RESOLUTION NO: 97-182

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 Municipal Services Group, Inc. ("Lessor"), in substantially the form attached hereto, for the purpose of financing the acquisition of the equipment described in Exhibit "D" 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 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, which the City proposes to approve, enter into and delivery; and it appears that the Lease 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.

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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 is executed and delivered as such a "qualified tax-exempt obligation."

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 18th day of November, 1997.

CITY OF PARKER

Brenda G. Hendricks

BRENDA G. HENDRICKS, Mayor

ATTEST:

David W. Linger

DAVID W. LINGER, City Clerk

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MASTER MUNICIPAL LEASE AND OPTION AGREEMENT

Lessor: Municipal Services Group, Inc.
5125 South Kipling Parkway
Suite 300
Littleton, Colorado 80127

Lessee: City of Parker
P. O. Box 10619
Parker, Florida 32404

This Master Municipal Lease and Option Agreement (the "Agreement") entered into between Municipal Services Group, Inc. (together with any assignee thereof collectively referred to herein as the "Lessor"), and the City of Parker ("Lessee"), a municipality duly organized and existing under the laws of the State of Florida ("State");

W I T N E S S E T H:

WHEREAS, the Lessee desires to finance the Equipment pursuant to the terms of this Agreement; and

WHEREAS, Lessor desires to lease certain equipment (referred to collectively as the "Equipment" or "Unit(s) of Equipment") to Lessee, and Lessee desires to lease the Equipment from Lessor, subject to the terms and conditions of and for the purposes set forth in this Agreement; and

WHEREAS, the Lessor, simultaneously with the execution and delivery of this Agreement, may enter into an escrow agreement (the "Escrow Agreement") with an escrow agent whereby the Lessor, or its Assignee, if any, shall deposit monies sufficient to acquire the Equipment to be leased hereunder; and

WHEREAS, Lessee is authorized under the Constitution and laws of the State to enter into this Agreement for the purposes set forth herein;

NOW, THEREFORE, for and in consideration of the premises hereinafter contained, the parties hereby agree as follows:

ARTICLE 1
COVENANTS OF LESSEE

Lessee represents, covenants and warrants, for the benefit of Lessor and its assignees, as follows:

(a) Lessee is a public body, corporate and politic, duly organized and existing under the Constitution and laws of the State.

(b) Lessee will do or cause to be done all things necessary to preserve and keep in full force and effect its existence as a body corporate and politic.

(c) Lessee is authorized under the Constitution and laws of the State to enter into this Agreement, all Individual Payment Schedules (as defined below) and the transaction contemplated hereby, and to perform all of its obligations hereunder.

(d) Lessee has been duly authorized to execute and deliver this Agreement and each of the Individual Payment Schedules under the terms and provisions of the ordinance or resolution of its governing body, attached hereto as Exhibit A, and by other appropriate official approval, and further represents and warrants that all requirements have been met, and procedures have occurred in order to insure the enforceability of this Agreement, and Lessee has complied with such public bidding requirements as may be applicable to this Agreement and the acquisition by Lessee of the Equipment hereunder. Lessee shall cause to be executed an opinion of its counsel substantially in the form attached hereto as Exhibit B.

(e) During the term of this Agreement, the Equipment will be used by Lessee only for the purpose of performing one or more governmental or proprietary functions of Lessee consistent with the permissible scope of Lessee's authority and will not be used in a trade or business of any person or entity other than the Lessee.

(f) Each lease of specific Equipment or Unit(s) of Equipment hereunder shall be evidenced by an Individual Payment Schedule executed by Lessor and Lessee describing specific personal property, and setting forth provisions relating to the rent, the term of lease, disposition of Equipment upon the expiration of the lease term and other details with respect to it. The lease for each Unit of Equipment shall become effective on the Accrual Date, as defined below, and the Individual Payment Schedule for the Unit or Unit(s) of Equipment shall specify such date as the effective date of the lease (the "Accrual Date"). The original term (the "Original Term") of each Individual Payment Schedule shall commence on the Accrual Date as indicated therein and shall terminate the last day of Lessee's then current fiscal year. The term of the lease will be automatically renewed at the end of the Original Term or any renewal term (the "Renewal Term") for an additional one (1) year, unless the governing body of the Lessee fails to appropriate sufficient funds for the making of rental payments for the next occurring Renewal Term as provided in Section 4 of this Agreement. The terms and conditions during any Renewal Term shall be the same as the terms and conditions during the Original Term except that the rental payments shall be as provided in the specific exhibit attached to the applicable Individual Payment Schedule.

(g) During the period this Agreement is in force, Lessee will annually provide, if requested by Lessor, 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 as may be reasonably requested by Lessor or its Assignee.

(h) Each Unit of Equipment acquired under this Agreement will have a useful life in the hands of the Lessee that is substantially in excess of the Original Term and all Renewal Terms specifically relating to it.

(i) All Equipment subject to this Agreement is, and during the period this Agreement is in force shall remain personal property.

(j) This Agreement applies to all items of personal property acquired, or to be acquired, by Lessee as evidenced by the execution of Individual Payment Schedules from time to time as may be required to fulfill Lessee's equipment needs.

ARTICLE 2
DEFINITIONS

The following terms will have meanings indicated below unless the context clearly requires otherwise:

"Accrual Date" is the date when the term of the Individual Payment Schedule begins and Lessee's obligation to pay rent accrues. The lease for each Unit of Equipment shall become effective on the Accrual Date, which shall be the Dated Date specified in Exhibit(s) E hereto.

"Acquisition Cost(s)" means the total cost of acquiring, including any delivery charges, and preparing the Equipment for the Lessee's use.

"Adjusted Base Interest Rate" means the Base Interest Rate as adjusted and as described in the Individual Payment Schedules.

"Base Interest Rate" means the interest rate quoted to Lessee at the inception of this Agreement as set forth in the respective Individual Payment Schedules attached hereto.

"Certificate of Acceptance" means the Certificate of Acceptance attached hereto as Exhibit F relating to the applicable Unit(s) of Equipment whereby Lessee acknowledges receipt of the applicable Unit of Equipment in good condition.

"Individual Payment Schedule(s)" means the schedules which identify specific Units of Equipment, the Accrual Dates of the lease and terms thereof (which are treated as separate leases) which may become a part of this Agreement from time to time. Each Individual Payment Schedule(s) shall consist of at least, substantially the forms attached hereto as Exhibit(s) A, Exhibit(s) B, Exhibit(s) C, Exhibit(s) D, Exhibit(s) E, and Exhibit(s) F, including an original invoice and any other documents needed to perfect a security interest in the Equipment by the Lessor.

"Lease Term" means collectively the Original Term and all Renewal Terms provided for in this Agreement.

"Purchase Price" means the amount which Lessee may, in its discretion, pay to Lessor in order to purchase the Equipment, as set forth in Exhibit(s) E hereto or as set forth in any applicable Individual Payment Schedule.

"Rental Payments" mean the rental payments payable by Lessee for each Unit of Equipment pursuant to the provisions of this Agreement and any applicable Individual Payment Schedule during the Lease Term, payable in consideration of the right of Lessee to use the Equipment during the Lease Term. Rental Payments shall be payable by Lessee to the Lessor or its assignee in the amounts and at the times during the Lease Term, as set forth in the Individual Payment Schedules made a part of this Agreement.

