



June 2, 2010

Mr. Harland Westmoreland  
CITY OF EULESS  
201 N. Ector Dr.  
Euless TX 76039

Dear Mr. Westmoreland:

Enclosed for your review, please find the **Municipal Lease** documentation in connection with the radio equipment to be leased from Motorola. The interest rate and payment streams outlined in Equipment Lease-Purchase Agreement #23118 are valid for contracts that are executed and returned to Motorola on or before **June 25, 2010**. After **6/25/10**, the Lessor reserves the option to re-quote and re-price the transaction based on current market interest rates.

Please have the documents executed where indicated and forward the documents to the following address:

Motorola Credit Corporation  
Attn: Bill Stancik / 5<sup>th</sup> Floor (SH5-B)  
1301 E. Algonquin Rd  
Schaumburg, IL 60196

Should you have any questions, please contact me at 847-538-4531.

Thank You,

A handwritten signature in black ink, appearing to read 'Bill Stancik', with a long horizontal flourish extending to the right.

MOTOROLA CREDIT CORPORATION  
Bill Stancik

# LESSEE FACT SHEET

Please help Motorola, Inc. provide excellent billing service by providing the following information:

1. Complete Billing Address CITY OF EULESS

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Attention: \_\_\_\_\_

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

2. Lessee County Location: \_\_\_\_\_

3. Federal Tax I.D. Number \_\_\_\_\_

4. Purchase Order Number to be referenced on invoice (if necessary) or other "descriptions" that may assist in determining the applicable cost center or department: \_\_\_\_\_

5. Equipment description that you would like to appear on your invoicing: \_\_\_\_\_

## Appropriate Contact for Documentation / System Acceptance Follow-up:

6. Appropriate Contact & Mailing Address \_\_\_\_\_

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

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

7. Payment remit to address:

**Motorola Credit Corp.**  
**P.O. Box 71132**  
**Chicago IL 60694-1132**

Thank you

## EQUIPMENT LEASE-PURCHASE AGREEMENT

Lease Number: 23118

**LESSEE:**

**CITY OF EULESS**  
201 N. Ector Dr.  
Euless, TX 76039

**LESSOR:**

Motorola, Inc.  
1301 E. Algonquin Rd.  
Schaumburg, IL 60196

Lessor agrees to lease to Lessee and Lessee agrees to lease from Lessor, the Equipment described in any Schedule A now or hereafter attached hereto ("Equipment") in accordance with the following terms and conditions of this Equipment Lease-Purchase Agreement ("Lease").

**1. TERM.** This Lease will become effective upon the execution hereof by Lessor. The Term of this Lease will commence on date specified in Schedule A and unless terminated according to terms hereof or the purchase option, provided in Section 18, is exercised this Lease will continue until the Expiration Date set forth in Schedule B attached hereto ("Lease Term").

**2. RENT.** Lessee agrees to pay to Lessor or its assignee the Lease Payments (herein so called), including the interest portion, in the amounts specified in Schedule B. The Lease Payments will be payable without notice or demand at the office of the Lessor (or such other place as Lessor or its assignee may from time to time designate in writing), and will commence on the first Lease Payment Date as set forth in Schedule B and thereafter on each of the Lease Payment Dates set forth in Schedule B. Any payments received later than ten (10) days from the due date will bear interest at the highest lawful rate from the due date. Except as specifically provided in Section 5 hereof, the Lease Payments will be absolute and unconditional in all events and will not be subject to any set-off, defense, counterclaim, or recoupment for any reason whatsoever. Lessee reasonably believes that funds can be obtained sufficient to make all Lease Payments during the Lease Term. It is Lessee's intent to make Lease Payments for the full Lease Term if funds are legally available therefor and in that regard Lessee represents that the Equipment will be used for one or more authorized governmental or proprietary functions essential to its proper, efficient and economic operation.

**3. DELIVERY AND ACCEPTANCE.** Lessor will cause the Equipment to be delivered to Lessee at the location specified in Schedule A ("Equipment Location"). Lessee will accept the Equipment as soon as it has been delivered and is operational. Lessee will evidence its acceptance of the Equipment by executing and delivering to Lessor a Delivery and Acceptance Certificate in the form provided by Lessor.

Even if Lessee has not executed and delivered to Lessor a Delivery and Acceptance Certificate, if Lessor believes the Equipment has been delivered and is operational, Lessor may require Lessee to notify Lessor in writing (within five (5) days of Lessee's receipt of Lessor's request) whether or not Lessee deems the Equipment (i) to have been delivered and (ii) to be operational, and hence be accepted by Lessee. If Lessee fails to so respond in such five (5) day period, Lessee will be deemed to have accepted the Equipment and be deemed to have acknowledged that the Equipment was delivered and is operational as if Lessee had in fact executed and delivered to Lessor a Delivery and Acceptance Certificate.

