



TO: John McDonough, City Manager

FROM: Amy Davis, Finance Director

DATE: September 24, 2010 for Submission on October 5, 2010 City Council Agenda

ITEM: Acceptance of Lease

**Background:**

During the 2011 budget discussions software, equipment and vehicles for the Police Department were approved in the lease purchase amount of \$1,500,000. The Police Department is now ready to purchase these items. Therefore, after receiving quotes from several local banks Wells-Fargo Bank was selected with a low quote of 1.4% over a period of 3 years. The lease agreement has been approved by our legal department.

**Recommendation:**

It is recommended that the City enter into the attached lease purchase agreement with Wells-Fargo Bank.

*Finance*

STATE OF GEORGIA

COUNTY OF FULTON

**A RESOLUTION TO AUTHORIZE A LEASE CONTRACT WITH WELLS-FARGO BANK FOR THE PURCHASE OF POLICE VEHICLES, EQUIPMENT AND SOFTWARE.**

**WHEREAS**, the City of Sandy Springs Police Department is in need of replacing vehicles with high mileage, which is the first phase of a vehicle replacement program where 25% of the police fleet will be replaced each year.

**WHEREAS**, the Police Department is in need to replace faulty in-vehicle video cameras. This is the first phase of three to replace all cameras in the vehicles.

**WHEREAS**, the Police Department desires to purchase software which would streamline and automate the warrant process and interface with the Court Ware System.

**WHEREAS**, the above purchases were approved in the 2011 budget process in the form of a lease purchase in the aggregate amount of \$1,500,000.

**AND WHEREAS**, Wells-Fargo Bank proposed the lowest lease rate of 1.4% over a 3 year term.

**NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF SANDY SPRINGS, GEORGIA**

That they do hereby authorize the Finance Department to enter into a lease purchase agreement with Wells-Fargo Bank for the purchase of 34 police vehicles, in vehicle cameras and the e-ticketing software in the aggregate amount of \$1,500,000 to be repaid monthly over a 3 year term at a rate of 1.4%.

**RESOLVED** this 5<sup>th</sup> day of October, 2010.

Approved:

\_\_\_\_\_  
Eva Galambos, Mayor

Attest:

\_\_\_\_\_  
Michael Casey, City Clerk

**WELLS FARGO – TWO PARTY EQUIPMENT LEASING FORMS  
GEORGIA CITY AND SCHOOL GOVERNMENT LEASES  
REVISED JUNE 15, 2006**

Prepared by: James P. Monacell  
Smith, Gambrell & Russell, LLP  
Suite 3100, Promenade II  
1230 Peachtree Street, N.E.  
Atlanta, Georgia 30309-3592  
Telephone: 404-815-3555  
Facsimile: 404-685-6855  
E-mail: [jmonacell@sgrlaw.com](mailto:jmonacell@sgrlaw.com)

KEY TO GLOBAL CHANGES:  
[NAME OF BORROWER] = **City of Sandy Springs**

## MASTER EQUIPMENT LEASE

THIS MASTER EQUIPMENT LEASE, made by and between WELLS FARGO BANK, NATIONAL ASSOCIATION, a national banking association, and its successors and assigns (“Lessor”), and the lessee indicated and signing below, a public body of the State of Georgia (“Lessee”),

WITNESSETH:

WHEREAS, Lessee desires to lease certain Equipment (see definitions in Article 1 hereof) from Lessor pursuant to the provisions hereof and as time to time to be set forth in Lease Addenda to this Master Equipment Lease;

NOW, THEREFORE, FOR VALUABLE CONSIDERATION, THE PARTIES HERETO AGREE AS FOLLOWS:

### ARTICLE 1

#### DEFINITIONS

1.01 Definitions. The following terms shall have the meanings set forth below for all purposes of this Master Equipment Lease:

“Additional Rents” shall have the meaning set forth in Section 4.07 hereof.

“Bank-Qualified Lease” means a Lease designated by the Lessee as a “qualified tax-exempt obligation” under Section 265(b)(3) of the Code.

“Breakage Fee” means:

(a) If the pertinent Lease commenced with the Lease Principal less than \$1,000,000, then the sum of the products of  $((A-B) \times C)$  for each installment of Principal Portion being prepaid, where:

A = A rate per annum equal to the sum of (i) the bond equivalent yield (bid side) of the U.S. Treasury security with a maturity closest to the Maturity Date, as reported by The Wall Street Journal (or other published source) on the date the interest rate used for the development of the Rent Payment Attachment was set, plus (ii) .50%.

B = A rate per annum equal to the sum of the bond equivalent yield (bid side) of the U.S. Treasury security with a maturity closest to the Maturity Date, as reported by The Wall Street Journal (or other published source) on the date on which Principal Portion is to be prepaid.

C = The amount of the Principal Portion being prepaid, times the number of days remaining until the Scheduled Due Date for such installment of the Principal Portion, divided by 360;

provided, however, if the rate under “A” above does not exceed the rate under “B” above, then the Breakage Fee shall be zero.

(b) If the pertinent Lease commenced with the Lease Principal equal to or exceeding \$1,000,000, then the Present Value of  $((A-B) \times C) + \text{LIBOR Breakage}$ , where:

A = A rate per annum equal to the sum of (i) the bond equivalent yield (bid side) of the U.S. Treasury security with a maturity closest to the Maturity Date as reported by The Wall Street Journal (or other published source) on the date the interest rate used for development of the Rent Payment Attachment was set (or if the same cannot be determined, the date of the Lease Addendum) (the “Lock In Date”), plus (ii) the corresponding swap spread of the Lessor on the Lock In Date for a fixed rate payor to pay the Lessor the fixed rate side of an interest rate swap of that maturity, plus (iii) .25%.

B = A rate per annum equal to the sum of (i) the bond equivalent yield (bid side) of the U.S. Treasury security with a maturity closest to the Maturity Date as reported by The Wall Street Journal (or other published source) on the Break Date, plus (ii) the corresponding swap spread that the Lessor determines another swap dealer would quote to the Lessor on the Break Date for paying to the Lessor the fixed rate side of an interest rate swap of that maturity.

C = The sum of the products of (i) each Affected Principal Amount for each Affected Principal Period, times (ii) the number of days in that Affected Principal Period divided by 360.

provided, however, if the rate under “A” above does not exceed the rate under “B” above, then the Breakage Fee shall be zero.

For the purposes of this definition, the following terms have the meanings ascribed below:

“Affected Principal Amount” for an Affected Principal Period is the sum of the Principal Portion scheduled to be outstanding during that Affected Principal Period determined as of the relevant Break Date before giving effect to any prepayment on that Break Date, and for any prepayment, multiplying each such principal amount times the Prepayment Fraction.

“Affected Principal Period” is each period from and including a Scheduled Due Date to but excluding the next succeeding Scheduled Due Date, provided that the first such period shall begin on and include the Break Date.

“Break Date” is the date on which the Principal Portion is to be paid prior to a Scheduled Due Date.

“LIBOR Breakage” is any additional loss, cost or expense that the Bank may incur based on the difference between a London interbank offered rate in effect under any

hedge or funding source of the Bank for the Lease immediately prior to prepayment or acceleration and that which is available in the London interbank market on the Break Date.

“Maturity Date” is the date of the last payment scheduled to be made, as shown on the Rent Payment Attachment.

“Prepayment Fraction” means a fraction equal to the Principal Portion being prepaid over the total of the Principal Portion of all unpaid Rents with respect to such Lease immediately prior to the prepayment on the Break Date.

“Present Value” is determined as of the Break Date using “B” in paragraph (b) above as the discount rate.

“Scheduled Due Date” is the date a Principal Portion, or a part thereof, is scheduled to be paid on the Rent Payment Attachment.

Breakage Fees are payable as liquidated damages, are a reasonable pre-estimate of the losses, costs and expenses the Lessor would incur in the event of any prepayment, are not a penalty, will not require claim for, or proof of, actual damages, and the Lessor’s determination thereof shall be conclusive and binding in the absence of manifest error.

“Code” means the Internal Revenue Code of 1986, as amended, and any applicable regulations thereunder.

“Equipment” means the machinery, equipment, vehicles or other personal property leased by any Lease Addendum, together with all additions, accessories, accessions, modifications, attachments, repairs, replacements and replacement parts thereto and therefor.

“Equipment Attachment” means the Equipment Attachment attached as Attachment A to a Lease Addendum.

“Event of Default” means one of the events described in Section 9.01 hereof.

“Event of Termination” means a non-renewal of a Lease by Lessee, determined by (i) Lessee’s failure to appropriate in Lessee’s annual budget for any of Lessee’s fiscal years, prior to the commencement of such fiscal year, with respect to the Leases, amounts sufficient to pay the Rents, and any Additional Rents for such fiscal year as provided herein, or (ii) receipt by Lessor of a Termination Declaration. Lessor at its option, with the consent of Lessee (and a subsequent appropriation as described in (i) above shall be such a consent), can waive the effects of an Event of Termination.

“Interest Portion” means that portion of Rents attributed to interest under the column entitled “Interest” on a Rent Payment Attachment.

“Lease” means the leasing of any Equipment pursuant to a particular Lease Addendum.

“Lease Addendum” means a Lease Addendum hereto, in the form attached as Exhibit “D” hereto, entered into by Lessor and Lessee with respect to particular Equipment leased hereunder.

