

RESOLUTION NO. 2007 - 013

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF SOUTHWEST RANCHES, FLORIDA APPROVING A PURCHASE AGREEMENT FOR ONE 1995 PIERCE QUANTUM CUSTOM PUMPER; APPROVING AN AGREEMENT TO LEASE THE PUMPER TO THE SOUTHWEST RANCHES VOLUNTEER FIRE-RESCUE, INC.; AUTHORIZING THE MAYOR, TOWN ADMINISTRATOR, AND TOWN ATTORNEY TO ENTER INTO THE AGREEMENTS, AUTHORIZING THE PURCHASE TO BE A QUALIFIED EXEMPT TAX OBLIGATION; AUTHORIZING THE MAYOR, TOWN ADMINISTRATOR, AND TOWN ATTORNEY TO BE AN AUTHORIZED SIGNATURE ON THE PURCHASE AGREEMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Southwest Ranches Volunteer Fire-Rescue, Inc. has been an invaluable resource to the residents of Southwest Ranches; and

WHEREAS, the Southwest Ranches Volunteer Fire-Rescue, Inc. is a non-profit 501 (c) (4) organization that operates primarily on donations; and

WHEREAS, the Southwest Ranches Volunteer Fire-Rescue, Inc. is in need of a pumper to continue providing its current level of services to the residents of the Town of Southwest Ranches; and

WHEREAS, the Town of Southwest Ranches wishes to procure a pumper, which it may lease to the Southwest Ranches Volunteer Fire-Rescue, Inc.; and

WHEREAS, the Town of Southwest Ranches desires to enter into Purchase Agreement Number 4399, by and between Government Capital Corporation, for the purpose of procuring one (1) pumper; and

WHEREAS, the Town of Southwest Ranches desires to designate this Agreement as a "qualified tax exempt obligation" of the Town of Southwest Ranches for the purposes of Section 1.164-3(c) of the Internal Revenue Code of 1986, as amended; and

WHEREAS, the Town of Southwest Ranches desires to designate the Mayor, Town Administrator and Town Attorney an authorized signer of this Agreement; and

WHEREAS, the Town desires to lease its pumper to the Southwest Ranches Volunteer Fire-Rescue, Inc.

NOW, THEREFORE, BE IT RESOLVED by the Town Council of the Town of Southwest Ranches, Florida:

Section 1. The above referenced recitals are true and correct and are incorporated herein by reference.

Section 2. The Town Council of the Town of Southwest Ranches hereby approves a Agreement between the Town of Southwest Ranches and Government Capital Corporation, attached hereto as Exhibit "A," for the purpose of procuring one (1) pumper on behalf of the Southwest Ranches Volunteer Fire Department.

Section 3. The Town Council of the Town of Southwest Ranches hereby approves an Agreement between the Town of Southwest Ranches and the Southwest Ranches Volunteer Fire-Rescue, Inc., attached hereto as Exhibit "B," to lease the pumper stated in Section 2, above.

Section 4. The Town Council hereby authorizes the Mayor, Town Administrator and Town Attorney to enter into the Purchase and Lease Agreements in substantially the same form as that attached hereto as Exhibits "A" and "B" and to make such modifications, additions and or deletions which they deem necessary and proper to effectuate the intent of this Resolution.

Section 5. The Town of Southwest Ranches hereby designates the Purchase Agreement Number 4399, by and between the Town of Southwest Ranches and Government Capital Corporation this Agreement, as a "qualified tax exempt obligation" of the Town of Southwest Ranches for the purposes of 1.164-3(c) of the Internal Revenue Code of 1986, as amended.

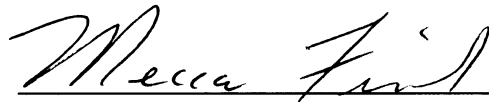
Section 5. The Town of Southwest Ranches here by designates its Mayor, Town Administrator, and Town Attorney to be an authorized signer of Purchase Agreement Number 4399, by and between the Town of Southwest Ranches and Government Capital Corporation.

Section 6. That this Resolution shall become effective immediately upon its adoption.

[SIGNATURES ON FOLLOWING PAGE]

PASSED AND ADOPTED by the Town Council of the Town of Southwest Ranches, Florida, this 9th day of November 2006, on a motion by Council Member Aster Knight and seconded by Vice Mayor Don Maines.

Fink	<u>Y</u>	Ayes	<u>4</u>
Maines	<u>Y</u>	Nays	<u>1</u>
Breitkreuz	<u>Y</u>	Absent	<u>0</u>
Knight	<u>Y</u>	Abstaining	<u>0</u>
Nelson	<u>N</u>		



Mecca Fink, Mayor

ATTEST:


Susan A. Owens, Town Clerk

Approved as to Form and Correctness:


Gary A. Poliakoff, J.D., Town Attorney

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MUNICIPAL LEASE-PURCHASE AGREEMENT **EXHIBIT A**

THIS MUNICIPAL LEASE-PURCHASE AGREEMENT **No.4399** (hereafter referred to as "Agreement") dated as of **November 16, 2006**, by and between **Government Capital Corporation**, a Texas corporation (herein referred to as "Lessor"), and **Town of Southwest Ranches**, a political subdivision or agency of the State of Florida (hereinafter referred to as "Lessee").

WITNESSETH: In consideration of the mutual covenants and conditions hereinafter set forth, the parties hereto agree as follows:

- 1. Term and Payments.** Lessor hereby leases to Lessee and Lessee hereby leases from Lessor the property described in Exhibit A hereto (hereinafter, with all replacement parts, substitutions, proceeds, increases, additions, accessions, repairs and accessories incorporated therein or affixed thereto, referred to as the "Property") for the amounts to be paid in the sums (the "Lease Payments") and on the dates (the "Lease Payment Dates") set forth in Exhibit B hereto. Except as specifically provided in Section 2 hereof, the obligation of the Lessee to make the Lease Payments called for in Exhibit B hereto shall be absolute and unconditional in all events and shall not be subject to any set-off, defense, counterclaim or recoupment for any reason. The term of the lease hereunder shall commence upon the dated date of the lease and shall continue until the end of the Lessee's current fiscal period and thereafter for such additional fiscal periods as are necessary to complete the anticipated total lease term as set forth in Exhibit B, unless earlier terminated as provided herein. The interest rate and payments under this Agreement may be adjusted by the Lessor, or its Assigns, on the fifth (5th) anniversary of the agreement (an "Adjustment Date"). Notice of any rate adjustment shall be given in writing to the Lessee on or before the 30th business day prior to such rate adjustment (the "Determination Date"). The interest rate shall be adjusted to the five year treasury rate on the Determination Date, plus 148 basis points. "Treasury Rate" shall mean, as of the Determination Date, the ask yield of the United States Treasury obligations (as compiled by and published in the most recently published issue of the Wall Street Journal). Upon any rate adjustment, the future installments of principal and interest payable under this Agreement shall be adjusted. Any such adjustment shall be set forth in a new amortization schedule which the Lessor, or its Assignee, shall prepare using the same format as used to produce the original amortization schedule. Once the amortization schedule is prepared, the Lessor or its Assignee, shall attach it to the Agreement and shall deliver a copy of same to the Lessee.
- 2. Renewal and Non-Appropriation.** Lessee agrees that it will take all necessary steps and make timely requests for the appropriation of funds to make all Lease Payments called for under Exhibit B, and use its best efforts and take all steps to cause such appropriations to be made. In the event that **(i)** funds for the succeeding fiscal period cannot be obtained, **(ii)** Lessee has exhausted all legally available means for making payment called for under this Agreement, **(iii)** Lessee has invoked and diligently pursued all legal procedures by which payment called for under this agreement may be made, **(iv)** such failure to obtain funds has not resulted from any act or failure to act of Lessee, **(v)** Lessee has not acquired, and has no intent to acquire during the subsequent fiscal period, items of property having functions similar to those of the Property or which provide similar benefits to Lessee, and **(vi)** no funds have been appropriated for the acquisition of such property, Lessee may terminate this Agreement at the end of any fiscal period during the payment schedule set forth in Exhibit B by giving notice to Lessor or its successors at least sixty (60) days prior to the first day of such fiscal period for which appropriations cannot be made. Such failure to obtain proper appropriation and approval of the full amount of funds necessary to make required payments hereunder during any fiscal period subsequent to the current fiscal period shall terminate all Lessee's right, title and interest in and obligations under this Agreement and to all the Property, effective on the last day of the last fiscal period for which appropriation or approval was properly obtained.
- 3. Taxes.** In addition to the Lease Payments to be made pursuant to Section 1 hereof, Lessee agrees to indemnify and hold Lessor harmless from and against and to pay Lessor, as additional rent, on demand, an amount equal to all licenses, assessments, sales, use, real or personal property, gross receipts or other taxes, levies, imposts, duties or charges, if any, together with any penalties, fines, or interest thereon imposed against or on Lessor, Lessee or the Property by any governmental authority upon or with respect to the Property or the purchase, ownership, rental, possession, operation, return or sale of, or receipt of payments for, the Property, except any Federal or state income taxes, if any, payable by Lessor. Lessee may contest any such taxes prior to payment provided such contest does not involve any risk of sale, forfeiture or loss of the Property or any interest therein.
- 4. Lessee's Covenants and Representations.** Lessee covenants and represents as follows:

