the purchase of the Equipment subject to the terms and conditions of this Contract which are set forth below.

#### I. Definitions

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

- "Additional Schedule" refers to the proper execution of additional schedules to Exhibit A and Exhibit B, as well as other exhibits or documents that may be required by the Obligee all of which relate to the financing of additional Equipment.
- "Budget Year" means the Obligor's fiscal year.
- "Commencement Date" is the date when Obligor's obligation to pay Contract Payments begins.
- "Contract" means this Government Obligation Contract and all Exhibits attached hereto, all addenda, modifications, schedules, refinancings, guarantees and all documents relied upon by Obligee prior to execution of this Contract.
- "Contract Payments" means the payments Obligor is required to make under this Contract as set forth on Exhibit B.
- "Contract Term" means the Original Term and all Renewal Terms.
- "Exhibit" includes the Exhibits attached hereto, and any "Additional Schedule", whether now existing or subsequently created.
- "Equipment" means all of the items of Equipment listed on Exhibit A and any Additional Schedule, whether now existing or subsequently created, and all replacements, restorations, modifications and improvements.
- "Government" as used in the title hereof means a State or a political subdivision of the State within the meaning of Section 103(a) of the Internal Revenue Code of 1986, as amended ("Code"), or a constituted authority or district authorized to issue obligations on behalf of the State or political subdivision of the State within the meaning of Treasury Regulation 1.103-1(b), or a qualified volunteer fire company within the meaning of section 150(e)(1) of the Code.
- "Obligee" means the entity originally listed above as Obligee or any of its assignees.
- "Obligor" means the entity listed above as Obligor and which is financing the Equipment through Obligee under the provisions of this Contract.
- "Original Term" means the period from the Commencement Date until the end of the Budget Year of Obligor.
- "Partial Prepayment Date" means the first Contract Payment date that occurs on or after the earlier of (a) the twenty-four month (24) anniversary of the Commencement Date or (b) the date on which Obligor has accepted all the Equipment and all amounts have been disbursed from the Vendor Payable Account to pay for the Equipment.
- "Purchase Price" means the total cost of the Equipment, including all delivery charges, installation charges, legal fees, financing costs, recording and filing fees and other costs necessary to vest full, clear legal title to the Equipment in Obligor, subject to the security interest granted to and retained by Obligee as set forth in this Contract, and otherwise incurred in connection with the financing of this Equipment.
- "Renewal Term" means the annual term which begins at the end of the Original Term and which is simultaneous with Obligor's Budget Year and each succeeding Budget Year for the number of Budget Years necessary to comprise the Contract Term.
- "State" means the state which Obligor is located.
- "Surplus Amount" means any amount on deposit in the Vendor Payable Account on the Partial Prepayment Date.
- "Vendor Payable Account" means the separate account of that name established pursuant to Section X of this Contract.

