RESOLUTION NO: 97-179

A RESOLUTION APPROVING EQUIPMENT LEASE/PURCHASE AGREEMENT; AUTHORIZING THE EXECUTION OF DOCUMENTS RELATED THERETO; ACKNOWLEDGING THE TAX EXEMPT STATUS OF THE LEASE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Parker, Florida ("City") is a validly existing political subdivision of the State of Florida ("State"), existing as such under and by virtue of the constitution, statutes and laws of the State;

WHEREAS, the Council of the City ("City Council") has the power under the laws of the State to lease or purchase personal property for use by the City; and the City Council has determined, and hereby determines, that it is in the best interests of the City to enter into a Lease/Purchase Agreement ("Lease") with GE Capital Public Finance, Inc. ("Lessor"), in substantially the form attached hereto, for the purpose of financing the acquisition of the equipment described in Exhibit "A" to the Lease ("Equipment"), and that the use of such Equipment is essential to the City's proper, efficient and economic operation;

WHEREAS, the City Council has taken the necessary and appropriate steps under applicable law, including, without limitation, any requirements to arrange for the acquisition of the Equipment under this Lease;

WHEREAS, the Lease may be terminated, and the City's obligations thereunder are extinguished, if the City Council fails to appropriate money for the ensuing fiscal year or obtain

necessary grant funds for the payment of the amounts due in such fiscal year;

WHEREAS, there has been presented to the City Council the form of the Lease, including Exhibit "A" thereto, which the City proposes to approve, enter into and delivery, as applicable, to effectuate the proposed financing of the Equipment; and it appears that the Lease and its Exhibit "A" are in appropriate form and are appropriate instruments for the purposes intended.

NOW THEREFORE, BE IT RESOLVED BY THE CITY OF PARKER:

SECTION 1. That all actions of the City in effectuating the Lease are hereby approved, ratified and authorized pursuant to and in accordance with the transactions contemplated by the Lease.

SECTION 2. The City Council hereby approves the acquisition/lease by the City of the Equipment, such acquisition to be financed by or leased through Lessor pursuant to and in accordance with the terms of the Lease, which will be a valid, legal and binding obligation of the City enforceable in accordance with its terms. The form and content of the Lease are in all respects authorized, approved and confirmed. The Mayor or the Mayor's Pro-Tem is authorized, empowered and directed to execute and deliver the Lease for and on behalf of the City in substantially the form attached hereto, but with such changes, modifications, additions or deletions therein as shall be deemed necessary, desirable or appropriate, and to execute and deliver any other documents necessary to consummate or evidence the transaction which is the subject of this Resolution.

SECTION 3. Pursuant to Section 265(b)(3)(B)(i) of the Internal Revenue Code of 1986 ("Code"), as amended or modified, the City hereby specifically designates the Lease as a "qualified tax-exempt obligation" for purposes of Section 265(b)(3) of the Code, and the City represents it will not designate more than Ten Million and No/100 Dollars ($10,000,000.00) of obligations issued by the City in the calendar year in which the Lease and Exhibit "A" thereto are executed and delivered as such "qualified tax-exempt obligations."

SECTION 4. This Resolution shall take effect immediately upon its passage.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Parker, Florida, on this 6th day of October, 1997.

CITY OF PARKER

Brenda G. Hendricks

BRENDA G. HENDRICKS, Mayor

ATTEST:

David W. Linger

DAVID W. LINGER, City Clerk

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SECTION 4. TAX COVENANT. No use will be made of the proceeds of the Obligation which, if such use were reasonably expected on the date of the Obligation, would cause the same to be "arbitrage bonds" within the meaning of the Internal Revenue Code of 1986. The City at all times while the Obligation and the interest thereon are outstanding will comply with the requirements of the Internal Revenue Code of 1986, and any valid and applicable rules and regulations promulgated thereunder necessary to maintain the exclusion of the interest on the obligation from federal gross income including the creation of any rebate funds or other funds and/or accounts required in that regard.

The City shall at all times do and perform all acts and things permitted by law and this Resolution which are necessary or desirable in order to assure that interest paid on the Obligation will be excluded from gross income for federal income tax purposes and shall take no action that would result in such interest not being excluded from gross income for federal income tax purposes.

SECTION 5. BANK QUALIFIED. The City designates the Obligation as "qualified tax-exempt Bonds" within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "Code"). The City and any subordinate entities of the City and any issuer of "tax-exempt" debt that issues "on behalf of" the City do not reasonably expect during the calendar year 1997 to issue more than $10,000,000 of "tax-exempt" obligations, exclusive of any private activity bonds, as defined in Section 141(a) of the Code.

SECTION 6. OTHER MATTERS. The Mayor and the City Clerk of the City or any other appropriate officers of the City are hereby authorized and directed to execute any and all certifications or other instruments or documents required by this Resolution or any other document referred to above as a prerequisite or precondition to the issuance of the Obligation and any such representation made therein shall be deemed to be made on behalf of the City. All action taken to date by the officers of the City in furtherance of the issuance of the Obligation is hereby approved, confirmed and ratified.

SECTION 7. SEVERABILITY. If any one or more of the covenants, agreement of provisions of this Resolution should be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reasons whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions, and in no way affect the validity of all the other provisions of this Resolution or the Obligation.

SECTION 8. EFFECTIVE DATE. This Resolution shall take effect immediately upon its adoption.

PASSED by the City Council of the City of Parker, Florida, this 6th day of October, 1997.

(SEAL)

CITY COUNCIL OF THE CITY OF PARKER, FLORIDA

By: _____
Mayor

ATTEST:

_____
City Clerk

Approved as to form and correctness:

_____
City Attorney of the City of Parker, Florida

FLORIDA MASTER LEASE AGREEMENT

THIS FLORIDA MASTER LEASE AGREEMENT ("Agreement"), dated as of the October ~~3,~~ 8 1997, is made and entered into by and between GE Capital Public Finance, Inc., a corporation duly organized and existing under the laws of the state of Delaware, as lessor ("Lessor"), whose principal business address is as shown on the execution page hereof; and the lessee identified on the execution page hereof, a political subdivision of the State of Florida, as lessee ("Lessee"), whose address is as shown on the execution page hereof.

In consideration of the mutual covenants herein contained, the parties hereto recite and agree as follows:

ARTICLE I: DEFINITIONS AND EXHIBITS

Section 1.1. Definitions. The following terms have the meanings specified below unless the context clearly requires otherwise.

Agreement: This Florida Master Lease Agreement and all Equipment Schedules hereto.

Agreement Date: The date so designated on the execution page hereof.

Contractor: Each of the manufacturers or vendors from whom Lessee has ordered or with whom Lessee has contracted for the manufacture, delivery and/or installation of the Equipment.

Counsel: An attorney duly admitted to the practice of law before the highest court of the State.

Equipment: All items of personal property described in Equipment Schedules and subject to this Agreement.

Equipment Group: The Equipment listed in a single Exhibit A.

Equipment Schedule: A schedule consisting of the separate but like numbered pages of Exhibits A and B which have been completed with respect to an Equipment Group and executed by Lessor and Lessee.

Events of Default: Those events described in Section 12.1.

Fiscal Year: The 12-month fiscal period of Lessee which commences in every year and ends in every year on the dates shown on the execution page hereof.

Funding Date: With respect to each Lease, the date Lessor makes payment to the Contractor(s) for the purchase price of the related Equipment Group or, if the procedure described in Section 3.3 is utilized, the date Lessor deposits funds into an Escrow Account.

Interest: The portion of any Rental Payment designated as and comprising interest as shown in any Exhibit A.

Lease: With respect to each Equipment Group, this Agreement and the Equipment Schedule relating thereto, which shall constitute a separate contract relating to such Equipment Group.

Lease Date: The date so designated in each Exhibit A.

Lease Term: With respect to any Equipment Group, the period during which the related Lease is in effect as specified in Section 4.1.

Lien: Any mortgage, security interest, lease, lien, pledge, charge, encumbrance or claim of any kind.

Net Proceeds: Any insurance proceeds or condemnation awards paid with respect to any Equipment remaining after payment therefrom of all expenses incurred in the collection thereof.

Non-Appropriation: The failure of Lessee or Lessee's governing body to appropriate money for any Fiscal Year of Lessee sufficient for the continued performance by Lessee of all of Lessee's obligations under this Agreement, as evidenced by the passage of a final budget which does not include a line item for monies sufficient to pay all Rental Payments due under this Agreement for a designated Fiscal Year and all subsequent Fiscal Years.

Payment Date: The date upon which any Rental Payment is due and payable as provided in any Exhibit A.

Principal: The portion of any Rental Payment designated as principal in any Exhibit A.

Prepayment Price: With respect to any Equipment Group, as of the Payment Dates specified in the Exhibit A relating thereto, the amount so designated and set forth opposite each such date in such Exhibit A.

Rental Payment: With respect to any Equipment Group, the payment due from Lessee to Lessor on each Payment Date during the Lease Term as shown in the Exhibit A relating thereto.

Specifications: The bid specifications and/or purchase order pursuant to which Lessee has ordered any Equipment from a Contractor.

State: The state of Florida.

State and Federal Law or Laws: The Constitution and any law of the State and any charter, ordinance, rule or regulation of any agency or political subdivision of the State; and any law of the United States, and any rule or regulation of any federal agency.

Section 1.2. Exhibits.

Exhibit A: Form of schedule executed by Lessor and Lessee describing an Equipment Group, and setting forth the Rental Payments and Prepayment Prices.

Exhibit B: Form of Certificate of Acceptance executed by Lessee.

Exhibit C: Form of Opinion of Counsel to Lessee.

ARTICLE II: REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 2.1. Representations, Warranties and Covenants of Lessee. Lessee represents and warrants and covenants as follows:

(a) Lessee is a political subdivision of the State, duly organized and existing under the Constitution and laws of the State, and is authorized under the Constitution and laws of the State to enter into this Agreement, each Lease and the transactions contemplated hereby and thereby, and to perform all of its obligations under this Agreement and each Lease.