"Vendor" means (i) the manufacturer/contractor of the Equipment as well as the agents or dealers of the manufacturer from whom Lessor purchased or is purchasing the Equipment or (ii) shall mean, Lessor, if so designated as herein above.

ARTICLE 3
DEPOSIT OF MONIES; ACQUISITION AND LEASE OF EQUIPMENT

Section 3.01. Deposit of Monies, Transfers Upon Acceptance. In the event an Escrow Agreement is entered into pursuant to this Agreement, Lessor shall cause to be deposited in the Acquisition Fund created under such Escrow Agreement and held by the Escrow Agent, monies sufficient to acquire the Equipment to be leased hereunder.

Upon the expiration of three years from the Accrual Date, unless notified earlier by the Lessor and Lessee, the Escrow Agent shall apply any monies in the Acquisition Fund representing the contract price to have been paid to the Vendor(s) for any portion of the Equipment and related equipment for which the Lessee has not executed a Certificate of Acceptance to the reduction of the Unpaid Principal Balance by paying such monies directly to the Lessor. The remaining Rental Payments shall be amended to reflect such prepayment of principal. The Lessor and Lessee shall execute the Revised Individual Payment Schedule to acknowledge such change.

Section 3.02. Lessee is Agent - Acquisition of the Equipment. Lessor hereby appoints the Lessee as its agent solely for the purpose of acquiring the Equipment and Lessee hereby accepts such appointment. Lessee and Lessor will do all things necessary to effect the acquisition of the Equipment free and clear of any encumbrances and subject the same to the security interests contemplated hereunder. Lessor agrees to acquire the Equipment pursuant to the Lessee's specifications. Failure by the Vendors to perform shall not affect Lessee's obligation to make Rental Payments under this Agreement. Lessee agrees that the Equipment will be acquired in accordance with the terms, conditions and specifications therefor and on file with the Lessor.

Upon completion of acquisition of the Equipment satisfactory to the Lessee and after authorization by the Lessor, but in any event not later than thirty (30) days following completion of such acquisition, Lessee shall deliver to the Escrow Agent an executed Certificate of Acceptance.

Section 3.03. Payment of Acquisition Costs. Payment to the Vendor(s) of the Acquisition Cost(s) of acquiring the Equipment shall be made from the monies deposited with the Escrow Agent, as provided in Section 3.01, which shall be disbursed for that purpose in accordance with and upon compliance with Article 2 of the Escrow Agreement.

ARTICLE 4
LEASE TERM

Section 4.01. Lease of Equipment. Lessor hereby demises, leases and lets to Lessee, and Lessee rents, leases and hires from Lessor, the Equipment in accordance with the provisions of this Agreement, to have and to hold for the Lease Term.

Section 4.02. Commencement of Lease Term. The Original Term of any Individual Payment Schedule shall commence on the Accrual Date and shall terminate the last day of Lessee's then current fiscal year. The Lease Term will be automatically renewed at the end of the Original Term or any Renewal Term for an additional one year, unless the Lessee gives written notice to Lessor not less than ninety (90) days prior to the end of the Original Term or Renewal Term then in effect, or such other notice as may be provided in Article 6 hereof, of Lessee's intention to terminate this

Agreement at the end of the Original Term or Renewal Term upon receipt by the Lessor of the Rental Payment due plus the applicable Purchase Price pursuant to Articles 9 or Article 11, as the case may be. The terms and conditions during any Renewal Term shall be the same as the terms and conditions during the Original Term, except that the Rental Payments shall be as provided in the applicable Individual Payment Schedule.

Section 4.03. Termination of Lease Term. The Lease Term as it pertains to any Individual Payment Schedule will terminate upon the earliest of any of the following events:

(a) the expiration of the Original Term or any Renewal Term of the applicable Individual Payment Schedule and the non-renewal of such Individual Payment Schedule in the event of non-appropriation of funds pursuant to Section 6.06 hereof;

(b) the exercise by Lessee of the option to purchase the Equipment granted under the provisions of Articles 9 or 11 hereof;

(c) a default by Lessee and Lessor's election to terminate this Agreement under Article 13; or

(d) the payment by Lessee of all Rental Payments, late payment charges, past due finance charges, monies due to release liens of any kind whatsoever, or other taxes and utilities authorized or required to be paid by Lessee hereunder or under any Individual Payment Schedule.

This Agreement will automatically terminate in whole upon the last day of the last Renewal Term with respect to any Individual Payment Schedule(s) outstanding plus any other outstanding charges as set forth herein.

ARTICLE 5
ENJOYMENT OF EQUIPMENT

Lessor hereby covenants to provide Lessee during the Lease Term with quiet use and enjoyment of the Equipment, and Lessee shall during the Lease Term, peaceably and quietly have and hold and enjoy the Equipment, without suit, trouble or hindrance from Lessor, except as expressly set forth in this Agreement.

Lessor shall have the right at all reasonable times during business hours to enter into and upon the property of Lessee for the purpose of inspecting the Equipment.

ARTICLE 6
RENTAL PAYMENTS

Section 6.01. Rental Payments Constitute a Current Expense of Lessee. Lessor and Lessee understand and intend that the obligation of Lessee to pay Rental Payments hereunder and under each Individual Payment Schedule shall constitute a current expense of Lessee and shall not in any way be construed to be a debt of Lessee in contravention of any applicable constitutional or statutory limitations or requirements concerning the creation of indebtedness by Lessee, nor shall anything contained herein constitute a pledge of the general tax revenues, funds or monies of Lessee. Rental Payments shall be in consideration of Lessee's use of the Equipment during the year in which such payments are due.

Section 6.02. Payment of Rental Payments. Lessee shall pay Rental Payments, exclusively from legally available monies from its general fund and such other legally available funds as may be designated by the Lessee in lawful money of the United States of America to Lessor or, in the event of assignment by Lessor, to its Assignee, in the amounts and no later than the dates set forth in the applicable Individual Payment Schedule(s). Lessee further agrees to forward Rental Payments to the Lessor or its Assignee at least ten (10) days prior to the due date thereof, as set forth in each applicable Individual Payment Schedule. In the event the Lessor or its Assignee does not receive Rental Payments within such period of time, then and in such event, a Twenty-five dollar ($25.00) late charge will be assessed plus finance charges based on a percentage of the outstanding principal balance, equal to the lesser of eighteen percent (18%) per annum or the highest interest rate legally allowable under the laws of the State. Said charges shall be due and payable as of the date of the invoice for such charges.

Section 6.03. Interest and Principal Components. A portion of each Rental Payment payable hereunder is paid as, and represents payment of, interest, and the balance of the Rental Payment payable hereunder is paid as, and represents payment of, principal. Exhibit(s) E hereto and each Individual Payment Schedule sets forth the interest component and the principal component of each Rental Payment during the Original Term and all Renewal Terms of the respective Individual Payment Schedules.

