

DOCUMENTATION INSTRUCTIONS FOR LEASE NUMBER 500-50128270

The instructions listed below should be followed when completing the enclosed documentation. Documentation completed improperly will delay funding. If you have any questions regarding the instructions or the documentation, please call us.

I. STATE AND LOCAL GOVERNMENT SOFTWARE LEASE-PURCHASE AGREEMENT

1. Bank Qualification Section

- Read and check box if appropriate

2. Lessee Signature

- Print name, title, sign and date (must be authorized officer)

II. ATTACHMENT 1 — LEASE PAYMENT SCHEDULE

- Print name, title, sign and date

III. ATTACHMENT 2 — EQUIPMENT DESCRIPTION — (WHEN PROVIDED)

- Print name, title, sign and date

IV. STATE SPECIFIC ADDENDA

Required for: AR, AZ, CO, FL, GA, KS, LA, MI, MN, MS, NC, NJ, NY, OH, OK, & TX

- Print name, title, sign, date and attest when required

V. ACCEPTANCE CERTIFICATE – PLEASE RETAIN UNTIL ALL EQUIPMENT HAS BEEN RECEIVED AND IS IN FULL WORKING ORDER

- Print name, title, sign and date

VI. 8038 OR GC — IRS FORM

The enclosed form is a SAMPLE only. The actual 8038G or GC will be completed and sent to you for your signature after closing, with instructions to return the original to us at your earliest convenience. This is being done in accordance with the Internal Revenue Service regulations and is a requirement of this financing.

VII. ADDITIONAL DOCUMENTATION THAT MUST BE SENT PRIOR TO FUNDING — (WHEN APPLICABLE) :

- Insurance Certificate for Property** – List DE LAGE LANDEN PUBLIC FINANCE LLC and/or Its Assigns as “loss payee” to the address listed below. The certificate must also show the physical address where the equipment is located or the phrase “throughout jurisdiction” may be used. Must also list amount being financed.
- Insurance Certificate for Liability** – List DE LAGE LANDEN PUBLIC FINANCE LLC and/or Its Assigns as “additional insured.”
- Vendor invoice** listing customer as both bill to and ship to party (to be provided by vendor)
- Completed Billing Information form**
- Advance payment check** made payable to DE LAGE LANDEN PUBLIC FINANCE LLC
- State sales tax exemption certificate**
- Escrow Agreement** – Return signed Escrow Agreement Incumbency Certificate & Lessee W9
- _____
- _____

ALL DOCUMENTATION SHOULD BE RETURNED VIA FAX OR EMAIL AS FOLLOWS:

Attention: Nick DeAgostine

Email: ndeagost@cisco.com

Lease Processing Center
1111 Old Eagle School Road
Wayne, PA 19087

De Lage Landen Public Finance LLC

State and Local Government Software Lease-Purchase Agreement

1111 Old Eagle School Road
Wayne, PA 19087

PHONE: (800) 736-0220
FACSIMILE: (800) 700-4643

LESSEE	Full Legal Name County Of Monterey				Phone Number
	DBA Name (if any)				Purchase Order Requisition Number
	Billing Address 1590 MOFFETT ST	City SALINAS	State CA	Zip 93905	Send Invoice to Attention of:

PROPERTY INFORMATION	Name and Address of Vendor	Quantity	Serial Number	Description (Attach Separate Schedule If Necessary) SEE QUOTE # 071520-5 year
	Property Location (if not same as above)	City	State	Zip

PAYMENT INFORMATION	Number of Lease Payments 5	Lease Payments: See Lease Payment Schedule Attached as Attachment 1	BANK QUALIFICATION
	Full Lease Term (in Months) 60	Payment Frequency <input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Semiannually <input checked="" type="checkbox"/> Annually <input type="checkbox"/> Other _____	
	End of Lease Option: \$1		

By checking the box below, YOU hereby designate this Lease as a "qualified tax-exempt obligation" as defined in Section 265(b)(3)(B) of the Internal Revenue Code and represent that the aggregate face amount of all tax-exempt obligations (excluding private activity bonds other than qualified 501 (c)(3) bonds) issued or to be issued by YOU and YOUR subordinate entities during the calendar year in which WE fund this Lease is not reasonably expected to exceed \$10,000,000.

Bank Qualification Elected

TERMS AND CONDITIONS

Please read YOUR copy of this State and Local Government Software Lease-Purchase Agreement ("Lease") carefully and feel free to ask US any questions YOU may have about it. Words "YOU" and "YOUR" refer to the "Lessee" and the words "WE," "US" and "OUR" refer to De Lage Landen Public Finance LLC, its successors and assigns, as the "Lessor" of the Property.

1. LEASE: WE agree to lease to YOU and YOU agree to lease from US, the property listed above (and on any attached schedule), including all replacements, substitutions, updates, upgrades, repairs, restorations, modifications, attachments, accessions, additions and improvements thereof or thereto ("Property"), on the terms and conditions of this Lease and on any attached schedule.

2. TERM; LEASE PAYMENTS: This Lease is effective on the date that it is accepted and signed by US (the "Commencement Date") and continues thereafter for an original term ("Original Term") ending at the end of YOUR budget year in effect on the Commencement Date and may be continued by YOU for additional one-year renewal terms ("Renewal Terms") coinciding with YOUR budget year up to the total number of months indicated above as the Full Lease Term; provided, however, that at the end of the Original Term and at the end of each Renewal Term until the Full Lease Term has been completed, YOU shall be deemed to have continued this Lease for the next Renewal Term unless YOU shall have terminated this Lease pursuant to Section 5 or Section 17. Lease Payments will be due as set forth on Attachment 1 until the balance of the Lease Payments and any additional Lease Payments or expenses chargeable to YOU under this Lease are paid in full. As set forth in the Lease Payment Schedule, a portion of each Lease Payment is paid as, and represents payment of, interest. YOUR obligation to pay the Lease Payments and YOUR other Lease obligations are absolute and unconditional and are not subject to cancellation, reduction, setoff or counterclaim except as provided in Section 5. THIS LEASE IS NON-CANCELABLE EXCEPT AS PROVIDED IN SECTION 5.

3. LATE CHARGES. If a Lease Payment is not made on the date when due, YOU will pay US a late charge at the rate of 18% per annum or the maximum amount permitted by law, whichever is less, from such date.

4. CONTINUATION OF LEASE TERM. YOU currently intend, subject to Section 5, to continue this Lease through the Full Lease Term and to pay the Lease Payments hereunder. YOU reasonably believe that legally available funds in an amount sufficient to make all Lease Payments during the Full Lease Term can be obtained. YOUR responsible financial officer shall do all things lawfully within his or her power to obtain and maintain funds from which the Lease Payments may be made, including making provision for the Lease Payments to the extent necessary in each proposed annual budget submitted for approval in accordance with YOUR applicable procedures and to exhaust all available reviews and appeals if that portion of the budget is not approved. Notwithstanding the foregoing, the decision whether to budget or appropriate funds and to extend this Lease for any Renewal Term is solely within the discretion of YOUR governing body.