“Lease Principal” means the costs associated with all or any items of Equipment as described in the Equipment Attachment to the pertinent Lease Addendum, and being the sum of the Principal Portions of the Rents shown on the Rent Payment Attachment.

“Master Equipment Lease” means this Master Equipment Lease, and any amendments and Lease Addenda hereto.

“Non-Bank-Qualified Lease” means a Lease which is designated as a Non-Bank Qualified Lease by the pertinent Lease Addendum.

“Option Price” means, on any particular date, the price to be paid for Lessee’s purchase of the Equipment, being the unpaid Lease Principal set forth under the column entitled “Balance” on a Rent Payment Attachment, plus any accrued and unpaid interest, plus the Breakage Fee.

“Principal Portion” means that portion of Rents attributed to principal under the column entitled “Principal” on a Rent Payment Attachment.

“Rent Payment Attachment” means the Rent Payment Attachment attached to a Lease Addendum, as same may be modified or amended.

“Rents” means the amounts payable by Lessee for any Lease, described under the column entitled “Payment” in the Rent Payment Attachment, but not including any Additional Rents.

“Termination Declaration” means a notice in the form attached hereto as Attachment “C” that Lessee may deliver to Lessor, referred to in Section 3.01, in order to evidence Lessee’s non-renewal of a Lease for the following Subsequent Term or Final Payment Term.

The terms “Commencement Date,” “Maturity Date,” “Commencement Term,” “Subsequent Term,” “Final Payment Term,” and “Lease Term” for any Lease are defined in the pertinent Lease Addendum.

## **ARTICLE 2**

### **LEASE ADDENDA; TITLE; PURCHASE OPTIONS**

#### 2.01 Lease Addenda.

(a) Lessee will provide to Lessor such information as the Lessor shall reasonably require prior to the intended execution and delivery of a Lease Addendum for any Equipment proposed to be leased.

(b) Should Lessor be satisfied in all respects with the status and condition of Lessee, Lessor and Lessee may enter into a Lease Addendum hereto for the Lease of particular

Equipment, subject to all of the terms and conditions of this Master Equipment Lease. Each Lease shall be for Equipment and for a Lease Term acceptable to Lessor in its sole discretion.

(c) Provided that the conditions set forth in paragraphs (a) and (b) above are satisfied, Lessor will prepare a Lease Addendum and the proposed Rent Payment Attachment and Equipment Attachment thereto, and forward same to Lessee, together with forms for the exhibits to the Lease Addendum (as revised from time to time). Lessee must then execute the Lease Addendum and provide it, together with fully completed and executed copies of the attachments to the Lease Addendum to Lessor.

(d) Following receipt of the completed and executed Lease Addendum and attachments as described in paragraph (c) above, Lessor will execute the Lease Addendum, whereupon same shall constitute an effective Lease of the Equipment described in the Equipment Attachment thereto, and governed by the terms of this Master Equipment Lease.

(e) No Lease Addendum shall be entered into under this Master Equipment Lease after Lessor gives notice to Lessee that no further Leases may be originated hereunder, and this Master Equipment Lease shall thereafter terminate upon the expiration of the Lease Terms of any Leases outstanding hereunder.

## 2.02 Title.

(a) This subparagraph (a) shall be applicable if the Lessee is a school system or board of education. Legal title to the Equipment shall be initially in the Lessor and shall be transferred to the Lessee on the Commencement Date by virtue of this Master Lease. As authorized by O.C.G.A. §20-2-506(i), the Lessee accepts legal title to each item of Equipment subject to an obligation to transfer legal title back to the Lessor or its assignee in the event the related Lease Addendum is not fully consummated (paid in full).

(b) This subparagraph (b) shall be applicable if the Lessee is a county or a municipal corporation. Legal title to the Equipment initially shall be in Lessor. Lessor shall hold title to the Equipment during the Lease Term to the extent required by O.C.G.A. §36-60-13, but to the extent authorized by O.C.G.A. §36-60-15 the Lessee shall be transferred legal title to the Equipment pertaining to the applicable Lease Addendum by virtue of this Master Equipment Lease at the Commencement Date of each Lease Addendum and Lessee will accept such legal title subject to an obligation to transfer legal title back to the Lessor or its assignee in the event the related Lease Addendum is not fully consummated (paid in full).

(c) Subject to the foregoing, Lessee shall apply for Department of Motor Vehicles Certificates of Title for vehicles constituting Equipment showing the Lessee as “owner” and shall indicate Wells Fargo Bank, N.A. as “lienholder”.

(d) Lessee shall take any and all actions reasonably required to maintain and evidence Lessor’s interest in the Equipment at all times during the Lease Term.

(e) Although each Lease constitutes a governmental multi-year lease contract under other provisions of Georgia law, should the Uniform Commercial Code be determined to be applicable hereto, Lessee hereby grants to Lessor a first and prior lien and security interest in

any and all rights, title and interest of Lessee in and to the Equipment and in all additions, attachments, accessions, accessories, repairs, replacements, improvements and substitutions, now or hereafter acquired together with the proceeds thereof.

(f) Upon the exercise of a purchase option in accordance with Sections 2.04 or 2.05 hereof, any and all right, title and interest of Lessor in and to the Equipment shall be transferred to and vest in Lessee, and, on request, Lessor will provide a quitclaim bill of sale to such Equipment. Such transfer shall be without warranty, express or implied. Lessee will accept any such purchased Equipment “as is” and at its current location.

2.03 Personal Property. The Equipment is and will remain personal property and will not be deemed to be affixed to or a part of the real estate on which it may be situated, notwithstanding that the Equipment or any part thereof may be in any manner physically attached to real estate. If requested by Lessor, Lessee will furnish a satisfactory landlord’s or mortgagee’s waiver with respect to the Equipment.

2.04 Early Purchase Option. Upon thirty (30) days’ prior written notice from Lessee to Lessor specifying a purchase date, Lessee will have the option to purchase in whole the Equipment subject to a Lease prior to the Maturity Date by paying to Lessor the then applicable Option Price. After the occurrence of a loss event as described in Section 6.05, if Lessee does not replace or repair the item of Equipment to which the loss occurred, then Lessee shall have and exercise a purchase option with respect to that item of Equipment; if that item of Equipment is less than all of the Equipment covered by the Lease, then the amount of the purchase price shall be the portion of the Option Price that bears the same ratio to the entire Option Price that the cost of that item of Equipment bore to the cost of all Equipment covered by that Lease (when paid, such amount shall be appropriately accounted for as a permitted prepayment of the last Rents scheduled on the Rent Payment Schedule for such Lease).

2.05 Purchase Upon Maturity Date. Should a Lease continue to be renewed throughout the Lease Term and should there exist no Event of Default, Lessee shall have the option to purchase the Equipment on the Maturity Date for the sum \$1, and shall be deemed to have exercised such option unless it shall have provided notice of the non-exercise of such option to Lessor at least 30 days prior to the Maturity Date.

### **ARTICLE 3**

#### **RENEWAL AND TERMINATION OF LEASES**

3.01 Renewal, Expiration or Termination of a Lease Term. If Lessee intends not to renew a Lease for a Subsequent Term, Lessee shall exercise a good faith effort to deliver to Lessor a Termination Declaration by October 1, and must deliver to Lessor the Termination Declaration by December 31 of the year of termination. The current Commencement Term or Subsequent Term of each Lease will renew automatically on January 1 of each year for a Subsequent Term or Final Payment Term, until the Maturity Date, unless Lessee delivers to Lessor a Termination Declaration by December 31 of the year preceding such January 1. Notwithstanding the foregoing, the Lease Term of a Lease will terminate, as appropriate, prior to its stated term as of the date of termination of the Lease by Lessor, if there occurs an Event of

Default. Notwithstanding anything in this Master Equipment Lease or any Lease Addendum to the contrary, each Lease shall terminate absolutely and without further obligation on the part of the Lessee (obligations then incurred or accrued are preserved) at the close of the Commencement Term or last Subsequent Term for which such Lease has been renewed. With respect to each Lease, the pertinent Lease Addendum together with the pertinent provisions of this Master Equipment Lease will state the total obligations of Lessee which will be incurred in the Commencement Term and each Subsequent Term (if the Lease is renewed). The parties intend that each Lease, and each Lease shall, operate in conformity with and not in contravention of O.C.G.A. § 36-60-13 or § 20-2-506, as applicable, and in the event that any Lease would conflict therewith, the Lease Addendum and this Master Equipment Lease shall be interpreted and implemented in a manner consistent with such statute.

3.02 Effect of Event of Termination on other Leases. Should an Event of Termination occur with respect to any Lease, Lessor may by notice to Lessee, deem such event to be the exercise of Lessee's purchase option pursuant to Section 2.04 hereof with respect to any or all other Leases. In connection with any such purchase, Lessor, if requested by Lessee and upon payment of amounts owing to Lessor hereunder, will cooperate with Lessee at the request and expense of Lessee, in transferring Lessor's interest in the Lease and the Equipment to a new lessor designated by Lessee in lieu of transferring title on purchase to Lessee.

