

**DOCUMENT CHECKLIST**

PLEASE EXECUTE ONE (1) ORIGINAL SET OF ALL DOCUMENTS  
(NO FRONT & BACK COPIES, PLEASE)

RETURN ALL ORIGINALS TO:  
U.S. BANCORP GOVERNMENT LEASING AND FINANCE, INC.  
ROSIE KIM  
950 17<sup>TH</sup> STREET, 8<sup>TH</sup> FLOOR  
DENVER, CO 80202  
303-585-4078

- Addendum/Amendment to Master Tax-Exempt Lease/Purchase Agreement** – This document must be executed in the presence of a witness/attestor. The attesting witness does not have to be a notary, just present at the time of execution.
- Addendum/Amendment No. 2 to Master Tax-Exempt Lease/Purchase Agreement** – This document must be executed in the presence of a witness/attestor. The attesting witness does not have to be a notary, just present at the time of execution.
- Property Schedule No. 2** - This document must be executed in the presence of a witness/attestor. The attesting witness does not have to be a notary, just present at the time of execution.
- Property Description and Payment Schedule – Exhibit 1**
- Lessee’s Counsel’s Opinion – Exhibit 2.** This exhibit will need to be executed by your attorney, dated and placed on their letterhead. Your attorney will likely want to review the agreement prior to executing this opinion.
- Lessee’s General and Incumbency Certificate – Exhibit 3.** Include in your return package a copy of the board minutes or resolution for our files.
- Payment of Proceeds Instructions – Exhibit 4.** Intentionally Omitted
- Acceptance Certificate – Exhibit 5.** The date that all equipment is delivered, installed and accepted is the date that should be placed on the "DATE" line. If moneys are being deposited into escrow this exhibit should be held and returned with the final disbursement from the escrow account.
- Bank Qualification and Arbitrage Rebate – Exhibit 6.**
- Notification of Tax Treatment**
- Form 8038-G** – Blank form and instructions provided to Lessee. Please consult your CPA, local legal or bond counsel to fill out.
- Vehicle Titling Memo**
- Peapack Gladstone Bank Escrow Agreement** – This document needs to be executed by the Executing Official defined in the Lessee’s Certificate – Exhibit 3.
  - Payment Request Form** –This document should be retained by Lessee and utilized to request disbursements from the escrow account. Please make copies and fill out as many as are needed.
- Insurance Authorization and Verification** – To be filled out by the Purchaser and sent to your insurance carrier. A valid insurance certificate, or self-insurance letter if the Purchaser self-insures, is required prior to funding.
- Invoice for First Payment** - Included for your convenience.

**ADDENDUM (NEW JERSEY SCHOOL DISTRICTS)  
Master Tax-Exempt Lease/Purchase Agreement**

THIS ADDENDUM, which is entered into as of July 30, 2018 between U.S. Bancorp Government Leasing and Finance, Inc. ("Lessor") and Township of Union Board of Education ("Lessee"), is intended to modify and supplement Property Schedule No. 2 (the "Property Schedule") to the Master Tax-Exempt Lease/Purchase Agreement between Lessor and Lessee dated as of December 27, 2016 (the "Master Agreement"). Capitalized terms not otherwise defined herein shall have the meanings set forth in the Master Agreement.

In addition to the representations, warranties and covenants of Lessee set forth in the Master Agreement, Lessee, as of the Commencement Date for the Property Schedule, represents, warrants and covenants for the benefit of Lessor that Lessee has complied with all rules and regulations of the New Jersey State Board of Education applicable to the leasing of the Property under the Property Schedule.

Section 7.01 Title to the Property is hereby removed in its entirety and replaced as follows:

**7.01 Title to the Property.** Pursuant to N.J.A.C. 5:34-3.3, the laws and regulations of the State which govern the entering into of lease purchase agreements by Lessee, ownership of all Property and all replacements, substitutions, repairs and modifications shall remain with lessor during the Lease Term and until Lessee has paid all of the Lease Payments on a Property Schedule or exercised its option to prepay pursuant to the terms of the Property Schedule(s) and this Agreement. Lessee, by paying all such Lease Payments on a Property Schedule, or by exercising its option to prepay, shall be deemed to have exercised its option to acquire ownership of the Property, and upon such payment, ownership shall be transferred to Lessee. Notwithstanding ownership of the Property by Lessor, for federal income tax and accounting purposes, legal title in the Property during the Lease Term shall be in Lessee. Lessee acknowledges that Lessor does not operate, control, or have possession of the Property and has no control over the Lessee or the Lessee's operation, use, storage or maintenance of the Property.

IN WITNESS WHEREOF, Lessor and Lessee have caused this Addendum to be executed in their names by their duly authorized representatives as of the date first above written.

<b>Lessor: U.S. Bancorp Government Leasing and Finance, Inc.</b>
By:
Name:
Title:

<b>Lessee: Township of Union Board of Education</b>
By:
Name:
Title:

Attest:
By
Name:
Title:

**ADDENDUM NO. 2**  
**Master Tax-Exempt Lease/Purchase Agreement**

THIS ADDENDUM, which is entered into as of July 30, 2018 between U.S. Bancorp Government Leasing and Finance, Inc. ("Lessor") and Township of Union Board of Education ("Lessee"), is intended to modify and supplement the Master Tax-Exempt Lease/Purchase Agreement between Lessor and Lessee dated as of December 27, 2016 (the "Master Agreement"). Capitalized terms not otherwise defined herein shall have the meanings set forth in the Master Agreement.

**Section 6.08 is hereby deleted and restated as follows:**

Gross-Up. If an Event of Taxability occurs with respect to a Property Schedule, the interest component of Lease Payments on the Property Schedule shall thereafter be payable at the Taxable Rate, and Lessee shall pay to Lessor promptly following demand an amount sufficient to supplement prior Lease Payments on such Property Schedule so that Lessor receives the interest component of such Lease Payments, retroactive to the date as of which the interest component is determined to be includible in the gross income of Lessor for federal income tax purposes, calculated at the Taxable Rate, together with any penalties and interest actually imposed on Lessor as a result of the Event of Taxability. For purposes of this Section, "Event of Taxability" means, with respect to a Property Schedule, (a) a final determination by the Internal Revenue Service or a court of competent jurisdiction that the interest component of Lease Payments on the Property Schedule is includible for federal income tax purposes in the gross income of Lessor, or (b) receipt by Lessor of a written opinion of a nationally recognized public finance lawyer or law firm to the effect that there exists substantial doubt whether the interest component of Lease Payments on the Property Schedule is excludible for federal income tax purposes from the gross income of Lessor, in each case due to any action or failure to take action by Lessee. "Taxable Rate" means the interest rate at which the interest component of Lease Payments on a Property Schedule was originally calculated, divided by 0.79.

IN WITNESS WHEREOF, Lessor and Lessee have caused this Addendum to be executed in their names by their duly authorized representatives as of the date first above written.

<b>Lessor: U.S. Bancorp Government Leasing and Finance, Inc.</b>
By:
Name:
Title:

<b>Lessee: Township of Union Board of Education</b>
By:
Name:
Title:

Attest:
By
Name:
Title:

# Property Schedule No. 2

## Master Tax-Exempt Lease/Purchase Agreement

This **Property Schedule No. 2** is entered into as of the Commencement Date set forth below, pursuant to that certain Master Tax-Exempt Lease/Purchase Agreement (the "Master Agreement"), dated as of December 27, 2016, between U.S. Bancorp Government Leasing and Finance, Inc., and Township of Union Board of Education.

