

## Scott, Rhonda

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**From:** Wall, Catie  
**Sent:** Wednesday, September 11, 2024 8:10 AM  
**To:** Scott, Rhonda  
**Cc:** Williams, Kathy  
**Subject:** Agenda Item for Court  
**Attachments:** AAIG Master Lease Purchase.pdf

Rhonda,

Would you please add the following agenda item for Court:

- Discuss/Consider/Take Action: Authorization to pay the U.S. Bank National Association the first scheduled payment for FY25 on October 1, 2024 and the 1<sup>st</sup> scheduled payment for each fiscal year thereafter on October 1<sup>st</sup> in accordance with lease schedule number 1 to the master lease purchase agreement Dated October 1, 2019.

Thanks!.

Catie

## MASTER LEASE PURCHASE AGREEMENT

This Master Lease Purchase Agreement (this "Agreement"), dated as of October 1, 2019, is made and entered into by and between All American Investment Group, LLC ("Lessor"), and Lubbock County, a political subdivision of the State of Texas ("Lessee").

In consideration of the mutual covenants herein contained, the parties hereto agree as follows:

### 1. LEASE OF EQUIPMENT; FUNDING

1.1. Lease; Possession and Use. Lessor hereby agrees to sell, transfer and lease to Lessee, and Lessee hereby agrees to acquire, purchase and lease from Lessor the property described in each Lease Schedule (defined herein) executed and delivered by Lessor and Lessee, upon the terms and conditions set forth herein, together with all attachments, additions, accessions, parts, repairs, improvements, replacements and substitutions thereto (the "Equipment"). Each Lease executed and delivered by Lessor and Lessee pursuant to this Agreement shall constitute a separate and independent lease and installment purchase of the Equipment described therein. This Agreement is not a commitment by Lessor to enter into any Lease and nothing in this Master Lease shall be construed to impose any obligation upon Lessor to enter into any proposed Lease. The decision whether Lessor enters into any Lease is within Lessor's sole discretion. As used herein, (i) "Lease Schedule" means a schedule substantially in the form attached as Exhibit A to this Agreement, together with all addenda, riders, attachments, certificates and exhibits thereto, as the same may from time to time be amended, modified or supplemented, and (ii) "Lease" means a Lease Schedule each together with this Agreement the terms and conditions of which are incorporated therein.

1.2. Funding. Unless otherwise provide in the applicable Lease Schedule, in order to provide financing to pay the costs to acquire and install the Equipment set forth in the applicable Lease Schedule (the "Purchase Price"), Lessor and Lessee shall execute and deliver an escrow agreement relating to such Schedule in form and substance and with an escrow agent satisfactory to Lessor (an "Escrow Agreement").

If all conditions set forth in Section 1.3 have been satisfied in full or waived, then Lessor will deposit or cause to be deposited into an escrow fund under the related Escrow Agreement, or pay to Lessee an amount (which may include estimated investment earnings thereon) equal to the Purchase Price for the Equipment to be financed under the related Lease Schedule.

1.3. Funding Requirements. The funding of the Purchase Price and the performance by Lessor of any of its obligations pursuant to any Lease, are subject to the satisfaction or waiver of the following:

(a) Lessor has received all of the following documents, which shall be reasonably satisfactory, in form and substance, to Lessor: (1) evidence of insurance coverage or self-insurance as required by the Lease; (2) an opinion of Lessee's counsel and/or bond counsel to Lessee; (3) waivers of third parties holders of interests in the real property where the Equipment will be located, as Lessor may deem necessary; (4) copies of resolutions by Lessee's governing body, duly authorizing the Lease and the Escrow Agreement and incumbency certificates for the person(s) executing the Lease and the Escrow Agreement; (5) such documents and certificates as Lessor may request relating to federal tax-exemption of interest payable under the Lease, including (without limitation) IRS Form 8038-G or 8038-GC and evidence of the adoption of a reimbursement resolution or other official action in the event that Lessee is to be reimbursed for expenditures that it has paid more than 60 days prior to the funding of the Purchase Price; (6) if the Purchase Price will be paid to Lessee (or vendor(s) or supplier(s) of the Equipment on behalf of Lessee), an acceptance certificate for the Equipment (substantially in the form attached as Exhibit B to this Agreement)(an "Acceptance Certificate"), and (7) such other documents and information previously identified by Lessor or otherwise reasonably requested by Lessor.

- (b) Lessee has executed and delivered to Lessor the Lease Schedule, its related Payment Schedule and the related Escrow Agreement (if applicable);
- (c) no Event of Default shall have occurred and be continuing under any Lease;
- (d) no material adverse change shall have occurred in the financial condition of Lessee;
- (e) the Equipment is reasonably satisfactory to Lessor and is free and clear of any Liens (defined herein) other than the respective rights of Lessor and Lessee as herein provided; and
- (f) all representations of Lessee in the Lease remain true, accurate and complete.

1.4. Delivery, Installation and Acceptance of Equipment. Lessee shall order each Equipment, shall cause the Equipment to be delivered and installed at the locations specified under the applicable Lease Schedule and shall pay all taxes, delivery costs and installation costs, if any, in connection therewith. If the Purchase Price is deposited under an Escrow Agreement for the acquisition of the Equipment, such funds shall be disbursed as provided therein. The insufficiency of proceeds of any Lease to pay all costs of the Equipment subject thereto shall not affect Lessee's obligations under this Section. When the Equipment described in such Lease Schedule is delivered, installed and accepted, Lessee shall promptly execute and deliver to Lessor an Acceptance Certificate for the Equipment.

## 2. TERM

2.1. Term. The term of each Lease (the "Lease Term") shall commence on the Lease Date set forth in the applicable Lease Schedule and shall terminate upon payment of the all Rental Payments, unless sooner terminated pursuant to the Lease.

## 3. RENTAL PAYMENTS

3.1. Rental Payments. Lessee agrees to pay the rent payments ("Rental Payments") in the amounts and on the dates (each a "Payment Date") as specified in the Payment Schedule attached to each Lease Schedule. A portion of each Rental Payment is paid as interest as specified in the Payment Schedule for each Lease. All Rental Payments shall be paid to Lessor, at such places as Lessor may from time to time designate by written notice to Lessee. Lessee shall pay the Rental Payments with lawful money of the United States of America from moneys legally available therefor.

3.2. Current Expense. The obligations of Lessee, including its obligation to pay the Rental Payments due in any fiscal year shall constitute a current expense of Lessee for such fiscal year and shall not constitute an indebtedness of Lessee within the meaning of the Constitution and laws of the State of Texas (the "State"). THE RENTAL PAYMENTS ARE TO BE MADE ONLY FROM LESSEE'S LEGALLY AVAILABLE REVENUES APPROPRIATED ON AN ANNUAL BASIS, AND NEITHER LESSEE, THE STATE, NOR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF SHALL BE OBLIGATED TO PAY ANY SUMS DUE UNDER A LEASE FROM THE COMPELLED LEVY OF AD VALOREM OR OTHER TAXES EXCEPT FROM THOSE LEGALLY AVAILABLE REVENUES APPROPRIATED BY LESSEE ON AN ANNUAL BASIS. Nothing herein shall constitute a pledge by Lessee of the full faith and credit or taxing power of the Lessee. The person or entity in charge of preparing Lessee's budget will include in the budget request for each fiscal year the Rental Payments to become due during 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 Rental Payments coming due therein. Lessor acknowledges that appropriation for Rental Payments is a governmental function which Lessee cannot contractually commit itself in advance to perform. Lessee reasonably believes that moneys in an amount sufficient to make all Rental Payments can and will lawfully be appropriated and made available to permit

Lessee's continued utilization of the Equipment in the performance of its essential functions during the applicable Lease Terms.

3.3. Unconditional Rental Payments. Subject to Section 3.4 hereof: (a) Lessee's obligation to make Rental Payments and any other payments hereunder shall be absolute and unconditional; (b) Lessee shall make these payments when due and shall not withhold any of these payments pending final resolution of any disputes; (c) Lessee shall not assert any right of set-off or counterclaim against its obligation to make these payments; (d) Lessee's obligation to make Rental Payments or other payments shall not be abated through accident, unforeseen circumstances, failure of the Equipment to perform as desired, damage or destruction to the Equipment, loss of possession of the Equipment or obsolescence of the Equipment; and (e) Lessee shall be obligated to continue to make payments required of it by this Agreement if title to, or temporary use of, the Equipment or any part thereof shall be taken under exercise of the power of eminent domain.

3.4. Nonappropriation. If during the then current fiscal year of Lessee, sufficient funds are not appropriated to make Rental Payments required under a Lease for the following fiscal year (an "Event of Nonappropriation"), Lessee shall be deemed not to have renewed such Lease for the following fiscal year, and the Lease shall terminate at the end of the then current fiscal year, and Lessee shall not be obligated to make Rental Payments under the Lease beyond the then current fiscal year for which funds have been appropriated. Upon an Event of Nonappropriation, Lessee shall return the Equipment subject to the Lease to Lessor in accordance with the requirements of Section 11.3. Lessee shall notify Lessor in writing no later than 30 days following an Event of Nonappropriation, but failure to provide such notice shall not operate to extend the Lease Term. If Lessee fails to return the applicable Equipment or otherwise comply with Section 11.3, the termination shall nevertheless be effective, but Lessee shall be responsible for the payment of damages in an amount equal to the amount of the Rental Payments that would thereafter have come due if the Lease had not been terminated and which are attributable to the number of days after which Lessee fails to comply with Lessor's instructions and for any other loss suffered by Lessor as a result of Lessee's failure to take such actions as required. In addition, Lessor may, by written instructions to any escrow agent who is holding proceeds of the Lease, instruct such escrow agent to release all such proceeds and any earnings thereon to Lessor.

3.5 Security Interest. As security for Lessee's obligations to pay all Rental Payments and all other amounts due and payable under each Lease and to perform and observe all covenants, agreements and conditions (direct or indirect, absolute or contingent, due or to become due or existing or hereafter arising) of Lessee under such Lease, Lessee hereby grants to Lessor a first priority, security interest in any and all of the Equipment (now existing or hereafter acquired) under each Lease, moneys and investments held from time to time the Escrow Fund under each Escrow Agreement and any and all proceeds of any of the foregoing. Lessee agrees to execute and deliver to Lessor all necessary documents to evidence and perfect such security interest, including, without limitation, Uniform Commercial Code financing statements and any amendments thereto and certificates of title or certificates of origin (or applications thereof) noting Lessor's interest thereon.

#### 4. PURCHASE AND PREPAYMENT

4.1. End of Lease Term. Lessee shall have the option to purchase all of the Equipment under a Lease upon the expiration of the Lease Term and 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.

4.2. Optional Prepayment. Lessee shall have the option to prepay its obligations under any Lease in whole but not in part on any Payment Date as set forth in the applicable Payment Schedule, but only if and to the extent the Lease Schedule provides for such prepayment. Lessee shall give written notice to Lessor of its intention to exercise its option not less than thirty (30) days prior to the Payment Date on

which the option will be exercised and shall pay to Lessor not later than such Payment Date an amount equal to all Rental Payments and any other amounts then due or past due under such Lease, including the Rental Payment due on the Payment Date on which the option shall be effective, and the applicable Prepayment Price set forth in the applicable Payment Schedule (the "Prepayment Price").

4.3. Excess Proceeds. Lessee's obligations under a Lease shall be prepaid in part from the excess proceeds of the Lease on the terms set forth in any Escrow Agreement pursuant to which proceeds of the Lease are being held.

4.4. Release of Lessor's Interest. Upon timely receipt, in collected funds, of all amounts required for the purchase of the Equipment subject to any Lease pursuant to Section 4.1 or the prepayment in whole of any Lease pursuant to Section 4.2, such Lease shall terminate, all of Lessor's right, title and interest in and to the Equipment shall terminate, and Lessor shall deliver to Lessee all such documents and instruments as Lessee may reasonably request to evidence the termination of the Lease and Lessor's interest in the Equipment, without warranty by or recourse to Lessor.

## 5. REPRESENTATION, WARRANTIES AND COVENANTS.

5.1. Representations and Warranties. Lessee shall be deemed to make the following representations and warranties to Lessor with respect to each Lease, in each case as of the Lease Date for such Lease:

(a) Lessee is a state or political subdivision of the State within the meaning of Section 103(c) of the Internal Revenue Code of 1986, as amended (the "Code"), duly organized and existing under the Constitution and laws of the State, and is authorized under the Constitution and laws of the State to enter into this Agreement, the Lease and the transactions contemplated hereby and thereby, and to perform all of its obligations under this Agreement and the Lease.

(b) The execution and delivery of this Agreement and the Lease Schedule have been duly authorized by all necessary action of Lessee's governing body and such action is in compliance with all public bidding and other State and federal laws applicable to this Agreement and the acquisition and financing of the Equipment by Lessee.

(c) This Agreement and the Lease Schedule have been duly executed and delivered by and constitute the valid and binding obligations of Lessee, enforceable against Lessee in accordance with their respective terms.

(d) The execution, delivery and performance of this Agreement and the Lease Schedule by Lessee does not (i) violate any State or federal law or local law or ordinance, or any order, writ, injunction, decree, or regulation of any court or other governmental agency or body applicable to Lessee, or (ii) conflict with or result in the breach or violation of any term or provision of, or constitute a default under, any note, bond, mortgage, indenture, agreement, deed of trust, lease or other obligation to which Lessee is bound.

(e) There is no action, suit, proceeding, claim, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body pending or, to the best of Lessee's knowledge, threatened against or affecting Lessee, challenging Lessee's authority to enter into this Agreement or the Lease Schedule or any other action wherein an unfavorable ruling or finding would adversely affect the enforceability of this Agreement or the Lease Schedule.

(f) Lessee or Lessee's governing body has appropriated and/or taken other lawful actions necessary to provide moneys sufficient to pay all Rental Payments during the current fiscal year, and such moneys will be applied in payment of all Rental Payments due and payable during such current fiscal year.

