

**CITY OF YUMA, AZ
LEASE PURCHASE SCHEDULE NO. 810-6768164-TBD
TO MASTER LEASE AGREEMENT NO. 592779-54284**

COUNTERPART NO. 1 OF 2 COUNTERPARTS. POSSESSION AND TRANSFER OF COUNTERPART NO. 1 OF THIS SCHEDULE IS THE ONLY EFFECTIVE MEANS TO TRANSFER OWNERSHIP OF OR CREATE A SECURITY INTEREST IN THIS SCHEDULE.

THIS SCHEDULE IS SUBJECT TO AND INCORPORATES THE TERMS AND CONDITIONS OF MASTER LEASE AGREEMENT NO. 592779-54284 ("Agreement") DATED MAY 3, 2019, BETWEEN DELL FINANCIAL SERVICES L.L.C. ("Lessor") AND CITY OF YUMA, AZ ("Lessee").

Lessor hereby agrees to lease and/or make available to Lessee subject to the terms, conditions and provisions set forth in this Schedule and in the Agreement, the Products described below. Any capitalized term used herein and not defined herein shall have the meaning ascribed to it in the Agreement.

PRODUCT DESCRIPTION AND LOCATION: See below or Exhibit "A" attached to and forming an integral part of this Schedule.

PRODUCT SELLER: [Dell Inc., One Dell Way, Round Rock, TX 78682]

<u>Product Description</u>	<u>Product Location</u>	<u>Lessee Purchase Order No.</u>	<u>Primary Term (Mos.)</u>	<u>Commencement Date</u>
See Exhibit 'A'	See Exhibit 'A'	TBD	48 Months	TBD

Rent is payable: in advance

RENT AND PURCHASE PRICE SCHEDULE

The following sets forth the Rent and Purchase Price relating to this Schedule to the Agreement:

a. *Rent.* The Rent shall be in the amounts set forth in the "Rent" column of the Rent and Purchase Price Schedule set forth below. Rent shall commence on the date on which the Products listed in this Schedule are accepted by Lessee as described in Section 2(a) of the Agreement and shall be Monthly in sequence for the duration of the Lease Term.

b. *Purchase Price.* The Purchase Price at any particular time for the Products listed in this Schedule shall be the amount set forth for such time in the "Purchase Price" column of the Rent and Purchase Price Schedule set forth below. The Purchase Price is in addition to all Rent then due under this Schedule (including the Rent shown on the same line in the Payment Schedule).

c. *Payment Schedule.* The Payment Schedule is as set forth below. Although a Purchase Price is shown for each Payment Number, the Products listed in this Schedule may be purchased only as provided and at such times as set forth below in "6. Purchase Option" of this Schedule.

LEASE PURCHASE PROVISIONS

The following provisions shall apply with respect to this Schedule in addition to those provisions in the Agreement:

1. SECTION 4. RENT; PAYMENT OBLIGATION.

Insert as a new last sentence to subsection (a) the following:

"For the purposes of this Schedule, the Rent, as well as the principal and interest portions of each Rent payment and the Purchase Price as of the applicable Purchase Date are shown in the chart provided on Exhibit "B", attached to and made a part hereof.

2. SECTION 11. REPRESENTATIONS AND WARRANTIES OF LESSEE.

For purposes of this Schedule, add paragraphs (j) through (t) as follows:

"(j) Lessee will comply with the information reporting requirements of Section 149(e) of the Code, including but not limited to, the execution (and delivery to Lessor) of information statements requested by Lessor;

(k) Lessee will not do, cause to be done or fail to do any act if such act or failure to act will cause this Agreement, or any transaction hereunder, to be an Arbitrage Bond within the meaning of Section 148 of the Code or a Private Activity Bond within the meaning of Section 141 of the Code;

(l) The total cost of the Products listed in this Schedule will not be less than the total Principal Portion of the Rent listed in this Schedule;

(m) The Products listed in this Schedule have or will be ordered within six months of the date hereof in order to commence such Schedule;

(n) The Products listed in this Schedule are expected to be delivered and installed, and the Seller fully paid, within one year from the date hereof;

(o) No fund or account which secures or otherwise relates to the Rent has been established;

(p) Lessee will not sell, encumber or otherwise dispose of any property comprising this Schedule prior to the final maturity or termination of such Schedule without a written opinion of nationally recognized bond counsel to the effect that any such disposition will not adversely affect the exclusion of interest on the Rent from gross income for federal income tax purposes;

(q) Lessee agrees to execute, deliver and provide Lessor with satisfactory evidence of the filing of such documentation, as may be required for the purposes of properly reporting this Schedule, including, without limitation, IRS forms 8038-G or 8038-GC, as required under the Code;

(r) It is expected that Rent under this Schedule will be paid from periodic appropriations of the Lessee, that such appropriations will equal the Rent due during each Fiscal Period of Lessee, and that all amounts paid for Rent will be from an appropriation made by the Lessee during the Fiscal Period in which such Rent is made;

(s) To the best of Lessee's knowledge, information and belief, the above expectations are reasonable; and

(t) Lessee will comply with all applicable provisions of the Code, including without limitation Sections 103, 141 and 148 thereof, and the applicable regulations of the Treasury Department to maintain the exclusion of the interest components of Rent from gross income for purposes of federal income taxation. Without limiting the generality of the foregoing, Lessee shall acknowledge any assignment of this Schedule in writing and complete an accurate record of all such assignments in a manner that complies with Section 149(a) of the Code and the Treasury Regulations promulgated thereunder.