**4. REPRESENTATIONS AND WARRANTIES.** Lessor acknowledges that the Equipment leased hereunder is being manufactured and installed by Motorola, Inc. pursuant to contract (the "Contract") covering the Equipment. Lessee acknowledges that on or prior to the date of acceptance of the Equipment, Lessor intends to sell and assign Lessor's right, title and interest in and to this Agreement and the Equipment to an assignee ("Assignee"). LESSEE FURTHER ACKNOWLEDGES THAT EXCEPT AS EXPRESSLY SET FORTH IN THE CONTRACT, LESSOR MAKES NO EXPRESS OR IMPLIED WARRANTIES OF ANY NATURE OR KIND WHATSOEVER, AND AS BETWEEN LESSEE AND THE ASSIGNEE, THE PROPERTY SHALL BE ACCEPTED BY LESSEE "AS IS" AND "WITH ALL FAULTS". LESSEE AGREES TO SETTLE ALL CLAIMS DIRECTLY WITH LESSOR AND WILL NOT ASSERT OR SEEK TO ENFORCE ANY SUCH CLAIMS AGAINST THE ASSIGNEE. NEITHER LESSOR NOR THE ASSIGNEE SHALL BE LIABLE FOR ANY DIRECT, INDIRECT, SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES OF ANY CHARACTER AS A RESULT OF THE LEASE OF THE EQUIPMENT, INCLUDING WITHOUT LIMITATION, LOSS OF PROFITS, PROPERTY DAMAGE OR LOST PRODUCTION WHETHER SUFFERED BY LESSEE OR ANY THIRD PARTY.

Lessor is not responsible for, and shall not be liable to Lessee for damages relating to loss of value of the Equipment for any cause or situation (including, without limitation, governmental actions or regulations or actions of other third parties).

**5. NON-APPROPRIATION OF FUNDS.** Notwithstanding anything contained in this Lease to the contrary, in the event the funds appropriated by Lessee's governing body in any fiscal period of Lessee for Lease Payments or other amounts due under this Lease are insufficient therefor, this Lease shall terminate on the last day of the fiscal period for which appropriations were received without penalty or expense to Lessee of any kind whatsoever, except as to the portions of Lease Payments or other amounts herein agreed upon for which funds shall have been appropriated and budgeted. The Lessee will immediately notify the Lessor or its Assignee of such occurrence. In the event of such termination, Lessee agrees to peaceably surrender possession of the Equipment to Lessor or its Assignee on the date of such termination, packed for shipment in accordance with manufacturer specifications and freight prepaid and insured to any location in the continental United States designated by Lessor. Lessor will have all legal and equitable rights and remedies to take possession of the Equipment. Notwithstanding the foregoing, Lessee agrees, to the extent not prohibited by law, that it will not cancel this Lease under the provisions of this Section if any funds are appropriated to it, or by it, for the acquisition, retention or operation of the Equipment for the fiscal period in which such termination occurs or the next succeeding fiscal period thereafter.

**6. LESSEE CERTIFICATION.** Lessee represents, covenants and warrants that: (i) Lessee is a state or a duly constituted political subdivision or agency of the state of the Equipment Location; (ii) the interest portion of the Lease Payments shall be excludable from Lessor's gross income pursuant to Section 103 of the Internal Revenue Code of 1986, as it may be amended from time to time (the "Code"); (iii) the execution, delivery and performance by the Lessee of this Lease have been duly authorized by all necessary action on the part of the Lessee; (iv) this Lease constitutes a legal, valid and binding obligation of the Lessee enforceable in accordance with its terms; (v) Lessee will comply with the information reporting requirements of Section 149(e) of the Code, and such compliance shall include but not be limited to the execution of information statements requested by Lessor; (vi) Lessee will not do or cause to be done any act which will cause, or by omission of any act allow, the Lease to be an arbitrage bond within the meaning of Section 148(a) of the Code; (vii) Lessee will not do or cause to be done any act which will cause, or by omission of any act allow, this Lease to be a private activity bond within the meaning of Section 141(a) of the Code; (viii) Lessee will not do or cause to be done any act which will cause, or by omission of any act allow, the interest portion of the Lease Payments to be or become includible in gross income for Federal income taxation purposes under the Code; and (ix) Lessee will be the only entity to own, use and operate the Equipment during the Lease Term.