3.03 Delivery of Equipment Following Expiration or Termination. If an Event of Default or an Event of Termination with respect to a Lease occurs hereunder, Lessee will then (or, in the case of an Event of Termination without an Event of Default, on December 31 of the last year for which such Lease has been renewed pursuant to the terms hereof) surrender peaceably possession of the Equipment to Lessor or its assignee in good condition and repair, normal wear and tear excepted. Equipment constituting personal property shall be prepared by Lessee for shipment in accordance with Lessor's or its assignee's specifications and freight prepaid and insured to any location in the continental United States designated by Lessor; provided further, however, until the Equipment is actually delivered to Lessor, the risk of loss shall remain with Lessee or its assignee. Lessor will have all legal and equitable rights and remedies to enforce its rights, including but not limited to, the right to take possession of the Equipment. On request, Lessee shall execute and deliver to Lessor such deeds, bills of sale, assignments, releases or other instruments as necessary or desirable to vest or confirm in Lessor or its assignee all right, title and interest of Lessee in the Equipment.

## **ARTICLE 4**

### **RENTS, OTHER PAYMENTS AND APPROPRIATIONS**

4.01 Rents. Lessee shall pay the Rents in the amounts, at the times, and in the manner set forth in the Rent Payment Attachment attached to each Lease Addendum.

4.02 Application of Unused Funding Agreement Amounts. If a "Funding Agreement" is referred to and called for in the Lease Addendum pertaining to a Lease, and pursuant to the Funding Agreement a prepayment of a portion of the Rents is permitted and called for (prepayments in full are only permitted by the exercise of a purchase option in full under the provisions of Section 2.04), then the prepayment of Rents is permitted if accompanied by any

applicable Breakage Fee. Unless Lessee and Lessor agree otherwise, such partial prepayment shall be appropriately accounted for as a prepayment of the last Rents scheduled on the Rent Payment Attachment for such Lease.

#### 4.03 Covenants Regarding Appropriation.

(a) The responsible financial officer of Lessee shall include in the initial proposal for each of Lessee's annual budgets the amount of all Rents and Additional Rents (if any) coming due during the fiscal year to which such budget applies. Notwithstanding such inclusion in the proposed budget, the governing body of Lessee may determine not to include such an appropriation in the Lessee's final budget for such fiscal year. Lessee shall deliver to Lessor prompt notice of the adoption of a final fiscal year budget that does not include such an appropriation, and may use a Termination Declaration for such purpose. Appropriate officials of Lessee shall take such further action (or cause the same to be taken) consistent with law and the actions of the governing body of Lessee as shall be necessary to assure that moneys appropriated to make rental payments are made available for such purpose. Notwithstanding anything in the Master Equipment Lease or the Lease Addendum, the decision whether or not to budget, appropriate or expend amounts or to extend any Lease for any Subsequent Term is solely within the discretion of the then-current governing body of Lessee.

(b) Lessee shall further notify Lessor in writing promptly, and within five (5) days after adoption of its annual budget, of the amount of any deficiency in appropriations for the Leases described in Section 4.03(a) above, and whether or not Lessee believes such deficiency will cause it to be unable to pay Rents or any Additional Rents coming due hereunder.

4.04 Limitations on Liability. The provisions of this Section 4.04 shall apply notwithstanding anything herein to the contrary.

(a) Nothing in this Master Equipment Lease shall be construed to require the governing body of Lessee to make any future appropriation of money to pay any Rents, and any Additional Rents, the Option Price or other amounts owing hereunder.

(b) No provision hereof shall be construed or interpreted as creating a general obligation or other indebtedness of Lessee or the State of Georgia, within the meaning of any constitutional or statutory debt limitation. This Master Equipment Lease does not directly or indirectly obligate Lessee to make any payments hereunder beyond those coming due in the then current calendar year. All payments required to be made by Lessee hereunder constitute current expenses of Lessee, and Lessee's obligations hereunder are from year to year only and do not constitute a mandatory payment obligation of Lessee in any ensuing calendar year beyond the current calendar year in contravention of O.C.G.A. Section 36-60-13 or 20-2-506, as applicable.

4.05 Payment; Late Payments. All payments required to be made by Lessee hereunder shall be paid in lawful money of the United States of America, by check drawn against funds of Lessee, at the principal office of Lessor in Atlanta, Georgia or in such other manner or at such other place as may be agreed to by Lessor and Lessee. All payments required to be made by Lessee hereunder not paid within 10 days of the due date be accompanied by a late fee equal to five percent (5%) of the delinquent amount.

#### 4.06 Federal Income Tax Treatment.

(a) The following terms are defined as follows for the purposes of this Section 4.06:

“After-Tax Rate” means that rate of interest that must be applied to the sum of the pertinent Principal Portion of Rents or a Lease so as to preserve the same after-tax economic yield with respect to the corresponding Interest Portion of Rents on such Lease that Lessor would have had if such Interest Portion had been excludable from gross income for Federal income tax purposes.

“Event of Taxability” means a determination by the Internal Revenue Service, any court of competent jurisdiction, or bond counsel acceptable to Lessor that the Interest Portion of Rents on a Lease is includable in gross income for Federal income tax purposes.

“Federal Tax Rate” means the maximum marginal Federal income tax rate applicable to corporations.

(b) Each Lease is entered into on the basis that the Interest Portion of the Rents is not includable in the gross income of Lessor for Federal income tax purposes and, unless it is a Non-Bank-Qualified Lease, that Lessor may deduct from gross income at least 80% of its interest costs with respect to the Lease under Section 265(b)(3) of the Code.

(c) Following the occurrence of an Event of Taxability: (i) Lessee shall pay to Lessor a sum equal to (A) the increase in the Interest Portion when computed at the After-Tax Rate for the period from the effective date of the Event of Taxability to the effective date of the modification described in (ii) below, and (B) all interest, penalties and other similar charges payable by Lessor to the Internal Revenue Service as a result of the Event of Taxability; and (ii) Lessor, by notice to Lessee, shall modify the Interest Portion of the Rents under the Rent Payment Attachment for the Lease Addendum for all future periods to reflect the After-Tax Rate, which adjusted Rents Lessee shall thereafter pay.

(d) Should the Federal Tax Rate change from time to time following any Commencement Date, Lessor, by notice to Lessee, shall modify the Interest Portion of the Rents under the Rent Payment Attachment for each Lease Addendum for all future periods by a fraction the numerator of which is 100% minus the Federal Tax Rate as so changed and the denominator of which is 100% minus the previous Federal Tax Rate, which adjusted Rents Lessee shall thereafter pay.

(e) Should the deduction for interest expense for obligations described in Section 265(b)(3) or any successor provision of the Code be reduced after the Commencement Date of any Lease, Lessor, by notice to Lessee, shall modify the Interest Portion of the Rents under the Rent Payment Attachment for the Lease Addendum pertaining to all affected Leases (other than Non-Bank-Qualified Leases) for all future periods so as to preserve the same After-Tax Rate with respect to the Interest Portion of Rents of each Lease that Lessor had prior to such reduction, which adjusted Rents Lessee shall thereafter pay.

(f) The provisions of this paragraph (f) shall not apply to any Non-Bank Qualified Lease. In order to enable Lessor to offer the interest rate contained in each Lease, Lessee represents and warrants with respect to such Lease that it has not issued, nor does it (taken together with the entities with which it must be aggregated pursuant to Section 265(b)(3)(E) of the Code) reasonably expect to issue (taking into account such Lease) more than \$30 million of tax-exempt obligations (other than non-501(c)(3) private activity bonds) for the calendar years 2009 and 2010 during which such Lease becomes effective. Should Lessee at any time not meet this condition, it will immediately notify Lessor in writing. Lessee specifically designates each Lease (other than a Non-Bank-Qualified Lease) under this Master Equipment Lease as a “qualified tax-exempt obligation” as provided by Code Section 265(b)(3) (a “Qualified Obligation”). Upon determination by bond counsel acceptable to Lessor that a Lease (other than a Non-Bank-Qualified Lease) is not a Qualified Obligation, Lessor will: (A) adjust, by notice to Lessee, the Interest Portion of the Rent Payment Attachment to preserve Lessor’s After-Tax Rate with respect to the Interest Portion of Rents of such Lease, taking into account the interest expense deduction unavailable for that reason, which adjusted Rents Lessee will thereafter pay, and (B) will invoice Lessee for the amount necessary to preserve Lessor’s After-Tax Rate with respect to the Interest Portion of Rents previously paid on such Lease, taking into account the interest expense deduction unavailable for that reason, which amount Lessee will pay. Lessee will take no action which will directly or indirectly affect the deductibility of that portion of Lessor’s interest expense allocable to a Lease (other than a Non-Bank-Qualified Lease).

(g) Lessor’s determinations of adjustments or amounts under this Section 4.06 shall be conclusive.

4.07 Additional Rents. In addition to the Rents, Lessee shall pay on a timely basis, but only from legally available funds appropriated for such purposes, to the parties entitled thereto an amount or amounts (the “Additional Rents”) for each calendar year in which the pertinent Lease is in effect, equivalent to the sum of the following:

(a) any out-of-pocket expenses of Lessor during such year relating to the Equipment not otherwise required to be paid by Lessee under the terms of this Lease;

(b) any amounts during such year as set out in the following:

Lessee shall pay, when due, and reimburse Lessor for, all assessments and taxes (local, state and federal) imposed upon the leasing, rental, sale, purchase, ownership, possession or use of the Equipment, excluding however, all taxes on or measured by Lessor’s income. If Lessee fails to pay said assessments and taxes when due, Lessor shall have the right, but shall not be obligated, to pay said assessments and taxes. If Lessor pays any charge or tax for which Lessee is responsible or liable under this Master Equipment Lease, Lessee shall reimburse Lessor therefor, plus interest on any unreimbursed amounts from the date of payment by Lessor at Lessor’s Prime Rate until the date of reimbursement.

