

CONTRACT (LEASE) NO. 30021958

FIRST NATIONAL BANK DBA FIRST NATIONAL BANK LEASING
3801 FAIRWAY BLVD.
WICHITA FALLS, TEXAS 76310

EQUIPMENT LEASE BY COUNTY

PARTIES:

Lessor: FIRST NATIONAL BANK DBA FIRST NATIONAL BANK LEASING
3801 FAIRWAY BLVD.
WICHITA FALLS, TEXAS 76310

Lessee: CLAY COUNTY
214 N. MAIN ST.
HENRIETTA, TX. 76365
TAX ID # 75-6000861

TERMS AND CONDITIONS:

1.) **LEASE:** Lessor leases to Lessee, and Lessee leases from Lessor the Equipment listed in "Equipment Information" (the "Equipment"). Said Equipment will be located inside CLAY County and will not be moved to another location without written permission first given by Lessor. Lessor acknowledges receipt of the first Lease payment referred to on Exhibit 1 from Lessee. Any amounts received by the Lessor from Lessee, at or prior to the date of this Lease, in excess of the first Lease payment as shown on Exhibit 1, shall be held as security for the performance of the terms of this Lease. If Lessee is not in default hereunder, or under any other lease between the parties hereto, said security shall be applied toward the payment of Lease at the end of the term of this Lease, or (at Lessor's option) returned to Lessee.

2.) **ACCEPTANCE; DELIVERY:** Lessee agrees that it has selected the Equipment, and the Lessor shall not be liable for specific performance or for damages, if any, if for any reason the vendor delays or fails to fill the Equipment order. Lessee shall accept such Equipment as delivered by Lessor and authorizes Lessor to insert the serial number and any additional descriptive matter in "Equipment Information" in connection with the Equipment. Lessee represents that it has acquired the Equipment in accordance with applicable Texas bid or procurement law.

3.) **WARRANTIES AND REPRESENTATIONS:** Lessee agrees that all maintenance, service, and Equipment warranties, are the sole obligation of the vendor or supplier of the Equipment and not Lessor. Lessor authorizes the Lessee to enforce in Lessee's own name any warranty, agreement or representation, if any, which may be made regarding the Equipment by the vendor or supplier BUT LESSOR ITSELF MAKES NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, AS TO THE CONDITION OF THE EQUIPMENT AT TIME OF LEASE. Lessor specifically disclaims any representation or warrant with regard to merchantability or fitness for a particular use or purpose. Lessee has inspected the Equipment and has selected the Equipment to be financed by this Lease. Lessor is merely providing financing for such Equipment. Lessor is not the vendor of the Equipment, and Lessor makes no warranties in regard to the Equipment. All warranties regarding the Equipment, including but not limited to the warranties of MERCHANTABILITY and FITNESS FOR A PARTICULAR USE OR PURPOSE are expressly disclaimed by Lessor.

The disclaimers or limitations in this Section 3 do not apply to any warranties made by the vendor or supplier of the Equipment, all of which may be enforced by Lessee. Lessor retains all rights to make warranty claims and settle all warranty disputes on the Equipment in either Lessor's or Lessee's name and for Lessor's benefit without notice to, or consent from, Lessee.

4.) **LEASE PAYMENTS:** The total Lease payments for lease of the Equipment are shown on Exhibit 2. Lessee promises and agrees to pay all specified Lease payments in advance on or before the date designated for the payments in Exhibit 2

without demand. Said Lease payments shall be payable at the office of Lessor, or to such other person and/or at such other place as Lessor may from time to time designate to Lessee in writing.

In the event this Lease is not "bank qualified" under Section 265(b)(3) of the Internal Revenue Code or if the interest portion of the Lease payments is not excluded from federal income taxation, the Lease payments shall be recalculated using a "Gross Up Rate" (meaning a new interest rate on the amount funded by Lessor) of the *Wall Street Journal* Prime Rate +4% per annum, as in effect for the entire period of non-bank qualified status, or taxability.

5.) **LEASE TERM:** This Lease shall have a term commencing on the Date of Acceptance by Lessee (shown in the "Lessee's Acceptance") until the Lease End Date as set forth on Exhibit 1.