(b) The execution and delivery of this Agreement and each Lease by the officer of Lessee executing such documents has been duly authorized by a duly adopted resolution of Lessee's governing body, or by other appropriate official action, and such action is in compliance with all public bidding and other State and Federal Laws applicable to this Agreement, each Lease and the acquisition and financing of the Equipment by Lessee. All requirements have been met and procedures have occurred in order to ensure the enforceability of this Agreement and each Lease against Lessee.

(c) Lessee will have the sole use and possession of the Equipment. Lessee will use the Equipment only to perform essential governmental or proprietary functions of Lessee within the scope of Lessee's authority. Lessee will not permit the Equipment to be used in, for or by any private commercial activity.

(d) Lessee will take no action that would cause the Interest portion of the Rental Payments to become includable in gross income of the recipient for federal income tax purposes under the Internal Revenue Code of 1986, as amended (the "Code"), and Treasury Regulations promulgated thereunder (the "Regulations"), and Lessee will take and will cause its officers, employees and agents to take all affirmative actions legally within its power necessary to ensure that the Interest portion of the Rental Payments does not become includable in gross income of the

recipient for federal income tax purposes under the Code and Regulations; all as amended from time to time (including, without limitation, the calculation and payment of any rebate required to preserve such exclusion). Lessee will submit to the Secretary of the Treasury information reporting statements and other information relating to each Lease at the times and in the forms required by the Code and the Regulations.

(e) Lessee reasonably expects that it will not sell or otherwise dispose of all or part of an Equipment Group during the related Lease Term.

(f) There is no action, suit, proceeding, claim, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body pending or, to the best of Lessee's knowledge, threatened against or affecting Lessee, challenging Lessee's authority to enter into this Agreement or any Lease or any other action wherein an unfavorable ruling or finding would adversely affect the enforceability of this Agreement or any Lease hereunder or any other transaction of the Lessee which is similar hereto, or the exclusion of the Interest from gross income for federal tax purposes under the Code, or would materially and adversely affect any of the transactions contemplated by this Agreement or any Lease, including, but not limited to, Lessee's acquisition of Equipment.

(g) Upon execution of this Agreement and each Exhibit A, Lessee will provide to Lessor an Opinion of its Counsel in the form attached hereto as Exhibit C and a copy of the resolution adopted by its governing body with respect to this Agreement and each Lease or evidence of another official action authorizing this Agreement and each Lease.

(h) Lessee has not and will not create or establish any sinking fund, reserve fund or other similar fund to pay Rental Payments.

(i) Lessee owns the real estate and facilities where the Equipment will be located free and clear of any Liens and, during the Lease Term, will continue to own such property and shall keep it free and clear of Liens.

(j) Lessee acknowledges that (i) under Article XII of this Agreement, upon an Event of Default of Lessee, Lessor may elect to terminate this Agreement and each Lease hereunder and (ii) upon a Non-Appropriation by Lessee relating to any Lease or any Equipment, this Agreement and each Lease hereunder shall terminate and Lessee is required upon the occurrence of (i) or (ii) to deliver all Equipment as instructed by Lessor under Section 12.3 hereof.

ARTICLE III: LEASE OF EQUIPMENT

Section 3.1. Acquisition of Equipment. Lessee shall advise Lessor of its desire to lease equipment, the equipment cost, the Contractor of the equipment, expected delivery date and the desired lease terms for such equipment. By execution hereof, Lessor has made no commitment to lease any equipment to Lessee. Nothing herein shall obligate Lessor to lease any equipment to Lessee until Lessor has executed an Exhibit A relating thereto. If Lessor, in its sole discretion, determines the proposed equipment may be subject to a Lease hereunder, Lessor shall furnish to Lessee a proposed Exhibit A relating to the Equipment Group completed insofar as possible. Lessee shall order the Equipment Group from the appropriate Contractor or Contractors. In no event shall Lessee enter into any contract with any Contractor or issue a purchase order which references Lessor. Lessor shall have no obligation to make any payment to a Contractor or reimburse Lessee for any payment it made to a Contractor for an Equipment Group (or, if the alternative procedure described in Section 3.3 hereof is utilized, consent to a disbursement by the Escrow Agent) until five (5) business days after Lessor has received all of the following in form and substance satisfactory to Lessor: (a) an Exhibit A executed by Lessor and Lessee; (b) a Certificate of Acceptance (however, if the alternative procedure in Section 3.3 is utilized, a Certificate of Acceptance is not required until the entire Equipment Group is accepted); (c) a resolution or evidence of other official action taken by or on behalf of the Lessee to authorize the acquisition of the Equipment Group on the terms provided in Exhibit A; (d) evidence of insurance with respect to the Equipment Group in compliance with Article VI of this Agreement; (e) Contractor invoice(s) and/or bill of sale relating to the Equipment Group and if such invoices have been paid by Lessee, evidence of payment thereof and, if applicable, evidence of official intent to reimburse such payment as required by the Regulations; (f) if applicable, the original certificate of title or manufacturer's certificate of origin and title application if any of the Equipment Group is subject to certificate of title laws; (g) a completed and executed Form 8038-G or -GC or evidence of filing thereof with the Secretary of Treasury; (h) an Opinion of Counsel and (i) any other documents or items required by Lessor.

Section 3.2. Lease; Enjoyment; Inspection. Lessor hereby leases to Lessee each Equipment Group made subject to an Equipment Schedule, and Lessee hereby leases from Lessor such Equipment Group, upon the terms and conditions set forth in this Agreement and in the related Equipment Schedule. During the Lease Term, Lessee shall peaceably and quietly have and hold and enjoy the Equipment Group, except as expressly set forth in this Agreement. Lessee agrees that Lessor and its agents shall have the right at all reasonable times to examine and inspect the Equipment, and Lessor and its agents shall have such rights of access to the Equipment as may be reasonably necessary to cause the proper maintenance of the Equipment in the event of failure by Lessee to perform its obligations hereunder. Notwithstanding the designation of GE Capital Public Finance, Inc. as Lessor, GE Capital Public Finance, Inc. does not own the Equipment and by this Agreement and each Lease is merely financing the acquisition thereof for Lessee. Lessor has not been in the chain of title of the Equipment, does not operate, control or have possession of the Equipment and has no control over the Lessee or the Lessee's operation, use, storage or maintenance of the Equipment. Lessee is solely responsible for the selection of the Equipment, and the manufacturer and vendor thereof, and is solely responsible for the use, maintenance, operation and storage of the Equipment.

Section 3.3. Alternative Procedure; Escrow Agreement. Notwithstanding the provisions of Section 3.1, if, upon agreement by Lessor and Lessee as to any Equipment Group to be acquired and leased by Lessee under this Agreement, Lessor and Lessee enter into an escrow agreement with an escrow agent establishing an account from which the Equipment Group cost is to be paid (the "Escrow Account") (a) Lessor and Lessee shall immediately complete and execute an Exhibit A relating to the Equipment Group; (b) the amount deposited by Lessor into the Escrow Account shall be repaid by the Rental Payments due under the related Lease; and (c) the Rental Payments relating to the Equipment Group shall have an aggregate Principal component equal to the amount of Lessor's deposit into the Escrow Account and shall be due and payable as provided in the related Exhibit A commencing upon the deposit of funds by Lessor into the Escrow Account. Lessee acknowledges and agrees that no disbursements shall be made from an Escrow Account except for portions of the Equipment Group which are operationally complete and functionally independent and which may be utilized by Lessee without regard to whether the balance of the Equipment Group is delivered and accepted.

ARTICLE IV: TERM

Section 4.1. Term. This Agreement shall be in effect from the Agreement Date until the earliest of (a) termination under Section 4.2 or (b) termination under Section 12.2; provided, however, no Equipment Schedules shall be executed after any Non-Appropriation or Event of Default. Each Lease with respect to an Equipment Group shall be in effect for a Lease Term commencing upon the Lease Date and ending as provided in Section 4.5.

Section 4.2. Termination by Lessee. In the sole event of Non-Appropriation, this Agreement and each Lease hereunder shall terminate, in whole, but not in part, as to all Equipment effective upon the last day of the Fiscal Year for which funds were appropriated, in the manner and subject to the terms specified in this Article. Lessee may effect such termination by giving Lessor a written notice of termination and by paying to Lessor any Rental Payments and other amounts which are due and have not been paid at or before the end of its then current Fiscal Year. Lessee shall endeavor to give notice of such termination not less than one hundred twenty (120) days prior to the end of the Fiscal Year for which appropriations were made, and shall notify Lessor of any anticipated termination. In the event of termination of this Agreement as provided in this Section, Lessee shall comply with the instructions received from Lessor in accordance with Section 12.3.

Section 4.3. Intent To Continue Lease Term; Appropriations. Lessee presently intends to continue each Lease hereunder for its entire Lease Term and to pay all Rental Payments relating thereto. Lessee agrees and hereby directs the person or entity in charge of preparing Lessee's budget to include in the budget request for each Fiscal Year the Rental Payments to become due in such Fiscal Year. The parties acknowledge that appropriation for Rental Payments is a governmental function which Lessee cannot contractually commit itself in advance to perform and this Agreement does not constitute such a commitment. However, Lessee reasonably believes that moneys in an amount sufficient to make all Rental Payments can and will lawfully be appropriated and/or made available to permit Lessee's continued utilization of the Equipment in the performance of its essential functions during the applicable Lease Terms. Lessee will use funds appropriated for this Agreement for no other purpose other than to pay Rental Payments and other amounts due hereunder.

Section 4.4. Effect of Termination. Upon termination of this Agreement as provided in this Article, Lessee shall not be responsible for the payment of any additional Rental Payments coming due in succeeding Fiscal Years, but if Lessee has not complied with the instructions received from Lessor in accordance with Section 12.3, the termination

shall nevertheless be effective, and Lessee shall pay, on demand to Lessor, from legally available funds, the unpaid balance of this Agreement which is stipulated to be the aggregate of the Prepayment Prices as shown on each Exhibit A as of the last day of the Fiscal Year for which funds were appropriated.

Section 4.5. Termination of Lease Term. The Lease Term with respect to any Lease will terminate upon the occurrence of the first of the following events: (a) the termination of this Agreement by Lessee in accordance with Section 4.2; (b) the payment of the Prepayment Price by Lessee pursuant to Article X; (c) an Event of Default by Lessee and Lessor's election to terminate such Lease and/or the Agreement pursuant to Article XII; or (d) the payment by Lessee of all Rental Payments and all other amounts authorized or required to be paid by Lessee pursuant to such Lease.