5. NONAPPROPRIATION. YOU are obligated only to pay such Lease Payments under this Lease as may lawfully be made from funds budgeted and appropriated for that purpose during YOUR then current budget year. If YOU fail to appropriate or otherwise make available funds to pay the Lease Payments required to be paid in the next occurring Renewal Term, this Lease shall be deemed terminated at the end of the then current Original Term or Renewal Term. YOU agree to deliver written notice to US of such termination at least 90 days prior to the end of the then current Original Term or Renewal Term, but failure to give such notice shall not extend the term of this Lease beyond the then current Original Term or Renewal Term. If this Lease is terminated in accordance with this Section, YOUR rights to the Property will simultaneously terminate and YOU agree, at YOUR cost and expense, (i) to immediately discontinue use of the Property, remove the Property from YOUR computers and other electronic devices and deliver the Property to the Vendor at the location or locations specified by the Vendor and (ii) within 30 days of any such termination, to deliver a certificate to US certifying that YOU have complied with clause (i) of this sentence.

6. WARRANTIES. WE are leasing the Property to YOU "AS-IS" and WE MAKE NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE. WE transfer to YOU, without recourse, for the term of this Lease all warranties, if any, made by the Vendor and all rights under any licensing or other agreement relating to the Property. YOU ALSO ACKNOWLEDGE THAT NO ONE IS AUTHORIZED TO WAIVE OR CHANGE ANY TERM, PROVISION OR CONDITION OF THIS LEASE AND, EXCEPT FOR THE VENDOR WARRANTIES, MAKE ANY REPRESENTATION OR WARRANTY ABOUT THIS LEASE OR THE PROPERTY. WE SHALL NOT BE LIABLE FOR SPECIAL, RESULTING OR CONSEQUENTIAL DAMAGES OR LOSS OF PROFIT OCCASIONED BY ANY BREACH OF ANY LICENSING OR OTHER AGREEMENT OR ANY BREACH OF WARRANTY OR REPRESENTATION OR RESULTING FROM THE USE OR PERFORMANCE OF THE PROPERTY. YOUR OBLIGATION TO PAY IN FULL ANY AMOUNT DUE UNDER THE LEASE WILL NOT BE AFFECTED BY ANY DISPUTE, CLAIM, COUNTERCLAIM, DEFENSE OR OTHER RIGHT WHICH YOU MAY HAVE OR ASSERT AGAINST THE VENDOR.

7. DELIVERY AND ACCEPTANCE. YOU ARE RESPONSIBLE, AT YOUR OWN COST, TO ARRANGE FOR THE DELIVERY AND INSTALLATION OF THE PROPERTY (UNLESS THOSE COSTS ARE INCLUDED IN THE COSTS OF THE PROPERTY TO US). IF REQUESTED, YOU WILL SIGN A SEPARATE PROPERTY DELIVERY AND ACCEPTANCE CERTIFICATE. WE MAY AT OUR DISCRETION CONFIRM BY TELEPHONE THAT YOU HAVE ACCEPTED THE PROPERTY AND THAT TELEPHONE VERIFICATION OF YOUR ACCEPTANCE OF THE PROPERTY SHALL HAVE THE SAME EFFECT AS A SIGNED DELIVERY AND ACCEPTANCE CERTIFICATE.

(Terms and Conditions continued on the reverse side of this Lease.)

LESSEE SIGNATURE	YOU agree to all of the Terms and Conditions contained in both sides of this Lease, and in any attachments to same (all of which are included by reference) and become part of this Lease. YOU acknowledge to have read and agreed to all the Terms and Conditions.	
	You acknowledge that the leased property is: <input checked="" type="checkbox"/> NEW <input type="checkbox"/> USED	
	Signature	Date
	Title	
	Print Name	
	Legal Name of Corporation County Of Monterey	(LEASE MUST BE SIGNED BY AUTHORIZED OFFICIAL OF LESSEE)

LESSOR	Lessor Signature	Date
	Print Name	
	Title	
	For DE LAGE LANDEN PUBLIC FINANCE LLC	
	Lease Number 500-50128270	
	Lease Date JULY 20 , 20 20	
	Vendor I.D. Number	

8. TITLE, LOCATION, INSPECTION, NO MODIFICATIONS OR ALTERATIONS. YOU have title to the Property, subject to the provisions of this Lease and any applicable license or other agreement; provided that title to the Property will immediately and without any action by YOU terminate and YOU will immediately discontinue use of the Property, remove the Property from YOUR computers and other electronic devices and deliver the Property to the Vendor (a) upon any termination of this Lease other than termination pursuant to Section 17 or (b) if YOU are in default of this Lease. Within 30 days of any event described in clause (a) or (b) of the preceding sentence, YOU will deliver to US a certificate certifying that YOU have complied with the preceding sentence. YOU have the right to use the Property during the term of this Lease, except as otherwise expressly set forth in this Lease. YOU agree not to alter or modify the Property or permit a lien to be placed upon the Property or to remove the Property without OUR prior written consent. WE also have the right, at reasonable times, to inspect the Property.

9. MAINTENANCE. YOU are required, at YOUR own cost and expense, to keep the Property in good repair, condition and working order, except for ordinary wear and tear, and YOU will supply all servicing required and will install all updates, upgrades, improvements and additions to the Property made available to YOU by the Vendor. All repairs, updates, upgrades, improvements and additions made to the Property will become OUR property.

YOU ACKNOWLEDGE THAT WE ARE NOT RESPONSIBLE FOR PROVIDING ANY REQUIRED MAINTENANCE AND/OR SERVICE FOR THE PROPERTY. YOU WILL MAKE ALL CLAIMS FOR SERVICE AND/OR MAINTENANCE SOLELY TO THE VENDOR AND SUCH CLAIMS WILL NOT AFFECT YOUR OBLIGATION TO MAKE ALL REQUIRED LEASE PAYMENTS.

10. ASSIGNMENT. YOU AGREE NOT TO TRANSFER, SELL, SUBLEASE, ASSIGN, PLEDGE OR ENCUMBER EITHER THE PROPERTY OR ANY RIGHTS UNDER THIS LEASE WITHOUT OUR PRIOR WRITTEN CONSENT. YOU agree that WE may sell, assign or transfer this Lease and, if WE do, the new owner will have the same rights and benefits that WE now have and will not have to perform any of OUR obligations and the rights of the new owner will not be subject to any claims, counterclaims, defenses or set-offs that YOU may have against US. YOU hereby appoint Municipal Registrar Services (the "Registrar") as YOUR agent for the purpose of maintaining a written record of each assignment in form necessary to comply with Section 149(a) of the Internal Revenue Code of 1986, as amended. No such assignment shall be binding on YOU until the Registrar has received written notice from the assignor of the name and address of the assignee.

11. LOSS OR DAMAGE. YOU are responsible for the risk of loss or destruction of, or damage to the Property. No such loss or damage relieves YOU from any obligation under this Lease. If any of the Property is damaged by fire or other casualty or title to, or the temporary use of, any of the Property is taken under the exercise of the power of eminent domain, the net proceeds ("Net Proceeds") of any insurance claim or condemnation award will be applied to the prompt replacement, repair or restoration of that Property, unless YOU have exercised YOUR option to purchase OUR interest in the Property pursuant to Section 17. Any balance of the Net Proceeds remaining after such work has been completed shall be paid to YOU.

