

*TRANSCRIPT OF PROCEEDINGS*

**COUNTY OF BALDWIN, ALABAMA**

**Schedule of Property No. 1 to  
Master Equipment Lease/Purchase Agreement  
Dated as of November 25, 2013**

**with**

**Banc of America Public Capital Corp**

*Dated November 25, 2013*

**Foley & Lardner LLP  
One Independent Drive, Suite 1300  
Jacksonville, FL 32202  
Telephone: (904) 359-2000**

**Schedule of Property No. 1 dated November 25, 2013,  
pursuant to Master Equipment Lease/Purchase Agreement dated November 25, 2013,  
each by and between Banc of America Public Capital Corp, as Lessor,  
and Baldwin County, Alabama, as Lessee**

**Closing Document Checklist**

<b><u>DESCRIPTION</u></b>	<b><u>Responsible Party</u></b>	<b><u>Tab No.</u></b>
Master Equipment Lease/Purchase Agreement	F&L	1.
Schedule of Property No. 1	F&L	2.
Acquisition Fund and Account Control Agreement	F&L	3.
No Arbitrage Certificate	JW	4.
IRS Form 8038-G	JW	5.
Lessee's Incumbency Certificates	JW	6.
Certified Copy of Resolution and Order 2014-23 adopted on November 19, 2013	JW	7.
UCC-1 Financing Statement	F&L	8.
Evidence of Insurance	Lessee	9.
Opinion of Counsel to Lessee	JW	10.

Responsible Parties:

F&L = Foley & Lardner

JW = Jones Walker

Lessee = Baldwin County

## MASTER EQUIPMENT LEASE/PURCHASE AGREEMENT

This Master Equipment Lease/Purchase Agreement (the “*Agreement*”) dated as of November 25, 2013, and entered into between BANC OF AMERICA PUBLIC CAPITAL CORP, a Kansas banking corporation (“*Lessor*”), and BALDWIN COUNTY, ALABAMA, a political subdivision of the State of Alabama (“*Lessee*”).

### WITNESSETH:

WHEREAS, Lessee desires to lease and acquire from Lessor certain Equipment described in each Schedule (as each such term is defined herein), subject to the terms and conditions of and for the purposes set forth in each Lease; and in the event of a conflict the terms of a Schedule prevail; and

WHEREAS, the relationship between the parties shall be a continuing one and items of equipment may be added to the Equipment from time to time by execution of additional Schedules by the parties hereto and as otherwise provided herein; and

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

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, and in consideration of the premises hereinafter contained, the parties hereby agree as follows:

### ARTICLE I

*Section 1.01. Definitions.* The following terms will have the meanings indicated below unless the context clearly requires otherwise:

“*Acceptance Certificate*” means the acceptance certificate substantially in the form attached hereto as Exhibit E.

“*Acquisition Amount*” means the amount specified in each Lease and represented by Lessee to be sufficient to acquire the Equipment listed in such Lease.

“*Acquisition Fund*” means, with respect to any Lease, the fund established and held by the Acquisition Fund Custodian pursuant to the related Acquisition Fund Agreement, if any.

“*Acquisition Fund Agreement*” means, with respect to any Lease, an Acquisition Fund and Account Control Agreement, substantially in the form of Exhibit A attached hereto, in form and substance acceptable to and executed by Lessee, Lessor and the Acquisition Fund Custodian, pursuant to which an Acquisition Fund is established and administered.

“*Acquisition Fund Custodian*” means the Acquisition Fund Custodian identified in any Acquisition Fund Agreement, and its successors and assigns.

*“Acquisition Period”* means, with respect to each Lease, that period stated in the Schedule to such Lease during which the Lease Proceeds attributable to such Lease may be expended on Equipment Costs.

*“Agreement”* means this Master Equipment Lease/Purchase Agreement, including the exhibits hereto, together with any amendments and modifications to the Agreement pursuant to Section 13.05.

*“Code”* means the Internal Revenue Code of 1986, as amended. Each reference to a Section of the Code herein shall be deemed to include the United States Treasury Regulations proposed or in effect thereunder.

*“Commencement Date”* means, for each Lease, the date when Lessee’s obligation to pay rent commences under such Lease, which date shall be the earlier of (i) the date on which the Equipment listed in such Lease is accepted by Lessee in the manner described in Section 5.01, or (ii) the date on which sufficient moneys to purchase the Equipment listed in such Lease are deposited for that purpose with an Acquisition Fund Custodian.

*“Contract Rate”* means the rate identified as such in the applicable Schedule.

*“Equipment”* means the property listed in each of the Leases and all replacements, repairs, restorations, modifications and improvements thereof or thereto made pursuant to Section 8.01 or Article V. Whenever reference is made in this Agreement to Equipment listed in a Lease, such reference shall be deemed to include all such replacements, repairs, restorations, modifications and improvements of or to such Equipment.

*“Equipment Costs”* means the total cost of the Equipment listed in each Lease, including soft costs such as freight, installation and taxes paid up front by Lessor and all capitalizable consulting and training fees approved by Lessor, legal fees, financing costs, and other costs necessary to vest full, clear legal title to the Equipment in Lessee, subject to the security interest granted to and retained by Lessor as set forth in each Lease, and otherwise incurred in connection with the financing provided by the lease-purchase of the Equipment as provided in each Lease; *provided* that (i) any such soft costs on a cumulative basis shall not exceed a percentage of the Maximum Equipment Cost approved by Lessor and (ii) in no event shall capitalizable delivery charges, installation charges, taxes and similar capitalizable soft costs relating to such Equipment be included without Lessor’s prior consent.

*“Event of Default”* means an Event of Default described in Section 12.01.

*“Lease”* means a Schedule and the terms of this Agreement which are incorporated by reference into such Schedule. Each Schedule shall constitute a separate and independent Lease.

*“Lease Proceeds”* means, with respect to each Lease, the total amount of money to be paid by Lessor to the Acquisition Fund Custodian for deposit and application in accordance with such Lease and the Acquisition Fund Agreement.

*“Lease Term”* for each Lease means the Original Term and all Renewal Terms therein provided and for this Agreement means the period from the date hereof until this Agreement is terminated.

*“Lessee”* means the entity referred to as Lessee in the first paragraph of this Agreement.

*“Lessor”* means (a) the entity referred to as Lessor in the first paragraph of this Agreement or (b) any assignee or transferee of any right, title or interest of Lessor in and to the Equipment under a Lease or any Lease (including Rental Payments thereunder) pursuant to Section 11.01, but does not include any entity solely by reason of that entity retaining or assuming any obligation of Lessor to perform under a Lease.

*“Material Adverse Change”* means (a) prior to the Utilization Period Expiration, a downgrade in Lessee’s external debt rating of two or more subgrades by either Moody’s Investors Service, Inc, or Standard & Poor’s Ratings Group or any equivalent successor credit rating agency, or any downgrade by either such agency that would cause Lessee’s credit rating to be below investment grade, and (b) thereafter, any change in Lessee’s creditworthiness that could have a material adverse effect on (i) the financial condition or operations of Lessee, or (ii) Lessee’s ability to perform its obligations under this Agreement or any Lease.

*“Maximum Equipment Cost”* means the cumulative amount specified in the latest Schedule executed under this Agreement.

*“Original Term”* means the period from the Commencement Date for each Lease until the end of the fiscal year of Lessee in effect at such Commencement Date.

*“Purchase Price”* means, with respect to the Equipment listed on a Lease, the amount that Lessee may pay to Lessor to purchase such Equipment as provided in such Lease.

*“Renewal Terms”* means the renewal terms of each Lease, each having a duration of one year and a term coextensive with Lessee’s fiscal year, as specified in the Schedule applicable thereto.

*“Rental Payments”* means the basic rental payments payable by Lessee under each Lease pursuant to Section 4.01, in each case consisting of a principal component and an interest component.

*“Schedule”* means each separately numbered Schedule of Property substantially in the form of Exhibit B-1 hereto together with a Rental Payment Schedule attached thereto substantially in the form of Exhibit B-2 hereto.

*“State”* means the State of Alabama.

*“Utilization Period Expiration”* means the date, with respect to each Lease not funded under an Acquisition Fund Agreement, by which Lessee must deliver an Acceptance Certificate for the Equipment under such Lease as indicated in Section 3.04(b).

“*Vendor*” means the manufacturer or supplier of the Equipment or any other person as well as the agents or dealers of the manufacturer or supplier with whom Lessor arranged Lessee’s acquisition and financing of the Equipment pursuant to the applicable Lease.

## ARTICLE II

*Section 2.01. Representations and Covenants of Lessee.* Lessee represents, covenants and warrants for the benefit of Lessor on the date hereof and as of the Commencement Date of each Lease as follows:

(a) Lessee is a political subdivision of the State within the meaning of Section 103(c) of the Code, duly organized and existing under the constitution and laws of the State, with full power and authority to enter into this Agreement and each Lease and the transactions contemplated hereby and to perform all of its obligations hereunder and under each Lease.

(b) Lessee has duly authorized the execution and delivery of this Agreement and each Lease by proper action of its governing body at a meeting duly called, regularly convened and attended throughout by the requisite quorum of the members thereof, or by other appropriate official approval, and all requirements have been met and procedures have occurred in order to ensure the validity and enforceability of this Agreement and each Lease.

(c) 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 exists at the date hereof.

(d) Lessee has complied with such public bidding requirements as may be applicable to this Agreement and each Lease and the acquisition by Lessee of the Equipment as provided in each Lease.

(e) During the Lease Term, the Equipment will be used by Lessee only for the purpose of performing essential governmental or proprietary functions of Lessee consistent with the permissible scope of Lessee’s authority. Lessee does not intend to sell or otherwise dispose of the Equipment or any interest therein prior to the last Rental Payment (including all Renewal Terms) scheduled to be paid under each Lease.

(f) Lessee has kept, and throughout the Lease Term of any Lease shall keep, its books and records in accordance with generally accepted accounting principles and practices consistently applied, and shall deliver to Lessor (i) annual audited financial statements (including (1) a balance sheet, (2) statement of revenues, expenses and changes in fund balances for budget and actual, (3) statement of cash flows and notes, and (4) schedules and attachments to the financial statements) within 270 days of its fiscal year end, (ii) such other financial statements and information as Lessor may reasonably request, and (iii) its annual budget for the following fiscal year when approved but not later than 30 days prior to its current fiscal year end. The financial statements described in the preceding clause (i) of this subsection shall be accompanied by an unqualified opinion of Lessee’s auditor. Credit information relating to Lessee may be disseminated among Lessor and any of its affiliates and any of their respective successors and assigns.

(g) Lessee has an immediate need for the Equipment listed on each Schedule and expects to make immediate use of the Equipment listed on each Schedule. Lessee's need for the Equipment is not temporary and Lessee does not expect the need for any item of the Equipment to diminish during the Lease Term to such item.

(h) The payment of the Rental Payments or any portion thereof is not (under the terms of any Lease or any underlying arrangement) directly or indirectly (x) secured by any interest in property used or to be used in any activity carried on by any person other than a state or local governmental unit or payments in respect of such property, or (y) on a present value basis, derived from payments (whether or not to Lessee) in respect of property, or borrowed money, used or to be used in any activity carried on by any person other than a state or local governmental unit. The Equipment will not be used, directly or indirectly, in any activity carried on by any person other than a state or local governmental unit. No portion of the Equipment Costs for the Equipment will be used, directly or indirectly, to make or finance loans to any person other than Lessee. Lessee has not entered into any management or other service contract with respect to the use and operation of the Equipment.

(i) There is no pending litigation, tax claim, proceeding or dispute that may adversely affect Lessee's financial condition or that impairs or may impair its ability to perform its obligations hereunder. Lessee will, at its expense, do any act and execute, acknowledge, deliver, file, register and record any further documents Lessor may reasonably request in order to protect Lessor's security interest in the Equipment and Lessor's rights and benefits under this Agreement.

### ARTICLE III

*Section 3.01. Lease of Equipment.* Subject to the terms of this Agreement, Lessor agrees to provide the funds specified in each Lease to be provided by it to acquire the Equipment, up to an amount equal to the Maximum Equipment Cost. Upon the execution of each Lease, Lessor demises, leases, transfers and lets to Lessee, and Lessee acquires, rents and leases from Lessor, the Equipment as set forth in such Lease and in accordance with the terms thereof. The Lease Term for each Lease may be continued, solely at the option of Lessee, at the end of the Original Term or any Renewal Term for the next succeeding Renewal Term up to the maximum Lease Term set forth in such Lease. At the end of the Original Term and at the end of each Renewal Term until the maximum Lease Term has been completed, Lessee shall be deemed to have exercised its option to continue each Lease for the next Renewal Term unless Lessee shall have terminated such Lease pursuant to Section 3.03 or Section 10.01. The terms and conditions during any Renewal Term shall be the same as the terms and conditions during the Original Term, except that the Rental Payments shall be as provided in the applicable Lease.

*Section 3.02. Continuation of Lease Term.* Lessee intends, subject to Section 3.03, to continue the Lease Term of each Lease through the Original Term and all Renewal Terms and to pay the Rental Payments thereunder. Lessee affirms that sufficient funds are available for the current fiscal year, and Lessee reasonably believes that an amount sufficient to make all Rental Payments during the entire Lease Term of each Lease can be obtained from legally available funds of Lessee. Lessee further intends to do all things lawfully within its power to obtain and maintain funds sufficient and available to discharge its obligation to make Rental Payments due

hereunder, including making provision for such payments to the extent necessary in each budget or appropriation request submitted and adopted in accordance with applicable provisions of law, to have such portion of the budget or appropriation request approved and to exhaust all available reviews and appeals in the event such portion of the budget or appropriation request is not approved.

*Section 3.03. Nonappropriation.* Lessee is obligated only to pay such Rental Payments under each Lease as may lawfully be made from funds budgeted and appropriated for that purpose during Lessee's then current fiscal year. Should Lessee fail to budget, appropriate or otherwise make available funds to pay Rental Payments under any Lease following the then current Original Term or Renewal Term, such Lease or Leases shall be deemed terminated at the end of the then current Original Term or Renewal Term. Lessee agrees to deliver notice to Lessor of such termination promptly after any decision to non-appropriate is made, but failure to give such notice shall not extend the term beyond such Original Term or Renewal Term. If any Lease is terminated in accordance with this Section, Lessee agrees to peaceably deliver the Equipment to Lessor at the location(s) to be specified by Lessor.

*Section 3.04. Conditions to Lessor's Performance.*

(a) As a prerequisite to the performance by Lessor of any of its obligations pursuant to any Lease, Lessee shall deliver to Lessor the following:

(i) A fully completed Schedule, executed by Lessee;

(ii) An Acquisition Fund Agreement, executed by Lessee and the Acquisition Fund Custodian, unless Lessor pays 100% of the Acquisition Amount directly to the Vendor upon execution of the Lease;

(iii) A Certificate executed by the Clerk or Secretary or other comparable officer of Lessee, in substantially the form attached hereto as Exhibit C, completed to the satisfaction of Lessor;

(iv) A certified copy of a resolution, ordinance or other official action of Lessee's governing body authorizing the execution and delivery of this Lease and performance by Lessee of its obligations hereunder;

(v) An opinion of counsel to Lessee in substantially the form attached hereto as Exhibit D respecting such Lease and otherwise satisfactory to Lessor;

(vi) Evidence of insurance as required by Section 7.02 hereof;

(vii) All documents, including financing statements, affidavits, notices and similar instruments, in form satisfactory to Lessor, which Lessor deems necessary or appropriate at that time pursuant to Section 6.02;

(viii) A copy of a fully completed and executed Form 8038-G;

(ix) If any Equipment units are motor vehicles, properly completed certificates of title for such vehicles; and

(x) Such other items, if any, as are set forth in such Lease or are reasonably required by Lessor.

(b) In addition, the performance by Lessor of any of its obligations pursuant to any Lease shall be subject to: (i) no material adverse change having occurred in the financial condition of Lessee since the date of this Agreement, (ii) no Event of Default having occurred, since the date of this Agreement, and (iii) if no Acquisition Fund has been established in connection with such Lease, the acceptance by Lessee of all Equipment subject to such Lease no later than the date listed as the Utilization Period Expiration in the applicable Schedule.