ARTICLE V: RENTAL PAYMENTS

Section 5.1. Rental Payments. Lessee agrees to pay Rental Payments with respect to the Lease of an Equipment Group during the related Lease Term in the amounts and on the dates specified in the Exhibit A relating thereto. A portion of each Rental Payment is paid as and represents the payment of Interest as set forth in Exhibit A of each Lease, and the first Rental Payment will include Interest accruing from the Funding Date. Lessor is authorized to insert the due date of the first Rental Payment on Exhibit A. All Rental Payments shall be paid to Lessor, or to such assignee(s) to which Lessor has assigned such Rental Payments as specified in Article XI, at such place as Lessor or such assignee(s) may from time to time designate by written notice to Lessee. Lessee shall pay the Rental Payments exclusively from moneys legally available therefor, in lawful money of the United States of America.

Section 5.2. Current Expense. The obligations of Lessee, including its obligation to pay the Rental Payments due in any Fiscal Year of a Lease Term, shall constitute a current expense of Lessee for such Fiscal Year and shall not constitute an indebtedness of Lessee within the meaning of the Constitution and laws of the State. Nothing herein shall constitute a pledge by Lessee of any taxes or other moneys (other than moneys lawfully appropriated from time to time by or for the benefit of Lessee for this Agreement and the Net Proceeds of the Equipment) to the payment of any Rental Payment or other amount coming due hereunder. The Rental Payments due hereunder are to be made only after an appropriation of funds or securing grant funds therefor from legally available monies and neither Lessee, the State nor any political subdivision or agency thereof shall be obligated to make any such appropriation and neither the full faith and credit of Lessee, the State nor any political subdivision or agency thereof is pledged for the payment of Rental Payments hereunder. However, nothing herein shall be construed to release Lessor from the performance of its obligations hereunder; and if Lessor should fail to perform any such obligation, Lessee may institute such legal action against Lessor as Lessee may deem necessary to compel the performance of such obligation or to recover damages therefor.

Section 5.3. Rental Payments To Be Unconditional. Except as provided in Section 4.2, the obligation of Lessee to make Rental Payments or any other payments required hereunder shall be absolute and unconditional in all events. Notwithstanding any dispute between Lessee and Lessor or between Lessee and Contractor or any other person, Lessee shall make all Rental Payments and other payments required hereunder when due and shall not withhold any Rental Payment or other payment pending final resolution of such dispute nor shall Lessee assert any right of set-off or counterclaim against its obligation to make Rental Payments or other payments required hereunder. Lessee's obligation to make Rental Payments or other payments shall not be abated through accident, unforeseen circumstances, failure of the Equipment to be delivered or to perform as desired, damage or destruction to the Equipment, loss of possession of the Equipment or obsolescence of the Equipment.

ARTICLE VI: INSURANCE AND RISK OF LOSS

Section 6.1. Liability and Property Insurance. Lessee shall, at its own expense, procure and maintain continuously in effect during each Lease Term: (a) public liability insurance for personal injuries, death or damage to or loss of property arising out of or in any way relating to the Equipment sufficient to protect Lessor from liability in all events, with a coverage limit of not less than (i) the greater of $1,000,000 per occurrence unless a different coverage minimum with respect to particular Equipment is required by Lessor and specified in the related Exhibit A or (ii) the liability limit set forth in Section 768.28 Florida Statutes as amended or any successor statue thereto; and (b) insurance against such hazards as Lessor may require, including, but not limited to, all-risk casualty and property insurance, in an amount equal to the greater of the full replacement cost of the Equipment with new equipment having substantially similar Specifications or the applicable Prepayment Price of each Equipment Group. The Net Proceeds of property insurance required by this Section shall be applied to the prompt repair, restoration or replacement of the Equipment, or the Prepayment Price. Any Net Proceeds not needed for those purposes shall be paid to Lessee.

Section 6.2. Workers' Compensation Insurance. If required by State Law, Lessee shall carry workers' compensation insurance covering all employees on, in, near or about the Equipment, and upon request, shall furnish to Lessor certificates evidencing such coverage throughout the Lease Term.

Section 6.3. Requirements for All Insurance. All insurance policies required by this Article shall be taken out and maintained with insurance companies acceptable to Lessor; and shall contain a provision that the insurer shall not cancel or revise coverage thereunder without giving written notice to the insured parties at least thirty (30) days before the cancellation or revision becomes effective. No insurance shall be subject to any co-insurance clause. Each insurance policy required by this Article shall name Lessor as an additional insured party and loss payee without regard to any breach of warranty or other act or omission of Lessee and shall include a lender's loss payable endorsement for the benefit of Lessor. Prior to the delivery of Equipment, Lessee shall deposit with Lessor evidence satisfactory to Lessor of such insurance and, prior to the expiration thereof, shall provide Lessor evidence of all renewals or replacements thereof.

Section 6.4. Risk of Loss. As between Lessor and Lessee, Lessee assumes all risks and liabilities from any cause whatsoever, whether or not covered by insurance, for loss or damage to any Equipment and for injury to or death of any person or damage to any property, whether such injury or death be with respect to agents or employees of Lessee or of third parties, and whether such property damage be to Lessee's property or the property of others. Whether or not covered by insurance, Lessee hereby assumes responsibility for and agrees to reimburse Lessor for and, to the extent permitted by law, will indemnify and hold Lessor harmless from and against all liabilities, obligations, losses, damages, penalties, claims, actions, costs and expenses (including reasonable attorneys' fees) of whatsoever kind and nature, imposed on, incurred by or asserted against Lessor that in any way relate to or arise out of this Agreement, the transactions contemplated hereby and the Equipment, including but not limited to, (a) the selection, manufacture, purchase, acceptance or rejection of Equipment or the ownership of the Equipment, (b) failure of Equipment to be delivered, the delivery, lease, possession, maintenance, use, condition, return or operation of the Equipment, (c) the condition of the Equipment sold or otherwise disposed of after possession by Lessee, (d) the conduct of Lessee, its officers, employees and agents, (e) a breach of Lessee of any of its covenants or obligations hereunder and (f) any claim, loss, cost or expense involving alleged damage to the environment relating to the Equipment, including, but not limited to investigation, removal, cleanup and remedial costs. This provision shall survive the termination of this Agreement.

Section 6.5. Damage to or Destruction of Equipment. Lessee shall provide a complete written report to Lessor immediately upon any loss, theft, damage or destruction of any Equipment and of any accident involving any Equipment. If all or any part of the Equipment is lost, stolen, destroyed or damaged beyond repair ("Damaged Equipment"), Lessee shall as soon as practicable after such event either: (a) replace the same at Lessee's sole cost and expense with equipment having substantially similar Specifications and of equal or greater value to the Damaged Equipment immediately prior to the time of the loss occurrence, such replacement equipment to be subject to Lessor's approval, whereupon such replacement equipment shall be substituted in the applicable Lease and the other related documents by appropriate endorsement or amendment; or (b) pay the applicable Prepayment Price of the Damaged Equipment determined as set forth in the related Exhibit A. Lessee shall notify Lessor of which course of action it will take within fifteen (15) days after the loss occurrence. If, within forty-five (45) days of the loss occurrence, (a) Lessee fails to notify Lessor; (b) Lessee and Lessor fail to execute an amendment to the applicable Equipment Schedule to delete the Damaged Equipment and add the replacement equipment or (c) Lessee has failed to pay the applicable Prepayment Price, then Lessor may, at its sole discretion, declare the applicable Prepayment Price of the Damaged Equipment, to be immediately due and payable, and Lessee is required to pay the same. The Net Proceeds of insurance with respect to the Damaged Equipment shall be made available by Lessor to be applied to discharge Lessee's obligation under this Section. The payment of the Prepayment Price and the termination of Lessor's interest in the Damaged Equipment is subject to the terms of Section 10.3 hereof.

ARTICLE VII: OTHER OBLIGATIONS OF LESSEE

Section 7.1. Use; Permits. Lessee shall exercise due care in the installation, use, operation and maintenance of the Equipment, and shall not install, use, operate or maintain the Equipment improperly, carelessly or for a purpose or in a manner contrary to that contemplated by this Agreement. Lessee shall operate and maintain the Equipment fully in accordance with any insurance policy provision, applicable prevailing industry standards and, if applicable, the manufacturer's specifications therefor. Lessee shall obtain all permits and licenses necessary for the installation, operation, possession and use of the Equipment. Lessee shall comply with all State and Federal Laws applicable to the installation, use, possession and operation of the Equipment, and if compliance with any such State and Federal

Law requires changes or additions to be made to the Equipment, such changes or additions shall be made by Lessee at its expense. Lessee shall not use any item of Equipment to haul, convey, store, treat, transport or dispose of any "hazardous substances" or "hazardous waste" as such terms are defined in any federal, state or local law, rule or regulation pertaining to the protection of the environment (together, "Environmental Laws"). Lessee agrees that if Lessee is required to deliver any item of Equipment to Lessor or Lessor's agent, the Equipment shall be delivered free of all substances which are regulated by or form a basis for liability under any Environmental Law. Lessee shall comply with all license and copyright requirements of any software used in connection with the Equipment.

Section 7.2. Maintenance of Equipment by Lessee. Lessee shall keep the Equipment at the address specified in the respective Exhibit A and shall notify Lessor in writing prior to moving the Equipment to another address. Lessee shall, at its own expense, maintain, preserve and keep the Equipment in good repair, working order and condition, and shall from time to time make all repairs and replacements necessary to keep the Equipment in such condition, and in compliance with State and Federal Laws, ordinary wear and tear excepted. Lessee shall maintain Equipment in a condition suitable for certification by the manufacturer thereof (if certification is available). In the event that any parts or accessories forming part of any item or items of Equipment become worn out, lost, destroyed, damaged beyond repair or otherwise rendered unfit for use, Lessee, at its own expense and expeditiously, will replace or cause the replacement of such parts or accessories by replacement parts or accessories free and clear of all liens and encumbrances and with a value and utility at least equal to that of the parts or accessories being replaced (assuming that such replaced parts and accessories were otherwise in good working order and repair). All such replacement parts and accessories shall be deemed to be incorporated immediately into and to constitute an integral portion of the Equipment and, as such, shall be subject to the terms of this Agreement. Lessor shall have no responsibility for any of these repairs or replacements.

