



**Lexington-Fayette Urban County Government
 LEASE PURCHASE SCHEDULE NO. 810-6705564-004
 TO MASTER LEASE AGREEMENT NO. 6705564**

THIS SCHEDULE IS SUBJECT TO AND INCORPORATES THE TERMS AND CONDITIONS OF MASTER LEASE AGREEMENT NO. 6705564 ("Agreement") DATED January 2, 2014 BETWEEN DELL FINANCIAL SERVICES L.L.C. ("Lessor") AND Lexington-Fayette Urban County Government ("Lessee").

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

PRODUCT DESCRIPTION AND LOCATION: See below or Exhibit "A" attached to and made a part hereof.

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

<u>Product Description</u>	<u>Product Location</u>	<u>Lessee Purchase Order No.</u>	<u>Primary Term (Mos.)</u>	<u>Commencement Date**</u>
See Exhibit "A"	See Exhibit "A"	LF00135035	48	April 01, 2016

Rent is payable: **in advance**

Payment Period: **Annually**

* Lessee is responsible for applicable taxes, shipping and other amounts as described in the Agreement, and, with the first payment of Rent any prorated Rent if applicable. Such amounts are further described in Exhibit "A".

** The Commencement Date may be extended for one Payment Period until the Schedule is returned in accordance with the terms in the Agreement. Lessor may charge Lessee prorated Rent accruing from the Acceptance Date to the Commencement Date, as such date is finally determined.

LEASE PURCHASE PROVISIONS

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

1. SECTION 4. RENT; TAXES; PAYMENT OBLIGATION.

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

"For the purposes of this Schedule, the Rent and Purchase Price (as of the applicable Purchase Date) are shown in the chart below or on Exhibit "B", attached to and made a part hereof.

<u>Payment Number/ Purchase Date</u>	<u>Rent</u>	<u>Interest Portion</u>	<u>Principal Portion</u>	<u>Purchase Price"</u>
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Add as a new last sentence to subsection (b) the following:

"Because the Products will be used for a governmental or proprietary purpose of Lessee, they are exempt from all sales, use and property taxes."

2. SECTION 11. REPRESENTATIONS, WARRANTIES AND COVENANTS OF LESSEE.

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

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

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

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

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

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

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

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

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

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

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

(t) Lessee will comply with all applicable provisions of the Code, including without limitation Sections 103, 141 and 148 thereof, and the applicable regulations of the Treasury Department to maintain the exclusion of the interest components of Rent from gross income for purposes of federal income taxation.

Without limiting the generality of the foregoing, Lessee shall acknowledge any assignment of this Schedule in writing and complete an accurate record of all such assignments in a manner that complies with Section 149(a) of the Code and the Treasury Regulations promulgated thereunder."

TO THE EXTENT PERMITTED BY LAW, AND IN ADDITION TO LESSEE'S OBLIGATION UNDER SECTION 16 OF THE AGREEMENT, LESSEE HEREBY ASSUMES LIABILITY FOR, AND SHALL PAY WHEN DUE, AND SHALL INDEMNIFY AND DEFEND LESSOR AND ITS SUCCESSORS AND ASSIGNS AGAINST, ANY AND ALL LIABILITIES, LOSSES, DAMAGES, CLAIMS AND EXPENSES (INCLUDING REASONABLE ATTORNEY FEES) RELATING TO OR ARISING OUT OF LESSEE'S BREACH OF ANY OF ITS REPRESENTATIONS, WARRANTIES, OR COVENANTS CONTAINED IN SECTION 11 OF THE AGREEMENT AS SUPPLEMENTED HEREIN.

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

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

4. SECTION 17. OWNERSHIP; LIENS AND ENCUMBRANCES; LABELS.

Insert at the end of this paragraph the following: "Notwithstanding the first sentence of this Section, upon Lessee's acceptance of the Products under this Schedule, title to the Products shall vest in Lessee subject to Lessor's rights under the Agreement; provided that, upon an Event of Default or any termination of this Schedule, other than by Lessee's purchase of the Products, title to the Products shall immediately and without any action by either party vest in Lessor, and Lessee shall immediately surrender possession of the Products to Lessor. Any such transfer of title shall occur automatically without the necessity of any bill of sale, certificate of title or other instrument of conveyance. Lessee shall, nevertheless, execute and deliver any such instruments as Lessor may request to evidence such transfer.

5. PURCHASE OPTION.

Provided that no Event of Default has occurred and is continuing, and at least 60 days but no more than 180 days before the purchase date ("Purchase Date") selected by Lessee, Lessee will give irrevocable written notice to Lessor of its intention to:

- (i) purchase the Products for \$1.00 at the end of the Primary Term;

- (ii) purchase the Products at the Purchase Price as stated in Paragraph (i) above or as listed on Exhibit B, so long as all other amounts due on the Purchase Date have been paid in full; or
- (iii) return the Products in accordance with the Agreement for a fee agreed upon by both parties.

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

As continuing security for Lessee's obligations hereunder, Lessee hereby grants to Lessor, a first-priority security interest in all of Lessee's rights and interest in and to the Products and all proceeds thereof, free and clear of all security interests, liens or encumbrances whatsoever.

6. COMPLETION OF SCHEDULE. Lessee hereby authorizes Lessor to insert or update the serial numbers of the Products from time to time as necessary.

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

By signing below, each of the parties hereto agrees to be bound by the terms of the Agreement, this Schedule and the attached Exhibits "A" and "B".

Lexington-Fayette Urban County Government
(Lessee)

DELL FINANCIAL SERVICES, L.L.C.
(Lessor)

By: _____
(Authorized Signature)

(Name/Title)

(Date)

By: _____
(Authorized Signature)

(Name/Title)

(Date)