Lessee represents, covenants and warrants that (i) it will do or cause to be done all things necessary to preserve and keep the Lease in full force and effect, (ii) it has complied with all public bidding and Bond Commission requirements (as defined in the Code) where necessary and by due notification presented this Lease for approval and adoption as a valid obligation on its part, and (iii) it has sufficient appropriations or other funds available to pay all amounts due hereunder for the current fiscal period.

If Lessee breaches the covenant contained in this Section, the interest component of Lease Payments may become includible in gross income of the owner or owners thereof for federal income tax purposes. In such event, notwithstanding anything to the contrary contained in Section 11 of this Agreement, Lessee agrees to pay promptly after any such determination of taxability and on each Lease Payment date thereafter to Lessor an additional amount determined by Lessor to compensate such owner or owners for the loss of such excludibility (including, without limitation, compensation relating to interest expense, penalties or additions to tax), which determination shall be conclusive (absent manifest error). Notwithstanding anything herein to the contrary, any additional amount payable by Lessee pursuant to this Section 6 shall be payable solely from Legally Available Funds.

It is Lessor's and Lessee's intention that this Agreement not constitute a "true" lease for federal income tax purposes and, therefore, it is Lessor's and Lessee's intention that Lessee be considered the owner of the Equipment for federal income tax purposes.

**7. TITLE TO EQUIPMENT; SECURITY INTEREST.** Upon delivery of the Equipment to Lessee hereunder, title to the Equipment will vest in Lessee; provided, however, that (i) in the event of termination of this Lease by Lessee pursuant to Section 5 hereof; (ii) upon the occurrence of an Event of Default hereunder, and as long as such Event of Default is continuing; or (iii) in the event that the purchase option has not been exercised prior to the Expiration Date, title will immediately vest in Lessor or its Assignee. In order to secure all of its obligations hereunder, Lessee hereby (i) grants to Lessor a first and prior security interest in any and all right, title and interest of Lessee in the Equipment and in all additions, attachments, accessions, and substitutions thereto, and on any proceeds therefrom; (ii) agrees that this Lease may be filed as a financing statement evidencing such

security interest; and (iii) agrees to execute and deliver all financing statements, certificates of title and other instruments necessary or appropriate to evidence such security interest.

**8. USE; REPAIRS.** Lessee will use the Equipment in a careful manner for the use contemplated by the manufacturer of the Equipment and shall comply with all laws, ordinances, insurance policies and regulations relating to, and will pay all costs, claims, damages, fees and charges arising out of the possession, use or maintenance of the Equipment. Lessee, at its expense will keep the Equipment in good repair and furnish all parts, mechanisms and devices required therefor.

**9. ALTERATIONS.** Lessee will not make any alterations, additions or improvements to the Equipment without Lessor's prior written consent unless such alterations, additions or improvements may be readily removed without damage to the Equipment.

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

**11. LIENS AND TAXES.** Lessee shall keep the Equipment free and clear of all levies, liens and encumbrances except those created under this Lease. Lessee shall pay, when due, all charges and taxes (local, state and federal) which may now or hereafter be imposed upon the ownership, leasing, rental, sale, purchase, possession or use of the Equipment, excluding however, all taxes on or measured by Lessor's income. If Lessee fails to pay said charges and taxes when due, Lessor shall have the right, but shall not be obligated, to pay said charges and taxes. If Lessor pays any charges or taxes, Lessee shall reimburse Lessor therefor within ten days of written demand.

**12. RISK OF LOSS: DAMAGE; DESTRUCTION.** Lessee assumes all risk of loss or damage to the Equipment from any cause whatsoever, and no such loss of or damage to the Equipment nor defect therein nor unfitness or obsolescence thereof shall relieve Lessee of the obligation to make Lease Payments or to perform any other obligation under this Lease. In the event of damage to any item of Equipment, Lessee will immediately place the same in good repair with the proceeds of any insurance recovery applied to the cost of such repair. If Lessor determines that any item of Equipment is lost, stolen, destroyed or damaged beyond repair, Lessee at the option of Lessor will: either (a) replace the same with like equipment in good repair; or (b) on the next Lease Payment date, pay Lessor the sum of : (i) all amounts then owed by Lessee to Lessor under this Lease, including the Lease payment due on such date; and (ii) an amount equal to all remaining Lease Payments to be paid during the Lease Term as set forth in Schedule B.

In the event that Lessee is obligated to make such payment with respect to less than all of the Equipment, Lessor will provide Lessee with the pro rata amount of the Lease Payment and the Balance Payment (as set forth in Schedule B) to be made by Lessee with respect to that part of the Equipment which has suffered the Event of Loss.