 - (a)** Lessee represents, and will provide an opinion of its counsel to the effect that, it has full power and authority to enter into this Agreement which has been duly authorized, executed, and delivered by Lessee and is a valid and binding obligation of Lessee enforceable in accordance with its terms, and all requirements for execution, delivery and performance of this Agreement have been, or will be, complied with in a timely manner;
 - (b)** All Payments hereunder have been, and will be, duly authorized and paid when due out of funds then on hand and legally available for such purposes; Lessee will, to the extent permitted by State law and other terms and conditions of this Agreement, include in its budget for each successive fiscal period during the term of this Agreement a sufficient amount to permit Lessee to discharge all of its obligations hereunder, and Lessee has budgeted and available for the current fiscal period sufficient funds to comply with its obligations hereunder;
 - (c)** There are no pending or threatened lawsuits or administrative or other proceedings contesting the authority for, authorization of performance of, or expenditure of funds pursuant to, this Agreement;
 - (d)** Information supplied and statements made by Lessee in any financial statement or current budget prior to or contemporaneously with the Agreement are true and correct;
 - (e)** Lessee has an immediate need for, and expects to make immediate use of, substantially all the Property, which need is not temporary or expected to diminish in the foreseeable future; specifically Lessee will not give priority or parity in the appropriation of funds for the acquisition or use of any additional property for purposes or functions similar to those of the Property.

(f) There are no circumstances presently affecting the Lessee that could reasonably be expected to alter its foreseeable need for the Property or adversely affect its ability or willingness to budget funds for the payment of sums due hereunder; and

(g) Lessee's right to terminate this Agreement as specified in Section 2 hereof was not an independently bargained for consideration, but was included solely for the purpose of complying with the requirements of the laws of the State in which Lessee is located.

(h) No lease, rental agreement, lease-purchase agreement, payment agreement or contract for purchase to which Lessee has been a party at any time during the past ten (10) years has been terminated by Lessee as a result of insufficient funds being appropriated in any Fiscal Year. No event has occurred which would constitute an event of default under any debt, revenue bond or obligation which Lessee has issued during the past ten (10) years.

5. Use and Licenses. Lessee shall pay and discharge all operating expenses and shall cause the Property to be operated by competent persons only. Lessee shall use the Property only for its proper purposes and will not install, use, operate or maintain the Property improperly, carelessly, or in violation of any applicable law, ordinance, rule or regulation of any governmental authority, or in a manner contrary to the nature of the Property or the use contemplated by its manufacturer. Lessee shall keep the property at the location stated on the Certificate of Acceptance executed by Lessee upon delivery of the Property until Lessor, in writing, permits its removal, and the Property shall be used solely in the conduct of the Lessee's operations. Lessee shall obtain, at its expense, all registrations, permits and licenses, if any, required by law for the installation and operation of the Property. Any license plates used on the Property shall be issued in the name of the Lessee. If a certificate of title is issuable with respect to the Property, it shall be delivered to the Lessor showing the interest of the Lessor.

6. Maintenance. Lessor shall not be obligated to make any repairs or replacements. At its own expense, Lessee shall service, repair and maintain the Property in as good condition, repair, appearance and working order as when delivered to Lessee hereunder, ordinary wear and tear from proper use alone excepted, and shall replace any and all parts thereof which may from time to time become worn out, lost, stolen, destroyed, or damaged beyond repair or rendered unfit for intended use, for any reason whatsoever, all of which replacements shall be free and clear of all liens, encumbrances and claims of others and shall become part of the Property and subject to this Agreement. Lessor may, at its option, discharge such costs, expenses and insurance premiums necessary for the repair, maintenance and preservation of the Property, and all sums so expended shall be due from Lessee in addition to rental payments hereunder.

7. Alterations.

(a) Lessee may, at its own expense, install or place in or on, or attach or affix to, the Property such equipment or accessories as may be necessary or convenient to use the Property for its intended purposes provided that such equipment or accessories do not impair the value or utility of the Property. All such equipment and accessories shall be removed by Lessee upon termination of this Agreement, provided that any resulting damage shall be repaired at Lessee's expense. Any such equipment or accessories not removed shall become the property of Lessor.

(b) Without the written consent of Lessor, Lessee shall not make any other alterations, modifications or improvements to the Property except as required or permitted hereunder. Any other alterations, modifications or improvements to the Property shall immediately become part of the Property, subject to the provisions hereof. Without the prior written consent of Lessor, Lessee shall not affix or attach any of the Property to any real property. The Property shall remain personal property regardless of whether it becomes affixed or attached to real property or permanently rests upon any real property or any improvement thereon.

8. Liens. Lessee shall not directly or indirectly create, incur, assume or suffer to exist any mortgage, security interest, pledge, lien, charge, encumbrance or claim on or with respect to the Property, title thereto or any interest therein, except the respective rights of Lessor and Lessee hereunder.

9. Damage to or Destruction of Property. Lessee shall bear the entire risk of loss, damage, theft or destruction of the Property from any and every cause whatsoever, and no loss, damage, destruction or other event shall release Lessee from the obligation to pay the full amount of the rental payments or from any other obligation under this Agreement. In the event of damage to any item of the Property, Lessee will immediately place the same in good repair, with the proceeds of any insurance recovery applied to the cost of such repair. If Lessor determines that any item of Property is lost, stolen, destroyed or damaged beyond repair, Lessee, at the option of Lessee, will either (a) replace the same with like property in good repair or (b) on the next Lease Payment Date, pay Lessor (i) all amounts then owed by Lessee to Lessor under this Agreement, including the Lease Payment due on such date, and (ii) an amount equal to the applicable Option to Purchase Value set forth in Exhibit B.

