

CERTIFICATE AS TO RESOLUTION AND ADOPTING VOTE

I, the undersigned, being the duly qualified and acting recording officer of the City of Billings, Montana (the "City"), hereby certify that the attached resolution is a true copy of a Resolution No. _____ entitled: "RESOLUTION AUTHORIZING CERTAIN IMPROVEMENTS TO CITY POLICE VEHICLES AND APPROVING A LEASE-PURCHASE AGREEMENT IN CONNECTION THEREWITH" (the "Resolution"), on file in the original records of the City in my legal custody; that the Resolution was duly adopted by the City Council of the City at a regular meeting on February 13, 2012, and that the meeting was duly held by the City Council and was attended throughout by a quorum, pursuant to call and notice of such meeting given as required by law; and that the Resolution has not as of the date hereof been amended or repealed.

I further certify that, upon vote being taken on the Resolution at said meeting, the following Council Members voted in favor thereof: _____; voted against the same: _____; abstained from voting thereon: _____; or were absent: _____.

WITNESS my hand and seal officially this ___ day of February, 2012.

(SEAL)

City Clerk

RESOLUTION NO. ____

RESOLUTION AUTHORIZING CERTAIN IMPROVEMENTS
TO CITY POLICE VEHICLES AND APPROVING A LEASE-
PURCHASE AGREEMENT IN CONNECTION THEREWITH

BE IT RESOLVED by the City Council (the "Council") of the City of Billings, Montana (the "City"), as follows:

Section 1. Recitals, Authorization and Findings.

1.01. The City proposes to purchase new lap-top computers or "Toughbooks" and related equipment (the "Toughbook Improvements") and new cameras and related equipment (the "Camera Improvements") for use in the City's police vehicles. The total cost of the Toughbook Improvements is estimated to be \$360,149 and the total cost of the Camera Improvements is estimated to be \$264,935.

1.02. The City is a party to the Master Tax-Exempt Installment Purchase Agreement dated October 28, 2011 with U.S. Bancorp Government Leasing and Finance, Inc., as successor in interest to U.S. Bancorp Equipment Finance, Inc., as lessor ("U.S. Bancorp"), in the form attached hereto as Exhibit A (the "Lease-Purchase Agreement"). The financing of the Toughbook Improvements will be pursuant to the Lease-Purchase Agreement and will be further governed by the terms and conditions set forth in Property Schedule No. 3 to the Lease-Purchase Agreement, substantially in the form attached hereto as Exhibit B (the "Toughbook Property Schedule"), and the financing of the Camera Improvements will be pursuant to the Lease-Purchase Agreement and will be further governed by the terms and conditions set forth in Property Schedule No. 4, substantially in the form attached hereto as Exhibit C to the Lease-Purchase Agreement (the "Camera Property Schedule").

1.03. The installment payments payable by the City pursuant to the Toughbook Property Schedule with respect to the Toughbook Improvements (the "Toughbook Installment Payments") shall constitute current expenses of the City's Public Safety Fund and shall not in any way be construed to be debts of the City in contravention of any applicable constitutional or statutory limitation or requirements concerning the creation of indebtedness by the City, nor shall anything contained therein constitute a pledge of the general tax revenues, funds or money of the City. The Toughbook Installment Payments shall be payable only from current funds which are budgeted and appropriated solely from the City's Public Safety Fund for such purpose during the fiscal year of the City for which such funds were budgeted and appropriated. The City has not pledged the full faith and credit of the City, Yellowstone County or the State of Montana to the payment of amounts due under the Lease-Purchase Agreement, the Toughbook Property Schedule.

1.04. The installment payments payable by the City pursuant to the Camera Property Schedule with respect to the Camera Improvements (the "Camera Installment Payments") shall constitute current expenses of the City's Drug Forfeiture Fund and shall not in any way be construed to be debts of the City in contravention of any applicable constitutional or statutory limitation or requirements concerning the creation of indebtedness by the City, nor shall anything

contained therein constitute a pledge of the general tax revenues, funds or money of the City. The Camera Installment Payments shall be payable only from funds which are budgeted and appropriated solely from the City's Drug Forfeiture Fund for such purpose during the fiscal year of the City for which such funds were budgeted and appropriated. The City has not pledged the full faith and credit of the City, Yellowstone County or the State of Montana to the payment of amounts due under the Lease-Purchase Agreement, the Camera Property Schedule.

1.05. Pursuant to Montana Code Annotated, Section 44-12-206, all proceeds deposited into the City's Drug Forfeiture Fund may be expended by the confiscating agency for drug laws enforcement and education concerning drugs. It is hereby found that the Camera Improvements constitute an appropriate use of proceeds deposited into the City's Drug Forfeiture Fund.

Section 2. Approval of Improvements and Agreements.

2.01. The City hereby approves the Toughbook Improvements and the Camera Improvements. All actions heretofore taken by officers of the City in connection with such Improvements, to the extent not inconsistent with the provisions of this Resolution, are hereby ratified, approved and confirmed.

2.02. The City hereby approves the forms of the Toughbook Property Schedule and the Camera Property Schedule. Each of the Mayor, the City Administrator and the City Finance Director is hereby authorized and directed to approve, execute and deliver to U.S. Bancorp the Toughbook Property Schedule and the Camera Property Schedule, together with such modifications thereto as may be approved by the officer or officers executing the same, which approval shall be conclusively evidenced by the execution thereof. Each of the Mayor, the City Administrator and the City Finance Director is also authorized to enter into and deliver such other documents and certificates as may be necessary or desirable in connection therewith, in the opinion of Dorsey & Whitney LLP, as special counsel to the City, or as may be reasonably required by U.S. Bancorp.

Section 3. Tax Matters.

3.01. General Covenant. The City covenants and agrees that it will not take or permit to be taken by any of its officers, employees or agents any action which would cause the portion of the Toughbook Installment Payments and Camera Installment Payments designated as interest to become includable in gross income for federal income tax purposes under the Code and applicable Treasury Regulations (the "Regulations"), and covenants to take any and all actions within its powers to ensure that the portion of the Toughbook Installment Payments and the Camera Installment Payments designated as interest will not become includable in gross income for federal income tax purposes under the Code and the Regulations.