- 1. Interpretation.** The terms and conditions of the Master Agreement are incorporated herein by reference as if fully set forth herein. Reference is made to the Master Agreement for all representations, covenants and warranties made by Lessee in the execution of this Property Schedule, unless specifically set forth herein. In the event of a conflict between the provisions of the Master Agreement and the provisions of this Property Schedule, the provisions of this Property Schedule shall control. All capitalized terms not otherwise defined herein shall have the meanings provided in the Master Agreement.
- 2. Commencement Date.** The Commencement Date for this Property Schedule is July 30, 2018.
- 3. Property Description and Payment Schedule.** The Property subject to this Property Schedule is described in Exhibit 1 hereto. Lessee shall not remove such property from the locations set forth therein without giving prior written notice to Lessor. The Lease Payment Schedule for this Property Schedule is set forth in Exhibit 1.
- 4. Opinion.** The Opinion of Lessee's Counsel is attached as Exhibit 2.
- 5. Lessee's Certificate.** The Lessee's Certificate is attached as Exhibit 3.
- 6. Proceeds.** Exhibit 4 is intentionally omitted.
- 7. Acceptance Certificate.** The form of Acceptance Certificate is attached as Exhibit 5.
- 8. Additional Purchase Option Provisions.** In addition to the Purchase Option provisions set forth in the Master Agreement, Lease Payments payable under this Property Schedule shall be subject to prepayment in whole at any time by payment of the applicable Termination Amount set forth in Exhibit 1 (Payment Schedule) and payment of all accrued and unpaid interest through the date of prepayment.
- 9. Private Activity Issue.** Lessee understands that among other things, in order to maintain the exclusion of the interest component of Lease Payments from gross income for federal income tax purposes, it must limit and restrict the rights private businesses (including, for this purpose, the federal government and its agencies and organizations described in the Code § 501(c)(3)) have to use the Property. Each of these requirements will be applied beginning on the later of the Commencement Date or date each portion of the Property is placed in service and will continue to apply until earlier of the end of the economic useful life of the property or the date the Agreement or any tax-exempt obligation issued to refund the Property Schedule is retired (the "Measurement Period"). Lessee will comply with the requirements of Section 141 of the Code and the regulations thereunder which provide restrictions on special legal rights that users other than Lessee or a state or local government or an agency or instrumentality of a state or a local government (an "Eligible User") may have to use the Property. For this purpose, special legal rights may arise from a management or service agreement, lease, research agreement or other arrangement providing any entity except an Eligible User the right to use the Property. Any use of the Property by a user other than an Eligible User is referred to herein as "Non-Qualified Use". Throughout the Measurement Period, all of the Property is expected to be owned by Lessee. Throughout the Measurement Period, Lessee will not permit the Non-Qualified Use of the Property to exceed 10%.
- 10. Bank Qualification and Arbitrage Rebate.** Attached as Exhibit 6.
- 11. Expiration.** Lessor, at its sole determination, may choose not to accept this Property Schedule if the fully executed, original Master Agreement (including this Property Schedule and all ancillary documents) is not received by Lessor at its place of business by July 30, 2018.

IN WITNESS WHEREOF, Lessor and Lessee have caused this Property Schedule to be executed in their names by their duly authorized representatives as of the Commencement Date above.

<b>Lessor: U.S. Bancorp Government Leasing and Finance, Inc.</b>
By:
Name:
Title:

<b>Lessee: Township of Union Board of Education</b>
By:
Name:
Title:

Attest:
By
Name:
Title:

**EXHIBIT 1**

**Property Description and Payment Schedule**

Re: **Property Schedule No. 2** to Master Tax-Exempt Lease/Purchase Agreement between U.S. Bancorp Government Leasing and Finance, Inc. and Township of Union Board of Education.

THE PROPERTY IS AS FOLLOWS: The Property as more fully described in Exhibit A incorporated herein by reference and attached hereto. It includes all replacements, parts, repairs, additions, accessions and accessories incorporated therein or affixed or attached thereto and any and all proceeds of the foregoing, including, without limitation, insurance recoveries.

**PROPERTY LOCATION:**

\_\_\_\_\_  
Address

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

USE: School Buses: This use is essential to the proper, efficient and economic functioning of Lessee or to the services that Lessee provides; and Lessee has immediate need for and expects to make immediate use of substantially all of the Property, which need is not temporary or expected to diminish in the foreseeable future.

Lease Payment Schedule

Total Principal Amount: \$224,546.87

Payment No.	Due Date	Lease Payment	Principal Portion	Interest Portion	Termination Amount (After Making Payment for said Due Date)
1	8/30/2018	59,199.49	58,552.75	646.75	N/A
2	8/30/2019	59,199.49	53,462.28	5,737.21	N/A
3	8/30/2020	59,199.49	55,310.09	3,889.41	58,938.41
4	8/30/2021	59,199.49	57,221.75	1,977.74	0.00
<b>Totals</b>		<b>236,797.97</b>	<b>224,546.87</b>	<b>11,909.48</b>	

Interest Rate: 3.456%

**Lessee: Township of Union Board of Education**

By:

Name:

Title:

EXHIBIT A

Property Description

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School Buses

(VIN #'s To Be Determined)

## EXHIBIT 2

### Lessee's Counsel's Opinion

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[To be provided on letterhead of Lessee's counsel.]

July 30, 2018

U.S. Bancorp Government Leasing and Finance, Inc.  
13010 SW 68th Parkway, Suite 100  
Portland, OR 97223

Township of Union Board of Education  
2389 Morris Avenue  
Union, NJ 07083  
Attention: Aldo Marsillo

RE: Property Schedule No. 2 to Master Tax-Exempt Lease/Purchase Agreement between U.S. Bancorp Government Leasing and Finance, Inc. and Township of Union Board of Education.

Ladies and Gentlemen:

We have acted as special counsel to Township of Union Board of Education ("Lessee"), in connection with the Master Tax-Exempt Lease/Purchase Agreement, dated as of December 27, 2016 (the "Master Agreement"), between Township of Union Board of Education, as lessee, and U.S. Bancorp Government Leasing and Finance, Inc. as lessor ("Lessor"), and the execution of Property Schedule No. 2 (the "Property Schedule") pursuant to the Master Agreement. We have examined the law and such certified proceedings and other papers as we deem necessary to render this opinion.

All capitalized terms not otherwise defined herein shall have the meanings provided in the Master Agreement and Property Schedule.

As to questions of fact material to our opinion, we have relied upon the representations of Lessee in the Master Agreement and the Property Schedule and in the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion that, under existing law:

1. Lessee is a public body corporate and politic, duly organized and existing under the laws of the State, and has a substantial amount of one or more of the following sovereign powers: (a) the power to tax, (b) the power of eminent domain, and (c) the police power.
2. Lessee has all requisite power and authority to enter into the Master Agreement and the Property Schedule and to perform its obligations thereunder.
3. The execution, delivery and performance of the Master Agreement and the Property Schedule by Lessee has been duly authorized by all necessary action on the part of Lessee.
4. All proceedings of Lessee and its governing body relating to the authorization and approval of the Master Agreement and the Property Schedule, the execution thereof and the transactions contemplated thereby have been conducted in accordance with all applicable open meeting laws and all other applicable state and federal laws.
5. Lessee has acquired or has arranged for the acquisition of the Property subject to the Property Schedule, and has entered into the Master Agreement and the Property Schedule, in compliance with all applicable public bidding laws.
6. Lessee has obtained all consents and approvals of other governmental authorities or agencies which may be required for the execution, delivery and performance by Lessee of the Master Agreement and the Property Schedule.

7. The Master Agreement and the Property Schedule have been duly executed and delivered by Lessee and constitute legal, valid and binding obligations of Lessee, enforceable against Lessee in accordance with the terms thereof, except insofar as the enforcement thereof may be limited by any applicable bankruptcy, insolvency, moratorium, reorganization or other laws of equitable principles of general application, or of application to municipalities or political subdivisions such as the Lessee, affecting remedies or creditors' rights generally, and to the exercise of judicial discretion in appropriate cases.

8. As of the date hereof, based on such inquiry and investigation as we have deemed sufficient, no litigation is pending, (or, to our knowledge, threatened) against Lessee in any court (a) seeking to restrain or enjoin the delivery of the Master Agreement or the Property Schedule or of other agreements similar to the Master Agreement; (b) questioning the authority of Lessee to execute the Master Agreement or the Property Schedule, or the validity of the Master Agreement or the Property Schedule, or the payment of principal of or interest on, the Property Schedule; (c) questioning the constitutionality of any statute, or the validity of any proceedings, authorizing the execution of the Master Agreement and the Property Schedule; or (d) affecting the provisions made for the payment of or security for the Master Agreement and the Property Schedule.

This opinion may be relied upon by Lessor, its successors and assigns, and any other legal counsel who provides an opinion with respect to the Property Schedule.

Very truly yours,

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

Name: \_\_\_\_\_

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

Dated: \_\_\_\_\_



EXHIBIT 3

Lessee's General and Incumbency Certificate

GENERAL CERTIFICATE

Re: **Property Schedule No. 2** dated as of July 30, 2018 to the Master Tax-Exempt Lease/Purchase Agreement dated December 27, 2016 between U.S. Bancorp Government Leasing and Finance, Inc. and Township of Union Board of Education.