10. Insurance. Lessee shall either be self-insured with regard to the Property or shall purchase and maintain insurance with regard to the Property. Lessee shall indicate on each Certificate of Acceptance executed in relation to this Agreement its election to be self-insured or company insured with regard to the Property listed on that Certificate of Acceptance. Whether Lessee is self-insured or company insured, Lessee shall, for the term of this Agreement, at its own expense, provide comprehensive liability insurance with respect to the Property, insuring against such risks, and such amounts as are customary for lessees of property of a character similar to the Property. In addition, Lessee shall, for the term of this Agreement, at its own expense, provide casualty insurance with respect to the Property, insuring against customary risks, coverage at all times not less than the amount of the unpaid principal portion of the Lease Payments required to be made pursuant to Section 1 as of the last preceding Payment Date specified in Exhibit B on which a Lease Payment was made. If insurance policies are provided with respect to the Property, all insurance policies shall be with insurers authorized to do business in the State where the Property is located and shall name both Lessor and Lessee as insureds as their respective interest may appear. Insurance proceeds from casualty losses shall be payable solely to the Lessor, subject to the provisions of Section 9. Lessee shall, upon request, deliver to Lessor evidence of the required coverages together with premium receipts, and each insurer shall agree to give Lessor written notice of non-payment of any premium due and ten (10) days notice prior to cancellation or alteration of any such policy. Lessee shall also carry and require any other person or entity working on, in or about the Property to carry workmen's compensation insurance covering employees on, in or about the Property. In the event Lessee fails, for any reason, to comply with the requirements of this Section, Lessee shall indemnify, save harmless and, at Lessee's sole expense, defend Lessor and its agents, employees, officers and directors and the Property against all risk of loss not covered by insurance.

11. Indemnification. Lessee shall indemnify, to the extent permitted by law, and save harmless Lessor and its agents, employees, officers and directors from and, at Lessee's expense, defend Lessor and its agents, employees, officers and directors against all liability, obligations, losses, damages, penalties, claims, actions, costs and expenses (including but not limited to reasonable attorneys' fees) of whatsoever kind or nature which in any way relate to or arise out of this Agreement or the ownership, rental, possession, operation, condition, sale or return of the Property. All amounts which become due from Lessee under this Section 11 shall be credited with any amounts received by the Lessor from insurance provided by the Lessee and shall be payable by Lessee within thirty (30) days following demand therefor by Lessor and shall survive the termination or expiration of this Agreement.

12. No Warranty. EXCEPT FOR REPRESENTATIONS, WARRANTIES, AND SERVICE AGREEMENTS RELATING TO THE PROPERTY MADE OR ENTERED INTO BY THE MANUFACTURERS OR SUPPLIERS OF THE PROPERTY, ALL OF WHICH ARE HEREBY ASSIGNED TO LESSEE, LESSOR HAS MADE AND MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AND ASSUMES NO OBLIGATION WITH RESPECT TO THE TITLE, MERCHANTABILITY, CONDITION, QUALITY OR FITNESS OF THE PROPERTY DESCRIBED IN EXHIBIT A FOR ANY PARTICULAR PURPOSE OR THE CONFORMITY OF THE PROPERTY TO SPECIFICATION OR PURCHASE ORDER, ITS DESIGN, DELIVERY, INSTALLATION OR OPERATION. All such risks shall be borne by Lessee without in any way excusing Lessee from its obligations under this Agreement, and Lessor shall not be liable to Lessee for any damages on account of such risks. All claims or actions on any warranty so assigned shall be made or prosecuted by Lessee, at its sole expense, upon prior written notice to Lessor. Lessor may, but shall have no obligation whatsoever to, participate in such claim or action on such warranty, at Lessor's expense. Any recovery under such a warranty shall be made payable jointly to Lessee and Lessor.

13. Option to Purchase. Provided Lessee has complied with the terms and conditions of this Agreement, Lessee shall have the option to purchase not less than all of the Property which is then subject to this Agreement, "as is" at the payment date, for the Option to Purchase Values set forth in Exhibit B by giving written notice to Lessor not less than sixty (60) days prior to the date specified in Exhibit B for the exercise of such option; provided that upon Lessee's timely payment of all Lease Payments specified in Exhibit B, Lessee shall be deemed to have properly exercised its option to purchase the Property and shall be deemed to have acquired all of Lessor's right, title and interest in and to the Property, free of any lien, encumbrance or security interest except such liens, encumbrances or security interest as may be created, or permitted and not discharged, by Lessee but without other warranties. Payment of the applicable Option to Purchase Value shall occur on the applicable Lease Payment Date specified in Exhibit B hereto, at which time Lessor shall, unless not required hereunder, deliver to Lessee a quitclaim bill of sale transferring Lessor's interest in the Property to Lessee free from any lien, encumbrance or security interest except such as may be created, or permitted and not discharged, by Lessee but without other warranties. Upon Lessee's actual or constructive payment of the Option to Purchase Value and Lessor's actual or constructive delivery of a quitclaim bill of sale covering the Property, this Agreement shall terminate except as to obligations or liabilities accruing hereunder prior to such termination.

14. Default and Lessor's Remedies.

(a) The occurrence of one or more of the following events shall constitute an Event of Default, whether occurring voluntarily or involuntarily, by operation of law or pursuant to any order of any court or governmental agency:

(1) Lessee fails to make any payment hereunder when due or within ten (10) days thereafter;
(2) Lessee fails to comply with any other covenant, condition or agreement of Lessee hereunder for a period of the ten (10) days after notice thereof;
(3) Any representation or warranty made by Lessee hereunder shall be untrue in any material respect as of the date made;

(4) Lessee makes, permits or suffers any unauthorized assignment, transfer or other disposition of this Agreement or any interest herein, or any part of the Property or any interest therein; or

(5) Lessee becomes insolvent; or admits in writing its inability to pay its debts as they mature; or applies for, consents to or acquiesces in the appointment of a trustee, receiver or custodian for the Lessee or a substantial part of its property; or, in the absence of such application, consent or acquiescence, a trustee, receiver or custodian is appointed for Lessee or a substantial part of its property and is not discharged within sixty (60) days; or any bankruptcy, reorganization, debt arrangement, moratorium, or any proceeding under any bankruptcy or insolvency law, or any dissolution or liquidation proceeding is instituted by or against Lessee and, if instituted against Lessee, is consented to or acquiesced in by Lessee or is not dismissed within sixty (60) days.