3.02. Improvements. The Toughbook Improvements and the Camera Improvements are and will be owned and operated by the City for the benefit of the general public. No user of the Toughbook Improvements or the Camera Improvements is granted any concession, license or special arrangement with respect thereto. Except for the Lease-Purchase Agreement, the Toughbook Property Schedule and the Camera Property Schedule, the City shall not enter into any lease, use or other agreement with any non-governmental person relating to the use of the

Toughbook Improvements or the Camera Improvements or security for the payment of amounts due under the Toughbook Property Schedule and the Camera Property Schedule that might cause the Toughbook Property Schedule, the Camera Property Schedule or any payments to be made in connection therewith to be considered an “arbitrage bond” or “private loan bond” within the meaning of Sections 148 and 141 of the Internal Revenue Code of 1986, as amended (the “Code”).

3.03. Arbitrage Certification. The Mayor, the City Finance Director and the City Clerk, being the officers of the City charged with the responsibility for executing the Toughbook Property Schedule and the Camera Property Schedule, are authorized and directed to execute and deliver to U.S. Bancorp a certificate in accordance with the provisions of Section 148 of the Code, and Section 1.148-2(b) of the Regulations, stating that on the basis of facts, estimates and circumstances in existence on the date of execution and delivery of the Toughbook Property Schedule and the Camera Property Schedule, it is reasonably expected that the proceeds of the Toughbook Property Schedule and the Camera Property Schedule will be used in a manner that would not cause the Toughbook Property Schedule or the Camera Property Schedule, respectively, to be “arbitrage bonds” within the meaning of Section 148 of the Code and the Regulations.

3.05. Arbitrage Rebate. The City acknowledges that the Toughbook Property Schedule and the Camera Property Schedule are subject to the rebate requirements of Section 148(f) of the Code. The City covenants and agrees to retain such records, make such determinations, file such reports and documents and pay such amounts at such times as are required under said Section 148(f) and applicable Regulations to preserve the exclusion of interest on the Toughbook Property Schedule and the Camera Property Schedule from gross income for federal income tax purposes, unless the Toughbook Property Schedule and the Camera Property Schedule qualify for the exception from the rebate requirement under Section 148(f)(4)(B) of the Code and no “gross proceeds” of the Toughbook Property Schedule and the Camera Property Schedule arise during or after the expenditure of the original proceeds thereof. In furtherance of the foregoing, the Mayor, the City Finance Director and the City Clerk are hereby authorized and directed to execute a Rebate Certificate, substantially in the form to be prepared by bond counsel, and the City hereby covenants and agrees to observe and perform the covenants and agreements contained therein, unless amended or terminated in accordance with the provisions thereof.

3.06. Information Reporting. The City shall file with the Secretary of the Treasury, not later than May 15, 2012, a statement concerning the Toughbook Property Schedule and the Camera Property Schedule containing the information required by Section 149(e) of the Code.

Section 4. Transcript Certification. The officers of the City are directed to furnish to U.S. Bancorp certified copies of all proceedings and information in their official records relevant to the authorization of the Lease-Purchase Agreement, the Toughbook Property Schedule, the Camera Property Schedule and such certificates and affidavits as to other matters appearing in their official records or otherwise known to them as may be reasonably required to evidence the validity and enforceability of the Lease-Purchase Agreement, the Toughbook Property Schedule, the Camera Property Schedule and all such certified copies, certificates and affidavits, including any heretofore furnished, shall constitute representations and recitals of the City as to the

correctness of all facts stated therein and the completion of all proceedings stated therein to have been taken.

Section 5. Effective Date. This Resolution shall become effective upon passage and all provisions of ordinances, resolutions and other actions and proceedings of the City which are in any way inconsistent with the terms and provisions of this Resolution are repealed, amended and rescinded to the full extent necessary to give full force and effect to the provisions of this Resolution.

Adopted this 13th day of February, 2012.

CITY OF BILLINGS, MONTANA

Mayor

Attest: _____
City Clerk

(SEAL)

EXHIBIT A

MASTER TAX-EXEMPT INSTALLMENT PURCHASE AGREEMENT

Between: U.S. Bancorp Equipment Finance, Inc. (the
“Seller”)
13010 SW 68th Parkway, Suite 100
Portland, Oregon 97223

And: City of Billings, Montana (the “Purchaser”)
P.O. Box 1178
Billings, Montana 59103
Attention: Finance Director
Telephone: (406) 657-8209

Dated: October 28, 2011

ARTICLE I DEFINITIONS

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

“**Agreement**” means this Master Tax-Exempt Installment Purchase Agreement, including all exhibits and schedules attached hereto.

“**Code**” is defined in Section 3.01(f).

“**Commencement Date**” is the date when the term of a Property Schedule and Purchaser’s obligation to pay Installment Payments thereunder commences, which date shall be set forth in such Property Schedule.

“**Event of Default**” is defined in Section 13.01.

“**Installment Payments**” means the installment payments payable by Purchaser under Article VI of this Agreement and each Property Schedule, as set forth in each Property Schedule.

“**Installment Payment Dates**” means the Installment Payment dates for the Installment Payments as set forth in each Property Schedule.

“**Net Proceeds**” is defined in Section 9.01.

“**Nonappropriation Event**” is defined in Section 6.06.

“**Property**” means, collectively, the property purchased pursuant to this Agreement, and with respect to each Property Schedule, the property described in such Property Schedule, and all

replacements, repairs, restorations, modifications and improvements thereof or thereto made pursuant to Section 8.01 or Article IX.

“**Property Schedule**” means a Property Schedule in the form attached hereto for Property Schedule 1. Subsequent Property Schedules pursuant to this Agreement shall be numbered consecutively, beginning with Property Schedule 2.

“**Purchaser**” means the entity identified as such in the first paragraph hereof, and its permitted successors and assigns.

“**Seller**” means the entity identified as such in the first paragraph hereof, and its successors and assigns.

“**State**” means the state where Purchaser is located.

“**Term**” means, with respect to a Property Schedule, the Term set forth in such Property Schedule.