Section 6.04. Rental Payments to be Unconditional. The obligations of Lessee to make payment of the Rental Payments required under this Article 6 and other sections of this Agreement, and to perform and observe the covenants and agreements contained herein, shall be absolute and unconditional in all events, except as expressly provided under this Agreement. Notwithstanding any dispute between Lessee and Lessor, any Vendor or any other person, Lessee shall make all Rental Payments when due and shall not withhold any Rental Payments pending final resolution of such dispute, nor shall Lessee assert any right of set-off or counterclaim against its obligation to make such payments required under this Agreement. Lessee's obligation to make Rental Payments during the Original Term or any Renewal Term shall not be abated through accident or unforeseen circumstances.

Section 6.05. Continuation of Lease Term by Lessee. Lessee intends, subject to the provisions of Section 6.06 below, to continue the lease of the Equipment and all Units thereof through the Original Term and all of the Renewal Terms of each Individual Payment Schedule and to make the Rental Payments as the same shall become due hereunder and under each Individual Payment Schedule. Lessee reasonably believes that legally available funds in an amount sufficient to make all Rental Payments during the Original Term and each of the Renewal Terms for the Individual Payment Schedules can be obtained. Lessee further intends to do all things lawfully within its power to obtain and maintain funds from which the Rental Payments may be made, including making provision for such payments to the extent necessary in each biennial or annual budget submitted and adopted in accordance with applicable provisions of the laws of the State, to have such portion of the budget approved, and to exhaust all available reviews and appeals in the event such portion of the budget is not approved.

Section 6.06. Non-appropriation. In the event sufficient funds are not available to be appropriated for the Rental Payments required to be paid in the next occurring Renewal Term, then Lessee may terminate this Agreement in whole only by terminating any or all of the Individual Payment Schedules at the end of the then current Original Term or Renewal Term of the respective Individual Payment Schedules, and Lessee shall not be obligated to make payment of the Rental Payments provided for in this Agreement or the Individual Payment Schedules beyond the then current Original or Renewal Term. Lessee agrees to deliver notice to Lessor of such termination at least ninety (90) days prior to the end of the then current Original or Renewal Term. If this Agreement is terminated under the provisions of this Section 6.06, Lessee agrees peaceably to deliver the Unit or Units of Equipment subject to the Individual Payment Schedule or Schedules so terminated to the Lessor at the location or locations specified by Lessor. TO THE EXTENT

LAWFUL, Lessee agrees that if funds are appropriated to make Rental Payments for a succeeding fiscal year, it will not terminate this Agreement or any Individual Payment Schedule during such fiscal year, and that if this Agreement or any Individual Payment Schedule is terminated pursuant to this provision by non-appropriation prior to the making of all Rental Payments due hereunder, Lessee will not replace the Equipment with the same or similar property or retain others to provide the same or similar services until after the date on which the next occurring Renewal Term of the applicable Individual Payment Schedule or Schedules would have ended. In the event of Non-appropriation, Lessor shall have the right to recover the interest which shall have accrued on the principal balance outstanding as of the preceding Rental Payment due date, as set forth in the specific exhibit attached to the applicable Individual Payment Schedule.

ARTICLE 7
TITLE TO EQUIPMENT; SECURITY FOR REPAYMENT

Section 7.01. Title to the Equipment. During the term of this Agreement, title to the Equipment and any and all additions, repairs, replacements or modifications shall vest in Lessee and Lessee agrees to surrender possession of any title certificates into the hands of Lessor to be held by Lessor until such time that Lessee shall exercise its rights pursuant to Article 11. Following an event of default as set forth in section 13.01 or non appropriation as set forth in section 6.06, or upon other termination of this lease for any reason other than Lessee's rights under Section 4.03, (b) and (d), Lessee shall effect transfer of title and possession of the Equipment to Lessor.

Section 7.02. Security for Repayment. The Lessee covenants and agrees to appropriate in its annual budget, by amendment, if required and to the extent permitted and in accordance with budgetary procedures provided by the laws of the State of Florida, and to pay when due directly to the Lessor, sufficient amounts of Non-Ad Valorem Revenues of the Lessee sufficient to satisfy any amounts due and owing under this Agreement. Such covenant and agreement on the part of the Lessee to budget and appropriate such amounts of Non-Ad Valorem Revenues shall be cumulative, and shall continue until such Non-Ad Valorem Revenues in amounts sufficient to make all required payments as and when due shall have been budgeted, appropriated, and actually paid to the Lessor.

The Lessee further covenants that the obligations of the Lessee to include the amount of any deficiency in each of its annual budgets and to pay such deficiencies from Non-Ad Valorem Revenues may be enforced in a court of competent jurisdiction in accordance with the remedies set forth herein. The obligations of the Lessee pursuant to this Agreement will not constitute a general indebtedness of the Lessee within the meaning of any constitutional or statutory provision or limitation and the Lessee is not obligated to levy any ad valorem taxes for payment therefor. Neither the full faith and credit nor the taxing power of the Lessee, the State of Florida or any political subdivision thereof is pledged to such payment. Such appropriation for interest due under this Agreement shall be based upon an assumed interest rate determined as set forth herein.

ARTICLE 8
MAINTENANCE; MODIFICATION; TAXES; INSURANCE AND OTHER CHARGES

Section 8.01. Maintenance of Equipment by Lessee. Lessee agrees that at all times during the Lease Term, at Lessee's own cost and expense, to cause maintenance to be performed in such a way so as to make all necessary and proper repairs, replacements and renewals of such component parts as may from time to time be required and to maintain, preserve and keep the Equipment in good repair, working order and condition. To the extent of the provisions of this Agreement and except as may otherwise be agreed to, neither the Lessor nor any of its Assignees shall have responsibility in any of these matters, or for the making of improvements or additions to the Equipment.

Section 8.02. Taxes, Other Governmental Charges and Utility Charges. The parties to this Agreement contemplate that the Equipment will be used for a governmental or proprietary purpose of Lessee and, therefore, that the Equipment will be exempt from all taxes presently assessed and levied with respect to personal property. In the event that the use, possession or acquisition of the Equipment is found to be subject to taxation in any form (except for income taxes of Lessor), Lessee will pay during the Lease Term, as the same respectively come due, all taxes and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the Equipment and any equipment or other property acquired by Lessee in substitution for, as a renewal or replacement of, or a modification, improvement or addition to the Equipment; provided that, with respect to any governmental charges that may lawfully be paid in installments over a period of years, Lessee shall cause to be paid only such installments as have accrued during the time this Agreement is in effect.

Section 8.03. Provisions Regarding Insurance. At its own expense Lessee shall cause casualty, public liability and property damage insurance to be carried and maintained, or shall demonstrate to the satisfaction of Lessor that adequate self-insurance is provided based upon actuarial sound insurance criteria as are consistent with generally accepted insurance industry standards with respect to the Equipment, sufficient to protect the Full Insurable Value (as that term is hereinafter defined) of the Equipment, and to protect Lessor from liability in all events. All insurance proceeds from casualty losses shall be payable as hereinafter provided in this Agreement. Lessee shall furnish to Lessor Certificates evidencing such coverage throughout the Lease Term and for each Individual Payment Schedule.

