



Date: March 17, 2026

Customer: CITY OF JONESBORO, ARKANSAS

RE: Contract Documents

Enclosed are the following finance documents concerning the above referenced customer:

Municipal Lease Agreement
Exhibit A & B
Certificate of Acceptance
Incumbency, Insurance and Essential Use Certificate
Prefund Letter
ACH
Customer Verification
8038- G Form

Please **READ EACH DOCUMENT CAREFULLY**, have them signed, dated, and witnessed if required and returned to us along with the following:

Proof of full coverage insurance

- All covered equipment must include year, make, model VIN and/or serial number
- ACV or stated coverage amount, specifying comprehensive coverage
- Deductible: No greater than \$5000
- Aircraft must include a Breach of Warranty clause in favor of Arvest, In-Motion and Not-In Motion Deductibles listed along with a stated amount for hull coverage
- **Loss Payee: Arvest Bank ISAOA/ATIMA, PO Box 2845, Sioux City, IA 51106**

TITLE Lien Holder Information: Arvest Bank - PO Box 799 Lowell, AR 72745

Please return the signed documents via email to: ciwagner@arvest.com

We appreciate your business and look forward to continuing to serve your equipment finance needs.

Sincerely,

Cindy Wagner
Sales Support Specialist
Arvest Bank Equipment Finance



Please provide proof of insurance listing the following details:

- **Loss Payee: ARVEST BANK | ISAOA/ATIMA | PO BOX 2845 | Sioux City, IA 51106**
- **All equipment listed with vin numbers and/ or serial numbers**
- **Amount of Comprehensive coverage limit, or ACV**
- **Amount of Deductible**
- **Aircraft must include a Breach of Warranty clause in favor of Arvest, In-Motion and Not-In Motion Deductibles listed along with a stated amount for hull coverage**

Named Insured (Debtor):

CITY OF JONESBORO, ARKANSAS
 300 South Church Street
 Jonesboro, AR 72401

Description of Property Financed to above Named Insured by Secured Party named below ("Secured Party") includes the following:

Collateral Description	Financed Amount
(1) 2026 MACK LR64 Chassis VIN 1M2LR2GC5TM013057 with Python Automated Side Loader, Durapack 28 Yard Serial# 7E7311446	\$431,463.68
(1) 2026 Freightliner M2-106 VIN 1FVACXFEXTHWV5607 with Powertrak 1000 Rear Loader 20 Yard Serial# 4F1304200	\$260,308.57
(1) 2026 Mack LR 64 Chassis VIN 1M2LR2GC7TM013058 with Python Automated Side Loader Durapack 28 Yard Serial# 7E7311448	\$431,463.68
(1) 2026 Mack LR64 Chassis VIN 1M2LR2GC4TM012482 with Python Automated Side Loader Durapack 28 Yard Serial# 7E7311449	\$431,463.68
(1) 2026 Mack LR64 Chassis VIN 1M2LR2GC3TM012795 with Python Automated Side Loader Durapack 28 Yard Serial# 7E7311451	\$431,463.68
(1) 2026 Mack LR64 Chassis VIN 1M2LR2GC5TM012796 with Half/Pack Commercial Odessey Front Loader 28 Yard Serial# HPE4972999	\$479,421.44
(1) 2026 Mack LR64 Chassis VIN 1M2LR2GC1TM012794 with Python Automated Side Loader Durapack 28 Yard Serial# 7E7311450	\$431,463.68

Debtor shall Maintain:

ALL RISK PROPERTY INSURANCE covering all risk of physical loss to each item of equipment described above for the actual value of such item(s), including Arvest Bank its Subsidiaries and Affiliates as LOSS PAYEE, and an endorsement or certificate issued to Secured Party stating that payment of any loss will be made to Arvest Bank and its Subsidiaries and the Debtor.

COMPREHENSIVE GENERAL PUBLIC AND AUTO LIABILITY INSURANCE with respect to each item financed, including Arvest Bank its Subsidiaries.

Please email ciwagner@arvest.com with any questions pertaining to insurance coverage



MUNICIPAL LEASE-PURCHASE AGREEMENT
Lease No. 375212337

This Municipal Lease-Purchase Agreement (this "Agreement"), dated as of March 17, 2026, is made and entered into by and between Arvest Equipment Finance, a division of Arvest Bank, an Arkansas banking corporation ("Lessor"), and CITY OF JONESBORO, ARKANSAS ("Lessee"), a Arkansas municipal corporation and a political subdivision of the State of Arkansas (the "State").

In consideration of the mutual covenants and conditions hereinafter set forth, the parties agree as follows:

- 1. Term and Payments.** Lessor hereby leases to Lessee and Lessee hereby leases from Lessor the property described in Exhibit A hereto (together with all replacement parts, substitutions, proceeds, increases, additions, accessions, repairs and accessories incorporated therein or affixed thereto, the "Property") for the amounts to be paid in the sums (the "Lease Payments") and on the dates (the "Lease Payment Dates") set forth in Exhibit B hereto. A portion of each Lease Payment shall be paid as and represents the payment of interest in the amounts set forth in Exhibit B. Subject to paragraph (c) of Section 14, the obligation of Lessee to make the Lease Payments called for in Exhibit B, except only as specifically provided for herein, shall be absolute and unconditional in all events and shall not be subject to any set-off, defense, counterclaim, or recoupment for any reason. Lessee acknowledges that it selected the Property and takes full responsibility for selection of the Property and the specifications of the Property. This Agreement shall commence on the earlier of: (a) the date on which the Property is accepted by Lessee (or the date on which Lessee accepts the first item of Property if this Agreement involves multiple items of Property) as evidenced by Lessee executing and delivering to Lessor a Certificate of Acceptance (as described herein); or (b) the date on which sufficient moneys to purchase the Property are deposited for that purpose with the Lessee or any escrow agent (the "Effective Date"). Lessee will evidence its acceptance of the Property by executing and delivering to Lessor a Certificate of Acceptance in the form attached to this Agreement or as otherwise provided by Lessor. The initial term of the Agreement means the period from the Effective Date until the end of the budget year of Lessee in effect as of the Effective Date (the "Initial Term"). This Agreement shall thereafter continue, and Lessee will be deemed to have exercised its option to continue this Agreement, unless earlier terminated as provided herein, for such optional additional one-year periods (with such one-year renewal periods being co-extensive with Lessee's budget year; each, a "Renewal Term"), until the last Lease Payment Date set forth in Exhibit B. Throughout this Agreement, the Initial Term and all Renewal Terms shall be called the "Lease Term." The Initial Term and all Renewal Terms through the Renewal Term including the last Lease Payment Date set forth on Exhibit B shall be referred to herein as the "Maximum Lease Term." The Lease Term shall end on the occurrence of the earliest event specified in Section 15.
- 2. Revenue Receipts.** Lessee represents and warrants that its chief administrative office, each year during the Lease Term including the last year before the year in which the Lease Term is to expire, will submit to and advocate for approval by its governing body of a budget that includes amounts

sufficient to pay the Lease Payments, plus all others sums due hereunder. Lessee also represents and warrants that its governing body, each budget year during the Lease Term, will fully consider and make all good faith and reasonable efforts to adopt a budget, for each successive budget year during the Lease Term, that specifically identifies amounts sufficient to permit Lessee to discharge all of its obligations hereunder. The obligation of Lessee to pay Lease Payments hereunder will constitute a current expense of Lessee, are from year to year and do not constitute a mandatory payment obligation of Lessee in any budget year beyond the then current budget year of Lessee. Lessee's obligation hereunder will not in any way be construed to be an indebtedness of Lessee in contravention of any applicable constitutional, charter or statutory limitation or requirement concerning the creation of indebtedness by Lessee, nor will anything contained herein constitute a pledge of the general credit, tax revenues, funds or moneys of Lessee.

3. **Taxes.** The parties to this Agreement contemplate that the Property will be used for a governmental or proprietary purpose of Lessee and, therefore, that the Property will be exempt from all property taxes and other similar charges. If the use, possession or acquisition of the Property is found to be subject to taxation in any form, Lessee will pay all taxes and governmental charges lawfully assessed or levied against or with respect to the Property. In addition to the Lease Payments to be made pursuant to Section 1 hereof, Lessee agrees, to the extent permitted by law and subject to the immunity and maximum liability provisions of the tort claims act or related law or act of the laws of the State, to pay, as additional rent, on demand, an amount equal to all licenses, assessments, sales, use, real or personal property, gross receipts or other taxes, levies, imposts, duties or charges, if any, together with any penalties, fines, or interest thereon imposed against or on Lessor, Lessee or the Property by any governmental authority upon or with respect to the Property or the purchase, ownership, rental, possession, operation, return or sale of, or receipt of payments for, the Property, except any Federal or state income taxes, if any, payable by Lessor. Lessee may contest any such taxes prior to payment provided such contest does not involve any risk of sale, forfeiture or loss of the Property or any interest therein. Lessee will pay such taxes and charges as the same become due; provided that, with respect to any such taxes and charges that may lawfully be paid in installments over a period of years, Lessee will be obligated to pay only such installments that accrue during the Lease Term.