Without limiting the generality of the foregoing, Lessor hereby gives notice to Lessee that, upon execution of this Schedule by Lessor, Lessor shall assign all of its right, title and interest in, to and under this Schedule, including all Products and all payments owing under such Schedule, to Dell Equipment Funding L.P. ("DEF") pursuant to a purchase agreement between the Lessor and DEF. Lessee hereby acknowledges and consents to such assignment and shall keep, or cause to be kept, a complete and accurate record of all such assignments in a manner and form necessary to comply with Section 149(a) of the Code and the Treasury Regulations promulgated thereunder. Lessor hereby directs Lessee to continue to make any and all payments required to be made under this Schedule directly to Lessor, as servicing agent for DEF, at the same address to which Lessee is currently making payments unless and until Lessor is directed by DEF to make such payments to a different address or payee."

TO THE EXTENT PERMITTED BY LAW, AND IN ADDITION TO LESSEE'S OBLIGATION UNDER SECTION 16 OF THE AGREEMENT AND ANY AMENDMENTS THERETO, LESSEE HEREBY ASSUMES LIABILITY FOR, AND SHALL PAY

WHEN DUE, AND SHALL DEFEND LESSOR AND ITS SUCCESSORS AND ASSIGNS AGAINST, ANY AND ALL LIABILITIES, LOSSES, DAMAGES, CLAIMS AND EXPENSES (INCLUDING REASONABLE ATTORNEY FEES) RELATING TO OR ARISING OUT OF LESSEE'S BREACH OF ANY OF ITS REPRESENTATIONS, WARRANTIES, OR COVENANTS CONTAINED IN SECTION 12 OF THE AGREEMENT AS SUPPLEMENTED HEREIN."

3. SECTION 12. WARRANTY ASSIGNMENT; EXCLUSION OF WARRANTIES; LIMITATIONS ON LIABILITY; FINANCE LEASE.

For purposes of this Schedule, delete "FINANCE LEASE" in the title of this Section and delete the first and last sentences of paragraph (d).

4. PERFORMANCE BY LESSOR. Lessor shall have the right to accept or reject in Lessor's sole discretion any request by Lessee for the leasing of Products under this Agreement. Each Schedule shall be binding upon Lessor and Lessee in accordance with the terms contained herein. Lessor shall have no obligations with regard to any Schedule unless Lessee provides to Lessor the Documents, an opinion of counsel to the effect that the interest portion of the Rent is not includible in gross income for Federal income tax purposes and will not constitute a tax preference under Section 57 of the Code, for purposes of computing the alternative minimum tax imposed pursuant to Section 55 of the Code and Lessor receives clear and unencumbered title to the Products (excluding Licensed Materials) either through an assignment of Lessee's rights and interests in the Products or otherwise. In the event Lessor has not received such Documents or title to the Products prior to the Commencement Date of the applicable Schedule, Lessor may terminate its obligations hereunder, and reassign all rights and obligations with respect to the Products to Lessee without recourse or warranty. Lessee shall thereafter promptly reimburse Lessor for all expenses and other amounts incurred by Lessor with respect to such Products and transaction, plus interest from the date such amounts were disbursed by Lessor through the date such amounts are reimbursed by Lessee at the Overdue Rate.

5. TITLE TO THE EQUIPMENT. If Lessee has not terminated the Lease in accordance with Section 5 of the Agreement and no Event of Default has occurred and is continuing, then upon payment of all Rent and other amounts due under this Schedule and the Agreement, at the end of the Lease Term, Lessee is entitled to Lessor's interest in the Products "AS IS, WHERE IS," without any warranty or representation by Lessor, express or implied, other than the absence of any liens by, through or under Lessor. Lessee will deliver to Lessor documents reasonably requested by Lessor to give public notice of Lessor's interest in the Products.

6. PURCHASE OPTION. Lessee shall have the option to purchase Lessor's interest in all of the Products listed in this Schedule, upon giving written notice to Lessor at least 60 days before the date of purchase, at the following times and upon the following terms:

(i) On the date of the last Rent payment set forth in this Schedule (assuming the Agreement is renewed at the end of the Primary Term and each renewal term), if the Agreement is still in effect on such day, upon payment in full of the Rent payments due on this Schedule and the payment of One (1) Dollar to Lessor; or

(ii) On the last day of the Primary Term or any renewal term then in effect, upon payment in full to Lessor of the Rent payments then due on this Schedule plus the then applicable Purchase Price set forth on this Schedule; or

(iii) Provided that no Event of Default exists, and no event has occurred and is continuing that with notice or the lapse of time, or both, would constitute an Event of Default, Lessee will have the right to terminate this Schedule on any Lease Payment date set forth in this Schedule by paying Lessor, on such date, the Rent payment then due under such Rent and Purchase Price Schedule, the Purchase Price amount set forth opposite such date, and any other amounts then due Lessor under the Agreement with respect to the Products.