**13. INSURANCE.** Lessee will, at its expense, maintain at all times during the Lease Term, fire and extended coverage, public liability and property damage insurance with respect to the Equipment in such amounts, covering such risks, and with such insurers as shall be satisfactory to Lessor, or, with Lessor's prior written consent, Lessee may self-insure against any or all such risks. All insurance covering loss of or damage to the Equipment shall be carried in an amount no less than the amount of the then applicable Balance Payment with respect to such Equipment. The initial amount of insurance required is set forth in Schedule B. Each insurance policy will name Lessee as an insured and Lessor or it's Assigns as an additional insured, and will contain a clause requiring the insurer to give Lessor at least thirty (30) days prior written notice of any alteration in the terms of such policy or the cancellation thereof. The proceeds of any such policies will be payable to Lessee and Lessor or it's Assigns as their interests may appear. Upon acceptance of the Equipment and upon each insurance renewal date, Lessee will deliver to Lessor a certificate evidencing such insurance. In the event that Lessee has been permitted to self-insure, Lessee will furnish Lessor with a letter or certificate to such effect. In the event of any loss, damage, injury or accident involving the Equipment, Lessee will promptly provide Lessor with written notice thereof and make available to Lessor all information and documentation relating thereto.

**14. INDEMNIFICATION.** Lessee shall, to the extent permitted by law, indemnify Lessor against, and hold Lessor harmless from, any and all claims, actions, proceedings, expenses, damages or liabilities, including attorneys' fees and court costs, arising in connection with the Equipment, including, but not limited to, its selection,

purchase, delivery, possession, use, operation, rejection, or return and the recovery of claims under insurance policies thereon.

**15. ASSIGNMENT.** Without Lessor's prior written consent, Lessee will not either (i) assign, transfer, pledge, hypothecate, grant any security interest in or otherwise dispose of this Lease or the Equipment or any interest in this Lease or the Equipment or; (ii) sublet or lend the Equipment or permit it to be used by anyone other than Lessee or Lessee's employees. Lessor may assign its rights, title and interest in and to this Lease, the Equipment and any documents executed with respect to this Lease and/or grant or assign a security interest in this Lease and the Equipment, in whole or in part. Any such assignees shall have all of the rights of Lessor under this Lease. Subject to the foregoing, this Lease inures to the benefit of and is binding upon the heirs, executors, administrators, successors and assigns of the parties hereto.

Lessee covenants and agrees not to assert against the Assignee any claims or defenses by way of abatement, setoff, counterclaim, recoupment or the like which Lessee may have against Lessor. No assignment or reassignment of any Lessor's right, title or interest in this Lease or the Equipment shall be effective unless and until Lessee shall have received a notice of assignment, disclosing the name and address of each such assignee; provided, however, that if such assignment is made to a bank or trust company as paying or escrow agent for holders of certificates of participation in the Lease, it shall thereafter be sufficient that a copy of the agency agreement shall have been deposited with Lessee until Lessee shall have been advised that such agency agreement is no longer in effect. During the Lease Term Lessee shall keep a complete and accurate record of all such assignments in form necessary to comply with Section 149(a) of the Code, and the regulations, proposed or existing, from time to time promulgated thereunder. No further action will be required by Lessor or by Lessee to evidence the assignment, but Lessee will acknowledge such assignments in writing if so requested.

After notice of such assignment, Lessee shall name the Assignee as additional insured and loss payee in any insurance policies obtained or in force. Any Assignee of Lessor may reassign this Lease and its interest in the Equipment and the Lease Payments to any other person who, thereupon, shall be deemed to be Lessor's Assignee hereunder.

**16. EVENT OF DEFAULT.** The term "Event of Default", as used herein, means the occurrence of any one or more of the following events: (i) Lessee fails to make any Lease Payment (or any other payment) as it becomes due in accordance with the terms of the Lease, and any such failure continues for ten (10) days after the due date thereof; (ii) Lessee fails to perform or observe any other covenant, condition, or agreement to be performed or observed by it hereunder and such failure is not cured within twenty (20) days after written notice thereof by Lessor; (iii) the discovery by Lessor that any statement, representation, or warranty made by Lessee in this Lease or in writing ever delivered by Lessee pursuant hereto or in connection herewith is false, misleading or erroneous in any material respect; (iv) proceedings under any bankruptcy, insolvency, reorganization or similar legislation shall be instituted against or by Lessee, or a receiver or similar officer shall be appointed for Lessee or any of its property, and such proceedings or appointments shall not be vacated, or fully stayed, within twenty (20) days after the institution or occurrence thereof; or (v) an attachment, levy or execution is threatened or levied upon or against the Equipment.