4. **Lessee's Covenants and Representations.** Lessee covenants and represents as follows:

- (a) Lessee is a political subdivision duly organized and existing under the constitution and laws of the State, and Lessee will do or cause to be done all things to preserve and keep in full force and effect its existence as a political subdivision;
- (b) Lessee has a substantial amount of one or more of the following sovereign powers: (i) the power to tax; (ii) the power of eminent domain; and (iii) police power;
- (c) Lessee represents it has full power and authority to enter into this Agreement, which has been duly authorized, executed and delivered by Lessee following proper action and approval of Lessee's governing body at a meeting duly called, for which proper notice was given in the manner required by law, which meeting was regularly convened and attended throughout by a requisite majority or quorum of the members thereof or by other appropriate official approval and is a valid and binding obligation of Lessee enforceable in accordance with its terms, and all requirements for execution, delivery, and performance of this Agreement have been, or will be, complied with in a timely manner;
- (d) All approvals from any and all sources that are required prior to Lessee entering into this Agreement have been legally given and received;

- (e) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before any court, public board or body, pending or threatened against or affecting Lessee, nor to the best of Lessee's knowledge is there any basis therefor wherein an unfavorable decision, ruling or finding would materially adversely affect the transactions contemplated by this Agreement or any other document, agreement or certificate which is used or contemplated for use in the consummation of the transactions contemplated by this Agreement or materially adversely affect the financial condition or properties of Lessee;
- (f) This Agreement constitutes the legal, valid and binding obligation of Lessee enforceable in accordance with its terms, except to the extent limited by applicable bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally;
- (g) No event or condition that constitutes, or with the giving of notice or the lapse of time or both would constitute, an Event of Default exists at the Effective Date;
- (h) Information supplied and statements made by Lessee in any financial statement or current budget prior to or contemporaneously with this Agreement are true and correct, and Lessee has experienced no material change in its financial condition or in the revenues expected to be utilized to make Lease Payments due under the Agreement since the date of such information and statements supplied to Lessor;
- (i) Lessee will comply with all applicable provisions of the Internal Revenue Code of 1986, as amended (the "Code"), including without limitation Sections 103 and 141 through 148 thereof, and the applicable regulations of the Treasury Department to maintain the exclusion of the interest portion of the Lease Payments from gross income for purposes of federal income taxation;
- (j) Lessee will use the proceeds of this Agreement as soon as practicable and with all reasonable dispatch for the purpose for which this Agreement has been entered into. No part of the proceeds of this Agreement will be invested in any securities, obligations or other investments or used, at any time, directly or indirectly, in a manner which, if such use had been reasonably anticipated on the date of issuance of this Agreement, would have caused any portion of this Agreement to be or become an "arbitrage bond" within the meaning of Section 103(b)(2) or Section 148 of the Code and the applicable regulations of the Treasury Department;
- (k) Lessee has never failed to pay payments coming due under any bond issue, lease purchase agreement or other indebtedness obligation of Lessee;
- (l) The useful life of the Property will not be less than the Maximum Lease Term;
- (m) Lessee has an immediate need for, and expects to make immediate use of, substantially all the Property, which need is not temporary or expected to diminish in the foreseeable future; specifically, Lessee will not give priority or parity in the appropriation of funds for the acquisition or use of any additional property for purposes or functions similar to those of the Property;
- (n) Lessee has complied with such public bidding requirements as may be applicable to this Agreement and the acquisition by Lessee of the Property hereunder;

- (o) Lessee has, in accordance with the requirements of law, fully budgeted and appropriated sufficient funds for the current budget year to make the Lease Payments scheduled to come due during the Initial Term and to meet its other obligations for the Initial Term, and such funds have not been expended for other purposes; and
- (p) There are no circumstances presently affecting Lessee that could reasonably be expected to alter its foreseeable need for the Property or adversely affect its ability or willingness to budget funds for the payment of sums due hereunder.

5. **Use and Licenses.** Lessee shall pay and discharge all operating expenses of the Property and shall cause the Property to be operated by competent persons only. Lessee shall use the Property only for its proper purposes and will not install, use, operate, or maintain the Property improperly, carelessly, or in violation of any applicable law, ordinance, rule, or regulation of any governmental authority, or in a manner contrary to the nature of the Property or the use contemplated by its manufacturer. Lessee shall keep the Property at the location stated on the Certificate of Acceptance executed by Lessee upon delivery of the Property until Lessor, in writing, permits its removal unless the Property is such that it is to be used at more than one location, or is a vehicle, in which event the Property shall be stored and kept at the location stated on the Certificate of Acceptance when not in use. The Property shall be used solely in the conduct of Lessee's operations. Lessee shall obtain, at its expense, all registrations, permits, and licenses, if any, required by law for the installation and operation of the Property. Any license plates used on the Property shall be issued in the name of Lessee. If the Property is titled Property then Lessee shall cause a title to be issued in accordance with applicable law, and the title shall be delivered to Lessor showing the interest of Lessor.

6. **Maintenance.** Lessor shall not be obligated to make any repairs or replacements. At its own expense, Lessee shall service, repair, preserve and maintain the Property in as good condition, repair, appearance, and working order as when delivered to Lessee hereunder, ordinary wear and tear from proper use alone excepted, and shall replace any and all parts thereof which may from time to time become worn out, lost, stolen, destroyed, or damaged beyond repair or rendered unfit for intended use, for any reason whatsoever, all of which replacements shall be free and clear of all liens, encumbrances, and claims of others and shall become part of the Property and subject to this Agreement. Lessor may, in its sole and exclusive direction, but has no duty or obligation to do so, discharge such costs, expenses and insurance premiums necessary for the repair, maintenance and preservation of the Property, and all sums so expended shall be due from Lessee in addition to rental payments hereunder. If requested to do so by Lessor, Lessee will enter into a maintenance contract for the Property with the vendor(s).

7. **Alterations.**

- (a) Lessee may, at its own expense, install or place in or on, or attach or affix to, the Property such equipment or accessories as may be necessary or convenient to use the Property for its intended purposes provided that such equipment or accessories do not impair the value or utility of the Property. All such equipment and accessories shall be removed by Lessee upon termination of this Agreement, provided that any resulting damage shall be repaired at Lessee's expense. Unless Lessee has properly exercised its option to purchase pursuant to Section 13 hereof, any such equipment or accessories not removed upon the termination of this Agreement shall become the property of Lessor. Accessions shall become part of the Property and may not be removed by Lessee.

- (b) Without the written consent of Lessor, Lessee shall not make any other alterations, modifications, or improvements to the Property except as required or permitted hereunder. Any other alterations, modifications, or improvements to the Property shall immediately become part of the Property, subject to this Agreement. Without the prior written consent of Lessor, Lessee shall not affix or attach any of the Property to any real property. The Property shall remain personal property regardless of whether it becomes affixed or attached to real property or permanently rests upon any real property or any improvement thereon.
8. **Liens.** Lessee shall not directly or indirectly create, incur, assume, or suffer to exist any mortgage, security interest, pledge, lien, charge, encumbrance, or claim on or with respect to the Property, title thereto, or any interest therein, except the respective rights of Lessor and Lessee hereunder.
9. **Damages to or Destruction of Property.** Lessee shall bear the entire risk of loss, damage, theft, or destruction of the Property from any and every cause whatsoever, and no loss, damage, destruction or other event shall release Lessee from the obligation to pay the full amount of the Lease Payments or from any other obligation under this Agreement. In the event the Property or any portion thereof is damaged or destroyed, in whole or in part, or is damaged by fire or other casualty, Lessee will immediately place the same in good repair with proceeds of any insurance recovery applied to the cost of such repair. In the event title to, or the temporary use of, the Property or any part thereof or the interest of Lessee or Lessor in the Property or any part thereof will be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm or corporation acting under governmental authority, Lessee and Lessor will cause the proceeds of any insurance claim or condemnation award to be applied to the prompt replacement, repair, restoration, modification or improvement of the Property, unless Lessee has exercised its option to purchase the Property pursuant to Section 13. If Lessor determines that any item of Property is lost, stolen, destroyed, or damaged beyond repair, Lessee, at the option of Lessor, will either: (a) replace the same with like property in good repair, or (b) on the next Lease Payment Date, pay Lessor (i) all amounts then owed by Lessee to Lessor under this Agreement, including the Lease Payment due on such date, and (ii) an amount equal to the applicable Option to Purchase Value set forth in Exhibit B.
10. **Insurance.** At its own expense, Lessee shall either be self-insured with regard to the Property (but only if Lessee has Lessor's written permission to be self-insured) or shall purchase and maintain insurance with regard to the Property ("company insured"). Lessee shall indicate on each Certificate of Acceptance executed in relation to this Agreement its election to be self-insured or company insured with regard to the Property listed on that Certificate of Acceptance. Whether Lessee is self-insured or company insured, Lessee shall, for the term of this Agreement, at its own expense, provide comprehensive liability insurance with respect to the Property, insuring against such risks and in such amounts as are customary for lessees of property of a character similar to the Property (but in no event less than ten million dollars). In addition, Lessee shall, for the term of this Agreement, at its own expense, provide casualty insurance with respect to the Property, insuring against customary risks, coverage at all times not less than the amount of the unpaid principal portion of the Lease Payments required to be made pursuant to Section 1 as of the last preceding Lease Payment Date specified in Exhibit B. If insurance policies are provided with respect to the Property, all insurance policies shall be with insurers authorized to do business in the state where the Property is located and shall name both Lessor and Lessee as insured's as their respective interests may appear. All such casualty and liability insurance will be with insurers acceptable to Lessor, will name Lessor as a loss payee and an additional insured, and will contain a provision to the effect that such insurance will not be cancelled or modified materially without first giving written notice thereof to Lessor at least ten days in advance of such cancellation or

modification. Insurance proceeds from casualty losses shall be payable solely to Lessor, subject to the provisions of Section 9. Lessee shall, within three days of a request, deliver to Lessor evidence of the required coverages together with premium receipts, and each insurer shall agree to give Lessor written notice of non-payment of any premium due and ten (10) days' notice prior to cancellation or alteration of any such policy. Lessee shall also carry and require any other person or entity working on, in, or about the Property to carry worker's compensation insurance covering employees on, in, or about the Property. In the event Lessee fails, for any reason, to comply with the requirements of this Section: (a) Lessor may but is not required to (and shall have no liability for not doing so) in its sole and exclusive discretion, purchase insurance covering liability and/or casualty loss, and charge the same to Lessee; and (b) to the extent permitted by applicable law and subject to the immunity and maximum liability provisions of the tort claims act or related law or act of the laws of the State, Lessee shall indemnify, save harmless and, at Lessee's sole expense, defend Lessor and its agents, employees, officers, and directors and the Property against all risk of loss not covered by insurance.