12. INDEMNITY. WE are not responsible for any losses or injuries caused by the manufacture, licensing, acquisition, delivery, installation, ownership, use, lease, possession, maintenance, operation or rejection of the Property or defects in the Property. To the extent permitted by law, YOU agree to reimburse US for and to defend US against any claim for losses or injuries relating to the Property. This indemnity will continue even after the termination of this Lease.

13. TAXES. YOU agree to pay all applicable license and registration fees, sale and use taxes, personal property taxes and all other taxes and charges, relating to the licensing, ownership, leasing, rental, sale, purchase, possession or use of the Property (except those based on OUR net income). YOU agree that if WE pay any taxes or charges, YOU will reimburse US for all such payments and will pay US interest and a late charge (as calculated in Section 3) on such payments with the next Lease Payment, plus a fee for OUR collecting and administering any taxes, assessments or fees and remitting them to the appropriate authorities.

14. INSURANCE. During the term of this Lease, YOU will keep the Property insured against all risks of loss or damage in an amount not less than the replacement cost of the Property, without deductible and without co-insurance. YOU will also obtain and maintain for the term of this Lease, comprehensive public liability insurance covering both personal injury and property damage of at least \$100,000 per person and \$300,000 per occurrence or bodily injury and \$50,000 for property damage. WE will be the sole named loss payee on the property insurance and named as an additional insured on the public liability insurance. YOU will pay all premiums for such insurance and must deliver proof of insurance coverage satisfactory to US. If YOU do not provide such insurance, YOU agree that WE have the right, but not the obligation, to obtain such insurance and add an insurance fee to the amount due from you, on which we make a profit.

15. DEFAULT. Subject to Section 5, YOU are in default of this Lease if any of the following occurs: (a) YOU fail to pay any Lease Payment or other sum when due; (b) any of YOUR rights under any licensing or other agreement included in or relating to the Property are terminated or suspended; (c) YOU breach any warranty or other obligation under this Lease or any other agreement with US, or under any licensing or other agreement included in or relating to the Property, (d) YOU become insolvent or unable to pay YOUR debts when due, YOU make an assignment for the benefit of creditors or YOU undergo a substantial deterioration in YOUR financial condition, or (e) YOU file or have filed against YOU a petition for liquidation, reorganization, adjustment of debt or similar relief under the Federal Bankruptcy Code or any other present or future federal or state bankruptcy or insolvency law, or a trustee, receiver or liquidator is appointed for YOU or a substantial part of YOUR assets.

16. REMEDIES. WE have the following remedies if YOU are in default of this Lease: WE may declare the entire balance of the unpaid Lease Payments for the then current Original Term or Renewal Term immediately due and payable; sue for and receive all Lease Payments and any other payments then accrued or accelerated under this Lease; charge YOU interest on all monies due US at the rate of eighteen percent (18%) per year from the date of default until paid, but in no event more than the maximum rate permitted by law; charge YOU a return-check or non-sufficient funds charge ("NSF Charge") of \$25.00 for a check that is returned for any reason; and terminate this Lease and enter the premises where the Property is located and take possession of the Property or require YOU at YOUR expense to immediately discontinue use of the Property, remove the Property from all of YOUR computers and other electronic devices and return the Property to the Vendor at a location or locations specified by the Vendor, holding YOU liable for all Lease Payments and other amounts payable by YOU hereunder to the end of the then current Original Term or Renewal Term, and within 30 days of any such termination YOU shall deliver to US a certificate certifying that YOU have complied with the foregoing. YOU are also required to pay (i) all expenses incurred by US in connection with the enforcement of any remedies and (ii) reasonable attorneys' fees.

17. PURCHASE OPTION. Provided YOU are not in default, YOU shall have the option to purchase all but not less than all of OUR interest in the Property (a) on the date the last Lease Payment is due (assuming this Lease is renewed at the end of the Original Term and each Renewal Term), if this Lease is still in effect on that day, upon payment in full of Lease Payments and all other amounts then due and the payment of One Dollar to US; (b) on the last day of the Original Term or any Renewal Term then in effect, upon at least 60 days' prior written notice to US and payment in full to US of the Lease Payments and all other amounts then due plus the then applicable Purchase Price set forth on the Lease Payment Schedule; or (c) if substantial damage to or destruction or condemnation of substantially all of the Property has occurred, on the day specified in YOUR written notice to US of YOUR exercise of the purchase option upon at least 60 days' prior notice to US and payment in full to US of

the Lease Payments and all other amounts then due plus the then applicable Purchase Price set forth on the Lease Payment Schedule.

18. REPRESENTATIONS AND WARRANTIES. YOU warrant and represent as follows: (a) YOU are a public body corporate and politic duly organized and existing under the constitution and laws of YOUR State with full power and authority to enter into this Lease and the transactions contemplated hereby and to perform all of YOUR obligations hereunder; (b) YOU have duly authorized the execution and delivery of this Lease by proper action by YOUR governing body at a meeting duly called, regularly convened and attended throughout by the requisite majority of the members thereof or by other appropriate official approval, and all requirements have been met and procedures have occurred in order to ensure the validity and enforceability of this Lease; (c) YOU have complied with such public bidding requirements as may be applicable to this Lease and the acquisition by YOU of the Property; (d) all authorizations, consents and approvals of governmental bodies or agencies required in connection with the execution and delivery by YOU of this Lease or in connection with the carrying out by YOU of YOUR obligations hereunder have been obtained; (e) this Lease constitutes the legal, valid and binding obligation of YOU enforceable in accordance with its terms, except to the extent limited by applicable bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally; (f) YOU have, in accordance with the requirements of law, fully budgeted and appropriated sufficient funds for the current budget year to make the Lease Payments scheduled to come due during the current budget year and to meet YOUR other obligations under this Lease for the current budget year, and those funds have not been expended for other purposes; (g) the Property is essential to YOUR functions or to the services YOU provide to YOUR citizens. YOU have an immediate need for the Property and expect to make immediate use of the Property, YOUR need for the Property is not temporary and YOU do not expect the need for any item of the Property to diminish in the foreseeable future, including the Full Lease Term, and the Property will be used by YOU only for the purpose of performing one or more of YOUR governmental or proprietary functions consistent with the permissible scope of YOUR authority and will not be used in the trade or business of any other entity or person; and (h) YOU have never failed to appropriate or otherwise make available funds sufficient to pay rental or other payments coming due under any lease purchase, installment sale or other similar agreement.

19. FINANCIAL STATEMENTS. If WE feel it is necessary, YOU agree to submit financial statements (audited if available) on a quarterly basis.

20. UCC — ARTICLE 2A PROVISIONS. YOU agree that this Lease is a Finance Lease as that term is defined in Article 2A of the Uniform Commercial Code ("UCC"). YOU acknowledge that WE have given YOU the name of the Vendor of the Property. WE hereby notify YOU that YOU may have rights under the contract with the Vendor and YOU may contact the Vendor for a description of any rights or warranties that YOU may have under this supply contract. YOU also waive any and all rights and remedies granted YOU under Sections 2A-508 through 2A-522 of the UCC.