6.) **OWNERSHIP; RETURN; PERSONAL PROPERTY:** Subject to all rights granted to or retained by Lessor under this Agreement (including Lessee's unconditional obligation to return possession and title to the Equipment to Lessor at the end of the term of this Lease regardless of the reason for termination unless Lessee pays the Purchase Option Price in full) title to the Equipment shall be in the name of the Lessee. Upon the termination of this Lease for any reason, Lessee will immediately return said Equipment and all additions to the Equipment to Lessor in as good condition as received, normal wear and tear excepted, or Lessee may purchase the Equipment for the Purchase Option Price then in effect. Any profit or loss from disposition of the Equipment after it is returned to Lessor will be the sole property of Lessor. The Equipment shall always remain and be deemed personal property even though attached to realty. All replacements, Equipment repairs or accessories made to or placed in or upon said Equipment shall become a component part thereof; and title thereto shall be immediately vested in Lessor; and shall be included under the terms hereof. All advances made by Lessor to preserve said Equipment or to pay insurance premiums for insurance thereon or to discharge and pay any taxes, liens or encumbrances thereon shall be added to the unpaid balance of Lease Payments due hereunder and shall be repayable by Lessee to Lessor immediately together with interest thereon at the rate of the maximum rate allowed by law.

Lessee hereby grants to Lessor and Lessor's assigns a consensual security interest in and lien against the equipment as fully described in Exhibit 1 attachment. If ownership of the Equipment is evidenced by a certificate of title (for example, a motor vehicle), such title shall be endorsed to show Lessor or Lessor's assigns as a lienholder. Lessee further consents to Lessor filing a UCC-1 Financing Statement to reflect Lessor's security interest in the Equipment. Lessee shall return the title, endorsed to Lessor or Lessor's assigns, at the same time Lessee returns the Equipment. Should Lessee fail to return the title endorsed to Lessor, Lessee hereby designates Lessor or Lessor's assigns as having full legal power and authority (including a limited irrevocable power of attorney coupled with an interest) either to apply for a new title in Lessor's name, or to endorse the current title to Lessor's name. At the end of the Term or other termination of this Agreement, if Lessee has not exercised its rights to purchase the Equipment, and paid the Purchase Option Price in full, the Equipment shall be returned to Lessor as provided above, and such return shall not be deemed a forced sale under Texas law.

7.) **PURCHASE OPTION:** If no Event of Default has occurred and is continuing, Lessee shall have the option at any time to purchase all (but not less than all) the Equipment at the price stated in Exhibit 1, plus any applicable sales taxes and fees (all being the "Purchase Option Price"), it being understood no taxes are due under current Texas law. Lessee must give Lessor irrevocable written notice at least 30 days before the purchase date that it will purchase the Equipment unless the purchase is being made at the end of the term of this Agreement and the Purchase Option Price is \$1.00. The Purchase Option Price as defined in Exhibit 1 shall be used for any purchase of the Equipment by the Lessee prior to the end of the scheduled term. Upon payment by Lessee of the Purchase Option Price, Lessor shall transfer all of Lessor's rights in the Equipment to Lessee AS-IS, WHERE-IS AND WITH ALL FAULTS without any representation or warranty whatsoever.

Lessee may also buy the Equipment at any time prior to the end of the full stated Lease term by paying to Lessor:

- (a) the remaining unpaid balance of the principal payments due for the entire stated term of the Lease shown on Exhibit 2 (the Lease payments have both a principal and interest component like any loan); plus
- (b) accrued but unpaid interest on such principal amount as of such purchase date.

The Lessor will calculate such payments and furnish them to Lessee as requested.

8.) **ASSIGNMENT:** Lessor may assign this Lease and its assignee may reassign the same, without the consent of Lessee. All rights of Lessor hereunder shall be succeeded to by any assignee hereof and said assignee's title to this Lease, to the Lease payments or other amounts due hereunder, and in and to the Equipment shall be free from all defenses, setoffs or counterclaims of any kind or character which Lessee may be entitled to assert against the original Lessor; it being understood and agreed that any assignee of Lessor does not assume any obligations of the original Lessor herein named.

Neither this Lease nor any interest herein is assignable or transferable by operation of law, or otherwise, by Lessee.

9.) **LOSS; DAMAGE; INSURANCE:** As between Lessor and Lessee, Lessee assumes the entire risk of loss from all use and operation of the Equipment and no such loss shall relieve Lessee of its obligations hereunder. To the full extent permitted by law, Lessee agrees to and does hereby release, indemnify and hold Lessor harmless, from and against all claims, costs, expenses, damages and liabilities, court costs including reasonable attorney fees resulting from or pertaining to the ownership, use or operation of the Equipment during the term of this Agreement subsequent to the termination or expiration of this Agreement or while said Equipment is otherwise in possession of the Lessee. Lessee agrees to keep the Equipment insured (i.e., property insurance) to protect all interests of Lessee and Lessor, at Lessee's expense, against all risks of loss or damage from every cause whatsoever for not less than the unpaid balance of the Lease payments due hereunder to maturity or 80% of the then current value of said Equipment, whichever is higher. Lessee shall further maintain commercial general liability insurance regarding injury, damage to the Equipment, injury or damages to third parties or death resulting out of the operation of the Equipment during the term hereof or while the Equipment is in the possession of Lessee, and including any liability of Lessor for public liability and property damage. Lessor may, but shall not be obligated to, insure said Equipment at the expense of Lessee for any purpose for which insurance may be purchased. The proceeds from such insurance policies shall be paid to Lessor as its interests may appear and Lessor shall be named as lien holder and loss payee in all said policies. The proceeds of such insurance, whether resulting from loss or damage or return premium or otherwise, shall be applied toward the replacement or repair of the said Equipment or the payment of obligations of Lessee hereunder, at the option of Lessor or Lessor's assigns. Lessee hereby appoints Lessor and Lessor's assigns as Lessee's attorney-in-fact to make claims for, compromise and settle, receive payment of and execute or endorse all documents, checks or drafts for loss or damage or return premium under any insurance policy issued in regard to said Equipment.