(b) Upon the occurrence of any Event of Default specified herein, Lessor may, at its sole discretion, exercise any or all of the following remedies:

(1) Enforce this Agreement by appropriate action to collect amounts due or to become due hereunder, by acceleration of otherwise, or to cause Lessee to perform its other obligations hereunder in which event Lessee shall be liable for all costs and expenses incurred by Lessor;

(2) Take possession of the Property, without demand or notice and without court order or any process of law, and remove and relet the same for Lessee's account, in which event Lessee waives any and all damages resulting there from and shall be liable for all costs and expenses incurred by Lessor in connection therewith and the difference, if any, between the amounts to be paid pursuant to Section 1 hereof and the amounts received and to be received by Lessor in connection with any such reletting;

(3) Terminate this Agreement and repossess the Property, in which event Lessee shall be liable for any amounts payable hereunder through the date of such termination and all costs and expenses incurred by Lessor in connection therewith;

(4) Sell the Property or any portion thereof for Lessor's account at public or private sale, for cash or credit, without demand on notice to Lessee of Lessor's intention to do so, or relet the Property for a term and a rental which may be equal to, greater than or less than the rental and term provided herein. If the proceeds from any such sale or rental payments received under a new agreement made for the periods prior to the expiration of this Agreement are less than the sum of (i) the costs of such repossession, sale, relocation, storage, reconditioning, reletting and reinstallation (including but not limited to reasonable attorneys' fees), (ii) the unpaid principal balance derived from Exhibit B as of the last preceding Lease Payment Date specified in Exhibit B, and (iii) any past due amounts hereunder (plus interest on such unpaid principal balance at the rate

specified in Section 19 hereof, prorated to the date of such sale), all of which shall be paid to Lessor, Lessor shall retain all such proceeds and Lessee shall remain liable for any deficiency; or

(5) Pursue and exercise any other remedy available at law or in equity, in which event Lessee shall be liable for any and all costs and expenses incurred by Lessor in connection therewith. "Costs and expenses," as that term is used in this Section 14, shall mean, to the extent allowed by law: (i) reasonable attorneys' fees if this Agreement is referred for collection to an attorney not a salaried employee of Lessor or the holder of this Agreement; (ii) court costs and disbursements including such costs in the event of any action necessary to secure possession of the Property; and (iii) actual and reasonable out-of-pocket expenses incurred in connection with any repossession or foreclosure, including costs of storing, reconditioning and reselling the Property, subject to the standards of good faith and commercial reasonableness set by the applicable Uniform Commercial Code. Lessee waives all rights under all exemption laws.

(6) Under no circumstances shall Lessee be liable under this subsection 14 (b) for any amount in excess of the sum appropriated pursuant to Section 1 hereof for the previous and current fiscal years, less all amounts previously due and paid during such previous and current fiscal years from amounts so appropriated.

15. Termination. Unless Lessee has properly exercised its option to purchase pursuant to Section 13 hereof, lessee shall, upon the expiration of the term of this Agreement or any earlier termination hereof pursuant to the terms of this Agreement, deliver the Property to Lessor unencumbered and in at least as good condition and repair as when delivered to Lessee, ordinary wear and tear resulting from proper use alone excepted, by loading the Property, at Lessee's sole expense, on such carrier, or delivering the Property to such location, as Lessor shall provide or designate at or within a reasonable distance from the general location of the Property. If Lessee fails to deliver the Property to Lessor, as provided in this Section 15, on or before the date of termination of this Agreement, Lessee shall pay to Lessor upon demand, for the hold-over period, a portion of the total payment for the applicable period as set forth in Exhibit B prorated from the date of termination of this Agreement to the date Lessee either redelivers the Property to Lessor or Lessor repossesses the Property. Lessee hereby waives any right which it now has or which might be acquired or conferred upon it by any law or order of any court or other governmental authority to terminate this Agreement or its obligations hereunder, except in accordance with the express provisions hereof.

16. Assignment. Without Lessor's prior written consent, Lessee will not either (i) assign, transfer, pledge, hypothecate, grant any security interest in or otherwise dispose of this Agreement or the Property or any interest in this Agreement or the Property; or (ii) sublet or lend the Property or permit it to be used by anyone other than Lessee or Lessee's employees. Lessor may assign its rights, title and interest in and to this Agreement, the Property and any other documents executed with respect to this Agreement and/or grant or assign a security interest in this Agreement and the Property, in whole or in part. Any such assignees shall have all of the rights of Lessor under this Agreement. Subject to the foregoing, this Agreement inures to the benefit of and is binding upon the heirs, executors, administrators, successors and assigns of the parties hereto. No assignment or reassignment of any of Lessor's rights, title or interest in this Agreement or the Property shall be effective with regard to Lessee unless and until Lessee shall have received a copy of the document by which the assignment or reassignment is made, disclosing the name and address of such assignee. No further action will be required by Lessor or by Lessee to evidence the assignment. During the term of this Agreement, Lessee shall keep a complete and accurate record of all such assignments in form necessary to comply with the United States Internal Revenue Code of 1986, Section 149 (a), and the regulations, proposed or existing, from time to time promulgated thereunder.

17. Personal Property. The Property is and shall at all times be and remain personal property.

18. Title. Upon acceptance of the Property by Lessee hereunder, Lessee shall have title to the Property during the term of this Agreement; however, in the event of (i) an Event of Default hereunder and for so long as such Event of Default is continuing, or (ii) termination of this Agreement pursuant to the provisions of Section 2 hereof, title shall be reverted immediately in and shall revert to Lessor free of any right, title or interest of Lessee unless Lessor elects otherwise.

19. Lessor's Right to Perform for Lessee. If Lessee fails to make any payment or perform or comply with any of its covenants or obligations hereunder, Lessor may, but shall not be required to, make such payment or perform or comply with such covenants and obligations on behalf of Lessee, and the amount of any such payment and the expenses (including but not limited to reasonable attorneys' fees) incurred by Lessor in performing or complying with such covenants and obligations, as the case may be, together with interest thereon at the highest lawful rate, shall be payable by Lessee upon demand.

20. Interest on Default. If Lessee fails to pay any Lease Payment specified in Section 1 hereof within ten (10) days after the due date thereof, Lessee shall pay to Lessor interest on such delinquent payment from the due date until paid at the highest lawful rate.

21. Notices. Any notices to be given or to be served upon any party hereto in connection with this Agreement must be in writing and may be given by certified or registered mail, and shall be deemed to have been given and received forty-eight (48) hours after a registered or certified letter containing such notice, postage prepaid, is deposited in the United States mail, and if given otherwise shall be deemed to have been given when delivered to and received by the party to whom it is addressed. Such notice shall be given to the parties at their respective addresses designated on the signature page of this Agreement or at such other address as either party may hereafter designate.

22. Security Interest. As security for Lessee's covenants and obligations hereunder, Lessee hereby grants to Lessor, and its successors, a security interest in the Property, all accessions thereto and proceeds therefrom, and, in addition to Lessor's rights hereunder, all of the rights and benefits of a secured party under the Uniform Commercial Code as in effect from time to time hereafter in the State in which the Property is located or any other State which may have jurisdiction over the Property. Lessee agrees to execute, acknowledge and deliver to Lessor in recordable form upon request financing statements or any other instruments with respect to the Property or this Agreement considered necessary or desirable by Lessor to perfect and continue the security interest granted herein in accordance with the laws of the applicable jurisdiction. Lessee hereby authorizes Lessor or its agent/assigns to sign and execute on its behalf, any and all necessary UCC-1 forms to perfect the Purchase Money Security interest herein granted to Lessor.

23. Tax Exemption. Lessee certifies that it does reasonably anticipate that not more than \$10,000,000 of "qualified tax-exempt obligations," as that term is defined in Section 265 (b) 3 (D) of the Internal Revenue Code of 1986 ("the Code"), will be issued by it and any subordinate entities during 2006. Further, Lessee designates this issue as comprising a portion of the \$10 million in aggregate issues to be designated as "qualified tax exempt obligations" eligible for the exception contained in Section 265 (b) 3 (D) of the Code allowing for an exception to the general rule of the Code which provides for a total

disallowance of a deduction for interest expense allocable to the carrying of tax exempt obligations.