(c) Subject to satisfaction of the foregoing, Lessor will pay the Acquisition Amount for Equipment described in a Schedule to the Vendor or, if authorized by Lessee's governing body, will reimburse Lessee for the prior payment of any such Acquisition Amounts by Lessee to the Vendor, upon receipt of the documents described in Sections 5.01(a) and (b); or if an Acquisition Fund has been established pursuant to an Acquisition Fund Agreement, Lessor will deposit the Acquisition Amount for Equipment described in the Schedule with the Acquisition Fund Custodian.

(d) This Agreement is not a commitment by Lessor to enter into any Lease not currently in existence, and nothing in this Agreement shall be construed to impose any obligation upon Lessor to enter into any proposed Lease, it being understood that whether Lessor enters into any proposed Lease shall be a decision solely within Lessor's discretion.

(e) Lessee will cooperate with Lessor in Lessor's review of any proposed Lease. Without limiting the foregoing, Lessee will provide Lessor with any documentation or information Lessor may request in connection with Lessor's review of any proposed Lease. Such documentation may include, without limitation, documentation concerning the Equipment and its contemplated use and location and documentation or information concerning the financial status of Lessee and other matters related to Lessee.

#### ARTICLE IV

*Section 4.01. Rental Payments.* Subject to Section 3.03, Lessee shall promptly pay Rental Payments, in lawful money of the United States of America, to Lessor on the dates and in such amounts as provided in each Lease. Lessee shall pay Lessor a charge on any Rental Payment not paid on the date such payment is due at a rate equal to the Contract Rate plus 5% per annum or the maximum amount permitted by law, whichever is less, from such date. Lessee shall not permit the federal government to guarantee any Rental Payments under any Lease. Rental Payments consist of principal and interest payments as more fully detailed on each Schedule, the interest on which begins to accrue as of the Commencement Date for each such Schedule.

*Section 4.02. Interest and Principal Components.* A portion of each Rental Payment is paid as, and represents payment of, interest, and the Balance of each Rental Payment is paid as,

and represents payment of, principal. Each Lease shall set forth the principal and interest components of each Rental Payment payable thereunder during the Lease Term.

*Section 4.03. Rental Payments to Constitute a Current Expense of Lessee.* Lessor and Lessee understand and intend that the obligation of Lessee to pay Rental Payments under each Lease shall constitute a current expense of Lessee payable solely from its general fund or other funds that are legally available for that purpose and shall not in any way be construed to be a debt of Lessee in contravention of any applicable constitutional or statutory limitation or requirement concerning the creation of indebtedness by Lessee, nor shall anything contained herein or in a Lease constitute a pledge of the general tax revenues, funds or moneys of Lessee.

*Section 4.04. Rental Payments to be Unconditional.* Except as provided in Section 3.03, the obligations of Lessee to make Rental Payments and to perform and observe the other covenants and agreements contained in each Lease shall be absolute and unconditional in all events without abatement, diminution, deduction, set-off or defense, for any reason, including without limitation any failure of the Equipment, after it has been accepted by Lessee, any defects, malfunctions, breakdowns or infirmities in the Equipment or any accident, condemnation or unforeseen circumstances.

*Section 4.05. Tax Covenants.*

(a) Lessee agrees that it will not take any action that would cause the interest component of Rental Payments to be or to become ineligible for the exclusion from gross income of the owner or owners thereof for federal income tax purposes, nor will it omit to take or cause to be taken, in timely manner, any action, which omission would cause the interest component of Rental Payments to be or to become ineligible for the exclusion from gross income of the owner or owners thereof for federal income tax purposes.

(b) In the event that Lessee does not spend the moneys in the Acquisition Fund within six (6) months of the date the deposit is made pursuant to Section 3.04(c), Lessee will, if required by section 148(f) of the Code to pay rebate: (i) establish a Rebate Account and deposit the Rebate Amount (as defined in Section 1.148-3(b) of the Federal Income Tax Regulations) not less frequently than once per year after the applicable Commencement Date; and (ii) rebate to the United States, not less frequently than once every five (5) years after the applicable Commencement Date, an amount equal to at least 90% of the Rebate Amount and within 60 days after payment of all Rental Payments or the Purchase Price as provided in Section 10.01(a) hereof, 100% of the Rebate Amount, as required by the Code and any regulations promulgated thereunder. Lessee shall determine the Rebate Amount, if any, at least every year and upon payment of all Rental Payments or the Purchase Price and shall maintain such determination, together with any supporting documentation required to calculate the Rebate Amount, until six (6) years after the date of the final payment of the Rental Payments or the Purchase Price.

*Section 4.06. Event of Taxability.* Upon the occurrence of an Event of Taxability, the interest component shall be at a Taxable Rate retroactive to the date as of which the interest component is determined by the Internal Revenue Service to be includible in the gross income of the owner or owners thereof for federal income tax purposes, and Lessee will pay such additional

amount as will result in the owner receiving the interest component at the Taxable Rate identified in the related Lease.

For purposes of this Section, "*Event of Taxability*" means a determination that the interest component is includible for federal income tax purposes in the gross income of the owner thereof due to Lessee's action or failure to take any action.

*Section 4.07. Mandatory Prepayment.* If the Lease Proceeds are deposited into an Acquisition Fund, any funds remaining in the Acquisition Fund on or after the Acquisition Period and not applied to Equipment Costs, shall be applied, in Lessor's discretion based upon the amount remaining in such Fund, on the next Rental Payment date to either: (i) all or a portion of the next Rental Payment and if such amount is in excess of the next Rental Payment then, any remaining balance shall be applied to all or a portion of the next succeeding Rental Payments until fully applied; or (ii) as prepayment to the remaining principal balance owing under the Schedule in the inverse order of maturity; provided, however, if the amount remaining in such Fund consists solely of investment earnings, such excess amounts may be refunded directly to Lessee.

## ARTICLE V

### *Section 5.01. Delivery, Installation and Acceptance of Equipment.*

(a) Lessee shall order the Equipment, cause the Equipment to be delivered and installed at the location specified in the Leases and pay any and all delivery and installation costs and other Equipment Costs in connection therewith. When the Equipment listed in any Lease has been delivered and installed, Lessee shall promptly accept such Equipment and evidence said acceptance by executing and delivering to Lessor an Acceptance Certificate in the form attached hereto as Exhibit E.

(b) Lessee shall deliver to Lessor original invoices and bills of sale (if title to such Equipment has passed to Lessee) relating to each item of Equipment accepted by Lessee. With respect to Equipment not purchased through an Acquisition Fund, Lessor shall, upon receipt of an Acceptance Certificate from Lessee, prepare a Schedule of Property and Rental Payment Schedule in substantially the forms attached hereto as Exhibits B-1 and B-2. Lessee shall execute and deliver such Schedules to Lessor within 5 business days of receipt.

*Section 5.02. Quiet Enjoyment of Equipment.* So long as Lessee is not in default under the related Lease, neither Lessor nor any entity claiming by, through or under Lessor, shall interfere with Lessee's quiet use and enjoyment of the Equipment during the Lease Term.

*Section 5.03. Location; Inspection.* Once installed, no item of the Equipment will be relocated from the base location specified for it in the Lease on which such item is listed without Lessor's consent, which consent shall not be unreasonably withheld. Lessor shall have the right at all reasonable times during regular business hours to enter into and upon the property of Lessee for the purpose of inspecting the Equipment.

*Section 5.04. Use and Maintenance of the Equipment.* Lessee will not install, use, operate, or maintain the Equipment improperly, carelessly, in violation of any applicable law or

in a manner contrary to that contemplated by the related Lease. Lessee shall provide all permits and licenses, if any, necessary for the installation and operation of the Equipment. In addition, Lessee agrees to comply in all respects with all applicable laws, regulations and rulings of any legislative, executive, administrative, or judicial body; *provided* that Lessee may contest in good faith the validity or application of any such law, regulation or ruling in any reasonable manner that does not, in the opinion of Lessor, adversely affect the interest (including the reversionary interest) of Lessor in and to the Equipment or its interest or rights under the Lease.

Lessee agrees that it will maintain, preserve, and keep the Equipment in good repair and working order, in a condition comparable to that recommended by the manufacturer. Lessor shall have no responsibility to maintain, repair or make improvements or additions to the Equipment. In all cases, Lessee agrees to pay any costs necessary for the manufacturer to recertify the Equipment as eligible for manufacturer's maintenance upon the return of the Equipment to Lessor as provided for herein.

Lessee shall not alter any item of Equipment or install any accessory, equipment or device on an item of Equipment if that would impair any applicable warranty, the originally intended function or the value of that Equipment. All repairs, parts, accessories, equipment and devices furnished, affixed to or installed on any Equipment, excluding temporary replacements, shall thereupon become subject to the security interest of Lessor.

## ARTICLE VI

*Section 6.01. Title to the Equipment.* During each Lease Term, and so long as Lessee is not in default under Article XII hereof, all right, title and interest in and to each item of the Equipment shall be vested in Lessee immediately upon its acceptance of each item of Equipment, subject to the terms and conditions of the applicable Lease. Lessee shall at all times protect and defend, at its own cost and expense, its title in and to the Equipment from and against all claims, liens and legal processes of its creditors, and keep all Equipment free and clear of all such claims, liens and processes. Upon the occurrence of an Event of Default or upon termination of a Lease pursuant to Section 3.03 hereof, full and unencumbered legal title to the Equipment shall pass to Lessor, and Lessee shall have no further interest therein. In addition, upon the occurrence of such an Event of Default or such termination, Lessee shall execute and deliver to Lessor such documents as Lessor may request to evidence the passage of such legal title to Lessor and the termination of Lessee's interest therein, and upon request by Lessor shall deliver possession of the Equipment to Lessor in accordance with Section 12.02. Upon purchase of the Equipment under a Lease by Lessee pursuant to Section 10.01, Lessor's security interest or other interest in the Equipment shall terminate, and Lessor shall execute and deliver to Lessee such documents as Lessee may request to evidence the termination of Lessor's security interest in the Equipment subject to the related Lease.

*Section 6.02. Security Interest.* To secure the payment of all of Lessee's obligations under each Lease, upon the execution of such Lease, Lessee grants to Lessor a security interest constituting a first lien on (a) the Equipment applicable to such Lease, (b) moneys and investments held from time to time in the Acquisition Fund and (c) any and all proceeds of any of the foregoing. Lessee agrees to execute and authorizes Lessor to file such notices of assignment, chattel mortgages, financing statements and other documents, in form satisfactory to Lessor,

which Lessor deems necessary or appropriate to establish and maintain Lessor's security interest in the Equipment, the Acquisition Fund, and the proceeds thereof.

*Section 6.03. Personal Property.* The Equipment is and will remain personal property and will not be deemed to be affixed to or a part of the real estate on which it may be situated, notwithstanding that the Equipment or any part thereof may be or hereafter become in any manner physically affixed or attached to real estate or any building thereon. Upon the request of Lessor, Lessee will, at Lessee's expense, furnish a waiver of any interest in the Equipment from any party having an interest in any such real estate or building.

## ARTICLE VII

*Section 7.01. Liens, Taxes, Other Governmental Charges and Utility Charges.* Lessee shall keep the Equipment free of all levies, liens, and encumbrances except those created by each Lease. The parties to this Agreement contemplate that the Equipment will be used for a governmental or proprietary purpose of Lessee and that the Equipment will therefore be exempt from all property taxes. If the use, possession or acquisition of any Equipment is nevertheless determined to be subject to taxation, Lessee shall pay when due all taxes and governmental charges lawfully assessed or levied against or with respect to such Equipment. Lessee shall pay all utility and other charges incurred in the use and maintenance of the Equipment. Lessee shall pay such taxes or charges as the same may become due; *provided* that, with respect to any such taxes or charges that may lawfully be paid in installments over a period of years, Lessee shall be obligated to pay only such installments as accrue during each Lease Term.

*Section 7.02. Insurance.* Lessee shall during each Lease Term maintain or cause to be maintained (a) casualty insurance naming Lessor and its assigns as additional insured and loss payee and insuring the Equipment against loss or damage by fire and all other risks covered by the standard extended coverage endorsement then in use in the State, and any other risks reasonably required by Lessor, in an amount at least equal to the then applicable Purchase Price of the Equipment; (b) liability insurance naming Lessor as additional insured that protects Lessor from liability in all events in form and amount satisfactory to Lessor; and (c) worker's compensation coverage as required by the laws of the State; *provided* that, with Lessor's prior written consent, Lessee may self-insure against the risks described in clause (a). Lessee shall furnish to Lessor evidence of such insurance or self-insurance coverage throughout each Lease Term. Lessee shall not cancel or modify such insurance or self-insurance coverage in any way that would affect the interests of Lessor without first giving written notice thereof to Lessor at least 30 days in advance of such cancellation or modification.

*Section 7.03. Risk of Loss.* Whether or not covered by insurance or self-insurance, Lessee hereby assumes all risk of loss of, or damage to and liability related to injury or damage to any persons or property arising from the Equipment from any cause whatsoever, and no such loss of or damage to or liability arising from the Equipment shall relieve Lessee of the obligation to make the Rental Payments or to perform any other obligation under this Lease. Whether or not covered by insurance or self-insurance, Lessee hereby agrees to reimburse Lessor (to the fullest extent permitted by applicable law, but only from legally available funds) for any and all liabilities, obligations, losses, costs, claims, taxes or damages suffered or incurred by Lessor, regardless of the cause thereof and all expenses incurred in connection therewith (including,

without limitation, counsel fees and expenses, and penalties connected therewith imposed on interest received) arising out of or as a result of (a) entering into of this Agreement or any of the transactions contemplated hereby, (b) the ordering, acquisition, ownership use, operation, condition, purchase, delivery, acceptance, rejection, storage or return of any item the Equipment, (c) any accident in connection with the operation, use, condition, possession, storage or return of any item of the Equipment resulting in damage to property or injury to or death to any person, and/or (d) the breach of any covenant of Lessee in connection with a Lease or any material misrepresentation provided by Lessee in connection with a Lease. The provisions of this paragraph shall continue in full force and effect notwithstanding the full payment of all obligations under all Leases or the termination of the Lease Term under any Lease for any reason.

*Section 7.04. Advances.* In the event Lessee shall fail to keep the Equipment in good repair and working order, Lessor may, but shall be under no obligation to, maintain and repair the Equipment and pay the cost thereof. All amounts so advanced by Lessor shall constitute additional rent for the then current Original Term or Renewal Term and Lessee covenants and agrees to pay such amounts so advanced by Lessor with interest thereon from the due date until paid at a rate equal to the Contract Rate plus 5% per annum or the maximum amount permitted by law, whichever is less.

## ARTICLE VIII

*Section 8.01. Damage, Destruction and Condemnation.* Unless Lessee shall have exercised its option to purchase the Equipment by making payment of the Purchase Price as provided in the related Lease, if, prior to the termination of the applicable Lease Term, (a) the Equipment or any portion thereof is destroyed, in whole or in part, or is damaged by fire or other casualty or (b) title to, or the temporary use of, the Equipment or any part thereof shall be taken under the exercise or threat of the power of eminent domain by any governmental body or by any person, firm or corporation acting pursuant to governmental authority, Lessee and Lessor will cause the Net Proceeds of any insurance claim or condemnation award or sale under threat of condemnation to be applied to the prompt replacement, repair, restoration, modification or improvement of the Equipment. Any balance of the Net Proceeds remaining after such work has been completed shall be paid to Lessee.

If Lessee elects to replace any item of the Equipment (the "*Replaced Equipment*") pursuant to this Section, the replacement equipment (the "*Replacement Equipment*") shall be of similar type, utility and condition to the Replaced Equipment and shall be of equal or greater value than the Replaced Equipment. Lessor shall receive a first priority security interest in any such Replacement Equipment. Lessee shall represent, warrant and covenant to Lessor that each item of Replacement Equipment is free and clear of all claims, liens, security interests and encumbrances, excepting only those liens created by or through Lessor, and shall provide to Lessor any and all documents as Lessor may reasonably request in connection with the replacement, including, but not limited to, documentation in form and substance satisfactory to Lessor evidencing Lessor's security interest in the Replacement Equipment. Lessor and Lessee hereby acknowledge and agree that any Replacement Equipment acquired pursuant to this paragraph shall constitute "Equipment" for purposes of this Agreement and the related Lease. Lessee shall complete the documentation of Replacement Equipment on or before the next

Rental Payment date after the occurrence of a casualty event, or be required to exercise the Purchase Option with respect to the damaged equipment.