“**Vendor**” means the manufacturer or contractor of the Property as well as the agents or dealers of the manufacturer or contractor from whom Seller or Purchaser arranged for the purchase of all or any portion of the Property.

ARTICLE II

2.01 Property Schedules Separate Financings. Each Property Schedule executed and delivered under this Agreement shall be a separate financing, distinct from other Property Schedules. Without limiting the foregoing, upon the occurrence of an Event of Default with respect to a Property Schedule, Seller shall have the rights and remedies specified herein with respect to the Property financed and the Installment Payments payable under such Property Schedule, and except as expressly provided in Section 12.02 below, Seller shall have no rights or remedies with respect to Property financed or Installment Payments payable under any other Property Schedules unless an Event of Default has also occurred under such other Property Schedules.

ARTICLE III

3.01 Covenants of Purchaser. As of the Commencement Date for each Property Schedule executed and delivered hereunder, Purchaser shall be deemed to represent, covenant and warrant for the benefit of Seller as follows:

- (a) Purchaser is a public body corporate and politic duly organized and existing under the constitution and laws of the State and its home rule charter with full power and authority to enter into this Agreement and the Property Schedule and the transactions contemplated thereby and to perform all of its obligations thereunder.
- (b) Purchaser will do or cause to be done all things necessary to preserve and keep in full force and effect its existence as a body corporate and politic. To the extent

Purchaser should merge with another entity under the laws of the State, Purchaser agrees that as a condition to such merger it will require that the remaining or resulting entity shall be assigned Purchaser's rights and shall assume Purchaser's obligations hereunder.

- (c) Purchaser has been duly authorized to execute and deliver this Agreement and the Property Schedule by proper action by its governing body, 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 the Property Schedule, and Purchaser has complied with such public bidding requirements as may be applicable to this Agreement and the Property Schedule and the acquisition by Purchaser of the Property thereunder. On or before the Commencement Date for the Property Schedule, Purchaser shall cause to be delivered an opinion of counsel in substantially the form of Exhibit 2 to the Property Schedule.
- (d) During the Term for the Property Schedule, the Property thereunder will perform and will be used by Purchaser only for the purpose of performing essential governmental uses and public functions within the permissible scope of Purchaser's authority.
- (e) Purchaser will provide Seller with current financial statements, budgets and proof of appropriation for the ensuing fiscal year and other financial information relating to the ability of Purchaser to continue this Agreement and the Property Schedule in such form and containing such information as may be requested by Seller.
- (f) Purchaser will comply with all applicable provisions of the Internal Revenue Code of 1986, as amended (the "Code"), including Sections 103 and 148 thereof, and the regulations of the Treasury Department thereunder, from time to time proposed or in effect, in order to maintain the excludability from gross income for federal income tax purposes of the interest component of Installment Payments under the Property Schedule and will not use or permit the use of the Property in such a manner as to cause a Property Schedule to be a "private activity bond" under Section 141(a) of the Code. Purchaser covenants and agrees that it will use the proceeds of the Property Schedule as soon as practicable and with all reasonable dispatch for the purpose for which the Property Schedule has been entered into, and that no part of the proceeds of the Property Schedule shall be invested in any securities, obligations or other investments except for the temporary period pending such use nor used, at any time, directly or indirectly, in a manner which, if such use had been reasonably anticipated on the date of issuance of the Agreement, would have caused any portion of the Property Schedule to be or become "arbitrage bonds" within the meaning of Section 103(b)(2) or Section 148 of the Code and the regulations of the Treasury Department thereunder proposed or in effect at the time of such use and applicable to obligations issued on the date of issuance of the Property Schedule.

- (g) The execution, delivery and performance of this Agreement and the Property Schedule and compliance with the provisions hereof and thereof by Purchaser does not conflict with or result in a violation or breach or constitute a default under, any resolution, bond, agreement, indenture, mortgage, note, lease or other instrument to which Purchaser is a party or by which it is bound by any law or any rule, regulation, order or decree of any court, governmental agency or body having jurisdiction over Purchaser or any of its activities or properties resulting in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any property or assets of Purchaser or to which it is subject.
- (h) Purchaser's exact legal name is as set forth on the first page of this Agreement. Purchaser will not change its legal name in any respect without giving thirty (30) days prior notice to Seller.

ARTICLE IV

4.01 Sale of Property. On the Commencement Date of each Property Schedule executed hereunder, Seller will be deemed to sell, transfer and convey to Purchaser, and Purchaser will be deemed to purchase and accept from Seller, the Property described in such Property Schedule, in accordance with this Agreement and such Property Schedule, for the Term set forth in such Property Schedule.

4.02 Term. The term of each Property Schedule shall commence on the Commencement Date set forth therein and shall terminate upon payment of the final Installment Payment set forth in such Property Schedule, unless terminated sooner pursuant to this Agreement or the Property Schedule.

4.03 Delivery, Installation and Acceptance of Property. Purchaser shall order the Property, shall cause the Property to be delivered and installed at the locations specified in the applicable Property Schedule and shall pay all taxes, delivery costs and installation costs, if any, in connection therewith. To the extent funds are deposited under an escrow agreement or trust agreement for the acquisition of the Property, such funds shall be disbursed as provided therein. When the Property described in such Property Schedule is delivered, installed and accepted as to Purchaser's specifications, Purchaser shall immediately accept the Property and evidence said acceptance by executing and delivering to Seller the Acceptance Certificate substantially in the form attached to the Property Schedule.

ARTICLE V

5.01 Location; Inspection. The Property will be initially located or based at the location specified in the applicable Property Schedule. Seller shall have the right at all reasonable times during business hours to enter into and upon the property of Purchaser for the purpose of inspecting the Property.

ARTICLE VI

6.01 Payment of Installment Payments. Purchaser shall pay Installment Payments under a Property Schedule, exclusively from the funds or accounts described in such Property Schedule, in lawful money of the United States of America, to Seller in such amounts and on such dates as described in such Property Schedule, at Seller's address set forth on the first page of this Agreement, unless Seller instructs Purchaser otherwise. Purchaser shall pay a late charge of five cents per dollar or the highest amount permitted by applicable law, whichever is lower, on all delinquent Installment Payments and interest on said delinquent amounts from the date such amounts were due until paid at the rate of 12% per annum or the maximum amount permitted by applicable law, whichever is less, subject to appropriation by Purchaser.