Lessor and Lessee acknowledge that Lessor is only leasing the Equipment, and Lessor does not hold title to, use, operate, control or maintain the Equipment, all of which shall be done by Lessee during the term hereof.

10.) **USE; TAXES; INSPECTION AND CONDITION:** Lessee agrees to use, operate and maintain said Equipment in accordance with all applicable laws; to pay all licensing or registrations fees for said Equipment and to keep the same free of levies, liens and encumbrances; to file all personal property tax returns (if any are due on the Equipment), to pay all taxes, assessments, fees and penalties which may be levied or assessed on or in respect to said Equipment or its use or any interest therein, or upon the Lease payments (provided Lessor shall pay its own income taxes on the Lease payments), including but not limited to, all federal, state and local taxes, however designated, levied or assessed upon the Lessee and Lessor or either of them in regard to said Equipment, or upon the use or operation thereof. Lessee shall permit Lessor to inspect said Equipment at any time; and to keep it in first class condition and repair at Lessee's expense and house the same in suitable shelter; and not to sell or otherwise dispose of Lessee's interest therein or in any additions or accessories attached thereto during the term of this Lease.

11.) EVENTS OF DEFAULT; REMEDIES; LATE CHARGES; EXPENSES OF ENFORCEMENT:

(a) Events of Default. In the event Lessee shall default in the payment of any Lease payment due, or any other sums due hereunder for a period of fifteen (15) days or more, or in the event of any default or breach of the terms and conditions of this Lease, or any other lease between the parties hereto, or if any execution or other writ or process shall be issued in any action or proceeding, against the Lessee, whereby the said Equipment may be taken or distrained, or if a proceeding in bankruptcy, receivership or insolvency shall be instituted by or against the Lessee or its property, or if the Lessee shall enter into any agreement or composition with its creditors, breach any of the terms of any loan or credit agreement, or default thereunder, or if the condition of the Lessee's affairs shall so change as to, in the Lessor's opinion, impair the Lessor's security or increase the credit risk involved, then and in that event Lessee shall return the Equipment as provided in Section 6 and Section 11(b). If Lessee fails to do so, the Lessor shall have the right to retake immediate possession of the Equipment, and for such purpose, the Lessor may enter upon any premises where said Equipment may be and may remove the same therefrom with or without notice of its intention to do same, without being liable to any suit or action or other proceeding by the Lessee.

(b) Remedies. If this Lease terminates by reason of event of default (Section 11), non-appropriation (Section 14) or otherwise prior to the end of the entire Lease term shown on Exhibit 1, and if Lessee has not paid the applicable Purchase Option Price Lessor's remedies shall be the following:

- (i) Lessee shall return the Equipment to Lessor as provided in Section 6.
- (ii) Lessor may retain all Lease payments previously paid by Lessee.
- (iii) Upon return of the Equipment full legal title thereto shall be automatically vested in Lessor, and Lessee will deliver evidence of title as provided in Section 6.
- (iv) After return of the Equipment, Lessor may, at its option, sell the Equipment at public or private sale for cash or on credit and may become the purchaser at such sale. Any gain or loss on such sale shall accrue and belong to Lessor.
- (v) Lessor may enforce its rights hereunder by writ of mandamus.

(c) Late Charges. Whenever any payment is more than ten (10) days late, the Lessee promises to pay to the Lessor or its assigns, not later than one month thereafter, an amount calculated at the rate of the lesser of (i) five cents per one dollar of each such delayed payment and to make such payments as liquidated damages occasioned by such delay, if allowed by law, or (ii) the maximum rate allowed by law.

(d) Expense of Enforcement. Upon default under any provision of this Lease, the Lessee shall be liable for arrears of lease payments, during any period for which Lessee has made appropriation under Section 14, if any. Further, if Lessee fails to return the Equipment (and title, if any) to Lessor, Lessee shall be liable for (i) the expense of re-taking possession and the removal of the Equipment, (ii) court costs, and (iii) Lessor's reasonable attorney fees.

