

**VEHICLE SUBLEASE AGREEMENT BETWEEN THE CITY OF DANIA
BEACH, FLORIDA AND THE BROWARD SHERIFF'S OFFICE FOR FIRE
RESCUE VEHICLES**

This is a Vehicle Sublease Agreement (this "Sublease") dated as of and effective on January 6, 2011, between the CITY OF DANIA BEACH, FLORIDA, a Florida municipal corporation (the "SUBLESSOR") and the BROWARD SHERIFF'S OFFICE (the "SUBLESSEE").

WHEREAS, SUBLESSOR and TD Equipment Finance Equipment, Inc. (the "Lender") entered into a Lease Purchase Agreement dated December 15, 2010 (the "Lease") with respect to the Equipment (as defined below), which is attached and incorporated herein as Exhibit "A"; and

WHEREAS, Section 14 of the Lease Agreement provides that (1) the SUBLESSOR cannot sublease the Lease or any interest in it or the Equipment without Lender's prior written consent and a written opinion of nationally recognized bond counsel to the effect that any such sublease of the Lease or any interest in it or the Equipment will not adversely effect the exclusion of the interest component of the Rental Payments (as such term is defined in the Lease) from gross income for federal income tax purposes and (2) SUBLESSOR cannot assign or sublet the Lease or any interest in it or the Equipment to a non-governmental entity; and

WHEREAS, the SUBLESSOR has delivered to the Lender a written opinion of the law firm of Bryant Miller Olive P.A., Jacksonville, Florida ("Bond Counsel"), in form and substance acceptable to the Lender, to the effect that any sublease of the Lease or any interest in it or the Equipment evidenced by this Sublease will not adversely effect the exclusion of the interest component of the Rental Payments from gross income for federal income tax purposes; and

WHEREAS, the SUBLESSEE represents and certifies to the SUBLESSOR, the Lender and Bond Counsel that the SUBLESSEE is a governmental entity pursuant to Florida law; and

WHEREAS, SUBLESSOR and SUBLESSEE have entered into an Agreement for Fire Rescue and Emergency Medical Services, dated January 6, 2011 (the "Agreement"); and

WHEREAS, in connection with the Agreement, SUBLESSOR and SUBLESSEE desire to enter into this Sublease; and

WHEREAS, by its execution of the approval attached to this Sublease, the Lender acknowledges that Bond Counsel is a nationally recognized bond counsel within the meaning of Section 14 of the Lease and approves the sublease of the Lease pursuant to this Sublease solely under the terms and conditions contained in this Sublease; and

NOW, THEREFORE, in consideration of \$10.00 and the mutual terms, conditions, promises, covenants and payments set forth in this Sublease, SUBLESSOR and SUBLESSEE agree as follows:

ARTICLE 1.0
GENERAL PROVISIONS

1.1 SUBLESSOR leases to SUBLESSEE, and SUBLESSEE accepts from SUBLESSOR, upon and subject to the terms of this Sublease the following two vehicles, known as quints, which are a combination of a pump and ladder fire truck (collectively, the "Equipment"):

Make: Pierce
Model: Velocity
Year: 2010
VIN: 4P1CV01H6AA010585

and

Make: Pierce
Model: Velocity
Year: 2010
VIN: 4P1CV01H2AA011328

1.2 SUBLESSEE'S use of the Equipment shall be limited to firefighting and emergency rescue services provided by SUBLESSEE. SUBLESSEE agrees that it will not use or permit the use of the Equipment in a negligent or improper manner, or in violation of any law, nor permit any vehicle to become subject to any lien, charge, or encumbrance.

1.3 SUBLESSEE agrees that if this Sublease is terminated and the Equipment is to be returned to SUBLESSOR, the SUBLESSEE shall, at the expense of SUBLESSEE, return the Equipment to SUBLESSOR at the address specified by SUBLESSOR, in as good

condition as when SUBLESSEE received it, ordinary wear excepted. SUBLESSEE must remove all signs and markings and make all repairs (other than for ordinary wear) requested by SUBLESSOR. If SUBLESSEE does not, SUBLESSOR may do so and charge SUBLESSEE for it. In the event the Equipment is not returned in such condition, SUBLESSEE shall reimburse SUBLESSOR for any loss or damage. SUBLESSEE will not alter the Equipment without the expressed, written permission of the SUBLESSOR. SUBLESSOR makes no express or implied warranty as to the operability or fitness of the Equipment for any purpose and the Equipment is being provided in an "as is" condition.

1.4 SUBLESSEE shall at all times, and at the expense of SUBLESSEE, keep the Equipment in good working order, condition, and repair, ordinary wear and tear excepted.

1.5 SUBLESSEE shall be responsible for all service, materials, and repairs in connection with the use and operation of the Equipment during the term of this Sublease, including but not limited to gasoline, oil, batteries, tires, maintenance and towing necessary for the proper use and operation of the Equipment, at the expense of SUBLESSEE. SUBLESSEE agrees to maintain a maintenance log for the Equipment and permit SUBLESSOR to inspect the Equipment and the maintenance log(s). SUBLESSEE must have the Equipment serviced and repaired at the expense of SUBLESSEE when servicing or repair is required within intervals not exceeding 125% of those recommended in the Equipment's owner's manual(s). SUBLESSEE shall take the Equipment to the appropriate factory-authorized dealer for all service and repairs under the manufacturer's warranty. SUBLESSOR shall not be directly liable for any cost associated with repairs and maintenance; provided, however, that such costs have been included in the annual consideration cost of the Agreement and are subject to annual adjustment through the budgetary process.

1.6 SUBLESSEE recognizes and acknowledges that the Equipment does not give the SUBLESSEE or any of its officers, employees, members, volunteers, representatives or agents the authority to act on behalf of the SUBLESSOR, other than as provided for in the Agreement.

1.7 SUBLESSEE agrees that the Equipment will only be used and operated by persons who are licensed, certified and trained, if applicable, to use and operate such Equipment.

1.8 This Sublease is one of leasing only and SUBLESSEE shall not acquire any rights, title, or interest to the Equipment leased under this Sublease other than as that of a SUBLESSEE.

1.9 SUBLESSEE will not use the Equipment to transport materials found to be hazardous for the purposes of the Hazardous Materials Transportation Authorization Act of 1994, as amended, 49 U.S.C. § 501 et seq., or in violation of any other law or regulation.

1.10 SUBLESSEE shall at its expense, alter or modify the lettering, striping and insignia of the Equipment to identify SUBLESSEE; provided, however, that a reference shall be made to the "City of Dania Beach" on each vehicle.

1.11 SUBLESSEE is not a tax exempt organization, but it represents to SUBLESSOR, the Lender and Bond Counsel that SUBLESSEE is a governmental entity pursuant to Florida law and that SUBLESSEE will only use the Equipment in a governmental capacity for firefighting and emergency rescue purposes.

1.12 SUBLESSEE covenants that the Equipment will be used only for the purpose of performing one or more of Lessee's governmental or proprietary functions, and that the Equipment will not be used in a trade or business of any person or entity other than SUBLESSEE on a basis different from the general public. SUBLESSEE will not use or permit the use of the Equipment by any person for a "private business use" within the meaning of Section 141(b) of the Internal Revenue Code of 1986, as amended and the treasury regulations promulgated thereunder (the "Code") in such matter or to such extent as would result in the inclusion of interest received hereunder in gross income for federal income tax purposes under Section 103 of the Code. To avoid "private business use" under that Section 141(b) of the Code, SUBLESSEE will not allow (a) ownership of the Equipment by other than a state or local governmental unit, (b) actual or beneficial use of the Equipment by other than a state or local governmental unit pursuant to a lease or a management, incentive payment or output contract, or (c) any other similar arrangement, agreement or understanding with other than a state or local governmental unit, whether written or oral. To further avoid "private business use" under that Section 141(b) of the Code, SUBLESSEE will not allow the Equipment to be used by or to be used in activity carried on by any person other than a state or local governmental unit (other than a person

using the Equipment on the same basis as the general public). SUBLESSOR and SUBLESSEE further agree to cooperate in performing all acts and things legally required or desirable in order to assure that the interest component of the Rental Payments will not be included in the gross income of Lender or its assigns for federal income tax purposes.

ARTICLE 2.0
COMPENSATION TO SUBLESSOR

2.1 SUBLESSEE agrees to pay to SUBLESSOR the Rental Payments under the Lease at the times and in the amounts set forth in the Lease during the shorter of the term of the Agreement (including any renewal(s) thereof) and the term of the Lease. Upon full and complete payment of all the Rental Payments, SUBLESSOR shall transfer ownership of the Equipment to SUBLESSEE at no additional cost to SUBLESSEE and SUBLESSEE shall retain said ownership without any reversionary interest retained by the SUBLESSOR; provided, however, that no such transfer of the Equipment nor termination of this Sublease shall occur unless the Lender has provided written notice ("Lender Payment Notice"), which notice shall not be unreasonably withheld, to the SUBLESSOR that the Lease has terminated pursuant to its terms and that all amounts payable to the Lender under the Lease have been paid in full.

ARTICLE 3.0
TERM AND TERMINATION OF SUBLEASE

3.1 The term of this Sublease shall commence as of the date the Agreement commences and remain in effect through and including the earlier of (a) the date on which the Lender delivers to the SUBLESSOR the Lender Payment Notice and (b) the date when the Agreement expires without renewal or is terminated as provided by its terms, unless the term of this Sublease is otherwise terminated or extended in writing between the SUBLESSEE and the SUBLESSOR; provided, however, that no such termination or extension of this Sublease shall be effective without the prior written approval of the Lender, which approval shall not be unreasonably withheld; and provided further that such approval of the Lender shall not be required in the event that the Lender has provided the Lender Payment Notice to the SUBLESSOR that the Lease has terminated pursuant to its terms and that all amounts payable to the Lender under the

Lease have been paid in full; and provided further that the Lender may at its sole and absolute discretion, by notice of termination (the "Lender's Termination Notice") under this Section 3.1 delivered to the SUBLESSOR and SUBLESSEE, terminate this Sublease upon termination under the Lease, an Event of Non-Appropriation (as such term is defined in the Lease), and/or an Event of Default (as such term is defined under the Lease). SUBLESSOR shall not amend the term of the Lease without the prior written approval of the SUBLESSEE, which approval shall not be unreasonably withheld.

3.2 This Sublease may be terminated by the SUBLESSOR in the event SUBLESSEE fails to use and care for the Equipment as required in this Sublease, upon providing SUBLESSEE with written notice of such termination (the "SUBLESSOR'S Termination Notice"), with a copy of such SUBLESSOR'S Termination Notice provided by the SUBLESSOR contemporaneously to the Lender.

3.3 Upon receipt of Lender's Termination Notice and/or SUBLESSOR'S Termination Notice, the SUBLESSEE shall immediately return the Equipment in good condition, excepting ordinary wear, as hereinabove provided.

ARTICLE 4.0 **WARRANTIES**

4.1 THERE ARE NO EXPRESS OR IMPLIED WARRANTIES MADE BY SUBLESSOR AS TO THE EQUIPMENT. SUBLESSOR DISCLAIMS ANY IMPLIED WARRANTY OF MERCHANTABILITY AND FITNESS OF THE EQUIPMENT FOR A PARTICULAR PURPOSE, AND THE SUBLESSEE AGREES THAT THE EQUIPMENT IS "AS IS" AND "WITH ALL FAULTS."

ARTICLE 5.0 **LIABILITY, INDEMNIFICATION AND INSURANCE**

5.1 SUBLESSEE shall bear all risks of damage or loss, or both to the Equipment. All replacements, repairs, or substitution of parts or equipment on the Equipment shall be at the sole cost and expense of the SUBLESSEE.

5.2 SUBLESSEE knowingly, freely, and voluntarily assumes all liability for any and all damage or injury to any person or property of whatsoever nature, which occurs as a result of SUBLESSEE'S possession, use and operation of the Equipment. SUBLESSEE

agrees to release, waive, discharge and covenants not to sue the SUBLESSOR, the Lender, any affiliate of either of them or their respective directors, officers, employees, agents, successors and assigns from any and all liability or claims which may arise, either directly or indirectly, out of SUBLESSEE'S possession, use, and operation of the Equipment, except for any claim, cause of action or lawsuit based upon the negligence, actions or inactions of the SUBLESSOR, the Lender, any affiliate of either of them or their respective directors, officers, employees, agents, successors and assigns. The provisions under this paragraph shall survive the termination of this Sublease.

5.3 Indemnification. SUBLESSEE shall to the extent permitted by law and subject to any applicable limitations contained in Section 768.28, Florida Statutes, indemnify, and save harmless SUBLESSOR, the Lender, any affiliate of either of them and their respective directors, officers, employees, agents, successors and assigns against any and all claims, liabilities, and expenditures of any kind, including attorney fees, court costs, and expenses, caused by any intentional or negligent act or omission of SUBLESSEE, its employees, members, volunteers, representatives, agents, or officers, or accruing, resulting from, or related to SUBLESSEE'S possession, use and operation of the referenced Equipment except for any claims, liabilities and expenditures based upon the negligence, actions or inactions of the SUBLESSOR, the Lender, any affiliate of either of them and/or their respective directors, officers, employees, agents, successors and assigns. The provisions under this paragraph shall survive the termination of this Sublease.