24. Continuing Disclosure. Specifically and without limitation, Lessee agrees to provide audited financial statements, prepared by a certified public accountant not later than eight (8) months after and as of the end of each fiscal year. Periodic financial statement shall include a combined balance sheet as of the end of each such period, and a combined statement of revenues, expenditures and changes in fund balances, from the beginning of the then fiscal year to the end of such period. certified as correct by one of Lessee's authorized agents. If Lessee has subsidiaries, the financial statements required will be provided on a consolidated and consolidation basis.

25. Miscellaneous.

(a) Lessee shall, whenever requested, advise Lessor of the exact location and condition of the Property and shall give the Lessor immediate notice of any attachment or other judicial process affecting the Property, and indemnify and save Lessor harmless from any loss or damage caused thereby. Lessor may, for the purpose of inspection at all reasonable times enter upon any job, building or place where the Property and the books and records of the Lessee with respect thereto are located.

(b) Lessee agrees to equitably adjust the payments payable under this Agreement if there is a determination for any reason that the interest payable pursuant to this Agreement (as incorporated within the schedule of payments) is not excludable from income in accordance with the Internal Revenue Code of 1986, as amended, such as to make Lessor and its assigns whole.

(c) Time is of the essence. No covenant or obligations hereunder to be performed by Lessee may be waived except by the written consent of Lessor, and a waiver of any such covenant or obligation or a forbearance to invoke any remedy on any occasion shall not constitute or be treated as a waiver of such covenant or obligation as to any other occasion and shall not preclude Lessor from invoking such remedy at any later time prior to Lessee's cure of the condition giving rise to such remedy. Lessor's rights hereunder are cumulative and not alternative.

(d) This Agreement shall be construed in accordance with, and governed by, the laws of the State in which the Property is located.

(e) This Agreement constitutes the entire agreement between the parties and shall not be modified, waived, discharged, terminated, amended, altered or changed in any respect except by a written document signed by both Lessor and Lessee.

(f) Any term or provision of this Agreement found to be prohibited by law or unenforceable shall be ineffective to the extent of such prohibition or unenforceability without, to the extent reasonably possible, invalidating the remainder of this Agreement.

(g) The Lessor hereunder shall have the right at any time or times, by notice to Lessee, to designate or appoint any person or entity to act as agent or trustee for Lessor for any purposes hereunder.

(h) All transportation charges shall be borne by Lessee. Lessee will immediately notify Lessor of any change occurring in or to the Property, of a change in Lessee's address, or in any fact or circumstance warranted or represented by Lessee to Lessor, or if any Event of Default occurs.

(i) Use of the neuter gender herein is for purposes of convenience only and shall be deemed to mean and include the masculine or feminine gender whenever and wherever appropriate.

(j) The captions set forth herein are for convenience of reference only and shall not define or limit any of the terms or provisions hereof.

(k) Except as otherwise provided herein, this Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, executors, administrators, legal representatives, successors and assigns, where permitted by this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the ____ day of ____ in the year 2006.

Lessor: Government Capital Corporation

Authorized Signature
345 Miron Dr.
Southlake, TX 76092

Witness Signature: _____

Print Name: _____

Print Title: _____

Lessee: Town of Southwest Ranches

John Canada, Town Administrator
6589 Southwest, 160th Avenue
Southwest Ranches, FL 33331

Witness Signature: _____

Print Name: _____

Print Title: _____

EXHIBIT A
DESCRIPTION OF PROPERTY

MUNICIPAL LEASE-PURCHASE AGREEMENT **No. 4399** (THE "AGREEMENT")
BY AND BETWEEN
Lessor, Government Capital Corporation and **Lessee**, Town of Southwest Ranches
Dated as of November 16, 2006

QTY DESCRIPTION

ONE (1) PUMPER

1995 Pierce Quantum Custom Pumper VIN # 4PICT02S8SA000173
Seating for 6
4 SCBA Seats
Detroit Series 60 470 Horsepower Diesel Engine
Allison HD4060 Automatic Transmission
Waterous 1250 GPM Top Mount Pump
1000 Gallon Polypropylene Tank
Honda 5,000 Watt Generator
2 - 500 Watt Quartz Lights
Alcoa Aluminum Wheels
Driver's side: Discharges: 2 - 2 1/2 ", Suction: 1 - 2 1/2 ", 1 - 6"
Officer's Side: Discharges: 1 - 2 1/2 ", 1 - 4", Suction: 1 - 6"
Front: Suction: 1 - 6"
Rear: Discharges: 2 - 2 1/2 "
2 - 1 1/2" Perconnect Crosslays
Piped For Deck Gun
Mileage : 43,068
Engine Hours; 2,061

PROPERTY LOCATION:
Southwest Ranches Volunteer Fire Department
17220 Griffin Road
Southwest Ranches, FL 33331

TRUCK LEASE AND SERVICE AGREEMENT

EXHIBIT B

THIS LEASE ("Lease") is made and entered on this ____ day of March, 2007, by and between the **Town of Southwest Ranches, a Florida municipal corporation of the State of Florida**, (Lessor) 6800 SW 160th Avenue, Southwest Ranches, Florida 33331 and the **Southwest Ranches Volunteer Fire-Rescue, Inc., a Florida not-for-profit corporation**, organized under Section 501(c) (4) Internal Revenue Code, ("Lessee") 7220 Griffin Road, Southwest Ranches, Florida 33331. For mutual consideration given, the receipt and sufficiency of which are hereby acknowledged, the parties agrees as follows:

ARTICLE I LEASE

1.01 Lessor agrees to lease to Lessee and Lessee agrees to lease from Lessor the vehicle listed and described on attached Schedule A (the "Vehicle"), which Schedule A is incorporated herein by reference. Lessee's execution hereof shall constitute Lessee's acknowledgement that Lessor is purchasing or leasing the Vehicle with the express and sole intent of leasing or subleasing Vehicle to Lessee. This Lease shall become effective on the date the Vehicle is tendered from a third party to Lessor, or to Lessee, and shall continue for the term specified in attached Schedule A, unless otherwise earlier terminated as provided below.

1.02 Acceptance of the Vehicle in service constitutes Lessee's acknowledgment that the Vehicle complies with Lessee's specifications and Lessee agrees to be responsible for any costs for structural alterations, special equipment, alteration in painting, lettering, or art work (none of the foregoing to be made without Lessor's consent) subsequently desired by Lessee. If, after the execution of this Lease any federal, state, or local law, ordinance, or regulation is enacted that requires the installation of any additional equipment, specifically including, but not limited to, anti-pollution or safety devices, Lessee shall be responsible for the cost of this additional equipment, including installation expenses. Lessee agrees either to install the additional equipment or to arrange for its installation, and Lessee agrees to pay the full cost of the additional equipment. **Lessor leases Vehicle to Lessee "AS IS" with no warranties or representations, either express or implied. Lessor makes no warranty of merchantability or fitness of the Vehicle for any particular purpose.**

1.03 Lessor may lease or finance the purchase of the Vehicle and may, as security, give the lender an installment sale instrument, mortgage, or security agreement covering the Vehicle. Lessor may also assign any amounts due under this Lease. The interests of the Lessee in this Lease shall be subject and subordinate to any security arrangement.

ARTICLE 2 SURRENDER

2.01 The Vehicle, including any improvements made thereto including fixtures, shall be promptly returned by Lessee to Lessor's facility specified in attached Schedule A upon the termination of this Lease unless Lessor, in its sole discretion and upon its own terms, offers the

Vehicle for sale or for an extended lease term to Lessee, and Lessee purchases or re-leases the Vehicle. The Vehicle shall be returned in good operating condition less normal wear and tear.

