



3815 River Crossing Parkway  
 Suite 100  
 Indianapolis, IN 46240  
 (800) 700-7878  
 (800) 865-8517  
[www.wheeledcoach.com](http://www.wheeledcoach.com)

Lessee: [Company Name]  
 Address: [Address Line 1], [City], [State] [Zip]  
 Lease Number: [Lease Number]  
 Date of Lease: [Lease Execution Date]

Description of Equipment: [UserTab3-3]

**Acceptance Certificate**

The undersigned Lessee, upon endorsement of invoice(s) approving payment, acknowledges receipt in good condition of all the Equipment described in this Lease and accepts the Equipment in accordance with the terms and conditions of this Lease; and agrees that Lessor has fully and satisfactorily performed all covenants and conditions to be performed by it under the Lease.

By: \_\_\_\_\_ Title: \_\_\_\_\_  
 Printed Name: \_\_\_\_\_ Date: \_\_\_\_\_

- COVENANTS:** Lessee represents, covenants and warrants that (a) It is a public body corporate and politic, or qualified volunteer fire department, or other qualified entity. (b) It is a "tax-exempt issuer" within the meaning of the Internal Revenue Code Sections 103 and/or 147 and/ or 150 and has complied with all terms and conditions therein stated. (c) It is authorized by all applicable laws to make, and perform under, this Lease, (d) **The equipment is essentially needed for its proper, efficient and economic operation,** (e) At the time of making the Lease, sufficient funds were appropriated to fulfill the obligations of the current fiscal year, and (f) Lessee has not previously terminated a lease for non-appropriation, except as specifically described in a letter appended hereto.
- PAYMENTS:** The payments shall be payable in the amounts and on the dates set forth in the attached Exhibit "Schedule of Payments" until the total payments and all other obligations are paid in full. All payments shall be made to the Lessor at its address or at such other place as Lessor may designate in writing.
- PURCHASE OPTION:** After making all required payments, Lessee may purchase the equipment for \$1.00. At any other time, Lessee may purchase the Equipment for the then applicable "Early Term/Purchase Option" shown in the amortization schedule furnished by Lessor.
- NON-APPROPRIATION:** If Lessee is not allotted funds for the next Fiscal Period to continue the payments under this Lease, **and has no funds for the purchase, lease or rental of Equipment or services to perform functions similar to those performed by the Equipment,** and has no funds from other sources, Lessee may terminate this lease at the end of the then current Fiscal Period, by giving ninety (90) days written notice to Lessor, and enclosing therewith a sworn statement by the Chief Financial Officer and Secretary of Governing Board of the Lessee that the foregoing conditions exist. **In this sole event,** Lessee shall not be obligated to make payments beyond the end of the then current Fiscal Year. Upon the occurrence of this event, Lessee agrees, if requested, to provide Lessor with an opinion of its counsel relating to the circumstances of non-appropriation. Lessee shall, at its sole expense, both restore the Equipment to its original condition, allowing for reasonable wear and tear, and return it to the Lessor, or to a place designated by the Lessor.
- PAYMENTS UNCONDITIONAL:** Lessee has examined, tested and accepted the equipment covered by this lease. **As long as funds have been legally appropriated, it will not fail to make agreed payments,** regardless of loss, damage, destruction, malfunction or disrepair of the equipment, or dispute with the vendor for any other reason.
- DISCLAIMER OF WARRANTIES:** LESSOR MAKES NO WARRANTY, EXPRESS OR IMPLIED, AS TO ANY MATTER WHATSOEVER, INCLUDING THE CONDITION OF THE EQUIPMENT, ITS MERCHANTABILITY OR ITS FITNESS FOR ANY PARTICULAR PURPOSE, AND, AS TO LESSOR, LESSEE LEASES THE EQUIPMENT "ASIS". UNDER NO CIRCUMSTANCES SHALL LESSOR BE RESPONSIBLE FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES IN CONNECTION WITH THIS LEASE AND/OR THE EQUIPMENT THEREUNDER. Lessor, or any successor assignee, shall not be responsible for any consequential or special damages arising from the leasing, use, ownership of the equipment.
- SIGNATURE:** Each signer warrants that he/she is fully conversant with relevant legal and regulatory provisions, and has full power to bind Lessee and Lessor, respectively.
- GENERAL TERMS AND CONDITIONS (a) TITLE:** Title to the Equipment shall remain with Lessee. To secure the payment of all Lessee's obligations under this Agreement, Lessee grants to Lessor a security interest constituting a first lien on the Equipment and on all additions, attachments, accessions, that are considered to be an integral part of the equipment, and substitutions thereto, and on any proceeds therefrom, until Lessee has made all required payments or exercised its earlier option to purchase. The equipment is, and will remain personal property and will not be deemed to be affixed or attached to real estate or any building thereon.