21. TAX EXEMPTION. YOU will comply with all applicable provisions of the Internal Revenue Code of 1986, as amended, including without limitation Sections 103 and 148 thereof, and the applicable regulations thereunder to maintain the exclusion of the interest portion of the Lease Payments from gross income for purposes of federal income taxation.

22. BANK QUALIFICATION. If YOU checked the "Bank Qualification Elected" box on the front page of this Lease YOU and all YOUR subordinate entities will not issue in excess of \$10,000,000 of qualified tax-exempt obligations (including this Lease but excluding private activity bonds other than qualified 501(c)(3) bonds) during the calendar year in which WE fund this Lease without first obtaining an opinion of nationally recognized counsel in the area of tax-exempt municipal obligations acceptable to US that the designation of this Lease as a "qualified tax-exempt obligation" will not be adversely affected.

23. CHOICE OF LAW; JURY TRIAL WAIVER. This Lease shall be governed and construed in accordance with the laws of the state where YOU are located. To the extent permitted by law, YOU agree to waive YOUR rights to a trial by jury.

24. ENTIRE AGREEMENT; SEVERABILITY; WAIVERS. This Lease contains the entire agreement and understanding. No agreements or understandings are binding on the parties unless set forth in writing and signed by the parties. Any provision of this Lease which for any reason may be held unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective without invalidating the remaining provisions of this Lease. THIS LEASE IS NOT INTENDED FOR TRANSACTIONS WITH A PROPERTY COST OF LESS THAN \$1,000.

25. FACSIMILE DOCUMENTATION. YOU agree that a facsimile copy of this Lease with facsimile signatures may be treated as an original and will be admissible as evidence of this Lease.

ATTACHMENT 1

STATE AND LOCAL GOVERNMENT SOFTWARE LEASE-PURCHASE AGREEMENT

Lease Payment Schedule

LESSOR: DE LAGE LANDEN PUBLIC FINANCE LLC

LESSEE: County Of Monterey

LEASE NUMBER: 500-50128270

LEASE DATE: JULY 20, 2020

Lease Payments are initially due 30 days from the Commencement Date, and thereafter are due annually 30 days after each periodic anniversary of the Commencement Date that occurs during the Full Lease Term until all of the payments set forth below have been received by US. The period for each periodic anniversary is Annual as specified in the Payment Frequency box of this Lease. If the Commencement Date occurs on the 29th, 30th or 31st day of any month, the periodic anniversary will be deemed to occur on the 1st day of the month, commencing on the 1st day of the thirteenth succeeding month after the month of such Commencement Date.

Payment Number	Rental Payment	Interest Portion	Principal Portion	Balance	Purchase Price
Loan	-	-	-	114,682.00	-
1	22,936.40	0.00	22,936.40	91,745.60	95,094.31
2	22,936.40	0.00	22,936.40	68,809.20	71,320.74
3	22,936.40	0.00	22,936.40	45,872.80	47,547.16
4	22,936.40	0.00	22,936.40	22,936.40	23,773.58
5	22,936.40	0.00	22,936.40	0.00	0.00
Grand Totals	114,682.00	0.00	114,682.00	-	-

Sales tax of _____ is included in the financed amount shown above.

Lessee acknowledges that the amount financed by Lessor is \$107,533.09* and that such amount, net of any advance payments, is the issue price for Federal Income Tax purposes. The yield for this schedule for Federal Income Tax purposes is 3.18%*. Such issue price and yield will be stated in the applicable IRS Form 8038-G. The promotional amortization schedule (including the equipment cost, the promotional interest rate, the payment dates and the payment amounts) shall remain as detailed above. The two figures noted with an * above (amount financed by Lessor and the Yield for Federal income tax purposes) may need to be adjusted prior to closing in the event financial market conditions change. If such revisions are deemed necessary by Lessor (it its sole discretion), it is understood and agreed that a revised version of the amortization schedule reflecting these changes will be executed prior to closing.

Lessee Signature: _____ Date: _____

Print Name: _____ Title: _____

BILLING INFORMATION

PLEASE COMPLETE THIS FORM AND RETURN WITH DOCUMENTS

In order for DE LAGE LANDEN PUBLIC FINANCE LLC to properly bill and credit your account, it is necessary that you complete this form and return it with the signed documents.

Billing Name: _____

If you would like your invoices emailed to you in place of regular mail, please provide an email address(es) below:

***YOUR INVOICES WILL BE EMAILED FROM INVOICEDELIVERY@PAYEREXPRESS.COM**
Subject line will read: Your Lease Direct Invoice is ready to view online!

Billing Address: _____

Attention: _____

Telephone Number: _____

FEDERAL TAX ID#: _____

Lease/Contract Signer Name: _____ Date of Birth _____ (only provide if requested)

SPECIAL INSTRUCTIONS

Do you require a Purchase Order Number on the invoice? **If yes, please provide PO#** _____ YES NO

Is a new purchase order required for each new fiscal period? YES NO

If yes, provide month/year PO expires _____

Are you sales tax exempt? **If yes, please attach a copy of exempt certificate or direct pay permit.** YES NO

Do you require any special information to establish a vendor number for _____? YES NO

If yes, please advise: _____

Additional Comments: _____

CONTACT INFORMATION AND QUESTIONNAIRE FOR FORM 8038-G FILINGS (required for all State and Local Government transactions)

Contact Name: _____

Title: _____

Contact Address: _____

Contact Telephone Number: _____

Email Address: _____

Written Tax Compliance Procedures

The IRS Form 8038-G asks specific questions about whether written procedures exist with regard to compliance with the federal tax requirements for tax-exempt obligations. Please answer the following questions to help us complete the form correctly prior to your signature. **Please note that your answers to these questions will not impact the terms or conditions of the subject transaction:**

1. Has the Lessee established written procedures designed to monitor compliance with federal tax restrictions for the term of the lease? Among other matters, the written procedures should identify a particular individual within Lessee's organization to monitor compliance with the federal tax requirements related to use of the financed assets and describe actions to be taken in the event failure to comply with federal tax restrictions is contemplated or discovered.

YES NO If YES, please attach/provide a copy.

Answer the following question only if proceeds of the current financing will be funded to an ESCROW Account.

The IRS Form 8038-G asks specific questions about written procedures to monitor the yield on the investment of gross proceeds of tax-exempt obligations and, as necessary, make payments of arbitrage rebate earned to the United States.

2. Has the Lessee established written procedures to monitor the yield on the investment of proceeds of the Lease on deposit in an escrow account or similar fund prior to being spent and to ensure that any positive arbitrage rebate earned is paid to the United States?

YES NO If YES, please attach/provide a copy.

If you have further questions, please consult your regular bond or legal counsel.

Information Return for Tax-Exempt Governmental Bonds

(Rev. September 2018)

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

OMB No. 1545-0720

Department of the Treasury
Internal Revenue Service

Caution: If the issue price is under \$100,000, use Form 8038-GC.
► Go to www.irs.gov/F8038G for instructions and the latest information.