ARTICLE 3 OPERATION AND MAINTENANCE

3.01 **Ordinary Use.** The Vehicle will be operated by Lessee only in the normal and ordinary course of Lessee's operation as a volunteer fire department, and not in violation of any law, rule, regulation, statute, or ordinance, including legal weight limitations. Lessee shall indemnify and hold Lessor harmless from and against all fines, forfeitures, seizures, confiscations, and penalties arising out of any of the above violations.

3.02 **Use of Additional Equipment.** Whenever Lessee operates the Vehicle with a trailer or other equipment not included on the attached Schedule A, or not maintained by Lessor under a separate agreement, Lessee warrants that the trailer, equipment, or both will be in good operating condition. Notwithstanding any other provision of this Lease, Lessee will indemnify and hold Lessor harmless against any claim or loss or damage resulting from Lessee's failure to properly maintain such trailer, equipment, or both.

3.03 **Lessee to Provide Maintenance.** Lessee agrees to provide at its sole cost and expense all maintenance to the Vehicle, including but not limited to the following (1) oil, lubricants, tires, tubes, and all other operating supplies and accessories necessary for the proper and efficient operation of the Vehicle; (2) maintenance and repairs, including all labor and parts that may be required to keep the Vehicle in good operating condition; (3) painting and lettering, according to Lessee's specifications with Lessor's consent, at the time the Vehicle is placed into service; (4) washing of the Vehicle; and (5) road service due to mechanical, tire or any other failure.

3.04 **Authority to Repair Vehicle.** Lessee agrees not to cause or permit any person other than a licensed mechanic, or persons expressly authorized by Lessor, to make repairs and adjustments to or to install accessories on or in the Vehicle. When repairs are necessary, Lessee shall notify Lessor of the repairs. Lessee is responsible for any emergency repairs or services. All repairs to the Vehicle shall be made at the sole cost and expense of Lessee.

3.05 **Regular Maintenance.** Lessee agrees to have the Vehicle serviced and maintained only at facilities certified to perform such service and maintenance. The cost for such service shall be at the sole cost and expense of Lessee.

3.06 Lessee shall indemnify and hold Lessor harmless against any claim or loss resulting from Lessee's failure to pay any of the costs and expenses described above.

ARTICLE 4 FUEL

4.01 Lessee is responsible for the cost of all fuel, oil and lubricants and any taxes thereon.

4.02 Lessee shall indemnify and hold Lessor harmless against any claim or loss resulting from Lessee's failure to pay any fuel or other tax that may become due.

ARTICLE 5 LICENSES AND TAXES

5.01 **Vehicle Licenses.** Lessee agrees to provide or pay for the state motor vehicle license for the licensed weight of the Vehicle. Lessee further agrees to pay any personal property taxes for the Vehicle in the state of domicile and any federal highway use tax, where applicable, and when and if due, at the rates and according to the method of assessment in effect on the date this Lease commences.

5.02 Lessee agrees to pay for any special licenses or pay any taxes that may become due and that may be required by Lessee's business resulting from the operation and use of the Vehicle, including mileage taxes, ton-mileage taxes, and highway or bridge tolls.

5.03 Lessor may pay or discharge any lien or encumbrance asserted against the Vehicle as a result of Lessee's failure to pay any claim or assessment for any taxes or license fees due, and Lessee shall promptly reimburse Lessor for such payment.

ARTICLE 6 SUBSTITUTION

6.01 Lessor has no duty to furnish a substitute vehicle if the Vehicle is out of service for any reason whatsoever, including but not limited to (1) for ordinary maintenance and service, (2) because of damage resulting from collision or upset, or (3) for repair or maintenance of special equipment or accessories consented to by Lessor but for which Lessor is not responsible.

6.02 Any charges due and applicable to the Vehicle while out of service shall not abate.

ARTICLE 7 DRIVERS

7.01 Lessee agrees to cause the Vehicle to be operated only by a safe, careful, properly licensed driver. Each driver shall be at least eighteen (18) years of age, properly insured, and the agent of Lessee, and subject to Lessee's exclusive direction and control. Lessee agrees to fully reimburse Lessor for loss or damage to the Vehicle, including related expenses, if the Vehicle is operated by drivers under eighteen years of age or not properly insured.

7.02 Lessee will immediately remove any driver on receipt of a written complaint from Lessor specifying any reckless, careless, or abusive handling of the Vehicle, or any other incompetence by or of any driver, and requesting his or her removal. If Lessee fails to remove the driver, then, notwithstanding any other remedies of Lessor or provisions of this Lease, Lessee (1) shall reimburse Lessor in full for any loss and expense sustained by Lessor for damage to the Vehicle while being operated by that individual; and (2) shall release, indemnify, and otherwise hold

Lessor harmless from and against any claims or causes of action for death or injury to persons, or loss or damage to property, arising out of the use or operation of the Vehicle by that individual. Lessor may increase the amount of Lessee's physical damage responsibility and the limits of liability insurance coverage, with respect to the Vehicle, to an amount equal to the agreed value calculated in accordance with Article 11 as of the time of damage or loss.

7.03 Lessee agrees that the Vehicle will not be operated (1) by any driver in possession or under the influence of alcohol or any drug which may impair the ability to operate the Vehicle; (2) in a reckless or abusive manner; (3) off an improved road, unless specifically related to Lessee's fire-fighting operations or exercises; (4) on a flat tire; or (5) when improperly loaded or loaded beyond the manufacturer's recommended maximum gross weight as set forth in the Vehicle operating manual. Notwithstanding any other provision of this Lease, Lessee agrees to reimburse Lessor in full for damages, including expenses, resulting from a violation of this provision. Lessee will be responsible for all necessary expenses of towing or removal of the Vehicle.

ARTICLE 8 RENT AND FEES

8.01 Lessee agrees to pay Lessor rent in the amount of Ten Dollars (\$10.00) per year for the Vehicle, at Lessor's address set forth above or at any other place of business as the Lessor or an assignee of the rent may direct, yearly, in advance, beginning with the effective date as described in Section 1.01 hereof.

8.02 Subject always to such exemption as Lessee may be entitled to as a not-for-profit 501(c)(4) organization, Lessee agrees to pay for (1) any sales or use tax imposed after the date of this Lease on the use or rental of the Vehicle or any other charges accruing under this Lease; (2) any increase in license or registration fees, including federal highway use tax, vehicle inspection fees, and personal property tax rates; or (3) any new or additional taxes or governmental fees on fuel adopted after the execution date hereof.

8.03 Any provision contained herein that would result in Lessee not qualifying as a 501(c)(4) tax exempt, not-for-profit organization shall be deemed severed as of the commencement date of this Lease and any provision not contained herein that is necessary for Lessee to retain its status as a 501(c)(4) tax exempt, not-for-profit organization is deemed incorporated herein by reference; likewise, any provision contained or not contained herein, which inclusion or exclusion would result in this Lease or in the agreement under which Lessor obtained title to the Vehicle not qualifying as a qualified tax exempt obligation under Section 265(b)(3) of the Internal Revenue Code of 1986, as amended, is hereby deemed included or excluded, as necessary, to so qualify.