The undersigned, being the duly elected, qualified and acting School Business Administrator  
(Title of Person to Execute Lease/Purchase Agreement)  
of the Township of Union Board of Education ("Lessee") does hereby certify, as of July 30, 2018, as follows:

1. Lessee did, at a meeting of the governing body of the Lessee, by resolution or ordinance duly enacted, in accordance with all requirements of law, approve and authorize the execution and delivery of the above-referenced Property Schedule (the "Property Schedule") and the Master Tax-Exempt Lease/Purchase Agreement (the "Master Agreement") by the undersigned.
2. The meeting(s) of the governing body of the Lessee at which the Master Agreement and the Property Schedule were approved and authorized to be executed was duly called, regularly convened and attended throughout by the requisite quorum of the members thereof, and the enactment approving the Master Agreement and the Property Schedule and authorizing the execution thereof has not been altered or rescinded. All meetings of the governing body of Lessee relating to the authorization and delivery of Master Agreement and the Property Schedule have been: (a) held within the geographic boundaries of the Lessee; (b) open to the public, allowing all people to attend; (c) conducted in accordance with internal procedures of the governing body; and (d) conducted in accordance with the charter of the Lessee, if any, and the laws of the State.
3. No event or condition that constitutes, or with the giving of notice or the lapse of time or both would constitute, an Event of Default or a Nonappropriation Event (as such terms are defined in the Master Agreement) exists at the date hereof with respect to this Property Schedule or any other Property Schedules under the Master Agreement.
4. The acquisition of all of the Property under the Property Schedule has been duly authorized by the governing body of Lessee.
5. Lessee has, in accordance with the requirements of law, fully budgeted and appropriated sufficient funds for the current budget year to make the Lease Payments scheduled to come due during the current budget year under the Property Schedule and to meet its other obligations for the current budget year and such funds have not been expended for other purposes.
6. As of the date hereof, no litigation is pending, (or, to my knowledge, threatened) against Lessee in any court (a) seeking to restrain or enjoin the delivery of the Master Agreement or the Property Schedule or of other agreements similar to the Master Agreement; (b) questioning the authority of Lessee to execute the Master Agreement or the Property Schedule, or the validity of the Master Agreement or the Property Schedule, or the payment of principal or interest on, the Property Schedule; (c) questioning the constitutionality of any statute, or the validity of any proceedings, authorizing the execution of the Master Agreement and the Property Schedule; or (d) affecting the provisions made for the payment of or security for the Master Agreement and the Property Schedule.

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of July 30, 2018.

Township of Union Board of Education

By [Signature]  
Signature of Person to Execute Lease/Purchase Agreement

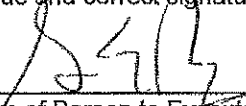
Gale Brennan Business Admin.  
Print Name and Title of Person to Execute Lease/Purchase Agreement

**INCUMBENCY CERTIFICATE**

Re: **Property Schedule No. 2** dated as of July 30, 2018 to the Master Tax-Exempt Lease/Purchase Agreement dated as of December 27, 2016 between U.S. Bancorp Government Leasing and Finance, Inc. and Township of Union Board of Education.


The undersigned, being the duly elected, qualified and acting Secretary or Clerk of the Township of Union Board of Education ("Lessee") does hereby certify, as of July 30, 2018, as follows:

As of the date of the meeting(s) of the governing body of the Lessee at which the above-referenced Master Agreement and the Property Schedule were approved and authorized to be executed, and as of the date hereof, the below-named representative of the Lessee held and holds the office set forth below, and the signature set forth below is his/her true and correct signature.

  
\_\_\_\_\_  
(Signature of Person to Execute Lease/Purchase Agreement)

Gregory E. Brennan - BA/BS  
\_\_\_\_\_  
(Print Name and Title)

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of July 30, 2018.

  
\_\_\_\_\_  
Secretary/Clerk

Print Name and Title: E. Esposito/Notary

**Elizabeth F. Esposito**  
Notary Public, State of New Jersey  
My Commission Expires February 28, 2022

EXHIBIT 4

Payment of Proceeds Instructions

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Intentionally Omitted.

**EXHIBIT 5**

**Acceptance Certificate**

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U.S. Bancorp Government Leasing and Finance, Inc.  
13010 SW 68th Parkway, Suite 100  
Portland, OR 97223

Re: **Property Schedule No. 2** to Master Tax-Exempt Lease/Purchase Agreement between U.S. Bancorp Government Leasing and Finance, Inc. and Township of Union Board of Education

Ladies and Gentlemen:

In accordance with the above-referenced Master Tax-Exempt Lease/Purchase Agreement (the "Master Agreement"), the undersigned ("Lessee") hereby certifies and represents to, and agrees with, U.S. Bancorp Government Leasing and Finance, Inc. ("Lessor"), as follows:

- (1) The Property, as such terms are defined in the above-referenced Property Schedule, has been acquired, made, delivered, installed and accepted on the date indicated below.
- (2) Lessee has conducted such inspection and/or testing of the Property as it deems necessary and appropriate and hereby acknowledges that it accepts the Property for all purposes.
- (3) No event or condition that constitutes, or with notice or lapse of time, or both, would constitute, an Event of Default or a Nonappropriation Event (as such terms are defined in the Master Agreement) exists at the date hereof.

Acceptance Date: \_\_\_\_\_

<b>Lessee: Township of Union Board of Education</b>
By:
Name:
Title:

**EXHIBIT 6**

**Bank Qualification And Arbitrage Rebate**

U.S. Bancorp Government Leasing and Finance, Inc.  
13010 SW 68th Parkway, Suite 100  
Portland, OR 97223

Re: **Property Schedule No. 2** to Master Tax-Exempt Lease/Purchase Agreement between U.S. Bancorp Government Leasing and Finance, Inc. and Township of Union Board of Education

**PLEASE CHECK EITHER:**

**Bank Qualified Tax-Exempt Obligation under Section 265**

\_\_\_\_\_ Lessee hereby designates this Property Schedule as a "qualified tax-exempt obligation" as defined in Section 265(b)(3)(B) of the Code. Lessee reasonably anticipates issuing tax-exempt obligations (excluding private activity bonds other than qualified 501(c)(3) bonds and including all tax-exempt obligations of subordinate entities of the Lessee) during the calendar year in which the Commencement Date of this Property Schedule falls, in an amount not exceeding \$10,000,000.

or

\_\_\_\_\_ Not applicable.

**Arbitrage Rebate**

**Eighteen Month Exception:**

Pursuant to Treasury Regulations Section 1.148-7(d), the gross proceeds of this Property Schedule will be expended for the governmental purposes for which this Property Schedule was entered into, as follows: at least 15% within six months after the Commencement Date, at least 60% within 12 months after the Commencement Date, and 100% within 18 months after the Commencement Date. If Lessee is unable to comply with Section 1.148-7(d) of the Treasury Regulations, Lessee shall compute rebatable arbitrage on this Agreement and pay rebatable arbitrage to the United States at least once every five years, and within 60 days after payment of the final Lease Payment due under this Agreement.

***Consult tax counsel if there is any chance that the Eighteen Month Exception will not be met.***

<b>Lessee: Township of Union Board of Education</b>
By: _____
Name: _____
Title: _____

**\*Please be sure to select ONE option above.**

**Language for UCC Financing Statements**

**Property Schedule No. 2**

SECURED PARTY: U.S. Bancorp Government Leasing and Finance, Inc.

DEBTOR: Township of Union Board of Education

This financing statement covers all of Debtor's right, title and interest, whether now owned or hereafter acquired, in and to the equipment leased to Debtor under Property Schedule No. 2 dated July 30, 2018 to that certain Master Tax-Exempt Lease Purchase Agreement dated as of December 27, 2016, in each case between Debtor, as Lessee, and Secured Party, as Lessor, together with all accessions, substitutions and replacements thereto and therefore, and proceeds (cash and non-cash), including, without limitation, insurance proceeds, thereof, including without limiting, all equipment described on Exhibit A attached hereto and made a part hereof.

Debtor has no right to dispose of the equipment.

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

▶ Under Internal Revenue Code section 149(e)

▶ See separate instructions.

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

OMB No. 1545-0720

<b>Part I Reporting Authority</b>		If Amended Return, check here <input type="checkbox"/>
1 Issuer's name	2 Issuer's employer identification number (EIN)	
3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions)		3b Telephone number of other person shown on 3a
4 Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	5 Report number (For IRS Use Only)
6 City, town, or post office, state, and ZIP code		7 Date of issue
8 Name of issue		9 CUSIP number
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information (see instructions)		10b Telephone number of officer or other employee shown on 10a

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

<b>Part III Description of Obligations.</b> Complete for the entire issue for which this form is being filed.				
	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity
21		\$	\$	years
				%

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

<b>Part V Description of Refunded Bonds.</b> Complete this part only for refunding bonds.	
31 Enter the remaining weighted average maturity of the bonds to be currently refunded . . . . .	▶ _____ years
32 Enter the remaining weighted average maturity of the bonds to be advance refunded . . . . .	▶ _____ years
33 Enter the last date on which the refunded bonds will be called (MM/DD/YYYY) . . . . .	▶ _____
34 Enter the date(s) the refunded bonds were issued ▶ (MM/DD/YYYY)	

**Part VI Miscellaneous**

<b>35</b>	Enter the amount of the state volume cap allocated to the issue under section 141(b)(5) . . . . .	<b>35</b>	
<b>36a</b>	Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC) (see instructions) . . . . .	<b>36a</b>	
<b>b</b>	Enter the final maturity date of the GIC ▶ _____		
<b>c</b>	Enter the name of the GIC provider ▶ _____		
<b>37</b>	Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units . . . . .	<b>37</b>	
<b>38a</b>	If this issue is a loan made from the proceeds of another tax-exempt issue, check box <input type="checkbox"/> and enter the following information:		
<b>b</b>	Enter the date of the master pool obligation ▶ _____		
<b>c</b>	Enter the EIN of the issuer of the master pool obligation ▶ _____		
<b>d</b>	Enter the name of the issuer of the master pool obligation ▶ _____		
<b>39</b>	If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box . . . . .		<input type="checkbox"/>
<b>40</b>	If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box . . . . .		<input type="checkbox"/>
<b>41a</b>	If the issuer has identified a hedge, check here <input type="checkbox"/> and enter the following information:		
<b>b</b>	Name of hedge provider ▶ _____		
<b>c</b>	Type of hedge ▶ _____		
<b>d</b>	Term of hedge ▶ _____		
<b>42</b>	If the issuer has superintegrated the hedge, check box . . . . .		<input type="checkbox"/>
<b>43</b>	If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box . . . . .		<input type="checkbox"/>
<b>44</b>	If the issuer has established written procedures to monitor the requirements of section 148, check box . . . . .		<input type="checkbox"/>
<b>45a</b>	If some portion of the proceeds was used to reimburse expenditures, check here <input type="checkbox"/> and enter the amount of reimbursement . . . . . ▶ _____		
<b>b</b>	Enter the date the official intent was adopted ▶ _____		

<b>Signature and Consent</b>	Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.			
	Signature of issuer's authorized representative		Date	Type or print name and title
<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed PTIN
	Firm's name ▶		Firm's EIN ▶	
	Firm's address ▶		Phone no.	