Section 7.3. Taxes, Other Governmental Charges and Utility Charges. Except as expressly limited by this Section, Lessee shall pay all taxes and other charges of any kind which are at any time lawfully assessed or levied against or with respect to the Equipment, the Rental Payments or any part thereof, or which become due during the Lease Term, whether assessed against Lessee or Lessor. Lessee shall also pay when due all utilities and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Equipment, and all special assessments and charges lawfully made by any governmental body that may be secured by a lien on the Equipment; provided that with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, Lessee shall be obligated to pay only such installments as are required to be paid during the Lease Term as and when the same become due. Lessee shall not be required to pay any federal, state or local income, inheritance, estate, succession, transfer, gift, franchise, gross receipts, profit, excess profit, capital stock, corporate, or other similar tax payable by Lessor, its successors or assigns, unless such tax is made in lieu of or as a substitute for any tax, assessment or charge which is the obligation of Lessee under this Section.

Section 7.4. Advances. If Lessee shall fail to perform any of its obligations under this Article, Lessor may, but shall not be obligated to, take such action as may be necessary to cure such failure, including the advancement of money, and Lessee shall be obligated to repay all such advances on demand, with interest at the rate of 18% per annum or the maximum rate permitted by law, whichever is less, from the date of the advance to the date of repayment.

ARTICLE VIII: TITLE; SECURITY INTEREST; LIENS

Section 8.1. Title. During the Lease Term, legal title to and ownership of all Equipment and any and all repairs, replacements, substitutions and modifications thereto shall be in Lessee and Lessee shall take all actions necessary to vest such title and ownership in Lessee.

Section 8.2. Liens. During the Lease Term, Lessee shall not, directly or indirectly, create, incur, assume or suffer to exist any Lien on or with respect to the Equipment, other than the respective rights of Lessor and Lessee as herein provided. Except as expressly provided in Section 7.3 and this Article, Lessee shall promptly, at its own expense, take such action as may be necessary duly to discharge or remove any such Lien. Lessee shall reimburse Lessor for any expenses incurred by Lessor to discharge or remove any Lien. In the event that the installation of any component of any item of Equipment could be deemed to require a performance and payment bond under Section 255.05, Florida Statutes, or be deemed subject to the mechanic's lien provisions of Chapter 713, Florida Statutes, or any successor statute to each, as same may be amended from time to time, Lessee shall require such bonds, post such notices and do all other things provided for under such laws in order to keep the Equipment free of and exempt from all Liens.

Section 8.3. Modification of Equipment. Lessee will not, without the prior written consent of Lessor, affix or install any accessory equipment or device on any of the Equipment if such addition will change or impair the originally intended functions, value or use of the Equipment.

Section 8.4. Personal Property. The Equipment is and shall at all times be and remain personal property and not fixtures.

ARTICLE IX: WARRANTIES

Section 9.1. Selection of Equipment. The Equipment and the Contractor have been selected by Lessee, and Lessor shall have no responsibility in connection with the selection of the Equipment, the ordering of the Equipment, its suitability for the use intended by Lessee, the acceptance by the Contractor or its sales representative of the order submitted, or any delay or failure by the Contractor or its sales representative to manufacture, deliver or install the Equipment for use by Lessee.

Section 9.2. Contractor's Warranties. Lessor hereby assigns to Lessee for and during the related Lease Term, all of its interest, if any, in all Contractor's warranties, guarantees and patent indemnity protection, express or implied, issued on or applicable to an Equipment Group, and Lessee may obtain the customary services furnished in connection with such warranties and guarantees at Lessee's expense. Lessor has no obligation to enforce any Contractor's warranties or obligations on behalf of itself or Lessee.

Section 9.3. Disclaimer of Warranties. LESSEE ACKNOWLEDGES THAT IT SELECTED THE EQUIPMENT WITHOUT ASSISTANCE OF LESSOR, ITS AGENTS OR EMPLOYEES. LESSOR MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR FITNESS FOR THE USE CONTEMPLATED BY LESSEE OF THE EQUIPMENT, OR ANY OTHER REPRESENTATION OR WARRANTY WITH RESPECT TO THE EQUIPMENT. IN NO EVENT SHALL LESSOR BE LIABLE FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES IN CONNECTION WITH OR ARISING OUT OF THIS AGREEMENT OR THE EQUIPMENT OR LESSEE'S USE OF THE EQUIPMENT.

ARTICLE X: OPTION TO PREPAY

Section 10.1. When Available. Provided there has been no Non-Appropriation or Event of Default, Lessee shall have the option to prepay its obligations under any Lease on any Payment Date for the then applicable Prepayment Price set forth in Exhibit A relating thereto.

Section 10.2. Exercise of Option. Lessee shall give notice to Lessor of its intention to exercise its option with respect to any Lease not less than thirty (30) days prior to the Payment Date on which the option will be exercised and shall deposit with Lessor on the date of exercise an amount equal to all Rental Payments and any other amounts then due or past due under the related Lease (including the Rental Payment due on the Payment Date on which the option is exercised) and the applicable Prepayment Price set forth in the related Exhibit A.

Section 10.3. Release of Lessor's Interest. On receipt of the Prepayment Price in good funds with respect to any Equipment Group, the Lease with respect to such Equipment Group shall terminate and Lessee shall become entitled to such Equipment Group AS IS, WHERE IS, WITHOUT WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR FITNESS FOR THE USE CONTEMPLATED BY LESSEE, except that such Equipment Group shall not be subject to any lien or encumbrance created by or arising through Lessor.

ARTICLE XI: ASSIGNMENT, SUBLEASING, MORTGAGING AND SELLING

Section 11.1. Assignment by Lessor. All of Lessor's right, title and/or interest in and to this Agreement or any Lease hereunder, including, but not limited to, the Rental Payments and other amounts payable by Lessee and Lessor's interest in the Equipment, may be assigned and reassigned in whole or in part to one or more assignees or subassignees by Lessor at any time, without the consent of Lessee. No such assignment (except an assignment to an affiliate of Lessor or to an entity whose common stock is directly or indirectly one hundred percent (100%) owned by Lessor's parent or indirect parent if Lessor continues to bill and collect Rental Payments) shall be effective as against Lessee unless and until written notice of the assignment is provided to Lessee. If requested, Lessee will acknowledge in writing receipt of such notice. Lessee shall keep a complete and accurate record of all such

EXHIBIT A

FORM OF LINE OF CREDIT AGREEMENT

City of Parker P.O. Box 10745 Panama City, Florida 32404 Hereinafter referred to as "Borrower", including their heirs, successors and assigns.	**Peoples First Community Bank** 2305 Highway 77 • Caller Box 2950 Panama City, Florida 32402 (904) 769-5261 Hereinafter referred to as "Lender", including its successors and assigns.	Loan Number: Date:October 7, 1997 Maturity Date:October 7, 2000 Loan Amount $300,000.00 Renewal of N/A KH

Borrower hereby promises to pay to Lender, or to its order, at the address shown above, or at such other place as Lender may designate in writing the PRINCIPAL sum of THREE HUNDRED THOUSAND AND NO/100 Dollars----------$300,000.00

☐ Single Advance: Borrower has received all of this principal sum. No additional advances are contemplated under this note.

■ Multiple Advance: The principal sum shown above is the maximum amount of principal that may be advanced under this note. The amount of the initial advance, this date is $per Closing Statement and future advances are contemplated.

Conditions: The conditions for future advances are upon request by borrower conditioned upon all related accounts being satisfactory and not in default.

■ Open End Credit: Lender and Borrower hereby agree that Borrower up to the maximum amount of principal more than one time, subject to all other conditions of this note and any and all other agreements between Lender and Borrower and this ability shall expire no later than September 22, 2000.

☐ Closed End Credit: Borrower may borrow up to the maximum only one time and this ability is subject to all other conditions of this note and any and all other agreements between Lender and Borrower.

PURPOSE: The purpose of this loan for the purchase of certain municipally owned equipment, capital improvements to municipally owned property and any of other lawful purpose.

INTEREST: Borrower agrees to pay interest on the principal balance(s) owing from time to time as stated herein. Interest shall be calculated at the rate set forth herein on the basis of a 360-day year and the actual number of days elapsed by multiplying the principal sum by the per annum rate set forth, multiplying the product thereof by the actual number of days elapsed, and dividing the product so obtained by 360.

■ Fixed Rate: The rate of interest shall be fixed at the simple rate of 5.00% per annum.

☐ Variable Rate: The rate of interest shall initially be _____% per annum. This rate may change as provided below.

☐ Index Rate: The future rate will be _____% above the following index rate: the highest Prime Rate as published in the Money Rates section of the New York Wall Street Journal.

☐ Frequency and Timing: The interest rate is subject to change as often as daily. And will take effect immediately upon change in the rate as indexed above.

☐ Limitations: The interest rate on this note will not at any time, regardless of any index rate, go beyond these limits:

☐ Maximum Rate: The rate will not exceed ____%

☐ Minimum Rate: The rate will not go below ____%

At no time will any interest rate charged on this loan exceed the maximum amount allowed by law. In the event the rate exceeds the maximum allowed by law the Lender, at its option, may refund such excess to the Borrower or apply such excess to the principal amount owing on this note.

■ Post Maturity Rate: After maturity, the interest rate on all unpaid principal shall be 18.00% until paid in full.

■ Late Charges: In the event any payment is accepted by Lender which is over 15 days past the due date for such payment, Lender may collect a late charge equal to 5% of such late payment to compensate it for handling delinquent payments. Such a late charge shall not waive any of the Lender's rights under this note.

■ ADDITIONAL CHARGES: In addition to charges Borrower ■ has paid ☐ agrees to pay the following charges: Closing costs as outlined in the Closing Statement of even date herewith.

PAYMENTS: Borrower agrees to pay this note:

☐ On Demand

■ On Demand, but if no demand, in the following manner:

☐ In the following manner:

Interest: Accrued interest shall be paid on the 1st day of each month and at maturity.

Principal: shall be paid at maturity.