(g) Lessee has an immediate need for, and expects to make immediate use of, the Equipment, which need is not temporary or expected to diminish during the applicable Lease Term.

## 5.2. Tax Covenants.

(a) Lessee covenants and agrees that it will (i) complete and timely file an information reporting return with the Internal Revenue Service (“IRS”) in accordance with Section 149(e) of the Code; (ii) not permit the Equipment to be directly or indirectly used for a private business use within the meaning of Section 141 of the Code including, without limitation, use by private persons or entities pursuant to contractual arrangements which do not satisfy IRS guidelines for permitted management contracts, as the same may be amended from time to time; (iii) invest and reinvest moneys on deposit in the any escrow fund related to each Lease from time to time in a manner that will not cause such Lease to be classified as an “arbitrage bond” within the meaning of Section 148(a) of the Code; (iv) rebate an amount equal to excess earnings in any such escrow fund to the federal government if required by, and in accordance with, Section 148(f) of the Code and make the determinations and maintain the records required by the Code; and (v) comply with all provisions and regulations applicable to establishing and maintaining the excludability of the interest component of the Rental Payments under each Lease from federal gross income pursuant to Section 103 of the Code.

(b) If Lessor either (i) receives notice, in any form, from the IRS; or (ii) reasonably determines, based on an opinion of independent tax counsel selected by Lessor that Lessor may not exclude the interest component of any Rental Payment under a Lease from federal gross income, then Lessee shall pay to Lessor, within thirty (30) days after Lessor notifies Lessee of such determination, the amount which, with respect to Rental Payments previously paid and taking into account all penalties, fines, interest and additions to tax (including all federal, state and local taxes imposed on the interest component of all Rental Payments under the Lease due through the date of such event) that are imposed on Lessor as a result of the loss of the exclusion, will restore to Lessor the same after tax yield on the transaction evidenced by such Lease (assuming tax at the highest marginal corporate tax rate) that it would have realized had the exclusion not been lost. Additionally, Lessee agrees that upon the occurrence of such an event, it shall pay additional rent to Lessor on each succeeding Rental Payment due date in such amount as will maintain such after tax yield to Lessor. Lessor’s determination of the amount necessary to maintain its after-tax yield as provided in this subsection (b) shall be conclusive (absent manifest error).

## 6. INSURANCE; CASUALTY AND CONDEMNATION

6.1. Liability and Property Insurance. Lessee shall, at its own expense, procure and maintain continuously in effect during each Lease Term: (a) public liability insurance for death or injuries to persons, or damage to property arising out of or in any way connected to the Equipment sufficient to protect Lessor and its assigns from liability in all events, with a coverage of not less than \$1,000,000 per occurrence unless specified differently in the related Lease Schedule, and (b) insurance against such hazards as Lessor may require, including, but not limited to, all-risk casualty and property insurance, in an amount equal to the greater of the full replacement cost of the Equipment or the applicable Prepayment Price.

6.2. Insurance Requirements. All insurance policies required by Section 6.1 shall be taken out and maintained with insurance companies acceptable to Lessor and shall contain a provision that thirty (30) days prior to any change in the coverage (including cancellation) the insurer must provide written notice to the insured parties. No insurance shall be subject to any co-insurance clause. Each liability insurance policy shall be endorsed to name Lessor and its assigns as an additional insured party and each casualty and property insurance policy shall be endorsed to name Lessor and its assigns as loss payee, in each case regardless of any breach of warranty or other act or omission of Lessee. Lessee may self-insure against the risks described in Section 6.1 with the prior written consent of Lessor.

## 7. ADDITIONAL OBLIGATIONS

7.1. Use and Maintenance of Equipment. Lessee shall, at its own expense, maintain the Equipment in good condition and proper working order, and shall make all necessary repairs and replacements to keep the Equipment in such condition. The Equipment will be used by Lessee only for the purpose of performing Lessee's essential governmental functions. Lessee shall not install, use, operate or maintain the Equipment improperly, carelessly, in violation of any manufacturer's guidelines or in violation of any applicable law or regulation or in a manner contrary to that contemplated by this Agreement. Lessee shall obtain and maintain all permits and licenses necessary for the installation and operation of the Equipment. Lessee shall have sole responsibility to maintain and repair the Equipment. Lessee shall keep (or in the case of Equipment constituting motor vehicles, house) the Equipment at the address specified in the related Lease Schedule; provided that Lessee may change the location at which any Equipment is kept (or housed) with thirty (30) days prior written notice to Lessor specifying the address of the new location. Lessee shall provide Lessor access at all reasonable times to examine and inspect the Equipment and provide Lessor with such access to the Equipment as may be reasonably necessary to perform maintenance on the Equipment in the event of failure by Lessee to perform its obligations hereunder. If Lessor reasonably determines that Lessee is not maintaining any of the Equipment in accordance with this Section, Lessor may (in addition to any other remedies it may have) require Lessee to enter into maintenance contracts for such Equipment in form approved by Lessor and with approved providers.

7.2. Taxes. Lessee shall pay all taxes, assessments and other charges which are assessed or levied against the Equipment or any part thereof, during the Lease Term, whether assessed against Lessee or Lessor. With respect to any 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 the then current fiscal year of the Lease Term for such Equipment.

7.3. Modification of Equipment. Lessee will not, without the prior written consent of Lessor, affix or install any accessory equipment or device on any of the Equipment if such addition will change or impair the originally intended value, function or use of the Equipment.

7.4. Liens. Lessee shall not, directly or indirectly, create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance or other claim with respect to the Equipment (each, a "Lien"), other than the respective rights of Lessor and Lessee as herein provided. Lessee shall promptly, at its own expense, take such actions as may be necessary duly to discharge or remove any such claim if the same shall arise at any time.

7.5. Financial Information. Lessee shall deliver to Lessor (i) its annual audited financial statements within 210 days after the end of each fiscal year, (ii) its annual budget the each fiscal year promptly following approval thereof, and (iii) such other financial statements and information relating to the ability of Lessee to satisfy its obligations under this Agreement and the Lease as may be reasonably requested by Lessor from time to time.

## 8. TITLE; NO WARRANTIES BY LESSOR

8.1. Title. During the Lease Term, legal title to all Equipment shall be in Lessee, subject to Lessor's interests under the applicable Lease Schedule and this Agreement. Upon an Event of Default or an Event of Nonappropriation, title shall immediately vest in Lessor, free and clear of any right, title or interest of Lessee.

8.2. Personal Property. The Equipment is and shall at all times be and remain personal property and not fixtures.

8.3. No Warranties. LESSEE ACQUIRES AND LEASES THE EQUIPMENT UNDER EACH

LEASE "AS IS." LESSEE ACKNOWLEDGES THAT LESSOR DID NOT MANUFACTURE THE EQUIPMENT UNDER ANY LEASE. LESSOR DOES NOT REPRESENT THE MANUFACTURER, SUPPLIER, OWNER OR DEALER, AND LESSEE SELECTED THE EQUIPMENT BASED UPON LESSEE'S OWN JUDGMENT. LESSOR MAKES NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR OTHERWISE OR AS TO THE EQUIPMENT'S VALUE, DESIGN, CONDITION, USE, CAPACITY OR DURABILITY. LESSEE AGREES THAT REGARDLESS OF CAUSE, LESSOR IS NOT RESPONSIBLE FOR, AND LESSEE WILL NOT MAKE ANY CLAIM AGAINST LESSOR FOR, ANY DAMAGES, WHETHER CONSEQUENTIAL, DIRECT, SPECIAL OR INDIRECT INCURRED BY LESSEE IN CONNECTION WITH THE EQUIPMENT UNDER ANY LEASE. NEITHER THE MANUFACTURER, SUPPLIER OR DEALER NOR ANY SALESPERSON, EMPLOYEE OR AGENT OF THE MANUFACTURER, SUPPLIER OR DEALER IS LESSOR'S AGENT OR HAS ANY AUTHORITY TO SPEAK FOR LESSOR OR TO BIND LESSOR IN ANY WAY. For and during the Lease Term under each Lease, Lessor assigns to Lessee any manufacturer's or Supplier's product warranties, express or implied, applicable to any Equipment and Lessor authorizes Lessee to obtain the customary services furnished in connection with such warranties at Lessee's sole expense. Lessee agrees that (a) all Equipment will have been purchased by Lessor for the benefit of the Lessee in accordance with Lessee's specifications from suppliers selected by Lessee, (b) Lessor is not a manufacturer or dealer of any Equipment and has no liability for the delivery or installation of any Equipment, (c) Lessor assumes no obligation with respect to any manufacturer's or Supplier's product warranties or guaranties, (d) no manufacturer or Supplier or any representative of said parties is an agent of Lessor, (e) any warranty, representation, guaranty or agreement made by any manufacturer or supplier or any representative of said parties shall not be binding upon Lessor, and (f) the Lessor shall cause the supplier to identify the Lessee as an intended beneficiary of its warranty, if any.

## 9. RISK OF LOSS; CASUALTY

9.1. Risk of Loss. As between Lessee and Lessor, Lessee bears the entire risk of loss, theft, damage or destruction of any Equipment in whole or in part for any reason whatsoever. No loss to any Equipment shall relieve Lessee from the obligation to make any Rental Payments or to perform any other obligation under any Lease. Proceeds of any insurance recovery will be applied to Lessee's obligations under this Section 9.

9.2. Notice of Loss. If a casualty occurs to any Equipment, Lessee shall immediately notify Lessor of the same and Lessee shall, unless otherwise directed by Lessor, immediately repair the same.

9.3. Application of Proceeds. If Lessor determines that any item of Equipment has suffered a casualty loss is beyond repair, then Lessee shall either: (a) immediately replace such Equipment with similar equipment in good repair, condition and working order free and clear of any liens and deliver to Lessor a purchase order, bill of sale or other evidence of sale to Lessee covering the replacement equipment, in which event such replacement equipment shall automatically be Equipment under the applicable Lease, or (b) on the next scheduled Payment Date, pay Lessor (i) all amounts owed by Lessee under the applicable Lease, including the Rental Payment due on such date, plus (ii) an amount equal to the applicable Prepayment Price set forth in the Payment Schedule to the applicable Lease. If Lessee is making such payment with respect to less than all of the Equipment under a Lease, then Lessor will provide Lessee with the pro rata amount of the Prepayment Price to be paid by Lessee with respect to the such Equipment.

9.4. Claims and Expenses. Lessee shall bear the risk of loss for, shall pay directly and shall defend against any and all claims, liabilities, proceedings, actions, expenses (including reasonable attorney's fees), damages or losses arising under or related to any Equipment, including, but not limited to, the possession, ownership, lease, use or operation thereof. These obligations of Lessee shall survive any expiration or termination of any Lease. Lessee shall not bear the risk of loss of, nor pay for, any claims, liabilities, proceedings, actions, expenses (including attorney's fees), damages or losses which arise directly



from events occurring after any Equipment has been returned by Lessee to Lessor in accordance with the terms of the applicable Lease or which arise directly from the gross negligence or willful misconduct of Lessor.

## 10. ASSIGNMENT

10.1. Assignment by Lessor. Lessor may assign its rights, title and interest in and to any Lease, any Equipment or any Escrow Agreement (including the escrow fund thereunder), and/or may grant or assign a security interest in any Lease, its Equipment or any Escrow Agreement (including the escrow fund thereunder), in whole or in part, to any party at any time and from time to time without Lessee's consent. Any such assignee or lien holder (an "Assignee") shall have all of the rights of Lessor under the applicable Lease and Escrow Agreement. LESSEE AGREES NOT TO ASSERT AGAINST ANY ASSIGNEE ANY CLAIMS, ABATEMENTS, SETOFFS, COUNTERCLAIMS, RECOUPMENT OR ANY OTHER SIMILAR DEFENSES WHICH LESSEE MAY HAVE AGAINST LESSOR. Unless otherwise agreed by Lessee in writing, any such assignment transaction shall not release Lessor from any of Lessor's obligations under the applicable Lease. An assignment or reassignment of any of Lessor's right, title or interest in a Lease, its Equipment or any Escrow Agreement (including the Escrow Fund thereunder) shall be enforceable against Lessee only after Lessee receives a written notice of assignment that discloses the name and address of each such Assignee. Lessee shall keep a complete and accurate record of all such assignments in the form necessary to comply with Section 149(a) of the Code. Lessee agrees to acknowledge in writing any such assignments if so requested.

10.2. Assignment and Subleasing by Lessee. Neither this Agreement nor any Lease or any Equipment may be assigned, subleased, sold, transferred, pledged or mortgaged by Lessee.

## 11. EVENTS OF DEFAULT; REMEDIES

11.1. Events of Default Defined. The occurrence of any of the following events with respect to a Lease shall constitute an Event of Default under the Lease:

(a) Lessee's failure to pay any Rental Payment or other amount required to be paid to Lessor under the Lease within ten (10) days following the due date thereof, other than by reason of an Event of Nonappropriation;

(b) Lessee fails to perform or observe any of its obligations under Section 6, 7.4 or 10.2 hereof;

(c) With the exception of the above clauses (a) or (b), Lessee's failure to perform or abide by any condition, agreement or covenant with respect to the Lease for a period of thirty (30) days after written notice by Lessor to Lessee specifying such failure and requesting that it be remedied, unless Lessor shall agree in writing to an extension of time prior to its expiration;

(d) any statement, representation or warranty made by Lessee in the Lease or in any writing delivered by Lessee pursuant thereto or in connection therewith proves at any time to have been false, misleading or erroneous in any material respect as of the time when made; or

(e) Lessee applies for or consents to the appointment of a receiver, trustee, conservator or liquidator of Lessee or of all or a substantial part of its assets, or a petition for relief is filed by Lessee under any federal or state bankruptcy, insolvency, moratorium or similar law.

11.2. Remedies on Default. Upon the occurrence of any Event of Default with respect to a Lease, Lessor shall have the right, at its option and without any further demand or notice to one or more or all of the following remedies with respect to the Lease:

(a) Lessor, with or without terminating the Lease, may declare all Rental Payments payable under the Lease to the end of the then-current fiscal year of Lessee to be immediately due and payable by Lessee, whereupon such Rental Payments shall be immediately due and payable.