6.02 Installment Payments to Constitute Binding Contractual Obligation. The Seller and the Purchaser understand and intend that the obligation of the Purchaser to pay Installment Payments shall constitute a current expense of the funds or accounts described in the applicable Property Schedule and shall not in any way be construed to be a debt of the Purchaser in contravention of any applicable constitutional or statutory limitation or requirements concerning the creation of indebtedness by the Purchaser, nor shall anything contained herein constitute a pledge of the general tax revenues, funds or money of the Purchaser. Installment Payments due shall be payable only from current funds which are budgeted or appropriated from the funds or accounts described in the applicable Property Schedule for such purpose during the fiscal year of the Purchaser for which such funds were budgeted and appropriated. The Purchaser has not pledged the full faith and credit of the Purchaser, the State or any agency or department of the Purchaser to the payment of the Installment Payments or any other payment due under this Agreement.

The person or entity in charge of preparing the Purchaser's budget will include in the budget request for each fiscal year the Installment Payments to become due in such fiscal year, and will use all reasonable and lawful means available to secure the appropriation of money for such fiscal year sufficient to pay all such Installment Payments coming due therein, and the Purchaser reasonably believes that moneys in an amount sufficient to make all such Installment Payments can and will lawfully be appropriated and made available for this purpose.

6.03 Interest Component. A portion of each Installment Payment due under each Property Schedule is paid as, and represents payment of, interest, and each Property Schedule hereunder shall set forth the interest component (or method of computation thereof) of each Installment Payment thereunder during the Term.

6.04 Installment Payments to be Unconditional. EXCEPT AS PROVIDED IN SECTION 6.06, THE OBLIGATIONS OF PURCHASER TO PAY THE INSTALLMENT PAYMENTS DUE UNDER THE PROPERTY SCHEDULES AND TO PERFORM AND OBSERVE THE OTHER COVENANTS AND AGREEMENTS CONTAINED HEREIN SHALL BE ABSOLUTE AND UNCONDITIONAL IN ALL EVENTS WITHOUT ABATEMENT, DIMINUTION, DEDUCTION, SET-OFF OR DEFENSE, FOR ANY REASON, INCLUDING WITHOUT LIMITATION, ANY DEFECTS, MALFUNCTIONS, BREAKDOWNS OR INFIRMITIES IN THE PROPERTY OR ANY ACCIDENT, CONDEMNATION OR UNFORESEEN CIRCUMSTANCES. THIS PROVISION SHALL

NOT LIMIT PURCHASER'S RIGHTS OR ACTIONS AGAINST ANY VENDOR AS PROVIDED IN SECTION 10.02.

6.05 Defeasance of Installment Payments. Purchaser may at any time irrevocably deposit in escrow with a defeasance escrow agent for the purpose of paying all of the principal component and interest component accruing under a Property Schedule, a sum of cash and non-callable securities consisting of direct obligations of, or obligations the principal of an interest on which are unconditionally guaranteed by, the United States of America or any agency or instrumentality thereof, in such aggregate amount, bearing interest at such rates and maturing on such dates as shall be required to provide funds sufficient for this purpose. Upon such defeasance, all right, title and interest of Seller in the Property under said Property Schedule shall terminate. Purchaser shall cause such investment to comply with the requirements of federal tax law so that the exclusion from gross income of the interest component of Installment Payments on said Property Schedule is not adversely affected.

6.06 Nonappropriation. If during the Term, sufficient funds are not appropriated to make Installment Payments required under a Property Schedule for the following fiscal year, Purchaser shall be deemed to not have renewed such Property Schedule for the following fiscal year and the Property Schedule shall terminate at the end of the fiscal year for which funds have been appropriated and Purchaser shall not be obligated to make Installment Payments under said Property Schedule beyond the fiscal year for which funds have been appropriated. Upon the occurrence of such nonappropriation (a "Nonappropriation Event") Purchaser shall, no later than the end of the fiscal year for which funds have been appropriated, deliver possession of the Property under said Property Schedule to Seller. If Purchaser fails to deliver possession of the Property to Seller upon termination of said Property Schedule by reason of a Nonappropriation Event, the termination shall nevertheless be effective but Purchaser shall be responsible for the payment of damages in an amount equal to the portion of Installment Payments thereafter coming due that is attributable to the number of days after the termination during which the Purchaser fails to deliver possession and for any other loss suffered by Seller as a result of Purchaser's failure to deliver possession as required. In addition, Seller may, by written instructions to any escrow agent who is holding proceeds of the Property Schedule, instruct such escrow agent to release all such proceeds and any earnings thereon to Seller, such sums to be credited to Purchaser's obligations under the Property Schedule and this Agreement. Purchaser shall notify Seller in writing within seven (7) days after the failure of the Purchaser to appropriate funds sufficient for the payment of the Installment Payments, but failure to provide such notice shall not operate to extend the Term or result in any liability to Purchaser.

ARTICLE VII

7.01 Title to the Property. Upon acceptance of the Property by Purchaser and unless otherwise required by the laws of the State, title to the Property shall vest in Purchaser, subject to Seller's interests under the applicable Property Schedule and this Agreement.

7.02 Personal Property. The Property 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 Property or any part thereof may be or hereafter become in any manner physically affixed or attached to real estate or any building thereon. If requested by Seller,

Purchaser will, at Purchaser's expense, furnish a waiver of any interest in the Property from any party having an interest in any such real estate or building.

7.03 Security Interest. To secure the performance of all of Purchaser's obligations under this Agreement with respect to a Property Schedule, including without limitation all Property Schedules now existing and hereafter executed, Purchaser grants to Seller, for the benefit of Seller and its successors and assigns, a security interest constituting a first lien on Purchaser's interest in all of the Property under the Property Schedule, whether now owned or hereafter acquired, all additions, attachments, alterations and accessions to the Property, all substitutions and replacements for the Property, and on any proceeds of any of the foregoing, including insurance proceeds. Purchaser shall execute any additional documents, including financing statements, affidavits, notices and similar instruments, in form and substance satisfactory to Seller, which Seller deems necessary or appropriate to establish, maintain and perfect a security interest in the Property in favor of Seller and its successors and assigns. Purchaser hereby authorizes Seller to file all financing statements which Seller deems necessary or appropriate to establish, maintain and perfect such security interest.