(c) any other fees, costs, levies, charges or expenses that Lessor is required to pay in connection with a Lease or the Equipment.

## ARTICLE 5

### ASSIGNMENT

5.01 Assignment by Lessee. Neither this Master Equipment Lease nor any interest of Lessee herein or in the Equipment shall be mortgaged, pledged, assigned, subleased or transferred by Lessee, except with the express written consent of Lessor.

5.02 Assignment by Lessor. This Master Equipment Lease may be assigned and reassigned in whole or in part by Lessor, and Lessee agrees to fully recognize any such assignees as Lessor to the extent provided by such assignments. Lessee agrees to execute and deliver any further assurances requested by such an assignee to confirm the interests of the assignee.

## ARTICLE 6

### USE; REPAIR; INSURANCE; ETC.

6.01 Liens and Encumbrances. Lessee shall keep the Equipment free and clear of all levies, liens and encumbrances except those created under this Master Equipment Lease.

6.02 Use; Repairs. Lessee will use, maintain and operate the Equipment in good order, condition and repair, ordinary wear and tear excepted, and in a safe and careful manner for the use contemplated, and shall comply with all laws, ordinances, insurance policies and regulations relating thereto, and will pay all costs, claims, damages, fees and charges arising out of its possession, use or maintenance. Lessor shall have no responsibility for the condition of the Equipment, which Lessee accepts "as-is," or for the maintenance or repair of the Equipment. Lessee shall not attach or incorporate the Equipment constituting personal property to or in any other item of property in such a manner that the Equipment becomes or may be deemed to have become an accession to or a part of such other item of property. Lessee, at its expense, will keep the Equipment in good repair and operating condition. All property, accessories, parts and replacements for or which are added to or become attached to the Equipment which are essential to the operation of the Equipment or which cannot be detached from the Equipment without materially interfering with the operation of the Equipment or adversely affecting the value and utility which the Equipment would have had without the addition thereof, shall immediately be deemed incorporated in the Equipment and subject to the terms of the Lease as if originally leased thereunder, and title thereto shall vest in Lessor. Each Lease shall be deemed and construed to be a "net-net-net lease," and Lessee hereby agrees that the Rents provided for therein shall be an absolute net return to the Lessor free and clear of any expenses, charges or setoffs whatsoever, except as otherwise specifically provided hereon.

6.03 Location; Inspection. Without Lessor's prior written consent, the Equipment will not be removed from, or if the Equipment consists of vehicles, its permanent base will not be changed from, the county or counties in which Lessee is located. Lessor and its agents 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.

6.04 Alterations, Additions and Improvements. Lessee will not make any alterations, additions or improvements to the Equipment without Lessor's prior written consent, unless such alterations, additions or improvements shall not diminish the value or utility of the Equipment or impair the utility or condition thereof. Title to all parts or improvements incorporated or installed in, on or attached to or added to the Equipment constituting personal property as the result of such alteration, addition or improvement shall, without further act, be with the Equipment, and Lessee shall execute and deliver to Lessor such further assurances as may be required to assure that the Lessor shall have a perfected security interest therein; provided, however, that Lessee may, at any time, remove and not replace a part, if no Event of Default has occurred and is continuing and such part (i) is in addition to, and not in replacement of or substitution for, any part originally incorporated or installed in or attached to the Equipment or any part in replacement of, or substitution for, any such part, (ii) is not required to be incorporated or installed in or attached or added to the Equipment pursuant to this Section 6.04, and (iii) can be removed from the Equipment without diminishing or impairing the value, utility or condition which the Equipment would have had at such time had such alteration, addition or improvement not occurred.

6.05 Insurance. Lessee will, at its expense, maintain at all times during the Lease Term, all appropriate property damage insurance with respect to the Equipment in customary amounts. In lieu of such insurance, Lessee may cover the Equipment under the programs of the Georgia Interlocal Risk Management Agency, authorized by O.C.G.A. Section 36-85-1 et seq. In the event of any loss, theft, destruction, damage, injury, accident or condemnation involving the Equipment, Lessee will (a) promptly provide Lessor with written notice thereof and make available to Lessor all information and documentation relating thereto, and (b) at the option of Lessee, (i) exercise its purchase option under Section 2.04 hereof or (ii) promptly and fully replace or restore the Equipment or repair the Equipment to its condition prior to such loss, theft, damage, vandalism, destruction or condemnation, and cause such repaired, restored or replaced Equipment to be conveyed to Lessor or its assigns and leased hereunder. Lessee will provide any proceeds of such insurance or coverage agreement or of condemnation for such purpose, and shall satisfy any further obligation from its own funds. Any such repaired or replaced Equipment shall be owned by Lessor and be leased hereunder, and Lessee shall execute such further assurances as may be required to place such title in Lessor. No loss, theft, destruction, damage, injury, accident or condemnation involving the Equipment shall obviate or diminish the obligation of Lessee to pay Rents hereunder. All of the Lessee's property of any kind that may be on or about the Equipment or placed in the custody of any of the Lessee's employees or agents shall be held at the sole risk of the Lessee, and the Lessor shall have no liability to the Lessee for any theft or loss thereof or damage thereto from any cause whatsoever.

## ARTICLE 7

### **DISCLAIMER; NO OFFSET; ADDITIONAL PAYMENTS**

7.01 Disclaimer of Warranties. In no event shall Lessor be liable for incidental, indirect, special or consequential damages, in connection with or arising out of this Master Equipment Lease or for the existence, furnishing, functioning or Lessee's use and possession of the Equipment. LESSOR MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE EQUIPMENT, INCLUDING THE VALUE, DESIGN,

CONDITION, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR FITNESS FOR THE USE CONTEMPLATED BY LESSEE OF THE EQUIPMENT OR WITH RESPECT TO PATENT INFRINGEMENT. LESSEE ACKNOWLEDGES THAT LESSOR IS NOT A MANUFACTURER OF THE EQUIPMENT OR A DEALER THEREOF, AND THAT LESSEE IS LEASING THE EQUIPMENT AS-IS.

7.02 No Offset, Etc. Lessee's payment obligations under this Master Equipment Lease are to be paid, notwithstanding any claim, defense, setoff or counterclaim against Lessor or another party. Lessee's sole remedy for the breach of any vendor's or manufacturer's warranty or representation shall be against the vendor or manufacturer, and not against Lessor, nor shall such matter have any effect whatsoever on the rights and obligations of Lessor with respect to this Master Equipment Lease, including the right to receive full and timely payments hereunder.

7.03 Additional Payments Covenant. To the extent permitted by law, and as part of the consideration for the use of the Equipment, Lessee shall and hereby agrees to pay to Lessor and any successors or assigns the amounts of any and all claims, losses, damages, actions, proceedings, expenses, or liabilities, including legal fees and expenses and court costs, arising in connection with the Equipment (but not due to the negligence or wrongful acts of such parties or the breach of its obligations hereunder), including but not limited to claims, losses, damages, actions, proceedings, expenses, or liabilities arising out of (i) the use, maintenance, condition or management of the Equipment by Lessee, (ii) any breach or default on the part of Lessee in the performance of any of its obligations under this Master Equipment Lease, (iii) any act or negligence of Lessee or of any of its agents, contractors, servants, employees or licensees with respect to the Equipment, (iv) any act or negligence of any assignee or sublessee of Lessee with respect to the Equipment, or (v) the acquisition of the Equipment or the authorization of payment of the costs thereof by Lessee.

7.04 Invalidity. To the extent permitted by law, and as part of the consideration for the use of the Equipment, in the event that any court of competent jurisdiction should finally determine that a Lease is invalid for any reason, any interest of Lessee in the Equipment shall terminate and title thereto shall be in Lessor.

## ARTICLE 8

### **COVENANTS, REPRESENTATIONS, AND WARRANTIES**

8.01 Covenants, Representations, and Warranties of Lessee. Lessee hereby covenants, represents, and warrants on a continuing basis as follows:

(a) Lessee is a public body duly created and existing under the constitution and laws of the State of Georgia. The Lessee has the power and authority to enter into the transactions contemplated by this Master Equipment Lease and each Lease in effect, and to carry out such obligations. The Lessee has been duly authorized to execute and deliver this Master Equipment Lease and each Lease in effect.

(b) The Master Equipment Lease and each Lease Addendum have been duly authorized, executed and delivered by the Lessee and constitute its legal, valid, binding obligations, enforceable in accordance with their terms. The Lessee is not subject to any legal or contractual limitation or provision of any nature whatsoever which in any way limits, restricts or prevents Lessee from entering into this Master Equipment Lease and each Lease in effect or performing any of such obligations. There exists no default or “Event of Default,” under the Master Equipment Lease and each Lease Addendum, and each is in full force and effect.

(c) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending or known to be threatened against or affecting Lessee or any of the Leases, nor to the best knowledge of Lessee is there any basis therefor, wherein an unfavorable decision, ruling or finding would materially adversely affect any of the Leases, the transactions contemplated by this Master Equipment Lease or any of the Leases, or any other agreement or instrument to which Lessee is a party and which is used or contemplated for use in the consummation of the transactions contemplated by this Master Equipment Lease and each Lease Addendum.