(b) Lessor may require Lessee to promptly return all Equipment to Lessor in the manner set forth in Section 11.3 (and Lessee agrees that it shall so return the Equipment), or Lessor may, at its option, enter upon the premises where any Equipment is located and repossess such Equipment without demand, without any court order or other process of law and without liability for any damage occasioned by such repossession; and Lessor may thereafter dispose of the Equipment. If Lessor terminates the Lease and disposes of any or all of the Equipment, Lessor shall apply the proceeds of any such disposition to pay the following items in the following order: (i) all costs and expenses (including, but not limited to, attorneys' fees) incurred in securing possession of the Equipment; (ii) all costs and expenses incurred in completing the disposition of the Equipment; (iii) any sales or transfer taxes incurred in the disposition of the Equipment; (iv) any Rental Payments payable under the Lease to the end of the then-current fiscal year of Lessee; (v) the outstanding principal component of Rental Payments under the Lease; and (vi) any other amounts then due under the Lease. Any disposition proceeds remaining after the requirements of clauses (i), (ii), (iii), (iv), (v) and (vi) have been met shall be paid to Lessee. No deficiency shall be allowed against Lessee, except with respect to any unpaid Rental Payments to the end of the then-current fiscal year of Lessee and unpaid costs and expenses incurred by Lessor in connection with the repossession and disposition of the Equipment.

(c) By written notice to any escrow agent that is holding proceeds of the Lease under an Escrow Agreement, Lessor may instruct such escrow agent to release all such proceeds and any earnings thereon to Lessor, such sums to be credited to payment of Lessee's obligations under the Lease; or

(d) Lessor may exercise any other remedy available, at law or in equity, with respect to such Event of Default. Lessee shall pay the reasonable attorneys' fees and expenses incurred by Lessor in exercising any remedy hereunder.

11.3. Return of Equipment: Release of Lessee's Interest. Upon termination of any Lease prior to the payment of all Rental Payments or the applicable Prepayment Price (whether as result of an Event of Nonappropriation or Event of Default) thereunder, Lessee shall, within ten (10) days after such termination, at its own expense: (a) perform any testing and repairs required to place the related Equipment in the condition required by Section 7; (b) if deinstallation, disassembly or crating is required, cause such Equipment to be deinstalled, disassembled and crated by an authorized manufacturer's representative or such other service person as is satisfactory to Lessor; (c) return such Equipment to a location in the continental United States specified by Lessor, freight and insurance prepaid by Lessee; and (d) comply with any additional return conditions specified in the Lease Schedule. Lessee shall execute and deliver to Lessor such documents as Lessor may request to evidence the passage of legal title and ownership to Lessor and termination of Lessee's interest in the Equipment.

With respect to any provision of the Agreement requiring Lessee to return all or any portion of the Equipment to Lessor or to transfer title to all or any portion of the equipment to Lessor, Lessee agrees to voluntarily do so. In the event that Lessee fails or refuses to return or transfer the Equipment or title thereto voluntarily as set forth above, Lessor acknowledges that the Agreement does not and shall not create a right in Lessor to involuntarily dispossess Lessee of title to or possession of all or any item of the Equipment. .

11.4. Late Charge. To the extent permitted by applicable law, 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 interest rate set forth in the applicable Lease Schedule plus 5% per annum or the maximum amount permitted by law, whichever is less (the "Default Rate"), from such date.

11.5. No Remedy Exclusive. Each of the rights and remedies under this Agreement and each Lease is cumulative and may be enforced separately or concurrently. No course of dealing or conduct between Lessor and Lessee shall be effective to amend, modify or change any provisions of this Agreement or any Lease. No failure or delay by Lessor to insist upon the strict performance of any term, covenant or agreement of the Agreement or any Lease, or to exercise any right, power or remedy consequent upon a breach thereof, shall constitute a waiver of any such term, covenant or agreement or of any such breach, or preclude Lessor from exercising any such right, power or remedy at any later time or times.

11.6. Costs and Attorneys' Fees. Upon the occurrence of an Event of Default, Lessee agrees to pay to Lessor or reimburse Lessor for, in addition to all other amounts payable hereunder, all of Lessor's costs of collection, including reasonable attorneys' 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 Lessee, shall be secured by this Agreement until paid, and shall bear interest at the Default Rate. 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 and on appeal of such suit or action or in any bankruptcy proceeding, in addition to all other sums provided by law.

## 12. MISCELLANEOUS PROVISIONS

12.1. Notices. All written notices to be given under this Agreement shall be given (a) personally, (b) by mail in registered or certified form, with postage prepaid, or (c) by overnight courier, charges prepaid, in each case to the party entitled thereto at its address specified beneath each party's signature, or at such address as the party may provide to the other parties hereto in writing from time to time, and to any assignee at its address as it appears on the registration books maintained by Lessee. Any such notice shall be deemed to have been received 72 hours after deposit in the United States mail, 24 hours after deposit with a courier, or, if given by other means, when delivered.

12.2. Binding Effect. This Agreement and each Lease hereunder shall be binding upon and shall inure to the benefit of Lessor and Lessee and their respective successors and assigns. Specifically, as used herein the term "Lessor" means, with respect to a Lease, any person or entity to whom Lessor has assigned its right to receive Rental Payments under such Lease.

12.3. Severability. In the event any provision of this Agreement or 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.

12.4. Entire Agreement; Amendments. Each Lease constitutes the entire agreement of the parties with respect to the subject matter thereof and supersedes all prior and contemporaneous writings, understandings, agreements, solicitation documents and representations, express or implied. Each Lease may be amended or modified only by written documents duly authorized, executed and delivered by Lessor and Lessee.

12.5. 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, Articles, Sections or clauses hereof.

12.6. Further Assurances and Corrective Instruments. Lessor and Lessee agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required to perfect, confirm, establish, reestablish, continue or complete the interests of Lessor in this Agreement and each Lease, to consummate the transactions contemplated hereby and thereby, and to carry out the purposes and intentions of this Agreement and each Lease.

12.7. Governing Law. This Agreement shall be governed by and construed in accordance with

the laws of the State.

12.8. Usury. It is the intention of the parties hereto to comply with any applicable usury laws; accordingly, it is agreed that, notwithstanding any provisions to the contrary herein or in any Lease Schedule, in no event shall this Agreement or any Lease hereunder require the payment or permit the collection of interest or any amount in the nature of interest or fees in excess of the maximum amount permitted by applicable law. Any such excess interest or fees shall first be applied to reduce principal, and when no principal remains, refunded to Lessee. In determining whether the interest paid or payable exceeds the highest lawful rate, the total amount of interest shall be spread through the applicable Lease Term so that the interest is uniform through such term.

12.9. Waiver of Jury Trial. To the extent permitted by applicable law, Lessor and Lessee hereby waive any right to trial by jury in any action or proceeding with respect to, in connection with or arising out of this Agreement.

12.10. USA Patriot Act Compliance Notification. Lessor hereby notifies Lessee that pursuant to the requirements of the USA PATRIOT Act (the "Patriot Act"), it is required to obtain, verify and record information that identifies Lessee, which information includes the name and address of Lessee and other information that will allow Lessor to identify Lessor in accordance with the Patriot Act. Lessee shall, promptly upon Lessor's request, provide all documentation and other information that Lessor requests in order to comply with its ongoing obligations under applicable "know your customer" and anti-money laundering rules and regulations, including the Patriot Act.

12.11. Relationship of Parties. Lessee acknowledges and agrees that (i) this Agreement and each Lease and the transactions related thereto is an arm's-length commercial transaction between Lessor and Lessee, (ii) in connection therewith and with the discussions, undertakings, and procedures leading up to the consummation of this transaction, Lessor is and has been acting solely as a principal and is not acting as the agent, advisor or fiduciary of Lessee, (iii) Lessor has not assumed an advisory or fiduciary responsibility in favor of Lessee with respect to the transactions contemplated hereby or the discussions, undertakings, and procedures leading thereto (regardless of whether Lessor or any affiliate thereof has provided other services or is currently providing other services to Lessee on other matters) and Lessor has no obligation to Lessee with respect to the transactions contemplated hereby except the obligations expressly set forth in this Agreement and any Lease, and (iv) Lessee has consulted its own legal, financial, and other advisors to the extent it has deemed appropriate.

[The remainder of this page is intentionally blank. Signature page follows.]

IN WITNESS WHEREOF, Lessor has caused this Agreement to be executed in its corporate name by its duly authorized officer, and Lessee has caused this Agreement to be executed in its name by its duly authorized officer.

Lubbock County

Lessee

All American Investment Group, LLC

Lessor

By: 

Name: Curtis Parrish

Title: County Judge

Address: 904 Broadway Avenue

Lubbock, TX 79401

Attention: Curtis Parrish

Telephone: 806-775-1097

E-mail address:

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

Name: Ron Klein

Title: Senior Vice President

Address: 2101 S. Blackhawk St., Suite 270N

Aurora, CO 80014

Telephone:

E-mail address:

IN WITNESS WHEREOF, Lessor has caused this Agreement to be executed in its corporate name by its duly authorized officer, and Lessee has caused this Agreement to be executed in its name by its duly authorized officer.

Lubbock County

Lessee

All American Investment Group, LLC

Lessor

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

Name: Curtis Parrish

Title: County Judge

Address: 904 Broadway Avenue

Lubbock, TX 79401

Attention: Curtis Parrish

Telephone: 806-775-1097

E-mail address:

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

Name: Ron Klein

Title: Senior Vice President

Address: 2101 S. Blackhawk St., Suite 270N

Aurora, CO 80014

Telephone:

E-mail address:

**LEASE SCHEDULE NO. 1**  
to Master Lease Purchase Agreement

Dated: October 1, 2019

This Lease Schedule (this "Lease Schedule") relates to the Master Lease Purchase Agreement dated as of October 1, 2019 (the "Agreement") between the undersigned Lessor and Lessee, together with the terms and conditions of the Agreement incorporated herein by reference, constitutes a Lease. Unless otherwise defined herein, capitalized terms will have the same meaning ascribed to them in the Agreement. All terms and conditions of the Master Lease are incorporated herein by reference.

1. Equipment Description. As used in the Lease, "Equipment" means all of the property described in Exhibit I attached to this Lease Schedule and all attachments, additions, accessions, parts, repairs, improvements, replacements and substitutions thereto.
2. Purchase Price. The Purchase Price for the Equipment is \$11,154,485.00 which amount shall be deposited in the Escrow Fund established pursuant to that certain Escrow Agreement dated as of October 1, 2019 among Lessor, Lessee and U.S. Bank National Association.
3. Rental Payments; Lease Term. The Rental Payments to be paid by Lessee to Lessor, the Lease Date of this Lease and the Lease Term of this Lease are set forth on the Payment Schedule attached to this Lease Schedule as Exhibit 2.
4. Essential Use; Current Intent of Lessee. Lessee represents that (a) the use of the Equipment is essential to Lessee's proper, efficient and economic functioning or to the services that Lessee provides to its citizens, (b) the Equipment will be used by Lessee only for the purpose of performing its governmental or proprietary functions consistent with the permissible scope of its authority and will not be used in a trade or business of any person or entity, and (c) the useful life of the Equipment is not less than the stated full Lease Term of this Lease. Lessee has determined that a present need exists for the Equipment which need is not temporary or expected to diminish in the near future. Lessee currently intends for the full Lease Term: to use the Equipment; and to continue this Lease.
5. Representations, Warranties and Covenants. Lessee hereby represents, warrants and covenants that its representations, warranties and covenants set forth in the Agreement are true and correct as though made on the date of execution of this Lease Schedule.


IN WITNESS WHEREOF, Lessor has caused this Lease Schedule to be executed in its corporate name by its duly authorized officer, and Lessee has caused this Lease Schedule to be executed in its name by its duly authorized officer.

Lubbock County

Lessee

All American Investment Group, LLC

Lessor

By:   
Name: Curtis Parrish  
Title: County Judge

Address: 904 Broadway Avenue  
Lubbock, TX 79401

Attention: Curtis Parrish

Telephone: 806-775-1097  
E-mail address:

By: \_\_\_\_\_  
Name: Ron Klein  
Title: Senior Vice President

Address: 2101 S. Blackhawk Street, Suite 270N  
Aurora, Colorado 80014

Telephone:  
E-mail address:



IN WITNESS WHEREOF, Lessor has caused this Lease Schedule to be executed in its corporate name by its duly authorized officer, and Lessee has caused this Lease Schedule to be executed in its name by its duly authorized officer.