For purposes of this Article, the term “*Net Proceeds*” shall mean the amount remaining from the gross proceeds of any insurance claim or condemnation award or sale under threat of condemnation after deducting all expenses, including attorneys’ fees, incurred in the collection thereof.

*Section 8.02. Insufficiency of Net Proceeds.* If the Net Proceeds are insufficient to pay in full the cost of any repair, restoration, modification or improvement referred to in Section 8.01, Lessee shall either (a) complete such replacement, repair, restoration, modification or improvement and pay any costs thereof in excess of the amount of the Net Proceeds, or (b) pay or cause to be paid to Lessor the amount of the then applicable Purchase Price for the Equipment, and, upon such payment, the applicable Lease Term shall terminate and Lessor’s security interest in the Equipment shall terminate as provided in Section 6.01 hereof. The amount of the Net Proceeds, if any, remaining after completing such repair, restoration, modification or improvement or after purchasing such Equipment and such other Equipment shall be retained by Lessee. If Lessee shall make any payments pursuant to this Section, Lessee shall not be entitled to any reimbursement therefor from Lessor nor shall Lessee be entitled to any diminution of the amounts payable under Article IV.

## ARTICLE IX

*Section 9.01. Disclaimer of Warranties.* Lessor makes no warranty or representation, either express or implied, as to the value, design, condition, merchantability or fitness for particular purpose or fitness for use of the Equipment, or any other warranty or representation, express or implied, with respect thereto and, as to Lessor, Lessee’s acquisition of the Equipment shall be on an “as is” basis. In no event shall Lessor be liable for any incidental, indirect, special or consequential damage in connection with or arising out of this Agreement, any Lease, the Equipment or the existence, furnishing, functioning or Lessee’s use of any item, product or service provided for in this Agreement or any Lease.

*Section 9.02. Vendor’s Warranties.* Lessor hereby irrevocably appoints Lessee its agent and attorney-in-fact during each Lease Term, so long as Lessee shall not be in default under the related Lease, to assert from time to time whatever claims and rights (including without limitation warranties) relating to the Equipment that Lessor may have against Vendor. Lessee’s sole remedy for the breach of such warranty, indemnification or representation shall be against Vendor of the Equipment, and not against Lessor. Any such matter shall not have any effect whatsoever on the rights and obligations of Lessor with respect to any Lease, including the right to receive full and timely payments under a Lease. Lessee expressly acknowledges that Lessor makes, and has made, no representations or warranties whatsoever as to the existence or the availability of such warranties relating to the Equipment.

## ARTICLE X

*Section 10.01. Purchase Option.* Lessee shall have the option to purchase all of the Equipment listed in a Lease, at the following times and upon the following terms:

(a) From and after the date specified in the related Schedule (the "*Purchase Option Commencement Date*"), on the Rental Payment dates specified in each Lease, upon not less than 30 days' prior written notice, and upon payment in full of the Rental Payments then due under such Lease plus the then applicable Purchase Price, which may include a prepayment premium on the unpaid balance as set forth in the applicable Schedule; or

(b) In the event of substantial damage to or destruction or condemnation of substantially all of the Equipment listed in a Lease, on the day specified in Lessee's notice to Lessor of its exercise of the purchase option (which shall be the earlier of the next Rental Payment date or 60 days after the casualty event) upon payment in full to Lessor of the Rental Payments then due under such Lease plus the then applicable Purchase Price; or

(c) Upon the expiration of the Lease Term, upon payment in full of all Rental Payments then due and all other amounts then owing under the Lease, and the payment of \$1.00 to Lessor.

After payment of the applicable Purchase Price, Lessee will own the related Equipment, and Lessor's security interests in and to such Equipment will be terminated.

## ARTICLE XI

*Section 11.01. Assignment by Lessor.*

(a) Lessor's right, title and interest in and to Rental Payments and any other amounts payable by Lessee under any and all of the Leases, its security interest in the Equipment subject to each such Lease, and all proceeds therefrom may be assigned and reassigned in whole or in part to one or more assignees or subassignees by Lessor, without the necessity of obtaining the consent of Lessee; *provided*, that any such assignment, transfer or conveyance to a trustee for the benefit of owners of certificates of participation shall be made in a manner that conforms to any applicable State law. Nothing in this Section 11.01 shall be construed, however, to prevent Lessor from executing any such assignment, transfer or conveyance that does not involve funding through the use of certificates of participation within the meaning of applicable State law, including any such assignment, transfer or conveyance as part of a multiple asset pool to a partnership or trust; *provided* such certificates are sold only on a private placement basis (and not pursuant to any "public offering") to a purchaser(s) who represent that (i) such purchaser has sufficient knowledge and experience in financial and business matters to be able to evaluate the risks and merits of the investment, (ii) such purchaser understands neither the Lease nor certificates will be registered under the Securities Act of 1933, (iii) such purchaser is either an "accredited investor" within the meaning of Regulation D under the Securities Act of 1933, or a qualified institutional buyer within the meaning of Rule 144A, and (iv) it is the intention of such purchaser to acquire such certificates (A) for investment for its own account or (B) for resale in a transaction exempt from registration under the Securities Act of 1933; *provided further*, that in

any event, Lessee shall not be required to make Rental Payments, to send notices or to otherwise deal with respect to matters arising under a Lease with or to more than one individual or entity.

(b) Unless to an affiliate controlling, controlled by or under common control with Lessor, no assignment, transfer or conveyance permitted by this Section 11.01 shall be effective until Lessee shall have received a written notice of assignment that discloses the name and address of each such assignee; *provided*, that if such assignment is made to a bank or trust company as trustee or paying agent for owners of certificates of participation, trust certificates or partnership interests with respect to the Rental Payments payable under a Lease, it shall thereafter be sufficient that Lessee receives notice of the name and address of the bank or trust company as trustee or paying agent. During each Lease Term, Lessee shall keep, or cause to be kept, a complete and accurate record of all such assignments in form necessary to comply with Section 149 of the Code. Lessee shall retain all such notices as a register of all assignees and shall make all payments to the assignee or assignees designated in such register. Lessee shall not have the right to and shall not assert against any assignee any claim, counterclaim or other right Lessee may have against Lessor or the Vendor. Assignments in part may include without limitation assignment of all of Lessor's security interest in and to the Equipment listed in a particular Lease and all rights in, to and under the Lease related to such Equipment. The option granted in this Section may be separately exercised from time to time with respect to the Equipment listed in each Lease, but such option does not permit the assignment of less than all of Lessor's interests in the Equipment listed in a single Lease.

(c) If Lessor notifies Lessee of its intent to assign the Lease, Lessee agrees that it shall execute and deliver to Lessor a Notice and Acknowledgement of Assignment substantially in the form of Exhibit F attached to this Lease within five (5) business days after its receipt of such request.

*Section 11.02. Assignment and Subleasing by Lessee.* None of Lessee's right, title, and interest in, to and under any Lease or any portion of the Equipment may be assigned or encumbered by Lessee for any reason.

## ARTICLE XII

*Section 12.01. Events of Default Defined.* Any of the following events shall constitute an "Event of Default" under a Lease:

(a) Failure by Lessee to pay any Rental Payment or other payment required to be paid under any Lease within 10 days of the date when due as specified herein;

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

(c) Any statement, representation or warranty made by Lessee in or pursuant to any Lease or its execution, delivery or performance shall prove to have been false, incorrect, misleading, or breached in any material respect on the date when made;

(d) Any default occurs under any other agreement for borrowing money, lease financing of property or otherwise receiving credit under which Lessee is an obligor under which there is outstanding, owing or committed an aggregate amount of at least 10% of Lessee's aggregate current long- and short-term indebtedness, if such default consists of (i) the failure to pay any indebtedness when due or (ii) the failure to perform any other obligation thereunder and gives the holder of the indebtedness the right to accelerate the indebtedness;

(e) Lessee shall (i) apply for or consent to the appointment of a receiver, trustee, custodian or liquidator of Lessee, or of all or a substantial part of the assets of Lessee, (ii) be unable, fail or admit in writing its inability generally to pay its debts as they become due, (iii) make a general assignment for the benefit of creditors, (iv) have an order for relief entered against it under applicable federal bankruptcy law, or (v) file a voluntary petition in bankruptcy or a petition or an answer seeking reorganization or an arrangement with creditors or taking advantage of any insolvency law or any answer admitting the material allegations of a petition filed against Lessee in any bankruptcy, reorganization or insolvency proceeding; or

(f) An order, judgment or decree shall be entered by any court of competent jurisdiction, approving a petition or appointing a receiver, trustee, custodian or liquidator or Lessee or of all or a substantial part of the assets of Lessee, in each case without its application, approval or consent, and such order, judgment or decree shall continue unstayed and in effect for any period of 30 consecutive days.

*Section 12.02. Remedies on Default.* Whenever any Event of Default exists, Lessor shall have the right, at its sole option without any further demand or notice, to take one or any combination of the following remedial steps:

(a) By written notice to Lessee, Lessor may declare all Rental Payments payable by Lessee pursuant to such Lease and other amounts payable by Lessee under such Lease to the end of the then current Original Term or Renewal Term to be due;

(b) With or without terminating the Lease Term under such Lease, Lessor may enter the premises where the Equipment listed in such Lease is located and retake possession of such Equipment or require Lessee at Lessee's expense to promptly return any or all of such Equipment to the possession of Lessor at such place within the United States as Lessor shall specify, and sell or lease such Equipment or, for the account of Lessee, sublease such Equipment, continuing to hold Lessee liable, but solely from legally available funds, for the difference between (i) the Rental Payments payable by Lessee pursuant to such Lease and other amounts related to such Lease or the Equipment listed therein that are payable by Lessee to the end of the then current Original Term or Renewal Term, as the case may be, and (ii) the net proceeds of any such sale, leasing or subleasing (after deducting all expenses of Lessor in exercising its remedies under such Lease, including without limitation all expenses of taking possession, storing, reconditioning and selling or leasing such Equipment and all brokerage, auctioneer's and attorney's fees), subject, however, to the provisions of Section 3.03. The

exercise of any such remedies respecting any such Event of Default shall not relieve Lessee of any other liabilities under any other Lease or the Equipment listed therein; and

(c) Lessor may take whatever action at law or in equity may appear necessary or desirable to enforce its rights under such Lease or as a secured party in any or all of the Equipment subject to such Lease.

*Section 12.03. No Remedy Exclusive.* No remedy herein conferred upon or reserved to Lessor is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under a Lease now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle Lessor to exercise any remedy reserved to it in this Article it shall not be necessary to give any notice other than such notice as may be required in this Article.

*Section 12.04. Application of Moneys.* Any net proceeds from the exercise of any remedy under this Agreement, including the application specified in Section 12.02(b)(ii) (after deducting all expenses of Lessor in exercising such remedies including without limitation all expenses of taking possession, storing, reconditioning and selling or leasing Equipment and all brokerage, auctioneer's or attorney's fees), shall be applied as follows:

(a) If such remedy is exercised solely with respect to a single Lease, Equipment listed in such Lease or rights thereunder, then to amounts due pursuant to such Lease and other amounts related to such Lease or such Equipment.

(b) If such remedy is exercised with respect to more than one Lease, Equipment listed in more than one Lease or rights under more than one Lease, then to amounts due pursuant to such Leases pro rata.

### ARTICLE XIII

*Section 13.01. Notices.* All notices, certificates or other communications under any Lease shall be sufficiently given and shall be deemed given when delivered or mailed by registered mail, postage prepaid, or delivered by overnight courier, or sent by facsimile transmission (with electronic confirmation) to the parties hereto at the addresses immediately after the signatures to this Agreement (or at such other address as either party hereto shall designate in writing to the other for notices to such party) and to any assignee at its address as it appears on the registration books maintained by Lessee.

*Section 13.02. Binding Effect.* Each Lease shall inure to the benefit of and shall be binding upon Lessor and Lessee and their respective successors and assigns.

*Section 13.03. Severability.* In the event any provision of any Lease shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

*Section 13.04. Amendments, Changes and Modifications.* This Agreement and each Lease may only be amended by Lessor and Lessee in writing.

*Section 13.05. Execution in Counterparts.* This Agreement and each Lease may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

*Section 13.06. Applicable Law.* This Agreement and each Lease shall be governed by and construed in accordance with the laws of the State.

*Section 13.07. Captions.* The captions or headings in this Agreement and in each Lease are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement or any Lease.

[Remainder of Page Intentionally Left Blank; Signature Page Follows]

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

LESSOR:  
Banc of America Public Capital Corp  
555 California Street, 4th Floor  
San Francisco, California 94104  
Attention: Contract Administration  
Fax No.: (415) 765-7373

LESSEE:  
Baldwin County, Alabama  
312 Courthouse Square, Suite 11  
Bay Minette, Alabama 36507  
Attention: Clerk/Treasurer  
Fax No.: (251) 239-4309

By:   
Name: Terri Proster  
Title: Authorized Agent

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: Chairman, Baldwin County  
Commission

(Seal)

Attest:

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: County Administrator

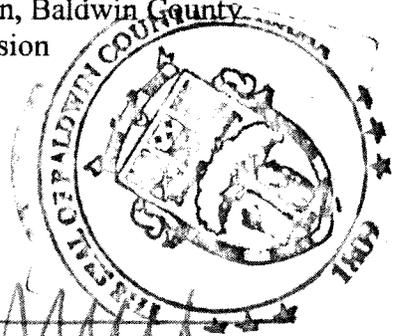
IN WITNESS WHEREOF, Lessor and Lessee have caused this Agreement to be executed in their names by their duly authorized representatives as of the date first above written.

LESSOR:  
Banc of America Public Capital Corp  
555 California Street, 4th Floor  
San Francisco, California 94104  
Attention: Contract Administration  
Fax No.: (415) 765-7373

LESSEE:  
Baldwin County, Alabama  
312 Courthouse Square, Suite 11  
Bay Minette, Alabama 36507  
Attention: Clerk/Treasurer  
Fax No.: (251) 239-4309

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: Authorized Agent

By: Charles F. Groser  
Name: CHARLES F. GROSER  
Title: Chairman, Baldwin County  
Commission



(Seal)

Attest: \_\_\_\_\_  
By: David A. Z. Brewer  
Name: DAVID A. Z. BREWER  
Title: County Administrator

List of Exhibits

- Exhibit A -- Acquisition Fund and Account Control Agreement
- Exhibit B-1 -- Schedule of Property
- Exhibit B-2 -- Rental Payment Schedule
- Exhibit C -- Certificate
- Exhibit D -- Opinion of Counsel Form
- Exhibit E -- Acceptance Certificate
- Exhibit F -- Notice and Acknowledgement of Assignment

**EXHIBIT A**  
**ACQUISITION FUND AND ACCOUNT CONTROL AGREEMENT**

[Reserved.]

**EXHIBIT B-1**

**SCHEDULE OF PROPERTY NO. \_\_\_\_\_**

Re: Master Equipment Lease/Purchase Agreement, dated as of \_\_\_\_\_, 2013, between Banc of America Public Capital Corp, as Lessor, and Baldwin County, Alabama, as Lessee

1. *Defined Terms.* All terms used herein have the meanings ascribed to them in the above-referenced Master Equipment Lease/Purchase Agreement (the "*Master Equipment Lease*").

2. *Equipment.* The following items of Equipment are hereby included under this Schedule of the Master Equipment Lease.

Quantity	Description	Serial No.	Model No.	Location

3. *Payment Schedule.*

(a) *Rental Payments.* The Rental Payments shall be in such amounts and payable on such dates as set forth in the Rental Payment Schedule attached to this Schedule as Exhibit \_\_\_\_\_. Rental Payments shall commence on the earlier of (i) the date on which the Equipment listed in this Schedule is accepted by Lessee, as indicated in an Acceptance Certificate substantially in the form of Exhibit E to the Master Equipment Lease, or (ii) the date on which sufficient moneys to purchase the Equipment are deposited for that purpose with an Acquisition Fund Custodian.

(b) *Purchase Price Schedule.* The Purchase Price on each Rental Payment date for the Equipment listed in this Schedule shall be the amount set forth for such Rental Payment date in the "Purchase Price" column of the Rental Payment Schedule attached to this Schedule. The Purchase Price is in addition to all Rental Payments then due under this Schedule (including the Rental Payment shown on the same line in the Rental Payment Schedule).