Lessee shall notify Lessor within five (5) business days of any event of damage to or destruction of the Equipment.

The term "Full Insurable Value" as used herein shall mean the full replacement value of the Equipment.

Any insurance policy pursuant to this Section 8.03 shall be so written or endorsed as to make losses, if any, payable to Lessee and Lessor as their respective interests may appear. The Net Proceeds (as defined in Section 9.01) of the insurance required in this Section 8.03 shall be applied as provided in Article 9 hereof. Each insurance policy provided for in this Section 8.03 shall contain a provision to the effect that the insurance company shall not cancel the policy or modify it materially and adversely to the interest of Lessor without first giving written notice thereof to Lessor at least 30 days in advance of such cancellation.

Section 8.04. Advances. In the event Lessee shall fail to maintain the full insurance coverage required by this Agreement or shall fail to keep the Equipment in good repair and operating condition, Lessor may (but shall be under no obligation to) purchase the required policies of insurance and pay the premiums on the same or may cause to be made such repairs or replacements as are necessary and provide for payment thereof; and all amounts so advanced therefor by Lessor shall become additional rent for the then current Original Term or Renewal Term for the applicable Individual Payment Schedule or Schedules, which amounts, together with interest thereon at the rate of 18% per annum, Lessee agrees to pay.

Section 8.05. Tax Covenants. The Lessee will not make or direct any use of the proceeds of the obligation provided herein or any other funds of the Lessee which will cause such obligation to be an "arbitrage bond" within the meaning of Section 148 of the Code, to be "federally guaranteed" within the meaning of Section 149 of the Code, or to be a "private activity bond" within the meaning of Section 141 (a) of the Code. To that end, so

long as any Rental Payments are unpaid, the Lessee, with respect to such proceeds and such other funds, will comply with all requirements of such Code sections and all regulations of the United States Department of the Treasury issued thereunder to the extent that such requirements are, at the time, applicable and in effect. Furthermore, to the extent applicable pursuant to Section 148 (f) of the Code, Lessee covenants to complete or cause to be completed all reporting requirements and rebate all positive arbitrage to the United States of America. Lessee covenants that the Equipment will be used only for the purpose of performing one or more governmental or proprietary functions of Lessee, and the Equipment will not be used in a trade or business of any person or entity other than the Lessee on a basis different from the general public. The Lessee will not use or permit the use of the Equipment by any person for a "private business use" within the meaning of Section 141 (b) of the Code in such manner or to such extent as would result in the inclusion of interest received hereunder in gross income for federal income tax purposes under Section 103 of the Code.

The Lessor and the Lessee shall at all times do and perform all acts and things permitted by law which are necessary or desirable in order to assure that the interest component of the Rental Payments will not be included in the gross income of the Lessor for federal income tax purposes.

ARTICLE 9
DAMAGE, DESTRUCTION AND CONDEMNATION: USE OF NET PROCEEDS

Section 9.01. Damage, Destruction and Condemnation. Unless Lessee shall have exercised its option to purchase the Equipment or any Unit thereof by making payment of the Purchase Price as provided herein or in the applicable Individual Payment Schedule, if prior to the termination of the Lease Term (a) the Equipment or any Unit or any portion thereof is destroyed (in whole or in part) or is damaged by fire or other casualty or (b) title to, or the temporary use of, the Equipment or any Unit or any part thereof shall be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm or corporation acting under governmental authority, Lessee and Lessor will cause the Net Proceeds (as defined below) of any insurance claim or condemnation awarded to be applied to the prompt repair, restoration, modification or improvement of the Equipment. Any balance of the Net Proceeds remaining after such work has been completed shall be paid to Lessee.

For purposes of Section 8.03 and this Article 9, the term "Net Proceeds" shall mean the amount remaining from the gross proceeds of any insurance claim or condemnation award after deducting all expenses (including attorneys' fees) incurred in the collection of such claim or award.

Section 9.02. Insufficiency of Net Proceeds. Subject to the Lessee's right to terminate this Agreement or any Individual Payment Schedule under Section 6.06 hereof, if the Net Proceeds are insufficient to pay in full the cost of any repair, restoration, modification or improvement referred to in Section 9.01 hereof, Lessee shall either (a) complete the repair or replacement of damaged property and pay any costs in excess of the amount of Net Proceeds or (b) pay to the Lessor the amount of the applicable Purchase Price, applying Net Proceeds to such payment.

ARTICLE 10
DISCLAIMER OF WARRANTIES; VENDOR'S WARRANTIES; USE OF THE EQUIPMENT

Section 10.01. Disclaimer of Warranties. AS BETWEEN LESSOR AND LESSEE, DELIVERY OF EQUIPMENT TO LESSEE AND EXECUTION BY LESSEE OF AN INDIVIDUAL PAYMENT SCHEDULE WITH RESPECT THERETO SHALL CONSTITUTE LESSEE'S ACKNOWLEDGEMENT THAT THE EQUIPMENT IS IN GOOD ORDER AND CONDITION AND IS OF THE MANUFACTURE, DESIGN AND CAPACITY SELECTED BY THE LESSEE, THAT THE LESSEE IS SATISFIED THAT THE SAME IS SUITABLE FOR ITS PURPOSE, AND THAT FOR PURPOSES OF THIS AGREEMENT LESSOR'S ASSIGNEES MAKE NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED WITH RESPECT TO EQUIPMENT, INCLUDING WITHOUT LIMITATION, ITS VALUE, DESIGN, CAPACITY, CONDITION, MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE OR FITNESS INTENDED FOR USE OF THE EQUIPMENT, OR WARRANTY WITH RESPECT THERETO AND LESSOR AND ITS ASSIGNEES HEREBY DISCLAIM ALL SUCH REPRESENTATIONS AND WARRANTIES. THIS SECTION IS INTENDED TO APPLY BETWEEN THE LESSOR AND LESSEE ONLY TO THE EXTENT OF THE FINANCING CONTEMPLATED HEREIN AND IN NO EVENT IS INTENDED TO AFFECT THE WARRANTIES OR REPRESENTATIONS CONTAINED IN OR INCLUDED WITHIN ANY CONTRACT ENTERED INTO FOR THE ACQUISITION OF THE EQUIPMENT EITHER WITH THE LESSOR, OR ANY OTHER VENDOR. NOTWITHSTANDING THE FOREGOING, IN THE EVENT LESSOR IS A VENDOR, LESSEE SHALL BE ENTITLED TO ALL APPLICABLE VENDOR WARRANTIES AS TO THE EQUIPMENT, PROVIDED THAT SUCH RIGHTS SHALL PERTAIN SOLELY TO LESSOR AS VENDOR, AND NOT TO ANY SUCCESSORS OR ASSIGNS OF LESSOR UNDER THIS LEASE. In no event shall an Assignee, if any, of Lessor be liable for any incidental, indirect, special or consequential damage in connection with or arising out of this Agreement or the existence, furnishing, functioning or Lessee's use of any item or products or services provided for in this Agreement.