**Lubbock County**

Lessee

**All American Investment Group, LLC**

Lessor

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

Name: Curtis Parrish


Title: County Judge

Address: 904 Broadway Avenue  
Lubbock, TX 79401

Attention: Curtis Parrish

Telephone: 806-775-1097

E-mail address:

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

Name: Ron Klein

Title: Senior Vice President

Address: 2101 S. Blackhawk Street, Suite 270N  
Aurora, Colorado 80014

Telephone:

E-mail address:

**Equipment Description**

Equipment as described in detail in the Johnson Controls, Inc. Energy Performance Contract

Amount Financed: \$11,154,485.00

FIM No.	Description
1	Lighting Retrofit
2	Water Conservation
3	Unitary HVAC Equipment Replacements
4	Large HVAC Equipment Replacement
5	Detention Center Controls Upgrades
6	Window Film
7	Not included
8	Black Pipe Replacements
9	Facility Dude

## PAYMENT SCHEDULE

	Date	Payment	Interest	Principal	Prepayment
1	10/1/2020	290,582.03	290,582.03	0.00	
2	1/1/2021	188,602.00	71,946.43	116,655.57	11,368,964.31
3	4/1/2021	188,602.00	71,194.00	117,408.00	11,248,034.07
4	7/1/2021	188,602.00	70,436.72	118,165.28	11,126,323.83
5	10/1/2021	210,537.25	69,674.55	140,862.70	10,981,235.25
6	1/1/2022	210,537.25	68,765.99	141,771.26	10,835,210.86
7	4/1/2022	210,537.25	67,851.56	142,685.69	10,688,244.60
8	7/1/2022	210,537.25	66,931.24	143,606.01	10,540,330.40
9	10/1/2022	213,680.00	66,004.98	147,675.02	10,388,225.13
10	1/1/2023	213,680.00	65,052.48	148,627.52	10,235,138.79
11	4/1/2023	213,680.00	64,093.83	149,586.17	10,081,065.03
12	7/1/2023	213,680.00	63,129.00	150,551.00	9,925,997.50
13	10/1/2023	216,917.25	62,157.95	154,759.30	9,766,595.42
14	1/1/2024	216,917.25	61,159.75	155,757.50	9,606,165.20
15	4/1/2024	216,917.25	60,155.11	156,762.14	9,444,700.20
16	7/1/2024	216,917.25	59,144.00	157,773.25	9,282,193.75
17	10/1/2024	220,251.00	58,126.36	162,124.64	9,115,205.37
18	1/1/2025	220,251.00	57,080.65	163,170.35	8,947,139.91
19	4/1/2025	220,251.00	56,028.21	164,222.79	8,777,990.43
20	7/1/2025	220,251.00	54,968.97	165,282.03	8,607,749.94
21	10/1/2025	223,685.00	53,902.90	169,782.10	8,432,874.38
22	1/1/2026	223,685.00	52,807.81	170,877.19	8,256,870.87
23	4/1/2026	223,685.00	51,705.65	171,979.35	8,079,732.14
24	7/1/2026	223,685.00	50,596.38	173,088.62	7,901,450.87
25	10/1/2026	227,223.00	49,479.96	177,743.04	7,718,375.53
26	1/1/2027	227,223.00	48,333.52	178,889.48	7,534,119.37
27	4/1/2027	227,223.00	47,179.68	180,043.32	7,348,674.75
28	7/1/2027	227,223.00	46,018.40	181,204.60	7,162,034.01
29	10/1/2027	230,866.00	44,849.63	186,016.37	6,970,437.15
30	1/1/2028	230,866.00	43,649.82	187,216.18	6,777,604.49
31	4/1/2028	230,866.00	42,442.28	188,423.72	6,583,528.05
32	7/1/2028	230,866.00	41,226.95	189,639.05	6,388,199.83
33	10/1/2028	234,619.00	40,003.78	194,615.22	6,187,746.16
34	1/1/2029	234,619.00	38,748.51	195,870.49	5,985,999.55
35	4/1/2029	234,619.00	37,485.14	197,133.86	5,782,951.68
36	7/1/2029	234,619.00	36,213.63	198,405.37	5,578,594.14
37	10/1/2029	238,484.00	34,933.91	203,550.09	5,368,937.55
38	1/1/2030	238,484.00	33,621.02	204,862.98	5,157,928.68
39	4/1/2030	238,484.00	32,299.65	206,184.35	4,945,558.80
40	7/1/2030	238,484.00	30,969.76	207,514.24	4,731,819.13
41	10/1/2030	242,466.00	29,631.29	212,834.71	4,512,599.38
42	1/1/2031	242,466.00	28,258.51	214,207.49	4,291,965.67
43	4/1/2031	242,466.00	26,876.87	215,589.13	4,069,908.86

44	7/1/2031	242,466.00	25,486.32	216,979.68	3,846,419.79
45	10/1/2031	246,566.00	24,086.80	222,479.20	3,617,266.22
46	1/1/2032	246,566.00	22,651.81	223,914.19	3,386,634.60
47	4/1/2032	246,566.00	21,207.57	225,358.43	3,154,515.42
48	7/1/2032	246,566.00	19,754.00	226,812.00	2,920,899.06
49	10/1/2032	246,343.13	18,291.07	228,052.06	2,686,005.44
50	1/1/2033	246,343.13	16,820.13	229,523.00	2,449,596.75
51	4/1/2033	246,343.13	15,339.71	231,003.42	2,211,663.23
52	7/1/2033	246,343.13	13,849.74	232,493.39	1,972,195.03
53	10/1/2033	246,343.13	12,350.15	233,992.98	1,731,182.26
54	1/1/2034	246,343.13	10,840.90	235,502.23	1,488,614.97
55	4/1/2034	246,343.13	9,321.91	237,021.22	1,244,483.11
56	7/1/2034	246,343.13	7,793.12	238,550.01	998,776.60
57	10/1/2034	246,343.13	6,254.47	240,088.66	751,485.28
58	1/1/2035	246,343.13	4,705.90	241,637.23	502,598.93
59	4/1/2035	246,343.13	3,147.34	243,195.79	252,107.27
60	7/1/2035	246,343.13	1,578.79	244,764.34	0.00

**Grand Totals 13,833,683.59 2,679,198.59 11,154,485.00**

Interest Rate: 2.58%

INCUMBENCY CERTIFICATE

The undersigned, the duly appointed and acting **County Judge** of Lubbock County ("Lessee") certifies as follows:

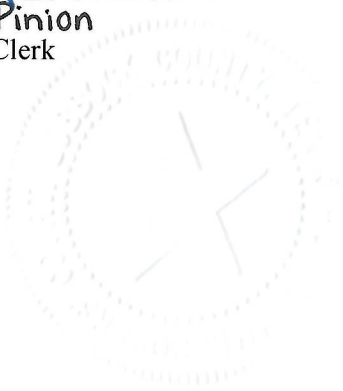
1. The individuals identified below are the duly elected or appointed officers of Lessee holding the offices set forth opposite their respective names.

2. The individuals identified below have the authority on behalf of Lessee to enter into that certain Master Lease Purchase Agreement dated as of October 1, 2019 between such entity and All American Investment Group, LLC, its successors and assigns, as Lessor.

<u>Name</u>	<u>Title</u>	<u>Signature</u>
<u>Curtis Parrish</u>	<u>County Judge</u>	<u></u>
_____	_____	_____
_____	_____	_____

IN WITNESS WHEREOF, I have duly executed this certificate as of this 24 day of September, 2019.

By:   
Name: Kelly Pinion  
Title: County Clerk



**K. SUNSHINE STANEK**  
CRIMINAL DISTRICT ATTORNEY  
P.O. BOX 10536  
LUBBOCK, TEXAS 79408-3536



Office of the Criminal District Attorney  
Civil Division

**R. Neal Burt**  
Civil Division Chief  
916 Main Street, Suite 300  
Lubbock, Texas 79401  
(806)775-1196 Fax (806)775-7952  
nburt@lubbockcounty.gov

October 1, 2019

All American Investment Group, LLC  
2101 S. Blackhawk Street, Suite 270N  
Aurora, Colorado 80014

**Re: Lease Schedule No. 1, dated October 1, 2019, to Master Lease Purchase Agreement, dated as of October 1, 2019, between All American Investment Group, LLC, as Lessor, and Lubbock County, as Lessee**

Dear Ladies and Gentlemen:

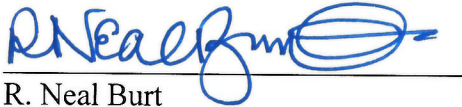
I have acted as legal counsel for Lubbock County ("Lessee") in connection with the above-referenced transaction. In such capacity, I have reviewed (a) an executed counterpart of a certain Master Lease Purchase Agreement, dated as of October 1, 2019 (the "Agreement"), by and between All American Investment Group, LLC ("Lessor") and Lessee and an executed counterpart of Lease Schedule No. 1, dated October 1, 2019 (the "Lease Schedule"), by and between Lessor and Lessee, which among other things, provides for the lease of certain property listed in the Lease Schedule (the "Equipment") and a certain Escrow Agreement dated October 1, 2019 (the "Escrow Agreement"), among Lessor, Lessee and U.S. Bank National Association, as escrow agent, (b) an executed counterpart of the ordinances or resolutions of Lessee which, among other things, authorizes Lessee to execute the Agreement and the Lease Schedule and (c) such other opinions, documents and matters of law as I have deemed necessary in connection with the following opinions. The Lease Schedule and the terms and provisions of the Agreement incorporated therein by reference together with the Rental Payment Schedule attached to the Lease Schedule are herein referred to collectively as the "Lease", and the Lease and the Escrow Agreement are referred to collectively as the "Transaction Documents." Terms capitalized in this opinion but not defined herein shall have the meanings assigned to them in the Lease. Based upon the foregoing, it is my opinion that:

1. Lessee is a political subdivision of the State of Texas (the "State") within the meaning of Section 103(c) of the Internal Revenue Code of 1986, as amended, and is duly organized, existing and operating under the Constitution and laws of the State;
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. Each of the Transaction Documents has been duly authorized, executed and delivered by and on behalf of Lessee, and is a legal, valid and binding obligation of Lessee enforceable in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency and other similar laws affecting the enforcement of creditors' rights generally and by general equitable principles.
4. The authorization and execution of the Transaction Documents and all other proceedings of Lessee relating to the transactions contemplated thereby have been performed in accordance with all applicable open meeting, public records, public bidding and all other laws, rules and regulations of the State.
5. The execution of the Transaction Documents and the appropriation of moneys to pay the Rental Payments coming due thereunder do not and will not result in the violation of any constitutional, statutory or other limitation relating to the manner, form or amount of indebtedness which may be incurred by Lessee.
6. 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.

This opinion may be relied upon by the addressee hereof and its successors and assignees of interests in the Transactions Documents.

Sincerely,



---

R. Neal Burt

Civil Division Chief

Lubbock County Criminal District Attorney's Office

## ESCROW AGREEMENT

THIS ESCROW AGREEMENT ("*Escrow Agreement*") is made as of October 1, 2019 by and among U.S. Bancorp Government Leasing and Finance, Inc. ("*Assignee*"), Lubbock County ("*Lessee*") and U.S. BANK NATIONAL ASSOCIATION, as escrow agent ("*Escrow Agent*").

Assignee and Lessee have heretofore entered into that certain Master Tax-Exempt Lease/Purchase Agreement dated as of October 1, 2019 (the "*Master Agreement*") and a Property Schedule No. 1 thereto dated October 1, 2019 (the "*Schedule*" and, together with the terms and conditions of the Master Agreement incorporated therein, the "*Agreement*"). The Schedule contemplates that certain personal property described therein (the "*Equipment*") is to be acquired from the vendor(s) or manufacturer(s) thereof (the "*Vendor*"). After acceptance of the Equipment by Lessee, the Equipment is to be financed by Assignee to Lessee pursuant to the terms of the Agreement.

The Master Agreement further contemplates that Assignee will deposit an amount equal to the anticipated aggregate acquisition cost of the Equipment (the "*Purchase Price*"), being \$11,154,485.00, with Escrow Agent to be held in escrow and applied on the express terms set forth herein. Such deposit, together with all interest and other additions received with respect thereto (hereinafter the "*Escrow Fund*") is to be applied to pay the Vendor its invoice cost (a portion of which may, if required, be paid prior to final acceptance of the Equipment by Lessee); and, if applicable, to reimburse Lessee for progress payments already made by it to the Vendor of the Equipment.

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

NOW, THEREFORE, in consideration of the sum of Ten Dollars (\$10.00) in hand paid, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Escrow Agent hereby agrees to serve as escrow agent upon the terms and conditions set forth herein. The moneys and investments held in the Escrow Fund are for the benefit of Lessee and Assignee, and such moneys, together with any income or interest earned thereon, shall be expended only as provided in this Escrow Agreement, and shall not be subject to levy or attachment or lien by or for the benefit of any creditor of either Lessee or Assignee. Assignee, Lessee and Escrow Agent intend that the Escrow Fund constitute an escrow account in which Lessee has no legal or equitable right, title or interest until satisfaction in full of all conditions contained herein for the disbursement of funds by the Escrow Agent therefrom. However, if the parties' intention that Lessee shall have no legal or equitable right, title or interest until all conditions for disbursement are satisfied in full is not respected in any legal proceeding, the parties hereto intend that Assignee have a security interest in the Escrow Fund, and such security interest is hereby granted by Lessee to secure payment of all sums due to Assignee under the Master Agreement. For such purpose, Escrow Agent hereby agrees to act as agent for Assignee in connection with the perfection of such security interest and agrees to note, or cause to be noted, on all books and records relating to the Escrow Fund, the Assignee's interest therein.

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

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

3. Escrow Agent shall at all times segregate the Escrow Fund into an account maintained for that express purpose, which shall be clearly identified on the books and records of Escrow Agent as



being held in its capacity as Escrow Agent. Securities and other negotiable instruments comprising the Escrow Fund from time to time shall be held or registered in the name of Escrow Agent (or its nominee). The Escrow Fund shall not, to the extent permitted by applicable law, be subject to levy or attachment or lien by or for the benefit of any creditor of any of the parties hereto (except with respect to the security interest therein held by Assignee).

4. The cash comprising the Escrow Fund from time to time shall be invested and reinvested by Escrow Agent in one or more investments as directed by Lessee in Exhibit 1, Investment Direction Letter. Absent written direction from Lessee, the cash will be invested in the First American Government Obligation Funds. See Exhibit 1 Investment Direction Letter. Lessee represents and warrants to Escrow Agent and Assignee that the investments selected by Lessee for investment of the Escrow Fund are permitted investments for Lessee under all applicable laws. Escrow Agent will use due diligence to collect amounts payable under a check or other instrument for the payment of money comprising the Escrow Fund and shall promptly notify Lessee and Assignee in the event of dishonor of payment under any such check or other instruments. Interest or other amounts earned and received by Escrow Agent with respect to the Escrow Fund shall be deposited in and comprise a part of the Escrow Fund. Escrow Agent shall maintain accounting records sufficient to permit calculation of the income on investments and interest earned on deposit of amounts held in the Escrow Fund. The Escrow Agent shall furnish a statement of security transactions on its regular monthly reports. Attached as Exhibit 6 is the Class Action Negative Consent Letter to be reviewed by Lessee.