4. *Representations, Warranties and Covenants.* Lessee hereby represents, warrants and covenants that its representations, warranties and covenants set forth in the Master Equipment Lease are true and correct as though made on the date of commencement of Rental Payments on this Schedule. Lessee further represents and warrants that (a) no material adverse change in Lessee's financial condition has occurred since the date of the Master Equipment Lease; (b) the governing body of Lessee has heretofore authorized the execution and delivery of

this Schedule and the Master Equipment Lease; (c) the Equipment described in this Schedule referenced above is essential to the functions of Lessee or to the services Lessee provides its citizens; (d) Lessee has an immediate need for, and expects to make immediate use of, substantially all such Equipment, which will be used by Lessee only for the purpose of performing one or more of Lessee's governmental or proprietary functions consistent with the permissible scope of its authority; and (e) Lessee expects and anticipates adequate funds to be available for all future payments or rent due after the current budgetary period.

5. *The Lease.* The terms and provisions of the Master Equipment Lease (other than to the extent that they relate solely to other Schedules or Equipment listed on other Schedules) are hereby incorporated into this Schedule by reference and made a part hereof.

**[OPTION: IF ACQUISITION FUND AGREEMENT IS USED:**

6. *Lease Proceeds.* The Lease Proceeds which Lessor shall pay to the Acquisition Fund Custodian in connection with this Schedule is \$ \_\_\_\_\_, of which \$ \_\_\_\_\_ is for deposit to the Expense Fund and the balance is for deposit to the Acquisition Fund. It is expected that by [six (6)] [twelve (12)] [eighteen (18)] months from the date of this Schedule, Lessee will have taken possession of all items of Equipment shown above and that one or more Acceptance Certificates, as appropriate, will be signed by Lessee and delivered to Lessor on or before [six (6)] [twelve (12)] [eighteen (18)] months from the date of this Schedule.

**OR IF VENDOR PAID DIRECTLY USE:**

6. *Acquisition Amount.* The Acquisition Amount for the Equipment described in this Schedule to be paid to the Vendor is \$ \_\_\_\_\_.]

**[OPTION: IF ACQUISITION FUND AGREEMENT IS USED:**

7. *Acquisition Period.* The Acquisition Period applicable to this Schedule shall end at the conclusion of the \_\_\_\_ month following the date hereof.]

[7][8]. *Lease Term.* The Lease Term shall consist of the Original Term and \_\_\_\_ consecutive Renewal Terms, with the final Renewal Term ending on \_\_\_\_\_.

[8][9]. *Purchase Option Commencement Date.* For purposes of Section 10.01 of the Master Equipment Lease, the Purchase Option Commencement Date is \_\_\_\_\_.

[9][10]. *Maximum Equipment Cost.* The Maximum Equipment Cost approved on a cumulative basis under the Lease for this Schedule and all previous Schedules is \$ \_\_\_\_\_.

[10][11]. *Contract Rate.* The Contract Rate for this Schedule is \_\_\_\_\_%.

**[OPTION: IF NO ACQUISITION FUND AGREEMENT IS USED:**

[11][12]. *Utilization Period Expiration.* The Utilization Period Expiration is \_\_\_\_\_.]

**[OPTION: IF MOTOR VEHICLES ARE BEING FINANCED:**

[12][13]. *Registration.* Any Equipment that is a motor vehicle is to be registered and titled as follows:

Any Equipment that is a motor vehicle is to be registered and titled as follows:

- (a) Registered Owner: Baldwin County, Alabama
- (b) Lienholder: Banc of America Public Capital Corp  
555 California Street, 4th Floor  
Mail Code CA5-705-04-01  
San Francisco, California 94104

Lessee shall be responsible for the correct titling of all Equipment leased hereunder. Lessee will cause the original Certificates of Title to be delivered to Lessor for retention in Lessor's files throughout the term of the Lease.

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

LESSOR:  
Banc of America Public Capital Corp  
555 California Street, 4th Floor  
San Francisco, California 94104  
Attention: Contract Administration  
Fax No.: (415) 765-7373

LESSEE:  
Baldwin County, Alabama  
312 Courthouse Square, Suite 11  
Bay Minette, Alabama 36507  
Attention: Clerk/Treasurer  
Fax No.: (251) 239-4309

By: \_\_\_\_\_  
Name: Bridgett Arnold  
Title: Authorized Agent

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: Chairman, Baldwin County  
Commission

(Seal)

Attest:

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**EXHIBIT B-2**

**RENTAL PAYMENT SCHEDULE**

Rental Payment Date	Rental Payment Amount	Interest Portion	Principal Portion	Outstanding Balance	Purchase Price [excluding Prepayment Premium]

Prepayment Premium for purposes of Section 10.01(a) is \_\_\_\_\_ [insert formula] \_\_\_\_\_.

For purposes of this Lease, "*Taxable Rate*," with respect to the interest component of Rental Payments, means an annual rate of interest equal to \_\_\_\_\_%.

LESSEE: BALDWIN COUNTY, ALABAMA

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

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

Title: Chairman, Baldwin County  
Commission

**EXHIBIT C**

**CERTIFICATE**

The undersigned \_\_\_\_\_ of Baldwin County, Alabama ("*Lessee*"), certifies as follows:

A. The following listed persons are duly elected and acting officials of Lessee (the "*Officials*"), in the capacity set forth opposite their respective names below, and their respective signatures are true and correct as of the date hereof.

B. The Officials are duly authorized, on behalf of Lessee, to negotiate, execute and deliver the Master Equipment Lease/Purchase Agreement dated as of November 25, 2013, and the Schedule(s) thereunder and all future Schedule(s) (the "*Agreements*") by and between Lessee and Banc of America Public Capital Corp, and these Agreements are binding and authorized agreements of Lessee, enforceable in all respects in accordance with their terms.

Name of Official	Title	Signature
_____	_____	_____
_____	_____	_____
_____	_____	_____

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

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

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

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

(The signer of this Certificate cannot be listed above as authorized to execute the Agreements.)

## EXHIBIT D

### OPINION OF COUNSEL TO LESSEE (to be typed on letterhead of counsel)

Banc of America Public Capital Corp  
555 California Street, 4th Floor  
San Francisco, California 94104

Re: Schedule of Property No. \_\_\_\_\_, dated \_\_\_\_\_, 20\_\_, to Master Equipment Lease/Purchase Agreement, dated as of November 25, 2013, between Banc of America Public Capital Corp, as Lessor, and Baldwin County, Alabama, as Lessee

Ladies and Gentlemen:

As legal counsel to Baldwin County, Alabama ("*Lessee*"), I have examined (a) an executed counterpart of that certain Master Equipment Lease/Purchase Agreement dated as of November 25, 2013, and Exhibits thereto by and between Banc of America Public Capital Corp ("*Lessor*") and Lessee (the "*Agreement*"), an executed counterpart of that certain Schedule of Property No. \_\_, dated \_\_\_\_\_, 20\_\_, by and between Lessor and Lessee (the "*Schedule*"), which, among other things, provides for the lease of certain property listed in the Schedule (the "*Equipment*"), and an executed counterpart of that certain Acquisition Fund and Account Control Agreement dated as of \_\_\_\_\_, 20\_\_, among Lessor, Lessee, and Deutsche Bank National Trust Company as Acquisition Fund Custodian, (b) certified copies of proceedings of the governing body of Lessee which, among other things, authorize Lessee to execute the Agreement and the Schedule, and (c) such other opinions, documents and matters of law as I have deemed necessary in connection with the following opinions. The Schedule and the terms and provisions of the Agreement incorporated therein by reference, together with the Rental Payment Schedule attached to the Schedule, are herein together referred to as the "Lease," and the Lease and the Acquisition Fund and Account Control Agreement are herein together referred to as the "Transaction Documents."

Based on the foregoing, I am of the following opinions:

1. Lessee is a public body corporate and politic, duly organized and existing under the laws of the State, and is a political subdivision of a state within the meaning of Section 103(c) of the Internal Revenue Code of 1986, as amended (the "Code"), and the obligations of Lessee under the Agreement will constitute an obligation of Lessee within the meaning of Section 103(a) of the Code, notwithstanding Section 103(b) of the Code.
2. Lessee has the requisite power and authority to lease and acquire the Equipment and to execute and deliver the Transaction Documents and to perform its obligations under the Lease.

3. The Lease has been duly authorized, approved, executed and delivered by and on behalf of Lessee and the Transaction Documents are valid and binding obligations of Lessee enforceable in accordance with their respective terms.

4. The authorization, approval, execution and delivery of the Transaction Documents and all other proceedings of Lessee relating to the transactions contemplated thereby have been performed in accordance with all open meeting laws, public bidding laws and all other applicable state or federal laws; and

5. There is no proceeding pending or threatened in any court or before any governmental authority or arbitration board or tribunal that, if adversely determined, would adversely affect the transactions contemplated by the Transaction Documents or the security interest of Lessor or its assigns, as the case may be, in the Equipment or other collateral thereunder.

6. The portion of rentals designated as and constituting interest paid by Lessee and received by Lessor is excluded from Lessor's gross income for federal income tax purposes under Section 103 of the Code and is exempt from State of Alabama personal income taxes; and such interest is not a specific item of tax preference or other collateral for purposes of the federal individual or corporate alternative minimum taxes.

All capitalized terms herein shall have the same meanings as in the Transaction Documents unless otherwise provided herein. Lessor and its successors and assigns, and any counsel rendering an opinion on the tax-exempt status of the interest components of the Rental Payments, are entitled to rely on this opinion.

**EXHIBIT E**

**ACCEPTANCE CERTIFICATE**

Banc of America Public Capital Corp  
555 California Street, 4th Floor  
San Francisco, California 94104

Re: Schedule of Property No. \_\_\_\_\_, dated \_\_\_\_\_, 2013, to Master  
Equipment Lease/Purchase Agreement, dated as of November 25, 2013,  
between Banc of America Public Capital Corp, as Lessor, and Baldwin  
County, Alabama, as Lessee

Ladies and Gentlemen:

In accordance with the Master Equipment Lease/Purchase Agreement (the "*Agreement*"),  
the undersigned Lessee hereby certifies and represents to, and agrees with, Lessor as follows:

1. All of the Equipment (as such term is defined in the Agreement) listed in the  
above-referenced Schedule of Property (the "*Schedule*") has been delivered, installed and  
accepted on the date hereof.

2. Lessee has conducted such inspection and/or testing of the Equipment listed in the  
Schedule as it deems necessary and appropriate and hereby acknowledges that it accepts the  
Equipment for all purposes.

3. Lessee is currently maintaining the insurance coverage required by Section 7.02  
of the Agreement.

4. No event or condition that constitutes, or with notice or lapse of time, or both,  
would constitute, an Event of Default (as defined in the Agreement) exists at the date hereof.

Date: \_\_\_\_\_, 20\_\_

LESSEE:  
BALDWIN COUNTY, ALABAMA

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

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

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

(Seal)

**EXHIBIT F**

**NOTICE AND ACKNOWLEDGEMENT OF ASSIGNMENT**

**DATED** \_\_\_\_\_

BANC OF AMERICA PUBLIC CAPITAL CORP ("*Assignor*") hereby gives notice that it has assigned and sold to [\_\_\_\_\_] ("*Assignee*"), all of Assignor's right, title and interest in, to and under [Schedule of Property] No. [\_\_\_\_], dated [\_\_\_\_\_] (the "*Lease*"), to the Master Equipment Lease/Purchase Agreement ("*Master Equipment Lease*") dated as of November 25, 2013, between Assignor and Baldwin County, Alabama ("*Lessee*").

For purposes of this Notice and Acknowledgment of Assignment (the "*Acknowledgment*"), "*Lease*" means collectively the Lease identified above, together with all exhibits, schedules, addenda and attachments related thereto, and all certifications and other documents delivered in connection therewith. The term "*Lease*" specifically excludes all other [Schedules of Property] entered into under the Master Equipment Lease and rental payments other than with respect to the [Schedule of Property] identified above. Each capitalized term used but not defined herein has the meaning set forth in the Master Equipment Lease.

1. Lessee hereby acknowledges the effect of the assignment of the Lease and absolutely and unconditionally agrees to deliver to Assignee all rental payments and other amounts coming due under the Lease in accordance with the terms thereof on and after the date of this Acknowledgment.

2. Lessee hereby agrees that: (i) Assignee shall have all the rights of Lessor under the Lease and all related documents, including, but not limited to, the rights to issue or receive all notices and reports, to give all consents or agreements to modifications thereto, to receive title to the equipment in accordance with the terms of the Lease, to declare a default and to exercise all remedies thereunder; and (ii) except as provided in Section 3.03 of the Master Equipment Lease, the obligations of Lessee to make rental payments and to perform and observe the other covenants and agreements contained in either the Lease or the Master Equipment Lease shall be absolute and unconditional in all events without abatement, diminution, deduction, set-off or defense.

3. Lessee agrees that, as of the date of this Acknowledgment, the following information about the Lease is true, accurate and complete:

Number of Rental Payments Remaining	—	_____
Amount of Each Rental Payment	—	\$ _____
Total Amount of Rents Remaining	—	\$ _____
Frequency of Rental Payments	—	_____

Next Rental Payment Due - \_\_\_\_\_  
Funds Remaining in Escrow Fund - \$ \_\_\_\_\_

4. The Lease remains in full force and effect, has not been amended and no nonappropriation or event of default (or event which with the passage of time or the giving of notice or both would constitute a default) has occurred thereunder.

5. Any inquiries of Lessee related to the Lease and any requests for escrow disbursements, if applicable, and all rental payments and other amounts coming due pursuant to the Lease on and after the date of this Acknowledgment should be remitted to Assignee at the following address (or such other address as provided to Lessee in writing from time to time by Assignee):

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

**ACKNOWLEDGED AND AGREED:**

LESSEE: \_\_\_\_\_  
[FOR EXHIBIT PURPOSES ONLY]

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

ASSIGNOR: BANC OF AMERICA PUBLIC CAPITAL CORP  
[FOR EXHIBIT PURPOSES ONLY]

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

## SCHEDULE OF PROPERTY NO. 1

Re: Master Equipment Lease/Purchase Agreement, dated as of November 25, 2013, between Banc of America Public Capital Corp, as Lessor, and Baldwin County, Alabama, as Lessee

1. *Defined Terms.* All terms used herein have the meanings ascribed to them in the above-referenced Master Equipment Lease/Purchase Agreement (the "*Master Equipment Lease*").

2. *Equipment.* The items of Equipment listed on Exhibit B hereto are hereby included under this Schedule of the Master Equipment Lease. Such Equipment will be more specifically identified by serial number, vehicle identification number and/or model number in connection with each request for disbursement pursuant to the related Acquisition Fund Agreement.

3. *Payment Schedule.*

(a) *Rental Payments.* The Rental Payments shall be in such amounts and payable on such dates as set forth in the Rental Payment Schedule attached to this Schedule as Exhibit A. Rental Payments shall commence on the date on which the Equipment listed in this Schedule is accepted by Lessee, as indicated in an Acceptance Certificate substantially in the form of Exhibit E to the Master Equipment Lease or the date on which sufficient moneys to purchase the Equipment are deposited for that purpose with an Acquisition Fund Custodian, whichever is earlier.

(b) *Purchase Price Schedule.* The Purchase Price on each Rental Payment date for the Equipment listed in this Schedule shall be the amount set forth for such Rental Payment date in the "Purchase Price" column of the Rental Payment Schedule attached to this Schedule. The Purchase Price is in addition to all Rental Payments then due under this Schedule (including the Rental Payment shown on the same line in the Rental Payment Schedule).

4. *Representations, Warranties and Covenants.* Lessee hereby represents, warrants and covenants that its representations, warranties and covenants set forth in the Master Equipment Lease are true and correct as though made on the date of commencement of Rental Payments on this Schedule. Lessee further represents and warrants that (a) no material adverse change in Lessee's financial condition has occurred since the date of the Master Equipment Lease; (b) the governing body of Lessee has heretofore authorized the execution and delivery of this Schedule and the Master Equipment Lease; (c) the Equipment described in this Schedule is essential to the functions of Lessee or to the services Lessee provides its citizens; (d) Lessee has an immediate need for, and expects to make immediate use of, substantially all such Equipment, which will be used by Lessee only for the purpose of performing one or more of Lessee's governmental or proprietary functions consistent with the permissible scope of its authority; and (e) Lessee expects and anticipates adequate funds to be available for all future payments or rent due after the current budgetary period.