Section 10.02. Vendor's Warranties. Lessor hereby irrevocably appoints Lessee its agent and attorney-in-fact during the Lease Term, so long as Lessee shall not be in default hereunder, to assert from time to time whatever claims and rights, including warranties of the Equipment, which Lessor may have against the Vendor of the Equipment. Lessee's sole remedy for the breach of such warranty, indemnification or representation shall be against the Vendor of the Equipment, and not against an Assignee, if any, of Lessor, nor shall such matter have any effect whatsoever on the rights and obligations of Lessor with respect to this Agreement, including the right to receive full and timely payments hereunder. Lessee expressly acknowledges that an Assignee, if any, of Lessor makes, and has made, no representation or warranties whatsoever as to the existence or availability of such warranties of the Vendor of the Equipment.

Section 10.03. Use of the Equipment. Lessee will not use, operate or maintain the Equipment or cause the Equipment to be used, operated or maintained improperly, carelessly, in violation of any applicable law or in a manner contrary to that contemplated by this Agreement. Lessee shall provide or cause to be provided all permits and licenses, if any, necessary for the operation of the Equipment; provided, however, that Lessee may contest in good faith the validity or application of any such law or rule in any reasonable manner which does not, in the opinion of Lessor, adversely affect the estate of Lessor in and to any of the items of the Equipment or its interest or rights under this Agreement.

Lessee shall notify Lessor within five (5) business days if there are any claims or lawsuits arising in connection with the Equipment or use thereof.

ARTICLE 11
OPTION TO PURCHASE

The Lessee is hereby granted the option to prepay all or a portion of its obligations under this Agreement and purchase the Equipment or any Unit thereof for the Purchase Price set forth in Exhibit(s) E hereto or on any applicable Individual Payment Schedule(s). Upon any of the following, the Agreement shall terminate and title(s) to such Equipment held by the Lessor in the name of the Lessee shall be released to Lessee:

(a) at the end of the e Term, upon payment in full of Rental Payments hereunder, plus all past due charges, if any; or

(b) at any regularly scheduled payment due date by making the Rental Payment plus the corresponding Purchase Price as set forth in the applicable Individual Payment Schedule, plus all past due charges, if any; or

(c) at any time prior to the end of the Original Term by paying the first Rental Payment due plus the Purchase Price, or, in the event the Lessee wishes to exercise its option following the Original Term or any Renewal Term, but prior to the due date of the next Rental Payment by paying the applicable Purchase Price as set forth in the applicable Individual Payment Schedule plus accrued interest on the outstanding principal balance at the Lessee rate thereon to the date of settlement thereof, plus all past due charges, if any; or

(d) if the Lease Term is terminated pursuant to Article 9 of this Agreement, in the event of total damage, destruction or condemnation of the Equipment or any Unit thereof and, if Lessee is not on such date in default under this Agreement, upon payment of the then applicable Purchase Price to Lessor plus all past due charges, if any, subject to the Lessee's right to terminate this Agreement or any Individual Payment Schedule under Section 6.06 hereof.

In the event the Lessee purchases less than all of the Equipment, the related Individual Payment Schedule(s) shall be amended to reflect such prepayment of principal and the remaining Rental Payments shall be adjusted accordingly. Further, the Lessor and Lessee agree to execute such revised Individual Payment Schedule(s).

ARTICLE 12
ASSIGNMENT, SUBLEASING, INDEMNIFICATION MORTGAGING AND SELLING

Section 12.01. Assignment by Lessor. This Agreement, and the Lessor's right to receive payments hereunder, may be assigned and reassigned in whole or in part to one or more assignees or subassignees by Lessor at any time subsequent to this execution, without the necessity of obtaining the consent of Lessee; provided, however, that no such assignment or reassignment shall be effective unless and until (i) Lessee shall have received notice of the assignment or reassignment disclosing the name and address of the assignee or subassignee, and (ii) in the event that such assignment or reassignment is made to a bank or trust company as trustee for holders of certificates or other evidence representing interest in this Agreement, or rights to receive amounts hereunder, such bank or trust company agrees to maintain, or cause to be maintained on behalf of and as agent for Lessee, a book-entry system by which a record of the names and addresses of such holders as of any particular time is kept and agrees, upon request of Lessee, to furnish such information to Lessee. Upon receipt of notice of assignment, Lessee agrees to reflect in a book entry the Assignee designated in such notice of assignment, and to make all payments to the Assignee designated in the notice of assignment, notwithstanding any claim, defense, set-off or counterclaim whatsoever (whether arising from a breach of this Agreement or otherwise) that Lessee may from time to time have against Lessor, or the Assignee. Lessee agrees to execute all documents, including notices of assignment and chattel mortgages or financing statements which may be reasonably requested by Lessor or its Assignee to protect their interests in the Equipment and in this Agreement. Lessor agrees to only sell or assign this Agreement to such investors in such manner as will ensure that this Agreement and the underlying obligations represented hereby will not be subject to the provisions of Rule 15-c(2)-12 of the Securities and Exchange Commission.

Section 12.02. No Sale, Assignment or Subleasing by Lessee. This Agreement and the interest of Lessee in the Equipment may not be sold, assigned or encumbered by Lessee without the prior written consent of Lessor, which consent may be withheld in the total discretion of the Lessor taking into account, among other things, the treatment for federal income tax purposes of the interest component of Rental Payments.

Section 12.03. Release and Indemnification Covenants. Except for the intentional or negligent acts of the Lessor or any of its employees or agents thereof arising out of or as the result of entering into this Agreement and to the extent permitted by the laws and Constitution of the State, Lessee shall protect, hold harmless and indemnify Lessor from and against any and all liability, obligations, losses, claims and damages whatsoever, regardless of cause thereof, and expenses in connection therewith, including, without limitation, counsel fees and expenses, penalties and interest arising out of or as the result of the entering into of this Agreement, the ownership of any item of purchase, delivery, rejection, storage or return of any item of the Equipment or any accident in connection with the operation, use, condition, possession, storage or return of any item of the Equipment resulting in damage to property or injury to or death to any person. The indemnification arising under this paragraph shall continue in full force and effect notwithstanding the full payment of all obligations under this Agreement or the termination of the Lease Term for any reason. Lessee agrees not to withhold or abate any portion of the payments required pursuant to this Agreement by reason of any defects, malfunctions, breakdowns or infirmities of the Equipment.

ARTICLE 13
EVENTS OF DEFAULT AND REMEDIES

Section 13.01. Events of Default Defined. The following shall be "events of default" under this Agreement and the terms "event of default" and "default" shall mean, whenever they are used in this Agreement, any one or more of the following events:

(a) Failure by Lessee to pay any Rental Payment or other payment required to be paid hereunder at the time specified herein; and

(b) Failure by Lessee to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in Section 13.01 (a), for a period of 30 days after written notice, specifying such failure and requesting that it be remedied as 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 deemed appropriate by Lessor in its sole discretion, is instituted by Lessee within the applicable period and diligently pursued until the default is corrected; and

(c) A determination by Lessor that any representation or warranty of Lessee was untrue when made.