11. **Indemnification.** To the extent permitted by law and subject to the immunity, liability and procedural provisions of the tort claims act or related law or act of the laws of the State, Lessee shall indemnify and save harmless, Lessor and its agents, employees, officers, and directors from and, at Lessee's expense, defend Lessor and its agents, employees, officers, and directors against all liability, obligations, losses, damages, penalties, claims, actions, costs, and expenses (including but not limited to reasonable attorneys' fees) of whatsoever kind or nature which in any way relate to or arise out of this Agreement or the ownership, rental, possession, operation, condition, sale, or return of the Property. All amounts which become due from Lessee under this Section 11 shall be credited with any amounts received by Lessor from insurance provided by Lessee (which is not applied to others sums due from Lessee) and shall be payable by Lessee within thirty (30) days following demand therefore by Lessor and shall survive the termination or expiration of this Agreement.
12. **No Warranty.** Lessee acknowledges that Lessor is not a dealer or manufacturer of Property of any kind and is not the seller of the Property, and that each unit of Property is of a type, size, design and capacity selected solely by Lessee. Lessee also acknowledges that Lessor finances the Property without any obligation to install, test, erect, service or maintain the Property. The only warranty applicable to the Property, if any, is that of the vendor(s). EXCEPT FOR REPRESENTATIONS, WARRANTIES, AND SERVICE AGREEMENTS RELATING TO THE PROPERTY MADE OR ENTERED INTO BY THE MANUFACTURERS OR SUPPLIERS OF THE PROPERTY, ALL OF WHICH ARE HEREBY ASSIGNED TO LESSEE, LESSOR HAS MADE AND MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AND ASSUMES NO OBLIGATION WITH RESPECT TO THE TITLE, OR THE CONFORMITY OF THE PROPERTY TO SPECIFICATION OR PURCHASE ORDER, ITS DESIGN, DELIVERY, INSTALLATION OR OPERATION. LESSEE LEASES THE PROPERTY AS IS. ALL WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY, VALUE, CONDITION, QUALITY, DURABILITY OR SUITABILITY OF THE PROPERTY IN ANY RESPECT OR IN CONNECTION WITH, OR FOR THE PURPOSES OR USES OF LESSEE, ARE HEREBY WAIVED AND DISCLAIMED. All such risks shall be borne by Lessee without in any way excusing Lessee from its obligations under this Agreement, and Lessor shall not be liable to Lessee for any damages on account of such risks. All claims or actions on any warranty so assigned shall be made or prosecuted by Lessee, at its sole expense, upon prior written notice to Lessor. Lessor may, but shall have no obligation whatsoever to, participate in such claim or action on such warranty, on Lessor's behalf at Lessor's expense. Any recovery under such a warranty shall be made payable jointly to Lessee and Lessor. Lessee may have rights under the contract(s) with the vendor(s) evidencing the purchase of the Property; Lessee is advised to contact

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

13. Option to Purchase. On any date following **April 3, 2028**, and provided Lessee has complied with the terms and conditions of this Agreement, Lessee shall have the option to purchase not less than all of the Property which is then subject to this Agreement, "AS IS" and "WHERE IS", for the Option to Purchase Amounts set forth in Exhibit B (the "Option to Purchase Amount"). Lessee may exercise such option to purchase by giving written notice to Lessor, not less than sixty (60) days prior to the date specified in Exhibit B for the exercise of such option at the following times and upon the following terms: (a) on any Lease Payment Date, provided that Lessee makes timely payment of all Lease Payments specified in Exhibit B and all other amounts then due hereunder plus the then-applicable Option to Purchase Amount; or (b) in the event of substantial damage to or destruction or condemnation (other than by Lessee or any entity controlled by or otherwise affiliated with Lessee) of substantially all of the Property, on the day Lessee specifies as the purchase date in Lessee's notice to Lessor of its exercise of its option to purchase the Property, upon payment in full of the Lease Payments specified in Exhibit B and all other amounts then due hereunder plus (i) the Option to Purchase Amount set forth in Exhibit B for such purchase date if such purchase date is a Lease Payment Date or the Option to Purchase Amount for the immediately preceding Lease Payment Date if such purchase date is not a Lease Payment Date, and (ii) if such day is not a Lease Payment Date, an amount equal to the portion of the interest component of the Lease Payment scheduled to come due on the following Lease Payment Date accrued from the immediately preceding Lease Payment Date to such purchase date, computed on the basis of a 360 day year of twelve 30 day months. Upon exercise of the option to purchase and payment of the applicable Option to Purchase Amount, Lessee shall be deemed to have acquired all of Lessor's right, title, and interest in and to the Property, free of any lien, encumbrance, or security interest except such liens, encumbrances, or security interest as may be created, or permitted and not discharged, by Lessee but without other warranties. Payment of the applicable Option to Purchase Amount shall occur on the applicable Lease Payment Date specified in Exhibit B, at which time Lessor shall, unless not required hereunder, deliver to Lessee a quitclaim bill of sale transferring Lessor's interest in the Property to Lessee free from any lien, encumbrance, or security interest except such as may be created, or permitted and not discharged, by Lessee but without other warranties. Upon Lessee's actual or constructive payment of the Option to Purchase Amount and Lessor's actual or constructive delivery of a quitclaim bill of sale covering the Property, this Agreement shall terminate except as to obligations or liabilities accruing hereunder prior to such termination and obligations and liabilities hereunder that expressly survive the termination of this Agreement.

14. Default and Lessor's Remedies.

(a) Subject to the provisions of paragraph (c) of this Section 14, the occurrence of one or more of the following events shall constitute an "Event of Default," whether occurring

voluntarily or involuntarily, by operation of law or pursuant to any order of any court or governmental agency:

- (1) Lessee fails to make any payment required to be paid hereunder at the time specified herein;
 - (2) Lessee fails to comply with any other covenant, condition or agreement of Lessee hereunder for a period of ten (10) days after notice thereof is given to Lessee by Lessor;
 - (3) Any statement, representation or warranty made by Lessee in or pursuant to this Agreement or its execution, delivery or performance, including but not limited to those representations and warranties in the Section titled "Revenue Receipts" and in the Section titled "Lessee's Covenants and Representations", shall prove to be false, incorrect, misleading, or breached in any material respect as of the date made;
 - (4) Lessee makes, permits, or suffers any unauthorized assignment, transfer, or other disposition of this Agreement or any interest herein, or any part of the Property or any interest therein;
 - (5) Any provision of this Agreement will at any time for any reason cease to be valid and binding on Lessee, or will be declared to be null and void, or the validity or enforceability thereof will be contested by Lessee or any governmental agency or authority if the loss of such provision would materially adversely affect the rights or security of Lessor, or Lessee will deny that it has any further liability or obligation under this Agreement; or
 - (6) Lessee becomes insolvent; or admits in writing its inability to pay its debts as they mature; or applies for, consents to or acquiesces in the appointment of a trustee, receiver, or custodian for Lessee or a substantial part of its property; or, in the absence of such application, consent, or acquiescence, a trustee, receiver, liquidator or custodian is appointed for Lessee or a substantial part of its property and is not discharged within sixty (60) days; or any bankruptcy, reorganization, debt arrangement, moratorium, or any proceeding under any bankruptcy or insolvency law, or any dissolution or liquidation proceeding is instituted by or against Lessee and, if instituted against Lessee, is consented to or acquiesced in by Lessee or is not dismissed within sixty (60) days; or Lessee makes a general assignment for the benefit of creditors.
- (b) To the extent permitted by law, and only upon the occurrence of any Event of Default specified herein, Lessor may, at its sole discretion without any further demand or notice, exercise any or all of the following remedies:
- (1) Enforce this Agreement by appropriate action to collect all amounts due or to become due hereunder, by acceleration of any amounts due, or action to cause Lessee to perform its other obligations hereunder in which event Lessee shall be liable for all costs and expenses incurred by Lessor;
 - (2) With or without terminating the Agreement, but only to the extent permitted by law, Lessor may accelerate all amounts due and payable under this Agreement,

enter the premises where the Property is located and retake possession of the Property, without demand or notice and without court order or any process of law, and remove and relet the same for Lessee's account, in which event Lessee: waives any and all damages resulting therefrom; shall be liable for all costs and expenses incurred by Lessor in connection therewith; shall pay to Lessor the difference, if any, between the amounts to be paid pursuant to Section 1 hereof titled "Term and Payments" less the amounts received and to be received by Lessor in connection with any such reletting in the event that such figure is a positive figure; and waives the right to receive the difference, if any, between the amounts to be paid pursuant to Section 1 hereof titled "Term and Payments" less the amounts received and to be received by Lessor in connection with any such reletting in the event that such figure is not a positive figure;