12.) **NON-WAIVER:** The omission by the Lessor at any time to enforce any default or right reserved to it, or to require performance of any of the terms, covenants or provisions hereof by the Lessee at any time designated, shall not be a waiver of any such default or right to which the Lessor is entitled, nor shall it in any way affect the right of the Lessor to enforce such provisions thereafter. The Lessor may exercise all remedies simultaneously, pursuant to the terms hereof, and any such action shall not operate to release the Lessee until the full amount of the Lease Payments due and to become due and all other sums to be paid hereunder have been paid in cash.

13.) **SEVERABILITY:** The provisions of this Lease are severable, and if any one of such provisions are determined to be illegal or unenforceable, the same shall not impair the effectiveness of the remaining provisions hereof.

14.) **SPECIAL PROVISIONS: FISCAL FUNDING:** The Lessee warrants that it has funds available to pay the Lease payments payable pursuant to this Agreement until the end of its current appropriation period and warrants that it presently intends to make payments in each appropriation period from now until the end of the Lease term. The officer of the Lessee responsible for preparation of Lessee's annual budget shall request from its legislative body funding to be paid to Lessor under this Agreement. If notwithstanding the making in good faith of such request in accordance with appropriate procedures and with the exercise of reasonable care and diligence, such legislative body over funding authority does not appropriate funds to be paid to Lessor then at the end of the fiscal year for which Lessee has made appropriation, Lessee shall be released of its obligation to make Lease payments to Lessor due after the end of the period for which appropriation was made, provided the Equipment (and any related title documents) are returned to Lessor by Lessee and at Lessee's expense, in good condition, normal wear and tear excepted. In addition to return of the Equipment pursuant to the terms of this Agreement, Lessor shall retain all sums paid by Lessee and for which appropriation was made. All obligations and payments required of Lessee herein shall be subject to appropriation by Lessee of sufficient funds.


To the extent permitted by law, (i) Lessee may not terminate the Lease in order to purchase, rent or lease property performing functions similar to those performed by the Equipment through the stated maturity date of the Lease, and (ii) Lessee agrees not to permit functions similar to those performed through the use of the Equipment to be performed by its own employees or by any agency or entity affiliated with or hired by the Lessee.

THIS LEASE IS SUBJECT TO THE TERMS AND CONDITIONS PRINTED ABOVE WHICH ARE MADE A PART HEREOF AND WHICH LESSEE ACKNOWLEDGES THAT IT HAS READ. LESSEE REPRESENTS THAT ALL ACTION TO AUTHORIZE THE EXECUTION OF THIS AGREEMENT ON BEHALF OF THE LESSEE BY THE FOLLOWING SIGNATORIES HAS BEEN TAKEN.

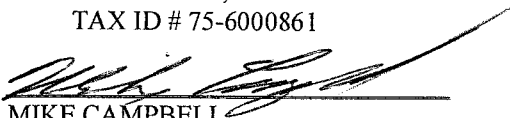
THERE ARE NO ORAL AGREEMENTS BETWEEN THE LESSOR AND LESSEE.

DATE OF ACCEPTANCE: NOVEMBER 17th, 2021

LESSOR: FIRST NATIONAL BANK d/b/a FIRST NATIONAL BANK LEASING

By: 
GORDON W. MCCAIN III
ASSISTANT VICE PRESIDENT

LESSEE: CLAY COUNTY
214 N. MAIN ST.
HENRIETTA, TX. 76365
TAX ID # 75-6000861


By: 
MIKE CAMPBELL
COUNTY JUDGE – CLAY COUNTY

LESSEE'S ACCEPTANCE

TO VENDOR: ACCEPTANCE MUST BE SIGNED BY LESSEE AND RETURNED TO US BEFORE YOUR INVOICE CAN BE PROCESSED FOR PAYMENT.

We as Lessee agree the above listed Equipment has been inspected by Lessee, is satisfactory in every way, accepted by Lessee and we as Lessee have approved payment of the Total Capitalized Cost by Lessor to Vendor. We, as Lessee, hereby agree that we have fully inspected the Equipment leased hereunder and acknowledged it to be in good condition to our complete satisfaction. We understand that you, as Lessor, make no warranties, either expressed or implied, as to the condition of the Equipment, or its fitness for any particular purpose. We understand that this installation is not made on a trial basis.