ARTICLE 9 INDEMNIFICATION, LIABILITY & INSURANCE

9.01 **Indemnification.** To the fullest extent permitted by law Lessee shall indemnify, and hold harmless the Lessor and Lessor's officers, agents, and employees from and against any claims or

causes of action for death or injury to persons, or loss or damage to property or from other liabilities, damages, losses and costs, including but not limited to, reasonable attorney's fees and costs at all tribunal levels, including but not limited to, the trial level and all appeals, to the extent caused by the malfeasance, negligence, recklessness, or wrongful misconduct of Lessee and persons employed or utilized by Lessee in the operation of the Vehicle. Lessee further agrees to release and hold Lessor harmless for death or injury to Lessee, to any of Lessee's agents, or to drivers of, or passengers in the Vehicle, or any other persons whatsoever, arising out of the ownership, maintenance, use, or operation of the Vehicle. Lessee and Lessor agree that 1% of the compensation due under this Lease is offered and accepted as sufficient separate consideration for Lessee's agreement to indemnify Lessor and Lessor's officers and employees as provided for in this paragraph. This specific consideration for Lessee's agreement to indemnify is already incorporated in the Lease rate agreed to between Lessor and Lessee. Lessee agrees to be fully responsible for acts and omissions of their respective agents or employees. Nothing herein is intended to serve as a waiver of sovereign immunity by the Lessor to which sovereign immunity may be applicable. Nothing herein shall be construed as consent by a state agency or political subdivision of the State of Florida to be sued by third parties in any matter, whether arising out of this Agreement or any other contract.

9.02 Liability Insurance. The Lessee shall, at its sole cost, procure and maintain a standard policy of vehicle liability insurance and comprehensive general liability insurance ("Liability Insurance") with limits and deductibles as specified on Schedule B attached hereto and made a part hereof. The Lessor shall be named as an additional insured of all the insurance policies to be acquired pursuant to this Agreement and shall also be identified as the certificate holder on all certificates of insurance. The insurance required by this Agreement shall be written by a company licensed in Florida and the company must reasonably be acceptable to the Lessor. The policy shall provide that coverage cannot be cancelled or materially altered without at least thirty (30) days prior written notice to both parties. The Lessee shall furnish certificates to the Lessor to evidence compliance with this provision prior to receipt of the Vehicle.

9.03 If Lessee fails to procure and maintain Liability Insurance, or fails to furnish Lessor with the required certificates as evidence of insurance, Lessee shall indemnify and hold Lessor harmless from and against any claims or causes of action for death or injury to persons or loss or damage to property arising out of or caused by the ownership, maintenance, use, or operation of the Vehicle. Lessor is authorized but not obligated to procure its own Liability Insurance, without prejudice to any other remedy Lessor may have, and Lessee shall pay Lessor, as additional rental, the amount of the premium paid by Lessor.

9.04 Physical Damage Insurance. The Lessee shall pay for loss or damage to the Vehicle and any other property, and shall maintain insurance to cover any such physical loss or damage to property, under the terms and in the amounts described in Schedule B.

Lessee shall timely furnish Lessor with evidence of coverage under this Section 9.02 and Lessor shall be named as an additional insured and as a loss payee. The deductible amount of the policy may not exceed the amount set forth in Schedule B.

9.03 Lessee agrees to immediately notify Lessor upon the happening of any accident or collision involving the use of the Vehicle will cause the driver to make a detailed report in writing at the address of Lessor set forth above as soon as practicable and to render any other assistance to Lessor and the insurer that is requested by either of them in the investigation, defense, or prosecution of any claims or suits.

9.04 **Uninsured and Underinsured Motorists Insurance.** Lessee shall procure and be responsible for payment of premiums for underinsured or uninsured motorists coverage in such amounts as Lessor may require as set forth in Schedule B.

9.05 **Cargo Insurance.** Lessee agrees to release and hold Lessor harmless for loss or damage to any property carried in or on the Vehicle, and waives any legal right of recovery against Lessor for any loss or damage under this provision. Lessee shall, at its sole expense, include Lessor as a named insured in any cargo, transportation, or other insurance policies covering Lessee with respect to any loss or damage to such property.

9.06 **Loss of Lessor's Accessories.** Lessee shall reimburse Lessor for loss of any tools, tarpaulins, accessories, spare tires, or other equipment, of whatever nature, if any, furnished by Lessor, all of which shall be included in the definition of Vehicle hereunder.

9.07 **Vehicle Theft or Destruction.** If the Vehicle is lost or stolen, Lessor may, in its sole discretion, but is not obligated to, provide a substitute vehicle. If the Vehicle is, in Lessor's opinion, damaged beyond repair, Lessor shall so notify Lessee within thirty (30) days after having been advised of the damage. If the Vehicle is damaged beyond repair, this Lease shall automatically terminate on receipt of Lessor's notice, provided that all charges due to Lessor from Lessee under this Lease have been paid. Lessee shall, at its sole cost and expense, include Lessor as a named insured in gap insurance with respect to any theft or destruction to the Vehicle.

ARTICLE 10 BREACH OR DEFAULT

10.01 If Lessee breaches or defaults on any of the obligations of this Lease, Lessor may immediately, without notice or demand, take possession of the Vehicle, together with any equipment and accessories. Lessor may enter any premises where the Vehicle is located and remove same. Lessor may retain or refuse to redeliver the Vehicle to Lessee until the breach or default is cured without any of Lessor's actions being deemed an act of termination and without prejudice to the other remedies Lessor may have. Lessee shall continue to be liable for all charges accruing while the Vehicle is retained by Lessor.

If at the time Lessor takes possession of the Vehicle, other property belonging to Lessee is attached to or is within the Vehicle, Lessor is authorized to take possession of the items and either hold them for Lessee or place them in storage at Lessee's expense.

If Lessee's breach or default continues for ten (10) days after written notice to Lessee, Lessor may terminate the Lease.

**ARTICLE 11
GENERAL PROVISIONS**

11.01 **Attorneys Fees and Costs.** The prevailing party shall be entitled to recover its costs and expenses, including reasonable attorneys' fees, incurred in collecting amounts due or in enforcing any rights under this Lease, at all tribunal levels.

11.02 **Assignment.** Lessee may not assign this Lease or any of Lessee's rights under this Lease or sublease the Vehicle, or permit others to use the Vehicle, without the prior written consent of Lessor, which may be withheld in Lessor's sole and absolute discretion. Any attempted assignment or sublease by Lessee without prior written consent shall be void and shall neither relieve Lessee of any obligations or liabilities hereunder nor confer any rights upon the intended assignee.

11.03 **Modification.** No modifications or amendments hereto shall be valid unless in writing and executed by the contracting parties.

11.04 **Delay Not Waiver.** No delay or omission by Lessor to exercise any remedy or right accruing on default shall impair any remedy or right. No delay or omission by Lessor will be construed as a waiver of any default or in any manner affect Lessor's right not to waive any subsequent default.

11.05 **Lessor Not Liable.** Lessor shall incur no liability to Lessee for failure to supply the Vehicle, provide a substitute vehicle, repair or replace any disabled Vehicle, or provide fuel for the Vehicle.

11.06 **Parties Bound.** This Lease shall be binding on and inure to the benefit of the contracting parties and their respective heirs, successors, legal representatives, and assigns where permitted by this Lease. Lessee shall promptly notify Lessor in writing of any change in Lessee's status as a 501(c)(4) organization.

11.07 **Notices.** All notices, consents, waivers, certificates, or other communication (except invoices and requests for documents) under this Lease shall be sent by certified mail, return receipt requested, and shall be deemed to have been given when sent to the parties at their respective addresses as set forth above, unless a different address has been selected after the execution of this Lease and has been duly communicated to the party giving notice.