The foregoing provisions of this Section 13.01 are subject to (i) the provisions of Section 6.01; and (ii) if by reason of force majeure Lessee is unable in whole or in part to carry out its agreement on its part herein contained, other than the obligations on the part of Lessee contained in Article 6 and Section 8.03 hereof, Lessee shall not be deemed in default during the continuance of such inability. The term "force majeure" as used herein shall mean, without limitation, the following: acts of God, strikes, lockouts or other industrial disturbances; acts of public enemies, orders or restraints of any kind of the government of the United States of America or of the state wherein Lessee is located or any of their departments, agencies or officials, or any civil or military authority; insurrections; riots; landslides; earthquakes; fires; storms; droughts; floods; or explosions.

Section 13.02. Remedies on Default. Whenever any event of default referred in Section 13.01 hereof shall have happened and be continuing, Lessor shall have the right, at its sole option without further demand or notice, to take one or any combination of the following remedial steps, to the extent permitted by law:

(a) With or without terminating this Agreement, (i) enter upon the location and retake possession of the Equipment and sell, lease or sublease the Equipment for the account of Lessee, holding Lessee liable for the rents and other amounts payable by Lessee hereunder to the end of the Original Term or the then current Renewal Term; or (ii) require Lessee to assemble, pack, return and pay the costs of returning the Equipment, within ten (10) days, to a location specified by the Lessor, and

(b) Take whatever action at law or in equity may appear necessary or desirable to enforce its rights as the Lessor of the Equipment.

Section 13.03. No Remedy Exclusive. No remedy herein conferred upon or reserved to Lessor 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 or now or hereafter existing at law or in equity. Any repossession or subsequent sale or lease by Lessor of any item or Unit of Equipment shall not bar an action against Lessee for a deficiency, and the bringing of any action against or the entry of judgment against Lessee shall not bar Lessor's right to repossess any or all Units of Equipment. 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.

ARTICLE 14
MISCELLANEOUS

Section 14.01. Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or mailed by registered mail, postage prepaid, to the parties at their respective places of business.

Section 14.02. Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon Lessor and Lessee and their respective successors and assigns.

Section 14.03. Severability. In the event any provision of this Agreement 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 14.04. Amendments. The terms of this Agreement shall not be waived, altered, modified, supplemented or amended in any manner whatsoever except by written instrument signed by the Lessor and the Lessee, nor shall any such amendment that affects the rights of Lessor's Assignee be effective without such Assignee's consent.

Section 14.05. Execution in Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 14.06. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida.

Section 14.07. 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 or sections of this Agreement.

Section 14.08. Entire Agreement. This Agreement constitutes the entire agreement between Lessor and Lessee. No waiver, consent, modification or change of terms of this Agreement shall bind either party unless in writing signed by both parties, and then such waiver, consent, modification or change shall be effective only in the specific instance and for the specific purpose given. There are no understandings, agreements, representations or warranties, express or implied, not specified herein regarding this Agreement or the Equipment leased hereunder. Any terms and conditions of any purchase order or other document submitted by Lessee in connection with this Agreement which are in addition to or inconsistent with the terms and conditions of this Agreement will not be binding on Lessor and will not apply to this Agreement. Lessee by the signature below of its authorized representative acknowledges that it has read this Agreement, understands it, and agrees to be bound by its terms and conditions.

IN WITNESS WHEREOF, Lessor has executed this Agreement in its corporate name with its corporate seal hereunto affixed and attested by its duly authorized officers, and Lessee has caused this Agreement to be executed in its corporate name with its corporate seal hereunto affixed and attested by its duly authorized officers. This document is dated as of the Accrual Date, whether or not executed as of such date.

LESSEE: City of Parker

Attest:

By: _____

Title: _____

By: _____

Title: _____

Date: _____

LESSOR: Municipal Services Group, Inc.

Attest:

By: _____

Title: _____

By: _____

Title: _____

Date: _____

INDIVIDUAL PAYMENT SCHEDULE #1

TO

MASTER MUNICIPAL LEASE AND OPTION AGREEMENT NUMBER 123

Entered into _____, 19___ (the "Dated Date") by and between the Lessor and the Lessee. This Individual Payment Schedule #1 is made a part of Master Municipal Lease and Option Agreement Number 123 and hereby incorporates all terms and conditions of said Agreement with respect to Lessee's and Lessor's rights in the personal property described in this Schedule.

This Individual Payment Schedule consists of:

Exhibit A	Resolution of Governing Body
Exhibit B	Opinion of Lessee's Counsel
Exhibit C	Certificate as to Arbitrage
Exhibit D	Description of Equipment
Exhibit E	Schedule of Payments
Exhibit F	Acceptance Certificate
Exhibit G	Insurance Coverage Requirements
Supplements:	8038-G IRS Filing
	Bank Eligibility Certificate
	Small Issuer Exemption Certificate

LESSOR: Municipal Services Group, Inc.

By: _____

Title: _____

Date: _____

LESSEE: Anytown

By: _____

Title: _____

Date: _____

EXHIBIT A

RESOLUTION OF GOVERNING BODY

EXTRACT OF MINUTES

LESSEE: Anytown

At a duly called meeting of the governing body of Lessee held on the _____ day of _____, 19___, the following resolution was introduced and adopted.

RESOLVED, whereas the governing body of Lessee has determined that a true and very real need exists for the acquisition of the Equipment described in the Individual Payment Schedule No. 1 and/or the Master Municipal Lease and Option Agreement No. 123 (the "Agreement") presented to this meeting; and

WHEREAS, the governing body of Lessee has taken the necessary steps, including any legal bidding requirements, under applicable law to arrange for the acquisition of such Equipment,

WHEREAS, the governing body hereby directs its legal counsel to review the Agreement and negotiate appropriate modifications to said Agreement so as to assure compliance with state law and local statutory law, prior to execution of the agreement by those persons so authorized by the governing body for such purpose,

BE IT RESOLVED, by the governing body of Lessee that:

Finding: Authorized Officers. The terms of said Agreement are in the best interests of Lessee for the acquisition of such Equipment and the governing body of Lessee designates and confirms the following persons to execute and deliver, and to witness (or attest,) respectively, the Agreement and any related documents necessary to the consummation of the transactions contemplated by the Agreement.

RESOLVED, the acquisition of the Equipment, under the terms and conditions provided for in the Agreement, is necessary, convenient, in the furtherance of and will at all times be used in connection with the Lessee's governmental and proprietary purposes and functions (except to the extent that subleasing of the Equipment is permitted under terms of the Agreement) and are in the best interests of the Lessee and no portion of the Equipment will be used directly or indirectly in any trade or business carried on by any person other than a governmental unit of the State on a basis different from the general public.

RESOLVED, the Lessee covenants that it will perform all acts within its power which are or may be necessary to insure the maintenance of its legal status as being a duly organized and existing entity under the laws of the State, which status is the basis for the interest portion of the Rental Payments coming due under the Agreement to at all times remain exempt from federal income taxation under the laws and regulations of the United States of America as presently enacted and construed or as hereafter amended.

_____ _____

(Name of Party to Execute Municipal Lease & Option Agreement) (Title)

_____ _____

(Name of Party to Attest or Witness Municipal Lease & Option Agreement) (Title)

_____

(Name of Party to sign Acceptance Certificate)

Full Force and Effect. The undersigned further certifies that the above resolution has not been repealed or amended and remains in full force and effect and further certifies that the above and foregoing Agreement is the same as presented at said meeting of the governing body of Lessee.