LESSEE: CLAY COUNTY
214 N. MAIN ST.
HENRIETTA, TX. 76365
TAX ID # 75-6000861

By: 
MIKE CAMPBELL
COUNTY JUDGE – CLAY COUNTY

DATE OF ACCEPTANCE: NOVEMBER 17th, 2021

Exhibit 1

<u>Model Number</u>	<u>Serial #</u>	<u>EQUIPMENT INFORMATION</u> Item/Description:	<u>Qty</u>	<u>Price</u>
TV450B	JAFTV450AMM405714	2022 CASE TV450B Track Skidsteer	1	\$81,289.31
GPS System	3574	EQ0106771 CNH Laser Box Grader Attachment	1	\$25,500.00
160230	N/A	EQ0137854 Blue Diamond 160230 24" High Flow Cold Planer Attachment	1	\$29,500.00
Purchased from ASCO Associated Supply Company, LLC Wichita Falls, TX				
SUB TOTAL:				\$136,289.31
TOTAL:				\$136,289.31
LESS DOWN PAYMENT:				(\$)0.00
Document Fees:				\$250.00
TOTAL CAPITALIZED COST:				\$136,539.31

SCHEDULE OF LEASE PAYMENTS DURING THE BASE TERM:

No. of Years:	5	Base Lease Payment:	\$20,000.00
No. of Lease Payments:	6	Interest Rate:	2.50%
For Business Use Inside: CLAY COUNTY		Property Tax:	N/A
		Total Payment:	\$20,000.00
		Lease End Date:	January 15th, 2026

Exhibit 2

Lease payments:

<u>Payment Date</u>	<u>Lease Payment</u>
11/19/21	\$0.00
01/15/22	\$20,000.00
01/15/23	\$20,000.00
01/15/24	\$20,000.00
01/15/25	\$20,000.00
01/15/26	\$20,000.00
01/15/26	\$46,174.68

TAX AND GENERAL CERTIFICATE

This certificate is given in regard to Lease Purchase Agreement Number 30021958 (the "Lease") between FIRST NATIONAL BANK DBA FIRST NATIONAL BANK LEASING and CLAY COUNTY, TX (the "Governmental Entity"). The Lease payments in the Agreement contain both a principal component (for repayment to FIRST NATIONAL BANK DBA FIRST NATIONAL BANK LEASING for the principal amount it financed) and an interest component (as interest to FIRST NATIONAL BANK DBA FIRST NATIONAL BANK LEASING for making the financing available). The interest component is priced at a tax exempt interest rate.

The Governmental Entity hereby states for the benefit of FIRST NATIONAL BANK DBA FIRST NATIONAL BANK LEASING as follows:

1. The Governmental Entity has not and will not fund any other tax exempt debt transaction within 15 days of the funding of the Lease.
2. The Governmental Entity will own and operate the property financed by the Lease.
3. The Governmental Entity will spend all of the money advanced by FIRST NATIONAL BANK DBA FIRST NATIONAL BANK LEASING within no more than two weeks of the date the Lease is funded. None of these funds will be invested.
4. The Lease is not federally guaranteed.
5. The Lease is a privately placed bank loan and is not offered to the general public or a "public security" under Texas law.
6. There is no reserve fund or other specific fund established for payment of the Lease.
7. The proceeds of the Lease are not being used to reimburse the governmental Entity for any previous expenditure made by it. The proceeds of the Lease will be paid immediately to the vendor of the property.
8. The Lease is hereby designated by the Governmental Entity as a "qualified tax exempt obligation" under Section 265(b)(3) of the Internal Revenue Code. The reasonably anticipated amount of tax exempt obligations to be issued by the Governmental Entity during the same calendar year in which the Lease is funded will not exceed \$10,000,000. Additionally, in calculating the \$10,000,000 the Governmental Entity is including all tax exempt debt issued by local development corporations or other entities issuing "on behalf of" the Governmental Entity except private activity bonds other than Section 501(c)(3) bonds.
9. The weighted average maturity of the Lease (meaning when it is approximately one-half paid off) does not exceed 120% of the useful life of the property being financed.

General Provisions

1. The Lease has been duly authorized by the governing body of the Governmental Entity at a meeting which the open meeting notice was posted regarding the Lease transaction, and at which a quorum was present.
2. There is no litigation pending regarding the Lease, or to the best of the knowledge of the Governmental Entity threatened in regard to the Lease.
3. Entering the Lease does not constitute an event of default or contravene any other agreement to which the Governmental Entity is a party.
4. The Governmental Entity has the ability to pay the Lease provided the duty to pay the Lease is subject to annual appropriation as set forth in the Lease documents.
5. The property being financed is personal property for which bids were taken in the manner required by law.
6. The Governmental Entity will use the property for one of its essential purposes.

Signed as of this day 11/22, 2021

(CLAY COUNTY, TX)


Mike Campbell – County Judge

Information Return for Tax-Exempt Governmental Obligations

▶ Under Internal Revenue Code section 149(e)

▶ See separate instructions.