# Instructions for Form 8038-G

(Rev. September 2011)

## Information Return for Tax-Exempt Governmental Obligations



Department of the Treasury  
Internal Revenue Service

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

### General Instructions

#### Purpose of Form

Form 8038-G 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

IF the issue price (line 21, column (b)) is...	THEN, for tax-exempt governmental obligations issued after December 31, 1986, issuers must file...
\$100,000 or more	A separate Form 8038-G for each issue
Less than \$100,000	Form 8038-GC, Information Return for Small Tax-Exempt Governmental Bond Issues, Leases, and Installment Sales



*For all build America bonds and recovery zone economic development bonds use Form 8038-B, Information Return for Build America Bonds and Recovery Zone Economic Development Bonds. For tax credit bonds and specified tax credit bonds use Form 8038-TC, Information Return for Tax Credit Bonds and Specified Tax Credit Bonds.*

#### When To File

File Form 8038-G on or before the 15th day of the 2nd calendar month after the close of the calendar quarter in which the bond is issued. Form 8038-G may not be filed before the issue date and must be completed based on the facts as of the issue date.

**Late filing.** An issuer may be granted an extension of time to file Form 8038-G under Section 3 of Rev. Proc. 2002-48, 2002-37 I.R.B. 531, if it is determined that the failure to file timely is not due to willful neglect. Type or print at the top of the form "Request for Relief under section 3 of Rev. Proc. 2002-48" and attach a letter explaining why Form 8038-G was not submitted to the IRS on time. Also indicate whether the bond issue in question is under examination by the IRS. Do not submit copies of the trust

indenture or other bond documents. See *Where To File* next.

#### Where To File

File Form 8038-G, and any attachments, with the Department of the Treasury, Internal Revenue Service Center, Ogden, UT 84201.

**Private delivery services.** You can use certain private delivery services designated by the IRS to meet the "timely mailing as timely filing/paying" rule for tax returns and payments. These private delivery services include only the following:

- DHL Express (DHL): DHL Same Day Service.
- Federal Express (FedEx): FedEx Priority Overnight, FedEx Standard Overnight, FedEx 2Day, FedEx International Priority, and FedEx International First.
- United Parcel Service (UPS): UPS Next Day Air, UPS Next Day Air Saver, UPS 2nd Day Air, UPS 2nd Day Air A.M., UPS Worldwide Express Plus, and UPS Worldwide Express.

The private delivery service can tell you how to get written proof of the mailing date.

#### Other Forms That May Be Required

For rebating arbitrage (or paying a penalty in lieu of arbitrage rebate) to the Federal government, use Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate.

For private activity bonds, use Form 8038, Information Return for Tax-Exempt Private Activity Bond Issues.

For build America bonds (Direct Pay), build America bonds (Tax Credit), and recovery zone economic development bonds, complete Form 8038-B, Information Return for Build America Bonds and Recovery Zone Economic Development Bonds.

For qualified forestry conservation bonds, new clean renewable energy bonds, qualified energy conservation bonds, qualified zone academy bonds, qualified school construction bonds, clean renewable energy bonds, Midwestern tax credit bonds, and all other qualified tax credit bonds (except build America bonds), file Form 8038-TC, Information Return for Tax Credit Bonds and Specified Tax Credit Bonds.

#### Rounding to Whole Dollars

You may show amounts on this return as whole dollars. To do so, drop amounts less than 50 cents and increase amounts from 50 cents through 99 cents to the next higher dollar.

#### Questions on Filing Form 8038-G

For specific questions on how to file Form 8038-G send an email to the IRS at [TaxExemptBondQuestions@irs.gov](mailto:TaxExemptBondQuestions@irs.gov) and put "Form 8038-G Question" in the subject line. In the email include a description of your question, a return email address, the name of a contact person, and a telephone number.

#### Definitions

**Tax-exempt obligation.** This is any obligation, including a bond, installment purchase agreement, or financial lease, on which the interest is excluded from income under section 103.

**Tax-exempt governmental obligation.** A tax-exempt obligation that is not a private activity bond (see below) is a tax-exempt governmental obligation. This includes a bond issued by a qualified volunteer fire department under section 150(e).

**Private activity bond.** This includes an obligation issued as part of an issue in which:

- More than 10% of the proceeds are to be used for any private activity business use, and
- More than 10% of the payment of principal or interest of the issue is either (a) secured by an interest in property to be used for a private business use (or payments for such property) or (b) to be derived from payments for property (or borrowed money) used for a private business use.

It also includes a bond, the proceeds of which (a) are to be used directly or indirectly to make or finance loans (other than loans described in section 141(c)(2)) to persons other than governmental units and (b) exceeds the lesser of 5% of the proceeds or \$5 million.

**Issue price.** The issue price of obligations is generally determined under Regulations section 1.148-1(b). Thus, when issued for cash, the issue price is the first price at which a substantial amount of the obligations are sold to the public. To determine the issue price of an obligation issued for property, see sections 1273 and 1274 and the related regulations.

**Issue.** Generally, obligations are treated as part of the same issue if they are issued by the same issuer, on the same date, and in a single transaction, or a series of related transactions. However, obligations issued during the same calendar year (a) under a loan agreement under which amounts are to be advanced periodically (a "draw-down loan") or (b) with a term not exceeding 270 days, may be treated as part of the same issue if the obligations are equally and ratably secured under a single indenture or loan agreement and are issued under a common financing arrangement (for example, under the same official statement periodically updated to reflect changing factual circumstances). Also, for obligations issued under a draw-down loan that meet the requirements of the preceding sentence, obligations issued during different calendar years may be treated as part of the same issue if all of the amounts to be advanced under the draw-down loan are reasonably expected to be advanced within 3 years of the date of issue of the first obligation. Likewise, obligations (other than private activity bonds) issued under a single agreement that is in the form of a lease or installment sale may be treated as part of the same issue if all of the property covered by that agreement is reasonably expected to be delivered within 3 years of the date of issue of the first obligation.

**Arbitrage rebate.** Generally, interest on a state or local bond is not tax-exempt unless the issuer of the bond rebates to the United States arbitrage profits earned from investing proceeds of the bond in higher yielding nonpurpose investments. See section 148(f).

**Construction issue.** This is an issue of tax-exempt bonds that meets both of the following conditions:

1. At least 75% of the available construction proceeds are to be used for construction expenditures with respect to property to be owned by a governmental unit or a section 501(c)(3) organization, and
2. All the bonds that are part of the issue are qualified 501(c)(3) bonds, bonds that are not private activity bonds, or private activity bonds issued to finance property to be owned by a governmental unit or a section 501(c)(3) organization.

In lieu of rebating any arbitrage that may be owed to the United States, the issuer of a construction issue may make an irrevocable election to pay a penalty. The penalty is equal to 1½% of the amount of construction proceeds that do not meet certain spending requirements. See section 148(f)(4)(C) and the Instructions for Form 8038-T.

## Specific Instructions

### Part I—Reporting Authority

**Amended return.** An issuer may file an amended return to change or add to the information reported on a previously filed

return for the same date of issue. If you are filing to correct errors or change a previously filed return, check the *Amended Return* box in the heading of the form.

The amended return must provide all the information reported on the original return, in addition to the new or corrected information. Attach an explanation of the reason for the amended return and write across the top, "Amended Return Explanation." Failure to attach an explanation may result in a delay in processing the form.

**Line 1.** The issuer's name is the name of the entity issuing the obligations, not the name of the entity receiving the benefit of the financing. For a lease or installment sale, the issuer is the lessee or the purchaser.

**Line 2.** An issuer that does not have an employer identification number (EIN) should apply for one on Form SS-4, Application for Employer Identification Number. You can get this form on the IRS website at IRS.gov or by calling 1-800-TAX-FORM (1-800-829-3676). You may receive an EIN by telephone by following the instructions for Form SS-4.