5. *The Lease.* The terms and provisions of the Master Equipment Lease (other than to the extent that they relate solely to other Schedules or Equipment listed on other Schedules) are hereby incorporated into this Schedule by reference and made a part hereof.

6. *Lease Proceeds.* The Lease Proceeds which Lessor shall pay to the Acquisition Fund Custodian in connection with this Schedule is \$4,905,800, which shall be deposited into the Acquisition Fund. It is expected that by twelve (12) months from the date of this Schedule, Lessee will have taken possession of all items of Equipment shown in Schedule B hereto. Lessee shall execute and deliver to the Lessor an Acceptance Certificate substantially in the form attached as Exhibit E to the Master Equipment Lease, in connection with each disbursement request from the Acquisition Fund.

7. *Acquisition Period.* The Acquisition Period applicable to this Schedule shall end at the conclusion of the 12th month following the date hereof.

8. *Lease Term.* The Lease Term shall consist of the Original Term and four (4) consecutive Renewal Terms, with the final Renewal Term ending on September 30, 2018.

9. *Purchase Option Commencement Date.* For purposes of Section 10.01 of the Master Equipment Lease, the Purchase Option Commencement Date is November 26, 2013.

10. *Maximum Equipment Cost.* The Maximum Equipment Cost approved by Lessor on a cumulative basis under the Master Equipment Lease for this Schedule and all previous Schedules is \$5,000,000.

11. *Contract Rate.* The Contract Rate for this Schedule is 1.122%.

12. *Registration.* Any Equipment that is a motor vehicle is to be registered and titled as follows:

Any Equipment that is a motor vehicle is to be registered and titled as follows:

- (a) Registered Owner: Baldwin County, Alabama
- (b) Lienholder: Banc of America Public Capital Corp  
2059 Northlake Parkway, 4<sup>th</sup> Floor  
Tucker, GA 30084

Lessee shall be responsible for the correct titling of all Equipment leased hereunder. Lessee will cause the original Certificates of Title to be delivered to Lessor for retention in Lessor's files throughout the term of the Lease.

Dated: November 25, 2013

LESSOR:

Banc of America Public Capital Corp  
555 California Street, 4th Floor  
San Francisco, California 94104  
Attention: Contract Administration  
Fax No.: (415) 765-7373

By:   
Name: Terri Preston  
Title: Authorized Agent

LESSEE:

Baldwin County, Alabama  
312 Courthouse Square, Suite 11  
Bay Minette, Alabama 36507  
Attention: Clerk/Treasurer  
Fax No.: (251) 239-4309

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: Chairman, Baldwin County  
Commission

(Seal)

Attest:

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: County Administrator

Lessee shall be responsible for the correct titling of all Equipment leased hereunder. Lessee will cause the original Certificates of Title to be delivered to Lessor for retention in Lessor's files throughout the term of the Lease.

Dated: November 25, 2013

LESSOR:

Banc of America Public Capital Corp  
555 California Street, 4th Floor  
San Francisco, California 94104  
Attention: Contract Administration  
Fax No.: (415) 765-7373

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

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

Title: Authorized Agent

LESSEE:

Baldwin County, Alabama  
312 Courthouse Square, Suite 11  
Bay Minette, Alabama 36507  
Attention: Clerk/Treasurer  
Fax No.: (251) 239-4309

By: Charles F. Gruber

Name: CHARLES F. GRUBER

Title: Chairman, Baldwin County  
Commission

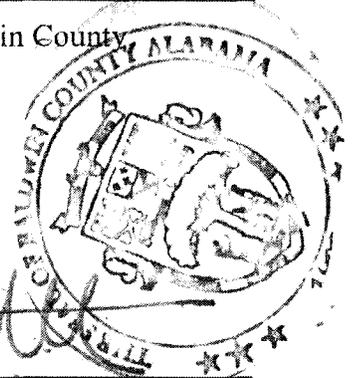
(Seal)

Attest:

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

Name: ANDREW BREWER

Title: County Administrator



**EXHIBIT A**

**RENTAL PAYMENT SCHEDULE**

Rental Payment Date	Rental Payment Amount	Interest Portion (1.122%)	Principal Portion	Outstanding Balance/ Purchase Price
11/25/2013	-	-	-	\$ 4,905,800.00
5/25/2014	\$ 628,806.90	\$ 27,521.54	\$ 601,285.36	4,304,514.64
11/25/2014	628,806.90	24,148.33	604,658.57	3,699,856.06
5/25/2015	628,806.90	20,756.19	608,050.71	3,091,805.36
11/25/2015	628,806.90	17,345.03	611,461.87	2,480,343.48
5/25/2016	628,806.90	13,914.73	614,892.17	1,865,451.31
11/25/2016	628,806.90	10,465.18	618,341.72	1,247,109.59
5/25/2017	628,806.90	6,996.28	621,810.62	625,298.97
11/25/2017	628,806.90	3,507.93	625,298.97	0.00

Prepayment Premium for purposes of Section 10.01(a) is zero.

For purposes of this Lease, "*Taxable Rate*," with respect to the interest component of Rental Payments, means an annual rate of interest equal to 1.7262%.

LESSEE:  
BALDWIN COUNTY, ALABAMA

By: Charles F. Orsler  
Name: CHARLES F. ORSLER

Title: Chairman, Baldwin County  
Commission

**EXHIBIT B**

**EQUIPMENT LIST**

**(SEE ATTACHED.)**

**FISCAL YEAR 2014 DECISION ITEMS**

**Equipment purchase**

<b><u>Department</u></b>	<b><u>Fleet Vehicles</u></b>
Personnel	Vehicle - Ford Explorer Type-Small
EMA	Vehicle - Tahoe type - 4 wheel drive
Building Maint	F150 truck - fleet rotation
Sales Tax	Vehicle for Audit
CIS	2 replacement Vehicles
Planning	Vehicle replacement
HWY-Administration	(2) vehicles
County Transportation	Vehicle - County Transportation
Sheriff Office	12 Marked 4 vehicles and equipment
	<b>Total Fleet Vehicles</b>

**Yellow Equipment**

HWY-Area 100	(1) Track hoe (CAT 336ELor equiv)
HWY-Area 100	(1) Track hoe (CAT 324EL or equiv)
HWY-Area 100	(1) Front End Loader (CAT 938K or equiv)
HWY-Area 100	(1) Motor Grader
HWY-Area 200	(1) Motor Grader
HWY-Area 200	(1) Motor Grader
HWY-Area 200	(1) Track hoe (CAT 336ELor equiv)
HWY-Area 300	(1) Track hoe (CAT 336ELor equiv)
HWY-Area 300	(1) Motor Grader
HWY-Area 300	(2) Motor Grader
	<b>Total Yellow Equipment</b>

**Other Equipment**

HWY-Area 100	(3) Tractors
HWY-Area 100	(2) 15' Batwing Mowers (1000 RPM)
HWY-Area 100	(1) 7' Bush hog Mower
HWY-Area 200	(3) Tractors
HWY-Area 200	(2) 15' Batwing Mowers (1000 RPM)
HWY-Area 200	(1) 7' Bush hog Mower
HWY-Area 300	(3) Tractors
HWY-Area 300	(2) 15' Batwing Mowers (1000 RPM)
HWY-Area 300	(1) 7' Bush hog Mower
HWY-Area 100	(1) Sign Truck (Freightliner M2 reg cab or equiv)
HWY-Area 200	(1) Water Truck Chassis
HWY-Area 200	(1) Sign Truck (Freightliner M2 reg cab or equiv)
HWY-Area 300	(1) Sign Truck (Freightliner M2 reg cab or equiv)
HWY-Area 300	(1) Water Truck Chassis
	<b>Total Other Equipment</b>

## **Acquisition Fund and Account Control Agreement**

This Acquisition Fund and Account Control Agreement (this "Agreement"), dated as of November 25, 2013, by and among Banc of America Public Capital Corp, (together with its successors and assigns, is hereinafter referred to as "Lessor"), Baldwin County, Alabama, a political subdivision of the State of Alabama (hereinafter referred to as "Lessee"), and Deutsche Bank National Trust Company, a national banking association (hereinafter referred to as "Acquisition Fund Custodian").

Reference is made to that certain Master Equipment Lease/Purchase Agreement dated as of November 25, 2013, between Lessor and Lessee (hereinafter referred to as the "Master Equipment Lease"), covering the acquisition and lease of certain Equipment described therein (the "Equipment"). It is a requirement of the Master Equipment Lease that the Equipment Cost of the Equipment in the amount of \$4,905,800 be deposited into an escrow under terms satisfactory to Lessor, for the purpose of fully funding Schedule of Property No. 1 to the Master Equipment Lease, and providing a mechanism for the application of such amounts to the purchase of and payment for the Equipment.

The parties agree as follows:

1. Creation of Acquisition Fund.

(a) There is hereby created a special trust fund to be known as the "Baldwin County, Alabama, Acquisition Fund" (the "Acquisition Fund") to be held in trust by the Acquisition Fund Custodian for the purposes stated herein, for the benefit of Lessor and Lessee, to be held, disbursed and returned in accordance with the terms hereof.

(b) The Acquisition Fund Custodian shall invest and reinvest moneys on deposit in the Acquisition Fund in Qualified Investments in accordance with written instructions received from Lessee. Lessee shall be solely responsible for ascertaining that all proposed investments and reinvestments are Qualified Investments and that they comply with federal, state and local laws, regulations and ordinances governing investment of such funds and for providing appropriate notice to the Acquisition Fund Custodian for the reinvestment of any maturing investment. Accordingly, neither the Acquisition Fund Custodian nor Lessor shall be responsible for any liability, cost, expense, loss or claim of any kind, directly or indirectly arising out of or related to the investment or reinvestment of all or any portion of the moneys on deposit in the Acquisition Fund, and Lessee agrees to and does hereby release the Acquisition Fund Custodian and Lessor from any such liability, cost, expenses, loss or claim. Interest on the Acquisition Fund shall become part of the Acquisition Fund, and gains and losses on the investment of the moneys on deposit in the Acquisition Fund shall be borne by the Acquisition Fund. The Acquisition Fund Custodian shall have no discretion whatsoever with respect to the management, disposition or investment of the the Acquisition Fund and is not a trustee or a fiduciary to Lessee. The Acquisition Fund Custodian shall not be responsible for any market decline in the value of the Acquisition Fund and has no obligation to notify Lessor and Lessee of any such decline or take any action with respect to the Acquisition Fund, except upon specific written instructions stated

herein. For purposes of this Agreement, "Qualified Investments" means any investments which meet the requirements of the State of Alabama.

(c) Unless the Acquisition Fund is earlier terminated in accordance with the provisions of paragraph (d) below, amounts in the Acquisition Fund shall be disbursed by the Acquisition Fund Custodian in payment of amounts described in Section 2 hereof upon receipt of written authorization(s) from Lessor, as is more fully described in Section 2 hereof. If the amounts in the Acquisition Fund are insufficient to pay such amounts, Lessee shall provide any balance of the funds needed to complete the acquisition of the Equipment. Any moneys remaining in the Acquisition Fund on or after the expiration of the Acquisition Period shall be applied as provided in Section 4 hereof.

(d) The Acquisition Fund shall be terminated at the earliest of (i) the final distribution of amounts in the Acquisition Fund or (ii) written notice given by Lessor of the occurrence of a default or termination of the Master Equipment Lease due to non-appropriation.

(e) The Acquisition Fund Custodian may act in reliance upon any writing or instrument or signature which it, in good faith, believes to be genuine and may assume the validity and accuracy of any statement or assertion contained in such a writing or instrument. The Acquisition Fund Custodian shall not be liable in any manner for the sufficiency or correctness as to form, manner of execution, or validity of any instrument nor as to the identity, authority, or right of any person executing the same; and its duties hereunder shall be limited to the receipt of such moneys, instruments or other documents received by it as the Acquisition Fund Custodian, and for the disposition of the same in accordance herewith. In the event conflicting instructions as to the disposition of all or any portion of the Acquisition Fund are at any time given by Lessor and Lessee, the Acquisition Fund Custodian shall abide by the instructions or entitlement orders given by Lessor without consent of the Lessee.

(f) Unless the Acquisition Fund Custodian is guilty of gross negligence or willful misconduct with regard to its duties hereunder, Lessee agrees to and does hereby release and indemnify the Acquisition Fund Custodian and hold it harmless from any and all claims, liabilities, losses, actions, suits or proceedings at law or in equity, or any other expense, fees or charges of any character or nature, which it may incur or with which it may be threatened by reason of its acting as Acquisition Fund Custodian under this Agreement; and in connection therewith, does to the extent permitted by law indemnify the Acquisition Fund Custodian against any and all expenses; including reasonable attorneys' fees and the cost of defending any action, suit or proceeding or resisting any claim.

(g) If Lessee and Lessor shall be in disagreement about the interpretation of the Master Equipment Lease, or about the rights and obligations, or the propriety of any action contemplated by, the Acquisition Fund Custodian hereunder, the Acquisition Fund Custodian may, but shall not be required to, file an appropriate civil action to resolve the disagreement. The Acquisition Fund Custodian shall be reimbursed by Lessee for all costs, including reasonable attorneys' fees, in connection with such civil action, and shall be fully protected in suspending all or part of its activities under the Master Equipment Lease until a final judgment in such action is received.

(h) The Acquisition Fund Custodian may consult with counsel of its own choice and shall have full and complete authorization and protection with the opinion of such counsel. The Acquisition Fund Custodian shall otherwise not be liable for any mistakes of fact or errors of judgment, or for any acts or omissions of any kind unless caused by its willful misconduct.

(i) Lessee shall reimburse the Acquisition Fund Custodian for all reasonable costs and expenses, including those of the Acquisition Fund Custodian's attorneys, agents and employees incurred for extraordinary administration of the Acquisition Fund and the performance of the Acquisition Fund Custodian's powers and duties hereunder in connection with any Event of Default under the Master Equipment Lease, or in connection with any dispute between Lessor and Lessee concerning the Acquisition Fund.

(j) The Acquisition Fund Custodian or any successor may at any time resign by giving mailed notice to Lessee and Lessor of its intention to resign and of the proposed date of resignation ("the Effective Date"), which shall be a date not less than 90 days after such notice is delivered to an express carrier, charges prepaid, unless an earlier resignation date and the appointment of a successor shall have been approved by the Lessee and Lessor. After the Effective Date, the Acquisition Fund Custodian shall be under no further obligation except to hold the Acquisition Fund in accordance with the terms of this Agreement, pending receipt of written instructions from Lessor regarding further disposition of the Acquisition Fund.

(k) The Acquisition Fund Custodian shall have no responsibilities, obligations or duties other than those expressly set forth in this Agreement and no fiduciary or implied duties responsibilities or obligations shall be read into this Agreement.

## 2. Acquisition of Property.

(a) Acquisition Contracts. Lessee will arrange for, supervise and provide for, or cause to be supervised and provided for, the acquisition of the Equipment, with moneys available in the Acquisition Fund. Lessee represents the estimated costs of the Equipment are within the funds estimated to be available therefore, and Lessor makes no warranty or representation with respect thereto. Lessor shall have no liability under any of the acquisition or construction contracts. Lessee shall obtain all necessary permits and approvals, if any, for the acquisition, equipping and installation of the Equipment, and the operation and maintenance thereof.

(b) Authorized Acquisition Fund Disbursements. Disbursements from the Acquisition Fund shall be made for the purpose of paying (including the reimbursement to Lessee for advances from its own funds to accomplish the purposes hereinafter described) the cost of acquiring the Equipment.

(c) Requisition Procedure. No disbursement from the Acquisition Fund shall be made unless and until Lessor has approved such requisition. Prior to disbursement from the Acquisition Fund there shall be filed with the Acquisition Fund Custodian a requisition for such payment in the form of Disbursement Request attached hereto as Schedule 1, stating each amount to be paid and the name of the person, firm or corporation to whom payment thereof is

due. Each such requisition shall be signed by an authorized representative of Lessee (an "Authorized Representative") and by Lessor, and shall be subject to the following:

1. Delivery to Lessor of an executed Disbursement Request in the form attached hereto as Schedule 1 certifying that:

(i) an obligation in the stated amount has been incurred by Lessee, and that the same is a proper charge against the Acquisition Fund for costs relating to the Equipment identified in the Master Equipment Lease, and has not been paid (or has been paid by Lessee and Lessee requests reimbursement thereof); (ii) the Authorized Representative has no notice of any vendor's, mechanic's or other liens or rights to liens, chattel mortgages, conditional sales contracts or security interest which should be satisfied or discharged before such payment is made; (iii) such requisition contains no item representing payment on account, or any retained percentages which Lessee is, at the date of such certificate, entitled to retain (except to the extent such amounts represent a reimbursement to Lessee); (iv) the Equipment is insured in accordance with the Master Equipment Lease; (v) no Event of Default (nor any event which, with notice or laps of time or both, would become an Event of Default) has occurred and is continuing and (vi) the representations, warranties and covenants of Lessee set forth in the Master Equipment Lease are true and correct as of the date hereof.