5.4 Insurance: SUBLESSEE agrees to bear all risk of loss, damage, destruction or theft of the Equipment. SUBLESSEE must maintain insurance of the types and in the amounts not less than that set forth on Exhibit A, attached hereto, directing SUBLESSEE'S insurance company to give SUBLESSOR a certificate showing SUBLESSOR and Lender as loss payees and as additional named insureds. SUBLESSEE'S insurance policies shall be endorsed to provide SUBLESSOR and the Lender with at least sixty (60) days' prior written notice of cancellation, non-renewal, restrictions, or reduction in coverages or limits. Notice shall be sent as provided below. If SUBLESSEE does not maintain the required insurance, SUBLESSOR may obtain it and charge SUBLESSEE for it. Upon demand therefor from SUBLESSOR, SUBLESSEE agrees to immediately reimburse SUBLESSOR for all such costs and

expenses of SUBLESSOR for obtaining said insurance. SUBLESSEE must give SUBLESSOR and Lender prompt notice of (1) the loss, theft or destruction of any part of the Equipment, (2) any damage to the Equipment exceeding \$500, or (3) any claim arising out of the ownership, maintenance, storage or use of the Equipment. SUBLESSOR and SUBLESSEE will cooperate with each other and with the Lender in deciding if insurance proceeds will be applied to the repair of the Equipment or to its purchase price. Notwithstanding anything to the contrary contained in this Sublease, SUBLESSEE shall insure the Equipment for all risk physical damage at full replacement cost.

ARTICLE 6.0
NOTICES

6.1 Wherever SUBLESSOR or SUBLESSEE desire to give notice to the other, it must be given by written notice, sent by certified United States mail, with return receipt requested, addressed to the party for whom it is intended, at the place last specified, and the place for giving of notice shall remain such until it shall have been changed by written notice in compliance with the provisions of this paragraph. For the present, the SUBLESSOR and SUBLESSEE designate the following as the respective places for giving of notice:

FOR SUBLESSOR: City of Dania Beach, Florida
 Robert Baldwin, City Manager
 100 West Dania Beach Boulevard
 Dania Beach, Florida 33004

With copy to: City of Dania Beach, Florida
 Thomas J. Ansbro, Esquire, City Attorney
 100 West Dania Beach Boulevard
 Dania Beach, Florida 33004

FOR SUBLESSEE: Office of the General Counsel
 Broward Sheriff's Office
 2601 W. Broward Boulevard
 Fort Lauderdale, Florida 33312

Any notice given hereunder by SUBLESSOR or SUBLESSEE to the other or to the Lender shall be given to the Lender by certified United States mail, with return receipt requested, addressed to the Lender at the notice address provided in the Lease, as the

same shall change from time to time. No notice to the Lender hereunder shall be deemed given until the Lender has actually received such notice.

ARTICLE 7.0
MISCELLANEOUS

7.1 Amendments. There shall be no modifications, amendments or alterations in the terms or conditions contained in this Sublease unless contained in a written document executed with the same formality and of equal dignity with this Sublease; provided, however, that no modifications, amendments or alterations in the terms or conditions contained in this Sublease shall be effective without the prior written approval of the Lender, which approval shall not be unreasonably withheld. SUBLESSOR shall not amend the Lease without the prior written approval of the SUBLESSEE, which approval shall not be unreasonably withheld.

7.2 Successors and Assigns. It is agreed between the parties that all covenants, conditions, agreements and undertakings contained in this Sublease shall extend to and be binding on the respective successors and assigns of the parties.

7.3 Limitation on Assignment. The SUBLESSEE may not assign or sublease this Sublease or any interest in it or the Equipment without the prior written consent from both the SUBLESSOR and the Lender, which consent shall not be unreasonably withheld, and a written opinion of nationally recognized bond counsel to the effect that any such assignment or sublease of this Sublease or any interest in it or the Equipment will not adversely effect the exclusion of the interest component of the Rental Payments from gross income for federal income tax purposes. In no event may Lessee assign or sublet this Agreement or any interest in it or the Equipment to a non-governmental entity.

7.4 Lease Administrators. SUBLESSOR'S Lease Administrator for this Sublease is the City Manager. SUBLESSEE'S Lease Administrator is the Fire Chief. In the implementation of the terms and conditions of this Sublease, as contrasted with matters of policy, each party may rely upon instructions or determinations made by the respective Lease Administrators.

7.5 Waiver. No waiver of any provision of this Agreement shall be effective unless it is in writing, signed by the designated Lease Administrator for the party against whom it

is asserted and any such written waiver shall only be applicable to the specific instance to which it relates and shall not be deemed a continuing or future waiver. Any such waiver must be approved in writing by the Lender.

7.6 Non-Waiver. The failure of the SUBLESSOR or SUBLESSEE to enforce any right or remedy hereunder, or promptly to enforce any such right or remedy, shall not constitute a waiver thereof, nor give rise to any estoppel against the other party, nor excuse the other party from its obligations hereunder.

7.7 Merger. This Sublease incorporates and includes all prior negotiations, correspondence, conversations, agreements or understandings applicable to the matters contained in it and SUBLESSOR and SUBLESSEE agree that there are no commitments, agreements, or understandings concerning the subject matter of this Sublease that are not contained in this Sublease.

7.8 Joint Preparation. The preparation of this Sublease has been a joint effort of the SUBLESSOR and SUBLESSEE and the resulting document shall not, solely as a matter of judicial construction, be construed more strictly against one party than the other.

7.9 Applicable Law and Venue. This Sublease shall be governed by the laws of the State of Florida and venue in any proceeding or action between the parties arising out of this Sublease shall be in Broward County, Florida.

7.10 No Third Party Beneficiaries. There are no third party beneficiaries of this Sublease (except the Lender and the indemnified parties), and no person or entity other than the SUBLESSOR, SUBLESSEE and Lender shall be entitled to rely hereon or benefit herefrom.

7.11 Counterparts. This Sublease may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, and it shall not be necessary in making proof of this Sublease to produce or account for more than one such counterpart.

7.12 Consents. Any consents, approvals and termination notices required or permitted herein may be given, withheld or conditioned at the discretion of the Lender unless otherwise provided herein; provided, however, that the Lender shall not unreasonably give, withhold or condition such consents, approvals or termination notices.

7.13 Severance. In the event this Sublease or a portion of it is found by a court of competent jurisdiction to be invalid, the remaining provisions shall continue to be effective.

[Remainder of page intentionally left blank. Signature pages follow.]

IN WITNESS OF THE FOREGOING, the parties executed this Sublease on the dates set forth below, but effective as first provided in this Sublease:

SUBLESSOR:

ATTEST:

CITY OF DANIA BEACH, FLORIDA
a Florida Municipal Corporation

By: _____
Name: Louise Stilson, CMC
Title: City Clerk

By: _____
Name: ~~C. K. McElyea~~ Patricia Flury
Title: Mayor

Date: _____

By: _____
Name: Robert Baldwin
Title: City Manager cd

APPROVED FOR LEGAL FORM
AND CORRECTNESS:

By: _____
Name: Thomas J. Ainsbro
Title: City Attorney

SUBLESSEE:

BROWARD SHERIFF'S OFFICE

By: _____

Name: Al Lamberti

Title: Sheriff

Date: _____

Approved as to form and legal sufficiency
Subject to execution by the parties:

By: _____

Name: Judith Levine

Title: General Counsel

Date: _____

ACKNOWLEDGED AND APPROVED BY:

LENDER:

TD EQUIPMENT FINANCE, INC.

By: _____

Name: Charles Fiumefreddo

Title: Operations Manager

EXHIBIT A

Lease Purchase Agreement

**LEASE PURCHASE AGREEMENT
BETWEEN TD EQUIPMENT FINANCE, INC., AS LESSOR
AND THE CITY OF DANIA BEACH, FLORIDA, AS LESSEE**

CLOSING DATE: DECEMBER 15, 2010

**Bryant Miller Olive P.A.
111 Riverside Avenue, Suite 200
Jacksonville, Florida 32202**

**LEASE PURCHASE AGREEMENT
BETWEEN TD EQUIPMENT FINANCE, INC., AS LESSOR,
AND THE CITY OF DANIA BEACH, FLORIDA, AS LESSEE**

Dated December 15, 2010

TRANSCRIPT INDEX

1. Lease Purchase Agreement dated December 15, 2010 among TD Equipment Finance, Inc. and the City of Dania Beach, Florida
 - Exhibit A – Equipment List
 - Exhibit B – Terms
 - Exhibit C – Insurance Coverage Requirements Certificate
 - Exhibit D – Acceptance Certificate
 - Exhibit E – See Item #3
 - Exhibit F – Certificate of Lessee
 - Exhibit G – Arbitrage and Tax Certificate
 - Exhibit H – See Item #7
2. Closing Memorandum
3. Certified copy of Resolution No. 2010-076 duly adopted by the City Commission of the City of Dania Beach, Florida on May 11, 2010
4. Truth-In-Bonding Statement
5. IRS Form 8038-G
6. Certificate regarding Interest Rate
7. Opinion of City Attorney
8. Opinion of Special Counsel

DISTRIBUTION LIST

City of Dania Beach- 2 bound (1 to Finance Director, 1 to City Attorney)
TD Equipment Finance, Inc. - 2 unbound, 1 CD
Bryant Miller Olive P.A. - 1 CD

TD EQUIPMENT FINANCE, INC.
2070 Chain Bridge Road, Suite 145
Vienna, Virginia 22182

LEASE PURCHASE AGREEMENT

LESSEE: City of Dania Beach, Florida

AGREEMENT #: 40071514

DATED: December 15, 2010

This Lease Purchase Agreement (the "Agreement") is a binding contract between TD Equipment Finance, Inc., its successors and assigns ("Lessor") and the City of Dania Beach, Florida (the "Lessee," when referring to the governing body, and the "City," when referring to the territorial boundaries and the legal entity governed by the Lessee).

1. **Agreement:** In executing this Agreement, Lessee agrees to rent the equipment described in Exhibit A (the "Equipment"). Exhibit B sets forth the terms of the Agreement, including the commencement date (the "Dated Date"), which is the date when the term begins and Lessee's obligation to pay rent accrues. Rental payments (the "Rental Payments") consist of both principal and interest components, must be paid to Lessor as instructed, and must be paid only out of legally available non-ad valorem revenues budgeted and appropriated by the Lessee for such purpose. A portion of each Rental Payment represents interest and the balance of each Rental Payment represents principal, as shown on Exhibit B. To maintain the interest rate set forth in Exhibit B attached hereto, Lessee must comply with the tax covenants as set forth in Section 7 below and file informational federal tax Form 8038-G in a timely manner. If not, each Rental Payment will be increased to the Taxable Rate (as defined herein) to compensate for the loss of the tax exemption status which was assumed in the initial interest rate. The Form 8038-G is an informational return only and will not require Lessee to pay a tax. Lessee agrees to accept the Equipment when delivered, installed and operating to manufacturer's specifications and to execute the Acceptance Certificate, attached hereto as Exhibit D (the "Acceptance Certificate") supplied by Lessor as evidence thereof. Lessee agrees to hold Lessor harmless from damages, if for any reason, the Equipment Vendor (as defined herein) fails to deliver, or delays in the delivery of, the Equipment so ordered or if the Equipment is unsatisfactory for any reason whatsoever. Lessee agrees that any delay in the delivery of the Equipment shall not affect the validity of this Agreement or the obligation to make Rental Payments hereunder. Lessee's execution of the Acceptance Certificate shall conclusively establish that the Equipment covered thereby is acceptable to Lessee for all purposes of this Agreement. If Lessee fails or refuses to sign the Acceptance Certificate within a reasonable time, not to exceed five (5) business days, after the Equipment has been delivered, installed and is operating to manufacturer's specifications, Lessor shall have the option of treating this Agreement as cancelled by Lessee

and Lessee shall automatically assume all of Lessor's rights and obligations as purchaser of the Equipment.

2. The Obligation to Make Payments: Rental Payments shall be due and payable as set forth in Exhibit B hereto. The obligation of Lessee to pay Rental Payments hereunder is a current expense of Lessee and not a debt. This obligation shall not be or constitute a general obligation or indebtedness of Lessee or be a "bond" within the meaning of the Constitution of the State of Florida (the "State") but shall be a special, limited obligation of Lessee payable from legally available non-ad valorem revenues annually budgeted and appropriated for such purpose during the then current fiscal period ("Appropriation Period") provided herein. All payments made by or on behalf of Lessee hereunder shall be nonrefundable. Except in the Event of Nonappropriation (hereinafter defined) as set forth in this paragraph, Lessee's obligation to pay such Rental Payments shall be absolute and unconditional and is not subject to any abatement, set-off, defense or counter-claim for any reason whatsoever. Lessee hereby represents and warrants that it has funds available to pay the Rental Payments set forth on Exhibit B through the end of the current fiscal year ("First Appropriation Period"). Notwithstanding the foregoing, the obligation of Lessee to make payments hereunder is subject to the annual appropriation by Lessee in each successive Appropriation Period of funds sufficient to make the required Rental Payments hereunder for such Appropriation Period. Hence, after the First Appropriation Period, if Lessee has not appropriated sufficient funds to pay Lessor the Rental Payments due for the then current Appropriation Period an Event of Nonappropriation (an "Event of Nonappropriation") shall be deemed to have occurred. Lessee shall promptly deliver notice thereof to Lessor and shall endeavor to give such notice as soon as a decision of non-appropriation is made. Such notice shall state that the termination of this Agreement was caused by the failure of the Lessee to appropriate moneys to make Rental Payments due hereunder and that Lessee shall promptly, upon the effective date of such termination, return the Equipment at the expense of the Lessee, and as instructed by Lessor, as hereinafter provided. If an Event of Nonappropriation has occurred, this Lease shall terminate, in whole, but not in part, as to all Equipment, effective upon the last day of the fiscal year for which funds were appropriated. Upon termination of this Lease as provided in this Section, Lessee shall not be responsible for the payment of any additional Rental Payments coming due in succeeding fiscal years. Lessee shall then, at Lessee's expense, promptly return the Equipment to Lessor to such location as shall be specified by Lessor. Lessor may then sell or re-lease the Equipment with or without advertisement, at public or private sale or leasing, without notice to Lessee, free of any of Lessee's interest, without any duty to account to Lessee for Lessor's actions or inaction or for any sale or re-lease proceeds. Any net proceeds of any sale or re-lease of the Equipment upon the occurrence of an Event of Non-Appropriation or as may otherwise be provided under this Agreement shall be applied in the following order of priority: first, to pay all of Lessor's costs, charges and expenses incurred in taking, holding, repairing, selling, leasing or otherwise disposing of the Equipment; then second, to the extent not previously paid by the Lessee, to pay Lessor all Rental Payments due under this Agreement through the termination date; then third, to pay the purchase option amount applicable as of the

date of the then current Appropriation Period, as shown in the balance column on the debt service table set forth in Exhibit B; then fourth, to pay any remainder to Lessee.