#### II. Obligor Warranties

**Section 2.01 Obligor represents, warrants and covenants as follows for the benefit of Obligee or its assignees:**

- (a) Obligor is an "issuer of tax exempt obligations" because Obligor is the State or a political subdivision of the State within the meaning of Section 103(a) of the Internal Revenue Code of 1986, as amended, (the "Code") or because Obligor is a constituted authority or district authorized to issue obligations on behalf of the State or political subdivision of the State within the meaning of Treasury Regulation 1.103-1(b), or a qualified volunteer fire company within the meaning of section 150(e)(1) of the Code.
- (b) Obligor has complied with any requirement for a referendum and/or competitive bidding.
- (c) Obligor has complied with all statutory laws and regulations that may be applicable to the execution of this Contract; Obligor, and its officer executing this Contract, are authorized under the Constitution and laws of the State to enter into this Contract and have used and followed all proper procedures of its governing body in executing and delivering this Contract. The officer of Obligor executing this Contract has the authority to execute and deliver this Contract. This Contract constitutes a legal, valid, binding and enforceable obligation of the Obligor in accordance with its terms.
- (d) Obligor shall use the Equipment only for essential, traditional government purposes.
- (e) Should the IRS disallow the tax-exempt status of the interest portion of the Contract Payments as a result of the failure of the Obligor to use the Equipment for governmental purposes, or should the Obligor cease to be an issuer of tax exempt obligations, or should the obligation of Obligor created under this Contract cease to be a tax exempt obligation for any reason, then Obligor shall be required to pay additional sums to the Obligee or its assignees so as to bring the after tax yield on this Contract to the same level as the Obligee or its assignees would attain if the transaction continued to be tax-exempt.
- (f) Obligor has never non-appropriated funds under a contract similar to this Contract.
- (g) Obligor will submit to the Secretary of the Treasury an information reporting statement as required by the Code.
- (h) Upon request by Obligee, Obligor will provide Obligee with current financial statements, reports, budgets or other relevant fiscal information.
- (i) Obligor shall retain the Equipment free of any hazardous substances as defined in the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. 9601 et. seq. as amended and supplemented.
- (j) Obligor hereby warrants the General Fund of the Obligor is the primary source of funds or a backup source of funds from which the Contract Payments will be made.
- (k) Obligor presently intends to continue this Contract for the Original Term and all Renewal Terms as set forth on Exhibit B hereto. The official of Obligor responsible for budget preparation will include in the budget request for each Budget Year the Contract Payments to become due in such Budget Year, and will use all reasonable and lawful means available to secure the appropriation of money for such Budget Year sufficient to pay the Contract Payments coming due therein. Obligor reasonably believes that moneys can and will lawfully be appropriated and made available for this purpose.
- (l) Obligor has selected both the Equipment and the vendor(s) from whom the Equipment is to be purchased upon its own judgment and without reliance on any manufacturer, merchant, vendor or distributor, or agent thereof, of such equipment to the public.
- (m) Obligor owns the Equipment and any additional collateral free and clear of any liens, and Obligor has not and will not, during the Contract Term, create, permit, incur or assume any levies, liens or encumbrances of any kind with respect to the Equipment or any additional collateral except those created by this Contract.
- (n) Obligor warrants, as applicable, the purchase of any telecommunications and video surveillance services or equipment financed hereunder complies with 2 CFR § 200.216 and 2 CFR § 200.471.
- (o) Obligor warrants that it understands and has complied with 2 CFR § 200.322 in relation to domestic preferences for procurements, as applicable.
- (p) The aggregate principal amount of short-term financing obligations incurred by Obligor shall not exceed 5% of the assessed value of taxable property located within the municipality or 2.5% of the assessed value of taxable property located within the county, as determined by the last tax assessment completed before the last obligation was incurred by the city or county.

**Section 2.02 Escrow Agreement.** In the event both Obligee and Obligor mutually agree to utilize an Escrow Account, then immediately following the execution and delivery of this Contract, Obligee and Obligor agree to execute and deliver and to cause Escrow Agent to execute and deliver the Escrow Agreement. This Contract shall take effect only upon execution and delivery of the Escrow Agreement by the parties thereto. Obligee shall deposit or cause to be deposited with the Escrow Agent for credit to the Equipment Acquisition Fund the sum of N/A, which shall be held, invested and disbursed in accordance with the Escrow Agreement.



### **III. Condition to Funding**

If, for any reason: (i) the required documentation is not returned by December 1, 2022, is incomplete, or has unresolved issues relating thereto, or (ii) on, or prior to the return of the documentation, there is a change of circumstance, including but not limited to changes in the federal corporate income tax rate or reducing/capping the tax-exempt interest benefit, which adversely affects the expectations, rights or security of the Obligee or its assignees; then Obligee or its assignees reserve the right to withdraw/void its offer to fund this transaction in its entirety. *Neither KS StateBank nor Baystone Government Finance is acting as an advisor to the municipal entity/obligated person and neither owes a fiduciary duty pursuant to Section 15B of the Exchange Act of 1934.*

**All documentation should be returned to:**  
First Capital Equipment Leasing Corporation  
PO Box 1018, 32 Wolf Hill Road  
East Sandwich, Massachusetts 02537-1981

## DOCUMENTATION INSTRUCTIONS

The instructions listed below should be followed when completing the enclosed documentation. Please sign in blue ink and print on single sided paper only. Documentation completed improperly will delay funding. If you have any questions regarding the Conditions to Funding, instructions or the documentation, please call us at 800-541-0114.