(d) The entering into and performance of this Master Equipment Lease and each Lease in effect will not violate any judgment, order, law, charter or regulation applicable to Lessee or result in any breach of, or constitute a default under, or result in the creation of any lien, charge, security interest or other encumbrance upon any assets of Lessee or on the Equipment pursuant to, any indenture, mortgage, deed of trust, bank loan or credit agreement or other instrument to which Lessee is a party or by which it or its assets may be bound.

(e) All requirements have been met and proceeds have occurred in order to ensue the enforceability of this Master Equipment Lease and each Lease in effect, and Lessee has complied or will comply with such public bidding requirements as may be applicable to this Master Equipment Lease and each Lease in effect and the acquisition of the Equipment and the conveyance of Equipment to Lessor. No officer or employee of the Lessee has violated O.C.G.A. §§ 45-10-3 or 45-10-23 in connection with the transactions contemplated by the Master Equipment Lease.

(f) The payment of the amounts due hereunder or any portion thereof will not be (i) secured by any interest in property used or to be used in a trade or business 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, within the meaning of Section 141(a) of the Code. None of the Equipment will be used in any such trade or business.

(g) The Equipment is essential to the proper, efficient and economic operation of Lessee, and during the term hereof, the Equipment will be used by Lessee, or by other departments and agencies of Lessee consistent with the permissible scope of Lessee’s authority for the purpose of performing one or more essential governmental or proprietary functions.

(h) The proceeds of each Lease will not be used in a manner and no other action will be taken or omitted that would cause such Lease to be an “arbitrage bond” under Section 148 or a “private activity bond” under Section 141 of the Internal Revenue Code of 1986, as amended and regulations promulgated under that Section.

(i) Lessee shall furnish to Lessor Lessee's annual financial statements as soon as available, and shall permit Lessor or its agents and representatives to inspect Lessee's books and records and make extracts therefrom. Lessee will furnish such other or more current financial information as the Lessor may request from time to time;

(j) All financial statements delivered to Lessor fairly and accurately reflect Lessee's financial condition as of the date thereof. There has been no material adverse change in Lessee's financial condition since the date of the last financial statements submitted to Lessor.

(k) An ordinance or resolution, as appropriate, in the form of Exhibit "B" hereto has been duly adopted by the governing body of Lessee in accordance with law to authorize this Master Equipment Lease and is in full force and effect, and an opinion of Lessee's counsel in substantially the form of Exhibit "C" hereto will be submitted to Lessor with this Equipment Master Lease.

(l) Lessor is authorized to file one or more UCC financing statements and continuations with respect to the Lessee and, generally or specifically, the Equipment that is or may in the future be subject to Leases under this Master Equipment Agreement, as a protective measure against the circumstance that the Uniform Commercial Code is found to be applicable to the transactions hereunder.

## **ARTICLE 9**

### **EVENTS OF DEFAULT; REMEDIES**

9.01 Events of Default. The following shall be "Events of Default" under this Master Equipment Lease:

(a) Failure by Lessee to pay any payment required to be paid hereunder within 10 days of the due date;

(b) Failure by Lessee to observe and perform any other covenant, condition or agreement on its part to be observed or performed herein, in a Lease Addendum, or otherwise with respect hereto, other than as referred to in clause (a) of this Section, for a period of 30 days after written notice specifying such failure and requesting that it be remedied has been given to Lessee by Lessor;

(c) Any representation or warranty in this Master Equipment Lease or in a Lease Addendum shall be untrue in a material respect; or

(d) The subjection of any right or interest of Lessee under this Master Equipment Lease to any execution, garnishment or attachment, or assignment by Lessee for the benefit of creditors, or the entry by Lessee into an agreement of composition with creditors, or the filing of any receivership or similar proceeding with respect to Lessee.

9.02 Remedies. (a) Whenever any Event of Default shall have occurred, Lessor or its assigns may take any one or more of the following remedial steps: (1) terminate any or all of the Leases and declare all installments of Rents payable for the remainder of the then current

calendar year to be immediately due and payable (if an appropriation has been made therefor); (2) take possession of any or all of the Equipment with or without terminating the pertinent Leases and without any liability to Lessee for such repossession, and lease or sell or relet all or any portion of the Equipment; (3) take whatever action at law or in equity which may appear necessary or desirable to collect the amounts then due to it and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of Lessee under this Master Equipment Lease; (4) take such other actions or remedies permitted by law or the terms of this Master Equipment Lease.

(b) Following an Event of Default, with respect to any item of Equipment or Lease, Lessor or its assigns, may exercise the rights and remedies with respect to an Event of Default set forth in this Master Equipment Lease, including without limiting the generality of the foregoing, termination of Leases and acceleration of the related Rents to the extent provided in (a) above, as to any or all Equipment or any or all Leases whether or not otherwise in default. All remedies hereunder are cumulative. No exercise of a remedy hereunder shall be deemed an election or preclude the use of another remedy.

## ARTICLE 10

### GENERAL TERMS

10.01 Notices. All notices, statements, demands, requests, consents, approvals, authorizations, offers, agreements, appointments or designations hereunder by either party to the other shall be in writing and shall be sufficiently given and served upon the other party, if sent by United States registered mail, return receipt requested, postage prepaid and addressed as follows:

If to Lessee:

At the address set forth by its signature below.

If to Lessor:

Wells Fargo Bank, National Association  
360 Interstate North Parkway  
5<sup>th</sup> Floor, MC G0147-054  
Atlanta, Georgia 30339-2216  
Attention: Government and Institutional Banking

Either party may by notice indicate another address.

10.02 Governing Law. This Master Equipment Lease is governed by the Constitution and laws of the State of Georgia and is to be construed in conformity therewith.

10.03 Counterparts. This Master Equipment Lease may be simultaneously executed in any number of counterparts.

10.04 Severability. It is the intention of the parties hereto that if any one or more of the terms, provisions, promises, covenants or conditions of this Master Equipment Lease, or the

application thereof to any person or circumstance, shall to any extent be adjudged invalid, contrary to law, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, each and all of the remaining terms, provisions, promises, covenants and conditions of this Master Equipment Lease shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

10.05 Successors and Assigns. This Master Equipment Lease and the covenants, conditions and agreements herein contained shall be binding upon and inure to the benefit of the permitted successors and assigns of the parties hereto.

10.06 Interpretation. The captions and headings used throughout this Master Equipment Lease are for convenience of reference only, and the words contained therein shall not be deemed to affect the meaning of any provision or the scope or intent of this Master Equipment Lease, nor in any way affect this Master Equipment Lease. This Master Equipment Lease shall not be construed against the drafting party, but shall be construed to accomplish its purposes and its intended meaning.

10.07 Entire Agreement. This Master Equipment Lease and the Addenda and the Exhibits hereto, which are incorporated herein by this reference, constitute the entire agreement of the parties. No agreement shall be effective to amend this Master Equipment Lease unless such agreement is in writing and signed by the parties hereto.

10.08 Time of Essence. Time is of the essence to this Master Equipment Lease Agreement and to each and all of the provisions hereof.

10.09 Survival. All representations, warranties, covenants and agreements of Lessee made herein or in any other document or certificate referred to herein or contemplated hereby are material, shall be deemed to have been relied upon by Lessor and shall survive the execution and delivery of this Master Equipment Lease and any Lease Addendum and the expiration of the Lease Terms.

10.10 Term of Agreement. This Master Equipment Lease shall subsist so long as Leases are outstanding hereunder, and following its lapse, it may be revived by the entry by the parties hereto of a Lease Addendum making reference hereto.

[Signatures on Following Page]

IN WITNESS WHEREOF, Lessor and Lessee have caused this Master Equipment Lease to be executed under seal by their duly authorized officers, as of \_\_\_\_\_.

LESSOR:

WELLS FARGO BANK, NATIONAL ASSOCIATION

By: \_\_\_\_\_(SEAL)

Mike Wilson

Title: Senior Vice President

Attest: \_\_\_\_\_

Title:

LESSEE:

City of Sandy Springs

By: \_\_\_\_\_(SEAL)

John McDonough

Title: City Manager

Attest: \_\_\_\_\_

Title:

Lessee Address:

7840 Roswell Road, Building 500  
Sandy Springs, Georgia 30350

\_\_\_\_\_  
\_\_\_\_\_

EXHIBIT "A"

[Reserved]

EXHIBIT "B"

ORDINANCE OR RESOLUTION  
TO AUTHORIZE  
MASTER EQUIPMENT LEASE

WHEREAS, **City of Sandy Springs** (the "Lessee") desires to lease certain property (the "Equipment") from time to time pursuant to a Master Equipment Lease (the "Master Equipment Lease") with Wells Fargo Bank, National Association;

WHEREAS, it is found that the Equipment, and the leasing thereof, is essential to the operation of the governmental functions of Lessee.

NOW, THEREFORE, BE IT ORDAINED AND/OR RESOLVED:

1. The **City Manager** of Lessee is hereby authorized and directed in the name and on behalf of Lessee to execute, seal and deliver the Master Equipment Lease in substantially the form presented to this meeting, with such changes and additions as shall be approved by the officer who executes the same, and such other documents as shall be deemed by such officer to be necessary or desirable to effect the purposes hereof; and such execution shall constitute conclusive evidence that the executed document has been authorized and approved hereby.

2. The aforesaid officers are further authorized to do all things necessary or appropriate to affect the purposes hereof.