THE RENTAL PAYMENTS ARE TO BE MADE ONLY FROM LESSEE'S LEGALLY AVAILABLE NON-AD VALOREM REVENUES BUDGETED AND 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 THIS AGREEMENT FROM THE COMPELLED LEVY OF AD VALOREM OR OTHER TAXES EXCEPT FROM THOSE LEGALLY AVAILABLE NON-AD VALOREM REVENUES BUDGETED AND APPROPRIATED BY LESSEE ON AN ANNUAL BASIS, AND NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF LESSEE, THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF ARE PLEDGED FOR PAYMENT OF SUCH SUMS DUE UNDER THIS AGREEMENT.

3. **The Equipment:** Lessee agrees and acknowledges that (i) Lessee has selected the Equipment to be acquired by Lessor and rented to Lessee, (ii) the Equipment is, and during the period of this Agreement shall remain, personal property to the Lessee, (iii) the Equipment will have a useful life in Lessee's hands that is substantially in excess of the initial term of this Agreement, and (iv) Lessee does not intend, without the Lessor's prior written consent, to sell, or otherwise dispose of, the Equipment during the term of the Agreement. Lessee may contact the seller of the Equipment directly, as Lessor's agent, to effect the acquisition of the Equipment. When Lessee accepts the Equipment, Lessee must deliver to Lessor an Acceptance Certificate. If the Equipment has not been identified on the date of this Agreement, the purchase amount shown in the balance column shown on Exhibit B shall be deposited in an account held pursuant to an escrow agreement to be entered into among Lessor, Lessee, and TD Bank, National Association, as escrow agent ("Escrow Fund"). The Lessee shall submit an invoice for the Equipment to Lessor and upon Lessor's approval of such invoice, Lessor shall cause the acquisition of the Equipment to be funded directly to the Equipment Vendor (as defined herein) out of moneys in the Escrow Fund. Alternatively, the Lessee shall submit to the Lessor an invoice for the Equipment and a check evidencing payment to the Equipment Vendor by the Lessee for such Equipment and upon Lessor's approval of such invoice and such evidence of payment, Lessor shall cause the Lessee to be reimbursed for the acquisition of the Equipment out of moneys in the Escrow Fund. However, upon acquisition of the Equipment, Lessee must execute and deliver to Lessor, an Acceptance Certificate, according to the provisions set forth in Section 1. Lessee may assert claims and rights that Lessor may have against any manufacturer of the Equipment as well as the agents or dealers of the manufacturer of any portion of the Equipment (the "Equipment Vendor").

4. **Title to the Equipment:** During the term of this Agreement, legal title to all Equipment and any and all repairs, replacements, substitutions and modifications thereto for federal income tax and accounting purposes, for purposes of Section 7 hereof, and for all other purposes shall be in the name of Lessee. By paying the final rental payment due hereunder, Lessee shall be deemed to have exercised Lessee's option to maintain ownership of the Equipment after the term of this Lease, and upon such payment, Lessor shall be obligated to

take any actions necessary to evidence the termination of any obligations of Lessee to Lessor hereunder. Following an Event of Default or an Event of Nonappropriation or upon other termination of this Agreement for any reason other than Lessee's rights under Section 5, title to the Equipment will immediately vest in Lessor and Lessee will surrender possession of the Equipment to Lessor. Lessee will promptly execute, or otherwise authenticate, and deliver to Lessor such further documents, instruments, assurances and other records, and take such further action as Lessor from time to time may reasonably request in order to carry out the intent and purpose of this Agreement and to establish and protect the rights and remedies created or intended to be created in favor of Lessor under such documents.

5. Refinance/Option to Purchase: Lessee, at its sole discretion, may refinance this Agreement at any time during the lease term. Lessee shall be entitled and shall have exercised its option to retain title to the Equipment: (a) upon payment in full of all Rental Payments in accordance with Exhibit B hereof and all other amounts due hereunder, or (b) upon written notice delivered at least thirty (30) days in advance of a proposed date (which shall be a date scheduled for payment of a Rental Payment) for payment and upon payment on such date of the prepayment price equal to all principal due and remaining unpaid and interest accrued to such date of prepayment, plus a prepayment fee of two percent (2%) of such principal due and remaining unpaid.

When Lessee exercises its rights hereunder to retain title to the Equipment and Lessor shall have received all amounts due under this Agreement, then this Agreement shall terminate, and Lessee shall be deemed to have accepted such Equipment AS IS, WHERE IS, WITHOUT WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR FITNESS FOR THE USE CONTEMPLATED BY LESSEE, except that the Equipment shall not be subject to further obligations of Lessee created by or arising through this Agreement.

6. Responsibilities for Repair and Maintenance: Lessee agrees to maintain the Equipment in good condition and make all necessary repairs and replacements at Lessee's expense. Lessee agrees to maintain a maintenance log for the Equipment and permit Lessor to inspect the Equipment and the maintenance log(s). Lessee must have the Equipment serviced and repaired at Lessee's expense when servicing or repair is required within intervals not exceeding 125% of those recommended in the Equipment's owner's manual(s).

7. Tax Covenants: Lessee will not make or direct any use of the proceeds of the obligation provided herein or any other funds which will cause such obligation to be an "arbitrage bond" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended and the treasury regulations promulgated thereunder (the "Code"), to be "federally guaranteed" within the meaning of Section 149 of the Code or to be a "private activity bond" within the meaning of Section 141(a) of the Code. To that end, so long as any Rental Payments are unpaid, Lessee, with respect to such proceeds and such other funds, will comply with all requirements of such Code sections and all regulations of the United States Department of the Treasury issued thereunder to the extent that such requirements are, at the time, applicable and

in effect. Furthermore, to the extent applicable pursuant to Section 148(f) of the Code, Lessee covenants to complete or cause to be completed all reporting requirements and rebate all positive arbitrage to the United States of America. Lessee covenants that the Equipment will be used only for the purpose of performing one or more of Lessee's governmental or proprietary functions, and that the Equipment will not be used in a trade or business of any person or entity other than Lessee on a basis different from the general public. Lessee will not use or permit the use of the Equipment by any person for a "private business use" within the meaning of Section 141(b) of the Code in such matter or to such extent as would result in the inclusion of interest received hereunder in gross income for federal income tax purposes under Section 103 of the Code.

Lessor and the Lessee agree to cooperate in performing all acts and things legally required or desirable in order to assure that the interest component of the Rental Payments will not be included in the gross income of Lessor or its assigns for federal income tax purposes.

If any event shall occur so that the interest component of the Rental Payments become includible in the gross income for federal income tax purposes of the recipient of such Rental Payments (an "Event of Taxability"), the interest rate on the lease payments shall increase to the prime rate as published on the first day of the month in the Wall Street Journal plus two percent (2%) (the "Taxable Rate") from the date of the occurrence of the Event of Taxability. Lessee agrees to pay and indemnify Lessor for all interest, penalties, fines, additions to taxes, levied or assessed on the lease or Lessor as a result of the Event of Taxability.

8. **Lessee's Risk of Loss or Damage:** Lessee agrees to bear all risk of loss, damage, destruction or theft of the Equipment. Lessee must maintain insurance of the types and in the amounts not less than that set forth on Exhibit C, directing Lessee's insurance company to give Lessor a certificate showing Lessor as lender loss payee and an additional named insured. If Lessee does not maintain the required insurance, Lessor may obtain it and charge Lessee for it. Upon demand therefor from Lessor, Lessee agrees to immediately reimburse Lessor for all such costs and expenses of Lessor for obtaining said insurance. Lessee must give Lessor prompt notice of (1) the loss, theft or destruction of any part of the Equipment, (2) any damage to the Equipment exceeding \$500, or (3) any claim arising out of the ownership, maintenance, storage or use of the Equipment. The parties will cooperate in deciding if insurance proceeds will be applied to the repair of the Equipment or to its purchase price. If Lessor receives insurance proceeds exceeding the amount of the purchase price shown on Exhibit B, plus the interest due thereon, or the amount required to complete agreed upon repairs to the Equipment, Lessor agrees to forward the excess proceeds to Lessee.

9. **Indemnification:** Except for the negligent acts or omissions of Lessor arising out of entering into this Agreement, including any misstatements of material fact, in connection with any transfer of this Agreement, because Lessee has selected the Equipment for Lessee's use and purposes, and because Lessee operates and maintains the Equipment, Lessee agrees, to the extent permitted by law of the State of Florida, to indemnify Lessor against any and all loss, damage, injury, claims, taxes (excluding Lessor's income taxes), fees, fines, penalties and

expenses (including legal fees and expenses) of every kind that relate to the use, operation, ownership, condition or maintenance of the Equipment by Lessee. Lessee's obligation to indemnify Lessor will continue after termination of the Agreement as to all matters, except those which arise from Lessor's (or anyone Lessor sells or re-leases the Equipment to) use, operation, ownership, condition or maintenance of the Equipment following termination.

10. No Warranty: LESSOR MAKES NO EXPRESS OR IMPLIED WARRANTIES CONCERNING THE EQUIPMENT, INCLUDING BUT NOT LIMITED TO MERCHANTABILITY, SUITABILITY OR FITNESS FOR A PARTICULAR USE. THIS SECTION IN NO EVENT IS INTENDED TO AFFECT THE WARRANTIES OR REPRESENTATIONS CONTAINED IN ANY CONTRACT ENTERED INTO FOR THE ACQUISITION OF THE EQUIPMENT.

11. Termination: This Agreement will terminate: (1) upon payment of all amounts due hereunder by Lessee to Lessor for the term of this Agreement, (2) if there shall occur an Event of Nonappropriation, at the time set forth in Section 2, provided that Lessee has returned the Equipment and paid all amounts including interest thereon due and unpaid deriving from the Appropriation Period then in effect for which the Lessee has appropriated adequate funds, (3) upon Lessee's purchase or refinance of the Equipment under Section 5 and Lessee's payment of all amounts due including interest and any prepayment fee due hereunder, (4) at Lessor's option if Lessee defaults as described in Section 12, or (5) if all or any portion of the Equipment has been lost, stolen or damaged beyond repair, upon Lessor's receipt of insurance proceeds covering the purchase price of the lost, stolen or damaged Equipment and the remittance of any excess proceeds as indicated in Section 8 above. When this Agreement terminates, if Lessee has not paid to Lessor all amounts due hereunder, Lessee must, at Lessee's expense, return the Equipment to Lessor at the address specified by Lessor, in as good condition as when Lessee received it, ordinary wear excepted. Lessee must remove all signs and markings and make all repairs (other than for ordinary wear) requested by Lessor. If Lessee does not, Lessor may do so and charge Lessee for it. Lessor may sell or re-lease the Equipment with or without advertisement, at public or private sale or leasing, without notice to Lessee, free of any of Lessee's interest, without any duty to account to Lessee for Lessor's actions or inaction or for any sale or re-lease proceeds. Any net proceeds of any sale or re-lease of the Equipment upon the occurrence of an Event of Non-Appropriation or as may otherwise be provided under this Agreement shall be applied in the following order of priority: first, to pay all of Lessor's costs, charges and expenses incurred in taking, holding, repairing, selling, leasing or otherwise disposing of the Equipment; then second, to the extent not previously paid by the Lessee, to pay Lessor all Rental Payments due under this Agreement through the termination date; then third, to pay the purchase option amount applicable as of the date of the then current Appropriation Period, as set forth in Exhibit B; then fourth, to pay any remainder to Lessee. No prepaid interest will be rebated to Lessee upon termination.