Installments: This note shall be amortized over _____ months. Payments will be made monthly, and be due on the first of each month. The first payments, in the amount of $_____, will be due on _____.

The final payment will be due on _____.

☐ Balloon Payment: This note calls for a balloon payment of all unpaid principal and accrued and unpaid interest on _____.

Effect of Variable Rate: An increase in the interest rate will have the following effect on payments:

☐ The amount of each scheduled payment will be increased. ☐ The amount of the final payment will be increased.

☐ _____

This loan is unsecured.

The Borrower, and any endorser or guarantor, shall be jointly and severally liable for all indebtedness represented by this note and have subscribed their names hereto without condition that anyone else would sign or become bound hereon and without any other condition whatever being made. The provisions on page two of page one are a part of this note.

CITY OF PARKER

CLOSING STATEMENT

BORROWER:	City of Parker P.O. Box 10745 Panama City, Florida 32404
LENDER:	Peoples First Community Bank 2305 Highway 77 Panama City, FL 32405
DATE:	October 7, 1997
LOAN AMOUNT:	$300,000.00

TOTAL LOAN:			$300,000.00
APPLICATION OF FUNDS:			
Peoples First Community Bank Loan Documentation Prep Fee		$ 100.00	
Peoples First Community Bank Payoff Loan #328563 Principal Interest through 10/7/97	$38,500.00 327.59	38,827.59	
TOTAL			38,927.59
Net Proceeds Currently Available to Draw			261,072.41

We hereby agree and consent to the charges as outlined above.

LENDER:

PEOPLES FIRST COMMUNITY BANK

BORROWER:

CITY OF PARKER

STATEMENT OF ANTI-COERCION

The following statement is required under the Rules and Regulations promulgated by the Insurance Commissioner relative to anti-coercion.

The Insurance Laws of this State provide that the Lender may not require the Borrower to take insurance through any particular insurance agent or company to protect the mortgaged property. The Borrower, subject to the rules adopted by the Insurance Commissioner, has the right to have the insurance placed with an insurance agency or company of his choice, provided such agency or company meets the requirements of the Lender. The Lender has the right to designate reasonable financial and experience requirements as to the company and the adequacy of coverage. If the selection of Insurance Agent or Company is not mutually agreeable, then the Lender shall furnish the Borrower a copy of the Rules and Regulations promulgated by the Insurance Commissioner governing the placing of such insurance.

I have read the foregoing statement, or the rules of the Insurance Commissioner relative thereto, and understand my rights and privileges and those of the Lender relative to the placing of such insurance.

In compliance with Section 12C.F.R.563.35 of the Federal Home Loan Bank Board, Rules and Regulations, PEOPLES FIRST COMMUNITY BANK, does not recommend, or make as a condition to any loan that the Borrower use the services of any particular vender of the following services: INSURANCE SERVICES, (OTHER THAN PRIVATE OR GOVERNMENT INSURANCE), BUILDING MATERIALS, LEGAL SERVICES, BUILDING CONTRACTOR, INSURANCE, APPRAISAL, SURVEYING AND similar services required in connection with this loan.

****

COMPLIANCE AGREEMENT

Borrower, for and in consideration of Peoples First Community Bank closing and funding the loan of even date herewith, agrees, if requested by Lender or Closing Agent, to fully cooperate and correct any clerical errors on all loan closing documentation, if deemed necessary or desirable in the reasonable discretion of Lender. Further, Borrower agrees to provide any additional documentation as may be required by Lender.

****

DATED this 7th day of October, 1997.

LENDER:

PEOPLES FIRST COMMUNITY BANK

BY: _____
Loan Officer

BORROWER:

CITY OF PARKER

BY: _____
Brenda Hendricks, Mayor

assignments; provided, however, in the event Lessor assigns its interest in this Agreement or in a Lease to an affiliate or to another entity related to Lessor, Lessor shall maintain a record of such assignment for the benefit of Lessee.

Section 11.2. Assignment and Subleasing by Lessee. Neither this Agreement nor any Lease hereunder or any Equipment may be sold, assigned, subleased, transferred, pledged or mortgaged by Lessee.

ARTICLE XII: EVENTS OF DEFAULT AND REMEDIES

Section 12.1. Events of Default Defined. The following are Events of Default under this Agreement and each Lease:

(a) Failure by Lessee to pay any Rental Payment or other payment required to be paid when due and the continuation of said failure for a period of ten (10) days (other than by reason of Non-Appropriation).

(b) Failure by Lessee to maintain insurance as required by Article VI.

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

(d) The determination by Lessor that any representation or warranty made by Lessee in this Agreement was untrue in any material respect upon execution of this Agreement or any Exhibit A or Exhibit B.

(e) The filing of a petition in bankruptcy by or against Lessee, or failure by Lessee promptly to lift any execution, garnishment or attachment of such consequence as would impair the ability of Lessee to carry on its governmental functions or assignment by Lessee for the benefit of creditors, or the entry by Lessee into an agreement of composition with creditors, or the approval by a court of competent jurisdiction of any adjustment of indebtedness of Lessee, or the dissolution or liquidation of Lessee.

Section 12.2. Remedies on Default. Whenever any Event of Default shall have occurred, Lessor shall have the right, at its option and without any further demand or notice, to take one or any combination of the following remedial steps:

(a) Lessor, with or without terminating this Agreement or any Lease, may declare all Rental Payments due or to become due with respect to any or all Leases during the Fiscal Year in effect when the default occurs to be immediately due and payable by Lessee, whereupon such Rental Payments shall be immediately due and payable.

(b) Lessor, with or without terminating this Agreement or any Lease, may by written notice to Lessee, request that Lessee, within ten (10) days of such written notice, cause all Equipment (together with all documents necessary to transfer legal and beneficial title thereto to Lessor) to be delivered to Lessor or Lessor's designee at a place in the State designated by Lessor in accordance with Section 12.3. If Lessee fails or refuses to voluntarily transfer the Equipment to Lessor as herein provided, Lessor shall have the right to obtain a judgment against Lessee for compensatory damages in the amount of the then applicable Prepayment Prices as shown on Exhibits A, plus interest thereon in accordance with Section 7.4 to the date of payment. If the Equipment or any portion of it has been destroyed or damaged beyond repair, Lessee shall pay the applicable Prepayment Price of the damaged or destroyed Equipment as set forth in the Equipment Schedule relating thereto to Lessor. Notwithstanding the fact that Lessor has taken possession of the Equipment, Lessee shall continue to be responsible for the Rental Payments due with respect thereto during the Fiscal Year then in effect.

(c) If Lessor terminates this Agreement and/or any Lease and, in its discretion, takes possession and disposes of the Equipment or any portion thereof, Lessor shall apply the proceeds of any such disposition to pay the following items in the following order: (i) all costs (including, but not limited to, attorneys' fees) incurred in securing possession of the Equipment; (ii) all expenses incurred in completing the disposition; (iii) any sales or transfer taxes; (iv) the applicable Prepayment Prices of the Equipment Groups; and (v) the balance of any Rental Payments owed by

Lessee during the Fiscal Year then in effect. Any disposition proceeds remaining after the requirements of Clauses (i), (ii), (iii), (iv) and (v) have been met shall be paid to Lessee.

(d) Following an Event of Default or an Event of Nonappropriation hereunder and upon failure of Lessee to voluntarily comply with Section 12.3, Lessor shall have whatever rights and remedies are available at law against Lessee's legally available funds for compensatory damages and Lessor's damages arising from Lessee's breach which shall include, without limitation, the cost of enforcement hereof and of collection of any judgment, including reasonable attorneys' fees and court costs (whether or not in connection with trials or appeals). Lessor and Lessee agree that there is no intention to create under this Agreement a right in Lessor to dispossess Lessee involuntarily of the legal title to or the use of the Equipment. Lessor hereby irrevocably waives any right to specific performance of Lessee's covenant to transfer legal title to and return possession of the Equipment to Lessor and waives any right to any action for recovery of the Equipment including, but not limited to, a cause of action for replevin.

(e) If the proceeds of sale of the items of returned Equipment are not sufficient to pay the balance of any Rental Payments owed by Lessee during the Fiscal Year then in effect, Lessor may pursue such other remedies as are available at law or in equity to collect the balance of such Rental payments from Lessee's legally available funds.

Section 12.3. Return of Equipment; Release of Lessee's Interest. Upon termination of this Agreement and/or any Lease hereunder prior to the payment of all Rental Payments or the applicable Prepayment Price in accordance with each Exhibit A: (i) Lessor may enter upon Lessee's premises where the Equipment is kept and disable the Equipment to prevent its further use by Lessee and (ii) Lessee shall promptly, but in any event within ten (10) days after such termination, at its own cost and expense: (a) perform any testing and repairs required to place the Equipment in the condition required by Article VII; (b) if deinstallation, disassembly or crating is required, cause the Equipment to be deinstalled, disassembled and crated by an authorized manufacturer's representative or such other service person as is satisfactory to Lessor; and (c) deliver the Equipment to a location within the State specified by Lessor, freight and insurance prepaid by Lessee. Upon termination of this Lease in accordance with Article IV or Article XII hereof, at the election of Lessor and upon Lessor's written notice to Lessee, full and unencumbered legal title and ownership of the Equipment shall pass to Lessor, Lessee shall have no further interest therein and Lessee shall execute and deliver to Lessor such documents as Lessor may request to evidence the passage of legal title and ownership to Lessor and termination of Lessee's interest in the Equipment.

Section 12.4. No Remedy Exclusive. No remedy conferred upon or reserved to Lessor by this Article is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof but any such right and power may be exercised from time to time and as often as may be deemed expedient by Lessor.

Section 12.5. Late Charge. Whenever any Event of Default under Section 12.1, Clause (a) shall have happened and be continuing, Lessor shall have the right, at its option and without any further demand or notice, to require a late payment charge accruing from the tenth day after the Payment Date until the payment is made equal to the lesser of five cents ($.05) per dollar of the delinquent amount or the lawful maximum, and Lessee shall be obligated to pay the same immediately upon receipt of Lessor's written invoice therefor; provided, however, that this Section shall not be applicable if or to the extent that the application thereof would affect the validity of this Agreement.