**ARTICLE 13
LEGAL CONSTRUCTION**

13.01 **Governing Law.** This lease has been executed in the State of Florida and shall be governed by the laws of that state; venue shall be in Broward County, Florida.

13.02 **Entire Agreement.** This Lease and the attached Schedule(s) incorporated by referenced and made an integral part of the Lease, constitute the entire agreement between the parties with respect to its subject matter. All previous negotiations, understandings, or written or oral agreements have been merged in this Lease. The terms and conditions of this Lease shall prevail notwithstanding any variance therein from the terms and conditions of any other documents relating to this transaction, whether prepared and submitted by Lessor or by Lessee.

13.03. **Severability.** In case any one or more provisions of this Lease shall for any reason be held to be invalid, illegal or unenforceable in any respect, the remaining provisions shall nevertheless be valid, binding and subsistent as if the invalid, illegal, or unenforceable provisions had never been contained herein.

13.04 **Headings.** The headings and subheadings of the various sections of this Lease are inserted merely for convenience and reference only and do not express or imply any limitation, definition, or extensions of the specific terms of the section so designated.

13.05 **Interpretation.** Whenever the context shall so require, the singular shall include the plural, the male gender shall include the female gender and neuter and vice versa. This Lease and any related instruments shall not be construed more strictly against one party than against the other, it being recognized that this Lease and any related instruments are the product of negotiations between the parties and that both parties have contributed substantially and materially to the final preparation of this Lease and all related instruments.

13.06 **Sublease.** Lessee acknowledges that this is a sublease and that Lessor is lessee under that certain Municipal Lease-Purchase Agreement ("Agreement") attached hereto as Exhibit "A". Lessee hereunder agrees that it shall be responsible for all obligations of lessee under the Agreement with the exception of the payment of principal and interest thereunder, which shall remain the obligation of Lessor hereunder.

IN WITNESS WHEREOF, each of the contracting parties have executed this Lease on the dates set forth below, effective as of the date written first above.

Witnesses to Lessor's Signature:

Signature of Witness

Printed Name of Witness

Signature of Witness

Printed Name of Witness

LESSOR:

TOWN OF SOUTHWEST RANCHES, a Florida municipal corporation

By: _____
Mecca Fink, Mayor

By: _____
Christopher J. Russo, Town Administrator

Approved As To Form:

By: _____
Gary A. Poliakoff, Town Attorney

Dated: _____

Witnesses to Lessee's Signature:

Signature of Witness

Printed Name of Witness

Signature of Witness

Printed Name of Witness

LESSEE:

SOUTHWEST RANCHES VOLUNTEER FIRE-RESCUE, INC., a Florida corporation not-for-profit

By: _____
Print Name: _____
Title: _____

Dated: _____

SCHEDULE A

LESSOR: TOWN OF SOUTHWEST RANCHES, a Florida municipal corporation

LESSEE: SOUTHWEST RANCHES VOLUNTEER FIRE-RESCUE, INC., a Florida corporation not-for-profit

LEASE TERM: Ten (10) years

COMMENCEMENT OR DELIVERY DATE: _____

EXPIRATION DATE: _____

LEASE PAYMENTS:

Ten (\$10.00) and no/100 Dollars, paid annually in advance.

VEHICLE DESCRIPTION:

Make/Model: Pierce Quantum Custom Pumper **Year:** 1995

VIN: _____

Odometer Reading at Delivery: _____ miles

Lien Holder (if any): _____

Location for Vehicle return upon expiration of Lease:

The Town Hall

SCHEDULE B
INSURANCE

Minimum Limits of Liability and Maximum Deductibles for each category of insurance required under the Lease:

Comprehensive General Liability Insurance: Lessee shall provide comprehensive general liability insurance with minimum limit of coverage of Two Million (\$2,000,000) Dollars per occurrence, with a deductible of no more than Twenty-Five Thousand Dollars. Coverage must be afforded on a form no more restrictive than the latest edition of the Comprehensive General Liability policy, without restrictive endorsements, as filed by the Insurance Services Office, and must include coverage for:

- (a) Premises and/or Operations;
- (b) Independent Contractors;
- (c) Broad Form Property;
- (d) Contractual; and
- (e) Personal injury

Automobile Liability Insurance:

Combined Single Limit:	\$2,000,000
Bodily Injury and Property Damage Liability	Each Occurrence
Uninsured Motorist	\$2,000,000
	Each Person
	\$2,000,000
	Each Accident

These insurance limits shall have a deductible of no more than \$5,000.

GAP Insurance:

In an amount necessary to cover the difference between the actual value of the Vehicle and the TOWN'S finance payments.

Umbrella Policy:

The above noted insurance policies may be reduced provided that an umbrella policy covers the difference.

Lessee shall provide to Lessor a certificate of Insurance and a copy of required insurance policies as required by this Lease prior to taking receipt of the Vehicle. All certificates and endorsements required herein shall state that Lessor shall be given thirty (30) days notice prior to expiration or cancellation of said policy.

If the initial insurance expires prior to the completion of the Lease, renewal copies of Policies shall be furnished at least thirty (30) days prior to the date of their expiration.

Notice of Cancellation and/or Restriction--The Policy(ies) must be endorsed to provide Lessor with at least thirty (30) days notice of cancellation and/or restriction.

Lessee shall furnish to the Town Administrator Certificates of Insurance or endorsements evidencing the insurance Coverage and the insurance policies specified above prior to taking receipt of the Vehicle. The required Certificates of Insurance shall name the types of policies provided. Approval of the insurance for the coverage amounts set forth herein shall not relieve or decrease the liability of Lessee in any way. Certificates of Insurance shall contain transcripts of the policies authenticated by the proper office of the insurer, evidencing in particular those insured, the extent of the insurance, the location of the office where communications and notices to and from the insurer shall be issued.

UPON EXECUTION OF THIS AGREEMENT, LESSEE SHALL SUBMIT TO LESSOR COPIES OF ITS CERTIFICATE(S) OF INSURANCE EVIDENCING THE REQUIRED COVERAGES AND SPECIFICALLY PROVIDING THAT THE TOWN OF SOUTHWEST RANCHES IS AN ADDITIONAL NAMED INSURED OR ADDITIONAL INSURED WITH RESPECT TO THE REQUIRED COVERAGES AND THE OPERATIONS OF LESSEE UNDER THE AGREEMENT.

Cessation of Insurance – All insurance coverage required under this section shall remain in full force and effect for, at least, five (5) years after the termination, cancellation or expiration of this Agreement.

The official title of the owner is Town of Southwest Ranches. This official title shall be used in all insurance documentation.

These insurance requirements shall not relieve or limit the liability of Lessee. Lessor does not in any way represent that the types and amounts of insurance required hereunder are sufficient or adequate to protect Lessee's interests or liabilities but are merely minimum requirements established by the Town Administrator.

All required insurance policies shall preclude any underwriter's rights of recovery or subrogation against Lessor with the express intention of the parties being that the required insurance coverage

protects both parties as the primary coverage for any and all losses covered by the above described insurance.

Lessee shall ensure that any company issuing insurance to cover the requirements contained in this Agreement agrees that they shall have no recourse against Lessor for payment or assessments in any form on any policy of insurance.

The clauses "Other Insurance Provisions" and "Insured Duties in the Event of an Occurrence, Claim or Suit" as it appears in any policy of insurance in which Lessor is named as an additional named insured shall not apply to Lessor. Lessee shall use its best efforts to provide written notice of occurrence within thirty (30) working days of Lessee's actual notice of such event.