2. Delivery to Lessor of invoices (and proofs of payment of such invoices, if Lessee seeks reimbursement) and bills of sale (if title to such Equipment has passed to Lessee) therefore as required by Section 3.04 of the Lease and any additional documentation reasonably requested by Lessor; and

3. The disbursement shall occur during the Acquisition Period.

3. Deposit to Acquisition Fund. Upon satisfaction of the conditions specified in Section 3.04 of the Master Equipment Lease, Lessor will cause the Acquisition Amount to be deposited in the Acquisition Fund. Lessee agrees to pay any costs with respect to the Equipment in excess of amounts available therefore in the Acquisition Fund.

4. Excessive Acquisition Fund. Any funds remaining in the Acquisition Fund on or after the earlier of the expiration of the Acquisition Period or upon a termination of the Acquisition Fund as otherwise provided herein, shall be distributed by the Acquisition Fund Custodian to the Lessor in order for the Lessor to apply such funds to amounts owed by Lessee under the Master Equipment Lease in accordance with Section 4.07 thereof.

5. Security Interest. The Acquisition Fund Custodian and Lessee acknowledge and agree that the Acquisition Fund and all proceeds thereof are being held by Acquisition Fund Custodian for disbursement or return as set forth herein. Lessee hereby grants to Lessor a first priority perfected security interest in the Acquisition Fund, and all proceeds thereof, and all investments made with any amounts in the Acquisition Fund. If the Acquisition Fund, or any part thereof, is converted to investments as set forth in this Agreement, such investments shall be

made in the name of Acquisition Fund Custodian and the Acquisition Fund Custodian hereby agrees to hold such investments as bailee for Lessor so that Lessor is deemed to have possession of such investments for the purpose of perfecting its security interest.

6. Control of Acquisition Account. In order to perfect Lessor's security interest by means of control in (i) the Acquisition Fund established hereunder, (ii) all securities entitlements, investment property and other financial assets now or hereafter credited to the Acquisition Fund, (iii) all of Lessee's rights in respect of the Acquisition Fund, such securities entitlements, investment property and other financial assets, and (iv) all products, proceeds and revenues of and from any of the foregoing personal property (collectively, the "Collateral"), Lessor, Lessee and Acquisition Fund Custodian further agree as follows:

(a) All terms used in this Section 6 which are defined in the Commercial Code of the State of Alabama ("Commercial Code") but are not otherwise defined herein shall have the meanings assigned to such terms in the Commercial Code, as in effect on the date of this Agreement.

(b) Acquisition Fund Custodian will comply with all entitlement orders originated by Lessor with respect to the Collateral, or any portion of the Collateral, without further consent by Lessee.

(c) Acquisition Fund Custodian hereby represents and warrants (a) that the records of Acquisition Fund Custodian show that Lessee is the sole owner of the Collateral, (b) that Acquisition Fund Custodian has not been served with any notice of levy or received any notice of any security interest in or other claim to the Collateral, or any portion of the Collateral, other than Lessor's claim pursuant to this Agreement, and (c) that Acquisition Fund Custodian is not presently obligated to accept any entitlement order from any person with respect to the Collateral, except for entitlement orders that Acquisition Fund Custodian is obligated to accept from Lessor under this Agreement and entitlement orders that Acquisition Fund Custodian, subject to the provisions of paragraph (e) below, is obligated to accept from Lessee.

(d) Without the prior written consent of Lessor, Acquisition Fund Custodian will not enter into any agreement by which Acquisition Fund Custodian agrees to comply with any entitlement order of any person other than Lessor or, subject to the provisions of paragraph (e) below, Lessee, with respect to any portion or all of the Collateral. Acquisition Fund Custodian shall promptly notify Lessor if any person requests Acquisition Fund Custodian to enter into any such agreement or otherwise asserts or seeks to assert a lien, encumbrance or adverse claim against any portion or all of the Collateral.

(e) Except as otherwise provided in this paragraph (e) and subject to Section 1(b) hereof, Acquisition Fund Custodian may allow Lessee to effect sales, trades, transfers and exchanges of Collateral within the Acquisition Fund, but will not, without the prior written consent of Lessor, allow Lessee to withdraw any Collateral from the Acquisition Fund. Acquisition Fund Custodian acknowledges that Lessor reserves the right, by delivery of written notice to Acquisition Fund Custodian, to prohibit Lessee from effecting any withdrawals (including withdrawals of ordinary cash dividends and interest income), sales, trades, transfers or exchanges of any Collateral held in the Acquisition Fund. Further, Acquisition Fund Custodian

hereby agrees to comply with any and all written instructions delivered by Lessor to Acquisition Fund Custodian (once it has had a reasonable opportunity to comply therewith) and has no obligation to, and will not, investigate the reason for any action taken by Lessor, the amount of any obligations of Lessee to Lessor, the validity of any of Lessor's claims against or agreements with Lessee, the existence of any defaults under such agreements, or any other matter.

(f) Lessee hereby irrevocably authorizes Acquisition Fund Custodian to comply with all instructions and entitlement orders delivered by Lessor to Acquisition Fund Custodian.

(g) Acquisition Fund Custodian will not attempt to assert control, and does not claim and will not accept any security or other interest in, any part of the Collateral, and Acquisition Fund Custodian will not exercise, enforce or attempt to enforce any right of setoff against the Collateral, or otherwise charge or deduct from the Collateral any amount whatsoever.

(h) Acquisition Fund Custodian and Lessee hereby agree that any property held in the Acquisition Fund shall be treated as a financial asset under such section of the Commercial Code as corresponds with Section 8-102 of the Uniform Commercial Code, notwithstanding any contrary provision of any other agreement to which Acquisition Fund Custodian may be a party.

(i) Acquisition Fund Custodian is hereby authorized and instructed, and hereby agrees, to send to Lessor at its address set forth in Section 8 below, concurrently with the sending thereof to Lessee, duplicate copies of any and all monthly Acquisition Fund statements or reports issued or sent to Lessee with respect to the Acquisition Fund.

7. Information Required Under USA PATRIOT ACT. 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 Agreement agree that they will provide to the Acquisition Fund Custodian such information as it may request, from time to time, in order for the Acquisition Fund Custodian 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.

8. Miscellaneous. Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Master Equipment Lease. This Agreement may not be amended except in writing signed by all parties hereto. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original instrument and each shall have the force and effect of an original and all of which together constitute, and shall be deemed to constitute, one and the same instrument. Notices hereunder shall be made in writing and shall be deemed to have been duly given when personally delivered or when deposited in the mail,

first class postage prepaid, or delivered to an express carrier, charges prepaid, or sent by facsimile with electronic confirmation, addressed to each party at its address below:

If to Lessor: Banc of America Public Capital Corp  
555 California Street, 4<sup>th</sup> Floor  
Mail Code: CA5-705-04-01  
San Francisco, CA 94104  
Attn: Contract Administration  
Fax: 415-765-7373

If to Lessee: Baldwin County, Alabama  
312 Courthouse Square, Suite 11  
Bay Minette, AL 36507  
Attn: Baldwin County Commission Clerk/ Treasurer  
Fax: 251-239-4309

If to Acquisition Fund Custodian: Deutsche Bank National Trust Company  
1761 East St. Andrew Place  
Santa Ana, CA 92705  
Attn: Jane Snyder  
Phone: 714-247-6038  
Fax: 714-247-6035

[Remainder of Page Intentionally Left Blank; Signature Page Follows]

In Witness Whereof, the parties have executed this Acquisition Fund and Account Control Agreement as of the date first above written.

BANC OF AMERICA PUBLIC CAPITAL  
CORP  
as Lessor

By:   
Name: Terri Berton  
Title: Authorized Agent

BALDWIN COUNTY, ALABAMA  
as Lessee

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: Chairman, Baldwin County  
Commission

Deutsche Bank National Trust Company  
As Acquisition Fund Custodian

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

In Witness Whereof, the parties have executed this Acquisition Fund and Account Control Agreement as of the date first above written.

BANC OF AMERICA PUBLIC CAPITAL  
CORP  
as Lessor

BALDWIN COUNTY, ALABAMA  
as Lessee

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: Authorized Agent

By: Charles F. Prober  
Name: CHARLES F. PROBER  
Title: Chairman, Baldwin County  
Commission

Deutsche Bank National Trust Company  
As Acquisition Fund Custodian

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

In Witness Whereof, the parties have executed this Acquisition Fund and Account Control Agreement as of the date first above written.

BANC OF AMERICA PUBLIC CAPITAL  
CORP  
as Lessor

BALDWIN COUNTY, ALABAMA  
as Lessee

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: Authorized Agent

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: Chairman, Baldwin County  
Commission

Deutsche Bank National Trust Company  
As Acquisition Fund Custodian

By: David J. McGuire  
Name: David McGuire  
Title: Associate

By: Andrew Ball  
Name: Andrew Ball  
Title: Vice President

**SCHEDULE 1**

**FORM OF DISBURSEMENT REQUEST**

Re: Master Equipment Lease/Purchase Agreement dated as of November 25, 2013, by and between Banc of America Public Capital Corp, as Lessor and Baldwin County, Alabama, as Lessee (the "Master Equipment Lease")

In accordance with the terms of the Acquisition Fund and Account Control Agreement, dated as of November 25, 2013 (the "Acquisition Fund and Account Control Agreement"), by and among Banc of America Public Capital Corp ("Lessor"), Baldwin County, Alabama ("Lessee"), and Deutsche Bank National Trust Company (the "Acquisition Fund Custodian"), the undersigned hereby requests the Acquisition Fund Custodian to pay the following persons the following amounts from the Acquisition Fund created under the Acquisition Fund and Account Control Agreement (the "Acquisition Fund") for the following purposes.

Payee's Name and Address	Invoice Number	Dollar Amount	Purpose

The undersigned hereby certifies as follows:

(i) An obligation in the stated amount has been incurred by Lessee, and the same is a proper charge against the Acquisition Fund for costs relating to the Equipment identified in the Master Equipment Lease, and has not been paid. Attached hereto is the original invoice with respect to such obligation.

(ii) The undersigned, as Authorized Representative, has no notice of any vendor's, mechanic's or other liens or rights to liens, chattel mortgages, conditional sales contracts or security interest which should be satisfied or discharged before such payment is made.

(iii) This requisition contains no item representing payment on account, or any retained percentages which Lessee is, at the date hereof, entitled to retain.



## NO-ARBITRAGE CERTIFICATE

We, the undersigned Chairman of the Baldwin County Commission and the undersigned Clerk/Treasurer of BALDWIN COUNTY, ALABAMA, which is a political subdivision and instrumentality under the laws of Alabama (herein called "the County"), hereby certify as follows:

(1) Simultaneously with the execution and delivery of this certificate, the County is (a) executing and delivering

(i) that certain Master Equipment Lease/Purchase Agreement dated as of November 25, 2013 (herein called "the Master Equipment Lease"), between the County (as lessee) and Banc of America Public Capital Corp (herein called "the Bank"), a Kansas banking corporation, as lessor,

(ii) that certain Schedule of Property No. 1 to the Master Equipment Lease, dated November 25, 2013 (said Schedule of Property being herein sometimes called "Schedule No. 1," and, together with those provisions of the Master Equipment Lease that are effectively incorporated therein by reference, being herein sometimes called "the Lease"), between the County and the Bank, and

(iii) that certain Acquisition Fund and Account Control Agreement dated as of November 25, 2013 (herein called "the Acquisition Agreement"), among the County, the Bank, and Deutsche Bank National Trust Company,

and (b) under and pursuant to applicable provisions of the Lease, the Acquisition Agreement, and the Master Equipment Lease, effectively borrowing from the Bank the sum of \$4,905,800. [The Master Equipment Lease, Schedule No. 1, and the Acquisition Agreement are herein sometimes together referred to as "the Financing Documents."] The execution and delivery of the Financing Documents, and the borrowing therein effectively provided for (such borrowing being hereinafter referred to as "the Loan"), have been authorized pursuant to the provisions of a resolution and order adopted by the Baldwin County Commission on November 19, 2013 (which resolution and order is herein called "the Authorizing Resolution"), for the purpose of providing

for the permanent or long-term financing of costs of acquiring certain automobiles, track hoes, motor graders, tractors, mowers, trucks, and other motor vehicles, and certain other items of capital equipment (all of which are herein together called “the Capital Equipment”), all for use by certain departments of the County or by the office of the Baldwin County Sheriff (as the case may be) in the performance of their respective governmental functions, including the reimbursement to the County’s General Fund of certain moneys heretofore advanced by the County for payment of certain of such costs, with the understanding and intention that it would be reimbursed therefor by the County out of the proceeds from the Loan [see Paragraph (7) below].<sup>1</sup>

(2) The several obligations of the County for the payment of money under and pursuant to the Lease and the other Financing Documents, including particularly, but without limitation, the obligation of the County to pay rental under applicable provisions of the Lease (including the components or portions of such rental that are effectively designated, in Schedule No. 1, as either “principal” or “interest” with respect to the Loan), are, in effect, general obligations of the County. No other securities of the County to be paid from substantially the same source of funds as the Lease are being sold at substantially the same time as the execution and effectuation of the Lease and the other Financing Documents, or sold together with the Lease and the other Financing Documents pursuant to the same plan of financing.

(3) The Authorizing Resolution and the Financing Documents effectively require that the proceeds derived by the County from the Loan, viz., the sum of \$4,905,800, be applied to pay costs of the Capital Equipment. See Paragraphs (7) and (9) below.

(4) The Capital Equipment is expected to consist primarily of certain automobiles and trucks, certain large machinery and vehicles suitable for use in connection with the construction and maintenance of roads in the County (including, without limitation, a front end loader, and certain track hoes motor graders), tractors, mowers, and three so-called “sign trucks,”

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<sup>1</sup>Under the provisions of Treas. Reg. § 1.150-2(f)(1), an amount not in excess of \$100,000 of the “proceeds” of the Loan may be applied to reimburse the County for costs of the Capital Equipment heretofore paid by the County, without regard to the date or dates on which such costs were incurred or paid by the County, and whether or not the County timely adopted any so-called “official intent” with respect to such costs. See also Paragraph (7) below.

together with two so-called “water truck chassis.” The Master Equipment Lease and Schedule No. 1 effectively provide for the acquisition and purchase of the Capital Equipment by the County, at and for an aggregate purchase price estimated not to exceed approximately \$4,905,800, all of which the County expects to pay on or before November 1, 2014. All items of the Capital Equipment are expected to be delivered to the County no later than May 1, 2014.

(5) Substantially all items of the Capital Equipment have heretofore been selected by the County, and the aggregate costs of purchasing such items are expected to be not less than the sum of approximately \$4,451,207. The respective purchase prices of certain items of the Capital Equipment [viz., the three “sign trucks” referred to in Paragraph (4) above] have not yet been determined but are expected by the County to be ascertained on the basis of competitive bidding procedures to be carried out (but which have not yet been completed) under the effective direction and control of the State of Alabama or one of its departments or agencies. The total purchase price of the aforesaid “sign trucks” is expected to be not less than \$360,000 but is not expected to exceed \$450,000. None of the expenses incurred or expected to be incurred in connection with the Loan and the execution and effectuation of the Financing Documents (consisting primarily of fees and expenses of the County’s bond counsel) are expected to be paid out of the proceeds of the Loan but are instead expected to be paid out of other available moneys of the County.

(6) The total amount expected by the County to be needed for the governmental purposes of the Loan is thus not less than \$4,905,800. The total proceeds to be actually received by the County from the Loan (i.e., the borrowing evidenced by the Lease), i.e., the “sale proceeds” of the Loan [within the meaning of Treas. Reg. § 1.148-1(b)], is the gross sum of \$4,905,800.00. The sum of (a) the aforesaid “sale proceeds” of the Loan [within the meaning of Treas. Reg. § 1.148-1(b)], viz., the sum of \$4,905,800, and (b) the total amount of income to be derived from the temporary investment of said proceeds, and of such income (which is not expected to exceed approximately \$10,000, and all of which is anticipated to be available for payment of costs of the Capital Equipment) – viz., the sum of \$4,915,800 – is therefore not expected to exceed by more than 5% the aforesaid amount (\$4,908,500) necessary to accomplish the governmental purposes of the Lease. See Treas. Reg. § 1.148-10(a)(4); and see Paragraph (8) below.