12. Default: The following constitute "Events of Default" under this Agreement: (a) failure by Lessee, other than due to an Event of Non-Appropriation, to pay any Rental Payment or other payment required to be paid hereunder within three days of when such amounts are

due; or (b) failure by Lessee to maintain insurance on the Equipment in accordance with Section 8; or (c) failure by Lessee to observe and perform any other covenant, condition or agreement on its part to be observed or performed for a period of fifteen (15) days after written notice is given to Lessee by Lessor, specifying such failure and requesting that it be remedied; provided, however, that if the failure stated in such notice is capable of being cured but cannot be corrected within such fifteen (15) day period, Lessor will not unreasonably withhold its consent to an extension of such time for so long as Lessor shall deem reasonable if corrective action is instituted by Lessee within the applicable period and diligently pursued until the default is corrected; or (d) initiation by Lessee of a proceeding under any federal or state bankruptcy or insolvency law seeking relief under such laws concerning its indebtedness; or (e) the determination by Lessor that any representation or warranty made by Lessee in this Lease was untrue in any material respect upon the execution hereof. If any such Event of Default occurs, Lessor, by written notice to Lessee, may declare this Agreement in default and demand that Lessee pay all unpaid Rental Payments payable by Lessee pursuant to the Agreement and other amounts payable by Lessee due hereunder to the end of the then current Appropriation Period. The Equipment must then be returned to Lessor (as directed and at the address specified by Lessor) at Lessee's expense, and the Equipment and all Lessee's rights therein shall be deemed surrendered to Lessor. Upon declaration of an Event of Default, Lessor may repossess the Equipment with or without process of law, and for the purposes may enter upon any of Lessee's premises or other's premises, wherever the Equipment may be found, without liability therefor. Lessor may recover from Lessee any unpaid amounts due or to become due for the remainder of the then current Appropriation Period, together with all expenses, including attorney's fees and legal expenses (to the extent permitted by law) incurred by Lessor to enforce its rights hereunder. The repossession and sale of the Equipment shall not affect Lessor's right to recover from Lessee all damages which Lessor has suffered because of Lessee's breach. Lessor may sell or release the Equipment with or without advertisement, at public or private sale or leasing, without notice to Lessee, free of any of Lessee's interest, without any duty to account to Lessee for Lessor's actions or inaction or for any sale or re-lease proceeds. Any net proceeds of any sale or re-lease of the Equipment upon the occurrence of an Event of Non-Appropriation or as may otherwise be provided under this Agreement shall be applied in the following order of priority: first, to pay all of Lessor's costs, charges and expenses incurred in taking, holding, repairing, selling, leasing or otherwise disposing of the Equipment; then second, to the extent not previously paid by the Lessee, to pay Lessor all Rental Payments due under this Agreement through the termination date; then third, to pay the purchase option amount applicable as of the date of the then current Appropriation Period, as set forth in Exhibit B; then fourth, to pay any remainder to Lessee. If Lessor is unable to repossess any Equipment after a default, the Equipment shall be deemed to have suffered a total loss compensable under Section 8. Subject to the next sentence, Lessor may take whatever action at law or in equity may appear necessary or desirable to enforce its rights under such Lease.

Lessor and the Lessee acknowledge that: (i) this Agreement is not intended to create a mortgage of or a security interest in the Equipment as proscribed by Nohrr v. Brevard County Educational Facilities Authority, 247 So. 2d 304 (Fla. 1971); and (ii) Lessor may not exercise any

foreclosure-type remedies if an Event of Default occurs, State v. Brevard County, 539 So. 2d 461 (Fla. 1989), notwithstanding any provisions to the contrary in this Agreement.

13. **Liens:** This Equipment must be kept free of all liens and encumbrances at all times.

14. **Limitation on Assignment:** The Lessee may not assign or sublease this Agreement or any interest in it or the Equipment without Lessor's prior written consent and a written opinion of nationally recognized bond counsel to the effect that any such assignment or sublease of this Agreement or any interest in it or the Equipment will not adversely effect the exclusion of the interest component of the Rental Payments from gross income for federal income tax purposes. In no event may Lessee assign or sublet this Agreement or any interest in it or the Equipment to a non-governmental entity. Lessor may assign or sell its interest under this Agreement, in whole or in part, without Lessee's consent, but the assignment will not be effective until Lessee has received notice disclosing the name and address of assignee and information sufficient to enable Lessee to meet the requirements of Section 149(a) of the Code. Lessee shall be provided with written notice of Lessor's assignment; provided, however, Lessee shall continue to submit Rental Payments to Lessor until it receives such notice. During the term of this Agreement, Lessee shall keep a complete and accurate register of all such assignments in form necessary to comply with Section 149(a) of the Code.

15. **Late Charges:** If Lessee does not pay Rental Payments due under this Agreement on their due date, Lessor may charge Lessee a late fee of \$5.00 or 5% of the amount that is late, whichever is more; provided that, in no case shall amounts be charged hereunder if such amounts are treated as interest and the rate of such interest exceeds the maximum amount allowable by law.

16. **Exhibits:** Exhibits A through H attached hereto are part of this Agreement, incorporated herein by reference, and must be executed by Lessee, where applicable.

17. **Other Terms:** This Agreement constitutes the entire agreement between the parties as to the subject matter it covers and may not be changed except by a written agreement signed by Lessee and Lessor. If any part of this Agreement is or becomes invalid, illegal or unenforceable, such invalidity, illegality or unenforceability will not affect the other or remaining provisions hereof. This Agreement and all rights and actions arising under it shall be governed by the laws of the State of Florida. No waiver, consent, modification or change of terms of this Agreement shall bind either party unless received in writing signed by both parties, and then such waiver, consent, modification or change shall be effective only in the specific instance and for the specific purpose given. This Agreement may be executed in several counterparts. All notices must be addressed to the parties at their addresses shown on Exhibit B, or at another address specified by either party in writing and shall be deemed given when delivered or mailed by registered mail, postage prepaid. To the extent applicable, Lessee hereby waives any and all rights and remedies granted Lessee by Sections 508 through 522 of Article 2A of the Uniform Commercial Code including, by way of example only and not as a limitation, the right to repudiate this Agreement and reject the Equipment; the right to cancel this

Agreement; the right to revoke acceptance of the Equipment; the right to grant a security interest in the Equipment in Lessee's possession and control for any reason; the right to recover damages thereunder for any breach of warranty or for any other reason deduct all or any part of the claimed damages resulting from Lessor's default, if any, under this Agreement; the right to accept partial delivery of the Equipment; the right to "cover" by making any purchase or leases of or contract to purchase or lease Equipment in substitution for those due from Lessor; the right to recover any general, special, incidental or consequential damages, for any reason whatsoever; and the right to specific performance, replevin, detinue, sequestration, claim and delivery and the like for the Equipment. The waivers contained herein shall not constitute a waiver by Lessee of any of its rights or remedies against the Equipment Vendor and/or manufacturer of the Equipment.

18. Lessee Representations and Warranties: Lessee hereby represents, warrants and covenants to Lessor the following with respect to this Agreement as of the date Lessee executes the Acceptance Certificate: (a) Lessee is duly organized and validly existing under the laws of the State of Florida, with adequate power and capacity to enter into this Agreement, all documents related to the purchase of the Equipment and any other documents required to be delivered in connection with this Agreement or the Equipment (hereinafter "Documents"); (b) the Documents have been duly authorized, executed and delivered by Lessee and constitute valid, legal and binding agreements, enforceable in accordance with their respective terms, except to the extent that the enforcement of remedies therein provided may be limited under applicable bankruptcy and insolvency laws; (c) no approval, consent or withholding of objections is required from any federal, state or local governmental authority or instrumentality with respect to the entry into or performance by Lessee of the Documents, except such as have already been obtained; (d) the entry into and performance by Lessee of its obligations under the Documents will not (i) violate any judgment, order, law or regulation applicable to Lessee or (ii) result in any breach of, constitute a default under or result in the creation of any lien, charge, security interest or other encumbrance upon any item of the Equipment pursuant to any indenture, mortgage, deed of trust, bank loan or credit agreement or other instrument (other than this Agreement or any purchase money security interest retained by any supplier) to which Lessee is a party; and (e) there are no suits or proceedings pending or threatened in court or before any regulatory commission, board or other administrative governmental agency against or affecting Lessee, which will have a material adverse effect on the ability of Lessee to fulfill its obligations under this Agreement; and (f) lessee has complied with all statutes, laws, regulations and procedures in entering into this Agreement and the matters contemplated hereby.

19. Lessor Representations and Warranties: Lessor represents, covenants and warrants as following:

- a) Lessor is a corporation duly organized, existing and in good standing under the laws of the State of New Jersey and is authorized to do business in the State of Florida; has full and complete power to enter into this Agreement, to enter into and to carry out the transactions contemplated by it hereby and thereby and to carry out its obligations

under this Agreement, is possessed of full power to own and to hold real and personal property and to lease the same, and has duly authorized the execution and the delivery of this Agreement, and all other agreements, certificates and documents contemplated hereby and thereby.

- b) Neither the execution and the delivery of this Agreement, nor the fulfillment of or the compliance with the terms and the conditions thereof, nor the consummation of the transactions contemplated hereby and thereby conflicts with or results in a breach of the terms, the conditions or the provisions of any restriction, any agreement or any instrument to which Lessor is now a party or by which Lessor or its property is bound, constitutes a default under any of the foregoing that results in the creation or the imposition of any lien, charge or encumbrance whatsoever upon any of the property or the assets of Lessor or upon the Equipment.

20. Financing: In consideration for and upon the execution of this Agreement, Lessor hereby agrees to pay to the Lessee the amount of \$889,744.06 which will be deposited in a separate project account which will be maintained by the Lessee (subject to the provisions of Section 3 hereof) for the purchase of the Equipment and related costs.

21. Conditions of Closing: Prior to payment to Lessee as stated in Section 20, Lessor shall receive the following:

- a) this Agreement executed by Lessee and Lessor;
 - b) an executed Exhibit B to this Agreement;
 - c) an executed Insurance Coverage Requirements Certificate, a form of which is attached hereto as Exhibit C;
 - d) an executed Acceptance Certificate, a form of which is attached hereto as Exhibit D;
 - e) a duly adopted resolution of Lessee, in form and substance acceptable to Lessor and including those matters set forth in Exhibit E hereof;
 - f) an executed Certificate of Lessee, a form of which is attached hereto as Exhibit F;
 - g) an executed Arbitrage and Tax Certificate, a form of which is attached hereto as Exhibit G for New Money Projects;
 - h) an opinion of counsel to Lessee, substantially in the form of the opinions set forth in Exhibit H;
 - i) for any Equipment that are motor vehicles, properly completed certificates of title for such vehicles;
 - j) an executed Form 8038-G;
 - k) an executed escrow agreement, if required under the provisions of Section 3 hereof;
- and

- l) any and all opinions, certificates, instruments, financing statements or other documents as Lessor may request to evidence compliance with the agreements to be performed and all conditions to be satisfied under this Agreement.

[Remainder of page intentionally left blank. Signature page follows]

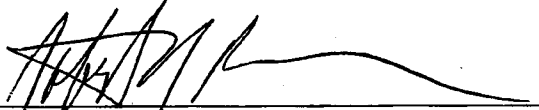
IN WITNESS WHEREOF, the undersigned parties have executed this Lease Purchase Agreement as of the date first set forth above.

LESSOR: TD EQUIPMENT FINANCE, INC.

By: Charles Fiumefreddo
Name: Charles Fiumefreddo
Title: Operations Manager

IN WITNESS WHEREOF, the undersigned parties have executed this Lease Purchase Agreement as of the date first set forth above.

LESSEE: CITY OF DANIA BEACH, FLORIDA

By: 
Name: Robert Baldwin
Title: City Manager

JURISDICTION: County of Broward, State of Florida

EXHIBIT A

EQUIPMENT

| <u>Qty.</u> | <u>Description</u> | <u>Value</u> |
|-------------|----------------------------------------------|--------------|
| 1 | Pierce Velocity Aerial 75' Heavy Duty Ladder | \$787,095.00 |
| 1 | Various Related Equipment | 157,830.62 |
| | Subtotal: | \$944,925.62 |
| | Loan Balance: | \$889,744.06 |
| | Amount Due From City: | \$55,181.56 |

EXHIBIT B

TERMS

1. The Equipment which is the subject of the Lease Purchase Agreement is more fully described in Exhibit "A" to the Lease Purchase Agreement.
2. Fixed Interest Rate: 2.93% calculated on a 30-day/360 year basis
3. Principal Amount: \$889,744.06
4. Dated Date: December 15, 2010
5. Debt Service:

| Period Ending | Principal | Coupon | Interest | Debt Service | Annual Debt Service |
|---------------|------------|--------|------------|--------------|---------------------|
| 04/15/2011 | | | 8,689.83 | 8,689.83 | |
| 10/15/2011 | 88,974.41 | 2.930% | 13,034.76 | 102,009.17 | 110,699.00 |
| 04/15/2012 | | | 11,731.26 | 11,731.26 | |
| 10/15/2012 | 88,974.41 | 2.930% | 11,731.26 | 100,705.67 | 112,436.93 |
| 04/15/2013 | | | 10,427.82 | 10,427.82 | |
| 10/15/2013 | 88,974.41 | 2.930% | 10,427.82 | 99,402.23 | 109,830.05 |
| 04/15/2014 | | | 9,124.32 | 9,124.32 | |
| 10/15/2014 | 88,974.41 | 2.930% | 9,124.32 | 98,098.73 | 107,223.05 |
| 04/15/2015 | | | 7,820.88 | 7,820.88 | |
| 10/15/2015 | 88,974.41 | 2.930% | 7,820.88 | 96,795.29 | 104,616.17 |
| 04/15/2016 | | | 6,517.38 | 6,517.38 | |
| 10/15/2016 | 88,974.41 | 2.930% | 6,517.38 | 95,491.79 | 102,009.17 |
| 04/15/2017 | | | 5,213.88 | 5,213.88 | |
| 10/15/2017 | 88,974.41 | 2.930% | 5,213.88 | 94,188.29 | 99,402.17 |
| 04/15/2018 | | | 3,910.44 | 3,910.44 | |
| 10/15/2018 | 88,974.41 | 2.930% | 3,910.44 | 92,884.85 | 96,795.29 |
| 04/15/2019 | | | 2,606.94 | 2,606.94 | |
| 10/15/2019 | 88,974.41 | 2.930% | 2,606.94 | 91,581.35 | 94,188.29 |
| 04/15/2020 | | | 1,303.50 | 1,303.50 | |
| 10/15/2020 | 88,974.37 | 2.930% | 1,303.50 | 90,277.87 | 91,581.37 |
| | 889,744.06 | | 139,037.43 | 1,028,781.49 | 1,028,781.49 |

6. The Equipment will be located at:

Items (a) and (b) of Exhibit A:

102 West Dania Beach Boulevard
Dania Beach, Florida 33004

7. Address of Lessee, for notification purposes, is:

Louise Stilson, City Clerk
City of Dania Beach, Florida
100 West Dania Beach Boulevard
Dania Beach, Florida 33004
Phone: (954) 924-6800 x.3624

With a copy to:

Mark Bates, Finance Director
City of Dania Beach, Florida
100 West Dania Beach Boulevard
Dania Beach, Florida 33004
Phone: (954) 924-6800 x.3620

8. Address of TD for notification purposes, is:

TD Equipment Finance, Inc.
1006 Astoria Boulevard
Cherry Hill, New Jersey 08034

Acknowledged and Accepted:

LESSEE: CITY OF DANIA BEACH, FLORIDA

By: 

Name: Robert Baldwin

Title: City Manager

EXHIBIT C

INSURANCE COVERAGE REQUIREMENTS CERTIFICATE

1. In accordance with Section 8 of the Lease Purchase Agreement, we have instructed the insurance agent named below (please fill in name, address, contact person, telephone and facsimile numbers).