**Line 3a.** If the issuer wishes to authorize a person other than an officer or other employee of the issuer (including a legal representative or paid preparer) to communicate with the IRS and whom the IRS may contact about this return (including in writing or by telephone), enter the name of such person here. The person listed in line 3a must be an individual. Do not enter the name and title of an officer or other employee of the issuer here (use line 10a for that purpose).

**Note.** By authorizing a person other than an authorized officer or other employee of the issuer to communicate with the IRS and whom the IRS may contact about this return, the issuer authorizes the IRS to communicate directly with the individual entered on line 3a and consents to disclose the issuer's return information to that individual, as necessary, to process this return.

**Lines 4 and 6.** If you listed an individual on line 3a to communicate with the IRS and whom the IRS may contact about this return, enter the number and street (or P.O. box if mail is not delivered to street address), city, town, or post office, state, and ZIP code of that person. Otherwise, enter the issuer's number and street (or P.O. box if mail is not delivered to street address), city, town, or post office, state, and ZIP code.

**Note.** The address entered on lines 4 and 6 is the address the IRS will use for all written communications regarding the processing of this return, including any notices.

**Line 5.** This line is for IRS use only. Do not make any entries in this box.

**Line 7.** The date of issue is generally the date on which the issuer physically

exchanges the bonds that are part of the issue for the underwriter's (or other purchaser's) funds. For a lease or installment sale, enter the date interest starts to accrue in a MM/DD/YYYY format.

**Line 8.** If there is no name of the issue, please provide other identification of the issue.

**Line 9.** Enter the CUSIP (Committee on Uniform Securities Identification Procedures) number of the bond with the latest maturity. If the issue does not have a CUSIP number, write "None."

**Line 10a.** Enter the name and title of the officer or other employee of the issuer whom the IRS may call for more information. If the issuer wishes to designate a person other than an officer or other employee of the issuer (including a legal representative or paid preparer) whom the IRS may call for more information about the return, enter the name, title, and telephone number of such person on lines 3a and 3b.



Complete lines 10a and 10b even if you complete lines 3a and 3b.

### Part II—Type of Issue



Elections referred to in Part II are made on the original bond documents, not on this form.

Identify the type of obligations issued by entering the corresponding issue price (see *Issue price* under *Definitions* earlier). Attach a schedule listing names and EINs of organizations that are to use proceeds of these obligations, if different from those of the issuer, include a brief summary of the use and indicate whether or not such user is a governmental or nongovernmental entity.

**Line 18.** Enter a description of the issue in the space provided.

**Line 19.** If the obligations are short-term tax anticipation notes or warrants (TANs) or short-term revenue anticipation notes or warrants (RANs), check box 19a. If the obligations are short-term bond anticipation notes (BANs), issued with the expectation that they will be refunded with the proceeds of long-term bonds at some future date, check box 19b. Do not check both boxes.

**Line 20.** Check this box if property other than cash is exchanged for the obligation, for example, acquiring a police car, a fire truck, or telephone equipment through a series of monthly payments. (This type of obligation is sometimes referred to as a "municipal lease.") Also check this box if real property is directly acquired in exchange for an obligation to make periodic payments of interest and principal. Do not check this box if the proceeds of the obligation are received in the form of cash, even if the term "lease" is used in the title of the issue.

### Part III—Description of Obligations

**Line 21.** For column (a), the final maturity date is the last date the issuer must redeem the entire issue.

For column (b), see *Issue price* under *Definitions* earlier.

For column (c), the stated redemption price at maturity of the entire issue is the sum of the stated redemption prices at maturity of each bond issued as part of the issue. For a lease or installment sale, write "N/A" in column (c).

For column (d), the weighted average maturity is the sum of the products of the issue price of each maturity and the number of years to maturity (determined separately for each maturity and by taking into account mandatory redemptions), divided by the issue price of the entire issue (from line 21, column (b)). For a lease or installment sale, enter instead the total number of years the lease or installment sale will be outstanding.

For column (e), the yield, as defined in section 148(h), is the discount rate that, when used to compute the present value of all payments of principal and interest to be paid on the obligation, produces an amount equal to the purchase price, including accrued interest. See Regulations section 1.148-4 for specific rules to compute the yield on an issue. If the issue is a variable rate issue, write "VR" as the yield of the issue. For other than variable rate issues, carry the yield out to four decimal places (for example, 5.3125%). If the issue is a lease or installment sale, enter the effective rate of interest being paid.

### Part IV—Uses of Proceeds of Bond Issue

For a lease or installment sale, write "N/A" in the space to the right of the title for Part IV.

**Line 22.** Enter the amount of proceeds that will be used to pay interest from the date the bonds are dated to the date of issue.

**Line 24.** Enter the amount of the proceeds that will be used to pay bond issuance costs, including fees for trustees and bond counsel. If no bond proceeds will be used to pay bond issuance costs, enter zero. Do not leave this line blank.

**Line 25.** Enter the amount of the proceeds that will be used to pay fees for credit enhancement that are taken into account in determining the yield on the issue for purposes of section 148(h) (for example, bond insurance premiums and certain fees for letters of credit).

**Line 26.** Enter the amount of proceeds that will be allocated to such a fund.

**Line 27.** Enter the amount of the proceeds that will be used to pay principal, interest, or call premium on any other issue of bonds within 90 days of the date of issue.

**Line 28.** Enter the amount of the proceeds that will be used to pay

principal, interest, or call premium on any other issue of bonds after 90 days of the date of issue, including proceeds that will be used to fund an escrow account for this purpose.

### Part V—Description of Refunded Bonds

Complete this part only if the bonds are to be used to refund a prior issue of tax-exempt bonds. For a lease or installment sale, write "N/A" in the space to the right of the title for Part V.

**Lines 31 and 32.** The remaining weighted average maturity is determined without regard to the refunding. The weighted average maturity is determined in the same manner as on line 21, column (d).

**Line 34.** If more than a single issue of bonds will be refunded, enter the date of issue of each issue. Enter the date in an MM/DD/YYYY format.

### Part VI—Miscellaneous

**Line 35.** An allocation of volume cap is required if the nonqualified amount for the issue is more than \$15 million but is not more than the amount that would cause the issue to be private activity bonds.

**Line 36.** If any portion of the gross proceeds of the issue is or will be invested in a guaranteed investment contract (GIC), as defined in Regulations section 1.148-1(b), enter the amount of the gross proceeds so invested, as well as the final maturity date of the GIC and the name of the provider of such contract.

**Line 37.** Enter the amount of the proceeds of this issue used to make a loan to another governmental unit, the interest of which is tax-exempt.

**Line 38.** If the issue is a loan of proceeds from another tax-exempt issue, check the box and enter the date of issue, EIN, and name of issuer of the master pool obligation.

**Line 40.** Check this box if the issue is a construction issue and an irrevocable election to pay a penalty in lieu of arbitrage rebate has been made on or before the date the bonds were issued. The penalty is payable with a Form 8038-T for each 6-month period after the date the bonds are issued. Do not make any payment of penalty in lieu of arbitrage rebate with this form. See Rev. Proc. 92-22, 1992-1 C.B. 736 for rules regarding the "election document."

**Line 41a.** Check this box if the issuer has identified a hedge on its books and records according to Regulations sections 1.148-4(h)(2)(viii) and 1.148-4(h)(5) that permit an issuer of tax-exempt bonds to identify a hedge for it to be included in yield calculations for computing arbitrage.

**Line 42.** In determining if the issuer has super-integrated a hedge, apply the rules of Regulations section 1.148-4(h)(4). If the hedge is super-integrated, check the box.

**Line 43.** If the issuer takes a "deliberate action" after the issue date that causes

the conditions of the private business tests or the private loan financing test to be met, then such issue is also an issue of private activity bonds. Regulations section 1.141-2(d)(3) defines a deliberate action as any action taken by the issuer that is within its control regardless of whether there is intent to violate such tests. Regulations section 1.141-12 explains the conditions to taking remedial action that prevent an action that causes an issue to meet the private business tests or private loan financing test from being treated as a deliberate action. Check the box if the issuer has established written procedures to ensure timely remedial action for all nonqualified bonds according to Regulations section 1.141-12 or other remedial actions authorized by the Commissioner under Regulations section 1.141-12(h).

**Line 44.** Check the box if the issuer has established written procedures to monitor compliance with the arbitrage, yield restriction, and rebate requirements of section 148.

**Line 45a.** Check the box if some part of the proceeds was used to reimburse expenditures. Figure and then enter the amount of proceeds that are used to reimburse the issuer for amounts paid for a qualified purpose prior to the issuance of the bonds. See Regulations section 1.150-2.

**Line 45b.** An issuer must adopt an official intent to reimburse itself for preissuance expenditures within 60 days after payment of the original expenditure unless excepted by Regulations section 1.150-2(f). Enter the date the official intent was adopted. See Regulations section 1.150-2(e) for more information about official intent.