LESSEE: [Company Name]

LESSOR: **Wheeled Coach SMARTLEASE**  
 as administered by Republic First National

Signature \_\_\_\_\_  
 Title \_\_\_\_\_  
 Date \_\_\_\_\_

Signature \_\_\_\_\_  
 Title \_\_\_\_\_  
 Date \_\_\_\_\_

SEE ADDITIONAL PAGES FOR ADDITIONAL TERMS AND CONDITIONS

## GENERAL TERMS AND CONDITIONS

- (b) REPAIRS:** Lessee, at its sole expense, shall maintain the Equipment in good operating condition and state of repair. The payments specified herein do not include maintenance or repair services or repair or replacement parts for the Equipment, unless separately stated.
- (c) TAXES: STATE AND LOCAL TAXES:** In addition to payments specified herein, Lessee shall promptly pay all taxes, assessments and other governmental charges (including penalties, interest, recording and registration fees, if any) levied or assessed: (1) upon the Lessee's interest in, or use or operation of, or earnings arising from, the Equipment; and (2) against Lessor, on account of its ownership, use or operation, leasing to the Lessee, of the Equipment, or receipt of payments of earnings from it, exclusive, however, of taxes based on net income of Lessor. **FEDERAL INCOME TAX REPORTING REQUIREMENTS** - Lessee acknowledges that its compliance with the reporting requirements of the Internal Revenue Code is essential to the exemption from Federal income tax of the interest portion of payments made by Lessee hereunder. Accordingly, Lessee agrees that its failure to comply with those requirements provided in paragraph (l) below, shall entitle Lessor and any of its assignee(s) to be indemnified and held harmless of Lessee for all costs, liabilities, damages, expenses, taxes and penalties (including Federal income tax penalties and interest) incurred as a result of such failure, which amount Lessee agrees to pay upon written demand therefor. **FEDERAL INCOME TAX EXEMPTION STATUS** - Lessee certifies that it reasonably anticipates that not more than \$10,000,000 of "qualified tax-exempt obligations" (as that term is defined in Section 265 (b) 3 (D) of the Internal Revenue Code, as amended by the Tax Reform Act of 1986, (the "Code") will be issued by it and subordinate entities during the calendar year in which the Lease begins. Further, Lessee will, by resolution, designate the Lease as comprising a portion of the \$10,000,000 in aggregate issues to be designated as "qualified tax-exempt obligations" eligible for the exception contained in Section 265 (b) 3 (D) of the Code allowing for an exemption to the general rule of the Code which provides for a total disallowance of a deduction for interest expense allocable to the carrying of tax exempt obligations. **CERTIFICATE AS TO ARBITRAGE** The Agreement was issued by the Lessee under and pursuant to law to finance the acquisition of certain equipment described herein. The Lessee is entitled to receive said equipment in consideration for its obligation to make Rental Payments under this Agreement. The Equipment will be used in furtherance of the public purposes of the Lessee. The Lessee has not covenanted not to sell or otherwise dispose of the equipment during the term of this Agreement. The Lessee will not receive any monies, funds, or other "proceeds" as a result of the Agreement. The Lessee expects to make payments under this Agreement from its general funds on the basis of annual appropriations in amounts equal to the required payments hereunder. 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 payment of Rental Payments or other payments under this Agreement, or are reasonably expected to be used to pay principal and interest hereunder. No reserve fund has been established to make such payments. The Lessee has not received notice that its Arbitrage Certificate may not be relied upon with respect to its issues nor has it been advised that any adverse action by the Commissioner of Internal Revenue is contemplated. On the basis of the facts and expectations set forth above, the obligations of the Lessee hereunder will not constitute an "Arbitrage Bond" under Section 1.48 of the Internal Revenue Code of 1986, as amended.
- (d) INSPECTION:** Lessor shall have the right to enter the premises where the Equipment is located at all reasonable times, to inspect the Equipment and otherwise determine Lessee's compliance with the terms of this Lease.
- (e) ALTERATIONS:** Lessee shall make no alterations or affix any attachments to the Equipment without the prior consent of Lessor.
- (f) THIRD-PARTY INJURY:** Lessor shall not be liable for injury to any person or damage to property resulting directly or indirectly from the operation or use of the Equipment. Lessee shall indemnify and save Lessor and its assignee(s) harmless from and against any loss, damage, liability, or expenses (including attorneys' fees) claimed with respect to injury to any person or damage to property resulting directly from the operation or use of the Equipment.
- (g) NON-ASSIGNABILITY BY LESSEE:** This Lease is personal to Lessee. Lessee shall not assign, sub-lease, transfer or otherwise encumber its rights in and to this Lease or the Equipment without the prior written consent of the Lessor.