5. Upon request by Lessee or Assignee, Escrow Agent shall send monthly statements of account to Lessee and Assignee, which statements shall set forth all withdrawals from and interest earnings on the Escrow Fund as well as the investments in which the Escrow Fund is invested.

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

(a) Upon Escrow Agent's acceptance of the deposit of the Purchase Price, an amount equal to Escrow Agent's set-up fee, as set forth on Exhibit 2 hereto, shall be disbursed from the Escrow Fund to Escrow Agent in payment of such fee.

(b) Escrow Agent shall pay costs of the Equipment upon receipt of a duly executed Requisition Request (substantially in the format of Exhibit 3) signed by Assignee and Lessee. Assignee's authorized signatures are provided in Exhibit 5. Lessee's authorized signatures will be provided in Exhibit 3 of Master Lease Purchase Agreement. Escrow Agent will use best efforts to process requests for payment within one (1) business day of receipt of requisitions received prior to 2:00 p.m. Central Time. The final Requisition shall be accompanied by a duly executed Final Acceptance Certificate form attached as Exhibit 4 hereto.

(c) Upon receipt by Escrow Agent of written notice from Assignee that an Event of Default or an Event of Nonappropriation (if provided for under the Master Agreement) has occurred under the Agreement, all funds then on deposit in the Escrow Fund shall be paid to Assignee for application in accordance with the Master Agreement, and this Escrow Agreement shall terminate.

(d) Upon receipt by Escrow Agent of written notice from Assignee that the purchase price of the Equipment has been paid in full, Escrow Agent shall pay the funds then on deposit in the Escrow Fund to Assignee to be applied first to the next Lease Payment due under the Master Agreement, and second, to prepayment of the principal component of Lease Payments in inverse order of maturity without premium. To the extent the Agreement is not subject to prepayment, Assignee consents to such prepayment to the extent of such prepayment amount from the Escrow Fund. Upon disbursement of all amounts in the Escrow Fund, this Escrow Agreement shall terminate.

(e) This Escrow Agreement shall terminate eighteen (18) months from the date of this Escrow Agreement. It may, however, be extended by mutual consent of Lessee and

Assignee in writing to Escrow Agent. All funds on deposit in the Escrow Fund at the time of termination under this paragraph, unless otherwise directed by Lessee in writing (electronic means acceptable), shall be transferred to Assignee.

7. The reasonable fees and expenses, including any legal fees, of Escrow Agent incurred in connection herewith shall be the responsibility of Lessee. The basic fees and expenses of Escrow Agent shall be as set forth on Exhibit 2 and Escrow Agent is hereby authorized to deduct such fees and expenses from the Escrow Fund as and when the same are incurred without any further authorization from Lessee or Assignee. Escrow Agent may employ legal counsel and other experts as it deems necessary for advice in connection with its obligations hereunder. Escrow Agent waives any claim against Assignee with respect to compensation hereunder.

8. Escrow Agent shall have no liability for acting upon any written instruction presented by Assignee in connection with this Escrow Agreement, which Escrow Agent in good faith believes to be genuine. Furthermore, Escrow Agent shall not be liable for any act or omission in connection with this Escrow Agreement except for its own negligence, willful misconduct or bad faith. Escrow Agent shall not be liable for any loss or diminution in value of the Escrow Fund as a result of the investments made by Escrow Agent at the direction of the Lessee.

9. Escrow Agent may resign at any time by giving thirty (30) days' prior written notice to Assignee and Lessee. Assignee may at any time remove Escrow Agent as Escrow Agent under this Escrow Agreement upon written notice. Such removal or resignation shall be effective on the date set forth in the applicable notice. Upon the effective date of resignation or removal, Escrow Agent will transfer the Escrow Fund to the successor Escrow Agent selected by Assignee.

10. Lessee hereby represents, covenants and warrants that pursuant to Treasury Regulations Section 1.148-7(d), the gross proceeds of the Agreement will be expended for the governmental purposes for which the Agreement was entered into, as follows: at least 15% within six months after the Commencement Date, such date being the date of deposit of funds into the Escrow Fund, at least 60% within 12 months after the Commencement Date, and 100% within 18 months after the Commencement Date. If Lessee is unable to comply with Section 1.148-7(d) of the Treasury Regulations, Lessee shall, at its sole expense and cost, compute rebatable arbitrage on the Agreement and pay rebatable arbitrage to the United States at least once every five years, and within 60 days after payment of the final rental or Lease Payment due under the Agreement.

11. In the event of any disagreement between the undersigned or any of them, and/or any other person, resulting in adverse claims and demands being made in connection with or for any moneys involved herein or affected hereby, Escrow Agent shall be entitled at its option to refuse to comply with any such claim or demand, so long as such disagreement shall continue, and in so refusing Escrow Agent may refrain from making any delivery or other disposition of any moneys involved herein or affected hereby and in so doing Escrow Agent shall not be or become liable to the undersigned or any of them or to any person or party for its failure or refusal to comply with such conflicting or adverse demands, and Escrow Agent shall be entitled to continue so to refrain and refuse so to act until:

(a) the rights of the adverse claimants have been finally adjudicated in a court assuming and having jurisdiction of the parties and the moneys involved herein or affected hereby; or

(b) all differences shall have been adjusted by Master Agreement and Escrow Agent shall have been notified thereof in writing signed by all of the persons interested.

12. All notices (excluding billings and communications in the ordinary course of business) hereunder shall be in writing, and shall be sufficiently given and served upon the other party if delivered (a) personally, (b) by United States registered or certified mail, return receipt requested, postage prepaid, (c) by an overnight delivery by a service such as Federal Express or Express Mail from which written confirmation of overnight delivery is available, or (d) by facsimile with a confirmation copy by regular United States mail, postage prepaid, addressed to the other party at its respective address stated below

the signature of such party or at such other address as such party shall from time to time designate in writing to the other party, and shall be effective from the date of mailing.

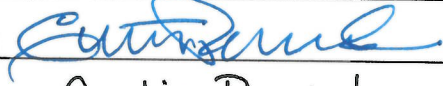
13. This Escrow Agreement shall inure to the benefit of and shall be binding upon the parties hereto and their respective successors and assigns. No rights or obligations of Escrow Agent under this Escrow Agreement may be assigned without the prior written consent of Assignee.

14. This Escrow Agreement shall be governed by and construed in accordance with the laws in the state of the Escrow Agent's location. This Escrow Agreement constitutes the entire Agreement between the parties hereto with respect to the subject matter hereof, and no waiver, consent, modification or change of terms hereof shall bind any party unless in writing signed by all parties.

15. This Escrow Agreement and any written direction may be executed in two or more counterparts, which when so executed shall constitute one and the same agreement or direction.

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

U.S. Bancorp Government Leasing and Finance, Inc., as Assignee
By:
Name:
Title:
Address: 13010 SW 68 <sup>th</sup> Parkway, Suite 100 Portland, OR 97223

Lubbock County, as Lessee
By: 
Name: Curtis Parrish
Title: County Judge
Address: 904 Broadway Avenue Lubbock, TX 79401

U.S. BANK NATIONAL ASSOCIATION, as Escrow Agent
By:
Name:
Title:
Address: U.S. Bank National Association 950 17 <sup>th</sup> Street, 5 <sup>th</sup> Floor Denver, CO 80202

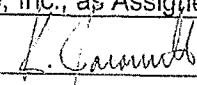
the signature of such party or at such other address as such party shall from time to time designate in writing to the other party, and shall be effective from the date of mailing.

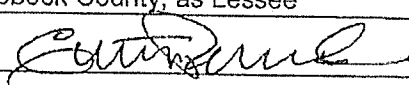
13. This Escrow Agreement shall inure to the benefit of and shall be binding upon the parties hereto and their respective successors and assigns. No rights or obligations of Escrow Agent under this Escrow Agreement may be assigned without the prior written consent of Assignee.

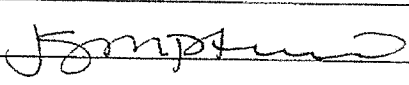
14. This Escrow Agreement shall be governed by and construed in accordance with the laws in the state of the Escrow Agent's location. This Escrow Agreement constitutes the entire Agreement between the parties hereto with respect to the subject matter hereof, and no waiver, consent, modification or change of terms hereof shall bind any party unless in writing signed by all parties.

15. This Escrow Agreement and any written direction may be executed in two or more counterparts, which when so executed shall constitute one and the same agreement or direction.

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

U.S. Bancorp Government Leasing and Finance, Inc., as Assignee
By: 
Name: Kevin Jaramillo
Title: Documentation Specialist
Address: 13010 SW 68 <sup>th</sup> Parkway, Suite 100 Portland, OR 97223

Lubbock County, as Lessee
By: 
Name: Curtis Parrish
Title: County Judge
Address: 904 Broadway Avenue Lubbock, TX 79401

U.S. BANK NATIONAL ASSOCIATION, as Escrow Agent
By: 
Name: Jennifer M. Petruno
Title: Vice President
Address: U.S. Bank National Association 950 17 <sup>th</sup> Street, 5 <sup>th</sup> Floor Denver, CO 80202

## EXHIBIT 1

Based upon client's prior review of investment alternatives, in the absence of further specific written direction to the contrary, U.S. Bank National Association ("USBNA") or U.S. Bank Trust National Association ("USBTNA") is hereby directed to invest and reinvest proceeds and other available moneys in the following fund as permitted by the operative documents:

### **First American Government Obligations Fund Class Y Shares**

PLEASE REFER TO THE PROSPECTUS OF FIRST AMERICAN FUNDS, INC. WHICH YOU HEREBY ACKNOWLEDGE HAS PREVIOUSLY BEEN PROVIDED. NOTE THAT THE ABOVE FUNDS' INVESTMENT ADVISOR, CUSTODIAN, DISTRIBUTOR AND OTHER SERVICE PROVIDERS AS DISCLOSED IN THE FUNDS PROSPECTUS ARE U.S. BANK NATIONAL ASSOCIATION AND AFFILIATES THEREOF. U.S. BANK DOES NOT HAVE A DUTY NOR WILL IT UNDERTAKE ANY DUTY TO PROVIDE INVESTMENT ADVICE TO YOU. U.S. BANK, WHEN ACTING AS AN INDENTURE TRUSTEE OR IN A SIMILAR CAPACITY, IS NOT REQUIRED TO REGISTER AS A MUNICIPAL ADVISOR WITH THE SECURITIES AND EXCHANGE COMMISSION FOR PURPOSES OF COMPLYING WITH THE DODD-FRANK WALL STREET REFORM & CONSUMER PROTECTION ACT. INVESTMENT ADVICE, IF NEEDED, SHOULD BE OBTAINED FROM YOUR FINANCIAL ADVISOR. **FOR INFORMATION ABOUT OTHER AVAILABLE SWEEP OPTIONS, CONTACT YOUR ACCOUNT MANAGER.**

U.S. Bank National Association (or U.S. Bank Trust National Association) will not vote proxies for the First American Funds. Proxies will be mailed to you for voting.

### **SHAREHOLDER COMMUNICATIONS ACT AUTHORIZATION**

The Shareholder Communications Act of 1985 and its regulation require that banks and trust companies make an effort to facilitate communication between registrants of U.S. securities and the parties who have the authority to vote or direct the voting of those securities regarding proxy dissemination and other corporate communications. Unless you indicate your objection below, we will provide the obligatory information to the registrant upon request. Your objection will apply to all securities held for you in the account now and in the future unless you notify us in writing.

\_\_\_\_\_ I object to US Bank providing my name, address, and securities positions to requesting issuers.  
(Initial, check, or place an X on the [blank] to indicate your objection)

### **Acknowledgments. Client Acknowledges that:**

- 1.1. Shares of Mutual Funds are not deposits or obligations of, or guaranteed by, any bank, including any bank affiliated with U.S. Bancorp. Nor does the Federal Deposit Insurance Corporations, the Federal Reserve Board, or any other government agency insure such products. An investment in such products involves investment risks, including the possible loss of principal, due to fluctuations in each product's net asset value.
- 1.2. Same-day Settlement. If USBNA (or USBTNA) receives a direction to purchase or redeem Sweep Vehicle shares by the fund's established U.S. Bank cut-off time (the "Internal Trading Cut-off"), then such entity will settle the purchase or redemption on the same business day, subject to the Sweep Vehicle's cut-off and policy for determining when a purchase or redemption order is considered to be received. Meeting the Internal Trading Cut-off does not guarantee same-business-day settlement.
- 1.3. Advance of Funds. If USBNA (or USBTNA) receives a direction to redeem Sweep Vehicle shares (the "Redemption Direction") and to disburse or invest the proceeds thereof before the redeemed shares settle (the "Proceeds Direction"), then they have the power to (i) determine the dollar amount of anticipated proceeds based on the net asset value ("NAV") most recently determined (ii) advance funds in that dollar amount in furtherance of settling the redemption and, as applicable, the purchase; (iii) determine the number of shares redeemed based on the NAV at settlement; and (iv) as part of USBNA's (or USBTNA's) compensation for servicing the Account, retain the



## EXHIBIT 2

### Schedule of Fees for Services as Escrow Agent Equipment Lease Purchase Escrow

CTS01010A	<b>Acceptance Fee</b> The acceptance fee includes the administrative review of documents, initial set-up of the account, and other reasonably required services up to and including the closing. This is a one-time, non-refundable fee, payable at closing.	WAIVED
CTS04460	<b>Escrow Agent</b> Annual fee for the standard escrow agent services associated with the administration of the account. Administration fees are payable in advance.	WAIVED
	<b>Direct Out of Pocket Expenses</b> Reimbursement of expenses associated with the performance of our duties, including but not limited to publications, legal counsel after the initial close, travel expenses and filing fees.	At Cost
	<b>Extraordinary Services</b> Extraordinary Services are duties or responsibilities of an unusual nature, including termination, but not provided for in the governing documents or otherwise set forth in this schedule. A reasonable charge will be assessed based on the nature of the services and the responsibility involved. At our option, these charges will be billed at a flat fee or at our hourly rate then in effect.	