ARTICLE VIII

8.01 Maintenance of Property by Purchaser. Purchaser shall keep and maintain the Property in good condition and working order and in compliance with the manufacturer's specifications, shall use, operate and maintain the Property in conformity with all laws and regulations concerning the Property's ownership, possession, use and maintenance, and shall keep the Property free and clear of all liens and claims, other than those created by this Agreement. Purchaser shall have sole responsibility to maintain and repair the Property. Should Purchaser fail to maintain, preserve and keep the Property in good repair and working order and in accordance with manufacturer's specifications, and if requested by Seller, Purchaser will enter into maintenance contracts for the Property in form approved by Seller and with approved providers.

8.02 Liens, Taxes, Other Governmental Charges and Utility Charges. Purchaser shall keep the Property free of all levies, liens and encumbrances, except for the interest of Seller under this Agreement. The parties to this Agreement contemplate that the Property will be used for a governmental or proprietary purpose of Purchaser and, therefore, that the Property will be exempt from all property taxes. The Installment Payments payable by Purchaser under this Agreement and the Property Schedules hereunder have been established to reflect the savings resulting from this exemption from taxation. Purchaser will take such actions necessary under applicable law to obtain said exemption. Nevertheless, if the use, possession or acquisition of the Property is determined to be subject to taxation or later becomes subject to such taxes, Purchaser shall pay when due all taxes and governmental charges lawfully assessed or levied against or with respect to the Property. Purchaser shall pay all gas, water, steam, electricity, heat, power, telephone, utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Property. Purchaser 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, Purchaser shall be obligated to pay only such installments as accrue during the then-current fiscal year of the Term for such Property.

8.03 Insurance. At its own expense, Purchaser shall maintain (a) casualty insurance insuring the Property 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 Seller in an amount equal to at least the outstanding principal component of Installment Payments, and (b) liability insurance that protects Seller from liability in all events in an amount reasonably acceptable to Seller, and (c) worker's compensation insurance covering all employees working on, in, near or about the Property; provided that Purchaser may self-insure against all such risks (other than rental interruption). All insurance proceeds from casualty losses shall be payable as hereinafter provided in this Agreement. All such insurance shall be with insurers that are authorized to issue such insurance in the State. All such liability insurance shall name Seller as an additional insured. All such casualty insurance shall contain a provision making any losses payable to Seller and Purchaser as their respective interests may appear. All such insurance shall contain a provision to the effect that such insurance shall not be canceled or modified without first giving written notice thereof to Seller and Purchaser at least thirty (30) days in advance of such cancellation or modification. Such changes shall not become effective without Seller's prior written consent. Purchaser shall furnish to Seller, on or before the Commencement Date for each Property Schedule, and thereafter at Seller's request, certificates evidencing such coverage, or, if Purchaser self-insures, a written description of its self-insurance program together with a certification from Purchaser's risk manager or insurance agent or consultant to the effect that Purchaser's self-insurance program provides adequate coverage against the risks listed above.

8.04 Advances. In the event Purchaser shall fail to either maintain the insurance required by this Agreement or keep the Property in good repair and working order, Seller may, but shall be under no obligation to, purchase the required insurance and pay the cost of the premiums thereof or maintain and repair the Property and pay the cost thereof. All amounts so advanced by Seller shall constitute additional rent for the Term for the applicable Property Schedule and shall be due and payable on the next Installment Payment Date and Purchaser covenants and agrees to pay such amounts so advanced by Seller with interest thereon from the date such amounts are advanced until paid at the rate of 12% per annum or the maximum amount permitted by applicable law, whichever is less, subject to appropriation by Purchaser.

ARTICLE IX

9.01 Damage or Destruction. If (a) the Property under a Property Schedule 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 Property under a Property Schedule 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, Seller and Purchaser will cause the Net Proceeds (as hereinafter defined) of any insurance claim, condemnation award or sale under threat of condemnation to be applied to the prompt replacement, repair, restoration, modification or improvement of the Property, unless Purchaser shall have exercised its right to defease the Property Schedule as provided herein, or unless Purchaser shall have exercised its option to prepay the Installment Payments if the Property Schedule so provides. Any balance of the Net Proceeds remaining after such work has been completed shall be paid to Purchaser. For purposes of Section 8.03 and this Article IX, the term "Net Proceeds" shall mean the amount remaining from the gross proceeds of any insurance

claim, condemnation award or sale under threat of condemnation after deducting all expenses, including attorneys' fees, incurred in the collection thereof.

9.02 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 9.01, Purchaser shall (a) complete such replacement, repair, restoration, modification or improvement and pay any costs thereof in excess of the amount of the Net Proceeds and, if Purchaser shall make any payments pursuant to this Section, Purchaser shall not be entitled to any reimbursement therefor from Seller nor shall Purchaser be entitled to any diminution of the amounts payable under Section 6.01, or (b) defease the Property Schedule pursuant to Section 6.05, or (c) exercise its option to prepay the Installment Payments pursuant to the optional prepayment provisions if the Property Schedule so provides. The amount of the Net Proceeds, if any, remaining after completing such repair, restoration, modification or improvement or after such defeasance or purchase may be retained by Purchaser.