### Signature and Consent

An authorized representative of the issuer must sign Form 8038-G and any applicable certification. Also print the name and title of the person signing Form 8038-G. The authorized representative of the issuer signing this form must have the authority to consent to the disclosure of the issuer's return information, as necessary to process this return, to the person(s) that have been designated in Form 8038-G.

**Note.** If the issuer in Part 1, lines 3a and 3b authorizes the IRS to communicate (including in writing and by telephone) with a person other than an officer or other employee of the issuer, by signing this form, the issuer's authorized representative consents to the disclosure of the issuer's return information, as necessary to process this return, to such person.

### Paid Preparer

If an authorized officer of the issuer filled in this return, the paid preparer's space should remain blank. Anyone who prepares the return but does not charge the organization should not sign the return. Certain others who prepare the

return should not sign. For example, a regular, full-time employee of the issuer, such as a clerk, secretary, etc., should not sign.

Generally, anyone who is paid to prepare a return must sign it and fill in the other blanks in the *Paid Preparer Use Only* area of the return.

The paid preparer must:

- Sign the return in the space provided for the preparer's signature (a facsimile signature is acceptable),
- Enter the preparer information, and
- Give a copy of the return to the issuer.

**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.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

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

<b>Learning about the law or the form</b> . . . . .	2 hr., 41 min.
<b>Preparing, copying, assembling, and sending the form to the IRS</b> . . . . .	3 hr., 3 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, Tax Products Coordinating Committee, SE:W:CAR:MP:T:M:S, 1111 Constitution Ave. NW, IR-6526, Washington, DC 20224. **Do not** send the form to this office. Instead, see *Where To File*.

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**Notification of Tax Treatment to Tax-Exempt Lease/Purchase Agreement**

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This **Notification of Tax Treatment** is pursuant to the Master Tax-Exempt Lease/Purchase Agreement dated as of December 27, 2016 and the related Property Schedule No. 2 dated July 30, 2018, between Lessor and Lessee (the "Agreement").

- Lessee agrees that this Property Schedule SHOULD be subject to sales/use taxes
- Lessee agrees that this Property Schedule should NOT be subject to sales/use taxes and Lessee has included our tax-exemption certificate with this document package
- Lessee agrees that this Property Schedule should NOT be subject to sales/use taxes and no tax-exemption certificate is issued to us by the State
- Lessee agrees that this Property Schedule is a taxable transaction and subject to any/all taxes
- Lessee agrees that this Property Schedule is subject to sales/use taxes and will pay those taxes directly to the State or Vendor

IN WITNESS WHEREOF, Lessee has caused this Notification of Tax Treatment to be executed by their duly authorized representative.

<b>Lessee: Township of Union Board of Education</b>
By:
Name:
Title:

## VEHICLE TITLING ADDENDUM

Master Tax-Exempt Lease/Purchase Agreement dated December 27, 2016 and related Property Schedule No. 2 dated July 30, 2018, between Township of Union Board of Education as Lessee and U.S. Bancorp Government Leasing and Finance, Inc. as Lessor.

1. Lessor and Lessee hereby agree to amend the above referenced Agreement to add additional terms and conditions as set forth below:

Lessee agrees that it will provide to Lessor the original title documentation to the Equipment. Lessee shall provide such title documentation to Lessor within 15 days of Lessee's receipt of such title documentation from the appropriate titling authority. Lessee's failure to provide Lessor with title documentation to the Equipment in a timely fashion shall be deemed a condition of Default as defined in the default paragraph herein subject to remedies available to Lessor pursuant to the remedies paragraph.

2. Location: Lessor agrees that in regard to the location of the equipment, Lessee must be responsible for maintaining records showing the location of each piece of Leased equipment. Lessee will report this location to Lessor upon written request by Lessor. Failure to do so shall constitute a breach of the Agreement, which default shall be governed by the terms and conditions specified in the default and/or remedies paragraph of the Agreement.

3. Lessee will complete the physical titling of the vehicle as required by the state of Lessee's residence and guarantee U.S. Bancorp Government Leasing and Finance, Inc. that U.S. Bancorp Government Leasing and Finance, Inc. will receive the original title to the leased vehicle in a timely manner. Lessee agrees to indemnify U.S. Bancorp Government Leasing and Finance, Inc. from any damage or loss it incurs, including legal fees, due to its failure to complete its agreement herein.

### THE APPLICATION FOR TITLE MUST INCLUDE THE FOLLOWING AS 1<sup>ST</sup> LIEN HOLDER:

**U.S. BANCORP GOVERNMENT LEASING AND FINANCE, INC.**  
1310 MADRID STREET  
MARSHALL, MN 56258

By signing this Addendum, Lessee acknowledges the above changes to the Agreement and authorizes Lessor to make such changes. In all other respects the terms and conditions of the Agreement remain in full force and effect.

<b>Lessor: U.S. Bancorp Government Leasing and Finance, Inc.</b>	<b>Lessee: Township of Union Board of Education</b>
By:	By:
Name:	Name:
Title:	Title:
Date:	Date:

## ESCROW AGREEMENT

**ESCROW AGENT:** Peapack-Gladstone Bank  
500 Hills Drive - Suite 300  
Bedminster, NJ 07921

**LESSOR:** U.S. Bancorp Government Leasing and Finance, Inc.  
13010 SW 68<sup>th</sup> Parkway, Suite 100  
Portland, OR 97223

**LESSEE:** Township of Union Board of Education  
2389 Morris Avenue  
Union, NJ 07083

THIS ESCROW AGREEMENT is made as of July 30, 2018, between Peapack-Gladstone Bank, as Escrow Agent (the "Escrow Agent"), and U.S. Bancorp Government Leasing and Finance, Inc. ("Lessor"), and Township of Union Board of Education.

The aggregate acquisition cost of the Equipment (the "Purchase Price") is to be deposited by Lessor with the Escrow Agent to be held in escrow for a temporary period and applied on the express terms set forth herein. The Escrow Fund (as such term is hereinafter defined) is to be applied to pay the vendor(s) or manufacturer(s) of the Equipment its invoice cost (a portion of which may, if required, be paid prior to final acceptance of the Equipment by Lessee) or to reimburse Lessee for such invoice costs paid directly by Lessee. The Escrow Fund is to be held for the account and benefit of Lessee, and Lessee has granted to Lessor a security interest in the Escrow Fund.

The parties desire to set forth the terms on which the escrow is to be created and to establish the rights and responsibilities of the parties hereto.

NOW, THEREFORE, in consideration of the sum of two hundred twenty-four thousand, five hundred forty-six dollars and eighty-seven cents (\$224,546.87) in hand paid, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Lessee and Lessor hereby appoints Escrow Agent as its escrow agent, and Escrow Agent hereby accepts that appointment as escrow agent upon the terms and conditions set forth herein. The Escrow Fund shall be held for the account and benefit of Lessee and Lessor and all interest earned with respect to the Escrow Fund shall accrue to the benefit of Lessee and shall be applied as expressly set forth herein.

To the limited extent required to perfect the security interest granted by Lessee to Lessor in the cash and negotiable instruments from time to time comprising the Escrow Fund, Lessor hereby appoints the Escrow Agent as its security agent, and the Escrow Agent hereby accepts that appointment as security agent, and agrees to hold physical possession of such cash and negotiable instruments on behalf of Lessor.

2. On or subsequent to July 30, 2018 as is determined to the mutual satisfaction of the parties (the "Closing Date"), Lessor shall deposit with the Escrow Agent cash in the amount of the Purchase Price, to be held in escrow by the Escrow Agent on the express terms and conditions set forth herein.

On the Closing Date, the Escrow Agent agrees to accept the deposit of the Purchase Price by Lessor with the Escrow Agent, and further agrees to hold the amount so deposited together with all interest and other additions received with respect thereto (the "Escrow Fund") in escrow on the express terms and conditions set forth herein.

3. The Escrow Agent shall at all times segregate the Escrow Fund into an account maintained for that express purpose, which shall be clearly identified on the books and records of the Escrow Agent as being held in its capacity as Escrow Agent. Securities and other negotiable instruments comprising the Escrow Fund from time to time shall be held or registered in the name of the Escrow Agent (or its nominee). The Escrow Fund shall not, to the extent permitted by applicable law, be subject to levy or attachment or lien by or for the benefit of any creditor of any of the parties hereto (except with respect to the security interest therein held by Lessor).

4. The cash comprising the Escrow Fund from time to time shall be invested by the Escrow Agent in such Qualified Investments (as hereinafter defined) as shall be specified by Lessee in written directions executed by Lessee from time to time; provided, however, that no investment shall bear a yield per annum greater than the yield per annum borne by the Agreement as calculated by the Lessor. The Escrow Agent will use due diligence to collect all instruments for the payment of money comprising the Escrow Fund and shall promptly notify the other parties in the event of dishonor. Interest or other amounts earned and received by the Escrow Agent with respect to the Escrow Fund shall be deposited in and comprise a part of the Escrow Fund. No investment shall be made that would cause the Agreement to be deemed to be an arbitrage bond within the meaning of Section 148(a) of the Internal Revenue Code of 1986, as amended. For the purpose of this paragraph 4, the term "Qualified Investments" means any investment permitted under NJSA 18A:20-37 in addition to cash reserve accounts at institutions insured by the Federal Deposit Insurance Corporation, including Peapack-Gladstone Bank.