Part I Reporting Authority		If Amended Return, check here <input type="checkbox"/>	
1 Issuer's name County Of Monterey		2 Issuer's employer identification number (EIN) XXXXXXXXXXXXXX	
3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions) XX		3b Telephone number of other person shown on 3a XXXXXXXXXXXXXXXXXXXX	
4 Number and street (or P.O. box if mail is not delivered to street address) 1590 MOFFETT ST		Room/suite XXXXXX	5 Report number (For IRS Use Only) 3
6 City, town, or post office, state, and ZIP code SALINAS CA 93905		7 Date of issue XXXXXXXXXXXXXXXXXXXX	
8 Name of issue XX		9 CUSIP number XXXXXXXXXXXXXXXXXXXX	
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information (see instructions) XX		10b Telephone number of officer or other employee shown on 10a XXXXXXXXXXXXXXXXXXXX	

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

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

Part III Description of Bonds. 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	XXXXXXXXXXXX	\$ XXXXXXXXXXXX.XX	\$ XXXXXXXXXXXX.XX	XXXXXXXXXXXX years	XXXXXXXXXXXXXXXXXX %

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

22 Proceeds used for accrued interest	22	XXXXXXXXXX	XX
23 Issue price of entire issue (enter amount from line 21, column (b))	23	XXXXXXXXXX	XX
24 Proceeds used for bond issuance costs (including underwriters' discount)	24	XXXXXXXXXX	XX
25 Proceeds used for credit enhancement	25	XXXXXXXXXX	XX
26 Proceeds allocated to reasonably required reserve or replacement fund	26	XXXXXXXXXX	XX
27 Proceeds used to refund prior tax-exempt bonds. Complete Part V	27	XXXXXXXXXX	XX
28 Proceeds used to refund prior taxable bonds. Complete Part V	28	XXXXXXXXXX	XX
29 Total (add lines 24 through 28)	29	XXXXXXXXXX	XX
30 Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	30	XXXXXXXXXX	XX

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

31 Enter the remaining weighted average maturity of the tax-exempt bonds to be refunded	►	XXXXXXXXXXXX years
32 Enter the remaining weighted average maturity of the taxable bonds to be refunded	►	XXXXXXXXXXXX years
33 Enter the last date on which the refunded tax-exempt bonds will be called (MM/DD/YYYY)	►	XXXXXXXXXXXX
34 Enter the date(s) the refunded bonds were issued (MM/DD/YYYY)	►	XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX

Part VI Miscellaneous

- 35** Enter the amount of the state volume cap allocated to the issue under section 141(b)(5) **35** XXXXXXXXXXXX XX
- 36a** Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC). See instructions **36a** XXXXXXXXXXXX XX
 - b** Enter the final maturity date of the GIC ▶ (MM/DD/YYYY) XXXXXXXXXXXXXXXX
 - c** Enter the name of the GIC provider ▶ XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX
- 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** XXXXXXXXXXXX XX
- 38a** If this issue is a loan made from the proceeds of another tax-exempt issue, check box ▶ and enter the following information:
 - b** Enter the date of the master pool bond ▶ (MM/DD/YYYY) XXXXXXXXXXXXXXXX
 - c** Enter the EIN of the issuer of the master pool bond ▶ XXXXXXXXX
 - d** Enter the name of the issuer of the master pool bond ▶ XXXXXXXXXXXXXXXX
- 39** If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box ▶
- 40** If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box ▶
- 41a** If the issuer has identified a hedge, check here ▶ and enter the following information:
 - b** Name of hedge provider ▶ XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX
 - c** Type of hedge ▶ XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX
 - d** Term of hedge ▶ XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX
- 42** If the issuer has superintegrated the hedge, check box ▶
- 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 ▶
- 44** If the issuer has established written procedures to monitor the requirements of section 148, check box ▶
- 45a** If some portion of the proceeds was used to reimburse expenditures, check here ▶ and enter the amount of reimbursement ▶ XXXXXXXXXXXXXXXXXXXXXXXX
- b** Enter the date the official intent was adopted ▶ (MM/DD/YYYY) XXXXXXXXXXXXXXXX

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 _____ Date _____ Type or print name and title _____

Paid Preparer Use Only

Print/Type preparer's name XXXXXXXXXXXXXXXXXXXXXXXXXX	Preparer's signature _____	Date _____	Check <input type="checkbox"/> if self-employed	PTIN XXXXXXXXXX
Firm's name ▶ XXXXXXXXXXXXXXXXXXXXXXXX	Firm's EIN ▶ XXXXXXXXX		Phone no. XXXXXXXXXXXXX	
Firm's address ▶ XXXXXXXXXXXXXXXXXXXXXXXX				

Instructions for Form 8038-G



Department of the Treasury
Internal Revenue Service

(Rev. September 2018)

Information Return for Tax-Exempt Governmental Bonds

Section references are to the Internal Revenue Code unless otherwise noted.

Future Developments

For the latest information about developments related to Form 8038-G and its instructions, such as legislation enacted after they were published, go to IRS.gov/Form8038G.

What's New

The Tax Cuts and Jobs Act (P.L. 115-97) repealed the exclusion from gross income for interest on bonds issued to advance refund tax-exempt bonds. The repeal applies to advance refunding bonds issued after 2017. A bond is an advance refunding bond if it is issued more than 90 days before the redemption of the refunded bonds.

The Tax Cuts and Jobs Act also repealed the authority to issue tax-credit bonds and direct-pay bonds. The repeal applies to qualified forestry conservation bonds, new clean renewable energy bonds, qualified energy conservation bonds, qualified zone academy bonds, and qualified school construction bonds issued after 2017. The authority to issue recovery zone economic development bonds and build America bonds expired on January 1, 2011.

Note. The creation of an advance refunding escrow account to advance refund tax-credit bonds and/or direct-pay bonds may result in the reissuance of the bonds and the loss of the tax benefits.

General Instructions

Purpose of Form

Form 8038-G is used by issuers of tax-exempt governmental bonds to provide the IRS with the information required by section 149(e) and to monitor compliance with the requirements of sections 141 through 150.

Who Must File

IF the issue price (line 21, column (b)) is...	THEN, for tax-exempt governmental bonds issued after December 31, 1986, issuers must file...
\$100,000 or more	a separate Form 8038-G for each issue.
less than \$100,000	Form 8038-GC, Information Return for Small Tax-Exempt Governmental Bond Issues, Leases, and Installment Sales.

When To File

File Form 8038-G on or before the 15th day of the 2nd calendar month after the close of the calendar quarter in which the bond is issued. Form 8038-G may not be filed before the issue date and must be completed based on the facts as of the issue date.

Late filing. An issuer may be granted an extension of time to file Form 8038-G under section 3 of Rev. Proc. 2002-48, 2002-37 I.R.B. 531, if it is determined that the failure to file timely is not due to willful neglect. Type or print at the top of the form "Request for Relief under section 3 of Rev. Proc. 2002-48" and attach a letter explaining why Form 8038-G was not submitted to the IRS on time. Also indicate whether the bond issue in question is under examination by the IRS. Do not submit copies of the trust indenture or other bond documents. See *Where To File* next.

Where To File

File Form 8038-G, and any attachments, with the Department of the Treasury, Internal Revenue Service Center, Ogden, UT 84201.

Private delivery services. You can use certain private delivery services (PDS) designated by the IRS to meet the "timely mailing as timely filing" rule for tax returns. Go to IRS.gov/PDS for the current list of designated services.