Account approval is subject to review and qualification. Fees are subject to change at our discretion and upon written notice. Fees paid in advance will not be prorated. The fees set forth above and any subsequent modifications thereof are part of your agreement. Finalization of the transaction constitutes agreement to the above fee schedule, including agreement to any subsequent changes upon proper written notice. In the event your transaction is not finalized, any related out-of-pocket expenses will be billed to you directly. Absent your written instructions to sweep or otherwise invest, all sums in your account will remain uninvested and no accrued interest or other compensation will be credited to the account. Payment of fees constitutes acceptance of the terms and conditions set forth.

#### **IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT:**

**To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account.**

**For a non-individual person such as a business entity, a charity, a Trust or other legal entity we will ask for documentation to verify its formation and existence as a legal entity. We may also ask to see financial statements, licenses, identification and authorization documents from individuals claiming authority to represent the entity or other relevant documentation.**

Exhibit 6

Class Action Negative Consent Letter

October 1, 2019

Lubbock County  
904 Broadway Avenue  
Lubbock, TX 79401

RE: USBGLF/Lubbock County - - Class Action Litigation Claims

Dear Curtis Parrish:

**U.S.** Bank National Association ("U.S. Bank") has established its policies and procedures relative to class action litigation claims filed on behalf of its clients' accounts. This policy may impact future claims filed by U.S. Bank on behalf of the above-referenced account. Listed below are the policies regarding class action litigation claims:

1. U.S. Bank will file class action litigation claims, at no charge, on behalf of open, eligible agency or custody accounts upon receipt of proper documented authorization. This notice, with your ability to opt out as further described below, constitutes such documented authorization.
2. U.S. Bank will not file claims for agency or custody accounts that were open during the class action period but were closed prior to receipt of any notice of the class action litigation.
3. Assuming requisite information is provided by the payor to identify the applicable account, settlement proceeds of the class action litigation will be posted within a reasonable time following receipt of such proceeds to the entitled accounts that are open at such time. If entitled accounts are closed prior to distribution and receipt of settlement proceeds, they will be remitted to entitled beneficiaries or successors of the account net of any research and filing fees. Proceeds, less any research and filing fees, will be escheated if the entitled beneficiaries or successors of the account cannot be identified /located.

If you wish U.S. Bank to continue to file class action litigation proofs of claim on behalf of your account, you do not need to take any further action. However, if you do not wish U.S. Bank to file class action proofs of claim on behalf of your account, you may notify us of this election by returning this letter with your signature and date provided below within 30 days or by filing a separate authorization letter with your Account Manager by the same date.

The authorization and understanding contained in this communication constitutes an amendment of any applicable provisions of the account document for the above-referenced account.

If you have any questions, please contact me at the below number.

Sincerely,

Kathleen Connelly  
Vice President  
303-585-4591

No, U.S. Bank is not authorized to file class action litigation proofs of claim on behalf of the above-referenced account(s). By making this election, I acknowledge that U.S. Bank is not responsible for forwarding notices received on class action or litigation claims.

  
Authorized Signer

9/24/2019  
Date



## INSURANCE AUTHORIZATION AND VERIFICATION

Date: October 1, 2019

Property Schedule No: 1

To: Lubbock County (the "Lessee")

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

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

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

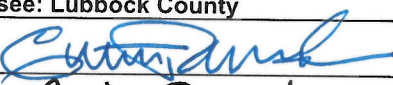
**Lessee must carry GENERAL LIABILITY (and/or, for vehicles, Automobile Liability) in the amount of no less than \$1,000,000.00 (one million dollars).**

**Lessee must carry PROPERTY Insurance (or, for vehicles, Physical Damage Insurance) in an amount no less than the 'Insurable Value' \$11,154,485.00, with deductibles no more than \$10,000.00.**

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

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

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

Lessee: Lubbock County
By: 
Name: Curtis Parrish
Title: County Judge

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

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

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

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

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

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

**Insurable Value: \$11,154,485.00**

**ATTACHED: PROPERTY DESCRIPTION FOR PROPERTY SCHEDULE NO.: 1**

**NOTICE AND ACKNOWLEDGMENT OF SALE OF RENTAL PAYMENTS AND ASSIGNMENT OF LEASE**

All American Investment Group, LLC and Lubbock County ("Lessee") have entered into a Master Lease Purchase Agreement, dated October 1, 2019 and related Property Schedule No. 1 dated October 1, 2019 (together, the "Agreement") under which Lessee has, or will have prior to its execution hereof, leased Property (the "Property") described in Exhibit A to the Agreement.

Lessee is hereby notified that All American Investment Group, LLC has assigned its interest in the Agreement, in the leased Property, and in the Rental Payments and all other amounts provided for under the Agreement.

Lessee is hereby directed to pay any and all rental payments and other amounts due with respect to which All American Investment Group, LLC's Purchaser ("Purchaser") renders an invoice, at the address set out immediately below or as otherwise directed in said invoice:

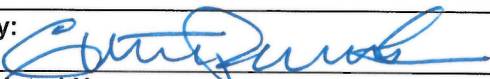
**"PURCHASER"**

U.S. Bancorp Government Leasing and Finance, Inc.  
 PO Box 959067  
 St. Louis, MO 63179-9067

By signing this Notice and Acknowledgment, Lessee agrees that it will pay all amounts due under the Agreement as directed in the invoice without any set-off or deduction whatsoever notwithstanding any defect in, damage to, or requisition of any property leased under the Agreement, any other similar or dissimilar event, any defense, set-off, counterclaim or recoupment arising out of any claim against All American Investment Group, LLC or Purchaser.

Lessee further agrees that Purchaser has not assumed any duties under the Agreement or made any warranties whatsoever as to the Agreement or the Property. Lessee agrees that no change may be made to the Agreement without the prior written consent of the Purchaser.

In signing this, Lessee warrants that its representations and warranties under the Agreement are true and correct on the date hereof.

<b>Lessor: All American Investment Group, LLC</b>	<b>Lessee: Lubbock County</b>
<b>By:</b>	<b>By:</b> 
<b>Printed Name:</b>	<b>Printed Name:</b> Curtis Parrish
<b>Title:</b>	<b>Title:</b> County Judge
<b>Date:</b>	<b>Date:</b> 10-1-19

**NOTICE AND ACKNOWLEDGMENT OF SALE OF RENTAL PAYMENTS AND ASSIGNMENT OF LEASE**

All American Investment Group, LLC and Lubbock County ("Lessee") have entered into a Master Lease Purchase Agreement, dated October 1, 2019 and related Property Schedule No. 1 dated October 1, 2019 (together, the "Agreement") under which Lessee has, or will have prior to its execution hereof, leased Property (the "Property") described in Exhibit A to the Agreement.

Lessee is hereby notified that All American Investment Group, LLC has assigned its interest in the Agreement, in the leased Property, and in the Rental Payments and all other amounts provided for under the Agreement.

Lessee is hereby directed to pay any and all rental payments and other amounts due with respect to which All American Investment Group, LLC's Purchaser ("Purchaser") renders an invoice, at the address set out immediately below or as otherwise directed in said invoice:


**"PURCHASER"**

U.S. Bancorp Government Leasing and Finance, Inc. PO Box 959067 St. Louis, MO 63179-9067
--

By signing this Notice and Acknowledgment, Lessee agrees that it will pay all amounts due under the Agreement as directed in the invoice without any set-off or deduction whatsoever notwithstanding any defect in, damage to, or requisition of any property leased under the Agreement, any other similar or dissimilar event, any defense, set-off, counterclaim or recoupment arising out of any claim against All American Investment Group, LLC or Purchaser.

Lessee further agrees that Purchaser has not assumed any duties under the Agreement or made any warranties whatsoever as to the Agreement or the Property. Lessee agrees that no change may be made to the Agreement without the prior written consent of the Purchaser.

In signing this, Lessee warrants that its representations and warranties under the Agreement are true and correct on the date hereof.

<b>Lessor: All American Investment Group, LLC</b>	<b>Lessee: Lubbock County</b>
<b>By:</b> 	<b>By:</b>
<b>Printed Name:</b> Ron Klein	<b>Printed Name:</b>
<b>Title:</b> SVP	<b>Title:</b>
<b>Date:</b>	<b>Date:</b>

October 1, 2019

Lubbock County  
Curtis Parrish, County Judge  
904 Broadway Ave.  
Lubbock, TX 79401

***RE: MSRB Rule G-17 Disclosure from All American Investment Group, LLC to Lubbock County***

Dear Mr. Parrish,

This document describes our services, and provides certain disclosures as required by the Municipal Securities Rulemaking Board (MSRB) Rule G-17 as set forth in Notice 2012-25. Under new federal regulations, we are now required to send the following disclosures to you as the borrower of the **Master Lease With Option To Purchase Agreement** (the “Lease”) in order to clarify our role and other matters relating to a private placement of the Lease.

As the borrower of the Lease, you will be a party to certain legal documents to be entered into in connection with the authorization and advancement of the Lease and any material financial risks described in this letter will be borne by you, as set forth in those legal documents.

**Our Role:**

Below are some important disclosures that clarify our role and responsibilities:

1. MSRB Rule G-17 requires us to deal fairly at all times with both municipal issuers and investors;
2. Our primary role is to act as a facilitator for the **Lubbock County** (the “Issuer”) with a view to arrange for a placement of the lease with commercially reasonable rates and terms while we have financial and other interests that differ from your interests;
3. Unlike a municipal advisor, we do not have a fiduciary duty to you under the federal securities laws and we are, therefore, not required by federal law to act in your best interests without regard to our own financial or other interests;
4. We have a duty to place the Lease for you at a fair and reasonable price, but must balance that duty with our duty to sell the Lease to investors at prices that are fair and reasonable; and
5. We will not be preparing with an official statement with respect to the Lease.

**Our Compensation:**

Our compensation will be contingent on the closing of the transaction and will be based on the par amount of the Lease. The rules of the MSRB require us to inform you that compensation that is contingent on the closing of a transaction or par amount of a transaction presents a conflict of interest, because it may cause us to recommend a transaction that is unnecessary or to recommend that the size of the transaction be larger than is necessary.

**Risk Disclosures:**

In accordance with the requirements of MSRB Rule G-17, attached to this letter as Appendix A is a description of the material aspects of the Lease which may be considered unique and/or complex. This letter may be later supplemented if the material terms of the Lease change from what is described here.

If you have any questions or concerns about these disclosures, please make those questions or concerns known immediately to me at the contact information below. In addition, you should consult with your own financial, legal, accounting, tax and other advisors, as applicable, to the extent you deem appropriate.

Under MSRB Rules, we are required to seek your acknowledgement that you have received this letter. Accordingly, please send me an email to that effect, or sign and return the enclosed copy of this letter to our main office at the address below:

All American Investment Group  
2101 S. Blackhawk St., Suite 270N  
Aurora, CO 80014

Respectfully submitted,

All American Investment Group, LLC

ACCEPTED this 24 day of Sept, 2019.



Curtis Parrish  
County Judge

## Appendix A - Complex Risks

### Financial Characteristics

The following is a general description of additional financial characteristics of the Securities, as well as a general description of certain financial risks that are known to us and reasonably foreseeable at this time and that you should consider before deciding whether to proceed with the Securities. If you have any questions or concerns about these disclosures, please make those questions or concerns known immediately to us. In addition, you should consult with your financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent you deem appropriate.

*Description of Unique Qualities of Lease Purchase Agreement Securities.* The terms of the Lease are similar to terms of commercial bank loans, which tend to have different characteristics than traditional municipal bond financings in several respects. They often have triggers for events of default that differ from traditional municipal bonds and remedies that can also vary from those frequently used in the traditional bond market. Also see the covenants section of the documents, which may vary slightly from traditional municipal financings.

*Description of the Maturity Structure.* The Lease is currently structured with an approximate 15 -years final maturity with principal payments until the final maturity date.

## TAX CERTIFICATE

This Tax Certificate (this "Certificate") is executed and delivered as of October 1, 2019 (the "Lease Date") by Lubbock County ("Lessee") in connection with that certain Master Lease Purchase Agreement dated as of October 1, 2019 (the "Agreement") by and between All American Investment Group, LLC. ("Lessor") and Lease Schedule No. 1 dated as of October 1, 2019 between Lessor and Lessee (the "Lease Schedule," and together with the Agreement, the "Lease"). The terms capitalized herein but not defined herein shall have the meanings assigned to them in the Lease.

### **Section 1. In General.**

1.1. This Certificate is executed for the purpose of establishing the reasonable expectations of Lessee as to future events regarding the financing of certain equipment (the "Equipment") to be acquired by Lessor and leased to Lessee pursuant to and in accordance with the Lease. As described in the Lease, Lessor shall apply \$11,154,485.00 (the "Principal Amount") toward the acquisition of the Equipment and Lessee shall make 180 Rental Payments under the terms and conditions as set forth in the Lease.

1.2. The individual executing this Certificate on behalf of Lessee is an officer of Lessee delegated with the responsibility of reviewing and executing the Lease, pursuant to the resolution or other official action of Lessee adopted with respect to the Lease, a copy of which has been delivered to Lessor.

1.3. The Lease is being entered into for the purpose of providing funds for financing the cost of acquiring, equipping and installing the Equipment which is essential to the governmental functions of Lessee, which Equipment is described in the Lease Schedule. The Principal Amount will be paid to Lessee on the date hereof.

1.4. Lessee will complete and timely file for each payment schedule issued under the Lease a Form 8038-G relating to such Lease with the Internal Revenue Service in accordance with Section 149(e) of the Internal Revenue Code of 1986, as amended (the "Code").

### **Section 2. Non-Arbitrage Certifications.**

2.1. The Rental Payments due under the Lease will be made with monies retained in Lessee's general operating fund (or an account or subaccount therein). No sinking, debt service, reserve or similar fund or account will be created or maintained for the payment of the Rental Payments due under the Lease or pledged as security therefor.