ARTICLE X

10.01 Disclaimer of Warranties. SELLER MAKES NO (AND SHALL NOT BE DEEMED TO HAVE MADE ANY) WARRANTIES, EXPRESS OR IMPLIED, AS TO ANY MATTER WHATSOEVER, INCLUDING, WITHOUT LIMITATION, THE DESIGN, OPERATION OR CONDITION OF, OR THE QUALITY OF THE MATERIAL, EQUIPMENT OR WORKMANSHIP IN, THE PROPERTY, ITS MERCHANTABILITY OR ITS FITNESS FOR ANY PARTICULAR PURPOSE, THE STATE OF TITLE THERETO OR ANY COMPONENT THEREOF, THE ABSENCE OF LATENT OR OTHER DEFECTS (WHETHER OR NOT DISCOVERABLE), AND SELLER HEREBY DISCLAIMS THE SAME; IT BEING UNDERSTOOD THAT THE PROPERTY IS SOLD TO PURCHASER "AS IS" ON THE DATE OF THIS AGREEMENT OR THE DATE OF DELIVERY, WHICHEVER IS LATER, AND ALL SUCH RISKS, IF ANY, ARE TO BE BORNE BY PURCHASER. Purchaser acknowledges that it has made (or will make) the selection of the Property from the Vendor based on its own judgment and expressly disclaims any reliance upon any statements or representations made by Seller. Purchaser understands and agrees that (a) neither the Vendor nor any sales representative or other agent of Vendor, is (i) an agent of Seller, or (ii) authorized to make or alter any term or condition of this Agreement, and (b) no such waiver or alteration shall vary the terms of this Agreement unless expressly set forth herein. In no event shall Seller be liable for any incidental, indirect, special or consequential damage in connection with or arising out of this Agreement, the Property Schedules, or the existence, furnishing, functioning or use of any item, product or service provided for in this Agreement or the Property Schedules.

10.02 Vendor's Warranties. Seller hereby irrevocably assigns to Purchaser all rights that Seller may have to assert from time to time whatever claims and rights (including without limitation warranties) related to the Property against the Vendor. Purchaser's sole remedy for the breach of such warranty, indemnification or representation shall be against the Vendor, and not against Seller, nor shall such matter have any effect whatsoever on the rights and obligations of Seller with respect to this Agreement, including the right to receive full and timely payments hereunder. Purchaser expressly acknowledges that Seller makes, and has made, no representations or warranties whatsoever as to the existence or the availability of such warranties of the Vendor.

10.03 Use of the Property. Purchaser will not install, use, operate or maintain the Property improperly, carelessly, in violation of any applicable law or in a manner contrary to that contemplated by this Agreement and the applicable Property Schedule. Purchaser shall provide all permits and licenses, if any, necessary for the installation and operation of the Property. In addition, Purchaser agrees to comply in all respects with all laws of the jurisdiction in which its operations involving any item of Property may extend and any legislative, executive, administrative or judicial body exercising any power or jurisdiction over the items of the Property; provided that Purchaser may contest in good faith the validity or application of any such law or rule in any reasonable manner that does not, in the opinion of Seller, adversely affect the interest of Seller in and to the Property or its interest or rights under this Agreement. Purchaser shall promptly notify Seller in writing of any pending or threatened investigation, inquiry, claim or action by any governmental authority which could adversely affect this Agreement, any Property Schedule or the Property thereunder.

10.04 Modifications. Subject to the provisions of this Section, Purchaser shall have the right, at its own expense, to make alterations, additions, modifications or improvements to the Property. All such alterations, additions, modifications and improvements shall thereafter comprise part of the Property and shall be subject to the provisions of this Agreement. Such alterations, additions, modifications and improvements shall not in any way damage the Property, substantially alter its nature or cause it to be used for purposes other than those authorized under the provisions of state and federal law; and the Property, on completion of any alterations, additions, modifications or improvements made pursuant to this Section, shall be of a value which is equal to or greater than the value of the Property immediately prior to the making of such alterations, additions, modifications and improvements. Purchaser shall, at its own expense, make such alterations, additions, modifications and improvements to the Property as may be required from time to time by applicable law or by any governmental authority.

ARTICLE XI

11.01 Option to Prepay. Purchaser shall have the option to prepay in whole the Installment Payments due under a Property Schedule, but only if the Property Schedule so provides, and on the terms set forth in the Property Schedule.

ARTICLE XII

12.01 Assignment by Seller. Seller's right, title and interest in, to and under each Property Schedule and the Property under such Property Schedule may be assigned and reassigned in whole or in part to one or more assignees or subassignees by Seller without the necessity of obtaining the consent of Purchaser; provided that any assignment shall not be effective until Purchaser has received written notice, signed by the assignor, of the name, address and tax identification number of the assignee. Purchaser 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. Purchaser agrees to execute all documents, including notices of assignment and chattel mortgages or financing statements that may be reasonably requested by Seller or any assignee to protect its interests in this Agreement and the Property Schedules.

12.02 Property Schedules Separate Financings. Assignees of the Seller's rights in one Property Schedule shall have no rights in any other Property Schedule unless such rights have been separately assigned.

12.03 Release and Indemnification Covenants. To the extent permitted by applicable law, Purchaser shall indemnify, protect, hold harmless, save and keep harmless Seller from and against any and all liability, obligation, loss, claim and damage whatsoever, regardless of cause thereof, and all expenses in connection therewith, including, without limitation, counsel fees and expenses, penalties and interest (collectively, "Losses") arising out of or resulting from the entering into this Agreement, any Property Schedules hereunder, the ownership of any item of the Property, the loss of federal tax exemption of the interest on any of the Property Schedules, the ordering, acquisition, use, operation, condition, purchase, delivery, rejection, storage or return of any item of the Property or any accident in connection with the operation, use, condition, possession, storage or return of any item of the Property resulting in damage to property or injury to or death to any person; provided, however, that Purchaser shall not be required to indemnify Seller for Losses arising out of or resulting from Seller's own willful or negligent conduct, or for Losses arising out of or resulting from Seller's preparation of disclosure material relating to certificates of participation in this Agreement and any Property Schedule (other than disclosure material provided to Seller by Purchaser). The indemnification arising under this Section shall continue in full force and effect notwithstanding the full payment of all obligations under this Agreement, or the applicable Property Schedule, or the termination of the Term for such Property Schedule for any reason.