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

Part I Reporting Authority		If Amended Return, check here <input type="checkbox"/>	
1 Issuer's name CLAY COUNTY, TX		2 Issuer's employer identification number (EIN) 75-6000861	
3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions) GORDON MCCAIN		3b Telephone number of other person shown on 3a 940-696-3000	
4 Number and street (or P.O. box if mail is not delivered to street address) P.O. BOX 548	Room/suite	5 Report number (For IRS Use Only) 3	
6 City, town, or post office, state, and ZIP code HENRIETTA, TX 76365		7 Date of issue 11/19/2021	
8 Name of issue GOVERNMENT LEASE PURCHASE AGREEMENT		9 CUSIP number NONE	
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information (see instructions) MIKE CAMPBELL - COUNTY JUDGE		10b Telephone number of officer or other employee shown on 10a 940-538-4651	

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

11 Education	11		
12 Health and hospital	12		
13 Transportation	13	136,539	31
14 Public safety	14		
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	01/15/2026	\$ 136,539.31	\$ 136,539.31	2.8 years	2.50 %

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	136,539	31
24 Proceeds used for bond issuance costs (including underwriters' discount)	24	250	00
25 Proceeds used for credit enhancement	25		
26 Proceeds allocated to reasonably required reserve or replacement fund	26		
27 Proceeds used to currently refund prior issues	27		
28 Proceeds used to advance refund prior issues	28		
29 Total (add lines 24 through 28)	29	250	00
30 Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	30	136,289	31

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) ▶	N/A	
34 Enter the date(s) the refunded bonds were issued ▶ (MM/DD/YYYY)	N/A	

Part VI Miscellaneous

35 Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)	35	0	00
36a Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC) (see instructions)	36a	N/A	
b Enter the final maturity date of the GIC ▶ _____			
c Enter the name of the GIC provider ▶ _____			
37 Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units	37	0	00
38a If this issue is a loan made from the proceeds of another tax-exempt issue, check box <input type="checkbox"/> and enter the following information:			
b Enter the date of the master pool obligation ▶ _____			
c Enter the EIN of the issuer of the master pool obligation ▶ _____			
d Enter the name of the issuer of the master pool obligation ▶ _____			
39 If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box			<input checked="" type="checkbox"/>
40 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box			<input type="checkbox"/>
41a If the issuer has identified a hedge, check here <input type="checkbox"/> and enter the following information:			
b Name of hedge provider ▶ _____			
c Type of hedge ▶ _____			
d Term of hedge ▶ _____			
42 If the issuer has superintegrated the hedge, check box			<input type="checkbox"/>
43 If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box			<input type="checkbox"/>
44 If the issuer has established written procedures to monitor the requirements of section 148, check box			<input type="checkbox"/>
45a If some portion of the proceeds was used to reimburse expenditures, check here <input type="checkbox"/> and enter the amount of reimbursement ▶ _____			
b Enter the date the official intent was adopted ▶ _____			

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	11/22/2021 Date	MIKE CAMPBELL - COUNTY JUDGE Type or print name and title	
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed
	Firm's name ▶			Firm's EIN ▶
	Firm's address ▶			Phone no.

WORKSHEET FOR LEASE-PURCHASE EQUIPMENT LEASE

FILE: EquipQuote
LESSEE: Clay County Pct. 3
 214 N. Main St. Henrietta, TX 76365
 Tax ID # 75-6000861

First National Bank Leasing
 QUOTED BY: Gordon McCain - AVP
 3801 Fairway Blvd, Wichita Falls, TX 76310
 Cell (940) 757-2253

EQUIPMENT:
2022 CASE TV450B Track Skidsteer
 Serial # JAF7V450AMM405714

EQ0106771 CNH Laser Box Grader Attachment
 MODEL:GRADER GPS SYSTEM S/N:3574
 EQ0137854 Blue Diamond 160230 24" High Flow Cold Planer
 MODEL:160230

FREIGHT/HANDLING:
 TOTAL PURCHASE PRICE
 Down Payment from Trade
 UCC-1 Filing Fee
 Trade Allowance
 Net Capitalized Cost

Date: 09/08/2021
 LEASE NO: 30021958
 ACCEPTANCE DATE: 11/17/2021
 FUND DATE: 11/19/2021
 CONTACT: Retta Collins - Pct. 3
 BUSINESS PHONE: 940-923-5017
 SOURCE: Associated Supply Company, Inc. - Greg Hammond
 (5) Five Yr. Lease/Purchase w/ \$46,174.68 Balloon.