- (3) Terminate this Agreement, repossess the Property, and accelerate all amounts due and payable under this Agreement, in which event Lessee shall be liable for any amounts payable hereunder through the date of such termination and all costs and expenses incurred by Lessor in connection therewith plus the amount by which the applicable Option to Purchase Amount (calculated as if the option to purchase was exercised as of the date of termination) exceeds the then value of the Property;
- (4) Sell the Property or any portion thereof for Lessor's account at public or private sale, for cash or credit, without demand or notice to Lessee of Lessor's intention to do so, or sublease or relet the Property for a term and a rental which may be equal to, greater than, or less than the Lease Payments and Lease Term provided herein. If the proceeds from any such sale or rental payments received under a new agreement made for the periods prior to the expiration of this Agreement are less than the sum of (i) the costs of such repossession, sale, relocation, storage, reconditioning, subleasing, reletting, and reinstallation of the Property (including but not limited to reasonable attorneys' fees), (ii) the unpaid principal balance derived from Exhibit B as of the last preceding Lease Payment Date specified in Exhibit B, and (iii) any past due amounts hereunder (plus interest on such unpaid principal balance at the rate specified in Section 20 hereof, prorated to the date of such sale, reletting, or sublease), all of which shall be paid to Lessor, Lessor shall retain all such proceeds, and Lessee shall remain liable for any deficiency, which shall be immediately due and payable to Lessor;
- (5) Pursue and exercise any other remedy available at law or in equity. In all events Lessee shall be liable for any and all costs and expenses incurred by Lessor in connection with the exercise of any remedies. "Costs and expenses," as that term is used herein, shall mean, to the extent allowed by law: (i) reasonable attorneys' fees if this Agreement is referred for collection to an attorney who is not a salaried employee of Lessor or the holder of this Agreement; (ii) court costs and disbursements including such costs in the event of any action necessary to secure possession of the Property; and (iii) actual and reasonable out-of-pocket expenses incurred in connection with any repossession or foreclosure, including costs of storing, reconditioning, and reselling the Property, subject to the standards of good faith and commercial reasonableness set by the Uniform Commercial Code. To the extent permitted by law, Lessee waives all rights under all exemption laws; or
- (6) Lessee gives Lessor permission to enter upon any property where the Property is or may be located and/or stored for purposes of taking possession of same. In the

event that Lessor takes possession of the Property, Lessor shall have the right to take possession of and sell any and all Property located thereon and/or therein.

- (c) Notwithstanding anything contained in the Agreement to the contrary, it is understood and agreed by the parties hereto that the Lessee is obligated only to pay Lease Payments, plus any other sums due hereunder under the Agreement as may lawfully be made from funds budgeted and appropriated for those purposes during the Lessee's then current budget year or from funds made available from any lawfully operated, revenue producing source. Should Lessee fail to budget, appropriate or otherwise make available funds for payments due under the Agreement in any budget year, the Agreement shall be deemed terminated on the last day of the then current budget year for which appropriations were received without penalty or expense to the Lessee of any kind whatsoever, except as to the portions of the recurring charges herein agreed upon for which funds shall have been appropriated and budgeted or are otherwise made available. Lessee agrees to notify Lessor of such termination, which termination shall not constitute an Event of Default under the Agreement, at least sixty (60) days prior to the end of Lessee's then current budget year, but failure to give such notice will not extend the term of this Agreement beyond the then current budget year. If this Agreement is terminated in accordance with this Section, Lessee agrees, at Lessee's cost and expense, to peaceably deliver the Property to Lessor at the location or locations specified by Lessor. Notwithstanding the foregoing and only to the extent permitted by law, Lessee agrees that, if the Agreement is terminated in accordance with the provisions of this Section, Lessee shall not acquire or purchase any property of the type described in Exhibit A hereto for a period of ninety (90) days from the end of the then current budget year of the Lessee.

15. **Termination.** Unless Lessee has properly exercised its option to purchase pursuant to Section 13 hereof, Lessee shall, upon the expiration of the Lease Term or any earlier termination hereof pursuant to the terms of this Agreement, deliver the Property to Lessor unencumbered and in at least as good condition and repair as when delivered to Lessee, ordinary wear and tear resulting from proper use alone excepted, to such location or locations as Lessor shall designate at or within a reasonable distance from the general location of the Property. If Lessee fails to deliver the Property to Lessor, as provided in this Section 15, on or before the date of termination of this Agreement, Lessee shall pay to Lessor upon demand, for each month during the hold-over period, an amount equal to highest amount due during the Lease Term as a Lease Payment. If termination is due to a default, the provisions of Section 14 titled "Default and Lessor's Remedies" shall be applicable. Lessee hereby waives any right which it now has or which might be acquired or conferred upon it by any law or order of any court or other governmental authority to terminate this Agreement or its obligations hereunder, except in accordance with the express provisions hereof. The Lease Term will terminate upon the earlier to occur of: (a) the expiration of the Initial Term or any Renewal Term of this Agreement and the nonrenewal of this Agreement in the event of nonappropriation of funds pursuant to paragraph (c) of Section 14; (b) the exercise by Lessee of the option to purchase the Property under the provisions of Section 13 and payment of the Option to Purchase Amount and all amounts payable in connection therewith; (c) the occurrence of an Event of Default and Lessor's election to terminate this Agreement under Section 14; or (d) the payment by Lessee of all Lease Payments authorized or required to be paid by Lessee hereunder through the Maximum Lease Term.
16. **Assignment.** Without Lessor's prior written consent, Lessee will neither (i) assign, transfer, pledge, hypothecate, grant any security interest in, or otherwise dispose of this Agreement or the Property or any interest in this Agreement or the Property; or (ii) sublet or lend the Property or permit it to be used by anyone other than Lessee or Lessee's employees. Lessor's rights, title, and

interest in, to and under this Agreement and the Property, and any other documents executed with respect to this Agreement may be assigned and reassigned by Lessor in whole or in part (including the grant or assignment in whole or in part of a security interest in this Agreement and/or the Property) to one or more assignees without the necessity of obtaining the consent of Lessee and to the extent permitted by law. Any such assignees shall have all of the rights of Lessor under this Agreement. Subject to the foregoing, this Agreement inures to the benefit of and is binding upon the heirs, executors, administrators, successors, and assigns of the parties hereto. No assignment or reassignment of any of Lessor's rights, title, or interest in this Agreement or the Property shall be effective with regard to Lessee unless and until Lessee shall either have received a copy of the document by which the assignment or reassignment is made, or a notice signed by an officer of Lessor is delivered to Lessee, in either event disclosing the name and address of such assignee. No further action will be required by Lessor or by Lessee to evidence the assignment, but Lessee will acknowledge receipt of such assignment in writing if so required. During the term of this Agreement, and so long as Lessee is provided with written evidence of any assignment or reassignment, unless an exception otherwise applies, Lessee shall keep a complete and accurate record of all such assignments in form necessary to comply with Section 149(a) of the Code, and the regulations, proposed or existing, from time to time promulgated there under. Lessee agrees to execute all documents, including notices of assignment and chattel mortgages or financing statements, that may be reasonably requested by Lessor or any assignee to protect Lessor's interest in the Property and in this Agreement and agrees to the filing of financing statements with respect to the Property and this Agreement to the extent permitted by the laws of the State. Lessee will not have the right to and will not assert against any assignee any claim, counterclaim, defense, set-off or other right Lessee may have against Lessor.

17. **Personal Property.** The Property is and shall at all times be and remain personal property.
18. **Title.** Upon acceptance of the Property by Lessee hereunder as evidenced by Lessee's Certificate of Acceptance, Lessee shall have title to the Property during the term of this Agreement; however, in the event of an Event of Default hereunder and for so long as such Event of Default is continuing, Lessor may elect to have title transferred to its name.
19. **Lessor's Right to Perform for Lessee.** If Lessee fails to make any payment or perform or comply with any of its covenants or obligations hereunder, Lessor may, but shall not be required to, make such payment or perform or comply with such covenants and obligations on behalf of Lessee, and the amount of any such payment and the expenses (including but not limited to reasonable attorneys' fees) incurred by Lessor in performing or complying with such covenants and obligations, as the case may be, together with interest thereon at the rate applicable upon default, shall be payable by Lessee upon demand. Any and all other remedies provided for herein shall remain applicable.
20. **Interest on Default.** If Lessee fails to pay any Lease Payment specified in Section 1 hereof within ten (10) days after the due date thereof, Lessee shall pay to Lessor interest on such delinquent payment from the due date until paid at the interest rate specified on Exhibit B.
21. **Notices.** Any notices to be given or to be served upon any party hereto in connection with this Agreement must be in writing and may be given by regular mail, and shall be deemed to have been given and received forty-eight (48) hours after the letter containing such notice, postage prepaid, is deposited in the United States mail, and if given otherwise shall be deemed to have been given when delivered to and received by the party to whom it is addressed. Such notice shall be given to the parties at their respective addresses designated on the signature page of this Agreement or at such other address as either party may hereafter designate.