**17. REMEDIES.** Upon the occurrence of an Event of Default, and as long as such Event of Default is continuing, Lessor may, at its option, exercise any one or more of the following remedies: (i) by written notice to Lessee, declare all amounts then due under the Lease, and all remaining Lease Payments due during the Fiscal Year in effect when the default occurs to be immediately due and payable, whereupon the same shall become immediately due and payable; (ii) by written notice to Lessee, request Lessee to (and Lessee agrees that it will), at Lessee's expense, promptly return the Equipment to Lessor in the manner set forth in Section 5 hereof, or Lessor, at its option, may enter upon the premises where the Equipment is located and take immediate possession of and remove the same; (iii) sell or lease the Equipment or sublease it for the account of Lessee, holding Lessee liable for all Lease Payments and other amounts due prior to the effective date of such selling, leasing or subleasing and for the difference between the purchase price, rental and other amounts paid by the purchaser, Lessee or sublessee pursuant to such sale, lease or sublease and the amounts payable by Lessee hereunder; and (iv) exercise any other right, remedy or privilege which may be available to it under applicable laws of the state of the Equipment Location or any other applicable law or proceed by appropriate court action to enforce the terms of the Lease or to recover damages for the breach of this Lease or to rescind this Lease as to any or all of the Equipment. In addition, Lessee will remain liable for all covenants and indemnities under this Lease and for all legal fees and other costs and expenses, including court costs, incurred by Lessor with respect to the enforcement of any of the remedies listed above or any other remedy available to Lessor.

**18. PURCHASE OPTION.** Upon thirty (30) days prior written notice from Lessee to Lessor, and provided that no Event of Default has occurred and is continuing, or no event, which with notice or lapse of time, or

both could become an Event of Default, then exists, Lessee will have the right to purchase the Equipment on the Lease Payment dates set forth in Schedule B by paying to Lessor, on such date, the Lease Payment then due together with the Balance Payment amount set forth opposite such date. Upon satisfaction by Lessee of such purchase conditions, Lessor will transfer any and all of its right, title and interest in the Equipment to Lessee as is, without warranty, express or implied, except that the Equipment is free and clear of any liens created by Lessor.

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

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

**21. GOVERNING LAW.** This Lease shall be construed in accordance with, and governed by the laws of, the state of the Equipment Location.

**22. DELIVERY OF RELATED DOCUMENTS.** Lessee will execute or provide, as requested by Lessor, such other documents and information as are reasonably necessary with respect to the transaction contemplated by this Lease.

**23. ENTIRE AGREEMENT; WAIVER.** This Lease, together with the Delivery and Acceptance Certificate and other attachments hereto, and other documents or instruments executed by Lessee and Lessor in connection herewith, constitutes the entire agreement between the parties with respect to the Lease of the Equipment, and this Lease shall not be modified, amended, altered, or changed except with the written consent of Lessee and Lessor. Any provision of the Lease found to be prohibited by law shall be ineffective to the extent of such prohibition without invalidating the remainder of the Lease.

The waiver by Lessor of any breach by Lessee of any term, covenant or condition hereof shall not operate as a waiver of any subsequent breach thereof.

**24. EXECUTION IN COUNTERPARTS.** This Lease may be executed in several counterparts, each of which shall be deemed an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the \_\_\_\_\_ day of June , 2010.

**LESSEE:**

**LESSOR:**

**CITY OF EULESS**

**MOTOROLA, INC.**

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

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

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

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

## OPINION OF COUNSEL

With respect to that certain Equipment Lease-Purchase Agreement #23118 dated \_\_\_\_\_ by and between Motorola, Inc. and the Lessee, I am of the opinion that: (i) the Lessee is, within the meaning of Section 103 of the Internal Revenue Code of 1986, a state or a fully constituted political subdivision or agency of the State of the Equipment Location described in Schedule A hereto; (ii) the execution, delivery and performance by the Lessee of the Lease have been duly authorized by all necessary action on the part of the Lessee, (iii) the Lease constitutes a legal, valid and binding obligation of the Lessee enforceable in accordance with its terms; and (iv) Lessee has sufficient monies available to make all payments required to be paid under the Lease during the current fiscal year of the Lease, and such monies have been properly budgeted and appropriated for this purpose in accordance with State law.