The PDS can tell you how to get written proof of the mailing date.

For the IRS mailing address to use if you're using PDS, go to IRS.gov/PDSstreetAddresses.



CAUTION PDS can't deliver items to P.O. boxes. You must use the U.S. Postal Service to mail any item to an IRS P.O. box address.

Other Forms That May Be Required

For rebating arbitrage (or paying a penalty in lieu of arbitrage rebate) to the federal government, use Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate.

For private activity bonds, use Form 8038, Information Return for Tax-Exempt Private Activity Bond Issues.

Rounding to Whole Dollars

You can round off cents to whole dollars. If you do round to whole dollars, you must round all amounts. To round, drop amounts under 50 cents and increase amounts from 50 to 99 cents to the next dollar (for example, \$1.39 becomes \$1 and \$2.50 becomes \$3).

If two or more amounts must be added to figure the amount to enter on a line, include cents when adding the amounts and round off only the total.

Definitions

Bond. This is any obligation, including bond, note, commercial paper, installment purchase agreement, or financing lease.

Taxable bond. This is any bond the interest on which is not excludable from gross income under section 103. Taxable bonds include tax credit bonds and direct pay bonds.

Tax-exempt bond. This is any obligation, including a bond, installment purchase agreement, or financial lease, on which the interest is excluded from income under section 103.

Tax-exempt governmental bond. A tax-exempt bond that is not a private activity bond (see next) is a tax-exempt governmental bond. This includes a bond issued by a qualified volunteer fire department under section 150(e).

Private activity bond. This includes a bond issued as part of an issue in which:

- More than 10% of the proceeds are to be used for any private activity business use; **and**
- More than 10% of the payment of principal or interest of the issue is **either (a)** secured by an interest in property to be used for a private business use (or

payments for such property), or (b) to be derived from payments for property (or borrowed money) used for a private business use.

It also includes a bond, the proceeds of which (a) are to be used directly or indirectly to make or finance loans (other than loans described in section 141(c)(2)) to persons other than governmental units, and (b) exceeds the lesser of 5% of the proceeds or \$5 million.

Issue price. The issue price of bonds is generally determined under Regulations section 1.148-1(f). Thus, when issued for cash, the issue price is the first price at which a substantial amount of the bonds are sold to the public. To determine the issue price of a bond issued for property, see sections 1273 and 1274 and the related regulations.

Issue. Generally, bonds are treated as part of the same issue if they are issued by the same issuer, on the same date, and in a single transaction, or a series of related transactions (see Regulations section 1.149(e)-1(e)(2)). However, bonds issued during the same calendar year (a) under a loan agreement under which amounts are to be advanced periodically (a "draw-down loan"), or (b) with a term not exceeding 270 days, may be treated as part of the same issue if the bonds are equally and ratably secured under a single indenture or loan agreement and are issued under a common financing arrangement (for example, under the same official statement periodically updated to reflect changing factual circumstances). Also, for bonds issued under a draw-down loan that meet the requirements of the preceding sentence, bonds issued during different calendar years may be treated as part of the same issue if all of the amounts to be advanced under the draw-down loan are reasonably expected to be advanced within 3 years of the date of issue of the first bond. Likewise, bonds (other than private activity bonds) issued under a single agreement that is in the form of a lease or installment sale may be treated as part of the same issue if all of the property covered by that agreement is reasonably expected to be delivered within 3 years of the date of issue of the first bond.

Arbitrage rebate. Generally, interest on a state or local bond is not tax exempt unless the issuer of the bond rebates to the United States arbitrage profits earned from investing proceeds of the bond in higher yielding nonpurpose investments. See section 148(f).

Construction issue. This is an issue of tax-exempt bonds that meets both of the following conditions.

1. At least 75% of the available construction proceeds are to be used for

construction expenditures with respect to property to be owned by a governmental unit or a section 501(c)(3) organization.

2. All the bonds that are part of the issue are qualified 501(c)(3) bonds, bonds that are not private activity bonds, or private activity bonds issued to finance property to be owned by a governmental unit or a section 501(c)(3) organization.

In lieu of rebating any arbitrage that may be owed to the United States, the issuer of a construction issue may make an irrevocable election to pay a penalty. The penalty is equal to 1½% of the amount of construction proceeds that do not meet certain spending requirements. See section 148(f)(4)(C) and the Instructions for Form 8038-T.

Pooled financing issue. This is an issue of tax-exempt bonds, the proceeds of which are to be used to finance purpose investments representing conduit loans to two or more conduit borrowers, unless those conduit loans are to be used to finance a single capital project.

Specific Instructions

Part I—Reporting Authority

Amended return. An issuer may file an amended return to change or add to the information reported on a previously filed return for the same date of issue. If you are filing to correct errors or change a previously filed return, check the *Amended Return* box in the heading of the form.

The amended return must provide all the information reported on the original return, in addition to the new or corrected information. Attach an explanation of the reason for the amended return and write across the top, "Amended Return Explanation." Failure to attach an explanation may result in a delay in processing the form.

Line 1. The issuer's name is the name of the entity issuing the bonds, not the name of the entity receiving the benefit of the financing. For a lease or installment sale, the issuer is the lessee or the purchaser.

Line 2. An issuer that does not have an employer identification number (EIN) should apply online by visiting the IRS website at [IRS.gov/EIN](https://www.irs.gov/EIN). The organization may also apply for an EIN by faxing or mailing Form SS-4 to the IRS.

Line 3a. If the issuer wishes to authorize a person other than an officer or other employee of the issuer (including a legal representative or paid preparer) to communicate with the IRS and whom the IRS may contact about this return (including in writing or by telephone), enter the name of such person here. The person listed on line 3a must be an individual. Do

not enter the name and title of an officer or other employee of the issuer here (use line 10a for that purpose).

Note. By authorizing a person other than an authorized officer or other employee of the issuer to communicate with the IRS and whom the IRS may contact about this return, the issuer authorizes the IRS to communicate directly with the individual entered on line 3a and consents to disclose the issuer's return information to that individual, as necessary, to process this return.

Lines 4 and 6. If you listed an individual on line 3a to communicate with the IRS and whom the IRS may contact about this return, enter the number and street (or P.O. box if mail is not delivered to street address), city, town, or post office, state, and ZIP code of that person. Otherwise, enter the issuer's number and street (or P.O. box if mail is not delivered to street address), city, town, or post office, state, and ZIP code.

Note. The address entered on lines 4 and 6 is the address the IRS will use for all written communications regarding the processing of this return, including any notices.

Line 5. This line is for IRS use only. Do not make any entries in this box.

Line 7. The date of issue is generally the first date on which the issuer physically exchanges any bond included in the issue for the underwriter's (or other purchaser's) funds. For a lease or installment sale, enter the date interest starts to accrue in an MM/DD/YYYY format.

Line 8. If there is no name of the issue, please provide other identification of the issue.

Line 9. Enter the CUSIP (Committee on Uniform Securities Identification Procedures) number of the bond with the latest maturity. If the issue does not have a CUSIP number, write "None."

Line 10a. Enter the name and title of the officer or other employee of the issuer whom the IRS may call for more information. If the issuer wishes to designate a person other than an officer or other employee of the issuer (including a legal representative or paid preparer) whom the IRS may call for more information about the return, enter the name, title, and telephone number of such person on lines 3a and 3b.