ARTICLE XIII: ADMINISTRATIVE PROVISIONS

Section 13.1. Notices. All notices, certificates, or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or deposited in the United States mail in registered form with postage fully prepaid to the addresses specified on the execution page hereof; provided that Lessor and Lessee, by notice given hereunder, may designate different addresses to which subsequent notices, certificates, or other communications will be sent.

Section 13.2. Financial Information. Lessee will provide Lessor with current financial statements, budgets, proof of appropriation for the ensuing Fiscal Year and such other financial information relating to the ability of Lessee to continue this Agreement and any Lease as may be requested by Lessor.

Section 13.3. Binding Effect. This Agreement and each Lease hereunder shall inure to the benefit of and shall be binding upon Lessor and Lessee and their respective successors and assigns.

Section 13.4. Severability. In the event any provision of this Agreement or any Lease shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 13.5. Entire Agreement, Amendments, Changes and Modifications. This Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof and supersedes all prior and contemporaneous writings, understandings, agreements, solicitation documents and representations, express or implied. This Agreement may be amended or modified only by written documents duly authorized, executed and delivered by Lessor and Lessee.

Section 13.6. Captions. The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions, Articles, Sections or Clauses hereof.

Section 13.7. Further Assurances and Corrective Instruments. Lessor and Lessee agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Equipment hereby leased or intended so to be, or for otherwise carrying out the expressed intention of this Agreement.

Section 13.8. Execution in Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument, provided that only the original of this Agreement and each Equipment Schedule marked "Original - Chattel Paper" on the execution page thereof shall constitute chattel paper under the Uniform Commercial Code.

Section 13.9. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State.

Section 13.10. Interest; Usury. The Interest component of the Rental Payments shall not, as of the Funding Date, exceed the rate computed by adding 300 basis points to The Bond Buyer "20 Bond Index" published immediately preceding the first day of the calendar month in which the Funding Date occurs. It is the intention of the parties hereto to comply with any applicable usury laws; accordingly, it is agreed that, notwithstanding any provisions to the contrary herein or in any Exhibit A, in no event shall this Agreement or any Lease hereunder require the payment or permit the collection of Interest or any amount in the nature of Interest or fees in excess of the maximum amount permitted by applicable law. Any such excess Interest or fees shall first be applied to reduce Principal, and when no Principal remains, refunded to Lessee. In determining whether the Interest paid or payable exceeds the highest lawful rate, the total amount of Interest shall be spread through the applicable Lease Term so that the Interest is uniform through such term.

Section 13.11. Lessee's Performance. Time is of the essence. Lessor's failure at any time to require strict performance by Lessee of any of Lessee's obligations shall not waive or diminish Lessor's rights thereafter to demand strict compliance by Lessee.

Section 13.12. Third Party Beneficiaries. Nothing herein shall be construed or interpreted to give any person other than Lessee and Lessor any legal or equitable right, remedy or claim under or in respect of this Agreement or any Lease. Lessor and Lessee agree that no Contractor is a third party beneficiary of this Agreement and there are no third party beneficiaries of this Agreement.

Section 13.13. Waiver of Jury Trial. Lessor and Lessee hereby waive any right to trial by jury in any action or proceeding with respect to, in connection with or arising out of this Agreement or any Lease.

[REMAINDER OF PAGE INTENTIONALLY BLANK; EXECUTION PAGE FOLLOWS]

EXECUTION PAGE OF FLORIDA MASTER LEASE AGREEMENT

Agreement Date: October ~~3,~~ 8 1997

Fiscal Year Commencement Date: October 1

Fiscal Year End Date: September 30

IN WITNESS WHEREOF, Lessor has caused this Agreement to be executed in its corporate name by its duly authorized officer, and Lessee has caused this Agreement to be executed in its name by its duly authorized officer.

CITY OF PARKER,
Lessee

By:_____

Title:_____

Date:_____

Address: 1001 West Park Street
Parker, FL 32404

Telephone: 850-871-4104
Facsimile: 850-871-6684

GE CAPITAL PUBLIC FINANCE, INC.,
Lessor

By:_____

Title:_____

Date:_____

Address: 8400 Normandale Lake Blvd., Suite 470
Minneapolis, MN 55347-1079
Attention: Risk Management

Telephone: 800-346-3164
Facsimile: 612-897-5601

Original - Chattel Paper

EQUIPMENT SCHEDULE NO. 001

EXHIBIT A
Schedule of Equipment, Rental Payments, Etc.

The following Equipment comprises an Equipment Group which is the subject of the Florida Master Lease Agreement dated as of October ~~3,~~ 8 1997 (the "Agreement"), between the undersigned Lessor and Lessee. The Agreement is incorporated herein in its entirety, and Lessee hereby reaffirms all of its representations and warranties contained in the Agreement. Lessee warrants that no Non-Appropriation and no Event of Default or any event which, with the passage of time or the giving of notice, would constitute a default has occurred under the Agreement. In accordance with the requirements of applicable State Law, Lessee has appropriated or obtained sufficient appropriations to pay the Rental Payments due under this Agreement in the current Fiscal Year and such funds have not been expended for any other purpose.

Lease Date: October 3, 1997

EQUIPMENT GROUP

1. Location. The Equipment Group is located at the following address. If requested by Lessor, Lessee will provide the complete legal descriptions of the property where the Equipment Group is located. Prior to relocation of the Equipment Group or portion thereof during the Lease Term, Lessee will provide written notice to Lessor.

_____
_____
_____
_____

2. Use. Lessee will use the Equipment Group to perform the following essential governmental or proprietary functions: garbage and recycling purposes .

3. Description. The following description of the Equipment Group is supplemented by the description of items of Equipment in the Contractor's invoices delivered by Lessee to Lessor and/or by the description of Equipment in Payment Request Forms executed by Lessor to authorize disbursements from an Escrow Account.

Quantity	Cost Per Unit	Description	Serial Number*
One (1)	$64,986.00	1998 Ford F800 Recycling Truck	1FDXF80C5WVA17597

*If serial numbers are not available at the date of signing this Exhibit A, Lessee hereby authorizes Lessor to insert the serial numbers when available and Lessor shall provide Lessee with a copy of the completed Exhibit A.

RENTAL PAYMENTS

Annual Interest Percentage Rate: 5.29%

Lessee will make 1 Rental Payment of $20,825.00 and 2 Rental Payments of $23,966.24 each consisting of Principal and Interest as set forth in the attached schedule. The first Rental Payment is due on November 1, 1997 and subsequent payments are due annually on like date thereafter.

CITY OF PARKER,
Lessee

By:_____

Title:_____

Date:_____

GE CAPITAL PUBLIC FINANCE, INC.,
Lessor

By:_____

Title:_____

Date:_____

Attachment: Payment Schedule

Original - Chattel Paper

GE Capital Public Finance, Inc.
Payment Schedule

Funding Date Oct-08-97
Coupon Rate 5.29%

date	Payment Number	Total Payment	Principal Component	Interest Component	Prepayment Price*
Nov-01-97	1	20,825.00	20,605.37	219.63	44,380.63
		20,825.00	20,605.37	219.63	
Nov-01-98	2	23,966.24	21,618.51	2,347.74	22,762.13
		23,966.24	21,618.51	2,347.74	
Nov-01-99	3	23,966.24	22,762.13	1,204.12	0.00
		23,966.24	22,762.13	1,204.12	
TOTAL		68,757.49	64,986.00	3,771.49	

* After payment of rental payment due on such date

EQUIPMENT SCHEDULE NO. 001

EXHIBIT B
Certificate of Acceptance

I, the undersigned, hereby certify that I am the duly qualified and acting officer of the Lessee identified below and, with respect to the above-referenced Equipment Schedule dated October 3, 1997 to the Florida Master Lease Agreement dated as of October ~~3~~ 8, 1997 (the "Agreement", and together with such Equipment Schedule, the "Lease"), by and between Lessee and GE Capital Public Finance, Inc. ("Lessor"), that:

1. The equipment described in Exhibit A (the "Equipment Group") has been delivered and installed in accordance with Lessee's Specifications, is in good working order and is fully operational and has been fully and finally accepted by Lessee on or before the date indicated below.

2. Rental Payments are due and payable by Lessee on the dates and in the amounts indicated on Exhibit A of the above-referenced Equipment Schedule as such Exhibit is completed by Lessor.

CITY OF PARKER,
Lessee

By:_____

Title:_____

Date:_____

EXHIBIT C
Opinion of Counsel
(to be typed on letterhead of counsel)

SAMPLE

[insert date which is date on or after date of Lessee's execution of documents]

GE Capital Public Finance, Inc.
8400 Normandale Lake Blvd., Suite 470
Minneapolis, MN 55437

City of Parker
1001 West Park Street
Parker, FL 32404

Re: Florida Master Lease Agreement dated as of October ~~8,~~ 8 1997 by and between GE Capital Public Finance, Inc. ("Lessor") and City of Parker ("Lessee")

[Counsel to expand opinion to include executed Addenda to Lease, if applicable, and delete reference to Escrow Agreement, if not applicable]

Ladies and Gentlemen:

I have acted as counsel to Lessee with respect to the Florida Master Lease Agreement described above and various related matters, and in this capacity have reviewed a duplicate original or certified copy thereof, Equipment Schedule No. 001 attached thereto and executed pursuant thereto (together, the "Lease"). Based upon the examination of these and such other documents as I deem relevant, it is my opinion that:

1. Lessee is a political subdivision of the state of Florida (the "State"), duly organized, existing and operating under the Constitution and laws of the State.

2. Lessee is authorized and has power under applicable law to enter into the Lease and the Escrow Agreement, and to carry out its obligations thereunder and the transactions contemplated thereby.

3. The Lease has been duly authorized, approved, executed and delivered by and on behalf of Lessee, and are legal, valid and binding contracts of Lessee enforceable in accordance with their terms, except to the extent limited by State and Federal laws affecting remedies and by bankruptcy, reorganization or other laws of general application relating to or affecting the enforcement of creditors' rights.

4. The authorization, approval and execution of the Lease and all other proceedings of Lessee relating to the transactions contemplated thereby have been performed in accordance with all applicable open meeting, public records, public bidding and all other laws, rules and regulations of the State.

5. The execution of the Lease and the payment of moneys to pay the Rental Payments coming due thereunder do not and will not result in the violation of any constitutional, statutory or other limitation relating to the manner, form or amount of indebtedness which may be incurred by Lessee.