3. This action shall be effective immediately.

CERTIFICATE

The undersigned hereby certifies that I am the officer indicated below of **City of Sandy Springs** (the "Lessee"); that attached hereto is a true copy of the (CHECK ONE) \_\_\_ Ordinance \_\_\_ Resolution duly adopted by the governing body of Lessee at a meeting duly held on (INSERT DATE OF MEETING) \_\_\_\_\_, 20\_\_, at which a quorum was present and acting throughout, that said action is the appropriate form of action to be taken (i.e., Ordinance or Resolution) to authorize the actions described therein, and that said action has not been rescinded or modified and is now of full force and effect.

GIVEN under the seal of the Lessee, this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

(SEAL)

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

EXHIBIT "C"

LESSEE ATTORNEY OPINION (MASTER EQUIPMENT LEASE)

[ON ATTORNEY LETTERHEAD]

(DATE)

Wells Fargo Bank, National Association  
360 Interstate North Parkway  
5<sup>th</sup> Floor, MC GA4607  
Atlanta, Georgia 30339-2216  
Attention: Government and Institutional Banking

RE: Master Equipment Lease (the "Master Lease") dated \_\_\_\_\_ by and between Wells Fargo Bank, National Association (the "Lessor") and **City of Sandy Springs** (the "Lessee")

Ladies and Gentlemen:

As counsel for the Lessee, I have examined the Master Lease such other papers, laws and legal materials as I have deemed relevant to form the opinions herein expressed.

Based upon the foregoing, it is my opinion that:

1. The Lessee is a public body duly created and validly existing under the Constitution and laws of the State of Georgia and has all requisite right, power and authority to execute and deliver the Master Lease, and to perform all acts and consummate all of the transactions contemplated by the Master Lease.

2. The Master Lease has been duly authorized by all necessary official action on the part of the Lessee, has been duly executed and delivered by the Lessee, and (assuming due authorization, execution and delivery by the Lessor) constitutes the legal, valid and binding obligation thereof, enforceable in accordance with its terms, except as enforcement thereof may be limited by the exercise of judicial discretion in appropriate cases, and applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally.

3. The execution and delivery of the Master Lease and the compliance by the Lessee with the terms thereof will not conflict with, or result in any breach of any of the provisions of, or constitute a default under, any agreement or other instrument to which the Lessee is a party or by which it may be bound, or any judgment, decree, order, constitutional provision, law, statute or governmental rule or regulation applicable to the Lessee.

4. There is no action, suit, proceeding, inquiry or investigation, at law or in equity, or before or by any court, or governmental body, pending or known to be threatened against or affecting the Lessee, wherein an unfavorable decision, ruling or finding would materially adversely affect the transactions contemplated by the Master Lease, or which in any way would adversely affect the validity or enforceability of the Master Lease.

5. All legal action required to be taken by the Lessee in connection with the Master Lease has been validly taken in compliance with the provisions of law (including but not limited to compliance with the Georgia Open Meetings Law), and none of the proceedings held or actions taken by the Lessee with respect to any of the foregoing has been repealed, rescinded or revoked.

Respectfully submitted,

---

EXHIBIT "D"

**LEASE ADDENDUM**

THIS LEASE ADDENDUM (this "Lease Addendum") by and between WELLS FARGO BANK, NATIONAL ASSOCIATION, a national banking association ("Lessor"), and the public body of the State of Georgia signing below ("Lessee"), is made and entered into the date of its execution by the Lessor.

RECITALS:

Lessor and Lessee have entered into a Master Equipment Lease (the "Master Equipment Lease") dated \_\_\_\_\_, which provides for Lessor to lease to Lessee certain property (the "Equipment") to be specified in Lease Addenda to be executed and delivered by Lessor and Lessee from time to time; and

Lessor and Lessee are entering into this Lease Addendum pursuant to the Master Equipment Lease to specify the terms for the lease of certain Equipment.

LESSOR AND LESSEE HEREBY AGREE AS FOLLOWS:

1. Definitions. Unless a different meaning or intent is required by this Lease Addendum, the capitalized terms used in this Lease Addendum shall have the meanings set forth in the Master Equipment Lease.

2. Equipment. The Equipment described on the Equipment Attachment incorporated as Attachment A to this Lease Addendum is specified as the Equipment that initially is the subject hereof.

3. Lease Payments. The Rent Payment Attachment, incorporated as Attachment B to this Lease Addendum describes the initial amounts and payment dates of the Rents for the Lease, and the Option Price for the Equipment.

4. Term of Lease. The Commencement Term of the Lease of the Equipment shall begin on the date hereof (the "Starting Date") and end on December 31 of the same year. The Lease will be renewed automatically for successive calendar year Subsequent Terms (the "Subsequent Terms"), and an Ending Term (the "Ending Term") commencing January 1 of the last calendar year appearing on the Rent Payment Attachment, and ending on the date of the final payment shown on the Rent Payment Attachment (the "Maturity Date"), unless Lessee gives a Termination Declaration or there otherwise occurs an Event of Termination, as provided in the Master Equipment Lease. The "Lease Term" is the period from the Starting Date to the Maturity Date, subject to the earlier expiration or termination of the Lease as provided in the Master Equipment Lease.

5. Agreements, Representations and Warranties. Lessee represents, warrants and agrees as follows:

(a) Lessee's representations, warranties and agreements contained in the Master Equipment Lease are true, accurate, complete and effective as of the date hereof;

(b) *(this clause (b) applies only if this Lease is designated as a Bank-Qualified Lease below)* in order to enable Lessor to offer the interest rate contained in this Lease, Lessee represents and warrants that it has not issued, nor does it (taken together with the entities with which it must be aggregate pursuant to Section 265(b)(3)(E) of the Code) reasonably expect to issue (taking into account the Lease) more than \$10 million of tax-exempt obligations (other than non-501(c)(3) private activity bonds) for the calendar year during which the Lease becomes effective; as provided in Code Section 265(b)(3)(B)(II), Lessee specifically designates the Lease as a "qualified tax-exempt obligation" as provided by Code Section 265(b)(3);

(c) Lessee will take no action that will directly or indirectly affect the deductibility of that portion of Lessor's interest expense allocable to this Lease;

(d) Lessee has made an available appropriation of and included in its current operating budget all Rents for the Commencement Term;

(e) If the vendors have been or are directed to be paid, Lessee has received, tested, and finally accepted the Equipment;

(f) If the Lessee is a county or a municipal corporation, the portion of the Rents representing principal, when taken together with the principal portion outstanding under any other contract entered into by Lessee pursuant to the authority of O.C.G.A. § 36-60-13, together with the amount of debt outstanding incurred by Lessee pursuant to Article IX, Section V, Paragraph I of the Constitution of Georgia of 1983, as amended, does not exceed 10% of the assessed value of all taxable property within the jurisdictional limits of Lessee;

(g) The Equipment that is the subject hereof has not been the subject of a referendum that failed to receive the approval of the voters of Lessee within the calendar year in which this Lease is entered into for any of the four immediately preceding calendar years;

(h) If the Lessee is a school system or the governing body thereof, Lessee represents under warrants that the total combined annual payments for contracts entered into by Lessee under the authority of O.C.G.A. §20-2-506, including this Lease, and contracts entered into under Article IX, Section III, Paragraph I of the Georgia Constitution in any calendar year, excluding guaranteed energy savings contracts described in O.C.G.A. §20-2-506(a)(2), shall not exceed an amount equal to 7.5% of the total local revenue collected for maintenance and operation of the school system in the most recently completed fiscal year.

(i) No Event of Default or Event of Termination has occurred with respect to any Lease entered into under the Master Equipment Lease.

(j) Lessee did not pay costs of the Equipment more than 60 days prior to the adoption by its governing body of a resolution declaring its official intent to finance the Equipment complying with Treasury Regs. § 1.150-2.

6. Non-Arbitrage Certificate. The Equipment that is subject to the Lease has not been and is not expected to be sold or otherwise disposed of in whole or in part prior to the Maturity Date. Monies appropriated for the payment of amounts under the Lease will be paid from Lessee's general fund and will not be pledged for the Lease or be otherwise separately identified or accounted for (unless the Lease is to be paid from sales tax receipts). Lessee has not been notified of any listing of it by the Internal Revenue Service as an issuer that may not certify its obligations. No proceeds or "gross proceeds" of the Lease are expected to be invested prior to an allocation for governmental use, unless a Funding Agreement has been entered into in connection with this Lease. If a Funding Agreement has been entered into, then the amount deposited in the Deposit Account established thereunder is expected to be needed and fully expended for the payment of costs of the Equipment; at least 85% of the amounts in the Deposit Account will be allocated to expenditures on the Equipment by the end of the three-year period beginning on the date of the Lease; the Lessee has incurred, or will incur within six (6) months of the date of the Lease, a substantial binding obligation to a third party to expend at least 5% of such amounts on the Equipment; acquisition of the Equipment with such amounts will proceed with due diligence; and the Lessee will pay any rebate amount with respect to the Lease owing under Code Section 148(f) if an exemption therefrom does not apply. The proceeds of the Lease will not be used in a manner and no other action will be taken or omitted that would cause the Lease to be an "arbitrage bond" under Section 148 or a "private activity bond" under Section 141 of the Internal Revenue Code of 1986, as amended and the regulations promulgated under that Section.