Complete lines 10a and 10b even if you complete lines 3a and 3b.

Part II—Type of Issue



Elections referred to in Part II are made on the original bond documents, not on this form.

Identify the type of bonds issued by entering the issue price in the box corresponding to the type of bond (see *Issue price* under *Definitions*, earlier). Attach a schedule listing names and EINs of organizations that are to use proceeds of these bonds, if different from those of the issuer, include a brief summary of the use and indicate whether or not such user is a governmental or nongovernmental entity.

Line 18. Enter a description of the issue in the space provided.

Line 19. If the bonds are short-term tax anticipation notes or warrants (TANs) or short-term revenue anticipation notes or warrants (RANs), check box 19a. If the bonds are short-term bond anticipation notes (BANs), issued with the expectation that they will be refunded with the proceeds of long-term bonds at some future date, check box 19b. Do not check both boxes.

Line 20. Check this box if property other than cash is exchanged for the bond, for example, acquiring a police car, a fire truck, or telephone equipment through a series of monthly payments. (This type of bond is sometimes referred to as a “municipal lease.”) Also check this box if real property is directly acquired in exchange for a bond to make periodic payments of interest and principal. **Do not** check this box if the proceeds of the bond are received in the form of cash, even if the term “lease” is used in the title of the issue.

Part III—Description of Bonds

Line 21. For column (a), the final maturity date is the last date the issuer must redeem the entire issue.

For column (b), see *Issue price* under *Definitions*, earlier.

For column (c), the stated redemption price at maturity of the entire issue is the sum of the stated redemption prices at maturity of each bond issued as part of the issue. For a lease or installment sale, write “N/A” in column (c).

For column (d), the weighted average maturity is the sum of the products of the issue price of each maturity and the number of years to maturity (determined separately for each maturity and by taking into account mandatory redemptions), divided by the issue price of the entire issue (from line 21, column (b)). For a lease or installment sale, enter instead the total number of years the lease or installment sale will be outstanding.

For column (e), the yield, as defined in section 148(h), is the discount rate that, when used to figure the present value of all payments of principal and interest to be paid on the bond, produces an amount equal to the purchase price, including accrued interest. See Regulations section 1.148-4 for specific rules to figure the yield on an issue. If the issue is a variable rate issue, write “VR” as the yield of the issue. For other than variable rate issues, carry the yield out to four decimal places (for example, 5.3125%). If the issue is a lease or installment sale, enter the effective rate of interest being paid.

Part IV—Uses of Proceeds of Bond Issue

For a lease or installment sale, write “N/A” in the space to the right of the title for Part IV.

Line 22. Enter the amount of proceeds that will be used to pay interest on the issue accruing prior to the date of issue. For definition of date of issue, see these instructions, line 7.

Line 24. Enter the amount of the proceeds that will be used to pay bond issuance costs, including fees for trustees and bond counsel. If no bond proceeds will be used to pay bond issuance costs, enter zero. Do not leave this line blank.

Line 25. Enter the amount of the proceeds that will be used to pay fees for credit enhancement that are taken into account in determining the yield on the issue for purposes of section 148(h) (for example, bond insurance premiums and certain fees for letters of credit).

Line 26. Enter the amount of proceeds that will be allocated to such a fund.

Line 27. Enter the amount of the proceeds that will be used to pay principal, interest, or call premium on any tax-exempt bonds, including proceeds that will be used to fund an escrow account for this purpose.

Line 28. Enter the amount of the proceeds that will be used to pay principal, interest, or call premium on any taxable bonds, including proceeds that will be used to fund an escrow account for this purpose.

Part V—Description of Refunded Bonds

Complete this part only if the bonds are to be used to refund a prior issue of tax-exempt bonds or taxable bonds. For a lease or installment sale, write “N/A” in the space to the right of the title for Part V.

Lines 31 and 32. The remaining weighted average maturity is determined without regard to the refunding. The weighted average maturity is determined

in the same manner as on line 21, column (d).

Line 34. If more than a single issue of tax-exempt bonds or taxable bonds will be refunded, enter the date of issue for each refunded issue. Enter the date in an MM/DD/YYYY format.

Part VI—Miscellaneous

Line 35. An allocation of volume cap is required if the nonqualified amount for the issue is more than \$15 million but is not more than the amount that would cause the issue to be private activity bonds.

Line 36. If any portion of the gross proceeds of the issue is or will be invested in a guaranteed investment contract (GIC), as defined in Regulations section 1.148-1(b), enter the amount of the gross proceeds so invested, as well as the final maturity date of the GIC and the name of the provider of such contract.

Line 37. If the issue is a pooled financing issue (as defined under *Pooled financing issue* in *Definitions*, earlier), enter the amount of the proceeds used to make loans to other governmental units, the interest on which is tax exempt.

Line 38. If the issue is a loan of proceeds from a pooled financing issue (as defined under *Pooled financing issue* in *Definitions*, earlier), check the box and where asked for the date of issue, EIN, and name of the issuer of the master pool bond, enter the date of issue, EIN, and name of the issuer of the pooled financing issue.

Line 40. Check this box if the issue is a construction issue and an irrevocable election to pay a penalty in lieu of arbitrage rebate has been made on or before the date the bonds were issued. The penalty is payable with a Form 8038-T for each 6-month period after the date the bonds are issued. Do not make any payment of penalty in lieu of arbitrage rebate with this form. See Rev. Proc. 92-22, 1992-1 C.B. 736, for rules regarding the “election document.”

Line 41a. Check this box if the issuer has identified a hedge on its books and records according to Regulations sections 1.148-4(h)(2)(viii) and 1.148-4(h)(5) that permit an issuer of tax-exempt bonds to identify a hedge for it to be included in yield calculations for figuring arbitrage.

Line 42. In determining if the issuer has super-integrated a hedge, apply the rules of Regulations section 1.148-4(h)(4). If the hedge is super-integrated, check the box.

Line 43. If the issuer takes a “deliberate action” after the issue date that causes the conditions of the private business tests or the private loan financing test to be met, then such issue is also an issue of private

activity bonds. Regulations section 1.141-2(d)(3) defines a deliberate action as any action taken by the issuer that is within its control regardless of whether there is intent to violate such tests. Regulations section 1.141-12 explains the conditions to taking remedial action that prevent an action that causes an issue to meet the private business tests or private loan financing test from being treated as a deliberate action. Check the box if the issuer has established written procedures to ensure timely remedial action for all nonqualified bonds according to Regulations section 1.141-12 or other remedial actions authorized by the Commissioner under Regulations section 1.141-12(h).

Line 44. Check the box if the issuer has established written procedures to monitor compliance with the arbitrage, yield restriction, and rebate requirements of section 148.

Line 45a. Check the box if some part of the proceeds was used to reimburse expenditures. Figure and then enter the amount of proceeds that are used to reimburse the issuer for amounts paid for a qualified purpose prior to the issuance of the bonds. See Regulations section 1.150-2.

Line 45b. An issuer must adopt an official intent to reimburse itself for preissuance expenditures within 60 days after payment of the original expenditure unless excepted by Regulations section 1.150-2(f). Enter the date the official intent was adopted. See Regulations section 1.150-2(e) for more information about official intent.

