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November 15, 2018

City of San Luis, Arizona  
C/O Monica Castro  
1090 E. Union St.  
San Luis, AZ 85349

Re: Financing Proposal

Dear Monica,

Thank you for considering 1<sup>st</sup> Bank Yuma for your financing needs. This letter is to confirm the Bank's commitment of the following credit facility. The terms and other details of the loan are presented below. Please note that this is a proposal, subject to formal credit approval.

**Borrowers:** The City of San Luis, Arizona  
**Amount:** \$246,842 – Representing 90% of the \$274,268.62 purchase price.  
**Loan Type:** Term  
**Purpose:** Purchase of a 2019 Peterbilt Waste Water Truck  
**Maturity:** 5 years from date of Note.  
**Interest Rate:** 4.50% Fixed Rate (tax free)  
**Fees:** Loan fee of 1%.  
**Repayment:** Monthly principal and interest payments per a 5-year amortization.  
**Collateral:** Secured first Lien position on the 2019 Peterbilt 520 with Dadee Body  
**Requirements:** Tax Exempt Status Opinion Letter from City's Attorney, verifying that the interest paid on subject loan to 1<sup>st</sup> Bank Yuma is tax free.

This offer is based upon information that has been made currently available to the Bank concerning the Borrower and Collateral. The Bank reserves the right to review this offer from time to time and to modify or amend its terms and conditions as may be required by changed circumstances or by newly disclosed information. Please let me know if the terms, as outlined, are acceptable and we will begin our due diligence to consider formal approval.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Howie Jorajuria', is written over a horizontal line.

Howie Jorajuria

Vice President/Sr. Lending Officer