ARTICLE XIII

13.01 Events of Default Defined. Any of the following shall constitute an "Event of Default" under a Property Schedule:

- (a) Failure by Purchaser to pay any Installment Payment under the Property Schedule or other payment required to be paid with respect thereto at the time specified therein;
- (b) Failure by Purchaser to observe and perform any covenant, condition or agreement on its part to be observed or performed with respect to the Property Schedule, other than as referred to in subparagraph (a) above, for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied is given to Purchaser by Seller, unless Seller 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, Seller will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by Purchaser within the applicable period and diligently pursued until the default is corrected;
- (c) Any statement, representation or warranty made by Purchaser in or pursuant to the Property Schedule 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) Purchaser shall (i) apply for or consent to the appointment of a receiver, trustee, custodian or liquidator of Purchaser, or of all or a substantial part of the assets of Purchaser, (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 Purchaser in any bankruptcy, reorganization or insolvency proceeding; or
- (e) 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 of Purchaser or of all or a substantial part of the assets of Purchaser, 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 60 consecutive days.

The foregoing provisions of Section 13.01 are subject to the following limitation: if by reason of force majeure Purchaser is unable in whole or in part to perform its agreements under this Agreement and the Property Schedule (other than the obligations on the part of Purchaser contained in Article VI hereof) Purchaser shall not be in default during the continuance of such inability. The term “force majeure” as used herein shall mean the following: acts of God; strikes, lockouts or other industrial disturbances; acts of public enemies; orders or restraints of any kind of the government of the United States or of the State or any of their departments, agencies or officials, or any civil or military authority; insurrections, riots, landslides, earthquakes, fires, storms, droughts, floods, explosions, breakage or accident to machinery, transmission pipes or canals; or any other cause or event not reasonably within the control of Purchaser. Notwithstanding anything in this Agreement to the contrary, an event of Nonappropriation shall not constitute an Event of Default.

13.02 Remedies on Default. Whenever any Event of Default exists with respect to a Property Schedule, Seller 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) Without terminating the Property Schedule, and by written notice to Purchaser, Seller may declare all Installment Payments and other amounts payable by Purchaser thereunder to the end of the then-current fiscal year of Purchaser to be due, including without limitation delinquent Installment Payments under the Property Schedule from prior fiscal years, and such amounts shall thereafter bear interest at the rate of 12% per annum or the maximum rate permitted by applicable law, whichever is less, subject to appropriation by Purchaser;
- (b) Seller may terminate the Property Schedule, and by written notice to Purchaser, Seller may accelerate the principal component of all outstanding Installment Payments due or to become due during the then-current fiscal year, in which case

Purchaser shall pay to Seller such principal component, together with interest thereon from the date of acceleration until so paid at the rate of 12% per annum or the maximum rate permitted by applicable law, whichever is less, subject to appropriation by Purchaser;

- (c) Seller may terminate the Property Schedule, may enter the premises where the Property subject to the Property Schedule is located and retake possession of the Property, or require Purchaser, at Purchaser's expense, to promptly return any or all of the Property to the possession of Seller at such place within the United States as Seller shall specify, and Seller may thereafter dispose of the Property in accordance with Article 9 of the Uniform Commercial Code in effect in the State, continuing to hold Purchaser liable for any outstanding Installment Payments due or to become due during the then-current fiscal year and all costs and expenses incurred by Seller in exercising its remedies hereunder, including, without limitation, all costs and expenses of taking possession, removing, storing and reconditioning the Property, and including, without limitation, all brokerage and attorneys fees;
- (d) By written notice to any escrow agent who is holding proceeds of the Property Schedule, Seller may instruct such escrow agent to release all such proceeds and any earnings thereon to Seller, such sums to be credited to payment of Purchaser's obligations under the Property Schedule;
- (e) Seller may take any action, at law or in equity, that is permitted by applicable law and that may appear necessary or desirable to enforce or to protect any of its rights under the Property Schedule and this Agreement.

13.03 No Remedy Exclusive. No remedy herein conferred upon or reserved to Seller is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement 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 Seller 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.

13.04 Costs and Attorney Fees. Upon the occurrence of an Event of Default by Purchaser in the performance of any term of this Agreement, Purchaser agrees to pay to Seller or reimburse Seller for, in addition to all other amounts due hereunder, all of Seller's costs of collection, including reasonable attorney fees, whether or not suit or action is filed thereon. Any such costs shall be immediately due and payable upon written notice and demand given to Purchaser, shall be secured by this Agreement until paid and shall bear interest at the rate of 12% per annum or the maximum amount permitted by applicable law, whichever is less, subject to appropriation by Purchaser. In the event suit or action is instituted to enforce any of the terms of this Agreement, the prevailing party shall be entitled to recover from the other party such sum as

the court may adjudge reasonable as attorneys' fees at trial or on appeal of such suit or action or in any bankruptcy proceeding, in addition to all other sums provided by law.

ARTICLE XIV

14.01 Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or mailed by certified mail, postage prepaid, 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), to any assignee at its address as it appears on the registration books maintained by Purchaser.

14.02 Further Assurances. Purchaser agrees to execute such other and further documents, including, without limitation, confirmatory financing statements, continuation statements, certificates of title and the like, and to take all such action as may be necessary or appropriate, from time to time, in the reasonable opinion of Seller, to perfect, confirm, establish, reestablish, continue, or complete the interests of Seller in this Agreement and the Property Schedules, to consummate the transactions contemplated hereby and thereby, and to carry out the purposes and intentions of this Agreement and the Property Schedules.

14.03 Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon Seller and Purchaser and their respective successors and assigns.

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

14.05 Waiver of Jury Trials. Purchaser and Seller hereby irrevocably waive all right to trial by jury in any action, proceeding or counterclaim (whether based on contract, tort or otherwise) arising out of or relating to this Agreement or the actions of Seller or Purchaser in the negotiation, administration, performance or enforcement hereof.

14.06 Amendments, Changes and Modifications. This Agreement may be amended in writing by Seller and Purchaser to the extent the amendment or modification does not apply to outstanding Property Schedules at the time of such amendment or modification. The consent of all assignees shall be required to any amendment or modification before such amendment or modification shall be applicable to any outstanding Property Schedule.

14.07 Execution in Counterparts. This Agreement and the Property Schedules hereunder 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.

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

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

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

SELLER:
U.S. BANCORP EQUIPMENT
FINANCE, INC.