6. To the best of my knowledge, there is no litigation, action, suit or proceeding pending or before any court, administrative agency, arbitrator or governmental body that challenges the organization or existence of Lessee; the authority of Lessee or its officers or its employees to enter into the Lease; the proper authorization, approval and/or execution of the Lease and other documents contemplated thereby; the appropriation or payment of moneys to make Rental Payments under the Lease for the current fiscal year of Lessee; or the ability of Lessee otherwise to perform its obligations under the Lease, the Escrow Agreement and the transactions contemplated thereby and, to the best of my knowledge, no such litigation or actions are threatened.

7. The equipment financed by the Lease is personal property, and when used by the Lessee will not be or become fixtures under the laws of the State.

8. Resolution No. _____ of the governing body of Lessee was duly and validly adopted by such governing body on _____, 19__, and such resolution has not been amended, modified, supplemented or repealed and remains in full force and effect.

9. This opinion may be relied upon by assignees of Lessor.

Very truly yours,

SAMPLE

_____
(type name and title under signature)

QUESTIONNAIRE FOR SELF-INSURANCE

In connection with the Florida Master Lease Agreement (the "Agreement"), dated as of October ~~9~~ 8, 1997, made and entered into by and between GE Capital Public Finance, Inc., as Lessor, and the lessee identified below, as Lessee, Lessee warrants and represents to Lessor as follows:

1. Property Insurance.

- Lessee is self-insured for damage or destruction to the Equipment. YES NO (circle one)

If yes, the dollar amount limit for property damage to the Equipment under the Lessee's self-insurance program is $_____.

- The Lessee maintains an umbrella insurance policy for claims in excess of Lessee's self-insurance limits for property damage to the Equipment as indicated above. YES NO (circle one)

If yes, the umbrella policy provides coverage for all risk property damage. YES NO (circle one)

If yes, the dollar limit for property damage to the Equipment under such umbrella policy is $_____.

2. Liability Insurance.

- Lessee is self-insured for liability for injury or death of any person or damage or loss of property arising out of or relating to the condition or operation of the Equipment. YES NO (circle one)

If yes, the dollar limit for such liability claims under the Lessee's self-insurance program is $_____.

- The Lessee maintains an umbrella insurance policy for claims in excess of Lessee's self-insurance limits for liability including injury or death of persons or damage to property as indicated in above. YES NO (circle one)

If yes, the umbrella policy provides coverage for liabilities for injury and death to persons as well as damage or loss of property arising out of or relating to the condition or operation of the Equipment. YES NO (circle one)

If yes, the dollar amount of the umbrella policy's limits for such liability coverage is $_____.

3A. • Lessee maintains a self-insurance fund. YES NO (circle one)

If yes, please complete the following:

Monies in the self-insurance fund are subject to annual appropriation. YES NO (circle one)

The total amount maintained in the self-insurance fund to cover Lessee's self-insurance liabilities is $_____.

- Amounts paid from the Lessee's self-insurance fund are subject to limitations for each claim. YES NO (circle one)

  If yes, the dollar amount of limit per claim is $_____.

3B. • If Lessee does not maintain a self-insurance fund, please complete the following:

Lessee obtains funds to pay claims for which it has self-insured from the following sources:

_____

_____

_____

_____

_____

- The limitations on the amounts payable from the above sources for claims are as follows:

_____

_____

_____

4. The following entity or officer has authority to authorize payment for a claim:

_____

- In the event the entity or officer named in the prior response denies payment of a claim, does the claimant have recourse to another administrative officer, agency or the courts? YES NO (circle one)

  If yes, to whom does the claimant have recourse? _____

5. Attached hereto are copies of certificates of insurance with respect to policies maintained by Lessee.

IN WITNESS WHEREOF, Lessee has caused this Questionnaire to be executed as a supplement to the representations of Lessee in the Agreement by its duly authorized officer.

CITY OF PARKER,
Lessee

By:_____

Title:_____

Date:_____

Attachment

ADDENDUM TO EQUIPMENT SCHEDULE NO. 001 TO FLORIDA MASTER LEASE AGREEMENT RELATING TO SELF-INSURANCE

THIS ADDENDUM is made as of October ~~3~~ 8, 1997 between GE Capital Public Finance, Inc. ("Lessor") and City of Parker ("Lessee").

Recitals

A. Lessor and Lessee have entered into a Florida Master Lease Agreement dated as of October 3, 1997 and the above-referenced Equipment Schedule dated as of October ~~3~~ 8, 1997 (the "Lease"). Lessee desires to lease Equipment described in the Lease (the "Equipment") and Lessee has requested that Lessor lease such Equipment to Lessee.

B. With respect to the Lease, Lessee has requested that Lessor permit it to provide self-insurance for liability claims and property damage.

C. Lessor is willing to grant Lessee's request subject to the following terms and conditions.

NOW, THEREFORE, in consideration of the premises and mutual covenants and agreements contained herein and in the Agreement, it is hereby agreed as follows:

1. All terms capitalized but not defined herein shall have the meanings ascribed to them in the Lease.

2. Lessee hereby represents and warrants that all representations and warranties contained in the Lease are true and correct as of the date hereof and that neither a Non-Appropriation nor any Event of Default or event which, with the passage of time or giving of notice or both, will constitute an Event of Default has occurred under the Lease.

3. All other terms and conditions of the Agreement not specifically amended by this Addendum shall remain in full force and effect and are hereby ratified and confirmed by Lessee.

4. Lessee represents and warrants that all representations and warranties contained in the Questionnaire for Self-Insurance dated October ~~3~~ 8, 1997 (the "Questionnaire") are true and correct as of the date hereof.

5. Lessor acknowledges receipt of the Questionnaire and in reliance upon the information provided therein, agrees that Lessee may satisfy the requirements of Sections 6.1 through 6.3 of the Agreement with respect to above-referenced Equipment Schedule through self-insurance.

6. By written notice to Lessee, Lessor may revoke its agreement relative to the above-referenced Equipment Schedule to accept self-insurance in lieu of the insurance required by Sections 6.1 through 6.3 of the Lease at any time during the related Lease Term when Lessor deems itself insecure with respect to such self-insurance. Within thirty (3O) days of receipt of notice from Lessor, Lessee agrees to obtain insurance in compliance with Sections 6.1, 6.2 and 6.3 of the Agreement and provide evidence thereof to Lessor.

IN WITNESS WHEREOF, the parties by their duly authorized officers have executed this Addendum as of the date and year first above written.

CITY OF PARKER,
Lessee

By:_____

Title:_____

Date:_____

GE CAPITAL PUBLIC FINANCE, INC.,
Lessor

By:_____

Title:_____

Date:_____

Form **8038-GC**

(Rev. May 1995)

Department of the Treasury
Internal Revenue Service

Information Return for Small Tax-Exempt Governmental Bond Issues, Leases, and Installment Sales

▶ Under Internal Revenue Code section 149(e) ▶ For calendar year ending 19 .....

(Use Form 8038-G if the issue price of the issue is $100,000 or more.)

OMB No. 1545-0720

4069806-001 SS

Check box if Amended Return ▶ ☐

Part I Reporting Authority

1 Issuer's name

CITY OF PARKER

2 Issuer's employer identification number

3 Number and street (or P.O. box if mail is not delivered to street address)

1001 WEST PARK STREET

Room/suite

4 City, town, or post office, state, and ZIP code

PARKER, FL 32404

Part II Description of Obligations

5	Issue price of small tax-exempt governmental obligations reported on this form.	5 $64,986.00
6	Check the box that most nearly approximates the weighted average maturity of the obligation(s):	
a	☒ Less than 5 years	
b	☐ From 5 to 10 years	
c	☐ More than 10 years	
7	Check the box that most nearly approximates the weighted average interest rate on the obligation(s):	
a	☐ Less than 5%	
b	☒ From 5% to 10%	
c	☐ More than 10%	
8	Total issue price of the obligation(s) reported on line 5 that is/are:	
a	Obligation(s) issued in the form of a lease or installment sale	8a $64,986.00
b	Obligation(s) designated by the issuer under section 265(b)(3)(B)(i)(III)	8b $64,986.00
c	Obligation(s) issued to refund prior issues	8c
d	Loans made from the proceeds of another tax-exempt obligation	8d
9	Check box if issuer has elected to pay a penalty in lieu of arbitrage rebate	☐

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.

▶ _____ Issuer's authorized representative — Date

▶ _____ Type or print name and title

Paperwork Reduction Act Notice

We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws.

The time needed to complete and file this form varies depending on individual circumstances. The estimated average time is:

Learning about the law or the form	1 hr., 46 min.
Preparing the form	2 hr., 50 min.
Copying, assembling, and sending the form to the IRS	16 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Internal Revenue Service, Attention: Tax Forms Committee, PC:FP, Washington, DC 20224. DO NOT send the form to this address. Instead, see Where To File on page 2.

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

Form 8038-GC is used by issuers of tax-exempt governmental obligations to provide the IRS with the information required by section 149(e) and to monitor the requirements of sections 141 through 150.

Who Must File

Issuers of tax-exempt governmental obligations with issue prices of less than $100,000 must file Form 8038-GC.

Issuers of a tax-exempt governmental obligation with an issue price of $100,000 or more must file Form 8038-G, Information Return for Tax-Exempt Governmental Obligations.

Filing a separate return.—Issuers have the option to file a separate Form 8038-GC for any tax-exempt governmental obligation with an issue price of less than $100,000. Each such separate return should specify the calendar year in which the issue was issued.

An issuer of a tax-exempt bond used to finance construction expenditures must file a separate Form 8038-GC for each issue to give notice to the IRS that an election was made to pay a penalty in lieu of arbitrage rebate (see line 9 instructions).

Filing a consolidated return.—For all tax-exempt governmental obligations with issue prices of less than $100,000 that are not reported on a separate Form 8038-GC, an issuer must file a consolidated information return including all such issues issued within the calendar year.

Thus, an issuer may file a separate Form 8038-GC for each of a number of small issues and report the remainder of small issues issued during the calendar year on one consolidated Form 8038-GC. However, a separate Form 8038-GC must be filed to give the IRS notice of the election to pay a penalty in lieu of arbitrage rebate.