Public Risk Insurance Agency
P.O. Box 2416
Daytona Beach, Florida 32115

to issue:

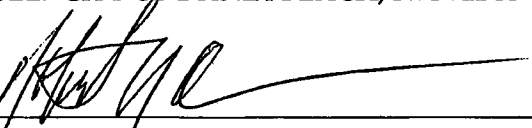
- a. All Risk Physical Damage Insurance on the leased Equipment (as defined in the Agreement) evidenced by a certificate of Insurance and Long Form Lender Loss Payable Clause naming Lessor "and/or its assigns" as Lender Loss Payee.
- b. Public Coverage Required:
\$1,000,000.00 per person
\$1,000,000.00 aggregate bodily injury liability
\$1,000,000.00 property damage liability

OR

2. We are self-insured for all risk, physical damage, and public liability and will provide proof of such self-insurance in letter form together with a copy of the statute authorizing this form of insurance.
3. Proof of insurance coverage as provided in Section 1 or 2 of this Exhibit C will be provided to TD prior to the time that the Equipment or Unit thereof is delivered to us.

Certified this 15th day of December, 2010

LESSEE: CITY OF DANIA BEACH, FLORIDA

By: 
Name: Robert Baldwin
Title: City Manager

CERTIFICATE OF COVERAGE

ISSUED ON: 12/14/2010

COVERAGE PROVIDED BY: **PREFERRED GOVERNMENTAL INSURANCE TRUST**

PACKAGE AGREEMENT NUMBER: PK2FL1 0062001 09-08

COVERAGE PERIOD: 10/1/2009 TO 10/1/2011 12:01 AM

COVERAGES: This is to certify that the agreement below has been issued to the designated member for the coverage period indicated. Notwithstanding any requirement, term or condition of any contract or other document with respect to which this certificate may be issued or may pertain, the coverage afforded by the agreement described herein subject to all the terms, exclusions and conditions of such agreement.

Mail to: Certificate Holder
TD Equipment Finance
 2070 Chain Bridge Road, Suite 145
 Vienna, VA 22182

Designated Member
City of Dania Beach
 100 West Dania Beach Blvd
 Dania Beach, FL 33004

LIABILITY COVERAGE
 Comprehensive General Liability, Bodily Injury, Property Damage and Personal Injury
 Limit \$1,000,000 / \$2,000,000 \$0 Deductible
 Public Officials Liability
 Limit \$1,000,000 \$15,000 Deductible
 Employment Practices Liability
 Limit \$1,000,000 \$10,000 Deductible
 Employee Benefits Liability
 Limit \$1,000,000 / \$2,000,000
Law Enforcement Liability
 Limit

WORKERS' COMPENSATION COVERAGE
 WC AGREEMENT NUMBER:

Self Insured Workers' Compensation

Statutory Workers' Compensation

Employers Liability
 Each Accident
 By Disease
 Aggregate Disease

PROPERTY COVERAGE
 Buildings & Personal Property
 Per schedule on file with \$2,500 Deductible
 Trust Limit
Note: See coverage agreement for details on wind, flood, and other deductibles.
 Rented, Borrowed and Leased Equipment
 Limit \$50,000 TIV See Schedule for Deductible
 All other Inland Marine
 Limit \$2,344,114 TIV See Schedule for Deductible

AUTOMOBILE COVERAGE
Automobile Liability
 Limit \$1,000,000 \$0 Deductible
 All Owned
 Specifically Described Autos
 Hired Autos
 Non-Owned Autos
Automobile Physical Damage
 Comprehensive See Schedule for Deductible
 Collision See Schedule for Deductible
 Hired Auto with limit of \$35,000

Garage Keepers

 Liability Limit
 Liability Deductible
 Comprehensive Deductible
 Collision Deductible

NOTE: The limit of liability is \$100,000 Bodily Injury and/or Property Damage per person or \$200,000 Bodily Injury and/or Property Damage per occurrence. These specific limits of liability are increased to limits shown above per occurrence, solely for any liability resulting from entry of a claims bill pursuant to Section 768.28 (5) Florida Statutes or liability imposed pursuant to Federal Law or actions outside the State of Florida.

Description of Operations/ Locations/ Vehicles/Special items:

Issued with respects to a 2010 Pierce Velocity Aerial Ladder VIN #:4P1CV01H2AA011328.

This section completed by member's agent, who bears complete responsibility and liability for its accuracy.

This certificate is issued as a matter of information only and confers no rights upon the certificate holder. This certificate does not amend, extend or alter the coverage afforded by the agreement above.

Administrator
Public Risk Underwriters®
 P.O. Box 968455
 Lake Mary, FL 32795-8455

Producer
Public Risk Insurance Agency
 P. O. Box 2416
 Daytona Beach, FL 32115

CANCELLATIONS
 SHOULD ANY PART OF THE ABOVE DESCRIBED AGREEMENT BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, PREFERRED GOVERNMENTAL INSURANCE TRUST WILL ENDEAVOR TO MAIL 60 DAYS WRITTEN NOTICE, OR 10 DAYS WRITTEN NOTICE FOR NON-PAYMENT OF PREMIUM, TO THE CERTIFICATE HOLDER NAMED ABOVE. BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE PROGRAM, ITS AGENTS OR REPRESENTATIVES.

[Handwritten Signature]

AUTHORIZED REPRESENTATIVE

EXHIBIT D

ACCEPTANCE CERTIFICATE

The undersigned, CITY OF DANIA BEACH, FLORIDA, as Lessee under the Lease Purchase Agreement (the "Agreement") numbered 40071514, with TD EQUIPMENT FINANCE, INC., Lessor, acknowledges receipt in good condition of a fire truck and related equipment described in Exhibit "A" attached to the Agreement, a copy of which is attached hereto.

The undersigned officer of Lessee hereby reaffirms in all respects the provisions relating to arbitration contained in the Agreement, and represents that, to the best of his or her knowledge, information and belief, the expectations therein expressed were reasonable as of the date on which they were made, and are reasonable as of this date, and that there were, and are as of this date, no facts, estimates or circumstances other than those expressed therein that would materially affect the expectations expressed therein.

Certified this 15th day of December, 2010:

LESSEE: CITY OF DANIA BEACH FLORIDA

By: 

Name: Robert Baldwin

Title: City Manager

EXHIBIT E

SEE ITEM # 3

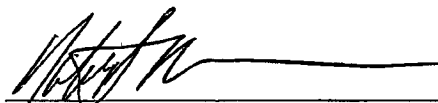
EXHIBIT F

CERTIFICATE OF LESSEE

The undersigned, CITY OF DANIA BEACH, FLORIDA, duly authorized representative of the named Lessee under that certain Lease Purchase Agreement December 15, 2010 with TD EQUIPMENT FINANCE, INC. as Lessor (the "Agreement") hereby certifies as follows and in accordance with the requirements of the Agreement. Capitalized terms used herein have the same meaning as in the Agreement:

A. INCUMBENCY OF OFFICERS AND SIGNATURES:

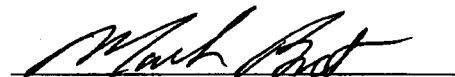
I hold the position noted under my signature, and I have all the authority necessary to execute and deliver this Certificate. The following officers of Lessee are duly elected or appointed, and their signatures are true and correct, and where required, have been filed with the appropriate officials of the State:



Signature

Name: Robert Baldwin

Title: City Manager



Signature

Name: Mark Bates

Title: Finance Director

B. ESSENTIAL USE:

1. The Equipment will be used by the Lessee for the specific purpose of: public safety.
2. The Equipment is essential for the functioning of Lessee and is immediately needed by Lessee. Such need is neither temporary nor expected to diminish during the term of the Lease. The Equipment is expected to be used by Lessee for a period in excess of the term of the Lease.
3. Funds are expected to come from the General Fund of Lessee.

This certificate is based upon facts, circumstances, estimates and expectations of Lessee as of the date on which the Agreement was executed, and to the best of my knowledge and belief, as of this date, such facts, circumstances and estimates are true and correct and such expectations are reasonable.

IN WITNESS WHEREOF, I have executed and delivered this certificate as of the 15th day of December, 2010.

WITNESS:

Louise Stilson

Signature

Louise Stilson, CMC, City Clerk

Name & Title

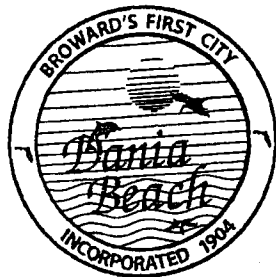


EXHIBIT G

ARBITRAGE AND TAX CERTIFICATE

I, Mark Bates, hereby certify that I am the duly qualified Finance Director of the City of Dania Beach, in the County of Broward, Florida ("Lessee"), and HEREBY CERTIFY TO THE BEST OF MY KNOWLEDGE AND BELIEF as follows:

I. GENERAL.

1.1. The Lease. I am charged with the responsibility of executing a Lease Purchase Agreement (the "Lease") with TD Equipment Finance, Inc. ("Lessor"), dated as of December 15, 2010 in the principal amount of \$889,744.06. The Lease provides the Lessor with certain rights to receive Rental Payments, consisting of a principal portion and an interest portion, and with certain other rights under the lease. All initially capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Lease.

1.2. Amount Deemed Received Under the Lease. The Lessee is deemed to have received \$889,744.06.

1.3. The Lease Approval. The Lessee is authorized to enter into the Lease pursuant to the Constitution and Laws of the State of Florida and certain proceedings of the governing body of the Lessee.

1.4. Types of Proceeds. The proceeds from the Lease will consist of sale proceeds.

1.5. Regulations. References to Regulations mean the Treasury Regulations promulgated under Section 103, and Sections 141 through 150 of the Internal Revenue Code of 1986, as amended (the "Code").

1.6. Defined Terms. The following terms have the meanings ascribed to them in the Regulations (and the Code, where indicated) unless the context hereof clearly required otherwise:

- (a) available amount, §1.148-1(b);
- (b) bona fide debt service fund, §1.148-1(b);
- (c) bond year, §1.148-1(b);
- (d) capital expenditure, §1.150-1(b);
- (e) computation date, §1.148-3(e);
- (f) fair market value, §1.148-5(d)(6);

- (g) gross proceeds, §1.148-1(b);
- (h) investment, §1.148-1(b);
- (i) investment proceeds, §1.148-1(b);
- (j) investment property, §148(b)(2);
- (k) investment-type property, §1.148-1(e)(2);
- (l) issue, §1.150-1(c);
- (m) net sale proceeds, §1.148-1(b);
- (n) nonpurpose investment, §1.148-1(b);
- (o) nonpurpose receipts, §1.148-3(d)(2);
- (p) proceeds, §1.148-1(b);
- (q) rebate amount, §1.148-3(b);
- (r) rebate requirements, §1.148-3;
- (s) related party, §1.150-1(b);
- (t) replacement proceeds, §1.148-1(c);
- (u) sale proceeds, §1.148-1(b);
- (v) sinking fund, §1.148-1(c)(2); and
- (w) yield, §1.148-1(b).

II. PURPOSE OF ISSUE.

2.1. Purpose of the Lease. The Lease is being executed to provide \$889,744.06 to finance the Equipment set forth in Exhibit A to the Lease (the "Project").

2.2. No Investment-Type Property. Unless expressly permitted herein, no portion of the proceeds derived from the Lease will be used to finance "investment property" or "investment-type property" with a yield in excess of the yield under the Lease.

2.3. No Overissuance. The proceeds derived from the Lease do not exceed the amount that is required for the purposes described in Section 2.1 above.