_____

Secretary/Clerk

(SEAL)

EXHIBIT B

OPINION OF COUNSEL

(On Attorney's Letterhead)

Municipal Services Group, Inc.
5125 South Kipling Parkway, Suite 300
Littleton, CO 80127

Ladies and Gentlemen:

With respect to that certain Master Municipal Lease and Option Agreement ("the Agreement") by and between Municipal Services Group, Inc. ("Lessor") and Anytown ("Lessee") I am of the opinion that: (i) the Lessee is a state or political subdivision thereof within the meaning of Section 103 of the Internal Revenue Code of 1986, as amended; (ii) the execution, delivery and performance by the Lessee of the Agreement has been duly authorized by all necessary action on the part of the Lessee; (iii) the Agreement is a legal, valid and binding obligation of Lessee, enforceable in accordance with its terms. To the extent lawful, in the event the Lessor obtains a judgment against Lessee in money damages, as a result of an event of default under the Agreement, Lessee will be obligated to pay such judgment; (iv) the signatures of the officers of the Lessee which appear on the Agreement are true and genuine; I know said officers and know them to hold the offices set forth below their names; and (v) the Equipment leased pursuant to the Agreement constitutes personal property under applicable law and when subjected to use by Lessee will not be construed as a fixture.

Attorney for Lessee

_____

Firm Name

_____

EXHIBIT C

CERTIFICATE AS TO ARBITRAGE

I, the undersigned officer of Anytown (the "Lessee") being the person duly charged, with others, with responsibility of issuing the Lessee's obligation in the form of that certain agreement entitled "Municipal Lease and Option Agreement" (the "Agreement") numbered 123, and issued said date HEREBY CERTIFY that:

1. The Agreement was issued by the Lessee under and pursuant to existing law to finance the acquisition of the certain Equipment described therein.

2. Pursuant to the Agreement, the Lessee is entitled to receive said Equipment in consideration for the obligation of the Lessee under the Agreement. Said Equipment will be used in furtherance of the public purposes of the Lessee. The Lessee does not intend to sell said Equipment or said Agreement or to otherwise dispose of said Equipment during the term of the Agreement. The Lessee will not receive any monies, funds, or other "proceeds" as a result of the Agreement.

3. The Lessee expects to make payments under the Agreement from its general funds on the basis of annual appropriations in amounts equal to the required payments under the Agreement. The remaining general funds of the Lessee are not reasonably expected to be used to make such payments and no other monies are pledged to the Agreement or reasonably expected to be used to pay principal and interest on the Agreement.

4. The Lessee has not received notice that its Certificate may not be relied upon with respect to its own issues nor has it been advised that any adverse action by the Commissioner of Internal Revenue is contemplated.

5. The Lessee certifies that the Property (as defined in the Agreement) is or will be owned and operated by the Lessee and will not be used in the trade or business of any person on a basis different from the general public.

To the best of my knowledge, information and belief the expectations herein expressed are reasonable and there are no facts, estimates or circumstances other than those expressed herein that would materially affect the expectations herein expressed.

IN WITNESS WHEREOF, I have hereunto set my hand this _____ day of _____, 19____.

LESSEE: Anytown

By: _____ _____

Title: _____ _____

EXHIBIT D

DESCRIPTION OF EQUIPMENT

The Equipment which is the subject of the Individual Payment Schedule No. 1 to the Master Municipal Lease and Option Agreement is as follows:

One (1) 1998 Southern Coach Fire Truck

Together with all additions, accessions and replacements thereto.

Lessee hereby certifies that the description of the Equipment set forth above constitutes an accurate description of the "Equipment", as defined in the attached Master Municipal Lease and Option Agreement applicable Individual Payment Schedule.

LESSEE: City of Parker

By: _____

Title: _____

Address of Equipment Upon Delivery and Acceptance:

_____

_____

EXHIBIT E
SCHEDULE OF PAYMENTS
DATED DATE: Nov 01, 1997

CITY OF PARKER

PMT #	PAYMENT DATE	PAYMENT	PRINCIPAL PORTION	INTEREST PORTION	PURCHASE PRICE
1	Upon Delivery	29,841.25	29,841.25	0.00	106,931.13
2	1 - Nov-98	29,841.25	24,466.49	5,374.77	81,955.25
3	1 - Nov-99	29,841.25	25,711.82	4,129.43	55,842.96
4	1 - Nov-00	29,841.25	27,020.55	2,820.70	28,542.56
5	1 - Nov-01	29,841.25	28,395.90	1,445.35	0.00
	TOTAL	149,206.25	135,436.00	13,770.25	

LESSEE: CITY OF PARKER

BY:_____

TITLE:_____

EXHIBIT E

SCHEDULE OF PAYMENTS

Base Interest Rate: 5.09%

U. S. Treasury Note Yield: 5.89%

U. S. Treasury Note Index Percent: 86.42%

Adjusted Base Interest Rate:

Dated Date: November 1, 1997

Provided all documents have been returned in a form acceptable to Lessor within thirty (30) days of the Dated Date (the "Period"), then the Base Interest Rate can remain in effect during the Period. In the event all documents have not been returned within the Period, in a form acceptable to Lessor, and/or if the U. S. Treasury Note Yield for a maturity comparable to the Lease Term increases significantly, the Lessor reserves the right to adjust and determine a new Base Interest Rate (the "Adjusted Base Interest Rate") pursuant to the provisions hereof. The Adjusted Base Interest Rate shall be determined by multiplying the U. S. Treasury Note Yield for a maturity comparable to the Lease Term (as of the business day immediately preceding the receipt of the documents by the Lessor) by the U. S. Treasury Note Index Percent. Such Adjusted Base Interest Rate shall be the applicable interest rate for the principal balance of the Equipment which is the subject of this Individual Payment Schedule, and the Lessor and the Lessee shall execute a revised Exhibit E to this Individual Payment Schedule to acknowledge such change.

LESSEE: City of Parker

By: _____

Title: _____

EXHIBIT F

ACCEPTANCE CERTIFICATE

The undersigned, as Lessee under the Master Municipal Lease and Option Agreement (the "Agreement") numbered 123, with Municipal Services Group, Inc. ("Lessor"), acknowledges receipt in good condition of the Equipment described in the Agreement or in the applicable Individual Payment Schedule attached thereto this _____ day of _____ and certifies that Lessor has fully and satisfactorily performed all of its covenants and obligations required under the Agreement.

Lessee confirms that it will commence payments in accordance with Article 6 of the Agreement or the provisions of the applicable Individual Payment Schedule.

The undersigned officer of the Lessee hereby reaffirms in all respects the Certificate as to Arbitrage attached as Exhibit C to the Agreement, and represents that, to the best of his or her knowledge, information and belief, the expectations therein expressed were reasonable as of the Accrual Date on which they were made, and are reasonable as of this date, and that there were, and are as of this date, no facts, estimates or circumstances other than those expressed therein that would materially affect the expectations expressed therein.