22. **Security Interest.** As security for Lessee's covenants and obligations hereunder, and only to the extent permitted by law, Lessor retains (and Lessee hereby grants to Lessor, and its successors), a security interest constituting a first lien on the Property, all accessions, additions and attachments thereto and substitutions therefrom and all proceeds therefrom, and, in addition to Lessor's rights hereunder, all of the rights and benefits of a secured party under the Uniform Commercial Code as in effect from time to time hereafter in the state in which the Property is located or any other state which may have jurisdiction over the Property. Lessee agrees to execute, acknowledge and deliver to Lessor in recordable form upon request any instruments with respect to the Property or this Agreement considered necessary or desirable by Lessor to perfect, maintain and/or continue its security interest in accordance with the laws of the applicable jurisdiction. Lessee agrees that financing statements may be filed with respect to the security interest in the Property. As further security therefor, Lessee grants to Lessor a first priority security interest in the cash and negotiable instruments from time to time comprising the escrow fund, if any, established under any related escrow agreement, if any, and all proceeds (cash and non-cash) thereof, and agrees with respect thereto that Lessor shall have all the rights and remedies of a secured party.
23. **Bank Qualification.** Lessee certifies that (a) it does not reasonably anticipate that more than \$10 million of tax-exempt obligations (other than private activity bonds that are not qualified 501(c)(3) bonds) will be issued by or on behalf of Lessee (or by any subordinate entities of Lessee) during the calendar year in which this Agreement is executed; and (b) Lessee (including all subordinate entities of Lessee) will not issue tax-exempt obligations (other than private activity bonds that are not qualified 501(c)(3) bonds) during the calendar year that the Agreement is executed and delivered, including the Agreement, in an amount that exceeds \$10 million, without first obtaining and delivering to Lessor the written advice of special tax counsel that the designation of the Agreement as a "qualified tax-exempt obligation" will not be adversely affected. Lessee hereby designates the Agreement as a "qualified tax-exempt obligation" under Section 265(b)(3) of the Code.
24. **Private Payment or Security.** Throughout the Lease Term, neither the payment of the Lease Payments hereunder nor any portion thereof is (i) secured by any interest in property used or to be used in a trade or business of a nonexempt person (within the meaning of Section 103 of the Code) or in payments in respect of such property or (ii) derived from payments in respect of property, or borrowed money, used or to be used in a trade or business of a nonexempt person (within the meaning of Section 103 of the Code).
25. **Private Business Use.** Throughout the Lease Term, all of the Property is expected to be owned and used by Lessee for purposes that are essential to the proper, efficient, and economic operation of Lessee. Throughout the Lease Term, the Lessee does not expect to have, and will not enter into, any agreements with any entity or person that relate to the use, operation or maintenance of the Property. Other than Lessee, no person or entity will own the Property or otherwise use, benefit from or enjoy the Property during the Lease Term. Throughout the Lease Term, no portion of the Property will be used directly or indirectly in any trade or business carried on by any nonexempt person (within the meaning of Section 103 of the Code). The Lessee may deviate from the provisions of this Section, provided such deviation is otherwise permitted under this Agreement, and Lessee first obtains an opinion of nationally recognized counsel in the area of tax exempt municipal obligations satisfactory to Lessor and addressed to Lessee and Lessor to the effect that the proposed deviation will not adversely affect the exclusion of the interest portion of the Lease Payments payable under the Agreement from gross income for federal income tax purposes.
26. **Arbitrage Rebate & Yield Restriction.** Lessee has incurred, or will incur within 6 months after the Effective Date, a substantial binding obligation to a third party to spend at least 5% of the sale

proceeds of the Agreement on the Property. The acquisition and installation of the Property and the allocation of the sale proceeds of the Agreement to expenditures will proceed with due diligence. At least 85% of the sale proceeds of the Agreement will be used to carry out the governmental purpose of the Agreement within 3 years after the Effective Date, and not more than 50% of the proceeds of the Agreement will be invested in investments having a substantially guaranteed yield for 4 years or more. All sale proceeds of the Agreement and any amounts received from investing the sale proceeds of the Agreement are expected to be allocated to expenditures for the Property in accordance with the following schedule: (1) 15% within 6 months from the Effective Date; (2) 60% within 12 months from the Effective Date; and (3) 100% within 18 months from the Effective Date. Prior to the expenditure of these amounts, Lessee expects to invest the sale proceeds in a money market account at a yield that is less than the yield on the Agreement. Lessee has not created or established, and does not expect to create or establish, any sinking fund, reserve fund, pledge fund, or other similar fund (1) that is reasonably expected to be used to pay the Lease Payments, or (2) that may be used solely to prevent a default in the payment of the Lease Payments if Lessee encounters financial difficulty. If these amounts are invested and allocated to expenditures as set forth in this paragraph, and if Lessee does not establish any sinking fund, reserve fund, pledge fund, or similar fund with respect to the Agreement, then no rebate or yield reduction computations will be necessary for the Agreement. If these amounts are not invested and spent as set forth in this paragraph, Lessee will engage special tax counsel, an independent certified public accountant, or a rebate analyst to compute arbitrage rebate on the Agreement and to pay rebate to the United States at least once every five years, and within 60 days following the Lease Term in accordance with Code § 148(f). In furtherance of the foregoing, Lessee covenants and agrees to file all necessary informational returns on a timely basis with the IRS in order for this Agreement to qualify as a tax-exempt obligation under Section 103 of the Code. Lessee agrees to provide Lessor with copies of all such filed returns relating to this Agreement contemporaneous with their filing. If Lessee fails to prepare any required rebate or yield reduction computations or to file the necessary informational returns with the IRS on a timely basis, Lessee hereby authorizes Lessor to engage a tax professional of Lessor's choosing to complete the required computations or returns, as applicable, on Lessee's behalf and at Lessee's expense. Lessee agrees to execute and file with the IRS any returns prepared by Lessor on Lessee's behalf.

27. **JURY TRIAL WAIVER.** THE PARTIES HERETO, AFTER CONSULTING (OR HAVING HAD AN OPPORTUNITY TO CONSULT) WITH COUNSEL OF THEIR CHOICE AND TO THE EXTENT PERMITTED BY LAW, KNOWINGLY AND VOLUNTARILY WAIVE ANY RIGHT TO A TRIAL BY JURY IN ANY AND ALL LITIGATION RELATED TO AND/OR ARISING OUT OF THIS AGREEMENT, ANY AGREEMENTS RELATED TO THIS AGREEMENT, AND/OR THE TRANSACTION CONTEMPLATED BY THIS AGREEMENT.
28. **LIMITATION OF REMEDIES AGAINST LESSOR.** LESSOR SHALL NOT BE RESPONSIBLE OR LIABLE FOR ANY LOSS OF BUSINESS, LOSS OF PROFITS, CONSEQUENTIAL DAMAGES, OR OTHER DAMAGE CAUSED BY AND OR RELATED TO THIS AGREEMENT AND/OR THE PROPERTY INCLUDING BUT NOT LIMITED TO: TIME LOST IN REPAIR OR REPLACING ANY PROPERTY, IRRESPECTIVE OF THE CAUSE THEREOF; FAILURE OR DELAY IN DELIVERING ANY PROPERTY LEASED OR TO BE LEASED HEREUNDER; FAILURE TO PERFORM ANY PROVISION HEREOF; FIRE OR OTHER CASUALTY; RIOT, STRIKE OR OTHER LABOR DIFFICULTY; GOVERNMENTAL REGULATIONS OR RESTRICTIONS; THEFT, DAMAGE TO, LOSS OF, DEFECT IN OR FAILURE OF ANY PROPERTY LEASED HEREUNDER; OR ANY OTHER CAUSE WHETHER OR NOT DUE TO NEGLIGENCE OR BEYOND LESSOR'S CONTROL. THERE SHALL BE NO ABATEMENT OR APPORTIONMENT OF MONTHLY RENT AT

ANY TIME OR FOR ANY REASON EXCEPT AS SPECIFICALLY ALLOWED BY THE TERMS OF THIS AGREEMENT.

29. Miscellaneous.

- (a) Lessee shall, whenever requested, advise Lessor of the exact location and condition of the Property and shall give Lessor immediate notice of any attachment or other judicial process affecting the Property. Lessor may, for the purpose of inspection, at all reasonable times enter upon any job, building, or place where the Property and the books and records of Lessee with respect thereto are located.
- (b) Lessee agrees to equitably adjust the amount of each remaining Lease Payment if there is a determination for any reason that the interest payable pursuant to this Agreement (as incorporated within the schedule of Lease Payments on Exhibit B) is not excludable from federal gross income in accordance with the Code, such as to make Lessor and its assigns whole. Lessee agrees to pay to Lessor promptly after any such determination and on each Lease Payment Date thereafter an additional amount determined by Lessor to compensate Lessor for the loss of such excludability (including without limitation, compensation relating to interest expense, penalties or additions to tax), which determination shall be conclusive absent manifest error.
- (c) Time is of the essence. No covenant or obligations hereunder to be performed by Lessee maybe waived except by the written consent of Lessor, and a waiver of any such covenant or obligation or a forbearance to invoke any remedy on any occasion shall not constitute or be treated as a waiver of such covenant or obligation as to any other occasion and shall not preclude Lessor from invoking such remedy at any later time prior to Lessee's cure of the condition giving rise to such remedy. Lessor's rights hereunder are cumulative and not alternative.
- (d) This Agreement shall be construed in accordance with, and governed by, the laws of the State.
- (e) This Agreement constitutes the entire agreement between the parties and shall not be modified, waived, discharged, terminated, amended, altered, or changed in any respect except by a written document signed by both Lessor and Lessee. The execution hereof on behalf of Lessee and Lessor shall be deemed to constitute the acceptance by Lessee and Lessor of the terms and conditions of each and every addendum, rider, supplement, schedule annex, attachment and exhibit hereto (to the extent the same exists) as if such document was separately and individually executed on behalf of such party hereto and shall constitute a part of this Agreement.
- (f) In the event any term or provision of this Agreement is held or found to be invalid, prohibited by law or unenforceable by any court of competent jurisdiction, such holding will not invalidate or render unenforceable any other provision in this Agreement.
- (g) Lessor shall have the right at any time or times, by notice to Lessee, to designate or appoint any person or entity to act as agent or trustee for Lessor for any purposes hereunder.
- (h) All transportation charges shall be borne by Lessee. Lessee will immediately notify Lessor of any changes occurring in or to the Property, of a change in Lessee's address, or in any

fact or circumstance warranted or represented by Lessee to Lessor, or if any Event of Default occurs.