2.4. No Reimbursement. None of the proceeds derived from the Lease will be used to reimburse the City for any costs paid 60 days prior to December 8, 2009, which is the date that the City Commission declared the City's official intent to reimburse itself for certain costs of the Project from the proceeds of a lease purchase financing.

2.5. No Refunding. No portion of the proceeds of the Lease will be used, directly or indirectly, to refund another issue.

2.6. No Hedge Bonds. Not more than 50% of the proceeds of the Lease will be invested in nonpurpose investments having a substantially guaranteed yield for four years or more within the meaning of Section 149(g)(3)(A) of the Code, and at least 85% of the spendable proceeds of the Lease will be used to carry out the governmental purposes of such issue within the three year period beginning on the date hereof. The Lease does not constitute a "hedge bond" within the meaning of Section 149(g) of the Code.

2.7. No Replacement Proceeds.

(a) Other than the proceeds of the Lease, the Lessee has on hand no funds that (i) could legally and practically be used for the governmental purposes for which the Lease is being issued that are not pledged, budgeted, earmarked or otherwise necessary to be used for other purposes, or (ii) would be used for the governmental purposes of the Lease if the proceeds of the Lease were not used or to be used for such purpose.

(b) The Lessee does not reasonably expect that (i) the term of the Lease (which has a weighted average maturity of 5.3333 years) will be longer than reasonably necessary for the governmental purposes of the Lease, and (ii) there will be available amounts during the period that the Lease remains outstanding longer than necessary.

(c) No portion of the proceeds of the Lease will be used directly or indirectly (i) to replace funds of the Lessee or other agency, department, or division of the Lessee that could be used for the Project, or (ii) to replace any proceeds of any prior issuance of obligations by the Lessee or other agency, department or division of the Lessee.

2.8. No Private Business Use of Project.

(a) Not more than five percent (5%) of the proceeds of the Lease will be used, directly or indirectly, in whole or in part, in any activity carried on by any person other than a state or local governmental unit. Use of the proceeds includes (i) ownership of the Project, (ii) actual or beneficial use of the Project pursuant to a lease or a management, incentive payment or output contract, or (iii) any other similar arrangement, agreement or understanding, whether written or oral. The payment of the principal of or the interest on more than five percent (5%) of the Lease will not be, directly or indirectly, (i) secured by any interest in (A) property used or to be used in any activity carried on by any person other than a state or local governmental unit, or (B) payments in respect of such property; or (ii) derived from payments (whether or not by or to the Lessee), in respect of property, or borrower money, used or to be used in any activity

carried on by any person other than a state or local governmental unit. For purposes of this paragraph (a), persons (other than a state or local governmental unit) using such proceeds on the same basis as the general public shall not be taken into account.

(b) None of the proceeds of the Lease will be used, directly or indirectly, to make a finance loans to persons other than a state or local governmental unit.

(c) No proceeds of the Lease will be used to make grants to any person.

III. SOURCE AND DISTRIBUTION OF FUNDS.

3.1. Proceeds Derived from the Lease. The proceeds derived from the Lease are \$889,744.06 which constitute the "proceeds" for purposes of this Certificate.

3.2. Deposit of Proceeds to the Purchase Fund. The proceeds will be deposited in an account of the Lessee and will be applied for the costs of the Project.

3.3. Use of Proceeds. The Lessee will use the proceeds only for capital expenditures in connection with the Project. Such proceeds are not expected to be used to repay, at maturity or otherwise, any indebtedness of the Lessee. The proceeds will be used to pay all or a portion of the costs of the Project within three (3) years from the date hereof. The Lessee certifies that:

(a) It reasonably expects that at least 85% of the net sale proceeds of the Lease will be expended on the Project within three years after the date hereof;

(b) It reasonably expects to incur within 6 months from the date of issue hereof a substantial binding obligation (not subject to contingencies within the Lessee's or a related party's control) to a third party to expend at least 5% of the net sale proceeds of the Lease on the Project; and

(c) It reasonably expects the completion of the Project, and the allocation of net sale proceeds of the Lease to expenditures, to proceed with due diligence.

The proceeds of the Lease deposited into the account of the Lessee may be invested without regard to yield restriction until three years from the date hereof in accordance with Regulations Section 1.148-2(e)(2) and thereafter at a yield not materially higher (1/8 of one percentage point) than yield on the Lease, unless the requirements of Treas. Reg. § 1.148-5(c) are met with respect to yield reduction payments.

3.4. No Reserves. No reserve account has been established by the Lessee.

3.5. No Costs of Issuance. None of the proceeds will be used to pay the costs incurred by the Lessee in connection with the authorization of the Lease.

3.6. Investment Limitation on Sinking Fund Proceeds. Amounts treated as proceeds of the Lease because they are accumulated in any sinking fund for the Lease shall be invested

without regard to yield restriction for a period of thirty (30) days beginning on the date of accumulation, and thereafter shall be invested at a yield not in excess of the yield on the Lease.

3.7. No Other Funds or Accounts. There are no other funds or accounts that are reasonably expected to be used to pay rents under the Lease or that are pledged to the Lease, and for which there is reasonable assurance that amounts on deposit therein will be available to pay rents on the lease if the Lessee encounters financial difficult.

3.8. Investment of Proceeds Derived from the Lease. The Lessee covenants that any and all investment proceeds earned on gross proceeds in excess of the yield under the Lease will be held and set aside for rebate to the federal government. Such amount shall be calculated in the manner and paid at the times required by the provisions of the Regulations.

IV. TERMS OF THE LEASE AND CALCULATION OF YIELD.

4.1. Terms of the Lease and Method for Computing Yield. The dated date, the date of maturity and the rate of interest of the Lease are as shown in the Lease, which by this reference is made a part hereof as if set forth in full herein. When used in computing the present worth of all payments of principal and interest to be paid on the Lease, produces an amount equal to the purchase price thereof.

4.2. Computation of Purchase Price. The Purchase Price of the Lease (as defined in section 4.4 below) is the product of arm's length negotiations between the Lessor and the Lessee, who are unrelated parties. The Lessor has indicated that is does not intend to reoffer the Lease.

4.3. No Insurance. No insurance has been obtained for the Lease.

4.4. The Purchase Price. The Purchase Price under the Lease is \$889,744.06 ("Purchase Price").

4.5. Computation of Yield. The yield under the Lease, as computed in accordance with the method described in Section 4.1 above, using the Purchase Price that is specified in Section 4.4 above, is 2.9472%.

V. REBATE.

5.1. Unless the Lessee qualifies for an exemption from the application of the rebate requirements of Code Section 148, the Lessee will comply with the rebate requirements. Regulation Sections 1.148-7 and 1.148-8 sets forth the exemptions from rebate available to the Lessee.

VI. MISCELLANEOUS.

6.1. Single Obligation. Except as discussed herein, there are no other issues of governmental obligations which (i) will be paid out of substantially the same source of funds, determined without regard to guarantees from unrelated parties, (ii) are being sold at substantially the same time as the Lease (*i.e.*, less than 15 days from the date of the execution of the Lease), and (iii) are being sold pursuant to the same plan of financing in connection with the Lease.

6.2. No Federal Guarantee. Except for the investments of the type described in the last sentence of this Section 6.2, no portion of the payment of the principal portion or interest portion of the rental payments or any credit enhancement or liquidity device relating to the foregoing is or will be guaranteed, directly or indirectly (in whole or in part), by the United States (or any agency or instrumentality thereof). No portion of the Lease has been or will be used to make loans the payment of principal or interest with respect to which is or will be guaranteed (in whole or in part) by the United States (or any agency or instrumentality thereof), or invested (directly or indirectly) in federally insured deposits or accounts. The foregoing provisions shall not apply to (a) proceeds of the Lease invested for an initial temporary period, as described in section 148(c) of the Code, until such proceeds are needed for the purpose for which said Lease was issued, (b) investments in a bona fide debt service fund, as described in Regulation Section 1.148-1(b), (c) investments in a reserve fund that meets the requirements of Section 148(d), (d) investments in obligations issued by the United States Treasury, or (e) any other investments permitted under regulations promulgated by the Secretary of the Department of the Treasury.

6.3. No Investments to Reduce Yield. The Lessee has not entered into and will not enter into any transaction to reduce the yield on the investment of the proceeds of the Lease in such a manner that the amount to be rebated to the Federal government is less than it would have been had the transaction been at arm's length and had the yield on the issue not been relevant to either party.

6.4. Basis for Statements as to Expectations. The statements as to the expectations of the Lessee made herein are reasonable as of the date of this certificate, and there are no facts, estimates or circumstances that would materially change the expectations expressed in this certificate.

6.5. Management Contract Limitations. The Lessee shall not enter into, materially modify or extend a management or service agreement with respect to any portion of the Project financed with proceeds of the Lease with any entity other than a state or a local governmental unit unless such agreement complies with Rev. Proc. 97-13 issued January 10, 1997, as supplemented by Rev. Proc. 2001-39 issued June 18, 2001, or any successor revenue procedure or regulation thereto.

6.6. Filing of Form 8038-G. On the date hereof, or within the time prescribed for filing such report, the Lessee has caused (or will cause) the filing of a true and complete information report on Form 8038-G with the Internal Revenue Service.

6.7. No Abusive Arbitrage Device. The Lease is not and will not be part of a transaction or series of transactions that attempts to circumvent the provisions of Section 148 of the Code and the Regulations thereunder (i) enabling the Lessee to exploit the difference between tax-exempt and taxable interest rates to obtain a material financial advantage and (ii) overburdening the tax-exempt bond market. The Lessee shall not intentionally use any portion of the proceeds from the Lease to acquire higher yield investments or to replace funds which were used, directly or indirectly, to acquire higher yielding investments except as otherwise described herein.

6.8. No Sale of Project. No portion of the Project financed by the Lease is expected to be sold, encumbered or otherwise disposed of prior to the last Rental Payment date 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 Lease from gross income for Federal income tax purposes.

6.9. Alteration or Nonobservance of Restrictions. The yield restrictions and any other restriction or covenant contained herein may be altered or ignored if the Lessee receives an opinion of nationally recognized bond counsel to the effect that such alteration or nonobservance will not adversely affect the tax exemption of interest under the Lease to which it is otherwise entitled.

6.10. Changes in Facts and Expectations. The Lessee acknowledges that any changes in facts or expectations from those set forth herein may result in different yield restrictions or rebate requirements from those set forth herein and that a nationally recognized bond counsel should be contracted if such changes do occur.

IN WITNESS WHEREOF, I have hereunto set my hand to this Arbitrage and Tax Certificate as of the 15th day of December, 2010.

LESSEE: CITY OF DANIA BEACH, FLORIDA
County of Broward, State of Florida


By: 
Name: Mark Bates, Finance Director

EXHIBIT H

SEE ITEM # 7

MEMORANDUM

Date: December 15, 2010
To: Distribution List
Subject: Lease Purchase Agreement and Exhibits (the "Lease Agreement") dated December 15, 2010 between the City of Dania Beach, Florida (the "Lessee") and TD Equipment Finance, Inc. (the "Lessor")

This memorandum outlines information for the closing of the Lease Agreement and summarizes the money transfers necessary for closing. Unless otherwise noted, all funds will be delivered in Federal Funds.

I. CLOSING

Date: Wednesday, December 15, 2010
Place: via phone

II. DELIVERY AND AUTHENTICATION OF THE LEASE

Bank's Counsel will prepare the Lease Agreement and related documents. As set forth in the Lease Agreement, the lease will mature on October 15, 2020. As set forth in the Lease Agreement, the lease shall bear interest from its date until payment of the principal amount, at a fixed interest rate of 2.93%.

III. TRANSFER FROM LESSOR

On Wednesday, December 15, 2010, the Lessor will make a Fed Funds wire transfer in the amount of \$889,744.06, constituting the proceeds of Lease Agreement to the City of Dania Beach.

Wire instructions are as follows:

To the City of Dania Beach, Florida:

| | |
|---------------------|------------------------------------------------|
| Amount: | \$889,744.06 |
| To: | Wachovia Bank, a Division of Wells Fargo, N.A. |
| Routing/Transit No. | 063000021 |
| For Credit To: | City of Dania Beach, Florida |
| Account No.: | 2000143220046 |
| For: | Dania Beach—Fire Truck Equipment Financing |

IV. POST-CLOSING

Upon successful closing, the Lessee will disburse funds to pay the fees and expenses associated with delivery of the Lease Agreement, including that of Bryant Miller Olive P.A., as Counsel to Lessor, and Lessee's legal counsel, if applicable.