- (h) RISK OF LOSS:** Lessee shall have the risk of loss, damage or destruction of the Equipment during the term of the Lease. In such event, Lessee shall either (1) restore the equipment to good repair, condition and working order, in which event this Lease shall remain in full force and effect without abatement of payments, or (2) pay to Lessor an amount equal to the Remaining Balance (plus interest, to the date of payment, at 12% per annum) immediately prior to the loss, damage or destruction, in which event this Lease shall terminate as to the Equipment for which such payment is made at the time such payment is made.
- (i) DEFAULT:** In the event of default by Lessee, in the payment of any sums due under this Lease within ten (10) days after they are due, or receivership, insolvency, or proceedings by or against Lessee under the bankruptcy laws, or Lessee's failure to observe or perform any other required provision of this Lease, and such default continues for fifteen (15) days after written notice thereof, by Lessor, to Lessee, Lessor shall have the right to exercise any one of more to the following remedies: (1) to declare all sums due and to become due hereunder, during the Lessee's current fiscal period, immediately due and payable, without notice or demand to Lessee; (2) to sue for and recover all payments then accrued or thereafter accruing with respect to the Equipment; (3) to take possession of the Equipment without demand or notice wherever it may be located, with or without legal process, and retain it free from any claims of Lessee whatsoever; (4) to terminate this Lease; or (5) to pursue any other remedy at law or in equity. Notwithstanding any repossession or any other action which Lessor may take, Lessee shall remain liable for the full performance of all of its obligations under this Lease unless Lessor elects, at its option, to sell or re-lease any of the repossessed Equipment to a third party, in which event the net proceeds of such sale or lease, less Lessor's expenses incurred in connection therewith, including attorneys' fees, shall be applied to the total amount due by Lessee under this Lease, and Lessee shall be obligated to pay Lessor any deficiency. All of the foregoing remedies are cumulative and may be exercised concurrently or separately. Lessee shall pay all costs and legal expenses incurred by Lessor in collecting or attempting to collect, any sums due hereunder or in securing possession of the Equipment. Lessee consents to the personal jurisdiction of the courts, and the applicability of the laws, of the State of Indiana with respect to any dispute arising out of the Lease.
- (j) ASSIGNMENT BY LESSOR:** This Lease, the Equipment and any payments by Lessee due or to become due under it, may be assigned or otherwise transferred, either in whole or in part, by Lessor and its assignee, without affecting any obligations of Lessee, and in such event Lessor's transferee or assignee shall have all the rights, powers, privileges and remedies of Lessor hereunder to the extent of such transfer or assignment. Any assignee's rights shall be free from all defenses, set-offs or counterclaims which Lessee may be entitled to assert against Lessor. No assignee shall be obligated to perform any duty or condition required to be performed by Lessor under the terms of this Lease.
- (k) ADMINISTRATIVE SUPPORT:** Lessee may, from time to time, be required to file, or assist in the filing of, reports to regulatory and/or taxing authorities, which may be necessary to establish, perfect or maintain the legality and/or tax-exempt status of this Lease, or to execute documents needed for Lessors' financing. Lessee promises to promptly make such filings or to render such assistance as may, from time to time, be reasonably requested by Lessor or its Assigns, and to indemnify and hold harmless Lessor or its assigns from any cost, expense or other damage caused by its failure to do so. Lessee hereby further authorizes Lessor to file UCC-1 financing statements without Lessee's signature, and to fill in dates and other obvious minor corrections on this Lease. Lessee hereby agrees and does hereby appoint Lessor or its agents its true and lawful attorney-in-fact to prepare, execute and sign any instrument or financing statement necessary to protect Lessor's interest in the Equipment subject hereto, and to sign the name of Lessee with the same force and effect as if signed by Lessee, and to file same at the proper location or locations. Lessee further agrees, if Lessor so requests, to execute any instrument or financing statement necessary to protect Lessor's interest in the Equipment.
- (l) SEVERABILITY:** Any term or provision of this Lease found to be prohibited by law or unenforceable shall be ineffective to the extent of such prohibition or unenforceability without, to the extent reasonably possible, invalidating the remainder of the Lease.
- (m) ENTIRE AGREEMENT:** This Lease constitutes the entire agreement between the parties regarding the Equipment, and there are no representations, warranties, promises, guarantees or agreements, oral or written, expressed or implied, between the parties hereto with respect to the Lease. **No modification or amendment hereof shall be binding upon the Lessor unless made in writing and executed on behalf of Lessor by its duly authorized officer or agent.**