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Attorney for **CITY OF EULESS**



## City of Euless (Schedule B)

Compound Period .....: Annual

Nominal Annual Rate ... : 3.740 %  
 Effective Annual Rate .. : 3.740 %  
 Periodic Rate ..... : 3.7400 %  
 Daily Rate ..... : 0.01025 %

## CASH FLOW DATA

Event	Start Date	Amount	Number Period	End Date
1 Loan	07/01/2010	438,226.58	1	
2 Payment	07/01/2011	97,719.70	5 Annual	07/01/2015

## AMORTIZATION SCHEDULE - Normal Amortization

Date	Payment	Interest	Principal	Balance
Loan 07/01/2010				438,226.58
2010 Totals	0.00	0.00	0.00	
1 07/01/2011	97,719.70	16,389.68	81,330.02	356,896.56
2011 Totals	97,719.70	16,389.68	81,330.02	
2 07/01/2012	97,719.70	13,347.94	84,371.76	272,524.80
2012 Totals	97,719.70	13,347.94	84,371.76	
3 07/01/2013	97,719.70	10,192.43	87,527.27	184,997.53
2013 Totals	97,719.70	10,192.43	87,527.27	
4 07/01/2014	97,719.70	6,918.91	90,800.79	94,196.74
2014 Totals	97,719.70	6,918.91	90,800.79	
5 07/01/2015	97,719.70	3,522.96	94,196.74	0.00
2015 Totals	97,719.70	3,522.96	94,196.74	
Grand Totals	488,598.50	50,371.92	438,226.58	

INITIAL INSURANCE REQUIREMENT: \$438,226.58

Except as specifically provided in Section five of the Lease hereof, Lessee agrees to pay to Lessor or its assignee the Lease Payments, including the interest portion, in the amounts and dates specified in the above payment schedule.

LESSEE:

CITY OF EULESS

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

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

Date: June\_\_\_\_\_, 2010

LESSOR:

Motorola, Inc.

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

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

Date: June\_\_\_\_\_, 2010

**CERTIFICATE OF INCUMBENCY**

I, \_\_\_\_\_ do hereby certify that I am the duly elected or  
(Signature of Secretary/Clerk )  
appointed and acting Secretary or Clerk of the **CITY OF EULESS** , an entity duly organized and existing  
under the laws of the **State of Texas** that I have custody of the records of such entity, and that, as of the date  
hereof, the individuals named below are the duly elected or appointed officers of such entity holding offices set  
forth opposite of their respective names. I further certify that (i) the signatures set opposite their respective  
names and titles are their true and authentic signatures and (ii) such officers have the authority on behalf of such  
entity to enter into that certain Equipment Lease Purchase Agreement number **23118** dated June\_\_\_\_\_, 2010,  
and Schedule A number **23118** dated June\_\_\_\_\_, 2010, between **CITY OF EULESS** and Motorola, Inc..

**Name**

**Title**

**Signature**

\_\_\_\_\_  
(Individual who signed Lease documents should be listed here and sign where applicable)

**IN WITNESS WHEREOF**, I have executed this certificate and affixed the seal of **CITY OF EULESS**, hereto  
this \_\_\_\_\_ day of June\_\_\_\_\_, 2010.

By: \_\_\_\_\_  
(Signature of Secretary/Clerk)

**SEAL**

**EVIDENCE OF INSURANCE**

Fire, extended coverage, public liability and property damage insurance for all of the Equipment listed on Schedule A number **23118** dated June \_\_\_\_\_, 2010 to that certain Equipment Lease Purchase Agreement number **23118** dated June \_\_\_\_\_, 2010 will be maintained by the **CITY OF EULESS** as stated in the Equipment Lease Purchase Agreement.

This insurance shall name **MOTOROLA, INC.** or its assignee as additional insured and loss payee for the term of the Schedule A number **23118** dated June \_\_\_\_\_, 2010.

This insurance is provided by:

\_\_\_\_\_  
Name of insurance provider

\_\_\_\_\_  
Address of insurance provider

\_\_\_\_\_  
City, State and Zip Code

\_\_\_\_\_  
Phone number of insurance provider

In accordance with the Equipment Lease Purchase Agreement Number **23118** , **CITY OF EULESS**, hereby certifies that following coverage are or will be in full force and effect:

Type	Amount	Effective Date	Expiration Date	Policy Number
Fire and Extended Coverage	_____	_____	_____	_____
Property Damage	_____	_____	_____	_____
Public Liability	_____	_____	_____	_____

Lessee:

**CITY OF EULESS**

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

Its: \_\_\_\_\_

Date: June \_\_\_\_\_, 2010

June \_\_\_\_, 2010

Motorola, Inc.  
1301 E. Algonquin Rd.  
Schaumburg, IL 60196  
Attn: Motorola Credit Corp / 5th floor

RE: Self-Insurance for Schedule A No. 23118 to that certain EQUIPMENT LEASE PURCHASE AGREEMENT Number 23118 dated June \_\_\_\_, 2010, by and between **The City of Euless** as Lessee and Motorola, Inc. as Lessor.