(7) On or about November 5, 2013, and prior to the execution of the Financing Documents, the County expended, for payment of costs of certain items of the Capital Equipment an aggregate sum not exceeding \$8,000, which was advanced by the County from its General Fund. Therefore, of the “principal” proceeds derived by the County from the Loan (\$4,905,800) [see Paragraph (6) above], the aggregate sum of not exceeding approximately \$8,000 is expected to be effectively transferred and paid, no later than December 1, 2013, into the County’s General Fund, in order to reimburse the County (and its General Fund) for all or substantially all such amounts so expended by it (see footnote 1 above). The amount to so be effectively paid and reimbursed to the County is expected to be needed, used and fully expended by the County, for payment of ordinary and necessary expenses of operating the County, not later than the end of the current fiscal year of the County (i.e., the fiscal year ending September 30, 2014). See also Paragraphs (8) and (9) below.

(8) Since the respective purchase prices of certain items of the Capital equipment have not yet been determined [see Paragraph (5) above], it is possible that the total costs of such items of the Capital Equipment may substantially exceed the amounts estimated therefor by the County. In that event, or if otherwise the proceeds of the Loan and expected related investment income prove to be insufficient to pay all the costs of the Capital Equipment [see Paragraph (6) above], the County expects to provide for payment of such costs out of other of its funds available for such purposes (whether from its General Fund, from future capital borrowings, or from other sources); and the County may also elect to defer the purchase of such items of Capital Equipment (or other items of the Capital Equipment) until sufficient such funds become available therefor. However, if the total of the proceeds of the Loan and related investment income available to the County for payment of costs of the Capital Equipment should exceed the total costs thereof, the County anticipates that, in accordance with applicable provisions of the Acquisition Agreement and the Master Equipment Lease, the Bank will apply any such “excess” funds (a) no later than May 25, 2014 (i.e., the then next succeeding rental payment date under the Lease), for payment of all or part of the then next succeeding rental payment or payments coming due under the Lease (including, without limitation, that portion of each such rental payment that is designated, in the Lease, as “interest”, or (b) no later than November 25, 2014, for prepayment of installments of rental coming due under the Lease, in the inverse order of the maturities of such installments of rental, as set out in Schedule No. 1.<sup>2</sup>

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<sup>2</sup>The County understands that the Bank may permit the County to expend all or part of such

(9) It is therefore anticipated that the aggregate of the “proceeds” of the Loan – i.e., the sum of \$4,905,800 – plus the aforesaid income derived from the investment thereof (not exceeding \$10,000) – i.e., the aggregate sum of not exceeding \$4,915,800 – will be needed, used and fully expended, not later than November 25, 2014, (a) to pay costs of the Capital Equipment, including the reimbursement to the County of certain of such costs heretofore paid by it, or (b) for payment or prepayment of rentals under the Lease (i.e., debt service on the Loan). See Paragraphs (6), (7) and (8) above.

(10) The contractual obligations of the County under the Financing Documents, including particularly, but without limitation, the obligation of the County to pay rental under applicable provisions of the Lease (including the components of such rental that are effectively designated, in Schedule No. 1, as either “principal” or “interest”), are, in effect, general obligations of the County. [See Paragraph (2) above.] However, the County has not expressly pledged, for payment of such rental under Schedule No. 1, either its full faith and credit or its taxing power; the County has not specially pledged any specific funds or revenues for payment of rental under the Lease (i.e., debt service on the Loan); and no specific County revenues or tax proceeds have been specially pledged or appropriated for payment of such rental (or debt service). The County has not created and does not expect to create, and there does not now exist nor is there expected to be created, any debt service fund, redemption fund, reserve fund or other similar fund – i.e., any “sinking fund” [within the meaning of Treas. Reg. § 1.148-1(c)(2)] – to provide for payment of rentals coming due under the Lease (including the components of such rental that are effectively designated, in Schedule No. 1, as either “principal” or “interest”). Further, the County has not created and does not expect to create, and there does not now exist nor is there expected to exist or to be created, any fund that may be considered a pledged or collateralized reserve for the Loan.

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“excess” funds for payment of costs of such other items of Capital Equipment or for purchase of other items of capital equipment that may, under applicable provisions of the Master Equipment Lease and Schedule No. 1, be subjected to the Lease and form a part of the Capital Equipment; however, under the terms of the Financing Documents, the Bank is not obligated to do so. The County expects, however, that in the event the Bank does permit it to expend any such “excess” funds for the acquisition of additional items of Capital Equipment, it will do so no later than November 1, 2014.

(11) No part of the properties acquired (or to be acquired) as part of the Capital Equipment has heretofore been sold or otherwise disposed of, and no part of any thereof (except possibly for certain items of personal property thereof that may become worn-out and have to be replaced) is expected to be sold or otherwise disposed of prior to the termination of the Lease in accordance with its terms (i.e., the full retirement of the Loan).

(12) None of the proceeds of the Loan (including, without limitation, the proceeds to be derived by the County from the Loan and the income expected to be derived by the County from the temporary investment thereof, or of such income) will be invested in any investment with respect to which the yield is guaranteed for a period of four years or more [it being understood that the existence of a guaranteed yield investment is not precluded (a) by any provisions of the related investment contract specifying a lower yield if there are expenditures prior to the expenditure dates contemplated in the contract, or (b) by other commercially normal exceptions to the guarantee].

(13) Although the County has not made a formal calculation of the “weighted average maturity” of either the Lease or the Loan within the meaning of Treas. Reg. § 1.148-1(c)(4)(i)(B)(2)], determined as of the effective date thereof, the County believes that the weighted average maturity of the Loan will not exceed 120% of the “average reasonably expected economic life” of the items to be acquired as Capital Equipment [determined as provided in Section 147(b) of the Internal Revenue Code of 1986, as amended]. The County therefore expects that the term of the Lease (or, in other words, the term of the Loan) will not be longer than is reasonably necessary for the governmental purposes of the “issue” (viz., the Loan). See Treas. Reg. §§ 1.148-1(c)(4)(i)(B)(2) and 1.148-10(a)(4).

(14) None of the “proceeds” of the Loan [within the meaning of Treas. Reg. § 1.148-1(b)] are expected to be used, directly or indirectly, to finance a so-called “working capital reserve” [within the meaning of Treas. Reg. § 1.148-1(c)(4)(ii)(A)] held or to be held by the County. See Paragraphs (3) and (9) above. Therefore, the County does not expect that there will exist, with respect to the Loan (or any of the Financing Documents), any “replacement proceeds,” within the meaning of Treas. Reg. § 1.148-1(c).<sup>3</sup>

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<sup>3</sup>As noted in Paragraph (10) above, the County does not expect to create any “sinking fund” for payment of principal of or interest on the Loan.

(15) None of the money to be derived by the County from the Loan is expected to be used directly or indirectly to replace funds used (or to be used) by the County, directly or indirectly, to acquire taxable securities or obligations that are anticipated to produce a yield "materially higher" than the yield on the Loan (or the Lease). Except for the moneys to be derived by the County from the Loan and the investment income therefrom [see Paragraph (6) above], the County has not appropriated, earmarked or set aside, and does not expect to appropriate, earmark or set aside, any moneys for payment of those costs of the Capital Equipment that are expected to be paid out of such proceeds of the Loan and said investment income [see Paragraph (5) above].

(16) To the best of our knowledge and belief, (a) the above expectations are reasonable, and (b) there are no other facts, estimates or circumstances that would materially change any of the foregoing expectations or conclusions.

(17) The officers executing this certificate include one of those charged, by the Authorizing Resolution, with the responsibility of executing Schedule No. 1, the Master Equipment Lease, and the Acquisition Agreement and otherwise effectuating the Loan. [The undersigned Clerk/Treasurer of the County also serves as the Director of the Finance and Accounting Department of the County.]

WITNESS our signatures, in our respective capacities shown below, under the official seal of the County, this 25th day of November, 2013.



*[Handwritten signature]*

Chairman of the Baldwin County Commission

*[Handwritten signature: Kimberly Creech]*

Clerk/Treasurer of  
BALDWIN COUNTY, ALABAMA

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

► Under Internal Revenue Code section 149(e)  
► See separate instructions.

OMB No. 1545-0720

Department of the Treasury  
Internal Revenue Service

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

<b>Part I Reporting Authority</b>		If Amended Return, check here <input type="checkbox"/>	
1 Issuer's name <b>Baldwin County, Alabama</b>		2 Issuer's employer identification number (EIN) [REDACTED]	
3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions) <b>David W. Spurlock (Bond Counsel)</b>		3b Telephone number of other person shown on 3a <b>205-244-5200</b>	
4 Number and street (or P.O. box if mail is not delivered to street address) <b>312 Courthouse Square</b>	Room/suite <b>Suite 12</b>	5 Report number (For IRS Use Only) <b>3</b>	
6 City, town, or post office, state, and ZIP code <b>Bay Minette, Alabama 35607</b>		7 Date of issue <b>November 25, 2013</b>	
8 Name of issue <b>Master Equipment Lease/Purchase Agreement (Schedule of Property No. 1) dated 11/25/13</b>		9 CUSIP number <b>None</b>	
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information (see instructions) <b>Kimberly Creech, County Clerk/Treasurer</b>		10b Telephone number of officer or other employee shown on 10a <b>251-937-0350</b>	

**Part II Type of Issue (enter the issue price).** 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 ► <b>Motor vehicles, highway construction equipment, mowers, tractors, graders, etc.</b>	18	<b>4,905,800</b>	
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"/>

**Part III Description of Obligations.** Complete for the entire issue for which this form is being filed.

	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	11/25/17	\$ 4,905,800	\$ N/A	4.00 years	1.122 %

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

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

**Part V Description of Refunded Bonds.** 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>		-0-
<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>		-0-
<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>		-0-
<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 checked="" type="checkbox"/> and enter the amount of reimbursement . . . . . ▶ <u>\$8,000</u>			
<b>b</b> Enter the date the official intent was adopted ▶ <u>N/A</u>			

<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.				
		11-25-13	<b>Charles F. Gruber, Chairman</b>		
	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
	David W. Spurlock, Esq.		11/25/13		
	Firm's name ▶ Jones Walker LLP	Firm's EIN ▶			
Firm's address ▶ 1819 5th Avenue North, Suite 1100, Birmingham, Alabama 35203			Phone no. 205-244-5200		

**INCUMBENCY CERTIFICATE**

The undersigned Chairman of the BALDWIN COUNTY COMMISSION (herein called "the Commission"), which is the governing body of BALDWIN COUNTY, ALABAMA (herein called "the County"), and the undersigned County Administrator of the County, do hereby certify as follows:

1. This certificate is executed and delivered in connection with the execution and delivery by the County, as of the date hereof, of

(a) that certain Master Equipment Lease/Purchase Agreement dated as of November 25, 2013 (herein called "the Master Equipment Lease"), between the County (as lessee) and Banc of America Public Capital Corp (herein called "the Bank"), a Kansas banking corporation, as lessor,

(b) that certain Schedule of Property No. 1 to the Master Equipment Lease, dated November 25, 2013 (said Schedule of Property being herein sometimes called "Schedule No. 1," and, together with those provisions of the Master Equipment Lease that are effectively incorporated therein by reference, being herein sometimes called "the Lease"), between the County and the Bank, and

(c) that certain Acquisition Fund and Account Control Agreement dated as of November 25, 2013 (herein called "the Acquisition Agreement"), among the County, the Bank, and Deutsche Bank National Trust Company,

all pursuant to that certain Resolution and Order 2014-023 (herein called "the Authorizing Resolution") duly adopted by the Commission on November 19, 2013. The Master Equipment Lease, Schedule No. 1, and the Acquisition Agreement are herein sometimes together referred to as "the Financing Documents."

2. The names of the incumbent members of the Commission and certain other employees of the County, and the dates of ending of their respective current terms of office, are as follows:

<u>Name and Office</u>		<u>Term Expires</u>
Charles F. Gruber	Chairman	November 11, 2014

Charles F. Gruber	Member	November 11, 2014
Robert E. James	Member	November 11, 2014
Frank Burt, Jr.	Member	November 11, 2014
J. Tucker Dorsey	Member	November 11, 2014
David A. Z. Brewer	County Administrator	December 3, 2013
Kimberly Creech	Clerk/Treasurer	December 3, 2013

3. Each of the foregoing members of the Commission has duly filed his oath of office, and each of the foregoing members of the Commission and employees of the County who was legally required to give bond or other undertaking has filed such bond or undertaking, in form and amount and at the time required by law, and has otherwise duly qualified, and each of them is the acting officer or employee holding the office stated immediately following his or her name, for the period above indicated.

4. Regular meetings of the Commission are held on the first and third Tuesdays in each month at 8:30 a.m., in the Commission Chambers at the Baldwin County Administration Building (Courthouse Annex) in the City of Bay Minette, Alabama.

5. The County is now and has been for more than 193 years a political subdivision of the State of Alabama. No proceedings for the dissolution of the County have ever been taken.

6. The seal affixed hereto is the officially adopted corporate seal of the County and the undersigned Chairman is the official custodian thereof and is duly authorized to affix the same to bonds, warrants, contracts, certificates and other obligations and documents of the County and to certify copies of the minutes, proceedings and records of the County and the Commission.

7. The Commission duly adopted the Authorizing Resolution on November 19, 2013, and the Authorizing Resolution has not been repealed, amended, revoked or changed and is still in full force and effect.

8. The undersigned Chairman has manually executed each of the Financing Documents, and the undersigned County Administrator has manually affixed the official corporate seal of the County to each of the Financing Documents. Each of the Financing

Documents was in substantially the form referred to in the Authorizing Resolution, and each thereof has been executed as provided therein.

9. On the date of adoption of the Authorizing Resolution, on the date of execution of each of the Financing Documents, and on this date, we were and now are the duly elected or appointed, qualified and acting officers of the County indicated by our signatures thereon and hereon.

10. The execution and delivery of the Financing Documents, and compliance by the County with the respective provisions thereof, under the circumstances contemplated thereby, do not and will not conflict with, or constitute on the part of the County a breach of or default under, any material provision of any agreement, indenture, mortgage, contract, lease, regulation, court order or consent decree to which the County is subject or a party.

11. We have no knowledge or information of any agreement, representation, condition, understanding or stipulation, whether oral or written or expressed or implied, respecting the authorization of the Financing Documents, or the disposition or other dealing with any moneys payable to the County by the Bank pursuant to any of the Financing Documents (including particularly, but without limitation, the Acquisition Agreement), other than as set forth in the Authorizing Resolution, the closing papers of which this certificate forms a part, and in the other documents which have been furnished to Jones Walker LLP, for their examination. None of the proceedings, records or representations which have been certified to the Bank or any other party to any of the Financing Documents (as the case may be) or to Jones Walker LLP, have been repealed, amended or changed, and there has been no change in the facts affecting the Financing Documents.

12. There is no litigation of any nature pending or threatened in any court restraining, enjoining or in any manner questioning the validity or legality of any of the following: the existence of the County; the territorial boundaries of the County; the election or title of any of the aforesaid persons as officers of the County; the Authorizing Resolution, or any term or provision thereof; the Master Equipment Lease; either the Lease or Schedule No. 1; the Acquisition Agreement; the purposes for which the Financing Documents have been executed and delivered on behalf of the County; the application of any moneys payable to the County by the Bank pursuant to any of the Financing Documents (including particularly, but without limitation, the Acquisition Agreement); the constitutionality of any statute or the validity of any proceedings relative to the County or to the Financing Documents; or any other matter referred to in this certificate.



**CERTIFICATE**

The undersigned Clerk/Treasurer of Baldwin County, Alabama ("*Lessee*"), certifies as follows:

A. The following listed persons are duly elected or appointed and acting officials of Lessee (the "*Officials*"), in the capacity set forth opposite their respective names below, and their respective signatures are true and correct as of the date hereof.