Upon satisfaction by Lessee of such conditions, Lessee shall be entitled to Lessor's interest in the Products, AS IS, WHERE IS, WITHOUT WARRANTY OR RECOURSE, EXPRESS, IMPLIED OR OTHERWISE, BY OR AGAINST LESSOR, INCLUDING ANY WARRANTIES OF DESIGN, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR AGAINST INFRINGEMENT, other than the absence of any liens by, through or under Lessor.

7. COMPLETION OF SCHEDULE: Lessee hereby authorizes Lessor to insert the Commencement Date on this Schedule as determined pursuant to Section 2(a) of the Agreement and, where applicable (including on any Exhibit "A" hereto), the serial numbers of the Products. Lessor and Lessee hereby ratify and confirm the Agreement, the terms and provisions of which are hereby incorporated by reference and made a part hereof. In the event of any conflict between the terms of this Schedule and the terms of the Agreement, the terms of this Schedule shall prevail.

If Lessee delivers this signed Schedule, any amendment or other document related to this Schedule or the Master Lease (each a "Document") to Lessor by facsimile transmission, and Lessor does not receive all of the pages of that Document,

Lessee agrees that, except for any pages which require a signature, Lessor may supply the missing pages to the Document from Lessor's database which conforms to the version number at the bottom of the page. If Lessee delivers a signed Document to Lessor as an e-mail attachment, facsimile transmission or by U.S. mail, Lessee acknowledges that Lessor is relying on Lessee's representation that the Document has not been altered. Lessee further agrees that, notwithstanding any rule of evidence to the contrary, in any hearing, trial or proceeding of any kind with respect to a Document, Lessor may produce a tangible copy of the Document transmitted by Lessee to Lessor by facsimile or as an e-mail attachment and such signed copy shall be deemed to be the original of the Document. To the extent (if any) that the Document constitutes chattel paper under the Uniform Commercial Code, the authoritative copy of the Document shall be the copy designated by Lessor or its assignee, from time to time, as the copy available for access and review by Lessee, Lessor or its assignee. All other copies are deemed identified as copies of the authoritative copy. In the event of inadvertent destruction of the authoritative copy, or corruption of the authoritative copy for any reason or as the result of any cause, the authoritative copy may be restored from a backup or archive copy, and the restored copy shall become the authoritative copy. At Lessor's option, this electronic record may be converted into paper form. At such time, such paper copy will be designated or marked as the authoritative copy of the Document.

By signing below, each of the parties hereto agrees to be bound by the terms of the Agreement, this Schedule and the attached Exhibits "A" and "B". 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 commencement of payments of Rent on this Schedule. **IN WITNESS WHEREOF**, Lessor and Lessee have caused this Schedule to be executed in their names by their duly authorized representatives as of the date first above written.

LESSEE:
CITY OF YUMA
An Arizona municipal corporation

LESSOR:
DELL FINANCIAL SERVICES L.L.C.

By: _____

By: _____

City Administrator

ATTEST

By: _____
Lynda L. Bushong
City Clerk

APPROVED AS TO FORM

By: _____
Richard w. Files
City Attorney



Financial Services

CITY OF WYOMING, AZ
LEASE SCHEDULE
No. KID-0763164-TBD
Exhibit A to schedule

Commencement Date: TBD
Termination Date: TBD

Product Type	
Lease Option Type	Annual
Payment Frequency	Monthly
Consolidation Period	Advance
Advance	None

Quote Number	Term	Description	PCs	Quote prior to sales tax	Sales tax at 8.412%	Net quote inclusive of sales tax	LRF	Annual Advance
3000038912885.1	4 Year	Dell Precision	725	\$893,250.75	\$ 75,140.25	\$ 968,391.00	0.25000	\$ 242,097.75

PPT Included



CITY OF YUMA, ARIZONA
 Amortization Schedule
 Schedule 810-6768164-TBD
 Exhibit B to Schedule

Payment #	Opening Balance	RENT	INTEREST	PRINCIPAL	Balance	PURCHASE PRICE
	968,391.00					
DLED*	(87,155.19)				881,235.81	
1	881,235.81	242,097.75	-	242,097.75	639,138.06	668,189.79
2	639,138.06	242,097.75	42,659.46	199,438.29	439,699.77	468,751.50
3	439,699.77	242,097.75	29,347.89	212,749.86	226,949.91	256,001.64
4	226,949.91	242,097.75	15,147.84	226,949.91	0.00	-

* DFS Lease Equipment Discount