7. Quitclaim. At the outset of this Lease, the Lessee does hereby assign, transfer, convey and quitclaim to Wells Fargo Bank, National Association ("Lessor"), such ownership interests as it may possess, if any, in and to the "Equipment," as is necessary to permit the Equipment to be leased by Lessor to Lessee pursuant to the terms of this Lease Addendum and the Master Equipment Lease in accordance with their terms. This quitclaim is given in consideration of the advance by or on behalf of the Lessor of the purchase price of the Equipment and the undertaking of the Lessor represented by this Lease Addendum. Pursuant to Section 2.02 of the Master Equipment Lease, Lessor further transfers title to Lessee, without representation or warranty, to the extent provided therein, and Lessee accepts such transfer in accordance with such Section 2.02.

8. Municipal Activity. The Lessee, if a municipal corporation, certifies that it does, and expects to continue (a) providing at least three of the following services, either directly or by contract: law enforcement; fire protection (which may be furnished by a volunteer fire force) and fire safety; road and street construction or maintenance; solid waste management; water supply or distribution or both; waste-water treatment; storm-water collection and disposal; electric or gas utility services; enforcement of building, housing, plumbing, and electrical codes and other similar codes; planning and zoning; recreational facilities; (b) holding at least six regular, monthly or bimonthly, officially recorded public meetings each year; and (c) qualifying for and holding a regular municipal election as provided by law.

9. Effect of Lease Addendum. This Lease Addendum is intended as a separate Lease of the items of Equipment described in this Lease Addendum pursuant to the Master Equipment Lease. The terms, conditions and provisions of the Master Equipment Lease are hereby incorporated in this Lease Addendum to the same extent as if fully set forth in this Lease Addendum in this place, except to the extent expressly amended or modified by this Lease Addendum. The owner of Lessor's interest in this Lease shall have all rights, powers and remedies of Lessor with respect to this Lease under the Master Equipment Lease. This Lease Addendum may be executed in multiple counterparts, each of which shall constitute an original. This Lease Addendum shall be effective only upon the due completion and execution of the Attachments listed below and the delivery thereof to the Lessor.

10. Bank-Qualified or Non-Bank-Qualified.

Check box if the Lease under this Lease Addendum is a Non-Bank-Qualified Lease:

Unless the box above is checked, the Lease under this Lease Addendum is a Bank-Qualified Lease and Lessee hereby designates the Lease under the Lease Addendum as a "qualified tax-exempt obligation" under Section 265(b)(3) of the Code. The Lessee and its subordinate entities, and the entities that issue obligations on behalf of Lessee have not issued other tax-exempt obligations (other than private activity bonds, except qualified 501(c)(3) bonds) in the current calendar year, and Lessee does not expect that it and such other entities will issue such tax-exempt obligations such that all of such obligations, taken together with the Lease Amount under the Lease Addendum, would exceed would exceed \$30,000,000.00 during calendar years 2009 or 2010.. The only tax-exempt obligations issued or expected to be issued in the current calendar year by such parties are as follows (type title, date and amount below, if any):

	<b>TITLE</b>	<b>DATE</b>	<b>AMOUNT</b>
(1)	_____	_____	_____
(2)	_____	_____	_____

11. Payments Direction. Lessee authorizes and directs the Lessor to pay the vendors of the Equipment as indicated below:

	<b>NAME AND ADDRESS OF VENDOR</b>	<b>INVOICE #</b> (attach invoices)	<b>AMOUNT</b>
(1)	_____	_____	_____
(2)	_____	_____	_____
(3)	_____	_____	_____

Check box if payments for the Equipment are to be made from a Deposit Account pursuant to a Funding Agreement:

(Should Lessee have previously paid vendor, or require another means of payment to the vendor, it should attach a request for an alternate payment method with a full explanation and, if applicable, proof of payment to the vendor.)

12. UCC. Lessor or its assigns are authorized to file a UCC financing statement with respect to Lessee and the Equipment, and any continuation thereof, as a protective measure against the circumstance that the Uniform Commercial Code is found to be applicable to this transaction.

13. Attachments. Lessee hereby delivers to Lessor and its assigns the completed, executed and effective Attachments D, E and F, described below.

[Text continued on next page]

14. Authority To Honor Drafts.  If this box is checked, Lessee authorizes Wells Fargo Bank, National Association (“Bank”) to draft the depository account identified below for payments due under the Lease effective upon the start of the Lease; Bank will send a billing statement approximately 5-10 days prior to the draft. Questions about such statements should be directed to the customer service call center at 800-222-3862. The  depository  savings account number located at \_\_\_\_\_ (Name of Financial Institution) is \_\_\_\_\_ (Account Number). The Routing/Transit Number for the above is \_\_\_\_\_.

Lessee agrees that Bank’s rights, in respect to each draft, shall be the same as if it were a check drawn on the depository bank and signed by Lessee. Lessee further agrees that if any such draft should be dishonored, with or without cause, or if any draft presented pursuant to the authority of this agreement is drawn in an incorrect amount, or drawn or presented after this authorization has been withdrawn, Bank shall be under no liability whatsoever other than to correct erroneous amounts. This authority shall remain in full force and affect you until such time as Bank receives written notification of revocation.

15. Breakage Fee Options.

(a) Unless the box below is checked, then, instead of the Definition of “Breakage Fee” contained in the Master Equipment Lease applying to this Lease Addendum, the following definition shall apply:

“Breakage Fee” shall mean, on any date the Breakage Fee is to be determined, an amount equal to 1% of the unpaid Lease Principal set forth under the column entitled “Balance” on the Rent Payment Attachment.

(b)  If this box is checked, paragraph 14(a) above shall not apply, and the Definition of “Breakage Fee” shall be as contained in the Master Equipment Lease.

This Lease Addendum is dated: \_\_\_\_\_, 20\_\_\_\_.

**IN WITNESS WHEREOF**, Lessor and Lessee have caused this Lease Addendum to be duly executed.

**LESSEE:** **City of Sandy Springs**

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

John McDonough

Title: City Manager

Attest: \_\_\_\_\_

Title:

**LESSOR:** **WELLS FARGO BANK, NATIONAL ASSOCIATION**

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

Title:

Attachments Hereto:

- A. Equipment Attachment
- B. Rent Payment Attachment
- C. Termination Declaration Form
- D. Form 8038G or 8038GC
- E. Ordinance/Resolution for Lease Addendum
- F. Lessee Attorney Opinion (Lease Addendum)

**ATTACHMENT A**

**EQUIPMENT ATTACHMENT**

(Check box if Equipment is to be further described pursuant to a Funding Agreement: )

<b><u>DESCRIPTION OF EQUIPMENT</u></b>	<b><u>IDENTIFICATION # OR VIN # (if applicable)</u></b>	<b><u>AMOUNT FINANCED</u></b>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

**ATTACHMENT B**

**RENT PAYMENT ATTACHMENT**

<b><u>Date</u></b>	<b><u>Payment</u></b>	<b><u>Interest</u></b>	<b><u>Principal</u></b>	<b><u>Balance</u></b>
--------------------	-----------------------	------------------------	-------------------------	-----------------------

**ATTACHMENT C**

**TERMINATION DECLARATION**

To: Wells Fargo Bank, National Association  
360 Interstate North Parkway  
5<sup>th</sup> Floor, MC GA4607  
Atlanta, Georgia 30339-2216  
Attention: Government and Institutional Banking

Re: Master Equipment Lease dated \_\_\_\_\_, and Lease Addendum (the  
“Lease Addendum”) dated \_\_\_\_\_, between Lessee and Wells Fargo  
Bank, National Association

The undersigned officer of **City of Sandy Springs** (the “Lessee”) hereby certifies that  
(check boxes applicable):  for the current fiscal year (that is, the fiscal year ending  
\_\_\_\_\_) Rents under the referenced Lease Addendum were not included in  
such Lessee’s operating budget or budgets for such year, and an appropriation of funds for such  
year has not been made for such purpose; and/or  the governing body of Lessee has resolved  
not to renew the Lease for calendar year \_\_\_\_ (insert year). The Lessee understands the  
consequences of this Termination Declaration, including that the Lease will terminate early and  
that Lessee will be obligated to surrender the Equipment.

Dated: \_\_\_\_\_ [Form Only]  
(City)

Signed: \_\_\_\_\_ [Form Only]

Name:  
Title:

Attest: \_\_\_\_\_ [Form Only]

Name:  
Title:

**ATTACHMENT D**

FORM 8038G OR 8038GC

**ATTACHMENT E**

**RESOLUTION/ORDINANCE FOR LEASE ADDENDUM**

A RESOLUTION OR ORDINANCE TO AUTHORIZE AND  
DIRECT THE EXECUTION OF ONE OR MORE LEASE ADDENDA FOR A LEASE  
OR LEASES WITH WELLS FARGO BANK, NATIONAL ASSOCIATION;  
TO PROVIDE AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

WHEREAS, **City of Sandy Springs** (“Lessee”) has entered into a Master Equipment Lease (the “Master Equipment Lease”) dated as of \_\_\_\_\_, with Wells Fargo Bank, National Association, for the leasing from time to time of certain property pursuant to Lease Addenda;

NOW THEREFORE, BE IT RESOLVED OR ORDAINED AS FOLLOWS BY THE GOVERNING BODY OF THE LESSEE:

1. The **City Manager** (Title of Officer) of Lessee is hereby authorized and directed to execute and deliver a Lease Addendum and/or a Funding Agreement pursuant to the Master Equipment Lease to put into effect one or more leases for **Police Vehicles** (the “Equipment”); said officer of Lessee is authorized and directed in the name and on behalf of Lessee to execute and deliver (i) one or more Lease Addenda for items of the Equipment in substantially the form attached to the Master Equipment Lease, with such changes and additions as may be approved by said officer, and (ii) a Funding Agreement and/or such other documents as may be deemed by such officer to be necessary or desirable to effect the purposes hereof or of the Master Equipment Lease, and such execution shall constitute conclusive evidence that the executed document has been authorized and approved hereby; the aforesaid officer is further authorized to do all things necessary or appropriate to effectuate the purposes hereof.
  