Equipment Description: See attached equipment list

Gentlemen:

In consideration of your waiver of the requirement in the above captioned Lease to furnish you with evidence of physical damage insurance on the collateral, and as a further inducement to you to allow the undersigned to self-insure, the undersigned agrees, as follows:

1. To be fully and financially responsible for any and all partial or total loss of the collateral;
2. To notify you in writing, immediately upon any loss of, or damage to, the collateral;
3. To furnish you with estimates of the repair costs for any and all damage caused to, or suffered by, the collateral;
4. To repair or replace said collateral, or so much thereof as may be destroyed or damaged from any cause whatsoever within 45 days or as soon as possible thereafter;
5. To furnish you with paid receipts evidencing the repair of any and all damage to the collateral;
6. To provide you with any duly authorized and executed documentation that you may require to perfect a valid first, prior and paramount lien in replacement collateral;
7. In the event that said collateral cannot be repaired or restored to a condition or value equivalent to its condition or value before the damage, or replaced by comparable collateral, to immediately pay off the obligation, or such portion thereof as may be attributable to the collateral destroyed or damaged beyond repair;
8. To provide annual accountant prepared financial statements, and in the event of a material adverse change in the undersigned's financial condition, and upon your written demand, to furnish you with insurance from an insurance company acceptable to you in an amount not less than the then fair market value of the collateral.

9. In the event that the undersigned fails to furnish the insurance policy required under paragraph 8, then, in such event, you may either declare the contract in default, or, at your option, obtain insurance coverage protecting your interest in the collateral and add the costs thereof to the then outstanding balance.
10. In the event that the undersigned furnishes, or you obtain, the insurance, then, in such event, all of the terms, conditions and provisions of the lease, regarding insurance coverage shall be applicable for the remainder of the term of the lease.

The undersigned further agrees that this letter agreement shall be binding upon, and inure to the benefit of itself and you and your respective heirs, successors, assigns, and legal and personal representatives.

The undersigned has caused this letter agreement to be executed by its duly authorized representative.

**The City of Euless**

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

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

Date: June \_\_\_\_, 2010

## STATEMENT OF ESSENTIAL USE/SOURCE OF FUNDS

To further understand the essential governmental use intended for the equipment together with an understanding of the sources from which payments will be made, please address the following questions by completing this form or by sending a separate letter:

1. What is the specific use of the equipment?
  
2. Why is the equipment essential to the operation of **CITY OF EULESS**?
  
3. Does the equipment replace existing equipment?  

If so, why is the replacement being made?
  
4. Is there a specific cost justification for the new equipment?  

If yes, please attach outline of justification.
  
5. What is the expected source of funds for the payments due under the Lease for the current fiscal year and future fiscal years?

Lessee: **CITY OF EULESS**

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

Its: \_\_\_\_\_

Date: June \_\_\_\_\_, 2010

# EQUIPMENT LEASE PURCHASE AGREEMENT DELIVERY AND ACCEPTANCE CERTIFICATE

The undersigned Lessee hereby acknowledges receipt of the Equipment described below ("Equipment") and Lessee hereby accepts the Equipment after full inspection thereof as satisfactory for all purposes of lease Schedule A to the Equipment Lease Purchase Agreement executed by Lessee and Lessor.

Equipment Lease Purchase Agreement Date: June \_\_\_\_\_, 2010

Lease Schedule A Date: June \_\_\_\_\_, 2010

Equipment Lease Purchase Agreement No.: 23118

Lease Schedule A No. : 23118

## EQUIPMENT INFORMATION

QUANTITY	MODEL NUMBER	EQUIPMENT DESCRIPTION
		Equipment referenced in lease Schedule A# 23118 dated June _____, 2010. See Schedule A for a detailed Equipment List.

LESSEE:

**CITY OF EULESS**

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

Date: June \_\_\_\_\_, 2010

# Bank Qualified

LESSEE CERTIFIES THAT IT HAS DESIGNATED THIS LEASE AS A QUALIFIED TAX-EXEMPT OBLIGATION IN ACCORDANCE WITH SECTION 265(b)(3) OF THE CODE, THAT IT HAS NOT DESIGNATED MORE THAN \$30,000,000 OF ITS OBLIGATIONS AS QUALIFIED TAX-EXEMPT OBLIGATIONS IN ACCORDANCE WITH SUCH SECTION FOR THE CURRENT CALENDAR YEAR AND THAT IT REASONABLY ANTICIPATES THAT THE TOTAL AMOUNT OF TAX-EXEMPT OBLIGATIONS TO BE ISSUED BY LESSEE DURING THE CURRENT CALENDAR YEAR WILL NOT EXCEED \$30,000,000.