5. The Escrow Agent shall take the following actions with respect to the Escrow Fund:

a.) Make Payments upon receipt of written authorization and instructions from Lessor and Lessee, which shall at a minimum consist of:

(i) a Payment Request Form executed by Lessor and Lessee (as attached hereto),

(ii) the Certificate of Acceptance (as such item is defined in the Agreement) describing the items of Equipment for which payment is to be made, executed by Lessee and certified by Lessor, and will be collected with the final escrow disbursement.

(iii) the vendor(s) or manufacturer(s)' invoice(s) specifying the Purchase Price of equipment described in the invoice and/or proof of payment by Lessee for funds to be remitted to Lessee for reimbursement, and

(iv) a UCC Financing Statement and/or Application for Certificate of Title covering the items of Equipment, the Escrow Agent shall pay to the vendor(s) or manufacturer(s) of the Equipment payments then due and payable with respect thereto.

b.) In the event that Lessor provides to the Escrow Agent written notice of the occurrence of an event of default under the Agreement, the Escrow Agent shall thereupon promptly remit to Lessor the Escrow Fund.

c.) Upon receipt by the Escrow Agent of written notice from Lessor that the Purchase Price has been paid in full, the Escrow Agent shall apply the then remaining escrow fund, first, to all reasonable fees and expenses incurred by the Escrow Agent in connection herewith as evidenced by its statement forwarded to Lessor and Lessee; and, second, to prepay to Lessor rent payments due by Lessee to Lessor pursuant to the Agreement, as evidenced by Lessor's statement submitted to the Escrow Agent, unless Lessor, by written notice to Escrow Agent, authorizes Escrow Agent to pay any remaining amount in the Escrow Fund directly to Lessee.

6. Lessee and Lessor agree that all equipment should be delivered and installed, and all funds disbursed from the Escrow Fund, no later than eighteen (18) months after the Closing Date, ("Funding Expiration Date"). Upon such date, Escrow Agent shall apply the balance remaining in the Escrow Fund, (if any), first to all reasonable fees and expenses incurred by the Escrow Agent in connection herewith as evidenced by its statement forwarded to Lessor and Lessee; and, second, to Lessor to be applied by Lessor for benefit of Lessee towards the next Lease Payment(s) coming due under the lease between Lessor and Lessee.

7. The Escrow Agent shall have no liability for acting upon any written instruction presented by Lessee and Lessor in connection with this Agreement which the Escrow Agent in good faith believes to be genuine. Furthermore, the Escrow Agent shall not be liable for any act or omission in connection with this Agreement except for its own negligence, willful misconduct or bad faith. The Escrow Agent shall not be liable for any loss or diminution in value of the Escrow Fund as a result of the investment decisions (pursuant to Section 4, Qualified Investments), made by the Escrow Agent.

8. The Escrow Agent may at any time resign by giving at least 30 days' written notice to Lessee and Lessor, but such resignation shall not take effect until the appointment of the successor Escrow Agent. The substitution of another bank or trust company to act as Escrow Agent under this Escrow Agreement may occur by written agreement of Lessor and Lessee. In addition, the Escrow Agent may be removed at any time, with or without cause, by an instrument in writing executed by Lessor and Lessee. In the event of any resignation or removal of the Escrow Agent, a successor Escrow Agent shall be appointed by an instrument in writing executed by Lessor and Lessee. Such successor Escrow Agent shall indicate its acceptance of such appointment by an instrument in writing delivered to Lessor, Lessee and the predecessor Escrow Agent. Thereupon such successor Escrow Agent shall, without any further act or deed, be fully vested with all the trusts, powers, rights, duties and obligations of the Escrow Agent under this Escrow Agreement, and the predecessor Escrow Agent shall deliver all moneys and securities held by it under this Escrow Agreement to such successor Escrow Agent.

9. This Escrow Agreement and the escrow established hereunder shall terminate upon disbursement by the Escrow Agent of all amounts contained in the Escrow Fund in accordance with Section 5b. or 5c. hereof.

10. All notices hereunder shall be in writing, sent by certified mail, return receipt requested, addressed to the other party at its respective address stated below the signature of such party or at such other address as such party shall from time to time designate in writing to the other parties; and shall be effective on the date of receipt.



11. This Escrow Agreement shall inure to the benefit of and shall be binding upon the parties hereto and their respective successors and assigns. No rights or obligations of the Escrow Agent under this Escrow Agreement may be assigned without the prior written consent of Lessor.

12. This Escrow Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof, and no waiver, consent, modification or change of terms hereof shall bind any party unless in writing signed by all parties.

13. This Escrow Agreement, including its existence, validity, construction and operating effect, and the rights of each of the parties hereto, shall be governed by and construed in accordance with the laws of the State of New Jersey.

14. The parties acknowledge that in order to help the United States government fight the funding of terrorism and money laundering activities, pursuant to Federal regulations that became effective on October 1, 2003 (Section 326 of the USA PATRIOT Act) all financial institutions are required to obtain, verify, record and update information that identifies each person establishing a relationship or opening an account. The parties to this Escrow Agreement agree that they will provide to the Escrow Agent such information as it may request, from time to time, in order for the Escrow Agent to satisfy the requirements of the USA PATRIOT Act, including but not limited to the name, address, tax identification number and other information that will allow it to identify the individual or entity who is establishing the relationship or opening the account and may also ask for formation documents such as articles of incorporation or other identifying documents to be provided.

IN WITNESS WHEREOF, the parties hereto have caused this Escrow Agreement to be duly executed under seal as of the day and year first above set forth.

Lessor: U.S. Bancorp Government Leasing and Finance, Inc.

By: \_\_\_\_\_  
(SIGNATURE)

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

Escrow Agent: Peapack-Gladstone Bank, as Escrow Agent

By: \_\_\_\_\_  
(SIGNATURE)

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

Lessee: Township of Union Board of Education

By: \_\_\_\_\_  
(SIGNATURE)

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

# PAYMENT REQUEST FORM

Property Schedule No. 2

**Lessee:** Township of Union Board of Education  
2389 Morris Avenue  
Union, NJ 07083

**To Lessor:** U. S. Bancorp Government Leasing and Finance, Inc.  
950 17th Street, 8th Floor  
Denver, CO 80202  
Phone: 303-585-4078  
Fax: (303) 585-4732  
DN-CO-T8GL

**To Agent:** Peapack-Gladstone Bank  
500 Hills Drive - Suite 300  
Bedminster, NJ 07921

The Escrow Agent is hereby requested to pay from the Acquisition Fund established by the Escrow Agreement dated July 30, 2018, as amended, by and among the Escrow Agent, Lessee and Lessor, to the person or corporation designated below as Payee, the sum set forth below in the payment (of all or a portion) of the Acquisition Costs described below. The amount shown below is due and payable under a purchase order or contract with respect to the Equipment described below and has not formed the basis of any prior request for payment.

Lessee hereby directs Agent to release funds from the Escrow Account in the amount specified below to the under listed vendor. This is further evidenced by an original invoice attached hereto.

## VENDOR INFORMATION:

Amount to be released \$ \_\_\_\_\_

To: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Lessee: Township of Union Board of Education

Lessor: U.S. Bancorp Government Leasing and Finance, Inc.

BY: \_\_\_\_\_  
(Signature)

BY: \_\_\_\_\_  
(Signature)

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

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

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## INSURANCE AUTHORIZATION AND VERIFICATION

Date: July 30, 2018

Property Schedule No: 2

To: Township of Union Board of Education (the "Lessee")

From: U.S. Bancorp Government Leasing and Finance, Inc. (the "Lessor")  
1310 Madrid Street  
Marshall, MN 56258

**TO THE LESSEE:** In connection with the above-referenced Property Schedule, Lessor requires proof in the form of this document, executed by both Lessee\* and Lessee's agent, that Lessee's insurable interest in the financed property (the "Property") meets Lessor's requirements as follows, with coverage including, but not limited to, fire, extended coverage, vandalism, and theft:

**Lessor, AND ITS SUCCESSORS AND ASSIGNS, shall be covered as both ADDITIONAL INSURED and LENDER'S LOSS PAYEE with regard to all equipment financed or leased by policy holder through or from Lessor. All such insurance shall contain a provision to the effect that such insurance shall not be canceled or modified without first giving written notice thereof to Lessor and Lessee at least thirty (30) days in advance of such cancellation or modification.**

**Lessee must carry GENERAL LIABILITY (and/or, for vehicles, Automobile Liability) in the amount of no less than \$1,000,000.00 (one million dollars).**

**Lessee must carry PROPERTY Insurance (or, for vehicles, Physical Damage Insurance) in an amount no less than the 'Insurable Value' \$224,546.87, with deductibles no more than \$10,000.00.**

*\*Lessee: Please execute this form and return with your document package. Please fax this form to your insurance agency for endorsement. In lieu of agent endorsement, Lessee's agency may submit insurance certificates demonstrating compliance with all requirements.*

**By signing, Lessee authorizes the Agent named below: 1) to complete and return this form as indicated; and 2) to endorse the policy and subsequent renewals to reflect the required coverage as outlined above.**

Agency/Agent:		
Address:		
Phone/Fax:		
Email:		

<b>Lessee: Township of Union Board of Education</b>
By:
Name:
Title:

**TO THE AGENT: In lieu of providing a certificate, please execute this form in the space below and promptly fax it to Lessor at 303-585-5985. This fully endorsed form shall serve as proof that Lessee's insurance meets the above requirements.**

Agent hereby verifies that the above requirements have been met in regard to the Property listed below.