2. An appropriation in Lessee’s current operating budget has previously been made in the amount of \_\_\_\_\_, which shall be sufficient to pay the “Rents” during the “Commencement Term” under such Lease Addenda; or  
  
( *check box if applicable*) an appropriation from unappropriated and unreserved funds in the Lessee’s current operating budget is hereby made in the amount of at least \$\_\_\_\_\_ for the “Rents” during the “Commencement Term” under such Lease Addenda, and the budget of Lessee is hereby amended to reflect such appropriation to the extent necessary.
  
3. The lease or leases contemplated by the said Lease Addenda are hereby designated “Qualified Tax-Exempt Obligations” within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended, and said officer shall be authorized to confirm such designation by execution of appropriate documents in connection therewith. (This paragraph 3 is not applicable and the Lease will be a Non-Bank Qualified Lease if the following box is checked: )

4. This authorization shall be effective immediately.

CERTIFICATE

The undersigned hereby certifies that he or she is the officer of **City of Sandy Springs** (“Lessee”) as indicated below, and that the foregoing is a true copy of the  Resolution or,  Ordinance [Check One] adopted by the governing body of Lessee at a meeting duly held on (INSERT MEETING DATE) \_\_\_\_\_, 20\_\_\_\_, at which a quorum was present and acting throughout, and that the same has not been rescinded or modified and is now is in full force and effect. Given under the seal of Lessee, this \_\_\_\_\_, 20\_\_\_\_.

(SEAL)

\_\_\_\_\_  
John McDonough  
Title: City Manager

**ATTACHMENT F**

FORM OF  
LESSEE ATTORNEY OPINION

(LEASE ADDENDUM)

(FOR LETTERHEAD)  
(DATE)

Wells Fargo Bank, National Association  
360 Interstate North Parkway  
5<sup>th</sup> Floor, MC GA4607  
Atlanta, Georgia 30339-2216  
Attention: Government and Institutional Banking

RE: Lease Addendum (the "Lease") dated \_\_\_\_\_ 20\_\_, by and between Wells Fargo Bank, National Association (the "Lessor") and **City of Sandy Springs** (the "Lessee")

Gentlemen:

As counsel for the Lessee I have examined the Lease, the Master Equipment Lease referred to therein and such other papers, laws and legal materials as I have deemed relevant to form the opinions herein expressed. Based upon the foregoing, it is my opinion that:

1. The Lessee is a public body duly created and validly existing under the Constitution and laws of the State of Georgia and has all requisite right, power and authority to execute and deliver the Lease, and to perform all acts and consummate all of the transactions contemplated by the Lease.

2. The Lease has been duly authorized by all necessary official action on the part of the Lessee, has been duly executed and delivered by the Lessee, and (assuming due authorization, execution and delivery by the Lessor) constitutes the legal, valid and binding obligation thereof, enforceable in accordance with its terms, except as enforcement thereof may be limited by the exercise of judicial discretion in appropriate cases, and applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally.

3. The execution and delivery of the Lease and the compliance by the Lessee with the terms thereof will not conflict with, or result in any breach of any of the provisions of, or constitute a default under, any agreement or other instrument to which the Lessee is a party or by which it may be bound, or any judgment, decree, order, constitutional provision, law, statute or governmental rule or regulation applicable to the Lessee.

4. There is no action, suit, proceeding, inquiry or investigation, at law or in equity, or before or by any court, or governmental body, pending or known to be threatened against or affecting the Lessee, wherein an unfavorable decision, ruling or finding would materially adversely affect the transactions contemplated by the Lease, or which in any way would adversely affect the validity or enforceability of the Lease.

5. All legal action required to be taken by the Lessee in connection with the Lease has been validly taken in compliance with the provisions of law (including but not limited to compliance with the Georgia Open Meetings Law), and none of the proceedings held or actions taken by the Lessee with respect to any of the foregoing has been repealed, rescinded or revoked.

Respectfully submitted,

---

<b>Part I Reporting Authority</b>			If Amended Return, check here <input type="checkbox"/>	
1 Issuer's name	2 Issuer's employer identification number			
3 Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	4 Report number	3	
5 City, town, or post office, state, and ZIP code	6 Date of issue			
7 Name of issue	8 CUSIP number			
9 Name and title of officer or legal representative whom the IRS may call for more information	10 Telephone number of officer or legal representative		( )	

<b>Part II Type of Issue (check applicable box(es) and enter the issue price)</b> 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
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 ►	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"/>	

<b>Part III Description of Obligations.</b> 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	\$	\$	years	%

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

<b>Part V Description of Refunded Bonds (Complete this part only for refunding bonds.)</b>	
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 advance 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	►

<b>Part VI Miscellaneous</b>	
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	►
38 If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box	<input 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"/>

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.

**Sign Here**

► \_\_\_\_\_ Date \_\_\_\_\_ Type or print name and title \_\_\_\_\_

Signature of issuer's authorized representative



Rate Period: Exact Days

Nominal Annual Rate: 1.400%

CASH FLOW DATA

Event	Date	Amount	Number	Period	End Date
1 Loan	10/7/2010	1,500,000.00	1		
2 Payment	11/1/2010	42,575.67	36	Monthly	10/1/2013

AMORTIZATION SCHEDULE - U.S. Rule (no compounding), 360 Day Year

	Date	Payment	Interest	Principal	Balance
Loan	10/7/2010				1,500,000.00
1	11/1/2010	42,575.67	1,458.33	41,117.34	1,458,882.66
2	12/1/2010	42,575.67	1,702.03	40,873.64	1,418,009.02
2010 Totals		85,151.34	3,160.36	81,990.98	
3	1/1/2011	42,575.67	1,709.49	40,866.18	1,377,142.84
4	2/1/2011	42,575.67	1,660.22	40,915.45	1,336,227.39
5	3/1/2011	42,575.67	1,455.00	41,120.67	1,295,106.72
6	4/1/2011	42,575.67	1,561.32	41,014.35	1,254,092.37
7	5/1/2011	42,575.67	1,463.11	41,112.56	1,212,979.81
8	6/1/2011	42,575.67	1,462.31	41,113.36	1,171,866.45
9	7/1/2011	42,575.67	1,367.18	41,208.49	1,130,657.96
10	8/1/2011	42,575.67	1,363.07	41,212.60	1,089,445.36
11	9/1/2011	42,575.67	1,313.39	41,262.28	1,048,183.08
12	10/1/2011	42,575.67	1,222.88	41,352.79	1,006,830.29
13	11/1/2011	42,575.67	1,213.79	41,361.88	965,468.41
14	12/1/2011	42,575.67	1,126.38	41,449.29	924,019.12
2011 Totals		510,908.04	16,918.14	493,989.90	
15	1/1/2012	42,575.67	1,113.96	41,461.71	882,557.41
16	2/1/2012	42,575.67	1,063.97	41,511.70	841,045.71
17	3/1/2012	42,575.67	948.51	41,627.16	799,418.55
18	4/1/2012	42,575.67	963.74	41,611.93	757,806.62
19	5/1/2012	42,575.67	884.11	41,691.56	716,115.06
20	6/1/2012	42,575.67	863.32	41,712.35	674,402.71
21	7/1/2012	42,575.67	786.80	41,788.87	632,613.84
22	8/1/2012	42,575.67	762.65	41,813.02	590,800.82
23	9/1/2012	42,575.67	712.24	41,863.43	548,937.39
24	10/1/2012	42,575.67	640.43	41,935.24	507,002.15
25	11/1/2012	42,575.67	611.22	41,964.45	465,037.70
26	12/1/2012	42,575.67	542.54	42,033.13	423,004.57
2012 Totals		510,908.04	9,893.49	501,014.55	
27	1/1/2013	42,575.67	509.96	42,065.71	380,938.86
28	2/1/2013	42,575.67	459.24	42,116.43	338,822.43
29	3/1/2013	42,575.67	368.94	42,206.73	296,615.70
30	4/1/2013	42,575.67	357.59	42,218.08	254,397.62
31	5/1/2013	42,575.67	296.80	42,278.87	212,118.75
32	6/1/2013	42,575.67	255.72	42,319.95	169,798.80
33	7/1/2013	42,575.67	198.10	42,377.57	127,421.23

34	8/1/2013	42,575.67	153.61	42,422.06	84,999.17
35	9/1/2013	42,575.67	102.47	42,473.20	42,525.97
36	10/1/2013	42,575.67	49.70	42,525.97	0.00
2013 Totals		425,756.70	2,752.13	423,004.57	
Grand Totals		1,532,724.12	32,724.12	1,500,000.00	

Last interest amount increased by 0.09 due to rounding.