2.2. There have been and will be issued no obligations by or on behalf of Lessee that would be deemed to be (i) issued or sold within fifteen (15) days before or after the Lease Date, (ii) issued or sold pursuant to a common plan of financing with the Lease and (iii) paid out of substantially the same source of funds as, or deemed to have substantially the same claim to be paid out of substantially the same source of funds as, the Lease.

2.3. Other than the Principal Amount, Lessee does not and will not have on hand any funds that are or will be restricted, segregated, legally required or otherwise intended to be used, directly or indirectly, as a substitute, replacement or separate source of financing for the Equipment.

2.4. No portion of the Principal Amount is being used by Lessee to acquire investments which produce a yield materially higher than the yield realized by Lessor from Rental Payments received under the Lease. As used in this certificate, the term "yield" means yield computed by the actuarial method using a 360-day year and semi-annual compounding, resulting in a discount rate which, when used in computing

the present worth of all payments of principal and interest to be paid on an obligation, produces an amount equal to the issue price, fair market value, present value or purchase price thereof, as applicable, and is determined in all respects in accordance with Section 148 of the Code.

2.5. The Principal Amount does not exceed the amount necessary for the governmental purpose for which the Lease was entered into. Such funds are expected to be needed and fully expended for payment of the costs of acquiring, equipping and installing the Equipment.

2.6. Lessee does not expect to convey, sublease or otherwise dispose of the Equipment, in whole or in part, at a date which is earlier than the final Payment Date under the Lease.

### **Section 3. Disbursement of Funds; Reimbursement to Lessee.**

3.1. It is contemplated that the entire Principal Amount will be used to pay the acquisition cost of Equipment to the vendors or manufacturers thereof, provided that, if applicable, a portion of the Principal Amount may be used by Lessee as reimbursement for acquisition cost payments already made by it so long as the conditions set forth in Section 3.2 below are satisfied.

3.2. Lessee shall not use any portion of the principal amount in order to be reimbursed for Equipment acquisition cost payments already made by it unless each of the following conditions have been satisfied:

(a) Lessee adopted a resolution or otherwise declared its official intent in accordance with Treasury Regulation § 1.150-2 (the "Declaration of Official Intent"), wherein Lessee expressed its intent to be reimbursed from the proceeds of a borrowing for all or a portion of the cost of the Equipment, which expenditure was paid to the Vendor not earlier than sixty (60) days before Lessee adopted the Declaration of Official Intent;

(b) The reimbursement being requested will be made by a written allocation before the later of eighteen (18) months after the expenditure was paid or eighteen (18) months after the items of Equipment to which such payment relates were placed in service;

(c) The entire payment with respect to which reimbursement is being sought is a capital expenditure, being a cost of a type properly chargeable to a capital account under general federal income tax principles; and

(d) Lessee will use any reimbursement payment for general operating expenses and not in a manner which could be construed as an artifice or device under Treasury Regulation § 1.148-10 to avoid, in whole or in part, arbitrage yield restrictions or arbitrage rebate requirements.

### **Section 4. Use and Investment of Funds; Temporary Period.**

4.1. Lessee has incurred or will incur, within six (6) months from the Lease Date, binding obligations to pay an amount equal to at least five percent (5%) of the Principal Amount toward the costs of the Equipment. An obligation is not binding if it is subject to contingencies within Lessee's control. The ordering and acceptance of the items of Equipment will proceed with due diligence to the date of final acceptance of the Equipment.

4.2. An amount equal to at least eighty-five percent (85%) of the Principal Amount will be expended to pay the cost of the Equipment by the end of the three-year period commencing on the Lease Date. No portion of the Principal Amount will be used to acquire investments that do not carry out the



governmental purpose of the Lease and that have a substantially guaranteed yield in excess of the yield on the Lease.

4.3. (a) Lessee covenants and agrees that it will rebate an amount equal to excess earnings on the Principal Amount to the Internal Revenue Service if required by, and in accordance with, Section 148(f) of the Code, and make the annual determinations and maintain the records required by and otherwise comply with the regulations applicable thereto. Lessee reasonably expects to cause the Equipment to be acquired by no later than 18 months from the Lease Date.

(b) Lessee will provide evidence to Lessor that the rebate amount has been calculated and paid to the Internal Revenue Service in accordance with Section 148(f) of the Code unless: (i) the entire Principal Amount is expended on the Equipment by the date that is the six-month anniversary of the Lease Date or (ii) the Principal Amount is expended on the Equipment in accordance with the following schedule: At least fifteen percent (15%) of the Principal Amount and interest earnings thereon will be applied to the cost of the Equipment within six months from the Lease Date; at least sixty percent (60%) of the Principal Amount and interest earnings thereon will be applied to the cost of the Equipment within 12 months from the Lease Date; and one hundred percent (100%) of the Principal Amount and interest earnings thereon will be applied to the cost of the Equipment by no later than 18 months from the actual Lease Date.

(c) The Principal Amount, together with the income from the investment thereof, does not exceed the amount necessary for the costs of the Equipment and costs associated with the financing thereof. The entire Principal Amount is expected to be applied to the costs of the Equipment.

**Section 5. No Private Use; No Consumer Loan.**

5.1. Lessee will not exceed the private use restrictions set forth in Section 141 of the Code. Specifically, Lessee will not permit more than 10% of the Principal Amount to be used for a Private Business Use (as defined herein) if, in addition, the payment of more than ten percent (10%) of the Principal Amount plus interest earned thereon is, directly or indirectly, secured by (i) any interest in property used or to be used for a Private Business Use or (ii) any interest payments in respect of such property or derived from any payment in respect of property or borrowed money used or to be used for a Private Business Use.

In addition, if both (A) more than five percent (5%) of the Principal Amount is used as described above with respect to Private Business Use and (B) more than five percent (5%) of the Principal Amount plus interest earned thereon is secured by Private Business Use property or payments as described above, then the excess over such five percent (5%) (the "Excess Private Use Portion") will be used for a Private Business Use related to the governmental use of the Equipment. Any such Excess Private Use Portion of the Principal Amount will not exceed the portion of the Principal Amount used for the governmental use of the particular project to which such Excess Private Use Portion is related. For purposes of this paragraph 5.1, "Private Business Use" means use of bond proceeds or bond financed-property directly or indirectly in a trade or business carried on by a natural person or in any activity carried on by a person other than a natural person, excluding, however, use by a state or local governmental unit and excluding use as a member of the general public.

5.2. No part of the Principal Amount or interest earned thereon will be used, directly or indirectly, to make or finance any loans to non-governmental entities or to any governmental agencies other than Lessee.

**Section 6. No Federal Guarantee.**

6.1. Payment of the principal or interest due under the Lease is not directly or indirectly guaranteed, in whole or in part, by the United States or an agency or instrumentality thereof.

6.2. No portion of the Principal Amount or interest earned thereon shall be (i) used in making loans the payment of principal or interest of which are to be guaranteed, in whole or in part, by the United States or any agency or instrumentality thereof, or (ii) invested, directly or indirectly, in federally insured deposits or accounts if such investment would cause the financing under the Lease to be “federally guaranteed” within the meaning of Section 149(b) of the Code.

**Section 7. Post-Issuance Compliance.**

7.1 In the event an action takes place (or is anticipated to take place) that will cause the Equipment not to be used for qualified uses under Section 141 of the Code, Lessee will consult with bond counsel as soon as practicable about taking remedial action as described in Treasury Regulation Section 1.141-12. Lessee will take all actions necessary to ensure that the “nonqualified bonds” (as defined in Treasury Regulation Section 1.141-12) are properly remediated in accordance with the requirements of the Treasury Regulations. Lessee is familiar with the Internal Revenue Service’s Voluntary Compliance Agreement Program pursuant to which issuers of tax-exempt debt may voluntarily resolve violations of the Code and applicable Treasury Regulations on behalf of the holders of such debt or themselves through closing agreements with the Internal Revenue Service.

7.2. Lessee will actively monitor the requirements of the Code and the Treasury Regulations (a) set forth in this certificate and confirm that such requirements are met no less than once per year; (b) related to the allocation and accounting of proceeds to capital projects and will maintain a list that specifies the allocation of proceeds of the Lease to the costs of the Equipment; and (c) related to arbitrage limitations, including yield restriction, rebate requirements and the investment of gross proceeds of the Lease. The office within Lessee that is currently responsible for such monitoring is the finance department.

**Section 8. Miscellaneous.**

8.1. Lessee shall keep a complete and accurate record of all owners or assignees of the Lease in form and substance satisfactory to comply with the registration requirements of Section 149(a) of the Code unless Lessor or its assignee agrees to act as Lessee’s agent for such purpose.


8.2. Lessee shall maintain complete and accurate records establishing the expenditure of the Principal Amount and interest earnings thereon for a period of five (5) years after payment in full under the Lease.

8.3. To the best of the undersigned’s knowledge, information and belief, the above expectations are reasonable and there are no other facts, estimates or circumstances that would materially change the expectations expressed herein.

[Signature Page Follows]

IN WITNESS WHEREOF, this Tax Certificate has been executed on behalf of Lessee as of the Lease Date.

Lubbock County, Texas

By:   
Name: CURTIS PARRISH  
Title: LUBBOCK COUNTY JUDGE



October 1, 2019

Lubbock County, Texas  
904 Broadway Avenue  
Lubbock, Texas 79401

All American Investment Group, LLC  
2101 S. Blackhawk Street, Suite 270N  
Aurora, Colorado 80014

\$11,154,485  
LUBBOCK COUNTY, TEXAS  
LEASE SCHEDULE NUMBER ONE TO MASTER LEASE PURCHASE AGREEMENT  
DATED AS OF OCTOBER 1, 2019

WE HAVE ACTED AS BOND COUNSEL to Lubbock County, Texas ("Lessee") in connection with the above-referenced transaction. In such capacity, I have reviewed (a) an executed counterpart of a certain Master Lease Purchase Agreement, dated as of October 1, 2019 (the "Agreement"), by and between All American Investment Group, LLC ("Lessor") and Lessee and an executed counterpart of Lease Schedule No. 1, dated October 1, 2019 (the "Lease Schedule"), by and between Lessor and Lessee, which, among other things, provides for the lease of certain property listed in the Lease Schedule (the "Equipment") and a certain Escrow Agreement dated October 1, 2019 (the "Escrow Agreement"), among Lessor, Lessee, and U.S. Bank National Association, as escrow agent, (b) an executed counterpart of the ordinances or resolutions of Lessee which, among other things, authorize Lessee to execute the Agreement and the Lease Schedule and (c) such other opinions, documents and matters of law as I have deemed necessary in connection with the following opinions. The Lease Schedule and the terms and provisions of the Agreement incorporated therein by reference together with the Rental Payment Schedule attached to the Lease Schedule are herein referred to collectively as the "Lease", and the Lease and the Escrow Agreement are referred to collectively as the "Transaction Documents." Terms capitalized in this opinion but not defined herein shall have the meanings assigned to them in the Lease.

IN OUR CAPACITY AS BOND COUNSEL, we have examined the Transaction Documents for the sole purpose of rendering an opinion with respect to the legality and validity of the Transaction Documents under the Constitution and laws of the State of Texas, and with respect to the excludability of the interest component of the Rental Payments as set forth in Exhibit 2 to the Lease Schedule from gross income for federal income tax purposes. We have not been requested to investigate or verify, and have not investigated or verified, any records data or other material relating to the financial condition or capabilities of the Lessee.

WE HAVE EXAMINED the applicable and pertinent provisions of the Constitution and laws of the State of Texas.

BASED ON OUR EXAMINATION, we are of the opinion that:

1. The Lease is a valid and legally binding obligation of the Lessee enforceable in accordance with its terms, except as its enforceability may be limited by bankruptcy, insolvency, or other laws affecting creditors' rights generally and as may be affected by matters involving the exercise of equitable or judicial discretion.
2. The interest component of the Rental Payments as set forth in Exhibit 2 to the Lease Schedule is not includable for federal income tax purposes in the gross income of the owners thereof pursuant to Section 103 of the Code and will not constitute a specific item of tax preference under Section 57 of the Code for purposes of calculating the alternative minimum tax.

In rendering this opinion, we have assumed continuing compliance by the Lessee with the covenants contained in the Federal Tax Certificate, that it will comply with the applicable requirements of the Code, including requirements relating to, *inter alia*, the use and investment of proceeds of the Lease and rebate to the United States Treasury of specified arbitrage earnings, if any, under Section 148(f) of the Code. Failure of the Lessee to comply with such covenants could result in the interest component of the Rental Payments as set forth in Exhibit 2 to the Lease Schedule being subject to federal income tax from the date of issue. We have not undertaken to monitor compliance with such covenants or to advise any party as to changes in the law after the date hereof that may affect the tax-exempt status of the interest on the interest component of the Rental Payments as set forth in Exhibit 2 to the Lease Schedule.

The opinions set forth above are based on existing law, which is subject to change. Such opinions are further based on our knowledge of facts as of the date hereof. We assume no duty to update or supplement these opinions to reflect any facts or circumstances that may hereafter come to our attention or to reflect any changes in any law that may hereafter occur or become effective. Moreover, our opinions are not a guarantee of result and are not binding on the Internal Revenue Service; rather, such opinions represent our legal judgment based upon our review of existing law and in reliance upon the representations and covenants referenced above that we deem relevant to such opinions.

This opinion may be relied upon by the addressees hereof and any successors and assignees to the Lessor's interests in the Transaction Documents.

Respectfully,



BICKERSTAFF HEATH DELGADO ACOSTA LLP

## TAX CERTIFICATE

This Tax Certificate (this "Certificate") is executed and delivered as of October 1, 2019 (the "Lease Date") by Lubbock County ("Lessee") in connection with that certain Master Lease Purchase Agreement dated as of October 1, 2019 (the "Agreement") by and between All American Investment Group, LLC. ("Lessor") and Lease Schedule No. 1 dated as of October 1, 2019 between Lessor and Lessee (the "Lease Schedule," and together with the Agreement, the "Lease"). The terms capitalized herein but not defined herein shall have the meanings assigned to them in the Lease.