### I. Attached Documentation

1. **Government Obligation Contract**
  - ◆ An authorized individual that is with the Obligor should sign on the first space provided. All original signatures are required for funding.
2. **Exhibit A – Description of Equipment**
  - ◆ Review equipment description. Complete serial number/VIN if applicable.
  - ◆ List the location where the equipment will be located after delivery/installation.
3. **Exhibit B – Payment Schedule**
  - ◆ Sign and print name and title
4. **Exhibit C - Acceptance of Obligation**
  - ◆ Sign and print name and title
5. **Exhibit D - Obligor Resolution**
  - ◆ Type in the date of the meeting in which the purchase was approved.
  - ◆ Print or type the name and title of the individual(s) who is authorized to execute the Contract.
  - ◆ The board chairman or other authorized member of the Obligor's Governing Body must sign the Resolution where indicated.
  - ◆ The board secretary or board clerk of Obligor must attest the Resolution where indicated.
6. **Exhibit E - Officer's Certificate**
  - ◆ Sign and print name and title
  - ◆ Please list the Source of Funds for the Contract Payments.
7. **Exhibit F - Payment Request & Equipment Acceptance Form**
  - ◆ Do Not Return until you need to request funds from the Vendor Payable Account.
8. **Exhibit G - Signature Card**
  - ◆ Sign and print name and title
  - ◆ An additional individual may sign as an authorized individual, if desired.
9. **Exhibit H - Obligor Acknowledgement**
  - ◆ Complete information as indicated.
10. **Exhibit I - Bank Qualified Certificate**
  - ◆ Sign and print name and title
11. **Notice of Assignment**
  - ◆ Sign and print name and title.
12. **Insurance Requirements**
  - ◆ Complete insurance company contact information where indicated.
13. **Debit Authorization – (Preferred)**
  - ◆ Complete form and attach a voided check
14. **8038G IRS Form**
  - ◆ Please read 8038 Review Form
  - ◆ In Box 2, type Employer Identification Number
  - ◆ Sign and print name and title

### II. Additional Documentation Required

1. Documentation Fee as stated on attached invoice



# First Capital Equipment Leasing Corp. LeaseExperts.com

Equipment, Vehicle, Software & Real Property Lease Financing for Governments  
Municipal • State • County • Federal

August 1, 2022

Corey Jenison, Chief of Police  
City of Tontitown  
PO Box 305  
Tontitown, AR 72762



IMPORTANT – KEEP THIS PAGE

RE: City of Tontitown, AR | \$360,000.00 Government Obligation Contract

Dear Chief Jenison,

Enclosed are our lease documents based on the final credit review and lease terms approved for Tontitown, Arkansas. An overview of key steps follows. Questions? Call 800-541-0114 x-22

- Lease Document Return: The Interest rate lock has been extended for signed documents returned no later than August 11, 2022 (after which rates float). Please return these legal documents at your earliest convenience. A prepaid UPS overnight envelope has been provided, which can be dropped at any UPS box, UPS store, or UPS facility (no charge). You can also use FedEx or Express Mail to ensure prompt delivery and tracking of these signed originals and your check.
- Please return ONE CHECK for the Documentation Fee with your lease documents. In addition, you may want to alert Accounting.
- This contract requires a Governing Body Resolution (sample attached). Please allow adequate time to complete this step.
- A "Certificate of Insurance" covering all vehicles *and* equipment is required before disbursing funds to any vendor. See the "Vendor Prompt Funding Notes" for specific instructions.
- "Vendor Prompt Payment Notes" This document is included with your lease documents and contains *essential* vendor payment & insurance instructions. (KEEP the Vendor Prompt Payment Notes page for your files)
- Vendor Payments can be requested any time AFTER you accept some or all of the vehicles and equipment--as outlined in Vendor Prompt Payment Notes. Vendors can be paid as soon as three business days after we receive: 1) your signed lease, 2) your payment authorization, 3) vendor invoices, and 4) certificate of insurance.
- LAST STEP: Verbal Authorization to release vendor payments. Our bank will call the authorized signer directly for a "verbal confirmation" that the City of Tontitown has authorized our bank to disburse payments on your behalf, at your direction.

You are our customer *for life!* Don't hesitate to call if you have *any* questions—big or small about the paperwork or billing—*today, tomorrow, or 5 years from now*. Thanks for choosing us to serve the City of Tontitown!