PURCHASER:
CITY OF BILLINGS, MONTANA

By: _____
Name:
Title:

By: _____
Name: Thomas Hanel
Title: Mayor

Attest:

By: _____
Name: Cari Martin
Title: City Clerk

EXHIBIT B

[Toughbook Property Schedule]

PROPERTY SCHEDULE NO. 3 (TOUGHBOOKS) MASTER TAX-EXEMPT INSTALLMENT PURCHASE AGREEMENT

This Property Schedule No. 3 is entered into as of the Commencement Date set forth below, pursuant to that certain Master Tax-Exempt Installment Purchase Agreement (the “Master Agreement”), dated as of October 28, 2011, between U.S. Bancorp Government Leasing and Finance, Inc., as successor in interest to U.S. Bancorp Equipment Finance, Inc., (the “Seller”) and the City of Billings, Montana (the “Purchaser”).

1. Interpretation. The terms and conditions of the Master Agreement are incorporated herein by reference as if fully set forth herein. Reference is made to the Master Agreement for all representations, covenants and warranties made by Purchaser in the execution of this Property Schedule, unless specifically set forth herein. In the event of a conflict between the provisions of the Master Agreement and the provisions of this Property Schedule, the provisions of this Property Schedule shall control. All capitalized terms used herein but not otherwise defined shall have the meanings provided in the Master Agreement.
2. Commencement Date. The Commencement Date for this Property Schedule is February 29, 2012.
3. Property Description and Payment Schedule. The Property subject to this Property Schedule is described in Exhibit 1 hereto. It includes all replacements, parts, repairs, additions, accessions and accessories incorporated therein or affixed or attached thereto and any and all proceeds of the foregoing, including, without limitation, insurance recoveries. Purchaser shall not remove such property from the locations set forth therein without giving prior written notice, including the new location of such property, to Seller. The Installment Payment Schedule for this Property Schedule is set forth in Exhibit 1 hereto.
4. Opinion. The Opinion of Purchaser’s Counsel is attached as Exhibit 2 hereto.
5. Purchaser’s Certificate. The Purchaser’s Certificate is attached as Exhibit 3 hereto.
6. Proceeds. Seller shall disburse the proceeds of this Property Schedule in accordance with the instructions attached as Exhibit 4 hereto.
7. Acceptance Certificate. The form of Acceptance Certificate is attached as Exhibit 5 hereto.
8. Additional Purchase Option Provisions. Installment Payments payable under this Property Schedule shall be subject to prepayment in whole at the option of the Purchaser on the dates set forth in Exhibit 1 hereto by payment of the applicable Prepayment

Balance set forth in Exhibit 1 hereto and payment of all accrued and unpaid interest through the date of prepayment.

9. Tax Certificate. Attached as Exhibit 6 hereto.
10. Expiration. Seller, at its sole determination, may choose not to accept this Property Schedule if the fully executed, original Master Agreement (including this Property Schedule and all ancillary documents) is not received by Seller at its place of business by April 1, 2012.

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

SELLER:
U.S. BANCORP GOVERNMENT
LEASING AND FINANCE, INC.

PURCHASER:
CITY OF BILLINGS, MONTANA

By: _____
Name:
Title:

By: _____
Name: Thomas Hanel
Title: Mayor

Attest:

By: _____
Name: Cari Martin
Title: City Clerk

EXHIBIT C

[Camera Property Schedule]

PROPERTY SCHEDULE NO. 4 (CAMERAS) MASTER TAX-EXEMPT INSTALLMENT PURCHASE AGREEMENT

This Property Schedule No. 4 is entered into as of the Commencement Date set forth below, pursuant to that certain Master Tax-Exempt Installment Purchase Agreement (the “Master Agreement”), dated as of October 28, 2011, between U.S. Bancorp Government Leasing and Finance, Inc., as successor in interest to U.S. Bancorp Equipment Finance, Inc., (the “Seller”) and the City of Billings, Montana (the “Purchaser”).

1. Interpretation. The terms and conditions of the Master Agreement are incorporated herein by reference as if fully set forth herein. Reference is made to the Master Agreement for all representations, covenants and warranties made by Purchaser in the execution of this Property Schedule, unless specifically set forth herein. In the event of a conflict between the provisions of the Master Agreement and the provisions of this Property Schedule, the provisions of this Property Schedule shall control. All capitalized terms used herein but not otherwise defined shall have the meanings provided in the Master Agreement.
2. Commencement Date. The Commencement Date for this Property Schedule is February 29, 2012.
3. Property Description and Payment Schedule. The Property subject to this Property Schedule is described in Exhibit 1 hereto. It includes all replacements, parts, repairs, additions, accessions and accessories incorporated therein or affixed or attached thereto and any and all proceeds of the foregoing, including, without limitation, insurance recoveries. Purchaser shall not remove such property from the locations set forth therein without giving prior written notice, including the new location of such property, to Seller. The Installment Payment Schedule for this Property Schedule is set forth in Exhibit 1 hereto.
4. Opinion. The Opinion of Purchaser’s Counsel is attached as Exhibit 2 hereto.
5. Purchaser’s Certificate. The Purchaser’s Certificate is attached as Exhibit 3 hereto.
6. Proceeds. Seller shall disburse the proceeds of this Property Schedule in accordance with the instructions attached as Exhibit 4 hereto.
7. Acceptance Certificate. The form of Acceptance Certificate is attached as Exhibit 5 hereto.
8. Additional Purchase Option Provisions. Installment Payments payable under this Property Schedule shall be subject to prepayment in whole at the option of the Purchaser on the dates set forth in Exhibit 1 hereto by payment of the applicable Prepayment

Balance set forth in Exhibit 1 hereto and payment of all accrued and unpaid interest through the date of prepayment.

9. Tax Certificate. Attached as Exhibit 6 hereto.
10. Expiration. Seller, at its sole determination, may choose not to accept this Property Schedule if the fully executed, original Master Agreement (including this Property Schedule and all ancillary documents) is not received by Seller at its place of business by April 1, 2012.

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

SELLER:
U.S. BANCORP GOVERNMENT
LEASING AND FINANCE, INC.

PURCHASER:
CITY OF BILLINGS, MONTANA

By: _____
Name:
Title:

By: _____
Name: Thomas Hanel
Title: Mayor

Attest:

By: _____
Name: Cari Martin
Title: City Clerk