Print Name of Agency: X \_\_\_\_\_

By: X \_\_\_\_\_  
(Agent's Signature)

Print Name: X \_\_\_\_\_

Date: X \_\_\_\_\_

**Insurable Value: \$224,546.87**

**ATTACHED: PROPERTY DESCRIPTION FOR PROPERTY SCHEDULE NO.: 2**



Government Leasing and Finance, Inc.

FIRST PAYMENT INVOICE

**PLEASE RETURN THIS PORTION WITH YOUR PAYMENT**

SCHEDULE NUMBER: 077-0020248-002

DUE DATE: July 15, 2018

CREATE DATE: June 7, 2018

AMOUNT DUE: \$57,548.66

Township of Union Board of Education  
2389 Morris Avenue  
Union, NJ 07083  
Attention: Accounts Payable Dept.  
Customer Phone Number: 908-851-6531

U.S. Bancorp Government Leasing and Finance, Inc.  
P.O. Box 959067  
1005 Convention Plaza  
St. Louis, MO 63195-9067

**PLEASE RETAIN THIS PORTION FOR YOUR RECORDS**

ALL PAYMENTS MUST BE SENT TO THIS ADDRESS:

**U.S. BANCORP GOVERNMENT LEASING AND FINANCE, INC.  
PO BOX 959067  
1005 CONVENTION PLAZA  
ST. LOUIS, MO 63195-9067**

U.S. Bancorp Government Leasing and Finance, Inc.  
P.O. Box 959067  
1005 Convention Plaza  
St. Louis, MO 63195-9067

ACCOUNT: 077-0020248-002  
AMOUNT DUE: \$57,548.66  
DUE DATE: July 15, 2018  
CREATE DATE: June 7, 2018

QUESTIONS? PLEASE CALL (303-585-4078)

**INVOICE SUMMARY**

Current Charges [Payment #1]	\$57,548.66
Total Due	\$57,548.66

**TOTAL AMOUNT DUE THIS INVOICE MUST BE PAID WITHIN TEN (10) DAYS TO AVOID LATE CHARGES**

**Character Fields**

Notes:

EP:

AL ar CCC:

User\_Chart:

6th Grade:

Special Ed:

Home School:

Subscription:

**Date Fields**

User\_Date1:

User\_Date2:

User\_Date3:

User\_Date4:

**Numeric Fields**

User\_Num1:

State ID:

Hazard Bus:

User\_Num2:



**A** 2369 Morris Ave, Union, NJ 07083

1 hr 48 min, 87.5 mi

**B** H.A. DeHart & Son


Moderate traffic (1 hr 25 min without traffic)

Via I-95 S, New Jersey Tpke

Type your route notes here

**A** 2369 Morris Ave, Union, NJ 07083

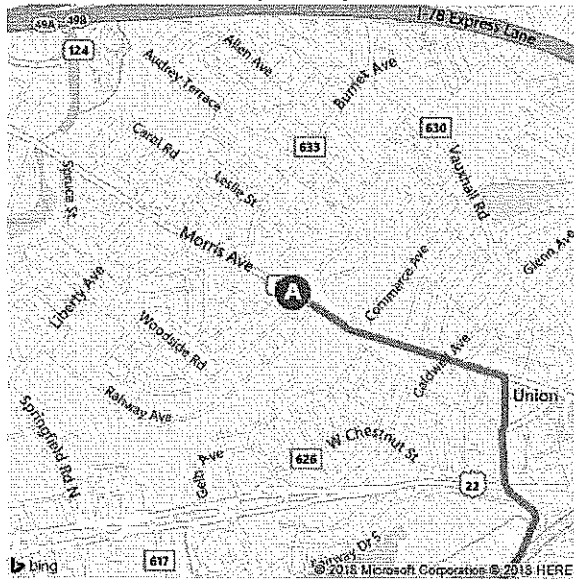
↑	1.	Depart <b>RT-82 / Morris Ave</b> toward Apgar Ct	0.7 mi
↘	2.	Turn <b>right</b> onto <b>Johnson Pl</b>	0.2 mi
↘	3.	Turn <b>right</b> onto <b>Elmwood Ave</b> , and then immediately turn <b>left</b> onto <b>Stuyvesant Ave</b>	180 ft
↘	4.	Turn <b>right</b> onto <b>Stuyvesant Ave / CR-619</b> Valero on the corner	0.3 mi
↑	5.	Take ramp <b>right</b> and follow signs for <b>Garden State Parkway South</b> • <i>Toll road</i>	11.2 mi, 11 min
↑	6.	At exit <b>129</b> , take ramp <b>right</b> for <b>I-95 South</b> toward <b>Camden / New York City / Perth Amboy / Woodbridge</b>	31.0 mi, 28 min
↑	7.	Keep <b>straight</b> onto <b>New Jersey Tpke</b>	35.1 mi, 29 min
↘	8.	At exit <b>3</b> , take ramp <b>right</b> for <b>RT-168 North</b> toward <b>Camden / Philadelphia</b>	0.5 mi
↑	9.	Keep <b>straight</b> onto <b>RT-168 / S Black Horse Pike</b> ▲ <i>Moderate Congestion</i>	0.7 mi
	10.	Take ramp <b>right</b> for <b>I-295 South</b> toward <b>Del Mem Br / W Whitman Br</b> ▲ <i>Minor Congestion</i>	7.0 mi
↘	11.	At exit <b>21</b> , take ramp <b>right</b> for <b>RT-44 South</b> toward <b>Paulsboro / Woodbury</b>	0.1 mi

	12. Turn <b>left</b> onto <b>RT-44 / Crown Point Rd</b>	0.6 mi
<b>Arrive at RT-44 / Crown Point Rd</b>		
13.	The last intersection is Railroad Ave If you reach Jobstown Rd, you've gone too far	

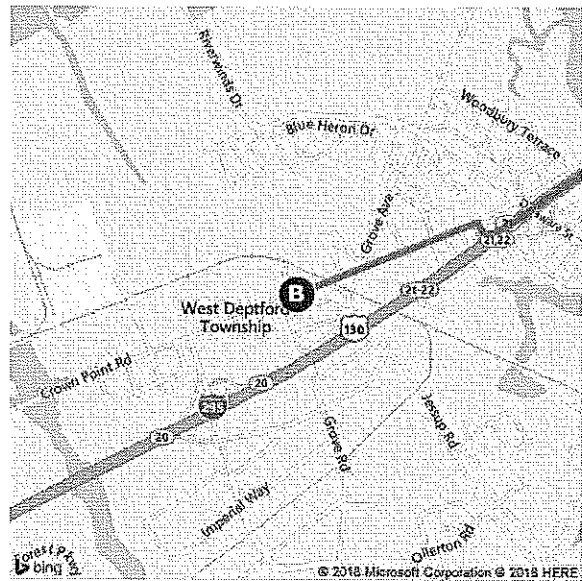
**B** H.A. DeHart & Son



**A** 2369 Morris Ave, Union, NJ 07083



**B** H.A. DeHart & Son



These directions are subject to the Microsoft® Service Agreement and are for informational purposes only. No guarantee is made regarding their completeness or accuracy. Construction projects, traffic, or other events may cause actual conditions to differ from these results. Map and traffic data © 2018 HERE™.



Thursday, July 26, 2018

Can you please add \$12,391.97 dollars and ninety-seven cents out of account number 12-000-270-733-01-27 extension number 8031 to purchase order number (19-00484) which is for \$ 46,807.52 dollars & fifty-two cents then should total \$59,199.49 dollars and forty-nine cents the vendor is US Bancorp Governmt Leasing & Fin Inc.

Thank You

Aldo Marsillo

**2018 – 2019 Field Trip Accounts**

7531	Battle Hill	19-01194
7539	Burnet	19-01202
7532	Connecticut Farms	19-01195
7533	Franklin	19-01196
18238	Gifted & Talented	19-01208
7540	Hannah Caldwell	19-01203
7534	Jefferson	19-01197
7537	Kawameeh	19-01200
7535	Livingston	19-01198
7548	Music	19-01207
7541	Special Services	19-01206
7538	Union HS	19-01201
7536	Washington	19-01199