- (i) Use of the neuter gender herein is for purposes of convenience only and shall be deemed to mean and include the masculine or feminine gender whenever and wherever appropriate.
- (j) The captions set forth herein are for convenience of reference only and shall not define or limit any terms or provisions hereof.
- (k) Except as otherwise provided herein, this Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, executors, administrators, legal representative, successors, and assigns, where permitted by this Agreement.
- (l) **NO THIRD PARTY BENEFICIARIES:** There are no third party beneficiaries of this Agreement and/or the transaction contemplated by this Agreement.
- (m) As used in this Agreement, the terms “law,” “laws,” “applicable law,” or “applicable laws” shall mean any applicable State law, rule, regulation, interpretation, judicial decision, letter ruling, court order, charter, ordinance, administrative directive, school mandate, including, without limitation, any written policy, resolution, directive or approval of trustees, school board or other authority with decision making power affecting Lessee, the Property or the obligations under this Agreement.
- (n) **ELECTRONIC SIGNATURES.** Lessor and Lessee agree that fax signatures are enforceable and that copies received via fax machines constitute an original signature for this Agreement and for any documents related to this Agreement. Documents received in electronic format (PDF, TIF and/or similar method) which are a copy of an original, showing a copy of a signature, are enforceable as if the enforcing party had the original signature.

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IN WITNESS WHEREOF, the parties have duly executed this Agreement on and as of the _____ day of _____, 20____.

LESSEE: CITY OF JONESBORO, ARKANSAS

300 South Church Street
Jonesboro, AR 72401

BY: _____

PRINTED NAME: Harold Copenhaver

PRINTED TITLE: Mayor

WITNESS SIGNATURE: _____

BY: _____

PRINTED NAME: April Leggett

PRINTED TITLE: City Clerk

WITNESS SIGNATURE: _____

LESSOR: ARVEST EQUIPMENT FINANCE, a division of Arvest Bank

P.O. Box 11110

Fort Smith, AR 72917

BY: _____

PRINTED NAME: Joey Parker

PRINTED TITLE: Commercial Banker 2

**EXHIBIT A
DESCRIPTION OF PROPERTY**

MUNICIPAL LEASE-PURCHASE AGREEMENT (THE "AGREEMENT") BY AND BETWEEN
LESSOR, ARVEST EQUIPMENT FINANCE, a division of Arvest Bank,
AND LESSEE, CITY OF JONESBORO, ARKANSAS, Dated as of March 17, 2026.

DESCRIPTION
(1) 2026 Mack LR64 Chassis VIN 1M2LR2GC5TM013057 with Python Automated Side Loader, Durapack 28 Yard Serial# 7E7311446
(1) 2026 Freightliner M2-106 VIN 1FVACXFEXTHWV5607 with Powertrak 1000 Rear Loader 20 Yard Serial# 4F1304200
(1) 2026 Mack LR 64 Chassis VIN 1M2LR2GC7TM013058 with Python Automated Side Loader Durapack 28 Yard Serial# 7E7311448
(1) 2026 Mack LR64 Chassis VIN 1M2LR2GC4TM012482 with Python Automated Side Loader Durapack 28 Yard Serial# 7E7311449
(1) 2026 Mack LR64 Chassis VIN 1M2LR2GC3TM012795 with Python Automated Side Loader Durapack 28 Yard Serial# 7E7311451
(1) 2026 Mack LR64 Chassis VIN 1M2LR2GC5TM012796 with Half/Pack Commercial Odessey Front Loader 28 Yard Serial# HPE4972999
(1) 2026 Mack LR64 Chassis VIN 1M2LR2GC1TM012794 with Python Automated Side Loader Durapack 28 Yard Serial# 7E7311450

PROPERTY LOCATION

300 South Church Street Jonesboro, AR 72401

EXHIBIT B
SCHEDULE OF LEASE PAYMENTS & OPTION TO PURCHASE AMOUNTS

MUNICIPAL LEASE-PURCHASE AGREEMENT (THE "AGREEMENT") BY AND BETWEEN
LESSOR, ARVEST EQUIPMENT FINANCE, a division of Arvest Bank,
AND LESSEE, CITY OF JONESBORO, ARKANSAS, Dated as of March 17, 2026.

No of Payments: 25

Payment Date: First payment will be due 30 days from funding.

Payment Amount:

24 @ \$58,098.53

1 @ \$1,713,000.00

Interest Amount: Final Amortization Schedule provided after funding.

Total Interest Paid: \$210,316.31

Principal Amount: Final Amortization Schedule provided after funding.

Total Principal Paid: \$2,897,048.41

Total Arvest Documentation Fees Financed: \$0.00

LESSEE: CITY OF JONESBORO, ARKANSAS

300 South Church Street

Jonesboro, AR 72401

BY: _____

PRINTED NAME: Harold Copenhaver

PRINTED TITLE: Mayor

WITNESS SIGNATURE: _____

BY: _____

PRINTED NAME: April Leggett

PRINTED TITLE: City Clerk

WITNESS SIGNATURE: _____



**ARKANSAS RIDER TO
MUNICIPAL LEASE-PURCHASE AGREEMENT**

This Rider to that certain Municipal Lease-Purchase Agreement (together with all Schedules, Exhibits and this Rider, the “Agreement”) dated as of March 17, 2026, between Arvest Equipment Finance, a division of Arvest Bank, an Arkansas banking corporation (together with its successors and assigns, “Lessor”), and CITY OF JONESBORO, ARKANSAS (together with its successors and assigns, “Lessee”), is incorporated in and is hereby made a part of the Agreement.

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

1. Notwithstanding any other provision of this Agreement, Lessee shall only be obligated to pay Rental Payments and other payments from funds budgeted and appropriated for that purpose during Lessee's then current budget year or, where appropriate, insurance proceeds (including self-insurance reserves if self-insurance is in effect).
2. Lessee hereby certifies that, prior to entering into the Agreement, it has strictly complied with either any public bidding or procurement laws, as and if applicable, and, accordingly, the Agreement does not violate public policy, and Lessee's exercise of its rights under the Agreement, including any option to prepay the Agreement, is in accordance with all applicable laws of the State.
3. Pursuant to Ark. Code Ann. § 6-20-402, Lessee acknowledges that any interest rate applicable to this Agreement shall not exceed the maximum interest rate for school bonds, as determined under § 6-20-1206.

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

[remainder of page intentionally blank]

LESSEE: CITY OF JONESBORO, ARKANSAS

By: _____

Name: Harold Copenhaver

Title: Mayor

Address: 300 South Church Street
Jonesboro, AR 72401

Date: _____

LESSEE: CITY OF JONESBORO, ARKANSAS

By: _____

Name: April Leggett

Title: City Clerk

Address: 300 South Church Street
Jonesboro, AR 72401

Date: _____

**LESSOR: ARVEST EQUIPMENT FINANCE,
A DIVISION OF ARVEST BANK**

By: _____

Name: Joey Parker

Title: Commercial Banker 2

Address: P.O. Box 11110
Fort Smith, AR 72917

Date: _____



CERTIFICATE OF ACCEPTANCE

Lease No. 375212337

MUNICIPAL LEASE-PURCHASE AGREEMENT (THE "AGREEMENT") BY AND BETWEEN LESSOR, **Arvest Equipment Finance**, a division of Arvest Bank and LESSEE, **CITY OF JONESBORO, ARKANSAS**.

- 1. ACCEPTANCE:** In accordance with the Agreement, Lessee hereby certifies that all the Property described herein (i) has been received by Lessee, (ii) has been thoroughly examined and inspected to the complete satisfaction of Lessee, (iii) has been found by Lessee to be in good operating order, repair, and condition, (iv) has been found to be of the size, design, quality, type and manufactured specified by Lessee, (v) has been found to be and is wholly suitable for Lessee's purposes, and (vi) is hereby unconditionally accepted by Lessee, in the condition received, for all purposes of the Agreement.

- 2. PROPERTY:**
 - (1) 2026 MACK LR64 Chassis VIN 1M2LR2GC5TM013057 with Python Automated Side Loader, Durapack 28 Yard Serial# 7E7311446
 - (1) 2026 Freightliner M2-106 VIN 1FVACXFEXTHWV5607 with Powertrak 1000 Rear Loader 20 Yard Serial# 4F1304200
 - (1) 2026 Mack LR 64 Chassis VIN 1M2LR2GC7TM013058 with Python Automated Side Loader Durapack 28 Yard Serial# 7E7311448
 - (1) 2026 Mack LR64 Chassis VIN 1M2LR2GC4TM012482 with Python Automated Side Loader Durapack 28 Yard Serial# 7E7311449
 - (1) 2026 Mack LR64 Chassis VIN 1M2LR2GC3TM012795 with Python Automated Side Loader Durapack 28 Yard Serial# 7E7311451
 - (1) 2026 Mack LR64 Chassis VIN 1M2LR2GC5TM012796 with Half/Pack Commercial Odessey Front Loader 28 Yard Serial# HPE4972999
 - (1) 2026 Mack LR64 Chassis VIN 1M2LR2GC1TM012794 with Python Automated Side Loader Durapack 28 Yard Serial# 7E7311450

- 3. USE:** The primary use of the Property is as follows:
SANITATION TRUCKS

- 4. PROPERTY LOCATION:**
300 South Church Street Jonesboro, AR 72401

- 5. INVOICING:** Invoices shall be sent to the following address, including to whose attention invoices should be directed:
300 South Church Street
Jonesboro, AR 72401

- 6. MAINTENANCE:** In accordance with Section 7.01 of the Agreement, Lessee agrees to, at its own expense, repair and maintain the Property for the term of the Agreement.