**Insurance Coverage Requirements**

We hereby instruct the insurance agent named below:

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

Address: \_\_\_\_\_

City, State, Zip: \_\_\_\_\_

Phone Number: \_\_\_\_\_ Fax Number \_\_\_\_\_

to issue: a. All Risk Physical Damage Insurance on the leased equipment evidenced by a Certificate of Insurance and Long Form Loss Payable Clause naming "Republic First National Corporation", its nominees or assigns, as Loss Payee. Coverage Required: Full Replacement Value; b. Public Liability Insurance evidenced by a Certificate of Insurance naming "Republic First National Corporation" as an additional insured. Minimum Coverage Required: \$500,000 per person, \$1,000,000 aggregate bodily injury liability, \$300,000 property damage liability.

**Proof of insurance coverage will be provided to Lessor prior to the time that the Equipment is delivered to us.**

**CERTIFICATE OF INCUMBENCY AND RESOLUTION**

I do hereby certify that I am the duly elected or appointed and acting Secretary/Clerk of the Lessee, a political subdivision or agency duly organized and existing under the laws of the State that I have custody of the records of such entity, and that the individual (s) signing this Lease, and all documents, pertaining thereto, is (are) a duly elected or appointed officer (s) of such entity. I further certify that (I) the signature (s) is (are) true and authentic and (II) such officer (s) has (have) the authority of behalf of such entity and by resolution of its governing body to enter into this Municipal Lease Agreement.

IN WITNESS WHEREOF, I have duly executed this certificate this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

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

**OPINION OF LESSEE'S COUNSEL**

As Counsel for [Company Name], it is my opinion that:

- (a) Lessee is a political subdivision of the State or qualified volunteer fire department or other qualified entity within the meaning of Section 103 and/or 147 and/or 150 of the IRS Code, its related rulings and regulations. It is duly organized, existing and operating under the constitution and laws of the State.
- (b) The Lease has been duly authorized and has been executed by an authorized representative.
- (c) The Lease creates a legal, valid and binding obligation of the Lessee and that such Lease is enforceable in accordance with its terms.
- (d) The equipment covered by the Lease is not being used for other than a public purpose.

COUNSEL FOR LESSEE:

Signature \_\_\_\_\_

Print Name \_\_\_\_\_

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

Firm Name \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_ St \_\_\_\_\_ Zip \_\_\_\_\_

Phone Number \_\_\_\_\_ Fax Number \_\_\_\_\_