Sincerely,  
FIRST CAPITAL EQUIPMENT LEASING CORP.

  
Bob Arnowitz,  
Vice President of Government Finance  
Bob@LeaseExperts.com (Fax 1-800-403-3529)

# THE LAWYERS' ASSOCIATION



1200 Broadway, New York, N.Y. 10020  
Telephone: (212) 692-1200



AMERICAN BAR ASSOCIATION

1200 Broadway, New York, N.Y. 10020  
Telephone: (212) 692-1200

THE LAWYERS' ASSOCIATION

1200 Broadway, New York, N.Y. 10020

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Telephone: (212) 692-1200





**First Capital Equipment Leasing Corp.**  
**LeaseExperts.com™**

Phone 800-541-0114 • Fax 800-403-3529 • Email: VPSales@LeaseExperts.com

July 14, 2022

Corey Jenison, Chief of Police

City of Tontitown, Arkansas (Police Department)

Main PH: 479-361-9168 • Contact PH: 479-361-9168 • Email: CJenison@tontitownar.gov



CONFIDENTIAL

Municipal Police Fleet Lease-to-Own Financing Quotation & General Terms - Refreshed  
 City of Tontitown, Arkansas

Fleet Equipment to Be Financed:	(6) New Dodge Durango PPV's w/Law Enforcement Upfits & Equipment <i>Exact descriptions required</i>		
Anticipated Vendor Delivery/Payment:	T.B.D.		
Net Amount to Finance:	\$360,000.00		Program: MUNIL
<b>OPTIONS</b>	<b>4 YEARS</b>	<b>5 YEARS</b>	<b>6 YEARS</b>
Lease-to-Own Payment:	\$ 100,112.43 / Year	\$ 81,791.87 / Year	\$69,702.41 / Year
Fixed Interest:	4.400%	4.407%	4.458%
Rates Locked Thru the Closing Date:	Jul 28, 2022 <i>(After Thursday, July 28<sup>th</sup> rates float until the signed contract is received)</i>		
Down Payment + Security Deposit:	Waived <i>(Due at Lease Signing)</i>		
Documentation & Legal:	\$687 <i>(Due at Lease Signing)</i>		
First Annual Lease Payment Due:	Jul 28, 2023		

Our EXPERIENCE COUNTS! Call me at 800-541-0114 x-22!

Regards,

*Bob Arnowitz*

Vice President of Government Finance

Bob@LeaseExperts.com

**Quotation Terms & Important Notes**  
 I have reviewed and approved the Quotation & General Terms above and the Important Notes below. I have - CIRCLED - my preferred Term & Payment Amount above. We're ready to go!