Date	Lease Payment	Days Accrual	Accr. Interest	Principal	Note Balance
11/19/21	0.00	0	0.00	0.00	136,539.31
01/15/22	20,000.00	57	533.06	19,466.94	117,072.37
01/15/23	20,000.00	365	2,926.81	17,073.19	99,999.18
01/15/24	20,000.00	365	2,499.98	17,500.02	82,499.16
01/15/25	20,000.00	365	2,062.48	17,937.52	64,561.64
01/15/26	20,000.00	365	1,614.04	18,385.96	46,175.68
01/15/26	46,174.68	0	0.00	46,174.68	1.00

Net Capitalized Cost
 Interest Rate
 Residual Value
 Rounding Residual
 Adjusted Res. Value

136,539.31
 2.50000%
 \$1.00
 0.00
 \$1.00

(800) 687-0008
www.AscoEq.com



REMIT TO
ASCO EQUIPMENT
P.O. BOX 3888
LUBBOCK, TX 79452

INVOICE NO ESA015333V1	DATE 11-15-2021
PAYMENT TERMS Net 30	

ASCO EQUIPMENT
2900 HENRY S GRACE FWY
WICHITA FALLS TX 76302
(940) 687-2726

CUSTOMER NO BP0002904
CUSTOMER PO PCT#3

EQUIPMENT SALES AGREEMENT

INVOICE TO:

CLAY COUNTY 3
214 N. MAIN
HENRIETTA TX 76365-2850
(940) 538-5911

SHIP TO:

CLAY COUNTY 3
214 N. MAIN
HENRIETTA TX 76365-2850
(940) 538-5911

SALESMAN : Gregory Hammond

DELIVERY TERMS :

UNIT	QTY	UNIT PRICE	TOTAL
EQ0137724 CASE TV450B TRACK SKIDSTEER Case MODEL:TV450B S/N:JAFTV450AMM405714	1	81,289.31	81,289.31
OP0004308 EH2 PLATINUM Cab2 MODEL:761519	1	0.00	0.00
OP0004309 English MODEL:761328	1	0.00	0.00
OP0004310 450 mm (17.7 inch) MODEL:8500147	1	0.00	0.00
OP0004311 Air Ride Suspension Seat MODEL:761062	1	0.00	0.00
OP0004312 E-H Cab LCD Display MODEL:761311	1	0.00	0.00
OP0004313 Hydraulic Coupler MODEL:761325	1	0.00	0.00
OP0004314 High Flow Plus Package MODEL:761037	1	0.00	0.00
OP0004315 BASE-E-H MODEL:761300	1	0.00	0.00
OP0004316 Heavy Duty Rear Door MODEL:761205	1	0.00	0.00
OP0004317 SELF LEVEL-E-H MODEL:761323	1	0.00	0.00
CNH Premier Warranty 36 Months or 3000 Hours	1	0.00	0.00
EQ0137725 84" Skid Steer Bucket LPE w/ BOCE Case MODEL:SSB84 Standard Manufacturers Warranty	1	0.00	0.00
EQ0106771 CNH Laser Box Grader Attachment Miscellaneous MODEL:GRADER GPS SYSTEM S/N:3574 Standard Manufacturers Warranty	1	25,500.00	25,500.00
EQ0137854 Blue Diamond 160230 24" High Flow Cold Planer Miscellaneous MODEL:160230 Standard Manufacturers Warranty	1	29,500.00	29,500.00
SUB TOTAL			136,289.31

(800) 687-0008
www.AscoEq.com



REMIT TO
ASCO EQUIPMENT
P.O. BOX 3888
LUBBOCK, TX 79452

ORDER NO ESA015333V1	DATE 11-15-2021
PAYMENT TERMS Net 30	

ASCO EQUIPMENT
2900 HENRY S GRACE FWY
WICHITA FALLS TX 76302
(940) 687-2726

CUSTOMER NO BP0002904
CUSTOMER PO PCT#3

EQUIPMENT SALES AGREEMENT

TOTAL PURCHASE	136,289.31
SALES TAX	0.00
TOTAL AMOUNT (USD)	136,289.31

ASCO EQUIPMENT

CUSTOMER ACCEPTANCE

TERMS, LIENS, AND CONDITIONS

Customer agrees to the following terms and conditions in regard to the purchase of the equipment, parts or repairs described on the front of this agreement (these terms and conditions include the information on the front of this agreement and the terms and conditions stated within the Customer's credit application and rental agreement, if any, all of which are part of this agreement):