B. The Officials are duly authorized, on behalf of Lessee, to negotiate, execute and deliver the Master Equipment Lease/Purchase Agreement dated as of November 25, 2013, and the Schedule(s) thereunder and all future Schedule(s) (the "*Agreements*") by and between Lessee and Banc of America Public Capital Corp, and these Agreements are binding and authorized agreements of Lessee, enforceable in all respects in accordance with their terms.

Name of Official	Title	Signature
Charles F. Gruber	Chairman	
David A.Z. Brewer	County Administrator	
Kimberly Creech	County Clerk/Treasurer	

Dated: November 25, 2013

By: Kimberly Creech  
Name: Kimberly Creech  
Title: County Clerk/Treasurer

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**RESOLUTION AND ORDER 2014-023**

**A RESOLUTION AND ORDER APPROVING THE MASTER EQUIPMENT LEASE/PURCHASE AGREEMENT, THE ACQUISITION FUND AND ACCOUNT CONTROL AGREEMENT AND THE SCHEDULE OF PROPERTY NO. 1**

---

BE IT RESOLVED AND ORDERED BY THE BALDWIN COUNTY COMMISSION (herein called "the Commission") as follows:

**Section 1. Findings.**

The Commission hereby finds and declares as follows:

(a) Baldwin County (herein called "the County") proposes to acquire certain equipment for use by it in connection with the performance of its essential governmental or proprietary functions; and

(b) in the judgment of the Commission, it is advisable, and in the best interests of the residents and taxpayers of the County, that the County proceed to acquire the aforesaid equipment and, in order to finance the acquisition of such equipment, that the County enter into the contracts hereinafter authorized, adopted and approved.

**Section 2. Authorization, Adoption and Approval of Financing Agreements.**

The County is hereby authorized to enter into

(a) an appropriate contract (herein called "the Master Equipment Lease") with Banc of America Public Capital Corp (herein called "Capital Corp"), which contract is to be entitled "Master Equipment Lease/Purchase Agreement" and shall be in substantially the form heretofore submitted to the County by Capital Corp and presented to the meeting of the Commission at which this resolution and order is adopted, with such changes thereto as the Chairman of the Commission, with the advice of legal counsel for the County, approves and deems appropriate (such approval and appropriateness to be conclusively evidenced by his execution thereof),

(b) an appropriate contract (herein called "the Acquisition Agreement") with Capital Corp and Deutsche Bank National Trust Company (herein called "the Trust Company"), which contract is to be entitled "Acquisition Fund and Account Control Agreement" and shall be in substantially the form heretofore submitted to the County by Capital Corp and presented to the meeting of the Commission at which this resolution and order is adopted, with such changes thereto as the Chairman of the Commission, with the advice of legal counsel for the County, approves and deems appropriate (such approval and appropriateness to be conclusively evidenced by his execution thereof), and

(c) pursuant to and in accordance with applicable provisions of the Master Equipment Lease, an appropriate contract (herein called "Schedule No. 1") with Capital Corp, which contract is to be entitled "Schedule of Property No. 1" and shall be in

substantially the form heretofore submitted to the County by Capital Corp and presented to the meeting of the Commission at which this resolution and order is adopted, with such changes thereto as the Chairman of the Commission, with the advice of legal counsel for the County, approves and deems appropriate (such approval and appropriateness to be conclusively evidenced by his execution thereof) .

The aforesaid respective forms of the Master Equipment Lease, the Acquisition Agreement, and Schedule No. 1 (herein sometimes together called "the Financing Agreements"), including changes thereto as aforesaid, are each hereby adopted and approved in all respects as if the same were set out in full herein. The Chairman of the Commission is hereby authorized and directed to complete, execute and deliver each of the Financing Agreements for and in the name and behalf of the County, and the County Administrator of the County is hereby authorized and directed to affix the official seal of the County to each of the Financing Agreements and to attest the same, if and to the extent that such Agreement (in the form approved as aforesaid by the Chairman) so requires.

**Section 3. Concerning Future Schedules of Property.**

The Commission recognizes and acknowledges

(a) that, under applicable provisions of the Master Equipment Lease, the County may hereafter and from time to time, for the purpose of financing the acquisition of additional items of equipment for use by the County, enter into further agreements with Capital Corp (or its then successor and assign under the Master Equipment Lease) and the Trust Company (or other banking corporation or financial institution then acting or to act as custodian under the Acquisition Agreement or other comparable contract), including, among others, a separately numbered "Schedule of Property" in respect of such additional equipment to be then acquired, and

(b) that neither Capital Corp nor the Trust Company will be obligated, under either the Master Equipment Lease or the Acquisition Agreement, to enter into any such further agreement with the County.

The Commission understands that it will be effectively required to authorize each such future financing transaction by adoption of a new resolution or resolution and order. However, the Commission hereby now further authorizes and directs the Chairman of the Commission and the County Administrator are hereby further to complete and execute every "Schedule of Property" as is contemplated by the Master Equipment Lease and as may hereafter be authorized by the Commission in connection with any such future financing transaction.

**Section 4. Additional Certificates and Documents.**

The Chairman, the County Administrator, and the County Finance Director, or any of them, are hereby further authorized and directed to execute, deliver, seal, and attest such other ancillary certificates and documents, including without limitation, (a) any and all "Disbursement Requests" that may hereafter be submitted by the County pursuant to the Acquisition Agreement, (b) a so-called "No-Arbitrage Certificate," (c) Internal Revenue Service Form 8038-G, and (d) one or more so-called incumbency, indebtedness, no-litigation and signature certificate or certificates and other similar "closing papers," each such certificate or document to contain such representations as may, in the judgment of the Chairman of the Commission, with the advice of legal counsel for the County, be either necessary or advisable to demonstrate the legality and validity of the Financing Agreements; the exclusion from gross income, for purposes of Federal income taxation generally, of any interest component or components of any rental

payments to be made by the County pursuant to Schedule No. 1; the exemption of any such interest component or components from income taxation by the State of Alabama; and the absence of pending or threatened litigation with respect to any of such matters.

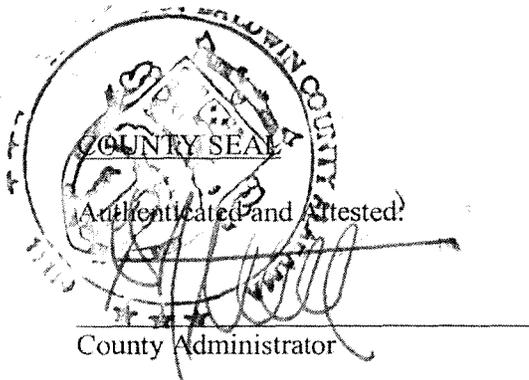
**Section 5. Repeal of Conflicting Provisions.**

All resolution and orders, resolutions, and orders, or parts of any thereof, in conflict with this resolution and order are, to the extent of such conflict, hereby repealed.

**Section 6. Severability.**

The provisions of this resolution and order are severable. In the event that any one or more of such provisions, or the provisions of any of the Financing Agreements, shall, for any reason, be held illegal or invalid, such illegality or invalidity shall not affect the other provisions of this resolution and order or of each of the Financing Agreements, and this resolution and order, and each of the Financing Agreements, shall be construed and enforced as if such illegal or invalid provision had not been contained herein or therein.

Adopted this 19<sup>th</sup> day of November, 2013.



Chad + Del  
Chairman



**UCC FINANCING STATEMENT**

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER [optional]	
Emily Magee	904-359-8735
B. SEND ACKNOWLEDGMENT TO: (Name and Address)	
Foley & Lardner LLP 1 Independent Drive Suite 1300 Jacksonville, FL 32202 USA	

Alabama  
 Sec. Of State  
 B 13-7456478 FS  
 Date 12/18/2013  
 Time 03:49 PM  
 131218 1 Pg  
 File \$15.00  
 Access \$9.75  
 Conv \$4.50  
 Total \$29.25  
 7787654

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S EXACT FULL LEGAL NAME -insert only one debtor name (1a or 1b) -do not abbreviate or combine names

1a. ORGANIZATION'S NAME						
Baldwin County, Alabama						
OR		1b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
1c. MAILING ADDRESS			CITY	STATE	POSTAL CODE	COUNTRY
321 Courthouse Square   Suite 12			Bay Minette	AL	36507	USA
ADD'L INFO RE ORGANIZATION DEBTOR		1e. TYPE OF ORGANIZATION	1f. JURISDICTION OF ORGANIZATION		1g. ORGANIZATIONAL ID #, if any	
			AL		<input type="checkbox"/> NONE	

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME -insert only one debtor name (2a or 2b) -do not abbreviate or combine names

2a. ORGANIZATION'S NAME						
OR		2b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
2c. MAILING ADDRESS			CITY	STATE	POSTAL CODE	COUNTRY
ADD'L INFO RE ORGANIZATION DEBTOR		2e. TYPE OF ORGANIZATION	2f. JURISDICTION OF ORGANIZATION		2g. ORGANIZATIONAL ID #, if any	
					<input type="checkbox"/> NONE	

3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) -insert only one secured party name (3a or 3b)

3a. ORGANIZATION'S NAME						
Banc of America Public Capital Corp						
OR		3b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
3c. MAILING ADDRESS			CITY	STATE	POSTAL CODE	COUNTRY
2059 Northlake Parkway   4th Floor			Tucker	GA	30084	USA

4. This FINANCING STATEMENT covers the following collateral:  ATTACHMENT

The equipment generally described as the personal property leased under that certain Master Equipment Lease/Purchase Agreement dated as of November 25, 2013, and Schedule of Property No. 1 dated November 25, 2013, each between the Secured Party, as Lessor, and the Debtor, as Lessee (collectively, the "Lease"), including but not limited to various fleet vehicles, yellow equipment and other equipment (as further described in disbursement requests to Acquisition Fund and Account Control Agreement dated November 25, 2013), and all modifications, additions, attachments, accessories, spare parts, rights to claims and warranties, proceeds and insurance proceeds therefrom.

5. ALTERNATIVE DESIGNATION (if applicable)	LESSEE/LESSOR	CONSIGNEE/CONSIGNOR	BAILEE/BAILOR	SELLER/BUYER	AG. LIEN	NON-UCC FILING
6. This FINANCING STATEMENT is to be filed (or recorded) in the REAL ESTATE RECORDS. Attach Addendum	7. Check to REQUEST SEARCH REPORT(S) on Debtor(s) (OPTIONAL FEE)		All Debtors	Debtor 1	Debtor 2	
8. OPTIONAL FILER REFERENCE DATA						
026295/0230						





ONE FEDERAL PLACE  
1819 5TH AVENUE NORTH, SUITE 1100  
BIRMINGHAM, ALABAMA 35203-2122  
205-244-5200  
FAX 205-244-5400  
www.joneswalker.com

November 25, 2013

Banc of America Public Capital Corp  
555 California Street, 4th Floor  
San Francisco, California 94104

Re: Schedule of Property No. 1, dated November 25, 2013, to Master Equipment Lease/Purchase Agreement, dated as of November 25, 2013, between Banc of America Public Capital Corp, as Lessor, and Baldwin County, Alabama, as Lessee

Ladies and Gentlemen:

As legal counsel to Baldwin County, Alabama (herein called "the Lessee"), we have examined (a) an executed counterpart of that certain Master Equipment Lease/Purchase Agreement dated as of November 25, 2013, and exhibits thereto (said Agreement and exhibits being herein together called "the Master Equipment Lease"), by and between Banc of America Public Capital Corp (herein called "the Lessor") and the Lessee, (b) an executed counterpart of that certain Schedule of Property No. 1 dated November 25, 2013 (herein called "Schedule No. 1"), by and between the Lessor and the Lessee, which provides, among other things, for the leasing of certain property listed in Schedule No. 1 (herein called "the Equipment") by the Lessor to the Lessee, (c) an executed counterpart of that certain Acquisition Fund and Account Control Agreement dated as of November 25, 2013 (herein called "the Acquisition Agreement"), among the Lessor, the Lessee, and Deutsche Bank National Trust Company, in its capacity as the "Acquisition Fund Custodian" thereunder, (d) certified copies of proceedings of the governing body of the Lessee which, among other things, authorize the Lessee to execute the Master Equipment Lease, Schedule No. 1, and the Acquisition Agreement, and (e) such other opinions, documents and matters of law as we have deemed necessary in connection with the following opinions. Schedule No. 1, including the exhibits thereto (which consist of a "Rental Payment Schedule" and an "Equipment List"), and the terms and provisions of the Master Equipment Lease incorporated therein by reference, are herein together referred to as "the Lease"; and the Lease and the Acquisition Agreement are herein together referred to as "the Transaction Documents."

Based on the foregoing, we are of the following opinions:

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JONES WALKER LLP

1. The Lessee is a public body corporate and politic, duly organized and existing under the laws of the State of Alabama, and is a political subdivision of the State of Alabama, within the meaning of Section 103(c) of the Internal Revenue Code of 1986, as amended (herein called "the Federal Tax Code"), and the obligations of the Lessee under the Lease will constitute an obligation of the Lessee within the meaning of Section 103(a) of the Federal Tax Code, notwithstanding the provisions of Section 103(b) of the Federal Tax Code.

2. The Lessee has the requisite power and authority to lease and acquire the Equipment, to execute and deliver the Transaction Documents, and to perform its obligations under the Lease.

3. The Lease has been duly authorized, approved, executed and delivered by and on behalf of the Lessee, and the Transaction Documents are each valid and binding obligations of the Lessee, enforceable against it in accordance with their respective terms.

4. The authorization, approval, execution and delivery of the Transaction Documents, and all other proceedings of the Lessee relating to the transactions contemplated thereby, have been performed in accordance with all open meeting laws, public bidding laws and all other applicable state or Federal laws

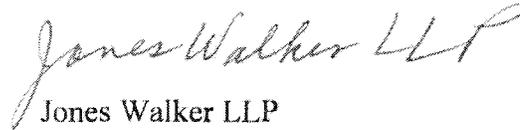
5. There is no proceeding pending or threatened in any court, or before any governmental authority or arbitration board or tribunal, that, if adversely determined, would adversely affect either the transactions contemplated by the Transaction Documents or the security interest of the Lessor or its assigns, as the case may be, in the Equipment or other collateral thereunder.

6. The portions of the rentals payable by the Lessee under Schedule No. 1 (herein referred to as "Rental Payments") that are therein designated as, and that constitute, interest paid by the Lessee and received by the Lessor, are excludible from the Lessor's gross income for Federal income tax purposes under Section 103 of the Federal Tax Code and are exempt from State of Alabama personal income taxation; and such interest is not a specific item of tax preference for purposes of the Federal individual or corporate alternative minimum taxes.

Banc of America Public Capital Corp  
November 25, 2013  
Page 3

The Lessor and its successors and assigns, and any counsel rendering an opinion on the tax-exempt status of the interest components of the Rental Payments, are entitled to rely on this opinion.

Very truly yours,

  
Jones Walker LLP

DWS/dc

# Bank of America

Amendment Number 1  
to Schedule of Property No. 1 dated  
November 25, 2013

This Amendment, made this 7<sup>th</sup> day of January, 2015 to the Schedule of Property No. 1 dated as of November 25, 2013 ("Agreement") between Banc of America Public Capital Corp ("Lessor") and Baldwin County, Alabama ("Lessee").

WITNESSETH:

WHEREAS, Lessor and Lessee are parties to the Agreement; and

WHEREAS, Lessor and Lessee desire to amend certain provisions of the Agreement;

NOW, THEREFORE, in consideration of the premises and the mutual obligations hereinafter contained, and for other good and valuable consideration, the receipt whereof is hereby acknowledged, the parties hereto agree as follows:

1. Section 7 of the Agreement is amended by modifying the Acquisition Period stated as ending "at the conclusion of the 12<sup>th</sup> month following the date hereof" to "at the conclusion of the 15<sup>th</sup> month following the date hereof".
2. Except as amended hereby, the Agreement shall remain in full force and effect and is in all respects hereby ratified and affirmed. Capitalized terms not otherwise defined herein shall have the meanings ascribed them in the Agreement.

IN WITNESS WHEREOF, the parties hereunto have caused this instrument to be executed by their duly authorized officers as of the day and year first above written.

Banc of America Public Capital Corp (Lessor)

By:

Bridgett Arnold

Printed Name:

Bridgett Arnold

Title:

Authorized Agent

Baldwin County, Alabama (Lessee)

By:

Charles F. Gruber

Printed Name:

Charles F. Gruber

Title:

Chairman