ACCEPTED on this _____ day of _____, _____.

LESSEE: CITY OF JONESBORO, ARKANSAS

By: _____

Name: Harold Copenhaver

Title: Mayor

LESSEE: CITY OF JONESBORO, ARKANSAS

By: _____

Name: April Leggett

Title: City Clerk



INCUMBENCY, INSURANCE, AND ESSENTIAL USE CERTIFICATES

Lease No. 375212337

MUNICIPAL LEASE-PURCHASE AGREEMENT BY AND BETWEEN
LESSOR, **Arvest Equipment Finance**, a division of Arvest Bank and LESSEE, **CITY OF JONESBORO,**
ARKANSAS

I, Harold CopenhaverApril Leggett, do hereby certify that I am the duly elected or appointed and acting MayorCity Clerk of CITY OF JONESBORO, ARKANSAS, a political subdivision or agency duly organized and existing under the laws of the State of Arkansas, that I have custody of the records of such entity, and that, as of the date hereof, the individual(s) named below are the duly elected or appointed officer(s) of such entity holding the office(s) set forth opposite their respective name(s). I further certify that such officer(s) have the authority on behalf of such entity to enter into that certain Municipal Lease-Purchase Agreement (the "Agreement") dated as of March 3, 2026, between such entity and Arvest Equipment Finance.

NAME	TITLE
Harold Copenhaver	Mayor
April Leggett	City Clerk

Lessee certifies that property and liability insurance, if applicable, have been secured in accordance with the Agreement and such coverage will be maintained in full force for the term of the Agreement. "Lessor or its Assigns" should be designated as loss payee and additional insured until Lessee is notified, in writing, to substitute a new loss payee. The following information is provided about insurance:

INSURANCE COMPANY/AGENT'S NAME: _____

INSURANCE COMPANY ADDRESS: _____

PHONE NUMBER: _____

POLICY NUMBER: _____

I, _____, _____, of CITY OF JONESBORO, ARKANSAS (“Lessee”), hereby certify that the Equipment to be leased to the undersigned under the certain Municipal Lease-Purchase Agreement dated as of March 3, 2026, between such entity and Arvest Equipment Finance (“Lessor”), will be used by the undersigned Lessee for the following purpose:

SANITATION TRUCKS

The undersigned Lessee hereby represents that the use of the Equipment is essential to its proper, efficient, and economic operation.

IN WITNESS WHEREOF, I have set my hand this _____ day of _____, _____.

By: _____

Title: _____



March 17, 2026

CITY OF JONESBORO, ARKANSAS
 300 South Church Street
 Jonesboro, AR 72401

Re:	Advance Payments with respect to Lease Agreement, dated <u>March 3, 2026</u> (the " <u>Lease</u> "), between Arvest Equipment Finance, a division of Arvest Bank (" <u>Arvest</u> ", " <u>we</u> " or " <u>us</u> "), and <u>CITY OF JONESBORO, ARKANSAS</u> (" <u>you</u> " and " <u>your</u> ")
Vendor:	<u>\$2,897,048.41 to RIVER CITY HYDRAULICS, INC.</u> <u>7 Sanitation Trucks</u> <u>Payment Term: Pay on Delivery</u> Invoice #65534, 65535, 65536, 65537, 65538, 65531, 65530

Thank you for choosing Arvest to provide leasing financing for the Equipment (as such term is defined in the Lease and hereinafter referred to as the "Equipment"). Because the Lease involves the vendor(s) listed above who either have multiple payment requests at different times or have requested payment in one or more installments prior to your final acceptance of the Equipment (each such payment to any vendor is called an "Advance Payment"), you have requested us to make such Advance Payments. We are willing to do so only pursuant to the terms and conditions stated below, all of which you accept by execution below.

1. This Agreement supplements the Lease until the date (the "Termination Date") that is the earlier of (a) your execution and delivery to us of an Acceptance Certificate in a form we approve covering all Equipment (an "Acceptance Certificate"), and our acceptance of your delivery of such certificate; or (b) the termination of this Agreement pursuant to Section 4 below after your payment of the Advance Payment SLV (as hereinafter defined) in accordance with such section. Prior to the Termination Date, we shall have all rights and remedies (and you shall have all obligations) under this Agreement and the Lease. For purposes of clarity (i) this Agreement shall in no way alter our rights in, or impose any obligations on us with respect to, any supply contract, purchase agreement or similar document relating to the acquisition of the Equipment or alter or otherwise affect our rights under the Lease; and (ii) your obligations hereunder shall be in addition to all of your obligations under the Lease. After the Termination Date, the relationship of the parties shall be governed solely by the Lease.

2. You agree to cause the vendors to invoice us for the amount of each Advance Payment, in advance of the time for making such Advance Payment and to approve each invoice which we are to pay. Any invoice delivered, executed, or initialed by any of your agents or employees will be conclusive evidence of your approval of such invoice and authorization to us to make payment to the vendor with respect thereto. Nothing contained herein shall obligate or require us to make any Advance Payments under this Agreement or under the Lease, and all Advance Payments shall be made at our option.

3. You agree that, notwithstanding anything to the contrary in the Lease: (a) the Commencement Date (as defined in the Lease) commences on the date of this Agreement; and (b) you shall begin paying all rental payments and other amounts due under the Lease at the times set forth in the Lease, based on the applicable Rent Commencement Date specified by us, irrespective of whether or when the Equipment is delivered.

4. If a Triggering Event (as defined below) occurs, we shall have the right to terminate this Agreement and the Lease and declare the Advance Payment SLV (as defined below) immediately due and payable hereunder, in which case you shall immediately pay the Advance Payment SLV to us at the address set forth in the Lease or at any other address as we may specify in writing. As used herein: (a) a "Triggering Event" shall be deemed to have occurred under this Agreement if: (i) you fail to pay any amount payable under this Agreement or the Lease when due; (ii) any representation or warranty you make in this Agreement, the Lease or any other present or future agreement with or certificate furnished to us, or any of our affiliates, proves to be false when made; (iii) you breach any term, condition or covenant under this Agreement, the Lease or under any other present or future agreement with us or any of our affiliates; (iv) for any reason whatsoever a vendor fails to deliver any item or unit of Equipment for which we have made one or more Advance Payments within ten (10) days after the date specified for delivery; or (v) you fail to accept all of the Equipment and execute an Acceptance Certificate for all Equipment within three months of the date of this letter; and (b) "Advance Payment SLV" shall mean an amount equal to the sum of (i) the total amount of all Advance Payments theretofore made by us, (ii) an advance payment fee equal to the implicit rate we used to calculate the amount of the scheduled rental payment due under the Lease as applied to the sum of all Advance Payments outstanding hereunder, and as computed on the basis of the actual number of days elapsed over a year composed of 360 days, (iii) any and all sales and other taxes related to the Equipment, this Agreement or any Advance Payment hereunder (other than our income taxes); and (iv) a premium (which is to compensate us for unanticipated repayment and not a penalty) equal to one and 50/100 percent (1.50 %) of the advance payment fee described in subsection 4(b)(ii). Upon our receipt of the full and indefeasible payment of the Advance Payment SLV, we, without further action, shall be deemed to have conveyed to you all of our right, title and interest in the Equipment (if any) AS IS, WHERE IS and WITH ALL FAULTS.

5. You hereby affirm all of the indemnities and other obligations you owe us under the Lease all of which are expressly incorporated herein by reference. Notwithstanding anything to the contrary in the Lease, all such obligations shall be binding upon your execution of this letter.

6. We are sure that you are aware, but want to reiterate, that Arvest is not an agent or affiliate of the vendor or any broker of the Equipment, and no such parties are Arvest's agents. **WE MAKE NO, AND HEREBY DISCLAIM, ANY AND ALL, REPRESENTATIONS OR WARRANTIES OF ANY KIND WITH RESPECT TO THE EQUIPMENT, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY, SUITABILITY, FITNESS FOR ANY PARTICULAR PURPOSE, OR VALUE. YOU HEREBY WAIVE ANY CLAIM (INCLUDING ANY CLAIM BASED IN STRICT OR ABSOLUTE LIABILITY IN TORT) YOU MIGHT HAVE AGAINST US OR OUR AFFILIATES FOR ANY LOSS, DAMAGE (INCLUDING INCIDENTAL OR CONSEQUENTIAL DAMAGES OR LOST PROFITS) OR EXPENSE CAUSED BY THE EQUIPMENT OR UNDER THIS AGREEMENT INCLUDING ANY DELAY OR FAILURE BY ANY SUPPLIER TO DELIVER ANY EQUIPMENT AND ANY MALFUNCTION OR OTHER PROBLEMS THEREWITH.**

7. This Agreement shall in no way bind us to make any Advance Payments, and we are providing it to you only to reflect the conditions under which we would be willing to make Advance Payments. This Agreement shall be effective against us only when it has been accepted by us as evidenced solely by our making of an Advance Payment hereunder. You hereby acknowledge that your execution of this Agreement constitutes an offer on your part which we may accept by advancing funds hereunder. Delivery of an executed counterpart of a signature page of this Agreement by telecopy, portable document format ("PDF") or other electronic means shall be binding on the parties and as effective as delivery of a manually executed counterpart of this Agreement. The provisions of Sections 14 (Assignment), 15 (Notices; Title Work), 16 (Choice of Law; Venue; Nonjury Trial), and 20 (Miscellaneous) of the Lease are hereby incorporated by reference. This Agreement may be executed separately by you, Guarantor (if any) and us in any number of counterparts, each of which, when so executed and delivered, shall be deemed to be an original and all of which, taken together, shall constitute but one and the same instrument. **YOU ACKNOWLEDGE THAT YOU ARE AWARE OF THE RISKS INHERENT IN ENTERING INTO A LEASE FINANCING FOR EQUIPMENT PRIOR TO INSPECTION OF SUCH EQUIPMENT AND THAT SUCH RISKS MAY INCREASE YOUR FINANCIAL EXPOSURE TO US.**

Sincerely,

Arvest Equipment Finance,
A division of Arvest Bank
P. O. Box 11110
Fort Smith, AR 72917

ACCEPTED AND AGREED TO on this the ___ day of _____, 202_.