LESSEE: Anytown

By: _____

Title: _____

EXHIBIT G

INSURANCE COVERAGE REQUIREMENTS

TO: Municipal Services Group, Inc.
5125 South Kipling Parkway, Suite 300
Littleton, Colorado 80127

FROM: Anytown
1234 Street
Anytown, Florida

SUBJECT: INSURANCE COVERAGE REQUIREMENTS

1. In accordance with Section 8.03 of the Master Municipal Lease and Option Agreement No. 123, dated as of _____, 19__, we have instructed the insurance agent named below (please fill in name, address, and telephone number)

___ _____

___ _____

- _____.

- _____

to issue:

a. All Risk Physical Damage Insurance on the leased Equipment of Unit thereof (as defined in the Agreement) evidenced by a Certificate of Insurance and Long Form Loss Payable Clause naming Lessor "and/or its assigns" Loss Payee.

b. Public Liability Insurance evidence by a Certificate of Insurance naming "Lessor and/or its assigns" as an Additional Insured.

Minimum Coverage Required:
$500,000.00 per person
$500,000.00 aggregate bodily injury liability
$300,000.00 property damage liability

OR

2. Pursuant to Section 8.03 of the Agreement, we are self-insured for all risk, physical damage, and public liability and will provide proof of such self-insurance in letter form together with a copy of the statute authorizing this form of insurance.

3. Proof of insurance coverage will be provided to Lessor prior to the time that the Equipment or Unit thereof is delivered to us.

LESSEE: Anytown

By: _____

Title: _____

Please attach the Insurance Certificate to this Exhibit.

SMALL ISSUER EXEMPTION CERTIFICATE

THIS SMALL ISSUER EXEMPTION CERTIFICATE is entered into this _____ day of _____, 19___ and executed by Anytown as lessee, supplementing and adding to Lease and Option Agreement No. 123.

WITNESSETH:

WHEREAS, the Lessor and the Lessee have entered into a Municipal Lease and Option Agreement No. 123; and

WHEREAS, the Lessee desires to supplement the Agreement;

NOW THEREFORE, in consideration of the premises hereinafter contained, the parties hereto agree to supplement the Agreement as follows:

The Lessee has not issued or effected the issuance of, and reasonably anticipates that it shall not issue or effect the issuance of, more than Five Million Dollars ($5,000,000.00) of tax-exempt bonds (other than private activity bonds) (such terms being within the meaning of Section 148 (f)(4)(C) of the Internal Revenue Code of 1986, as amended), during the 19___ calendar year.

In witness whereof, the Lessee has caused this Supplement to the Agreement to be executed by its respective officers thereunto duly authorized, all as of the date and year first above written.

LESSEE: Anytown

By: _____

Title: _____

BANK ELIGIBILITY CERTIFICATE

THIS BANK ELIGIBILITY CERTIFICATE is entered into this _____ day of _____, 19___ and executed by Anytown, as lessee, supplementing and adding to Lease and Option Agreement No. 123.

WITNESSETH:

WHEREAS, the Lessor and the Lessee have entered into a Municipal Lease and Option Agreement No. 123; and

WHEREAS, the Lessee desires to supplement the Agreement;

NOW THEREFORE, in consideration of the premises hereinafter contained, the Lessee hereby certifies that:

The Lessee has not issued or effected the issuance of, and reasonably anticipates that it shall not issue or effect the issuance of more than Ten Million Dollars ($10,000,000.00) of tax-exempt obligations during the 19___ calendar year, and hereby designates the lease of the Equipment to which this certificate pertains as a "qualified tax-exempt obligation," as defined by Section 265 (b) (3) of the Internal Revenue Code of 1986, as amended.

In witness whereof, the Lessee has caused this Supplement to the Agreement to be executed by its respective officers thereunto duly authorized, all as of the date and year first above written.

LESSEE: Anytown

By: _____

Title: _____

Form **8038-G**
(Rev. May 1995)
Department of the Treasury
Internal Revenue Service

Information Return for Tax-Exempt Governmental Obligations

▶ Under Internal Revenue Code section 149(e)
▶ See separate Instructions.
(Note: *Use Form 8038-GC if the issue price is under $100,000.*)

OMB No. 1545-0720

Part I Reporting Authority

If Amended Return, check here ▶ ☐

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): P. O. Box 10619	Room/suite:	4 Report number: G19 -
5 City, town, or post office, state, and ZIP code: Parker, FL 32404		6 Date of issue: 11/01/97
7 Name of issue: Master Municipal Lease & Option Agreement #1377		8 CUSIP number: None

Part II Type of Issue (check applicable box(es) and enter the issue price)

9	☐ Education (attach schedule–see instructions)	9	$
10	☐ Health and hospital (attach schedule–see instructions)	10	
11	☐ Transportation	11	
12	☒ Public safety	12	105,595.00
13	☐ Environment (including sewage bonds)	13	
14	☐ Housing	14	
15	☐ Utilities	15	
16	☐ Other. Describe (see instructions) ▶	16	
17	If obligations are tax or other revenue anticipation bonds, check box ▶ ☐		
18	If obligations are in the form of a lease or installment sale, check box ▶ ☒		

Part III Description of Obligations

	(a) Maturity date	(b) Interest rate	(c) Issue price	(d) Stated redemption price at maturity	(e) Weighted average maturity	(f) Yield	(g) Net interest cost
19 Final maturity.	N/A	N/A %	N/A	N/A			
20 Entire issue			105,595	N/A	4.00 years	5.05 %	5.09 %

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

21	Proceeds used for accrued interest		21	N/A
22	Issue price of entire issue (enter amount from line 20, column (c))		22	N/A
23	Proceeds used for bond issuance costs (including underwriters' discount)	23 N/A		
24	Proceeds used for credit enhancement	24 N/A		
25	Proceeds allocated to reasonably required reserve or replacement fund	25 N/A		
26	Proceeds used to currently refund prior issues	26 N/A		
27	Proceeds used to advance refund prior issues	27 N/A		
28	Total (add lines 23 through 27)		28	N/A
29	Nonrefunding proceeds of the issue (subtract line 28 from line 22 and enter amount here)		29	N/A

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

30	Enter the remaining weighted average maturity of the bonds to be currently refunded ▶	N/A	years
31	Enter the remaining weighted average maturity of the bonds to be advance refunded ▶	N/A	years
32	Enter the last date on which the refunded bonds will be called ▶	N/A	
33	Enter the date(s) the refunded bonds were issued ▶	N/A	

Part VI Miscellaneous

34	Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)	34	
35	Enter the amount of the bonds designated by the issuer under section 265(b)(3)(B)(i)(III) (small issuer exception)	35	$105,595.00
36a	Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (see instructions)	36a	
b	Enter the final maturity date of the guaranteed investment contract ▶		
37	Pooled financings: a Proceeds of this issue that are to be used to make loans to other governmental units	37a	

b If this issue is a loan made from the proceeds of another tax-exempt issue, check box ▶ ☐ and enter the name of the issuer ▶ _____ and the date of the issue ▶ _____

38 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box ▶ ☐

39 If the issuer has identified a hedge, check box ▶ ☐

Please Sign Here

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete.

▶ _____ Signature of issuer's authorized representative Date

▶ _____ Type or print name and title 182

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