Approved By: *Angela Russell*  
 Title: *Mayor of Tontitown* Date: *7-28-22*



**IMPORTANT NOTES - PLEASE READ ME!**

This is a low-interest, TAX-EXEMPT MUNICIPAL LEASE-TO-OWN FINANCING QUOTATION for the City of Tontitown, Arkansas ("LESSEE, you, your"), not a contract or a commitment to finance by First Capital Equipment Leasing Corporation ("FCELC"). State, county, and municipal entities, special districts & authorities must qualify as issuers of tax-exempt debt under IRS Section 103 of 1986. THIS IS A MUNICIPAL LEASE FOR A GOVERNMENT ENTITY, NOT A COMMERCIAL CAR LEASE. TAX-EXEMPT MUNICIPAL FINANCING IS LEASE-TO-OWN BY DEFINITION AND IS THE LOWEST-COST TYPE OF NON-DEBT FINANCING FOR GOVERNMENTS. UNLIKE a commercial lease, there is NO MONEY DOWN AT SIGNING OR DUE AT THE END OF THE LEASE. THERE ARE NO MILEAGE, USAGE, OR CONDITION CHARGES. UNLIKE a commercial lease, the CITY OF TONTITOWN OWNS ALL OF THE VEHICLES AND EQUIPMENT. VEHICLES AND EQUIPMENT ARE TITLED IN CITY OF TONTITOWN'S NAME, AND REMAIN IN ITS POSSESSION AFTER THE LEASE-THERE IS NO BUYOUT, BALLOON PAYMENT, OR EQUIPMENT RETURN. ALL CONTRACTS INCLUDE AMORTIZATION AND EARLY PAYOFF SCHEDULES. INTEREST RATES ARE FIXED AND DISCLOSED. UNLIKE a commercial lease, NON-APPROPRIATION LANGUAGE IS AUTOMATICALLY INCLUDED where required by law. The only maintenance required is keeping the equipment in good condition and in proper working order during the lease term. This Quotation assumes that Lessee's total tax-exempt borrowing for the lease-origination year will be under the IRS \$10MM "BQ" limit. (Other options available). The quotation pricing, conditions, and terms are subject to a credit-based review, final vendor & equipment approval, applicable federal, state & local laws, and are subject to change, correction, or withdrawal by FCELC. The LEASE CONTRACT will incorporate the financing terms and conditions approved for this offer and is the sole, entire and final financing agreement between you, FCELC, any assignee hereof, and supersedes all previous quotations and discussions. The INTEREST RATE shown is the FIXED, effective annual rate. Vehicles and equipment are sourced by you from any vendor of your choice, including state contract holders and purchasing cooperatives, and sold directly to you by those vendor(s). The vehicles and equipment are subject to FCELC's security interest during the lease term. TIME IS OF THE ESSENCE: FCELC must receive your executed contract no later than the closing date above, after which interest rates and payments float. FCELC may adjust the payment amounts or interest rates offered based on changes in the transaction amount, timing, lease structure, equipment to be financed, material omissions, or inaccuracies in the information provided to FCELC, or adverse changes in Lessee's financial status or credit rating prior to funding. Lease payments do not include required insurance, title fees, sales, use or other taxes, tags, maintenance, consumables, vendor usage, or "click" charges, delivery, or installation unless specifically included herein. Vendor deposits, advances, or progress payments are NOT INCLUDED unless approved in writing. \* VENDORS ARE PAID ON YOUR BEHALF BY BANK WIRE TRANSFER THREE (3) BUSINESS DAYS AFTER: 1) FCELC's timely receipt of the executed lease contract documents, 2) Your confirmation of delivery and your unqualified acceptance of the equipment, and 3) FCELC's receipt of your Vendor Payment authorization including required insurance (see Vendor Prompt Payment Notes). The information in this quotation is not intended to be and should not be construed as "advice." FCELC IS NOT A MUNICIPAL ADVISOR, MUNICIPAL FINANCIAL CONSULTANT, FIDUCIARY, OR AGENT for any person or entity under Section 15B of the Securities Exchange Act of 1934, the municipal advisor rules of the SEC, or otherwise. FCELC acts for its account only and is not recommending that Lessee take any action regarding this Quotation. The Lessee should carefully review this Quotation and all FCELC documentation with such independent financial, tax, and legal advisors as it deems appropriate.



THE ASSOCIATION OF REAL ESTATE BROKERS  
12000 104th Avenue, Suite 100, Edmonton, Alberta T5A 0A6  
Tel: (780) 443-8888 Fax: (780) 443-8889  
www.theaare.com

### CITY OF EDMONTON Planning and Development Department

Application for a Certificate of Approval (COA) for a proposed development project.

Project Name: [Blank]

Address: [Blank]

Proposed Use: [Blank]

Applicant Name: [Blank]

Applicant Address: [Blank]

Phone: [Blank]

Email: [Blank]

I, the undersigned, hereby certify that the information provided in this application is true and correct to the best of my knowledge and belief.

Signature: [Blank]

Name: [Blank]

Position: [Blank]



City of Edmonton  
Planning and Development Department  
12000 104th Avenue, Suite 100, Edmonton, Alberta T5A 0A6  
Tel: (780) 443-8888 Fax: (780) 443-8889  
www.theaare.com

The City of Edmonton Planning and Development Department is responsible for reviewing and approving applications for a Certificate of Approval (COA) for proposed developments. The COA is required for any development that is not permitted by the zoning bylaw. The application process involves a public hearing and a decision by the City Council. The City of Edmonton is committed to providing a high quality of life for its residents and to ensuring that all developments are in accordance with the City's vision and goals. The Planning and Development Department works closely with the community to ensure that all developments are in the best interests of the City and its residents.