Lessee:

**CITY OF EULESS**

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

Title \_\_\_\_\_

**LESSEE RESOLUTION**

At a duly called meeting of the Governing Body of the Lessee (as defined in the Lease Agreement) held on **June \_\_\_\_\_, 2010** the following resolution was introduced and adopted.

BE IT RESOLVED by the Governing Board of Lessee as follows:

1. **Determination of Need.** The Governing Body of Lessee has determined that a true and very real need exists for the acquisition of the Equipment or other personal property described in the Lease Schedule dated as of **June \_\_\_\_\_, 2010**, between **CITY OF EULESS**(Lessee) and Motorola, Inc. (Lessor).
2. **Approval and Authorization.** The Governing body of Lessee has determined that the Lease Agreement, substantially in the form presented to this meeting, is in the best interests of the Lessee for the acquisition of such Equipment or other personal property, and the Governing Board hereby approves the entering into of the Lease Agreement by the Lessee and hereby designates and authorizes the following person(s) to execute and deliver the Lease Agreement on Lessee's behalf sith such changes thereto as such person deems appropriate, and any related documents, including any escrow agreement, necessary to the consummation of the transactions contemplated by the Lease Agreement.

Authorized Individual(s): \_\_\_\_\_  
Printed or typed name(s) and title(s) of Individual(s) authorized to execute the Lease Agreement.

3. **Adoption of Resolution.** The signatures below from the designated individuals for the Governing Body of the Lessee evidence the adoption by the Governing Body of this Resolution.

**Signature:** \_\_\_\_\_ **Attested By:** \_\_\_\_\_

**Name and Title :** \_\_\_\_\_ **Name and Title:** \_\_\_\_\_

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

Under Internal Revenue Code Section 149 (e)  
See separate instructions

OMB No. 1545-0720

Department of the Treasury  
Internal Revenue Service

Caution: Use Form 8038-GC if the issue price is under \$100,000

**Part I Reporting Authority**

If Amended Return, Check here

1 Issuer's name <b>CITY OF EULESS</b>		2 Issuer's employer identification	
3 Number and street (or P. O. box if mail is not delivered to Street address) 201 N. Ector Dr. «lessee_address3»		Room/suite	4 Report number 3-2010-23118
5 City, town, or post office, state, and ZIP code Euless TX 76039		6 Date of Issue 7/1/2010	
7 Name of issue Equipment Lease Purchase Agreement # 23118		8 CUSIP number N/A	
9 Name and title of officer or legal representative whom the IRS may		10 Telephone number of officer or legal representative	

**Part II Type of Issue (check applicable box(es) and enter the issue price) See instructions and attach schedule**

11 <input type="checkbox"/> Education	11	
12 <input type="checkbox"/> Health and hospital	12	
13 <input type="checkbox"/> Transportation	13	
14 <input type="checkbox"/> Public safety	14	438,226.58
15 <input type="checkbox"/> Environment (including sewage bonds)	15	
16 <input type="checkbox"/> Housing	16	
17 <input type="checkbox"/> Utilities	17	
18 <input type="checkbox"/> Other. Describe (see instructions)	18	
19 If obligations are TANs or RANs, check box <input type="checkbox"/>	If obligations are BANs, check box <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	7/1/2015	438,226.58	N/A	5 years	3.74 %

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

N/A

22 Proceeds used for accrued interest	22	0.00
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 require reserve or replacement fund	26	
27 Proceeds used to currently refund prior issues	27	
28 Proceeds used to advance refund prior issues	28	
29 Total (add lines 24 through 28)	29	
30 Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	30	

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

N/A

31 Enter the remaining weighted average maturity of the bonds to be currently refunded	_____	years
32 Enter the remaining weighted average maturity of the bonds to be advanced refunded	_____	years
33 Enter the last date on which the refunded bonds will be called	_____	
34 Enter the date(s) the refunded bonds were issued	_____	

**Part VI Miscellaneous**

N/A

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 (see instructions)	36a	
b Enter the final maturity date of the guaranteed investment contract	_____	
37 Pooled financings: a Proceeds of this issue that are to be used to make loans to other governmental units	37a	
b If this issue is a loan made from the proceeds of another tax-exempt issue, check box <input type="checkbox"/> and enter the name of the issuer _____ and the date of the issue _____		
38 If the issuer has designated the issue under section 265 (b)(3)(B)(i)(III) (smaller issuer exception), check box <input checked="" type="checkbox"/>		
39 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box <input type="checkbox"/>		
40 If the issuer has identified a hedge, check box <input type="checkbox"/>		

Please Sign Here

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.

Signature of Issuer's authorized representative

Date

Type or print name and title