NOTICE AND ACKNOWLEDGMENT OF ASSIGNMENT

GE Capital Public Finance, Inc. ("Lessor/Assignor"), hereby gives notice of a Bill of Sale (the "Assignment") between Lessor/Assignor and GE Capital Preferred Asset Corporation ("Assignee") pursuant to which, among other things, Lessor/Assignor assigned to Assignee all of its rights in and to the rental payments and other amounts due under Equipment Schedule No. 001 dated October 3, 1997 to Florida Master Lease Agreement dated October 3, 1997 (the "Lease") by and between Lessor/Assignor and City of Parker ("Lessee"), and all of its rights in and to the acquisition fund. Lessor/Assignor hereby requests, and instructs Lessee, that all Rental Payments and other amounts coming due pursuant to Equipment Schedule No. 001 of the Lease on and after the date hereof are payable to and should be remitted to Assignee at the following address:

GE Capital Preferred Asset Corporation
P. O. Box 747016
960 Fort Duquesne Blvd.
Pittsburgh, PA 15274-7016

Lessee hereby acknowledges the effect of the Assignment and absolutely and unconditionally agrees to deliver all Rental Payments and other amounts coming due under Equipment Schedule No. 001 of the Lease in accordance with the terms thereof on or after the date of this notice to Assignee at the address set forth above. Any questions of Lessee relative to billing or other administrative items, should be referred to Lessor/Assignor at the address below:

GE Capital Public Finance, Inc.
8400 Normandale Lake Blvd., Suite 470
Minneapolis, MN 55437
Attention: Thomas Murphy, Vice President - Risk Management
(612) 897-5620 (telephone)
(612) 897-5631 (facsimile)

Lessor/Assignor and Lessee agree and acknowledge that this Notice and Acknowledgment of Assignment is made for and inures to the benefit of Assignee in connection with the transactions contemplated by the Assignment.

CITY OF PARKER
Lessee

By:_____
Its:_____
Date:_____

GE CAPITAL PUBLIC FINANCE, INC.
Lessor/Assignor

By:_____
Its:_____
Date:_____

4069806-001

CERTIFICATE OF COVERAGE

Certificate Holder & Loss Payee

GE CAPITAL PUBLIC FINANCE, INC
44 OLD RIDGEBURY ROAD
BUSINESS CENTER
DANBURY CT 06810

Administrator Issue Date 10/07/97 BCM

Florida League of Cities, Inc.
Public Risk Services
P.O. Box 530065
Orlando, Florida 32853-0065

THIS IS TO CERTIFY THAT THE AGREEMENT BELOW HAS BEEN ISSUED TO THE DESIGNATED MEMBER FOR THE COVERAGE PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE COVERAGE AFFORDED BY THE AGREEMENT DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH AGREEMENT.

COVERAGE PROVIDED BY: FLORIDA MUNICIPAL INSURANCE TRUST

AGREEMENT NUMBER: FMIT 752 | COVERAGE PERIOD: FROM 10/1/97 | COVERAGE PERIOD: TO 9/30/98 12:00 Midnight Standard Time

TYPE OF COVERAGE - LIABILITY

General Liability

- [ ] Comprehensive General Liability, Bodily Injury, Property Damage and Personal Injury
- [ ] Errors and Omissions Liability
- [ ] Employee Benefits Program Administration Liability
- [ ] Medical Attendants'/Medical Directors' Malpractice Liability
- [ ] Broad Form Property Damage
- [ ] Law Enforcement Liability
- [ ] Underground, Explosion & Collapse Hazard
- [ ]

Limits of Liability
$100,000 Each Person or * Combined Single Limit
$200,000 Each Occurrence

Deductible $ ____

Automobile Liability

- [X] All owned Autos (Priv. Pass.)
- [X] All owned Autos (Other than Priv. Pass.)
- [X] Hired Autos
- [X] Non-Owned Autos

Limits of Liability
$100,000 Each Person or * Combined Single Limit
$200,000 Each Occurrence

Deductible $ ____

TYPE OF COVERAGE - PROPERTY

- [ ] Buildings
  - [ ] Basic Form
  - [ ] Special Form
- [ ] Personal Property
  - [ ] Basic Form
  - [ ] Special Form
  - [ ] Agreed Amount
  - [ ] Deductible $ ____
  - [ ] Coinsurance ____ %
  - [ ] Blanket
  - [ ] Specific
  - [ ] Replacement Cost
  - [ ] Actual Cash Value
- [ ] Miscellaneous
  - [ ] Inland Marine
  - [ ] Electronic Data Processing
  - [ ] Bond
  - [ ]

Limits of Liability on File with Administrator

Automobile/Equipment - Deductible
[X] Physical Damage $ 250 Comprehensive - Auto $ 250 Collision - Auto $ Miscellaneous Equipment

Other

* The limit of liability is $100,000 Bodily Injury and/or Property Damage per person or $200,000 Bodily Injury and/or Property Damage per occurrence. These specific limits of liability are increased to $300,000 (combined single limit) per occurrence, solely for any liability resulting from entry of a claims bill pursuant to Section 768.28 (5) Florida Statutes or liability imposed pursuant to Federal Law or actions outside the State of Florida.

Description of Operations/Locations/Vehicles/Special Items

RE: 1998 FORD F 800 DIESEL WITH TRASH LOADER, ID # 7597 - COST NEW: $68,767

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE AGREEMENT ABOVE.

DESIGNATED MEMBER

MR DAVID LINGER
CITY OF PARKER
POST OFFICE BOX 10619
PARKER FL 32404

CANCELLATIONS
SHOULD ANY PART OF THE ABOVE DESCRIBED AGREEMENT BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED ABOVE, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE PROGRAM, ITS AGENTS OR REPRESENTATIVES.

Bradley & Clark
AUTHORIZED REPRESENTATIVE

FMIT-CERT (10/97)

HARMON & SLOAN, P.A.
ATTORNEYS AND COUNSELORS AT LAW
427 MCKENZIE AVENUE
POST OFFICE BOX 2327
PANAMA CITY, FLORIDA 32402-2327

COPY

DANIEL HARMON III
TIMOTHY J. SLOAN*
*ALSO MEMBER OF DISTRICT OF COLUMBIA AND MISSOURI BARS

TELEPHONE (904) 769-2501
FACSIMILE (904) 769-0824

October 8, 1997

GE Capital Public Finance, Inc.
8400 Normandale Lake Boulevard
Suite 470
Minneapolis, MN 55437

Re: Florida Master Lease Agreement Dated October 8, 1997 ("Lease")

Ladies and Gentlemen:

This letter shall serve as the opinion of counsel for the City of Parker, Florida ("City"), in connection with the authorization and delivery of the Lease. In connection with an in preparation for the rendering of this opinion, we have examined the following documents:

A. Chapter 166 of the Florida Statutes;

B. The Charter of the City;

C. Resolution No. 97-179 ("Resolution");

D. Certificates and Representations of City Clerk, Mayor and City Council Members ("Certificates"); and

E. Lease.

In rendering certain of the opinions expressed herein, we have assumed:

1. The genuineness and authenticity of all signatures (other than on behalf of the City) on original documents;

2. The authenticity of all documents submitted to us as originals;

3. The conformity to originals of all documents submitted to us as copies;

4. The accuracy, completeness and authenticity of certificates of public officials;

5. The legal capacity of all natural persons;

6. The truth and accuracy as to the factual matters of all statements and certificates provided to me and contained

in all documents and other matters furnished to me by or on behalf of the City and the City's officers, agents and employees;

7. That none of the City and the City's officers, agents and employees has made, and that none of such documents or other matters has contained, an untrue statement of any material fact, or omitted to state a material fact necessary in order to make such statements, in light of the circumstances in which they were made, not misleading; and

8. The due authorization, execution, and delivery of all documents, by parties other than the City, where authorization, execution, and delivery are prerequisites to the effectiveness of such documents.

Based solely upon and subject to the foregoing, we express the following opinions:

(a) The City is a municipal corporation duly organized and existing under the Constitution and laws of the State of Florida, and has good right and lawful authority to enact and perform its obligations under the Resolution and the Lease.

(b) Based upon the factual information supplied to us in the Certificates, the City has duly enacted the Resolution, and as such, the Lease constitutes legally binding and valid obligations of the City, enforceable in accordance with its respective terms.

(c) The adoption of the Resolution and the authorization, execution and delivery of the Lease, and compliance with the provisions thereof, will not conflict with or constitute a breach of or default under any law, administrative regulation, court decree, ordinance, resolution or any agreement or other instrument to which the City is subject.

(d) Based upon the factual information supplied to us, which we assume is true and correct, there is no action, suit or proceeding, at law or in equity, pending before or by any court, governmental agency, public board or body pending or, to the best of our knowledge, threatened or challenging the creation, organization or existence of the issuer or the issuance and delivery of the Lease or the payment of the Lease.

(e) The Equipment which is the subject of the Lease is personal property, and when used by the city, will not be or become a fixture under the laws of Florida.

(f) Based upon factual information provided to us, which we assume is true and correct, the Resolution has not been amended, modified, supplemented or repealed and remains in full force and effect.

Our opinions herein with respect to the enforceability of the obligations and the availability of benefits are subject to the following limitations: (1) bankruptcy, insolvency, reorganization, moratorium, conservatorship, or other similar laws of general application relating to or affecting creditors' rights; (2) general principles of equity (regardless of whether such enforceability is considered a proceeding in equity or at law; (3) the exercise of judicial discretion; and (4) qualifications contained in this opinion letter. Further, no opinion is given with respect to the applicability of approvals, consents or orders as may be required under the Blue Sky or securities laws or legal investment laws of any state in connection with the registration of the Bonds under the Federal securities laws.

The opinions in this letter are made solely for the benefit of the addressee in connection with the issuance of the Lease. Any other use of or reliance upon any opinion or representation included herein is unauthorized, and any liability arising in any way from such unauthorized use or reliance is specifically disclaimed.

Very truly yours,

HARMON & SLOAN, P.A.

Timothy J. Sloan

TJS/da

cc: Brenda G. Hendricks, Mayor
City of Parker, Florida

H:\WPDOCS\PARKER\GE.OL