LESSEE: CITY OF JONESBORO, ARKANSAS

By: _____
Name: Harold Copenhaver
Title: Mayor
Address: 300 South Church Street
City, State Zip: Jonesboro, AR 72401

LESSEE: CITY OF JONESBORO, ARKANSAS

By: _____
Name: April Leggett
Title: City Clerk
Address: 300 South Church Street
City, State Zip: Jonesboro, AR 72401



Automated ACH Transfer Authorization Form

I hereby authorize Arvest Bank to initiate an automated transfer from my account at the Financial Institution, as indicated below, all amounts due under any Equipment Finance Agreement, Lease Agreement, Master Equipment Finance Agreement, Master Lease Agreement or any other documents (collectively, the "**Agreements**") now or hereinafter executed by undersigned with or for Arvest Equipment Finance, a division of Arvest Bank ("**Arvest Equipment Finance**"), including without limitation (a) the Scheduled Payment Amount set forth below due under the Contract noted below, each time such payment is due; and (b) rent, principal and interest payments or other amounts payable pursuant to such contract and all other Agreements and all late fees, personal property tax, non-sufficient funds charges. Arvest Equipment Finance is further requested to deliver a copy of this letter to the Financial Institution as the undersigned's authorization to assist Arvest Equipment Finance in accordance with the terms of this letter.

Anything herein to the contrary notwithstanding, the undersigned agrees:

1. All actions contemplated by this letter are taken as a convenience to the undersigned only. Nothing herein, and no action taken hereunder, shall be deemed to release the undersigned from any obligations pursuant to the Agreements, including, without limitation, the obligation to pay rent, principal and interest payments or other amounts payable pursuant to the Agreements, and the undersigned agrees that if, for any reason, Arvest Equipment Finance is unable to effect the automatic withdrawal contemplated hereby, the undersigned shall, immediately upon notice and demand, pay all payments then due and payable under the Agreements.

2. Nothing herein, and no action on Arvest Equipment Finance's part, shall be deemed to create any undertaking or obligation on Arvest Equipment Finance's part and the undersigned hereby agrees to indemnify and hold harmless Arvest Equipment Finance and the Financial Institution for all actions taken by each of them, their officers, employees, agents and attorneys in connection with the matters contemplated by this letter.

3. Any request to set up a new payment transfer must be received by Arvest Equipment Finance a minimum of 15 days prior to the next scheduled payment. The first payment will begin per the contract agreement, and payments will be made on each subsequent due date or when otherwise due. This authorization will remain in effect until revoked by the payoff of the Arvest Equipment Finance Agreements or written notification from the customer prior to the next scheduled automatic payment. The undersigned agrees that ACH transactions it authorizes comply with all applicable laws.

Please set up this account for ACH: Yes No (if yes, please complete the remaining fields on the form)

CONTRACT NUMBER: 375212337

SCHEDULED PAYMENT AMOUNT: 24 @ \$58,098.53

1 @ \$1,713,000.00

Financial Institution Account to Debit:

Bank Name/City/State: _____

Routing Number: _____

Account Number: _____

Federal ID and/or SS#: 716013749

Customer Name: CITY OF JONESBORO, ARKANSAS

Customer Address: 300 South Church Street Jonesboro, AR 72401

Phone #: 870-932-1052

Customer's Signature: _____ Date: _____

******Please Attach a Voided Check or a Photocopy of Check******
(This is a requirement; the automated monthly transfer will not be established without this requirement)

Final payment may not Auto Debit if greater than your established contract payment



Customer Verification

CUSTOMER INFORMATION	
Business Name:	CITY OF JONESBORO, ARKANSAS
Contact Name:	Harold Copenhaver
Phone #	870-932-1052
Billing Address:	300 South Church Street Jonesboro, AR 72401

<input checked="" type="checkbox"/> Equipment will be or has been delivered/installed on: TBD	
<input checked="" type="checkbox"/> I authorize Arvest Equipment Finance to release funds to payee	RIVER CITY HYDRAULICS, INC.
<input checked="" type="checkbox"/> Customer agrees to be set up on Monthly Billing Statements unless a Signed ACH Document and Voided Check Copy is returned	
<input checked="" type="checkbox"/> Payments will be in the following amounts before taxes, if applicable: 24 @ \$58,098.53 1 @ \$1,713,000.00	*If lessee is on ACH, taxes will be deducted when due, otherwise an invoice will be sent ** <u>Final payment may not Auto Debit if greater than your established contract payment</u>
<input checked="" type="checkbox"/> Term of 25 Months with 25 Monthly payments.	
<input checked="" type="checkbox"/> First payment will be due 30 days from funding.	
<input checked="" type="checkbox"/> Required: Gross Annual Revenue	\$61,424,110.00
<input checked="" type="checkbox"/> Email Address	hcopenhaver@jonesboro.org

Authorized Signature(s): _____

Date: _____



AUTHORIZATION TO PROVIDE AND RELEASE INFORMATION

This Borrower Authorization form will allow Arvest or its authorized representative to share information about your loan account with third parties.

TO: ARVEST
LOAN NUMBER: 375212337
DATE: March 3, 2026
BORROWER(S): CITY OF JONESBORO, ARKANSAS

I/We, CITY OF JONESBORO, ARKANSAS, currently residing 300 South Church Street Jonesboro, AR 72401 In the, State of Arkansas, hereby authorize Arvest to release, furnish, provide, exchange and request information related to my/our loan to:

Authorized Third Party/Parties

Name of Third Party #1: _____

Address: _____

Phone Number: _____

Email Address: _____

Last 4 of Social Security for verification: _____

Name of Third Party #2: _____

Address: _____

Phone Number: _____

Email Address: _____

Last 4 of Social Security for verification _____

And, I/We hereby authorize Arvest to release, furnish, provide, exchange and request information related to the account above to the Authorized Third Party identified above. And, I/We hereby authorize Arvest to accept electronic payments from the Authorized Third Party identified above.

Expiration of Authorization

This authorization will remain valid until revoked in writing.

You may revoke this authorization at any time by providing written notice to Arvest.

I/We, hereby indemnify and forever hold Arvest harmless from any and all actions and causes of actions, suits, claims, attorney’s fees, or demands against Arvest, which I/we and or my/our heirs may have resulting from Arvest discussing, or declining to discuss, my/our account with the above-named requestor or person identifying himself/herself to be that requestor, or resulting from providing, or declining to provide, any documents or other information concerning the account of the requestor.

Signed by: CITY OF JONESBORO, ARKANSAS

Signature Date

Harold Copenhaver

(Printed Name)

Signed by: CITY OF JONESBORO, ARKANSAS

Signature

Date

April Leggett
(Printed Name)

▶ Under Internal Revenue Code section 149(e)

▶ See separate instructions.

Department of the Treasury
Internal Revenue Service

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

▶ Go to www.irs.gov/F8038G for instructions and the latest information.

Part I Reporting Authority		Check box if Amended Return <input type="checkbox"/>
1 Issuer's name CITY OF JONESBORO, ARKANSAS	2 Issuer's employer identification number (EIN) 71-6013749	
3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions) HAROLD COPENHAVER	3b Telephone number of other person shown on 3a 870-932-1052	
4 Number and street (or P.O. box if mail is not delivered to street address) 300 SOUTH CHURCH ST	Room/suite	5 Report number (For IRS Use Only) 3
6 City, town, or post office, state, and ZIP code JONESBORO, AR 72401	7 Date of issue	
8 Name of issue SANITATION TRUCKS	9 CUSIP number	
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information	10b Telephone number of officer or other employee shown on 10a	

Part II Type of Issue (Enter the issue price.) See the instructions and attach schedule.		
11 Education		11
12 Health and hospital		12
13 Transportation	2897048.41	13
14 Public safety		14
15 Environment (including sewage bonds)		15
16 Housing		16
17 Utilities		17
18 Other. Describe ▶		18
19a If bonds are TANs or RANs, check only box 19a		<input type="checkbox"/>
b If bonds are BANs, check only box 19b		<input type="checkbox"/>
20 If bonds are in the form of a lease or installment sale, check box		<input type="checkbox"/>

Part III Description of Bonds. 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	04/17/2028	\$ 2897048.41	\$	2 years	4.30 %

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

Part V Description of Refunded Bonds. Complete this part only for refunding bonds.	
31 Enter the remaining weighted average maturity of the 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)	_____

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 <input type="checkbox"/> 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	<input checked="" type="checkbox"/>	
40	If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box	<input type="checkbox"/>	
41a	If the issuer has identified a hedge, check here <input type="checkbox"/> 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	<input type="checkbox"/>	
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	<input type="checkbox"/>	
44	If the issuer has established written procedures to monitor the requirements of section 148, check box	<input type="checkbox"/>	
45a	If some portion of the proceeds was used to reimburse expenditures, check here <input type="checkbox"/> 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 examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.			
	▶ _____ Signature of issuer's authorized representative	▶ _____ Date	▶ _____ Type or print name and title	
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed PTIN
	Firm's name ▶	Firm's EIN ▶		
	Firm's address ▶	Phone no. ▶		