Signature and Consent

An authorized representative of the issuer must sign Form 8038-G and any applicable certification. Also print the

name and title of the person signing Form 8038-G. The authorized representative of the issuer signing this form must have the authority to consent to the disclosure of the issuer's return information, as necessary to process this return, to the person(s) that have been designated in Form 8038-G.

Note. If the issuer in Part I, lines 3a and 3b, authorizes the IRS to communicate (including in writing and by telephone) with a person other than an officer or other employee of the issuer, by signing this form, the issuer's authorized representative consents to the disclosure of the issuer's return information, as necessary to process this return, to such person.

Paid Preparer

If an authorized officer of the issuer filled in this return, the paid preparer's space should remain blank. Anyone who prepares the return but does not charge the organization should not sign the return. Certain others who prepare the return should not sign. For example, a regular, full-time employee of the issuer, such as a clerk, secretary, etc., should not sign.

Generally, anyone who is paid to prepare a return must sign it and fill in the other blanks in the *Paid Preparer Use Only* area of the return.

The paid preparer must:

- Sign the return in the space provided for the preparer's signature (a facsimile signature is acceptable),
- Enter the preparer information, and
- Give a copy of the return to the issuer.

Paperwork Reduction Act Notice. We ask for the information on this form to carry out the Internal Revenue laws of the

United States. You are required to give us the information. We need it to ensure that you are complying with these laws.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form varies depending on individual circumstances. The estimated average time is:

Learning about the law or the form	2 hr., 41 min.
Preparing, copying, assembling, and sending the form to the IRS	3 hr., 3 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can send us comments through [IRS.gov/FormComments](https://www.irs.gov/FormComments).

Or you can write to:

Internal Revenue Service
Tax Forms and Publications
1111 Constitution Ave. NW, IR-6526
Washington, DC 20224

Do not send the form to this address. Instead, see *Where To File*, earlier.



**ARIZONA ADDENDUM
TO STATE AND LOCAL GOVERNMENT SOFTWARE LEASE-PURCHASE AGREEMENT**

LESSOR: De Lage Landen Public Finance LLC

LESSEE: County of Monterey

LEASE NUMBER: 500-50128270

LEASE DATE: July 20, 2020

This Addendum is hereby incorporated in and is hereby made a part of the above-referenced State and Local Government Software Lease-Purchase Agreement (together with all Exhibits and Attachments and this Addendum, the "Lease"). Words "YOU" and "YOUR" refer to the "Lessee" and the words "WE," "US" and "OUR" refer to De Lage Landen Public Finance LLC, its successors and assigns, as the "Lessor" of the Property. Lessor and Lessee hereby agree that capitalized terms used herein and not otherwise defined herein shall have the terms assigned to such terms in the Lease and that the following changes and additions shall be made to the Lease:

1. IF YOU ARE A COUNTY, **Section 8** of the Lease is hereby deleted and the following **Section 8** is hereby inserted in lieu thereof:

8. TITLE, LOCATION, INSPECTION, NO MODIFICATIONS OR ALTERATIONS. During the term of this Lease, title to the Property shall be retained by US. YOU will not have any right, title or interest in the Property except as expressly set forth in this Lease and any applicable license or other agreement. Upon (a) any termination of this Lease other than termination pursuant to **Section 17** or (b) if YOU are in default of this Lease, YOU will immediately discontinue use of the Property, remove the Property from YOUR computers and other electronic devices and deliver the Property to the Vendor. Within 30 days of any event described in clause (a) or (b) of the preceding sentence, YOU will deliver to US a certificate certifying that YOU have complied with the preceding sentence. Upon YOUR exercise of the purchase option pursuant to **Section 17** or payment in full of all Lease Payments under this Lease, title to the Property will immediately and without further action by US vest in YOU, AS IS, WHERE IS, without warranty, express or implied, free and clear of any claim by or through US. It is the intent of both parties that any transfer of title to YOU pursuant to this Section will occur automatically without the necessity of any bill of sale, certificate of title or other instrument of conveyance. WE will, nevertheless, execute and deliver any such instruments as YOU may request to evidence such transfer. YOU will, nevertheless, execute and deliver any such instruments as WE may request to evidence such transfer. YOU agree not to alter or modify the Property or permit a lien to be placed upon the Property or to remove the Property without OUR prior written consent. WE also have the right, at reasonable times, to inspect the Property.

2. IF YOU ARE A COUNTY, **Section 19** of the Lease is hereby deleted and the following **Section 19** is hereby inserted in lieu thereof:

19. FINANCIAL STATEMENTS. If WE feel it is necessary, YOU agree to submit financial statements (audited if available) on a quarterly basis.

3. The following **Section 26** is hereby added to the Lease:

26. CANCELLATION FOR CONFLICT OF INTEREST. Notwithstanding any provision in this Lease to the contrary, pursuant to A.R.S. § 38-511, the State of Arizona, its political subdivisions or any department or agency of either may, within three years after its execution, cancel any agreement or contract, without penalty or further obligation, made by the State of Arizona, its political subdivisions, or any of the departments or agencies of either if any person significantly involved in initiating, negotiating, securing, drafting or creating the agreement or contract on behalf of the State of Arizona, its political subdivisions or any of the departments or agencies of either is, at any time while the agreement or contract or any extension of the agreement or contract is in effect, an employee or agent of any other party to the agreement or contract in any capacity or a consultant to any other party of the agreement or contract with respect to the subject matter of the agreement or contract. A cancellation made pursuant to this Section will be effective when WE receive written notice of the cancellation, unless the notice specifies a later time, in which case it will be effective on such later date. Upon the cancellation of this Lease pursuant to this Section, YOU will immediately, at YOUR cost and expense, (i) discontinue use of the Property, remove the Property from YOUR computers and other electronic devices and deliver the Property to the Vendor and (ii) within 30 days of any such termination, deliver a certificate to US certifying that YOU have complied with clause (i) of this sentence. YOU hereby certify that neither YOU nor any of YOUR directors, officers or agents, nor any person having an interest in this Lease by, through or under YOU, is or has been an officer or agent of US or been significantly involved in initiating, negotiating, securing, drafting or creating this Lease on behalf of US. YOU recognize that this Lease is entered into by US in reliance upon the foregoing certification.

4. The following **Section 27** is hereby added to the Lease:

27. COMPLIANCE WITH ARIZONA LAW. WE agree to comply with the federal immigration laws and regulations that relate to OUR employees and with A.R.S. §23-214(A), to the extent such laws and regulations are applicable to US.

[The remainder of this page intentionally left blank.]

Except as specifically set forth in this Addendum, all terms and conditions contained in the Lease will remain in full force and effect and are hereby ratified and confirmed.

LESSEE SIGNATURE	County of Monterey
	Legal Name of Lessee
	Signature
	By
	Print Name
	Title

(LEASE MUST BE SIGNED BY AUTHORIZED OFFICIAL OF LESSEE)

LESSOR SIGNATURE	Name of Lessor
	De Lage Landen Public Finance LLC
	Lessor Signature
	Date
	By
	Print Name

Title
Lease Number
500-50128270