### **Section 1. In General.**

1.1. This Certificate is executed for the purpose of establishing the reasonable expectations of Lessee as to future events regarding the financing of certain equipment (the "Equipment") to be acquired by Lessor and leased to Lessee pursuant to and in accordance with the Lease. As described in the Lease, Lessor shall apply \$11,154,485.00 (the "Principal Amount") toward the acquisition of the Equipment and Lessee shall make 180 Rental Payments under the terms and conditions as set forth in the Lease.

1.2. The individual executing this Certificate on behalf of Lessee is an officer of Lessee delegated with the responsibility of reviewing and executing the Lease, pursuant to the resolution or other official action of Lessee adopted with respect to the Lease, a copy of which has been delivered to Lessor.

1.3. The Lease is being entered into for the purpose of providing funds for financing the cost of acquiring, equipping and installing the Equipment which is essential to the governmental functions of Lessee, which Equipment is described in the Lease Schedule. The Principal Amount will be paid to Lessee on the date hereof.

1.4. Lessee will complete and timely file for each payment schedule issued under the Lease a Form 8038-G relating to such Lease with the Internal Revenue Service in accordance with Section 149(e) of the Internal Revenue Code of 1986, as amended (the "Code").

### **Section 2. Non-Arbitrage Certifications.**

2.1. The Rental Payments due under the Lease will be made with monies retained in Lessee's general operating fund (or an account or subaccount therein). No sinking, debt service, reserve or similar fund or account will be created or maintained for the payment of the Rental Payments due under the Lease or pledged as security therefor.

2.2. There have been and will be issued no obligations by or on behalf of Lessee that would be deemed to be (i) issued or sold within fifteen (15) days before or after the Lease Date, (ii) issued or sold pursuant to a common plan of financing with the Lease and (iii) paid out of substantially the same source of funds as, or deemed to have substantially the same claim to be paid out of substantially the same source of funds as, the Lease.

2.3. Other than the Principal Amount, Lessee does not and will not have on hand any funds that are or will be restricted, segregated, legally required or otherwise intended to be used, directly or indirectly, as a substitute, replacement or separate source of financing for the Equipment.

2.4. No portion of the Principal Amount is being used by Lessee to acquire investments which produce a yield materially higher than the yield realized by Lessor from Rental Payments received under the Lease. As used in this certificate, the term "yield" means yield computed by the actuarial method using a 360-day year and semi-annual compounding, resulting in a discount rate which, when used in computing

the present worth of all payments of principal and interest to be paid on an obligation, produces an amount equal to the issue price, fair market value, present value or purchase price thereof, as applicable, and is determined in all respects in accordance with Section 148 of the Code.

2.5. The Principal Amount does not exceed the amount necessary for the governmental purpose for which the Lease was entered into. Such funds are expected to be needed and fully expended for payment of the costs of acquiring, equipping and installing the Equipment.

2.6. Lessee does not expect to convey, sublease or otherwise dispose of the Equipment, in whole or in part, at a date which is earlier than the final Payment Date under the Lease.

### **Section 3. Disbursement of Funds; Reimbursement to Lessee.**

3.1. It is contemplated that the entire Principal Amount will be used to pay the acquisition cost of Equipment to the vendors or manufacturers thereof, provided that, if applicable, a portion of the Principal Amount may be used by Lessee as reimbursement for acquisition cost payments already made by it so long as the conditions set forth in Section 3.2 below are satisfied.

3.2. Lessee shall not use any portion of the principal amount in order to be reimbursed for Equipment acquisition cost payments already made by it unless each of the following conditions have been satisfied:

(a) Lessee adopted a resolution or otherwise declared its official intent in accordance with Treasury Regulation § 1.150-2 (the "Declaration of Official Intent"), wherein Lessee expressed its intent to be reimbursed from the proceeds of a borrowing for all or a portion of the cost of the Equipment, which expenditure was paid to the Vendor not earlier than sixty (60) days before Lessee adopted the Declaration of Official Intent;

(b) The reimbursement being requested will be made by a written allocation before the later of eighteen (18) months after the expenditure was paid or eighteen (18) months after the items of Equipment to which such payment relates were placed in service;

(c) The entire payment with respect to which reimbursement is being sought is a capital expenditure, being a cost of a type properly chargeable to a capital account under general federal income tax principles; and

(d) Lessee will use any reimbursement payment for general operating expenses and not in a manner which could be construed as an artifice or device under Treasury Regulation § 1.148-10 to avoid, in whole or in part, arbitrage yield restrictions or arbitrage rebate requirements.

### **Section 4. Use and Investment of Funds; Temporary Period.**

4.1. Lessee has incurred or will incur, within six (6) months from the Lease Date, binding obligations to pay an amount equal to at least five percent (5%) of the Principal Amount toward the costs of the Equipment. An obligation is not binding if it is subject to contingencies within Lessee's control. The ordering and acceptance of the items of Equipment will proceed with due diligence to the date of final acceptance of the Equipment.

4.2. An amount equal to at least eighty-five percent (85%) of the Principal Amount will be expended to pay the cost of the Equipment by the end of the three-year period commencing on the Lease Date. No portion of the Principal Amount will be used to acquire investments that do not carry out the

governmental purpose of the Lease and that have a substantially guaranteed yield in excess of the yield on the Lease.

4.3. (a) Lessee covenants and agrees that it will rebate an amount equal to excess earnings on the Principal Amount to the Internal Revenue Service if required by, and in accordance with, Section 148(f) of the Code, and make the annual determinations and maintain the records required by and otherwise comply with the regulations applicable thereto. Lessee reasonably expects to cause the Equipment to be acquired by no later than 18 months from the Lease Date.

(b) Lessee will provide evidence to Lessor that the rebate amount has been calculated and paid to the Internal Revenue Service in accordance with Section 148(f) of the Code unless: (i) the entire Principal Amount is expended on the Equipment by the date that is the six-month anniversary of the Lease Date or (ii) the Principal Amount is expended on the Equipment in accordance with the following schedule: At least fifteen percent (15%) of the Principal Amount and interest earnings thereon will be applied to the cost of the Equipment within six months from the Lease Date; at least sixty percent (60%) of the Principal Amount and interest earnings thereon will be applied to the cost of the Equipment within 12 months from the Lease Date; and one hundred percent (100%) of the Principal Amount and interest earnings thereon will be applied to the cost of the Equipment by no later than 18 months from the actual Lease Date.

(c) The Principal Amount, together with the income from the investment thereof, does not exceed the amount necessary for the costs of the Equipment and costs associated with the financing thereof. The entire Principal Amount is expected to be applied to the costs of the Equipment.

**Section 5. No Private Use; No Consumer Loan.**

5.1. Lessee will not exceed the private use restrictions set forth in Section 141 of the Code. Specifically, Lessee will not permit more than 10% of the Principal Amount to be used for a Private Business Use (as defined herein) if, in addition, the payment of more than ten percent (10%) of the Principal Amount plus interest earned thereon is, directly or indirectly, secured by (i) any interest in property used or to be used for a Private Business Use or (ii) any interest payments in respect of such property or derived from any payment in respect of property or borrowed money used or to be used for a Private Business Use.

In addition, if both (A) more than five percent (5%) of the Principal Amount is used as described above with respect to Private Business Use and (B) more than five percent (5%) of the Principal Amount plus interest earned thereon is secured by Private Business Use property or payments as described above, then the excess over such five percent (5%) (the "Excess Private Use Portion") will be used for a Private Business Use related to the governmental use of the Equipment. Any such Excess Private Use Portion of the Principal Amount will not exceed the portion of the Principal Amount used for the governmental use of the particular project to which such Excess Private Use Portion is related. For purposes of this paragraph 5.1, "Private Business Use" means use of bond proceeds or bond financed-property directly or indirectly in a trade or business carried on by a natural person or in any activity carried on by a person other than a natural person, excluding, however, use by a state or local governmental unit and excluding use as a member of the general public.

5.2. No part of the Principal Amount or interest earned thereon will be used, directly or indirectly, to make or finance any loans to non-governmental entities or to any governmental agencies other than Lessee.

**Section 6. No Federal Guarantee.**



6.1. Payment of the principal or interest due under the Lease is not directly or indirectly guaranteed, in whole or in part, by the United States or an agency or instrumentality thereof.

6.2. No portion of the Principal Amount or interest earned thereon shall be (i) used in making loans the payment of principal or interest of which are to be guaranteed, in whole or in part, by the United States or any agency or instrumentality thereof, or (ii) invested, directly or indirectly, in federally insured deposits or accounts if such investment would cause the financing under the Lease to be “federally guaranteed” within the meaning of Section 149(b) of the Code.

**Section 7. Post-Issuance Compliance.**

7.1 In the event an action takes place (or is anticipated to take place) that will cause the Equipment not to be used for qualified uses under Section 141 of the Code, Lessee will consult with bond counsel as soon as practicable about taking remedial action as described in Treasury Regulation Section 1.141-12. Lessee will take all actions necessary to ensure that the “nonqualified bonds” (as defined in Treasury Regulation Section 1.141-12) are properly remediated in accordance with the requirements of the Treasury Regulations. Lessee is familiar with the Internal Revenue Service’s Voluntary Compliance Agreement Program pursuant to which issuers of tax-exempt debt may voluntarily resolve violations of the Code and applicable Treasury Regulations on behalf of the holders of such debt or themselves through closing agreements with the Internal Revenue Service.

7.2. Lessee will actively monitor the requirements of the Code and the Treasury Regulations (a) set forth in this certificate and confirm that such requirements are met no less than once per year; (b) related to the allocation and accounting of proceeds to capital projects and will maintain a list that specifies the allocation of proceeds of the Lease to the costs of the Equipment; and (c) related to arbitrage limitations, including yield restriction, rebate requirements and the investment of gross proceeds of the Lease. The office within Lessee that is currently responsible for such monitoring is the finance department.

**Section 8. Miscellaneous.**

8.1. Lessee shall keep a complete and accurate record of all owners or assignees of the Lease in form and substance satisfactory to comply with the registration requirements of Section 149(a) of the Code unless Lessor or its assignee agrees to act as Lessee’s agent for such purpose.

8.2. Lessee shall maintain complete and accurate records establishing the expenditure of the Principal Amount and interest earnings thereon for a period of five (5) years after payment in full under the Lease.

8.3. To the best of the undersigned’s knowledge, information and belief, the above expectations are reasonable and there are no other facts, estimates or circumstances that would materially change the expectations expressed herein.

[Signature Page Follows]

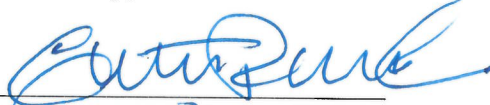
IN WITNESS WHEREOF, this Tax Certificate has been executed on behalf of Lessee as of the Lease Date.

**Lubbock County, Texas**

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

Name:

Title:

  
CURTIS PARRISH  
LUBBOCK COUNTY JUDGE

<b>Part I Reporting Authority</b>		If Amended Return, check here <input type="checkbox"/>	
1 Issuer's name <b>Lubbock County</b>		2 Issuer's employer identification number (EIN) <b>75-6001056</b>	
3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions)		3b Telephone number of other person shown on 3a	
4 Number and street (or P.O. box if mail is not delivered to street address) <b>914 Broadway</b>	Room/suite	5 Report number (For IRS Use Only) <b>3</b>	
6 City, town, or post office, state, and ZIP code <b>Lubbock, TX 79401</b>		7 Date of issue <b>October 1, 2019</b>	
8 Name of issue <b>Energy Performance Contract</b>		9 CUSIP number	
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information (see instructions) <b>Jackie Latham, Auditor</b>		10b Telephone number of officer or other employee shown on 10a <b>806-775-1098</b>	

<b>Part II Type of Issue (enter the issue price).</b> See the instructions and attach schedule.		
11 Education	11	
12 Health and hospital	12	
13 Transportation	13	
14 Public safety	14	
15 Environment (including sewage bonds)	15	
16 Housing	16	
17 Utilities	17	
18 Other. Describe <b>Energy Performance Contract</b>	18	11,154,485 00
19a If bonds are TANs or RANs, check only box 19a <input type="checkbox"/>		
b If bonds are BANs, check only box 19b <input type="checkbox"/>		
20 If bonds are in the form of a lease or installment sale, check box <input type="checkbox"/>		

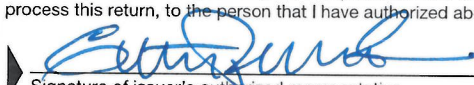
<b>Part III Description of Bonds.</b> Complete for the entire issue for which this form is being filed.					
	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	07/01/2035	\$ 11,154,485.00	\$ NA	9.3 years	2.58 %

<b>Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)</b>							
22	Proceeds used for accrued interest					22	
23	Issue price of entire issue (enter amount from line 21, column (b))					23	
24	Proceeds used for bond issuance costs (including underwriters' discount)					24	
25	Proceeds used for credit enhancement					25	
26	Proceeds allocated to reasonably required reserve or replacement fund					26	
27	Proceeds used to refund prior tax-exempt bonds. Complete Part V					27	
28	Proceeds used to refund prior taxable bonds. Complete Part V					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	

<b>Part V Description of Refunded Bonds.</b> Complete this part only for refunding bonds.	
31	Enter the remaining weighted average maturity of the tax-exempt bonds to be refunded <input type="checkbox"/> _____ years
32	Enter the remaining weighted average maturity of the taxable bonds to be refunded <input type="checkbox"/> _____ years
33	Enter the last date on which the refunded tax-exempt bonds will be called (MM/DD/YYYY) <input type="checkbox"/> _____
34	Enter the date(s) the refunded bonds were issued <input type="checkbox"/> (MM/DD/YYYY)

**Part VI Miscellaneous**

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

<b>Signature and Consent</b>	Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.				
	 Signature of issuer's authorized representative	10/01/2019 Date	Curtis Parish, County Judge Type or print name and title		
<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶				Firm's EIN ▶
	Firm's address ▶				Phone no.