Wire instructions are as follows:

To Bryant Miller Olive P.A. – Lessor's Counsel Fee:

| | |
|---------------------|--------------------------|
| Amount: | \$5,000.00 |
| To: | Capital City Bank |
| Routing/Transit No. | 063100688 |
| For Credit To: | Bryant Miller Olive P.A. |
| Account No.: | 2132834901 |
| Client No.: | 25559.010 |

RESOLUTION NO. 2010-076

A RESOLUTION OF THE CITY OF DANIA BEACH, FLORIDA AUTHORIZING SEPARATE LEASE PURCHASE FINANCINGS FOR EACH OF TWO FIRE TRUCKS AND EQUIPMENT RELATED TO EACH FIRE TRUCK; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A LEASE PURCHASE AGREEMENT AND THE EXHIBITS ATTACHED TO THEM IN CONNECTION WITH THE SEPARATE LEASE PURCHASE FINANCING OF EACH FIRE TRUCK AND THE EQUIPMENT RELATED TO THEM; DESIGNATING THE LEASE PURCHASE AGREEMENTS AS "QUALIFIED TAX EXEMPT OBLIGATIONS;" GRANTING LIMITED GENERAL AUTHORITY WITH RESPECT TO THEM; PROVIDING FOR CONFLICTS; FURTHER, AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Dania Beach, Florida (the "City") has determined that a true and very real need exists for the acquisition of two fire trucks and equipment related to each fire truck (collectively, the "Fire Equipment"); and

WHEREAS, the City has already received one fire truck and its related equipment and has placed a purchase order for the second fire truck and its related equipment (each fire truck and its related equipment are referred to herein as a "Component of the Fire Equipment"); and

WHEREAS, the City has previously requested and received proposals for the financing of the Fire Equipment; and

WHEREAS, the proposals submitted by TD Equipment Finance, Inc. ("TD") to the City for the financing of the Fire Equipment, which is attached as Exhibit B to this Resolution, contained the terms most advantageous to the City; and

WHEREAS, to better coordinate the timing for obtaining financing with the delivery of each Component of the Fire Equipment, the City and TD have agreed to split the proposed lease purchase financing into two separate transactions; and

WHEREAS, the City contemplates that (i) the lease purchase financing for the Component of the Fire Equipment already received by the City will be closed by May 15, 2010 and (ii) the lease purchase financing for the Component of the Fire Equipment yet to be received by the City will be closed as contemporaneously as possible with the delivery of such equipment to the City; and

WHEREAS, the City Commission of the City now desires to authorize and approve in connection with the lease purchase financing of each Component of the Fire Equipment, (i) the

CERTIFICATION

I certify this to be a true and correct copy of RESOLUTION # 2010-076

WITNESS my hand and official seal of the City of Dania Beach, Broward County, Florida this 20 day of MAY 2010
[Signature] City Clerk

form of the Lease Purchase Agreement to be entered into by and between the City and TD (the "Lease Agreement") and the exhibits attached thereto (collectively, the "Financing Documents"), (ii) the execution and delivery of the Financing Documents in substantially the forms attached hereto as Exhibit A with such terms as are necessary to properly reflect the Component of the Fire Equipment being financed and the terms of TD's proposal and (iii) additional limited general authority; and

WHEREAS, the City Commission does not reasonably anticipate that the amount of qualified tax-exempt obligations to be issued by the City in the calendar year ending December 31, 2010, will exceed \$30,000,000.00;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF DANIA BEACH, FLORIDA, that:

Section 1. Authority for Resolution. This Resolution is adopted pursuant to Article VIII, Section 2, of the Constitution of the State of Florida and Chapter 166, Florida Statutes, (collectively, the "Act").

Section 2. Definitions. As used herein:

"City" means the City of Dania Beach, Florida.

"City Manager" means the City Manager of the City or his designee.

"Clerk" means the Clerk of the City or her designee.

"Finance Director" means the Finance Director of the City.

"Mayor" means the Mayor of the City or in the Mayor's absence or unavailability the Vice Mayor.

Section 3. Findings and Awards.

(A) The findings and declarations of the City contained in the above **WHEREAS** clauses are hereby incorporated as a part of this Resolution.

(B) It is in the best interest of City and its inhabitants to purchase the Fire Equipment and to obtain the financing therefor at the times indicated above.

(C) It is hereby ascertained, determined and declared that in light of prevailing and anticipated market conditions, it is in the best interest of the City to enter into a separate Lease Agreement with TD for each Component of the Fire Equipment, upon the satisfaction of the conditions set forth in Section 4 hereof.

Section 4. Authorization of Financing Documents. The forms of the Financing Documents attached hereto as Exhibit A are hereby approved. The City Manager is hereby authorized to execute and deliver Financing Documents for the lease purchase financing of each Component of the Fire Equipment, in substantially the forms attached hereto, with such terms as are necessary to properly reflect the Component of the Fire Equipment being financed and the terms of TD's proposal, and with such additions, deletions and modifications as shall be approved by the City Manager. The City Manager's execution thereof shall evidence approval of any such additions, deletions and modifications thereto. Notwithstanding the foregoing, the terms of the lease purchase financings for the Fire Equipment shall be in an aggregate principal amount of not to exceed \$1,895,599.00, each for a term of ten (10) years and bearing a fixed rate of interest calculated using the formula provided in TD's proposal attached hereto as Exhibit B and in no event exceeding the maximum interest rate allowed under Florida law.

Section 5. Additional Authorizations Concerning the Financing Documents. The City Manager, the Mayor, the Clerk and the Finance Director and such other officers and employees of the City as may be designated by the City Commission, are each designated as agents of the City in connection with the execution and delivery of Financing Documents in connection with the lease purchase financing of each Component of the Fire Equipment, and are authorized and empowered, collectively or individually, to take all action and steps and to execute all instruments, documents and contracts on behalf of the City that are necessary or desirable in connection with the execution and delivery of the Financing Documents and which are specifically authorized or are not inconsistent with the terms and provisions of this Resolution or any action relating to the transaction contemplated hereunder. Such officers and those so designated are hereby charged with the responsibility for executing the Financing Documents and financing the Fire Equipment.

Section 6. Bank Qualified. The City hereby designates both of the Lease Agreements to be executed and delivered in connection with the lease purchase financing of each Component of the Fire Equipment as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "Code"). The City and any subordinate entities of the City and any issuer of "tax-exempt" debt that issues "on behalf of" the City do not reasonably expect during the calendar year ending December 31, 2010 to issue more than \$30,000,000 of "tax-exempt" obligations including the Lease Agreements, exclusive of any

private activity bonds as defined in Section 141(a) of the Code (other than qualified 501(c)(3) bonds as defined in Section 145 of the Code).

Section 7. Prerequisites Performed. The City has performed all acts, conditions, and things relating to the acquisition of the Fire Equipment as are required by the Constitution and Laws of the State of Florida, and the Charter and Code of Ordinance of the City.

Section 8. Severability. If any provision of this Resolution shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable in any context, the same shall not affect any other provision herein or render any other provision (or such provision in any other context) invalid, inoperative or unenforceable to any extent whatever..


Section 9. Repealer. All resolutions of the City or parts thereof in conflict herewith, if any, are hereby repealed to the extent of such conflict.

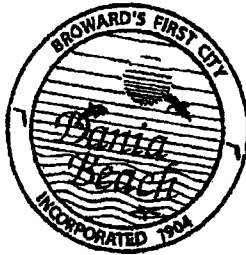
Section 10. Effective Date. This Resolution shall be in force and take effect immediately upon its passage and adoption.

PASSED and ADOPTED on May 11, 2010.


C. K. McELYEA
MAYOR-COMMISSIONER

ATTEST:


LOUISE STILSON, CMC
CITY CLERK



APPROVED AS TO LEGAL FORM AND CORRECTNESS:


THOMAS J. ANSBRO
CITY ATTORNEY

EXHIBIT A

FORM OF LEASE PURCHASE AGREEMENT AND EXHIBITS THERETO

See Tab #1

Exhibit A

EXHIBIT B
PROPOSAL FROM TD EQUIPMENT FINANCE, INC.

Exhibit B



March 31, 2010

2070 Chain Bridge Road, Suite 145
Vienna, Virginia 22182

Ms. Louise Stilson, City Clerk
City Clerk's Office
City of Dania Beach
100 West Dania Beach Boulevard
Dania Beach, Florida 33004

"Confidential"

Invitation for Proposal No: 10-006
\$1,896,599.00 Tax-Exempt Covenant To Budget and
Appropriate Loan (Bank Qualified) for a fire truck

Dear Ms. Stilson,

TD Equipment Finance, Inc. is pleased to offer the following Tax Exempt Loan documented as a loan purchase financing as shown in this proposal of terms to The City of Dania Beach for the acquisition of one fire truck for the City Fire Department for use in your City:

- 1) **LENDER:** TD Equipment Finance, Inc., its assigns or nominees, ("TDEF") (TDEF is a 100% owned subsidiary of TD Bank, NA.)
- 2) **BORROWER:** The City of Dania Beach, Florida ("City")
- 3) **EQUIPMENT:** City Fire Department truck
The truck will be located in the City of Dania Beach, Florida
- 4) **LOAN LINE AMOUNT:** \$1,896,599.00 tax exempt loan facility.
- 5) **BASE LOAN COMMENCEMENT DATE:** The Loan Schedule will commence on the first day of the month following the funds disbursement and/or the acceptance of the Equipment.
- 6) **BASE TERM:** Ten (10) years from signing of Loan Documents and Commencement of the base loan term.
- 7) **BASE LOAN PAYMENTS:** Borrower will be required to make 20 semi-annual loan interest payments due on April 15th and October 15th of each, commencing on October 15, 2010, for the vehicle at an interest rate of 3.6324%. The Borrower will make ten annual level principal payments, commencing on October 15, 2010. If the cost of the equipment is \$1,896,599.00, then the annual principal payments will be \$189,659.90 for

10 years.

Lender has attached a separate payment schedule listing estimated principal and interest amounts..

Interest will be calculated on the basis of a 360 day year of twelve 30 day months. Interest is compounded monthly.

**8) ADJUSTMENTS TO BASE
LOAN PAYMENTS:**

The interest rate on this proposal response will be fixed as to rate for the next 35 days. If the commencement date of the Loan is after that 35 day period, the interest rate will adjust based on the following index. The Base Loan Payments referenced herein are indexed to 94.399% of the yield of the ten (10) year U.S. Dollar SWAP rates as reported by Federal Reserve Statistical Release H.15 (Referenced Yield) on March 29, 2010 for 03/26/2010 are 3.826% ten year rate. The Base Loan Rental Payments will be adjusted on or about the Base Loan Commencement Date to reflect any change in the Referenced Yield. In either case, the Base Loan Rental Payments will be fixed for the duration of the Loan payment schedule term.

The interest rates if closed by May 5, 2010, would be 3.6324% for 10 years based on these indexing formulas.

9) END OF LOAN OPTIONS:

Upon the expiration of the Base Loan Term, assuming no event of default exists, the Borrower will have the following option:

1. Purchase all of the Equipment on this loan funding for one dollar.

10) TITLE:

The title will be always be for the account of the Borrower.

The Lender will not take a security interest in the vehicle or any related equipment.

11) INSURANCE:

Borrower shall bear all risk of loss, damage and liability to the Equipment and Borrower shall be responsible to keep the Equipment insured in an amount and in a form acceptable to Lender.

12) WARRANTIES:

Lender shall finance the Equipment to the Borrower without representation or warranty on an AS IS BASIS. However, Lender shall assign to Borrower all warranties, guarantees and services provided by the manufacturer(s) and/or vendor(s) to the extent that they can be assigned. LENDER SHALL NOT BE RESPONSIBLE FOR

PROVIDING ANY OF THE FOREGOING.

- 13) **LOAN EXPENSES:** Lender's legal expenses up to \$9,500.00
- 14) **LOAN RESERVE ACCOUNT:** None.
- 15) **CREDIT APPROVAL:** This Master Loan facility has been fully approved and is not subject to receipt of any additional TD Bank, NA or TDEF internal approvals.
- 15) **ANTICIPATED FUNDING PERIOD:** The funding will occur in one takedown. Any takedown should be completed by May 15, 2010. This funding can be taken down into an escrow account at TD Bank, NA.
- 16) **PREPAYMENT:** Full prepayment will be allowed annually with a two percent prepayment fee to the Lender.
- 17) **TAX STATUS:** This agreement is a "qualified tax exempt obligation" under Section 265 (b) (3) of the Internal Revenue Code of 1986. The interest portion of the payments under this Loan Program will not be includable in the gross income of the Lender for federal income taxation purposes. The Borrower will pay for and supply at closing a customary tax opinion of its counsel.
- 18) **NONAPPROPRIATION:** The obligation of the City of Dania Beach to make payment under the loan agreement will be subject to a covenant to appropriation in the City's annual budget, from non-ad valorem revenues lawfully available to the City in each fiscal year, of amounts of sufficient to satisfy the repayment schedule required by the loan agreement. The Lender requires bona fide best efforts by the Borrower to include all payments under this Loan Program in all of its budget requests during the entire loan term.

Truth-in-Bonding Statement

In connection with the Lease Purchase Agreement dated December 15, 2010 (the "Lease") between the City of Dania Beach, Florida (the "Lessee") and TD Equipment Finance, Inc. (the "Lessor"), the Lessor has agreed to lease purchase finance the Equipment set forth in Exhibit A of the Lease (the "Equipment") to the Lessee, in accordance with the terms and provisions of the Lease. The Lessor hereby certifies the following information with respect to the Lease, as required by Section 218.385, Florida Statutes, as amended.

The Lessee proposes to enter into the Lease to finance the acquisition of the Equipment. The amounts due under the Lease are expected to be repaid over a period of approximately ten (10) years. At the interest rate of 2.93%, the total interest paid over the life of the Lease will be \$139,037.43.

The source of repayment or security for the Lease is limited solely to legally available non-ad valorem revenues budgeted and appropriated by the Lessee. The authorization of the Lease will result in a maximum of approximately \$112,436.93 of Lessee's funds not being available to the Lessee to finance other projects or services each year for approximately ten (10) years.

Dated: December 15, 2010

TD EQUIPMENT FINANCE, INC.