Inspections; Acceptance of Parts and/ or Equipment. Customer represents and acknowledges that it has inspected the goods, services and equipment purchased by Customer from Associated Supply Company, Inc. ("ASCO"), finds the same to be in satisfactory condition, properly operating, and fit for the use or purpose intended by Customer. Customer acknowledges that the equipment or parts purchased have been selected solely by Customer for the purpose such equipment or parts are to be used and without reliance on ASCO or its employees, and that ASCO (i) has not selected the equipment or parts purchased, and (ii) is not responsible for the suitability of the equipment for the use Customer intends. **Customer agrees that except as expressly set forth in this agreement, ASCO is not liable for and makes no warranties, either express, implied, or by operation of law, as to any matter whatsoever including, without limitation, the condition of the equipment or parts, its merchantability, or its fitness for any particular purpose, and Customer releases ASCO to the fullest extent allowed by law from any warranties, express, implied or arising by operation of law. There are no warranties which extend beyond the description of the equipment or parts on the front of this agreement.**

Lien and Security Interest Related to Repair Work. Customer hereby authorizes all repair work to be done along with materials therefore and other repairs and materials incidental thereto. ASCO's employees may operate the above vehicles for purposes of testing, inspection or delivery at Customer's risk. An express possessory lien under Chapter 70, Subchapter A of the *Texas Property Code*, and a Security Interest under Title 1, Chapter 9 of the *Texas Business and Commerce Code (Uniform Commercial Code – Secured Transactions)* is granted to ASCO upon the machines, equipment and vehicles being repaired to secure all charges for labor, materials, and related expenses. Possession of the machines, equipment and vehicles may remain with ASCO until all charges are paid or arrangements satisfactory to ASCO are made. ASCO will not be held responsible for loss or damage to machines, equipment, or vehicles or articles left therein in case of fire, theft, accident or any other cause beyond ASCO'S control. Repairs are warranted for 90 days after the date of the repair; however, no warranty will apply if the invoice for such repairs is unpaid.

NOTICE OF RIGHT TO TAKE POSSESSION OF EQUIPMENT FOR UNPAID REPAIRS. As indicated by its signature on the front of this agreement, Customer agrees that the equipment repaired by ASCO is subject to repossession in accordance with Section 9.609 of the Texas Business and Commerce Code if payment of a check, money order, or a credit card transaction is stopped, is dishonored because of insufficient funds, no funds on deposit, or because the drawer or maker of the check, money order or the credit card holder has no account or the account has been closed.

Security Interest. Title to the goods, services and equipment will remain with ASCO until the total purchase price of goods, services and equipment has been paid in full. Customer grants to ASCO an express security interest under Title 1, Chapter 9 of the *Texas Business and Commerce Code* in the goods, services, and equipment to secure all charges therefore. In event of default in payment for the goods, services and equipment described herein, no further charges or purchases will be allowed. Purchaser further agrees to pay all costs of collection or enforcement hereof, including reasonable attorney's fees, for charges not paid that are more than 30 days past due. **Exclusive jurisdiction and venue for any litigation between Customer and ASCO is in any district court or county court of law of Lubbock County, Texas. CUSTOMER HEREBY UNCONDITIONALLY WAIVES ITS RIGHTS TO A JURY TRIAL.**

Parts Policies:

- Back ordered items will be shipped as soon as available.
- Electrical parts are non-returnable.
- Special order parts and parts "made as ordered" are non-refundable.
- Cores must be returned for credit within 10 days of purchase.
- Returned parts must be accompanied by a packing list or invoice and are subject to a 15% restocking charge.
- Claims for shortages or damages must be received within 5 days of sale.

Limitation of Purchaser's Remedies. The Customer's remedies, in the event of any claim made by the Customer against ASCO with respect to the goods, services and equipment sold here, shall be limited to return of such goods and equipment and repayment of the purchase price therefore or to repair and replace nonconforming goods, services and equipment. No consequential damages are permitted against ASCO in connection with the sale or the use of the goods, services and equipment sold here.

Indemnification. **To the fullest extent permitted by law, Customer agrees to indemnify and hold harmless ASCO from and against any and all liability, suits, claims, demands and actions, and costs and expenses, including reasonable attorney's fees, loss of profit, business interruption or other special or consequential damages, damages relating to property damage, bodily injury, or damages relating to wrongful death, claimed against ASCO, and any of ASCO's officers, directors, agents, or employees, arising out of or related to the services, parts, equipment, supplies, goods and services furnished here, whether caused in whole or in part by the negligence of ASCO; however, this paragraph is not intended to indemnify ASCO for the replacement costs thereof as set forth above or parts, services or equipment supplied by ASCO which has been expressly warranted in writing.**

Service Charge. All accounts past due 30 days will be charged a service charge at the periodic rate of 1 ½% per month, which is an annual percentage rate of 18%.

Like Kind Exchange. Notice is hereby given that ASCO may assign its rights under this agreement to ASCO Exchange, LLC (or other entity) to sell the rental equipment described herein and, if applicable, to purchase trade-in property described herein.