By: Charles Fiumefreddo
Name: Charles Fiumefreddo
Title: Operations Manager

Information Return for Tax-Exempt Governmental Obligations

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

OMB No. 1545-0720

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

Part I Reporting Authority If Amended Return, check here

| | | | |
|---------------------------------------------------------------------------------------------------------------------------------------------|--|---------------------------------------------------------------------------|------------------------------------------------|
| 1 Issuer's name City of Dania Beach, Florida | | 2 Issuer's employer identification number (EIN) 59 : 6000302 | |
| 3 Number and street (or P.O. box if mail is not delivered to street address) 100 West Dania Beach Boulevard | | Room/suite | 4 Report number (For IRS Use Only) 3 |
| 5 City, town, or post office, state, and ZIP code Dania Beach, Florida 33004 | | 6 Date of Issue December 15, 2010 | |
| 7 Name of Issue Lease Purchase Agreement between the City and TD Equipment Finance, Inc. | | 8 CUSIP number N/A | |
| 9 Name and title of officer of the issuer or other person whom the IRS may call for more information Mark Bates, Finance Director | | 10 Telephone number of officer or other person (954) 924-6800 | |

Part II Type of Issue (enter the issue price) See instructions and attach schedule

| | | | |
|------------------------------------------------------------------------------------------------------|----|----------------|-----------|
| 11 Education | 11 | | |
| 12 Health and hospital | 12 | | |
| 13 Transportation | 13 | | |
| 14 Public safety | 14 | 889,744 | 06 |
| 15 Environment (including sewage bonds) | 15 | | |
| 16 Housing | 16 | | |
| 17 Utilities | 17 | | |
| 18 Other. Describe ► | 18 | | |
| 19 If obligations are TANs or RANs, check only box 19a <input type="checkbox"/> | | | |
| If obligations are BANs, check only box 19b <input type="checkbox"/> | | | |
| 20 If obligations are in the form of a lease or installment sale, check box <input type="checkbox"/> | | | |

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

| | (a) Final maturity date | (b) Issue price | (c) Stated redemption price at maturity | (d) Weighted average maturity | (e) Yield |
|----|-------------------------|----------------------|-----------------------------------------|-------------------------------|-----------------|
| 21 | 10/15/2020 | \$ 889,744.06 | \$ 889,744.06 | 5.3333 years | 2.9472 % |

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

| | | | |
|---------------------------------------------------------------------------------------------|----|----------------|-----------|
| 22 Proceeds used for accrued interest | 22 | | |
| 23 Issue price of entire issue (enter amount from line 21, column (b)) | 23 | 889,744 | 06 |
| 24 Proceeds used for bond issuance costs (including underwriters' discount) | 24 | -0- | |
| 25 Proceeds used for credit enhancement | 25 | -0- | |
| 26 Proceeds allocated to reasonably required reserve or replacement fund | 26 | -0- | |
| 27 Proceeds used to currently refund prior issues | 27 | -0- | |
| 28 Proceeds used to advance refund prior issues | 28 | -0- | |
| 29 Total (add lines 24 through 28) | 29 | -0- | |
| 30 Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here) | 30 | 889,744 | 06 |

Part V Description of Refunded Bonds (Complete this part only for refunding bonds.)

| | | |
|------------------------------------------------------------------------------------------------|------------|--------------|
| 31 Enter the remaining weighted average maturity of the bonds to be currently refunded . . . ► | N/A | years |
| 32 Enter the remaining weighted average maturity of the bonds to be advance refunded . . . ► | N/A | years |
| 33 Enter the last date on which the refunded bonds will be called (MM/DD/YYYY) ► | | |
| 34 Enter the date(s) the refunded bonds were issued ► (MM/DD/YYYY) | | |

Part VI Miscellaneous

- | | | |
|------------|--|-----|
| 35 | | -0- |
| 36a | | -0- |
| 37a | | -0- |
- 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 ▶ _____
- 37 Pooled financings: a Proceeds of this issue that are to be used to make loans to other governmental units
- b If this issue is a loan made from the proceeds of another tax-exempt issue, check box and enter the name of the issuer ▶ _____ and the date of the issue ▶ _____
- 38 If the issuer has designated the issue under section 265(b)(3)(B)(i)(iii) (small issuer exception), check box
- 39 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box
- 40 If the issuer has identified a hedge, check box

| | | | |
|---------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|--------------------------------------------------------------------------------------------------------------------------------------|
| Signature and Consent | 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 | December 15, 2010 Date | Mark Bates, Finance Director Type or print name and title |
| Paid Preparer's Use Only | Preparer's signature Firm's name (or yours if self-employed), address, and ZIP code Bryant Miller Qive P.A. 2 S. Biscayne Blvd., Ste 1480 Miami, FL 33131 | Date 12/15/10 | Check if self-employed <input type="checkbox"/> Preparer's SSN or PTIN P-01085099 EIN 59 : 1315801 Phone no. (305) 374-7349 |


CERTIFICATE REGARDING INTEREST RATE

In accordance with the provisions of Section 215.84(3), Florida Statutes, the undersigned official of the City of Dania Beach, Florida (the "City") DOES HEREBY CERTIFY that as of the date hereof, the rate of interest on the amounts due by the City under the Lease Purchase Agreement dated December 15, 2010 by and between the City and TD Equipment Finance, Inc. (the "Lease Agreement") does not, on the date hereof, exceed an average net interest cost rate of 7.60%, computed by adding 300 basis points to The Bond Buyer "20 Bond Index" published immediately preceding the first day of the calendar month in which the Lease Agreement was executed and delivered.

Executed this 15th day of December, 2010.

CITY OF DANIA BEACH, FLORIDA

By: _____


Mark Bates, Finance Director



City of Dania Beach FLORIDA

December 15, 2010

TD Equipment Finance, Inc.
2070 Chain Bridge Road, Suite 145
Vienna, Virginia 22182

Re: Lease Purchase Agreement dated December 15, 2010 between TD Equipment Finance, Inc., as Lessor, and the City of Dania Beach, Florida, as Lessee

Ladies and Gentlemen:

As City Attorney to the City of Dania Beach, Florida, I have examined the following:

(a) an executed counterpart of a certain Lease Purchase Agreement (the "Agreement") dated December 15, 2010, and Exhibits to it, by and between TD Equipment Finance, Inc. (the "Lessor") and the City of Dania Beach, Florida (the "Lessee") which, among other things, provides for the lease of a new fire truck and related equipment (the "Equipment") as described in Exhibit "A" to the Agreement;

(b) a copy of that certain Resolution No. 2010-076 (the "Resolution") adopted by the City Commission of the Lessee on May 11, 2010, which, among other things, authorized Lessee to execute the Agreement; and

(c) such other opinions, documents and matters of law as I have deemed necessary in connection with the following opinions. All capitalized terms not defined in this opinion shall have the meanings ascribed to them in the Agreement.

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

1. Lessee is duly organized and validly existing under the Constitution and laws of the State of Florida, with full power and authority to enter into the Agreement, all documents related to the purchase of the Equipment and any other documents required to be delivered in connection with the Agreement or the Equipment (hereinafter the "Documents").

2. The Documents, including without limitation, the Agreement have been duly authorized and executed and are legal, valid and binding obligations of Lessee, enforceable in accordance with the respective terms of it, except as enforcement may be affected by any applicable bankruptcy, insolvency, debt adjustment, moratorium, reorganization or other similar laws of legal or equitable principles relating to the enforcement of creditors' rights.

"Broward's First City"

3. The transactions contemplated by and under the Agreement are in compliance with all local, state and federal laws.

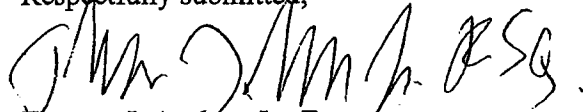
4. No approval, consent or withholding of objections is required from any federal, state, local governmental authority or instrumentality with respect to the entry into or performance by Lessee of its obligations under the Documents, except such as have already been obtained.

5. The entry into and performance by Lessee of its obligations under the Documents will not:

- (i) violate any judgment, order, law or regulation applicable to Lessee, or
- (ii) result in any breach of, constitute a default under or result in the creation of any lien, charge, security interest or other encumbrance upon any item of the Equipment pursuant to any indenture, mortgage, deed of trust, bank loan or credit agreement or other instrument (other than the Agreement or any purchase money security interest retained by any supplier) to which Lessee is a party.

6. There are no suits, proceedings pending or threatened in court or before any regulatory commission, board or other administrative governmental agency against or affecting Lessee, which will have a material adverse affect on the ability of Lessee to fulfill its obligations under the Agreement.

Respectfully submitted,



Thomas J. Ansbro, Jr., Esq.
City Attorney

TJA/mjl

Bryant Miller Olive

Attorneys at Law
111 Riverside Avenue
Suite 200
Jacksonville, FL 32202
Tel 904.384.1264
Fax 904.388.2986
www.bmolaw.com

December 15, 2010

TD Equipment Finance, Inc.
Vienna, Virginia

Re: Lease Purchase Agreement dated as of December 15, 2010 between
TD Equipment Finance, Inc., as Lessor, and the City of Dania Beach,
Florida, as Lessee.

Ladies and Gentlemen:

We have acted as Special Counsel in connection with the execution and delivery of the Lease Purchase Agreement dated as of December 15, 2010 (the "Agreement"), by and between the City of Dania Beach, Florida (the "City") and TD Equipment Finance, Inc. (the "Lessor"). In such capacity, we have examined such law and certified proceedings, certifications and other documents as we have deemed necessary to render this opinion. Any capitalized undefined terms used herein shall have the meaning set forth in the Agreement.

As to questions of fact material to our opinion, we have relied upon representations of the City contained in Resolution No. 2010-076 duly adopted by the City Commission of the City on May 11, 2010 (the "Resolution") and in the certified proceedings and other certifications of public officials and others furnished to us, without undertaking to verify the same by independent investigation. We have not undertaken an independent audit, examination, investigation or inspection of such matters and have relied solely on the facts, estimates and circumstances described in such proceedings and certifications. We have assumed the genuineness of signatures on all documents and instruments, the authenticity of documents submitted as originals and the conformity to originals of documents submitted as copies.

In rendering this opinion, we have examined and relied upon the opinion of even date herewith of Thomas J. Ansbro, Jr., City Attorney, as to the due creation and valid existence of the City and the due execution and delivery of the Agreement.

The Rental Payments due under the Agreement in each subsequent fiscal year are payable from and subject to the annual appropriation of legally available non-ad valorem revenues of the City budgeted and appropriated for the payment thereof, solely in the manner and to the extent provided in the Agreement.

TD Equipment Finance, Inc.

December 15, 2010

Page 2 of 3

The Agreement does not constitute a general obligation or indebtedness of the City within the meaning of any constitutional, statutory or other limitation of indebtedness and the Lessor shall never have the right to compel the exercise of any ad valorem taxing power of the City or taxation in any form of any real or personal property for the payment of the Rental Payments due under the Agreement.

The opinions set forth below are expressly limited to, and we opine only with respect to, the laws of the State of Florida and the federal income tax laws of the United States of America.

Based on our examination, we are of the opinion that, under existing law:

1. The interest component of the Rental Payments due under the Agreement is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations. In addition, the interest component of the Rental Payments due under the Agreement is not taken into account in determining adjusted current earnings for purposes of computing the alternative minimum tax on corporations. The opinions set forth in the preceding sentences are subject to the condition that the City complies with all requirements of the Internal Revenue Code of 1986, as amended, (the "Code") that must be satisfied subsequent to the execution and delivery of the Agreement in order that the interest component of the Rental Payments due under the Agreement be, and continue to be, excludable from gross income for federal income tax purposes. The City has covenanted in the Agreement to comply with all such requirements. Failure to comply with certain of such requirements may cause the interest component of the Rental Payments due under the Agreement to be included in gross income for federal income tax purposes retroactively to the date of delivery of the Agreement.

2. The Agreement is a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3)(B) of the Code.

It is to be understood that the rights of the Lessor and the enforceability of the Agreement may be subject to the exercise of judicial discretion in accordance with general principles of equity, to the valid exercise of the sovereign police powers of the State of Florida and of the constitutional powers of the United States of America and to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted.

With respect to the opinions contained in paragraphs (1) and (2) hereof, no opinion is expressed with respect to consequences under the Code following termination of the Agreement as a result of the occurrence of an Event of Non-Appropriation (as defined in the Agreement) or an Event of Default (as defined in the Agreement) thereunder.

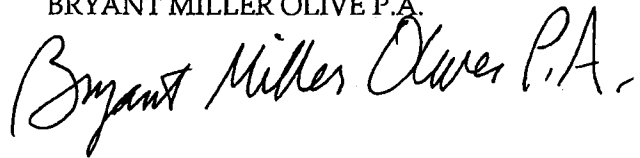
TD Equipment Finance, Inc.
December 15, 2010
Page 3 of 3

For purposes of this opinion, we have not been engaged or undertaken to review and, therefore, express no opinion herein regarding the accuracy, completeness or adequacy of any offering material relating to the Agreement. This opinion should not be construed as offering material, an offering circular, prospectus or official statement and is not intended in any way to be a disclosure statement used in connection with the execution and delivery of the Agreement. Further, we express no opinion regarding federal income or state tax consequences arising with respect to the Agreement other than as expressly set forth herein.

Our opinions expressed herein are predicated upon present law, facts and circumstances, and we assume no affirmative obligation to update the opinions expressed herein if such laws, facts or circumstances change after the date hereof.

Respectfully submitted,

BRYANT MILLER OLIVE P.A.

A handwritten signature in cursive script that reads "Bryant Miller Olive P.A." is written over the typed name.