



## **VOLUNTARY DISCLOSURE OF LOAN**

**Lease No. 1000143083**

**Lease Purchase Agreement (the "Lease"), entered into by and between El Paso County Facilities Corporation ("EPFC"), as lessor, and El Paso County, as lessee;**

**Equipment financed by lease-purchase from the EPFC with moneys made available to EPFC pursuant to a direct placement of a lease purchase agreement, or assignment thereof, as a tax-exempt obligation, with JPMorgan Chase Bank, N.A.**

### **DISCLOSURE PURSUANT TO MSRB NOTICE 2012-18 DATED APRIL 3, 2012**

The information contained herein does not and should not be considered an offer to buy or sell securities. In connection with certain outstanding privately placed bank loans of El Paso County, Colorado (the "County"), the County is filing this information as a voluntary filing on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access ("EMMA") system. The County is not required pursuant to any continuing disclosure undertaking to file such information and is additionally under no obligation to update any such information voluntarily filed. This information is for informational purposes only, and does not include all information which may be of interest to a potential investor, nor does it purport to present full and fair disclosure within the meaning of the applicable securities laws. Such information about the County is only accurate as of its date, and the County undertakes no obligation to update such information beyond its date. No representation is being made that there has not been a change in the affairs of the County since such date. Such information is subject to change without notice and posting of other information filed by the County on EMMA does not imply that there has been no change in the affairs of the County since the date of such information.

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**EQUIPMENT LEASE PURCHASE AGREEMENT  
LEASE NO. 1000143083**

by and between

**EL PASO COUNTY FACILITIES CORPORATION,**  
as Lessor

and

**THE EL PASO COUNTY, COLORADO,**  
as Lessee

dated as of  
August 31, 2017

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## **EQUIPMENT LEASE PURCHASE AGREEMENT**

**THIS EQUIPMENT LEASE PURCHASE AGREEMENT** (this "Lease"), entered into as of August 31, 2017, by and between **EL PASO COUNTY FACILITIES CORPORATION**, a Colorado nonprofit corporation (together with any assignee thereof collectively referred to herein as "Lessor") and **THE EL PASO COUNTY, COLORADO** ("Lessee"), a home rule municipality and political subdivision duly organized and existing under the laws of the State of Colorado (the "State");

### **WITNESSETH:**

WHEREAS, Lessee desires to lease/purchase the certain equipment described in Exhibit B to this Lease (the "Equipment") pursuant to the terms of this Lease; and

WHEREAS, Lessor desires to lease to Lessee, and Lessee desires to lease from Lessor the Equipment, subject to the terms and conditions of and for the purposes set forth in this Lease; and

WHEREAS, Lessor, simultaneously with the execution and delivery of this Lease, shall apply or cause to be applied by its assignee moneys sufficient to effect the purchase of the Equipment; provided, however, that, in the event all or any portion of the Equipment is not available for purchase as of such date, Lessor shall enter into an Escrow Agreement (the "Escrow Agreement") with an escrow agent designated by Lessor (the "Escrow Agent") whereby Lessor, or its assignee, if any, shall deposit into the Acquisition Fund created under such Escrow Agreement and held by Escrow Agent (the "Escrow Account") moneys sufficient to purchase the Equipment to be leased hereunder; and

WHEREAS, Lessee is authorized under the Constitution and laws of the State to enter into this Lease for the purposes set forth herein;

NOW, THEREFORE, for and in consideration of the premises hereinafter contained, the parties hereby agree as follows:

### **ARTICLE I**

#### **COVENANTS OF LESSEE**

Lessee represents, covenants and warrants, for the benefit of Lessor and its assignees, as follows:

(a) Lessee is a home rule municipality and political subdivision duly organized and existing under the Constitution and laws of the State.

(b) Lessee will do or cause to be done all things necessary to preserve and keep in full force and effect its existence as a body corporate and politic.

(c) Lessee is authorized under the Constitution and laws of the State to enter into this Lease, and the transaction contemplated hereby, and to perform all of its obligations hereunder.

(d) Lessee has been duly authorized to execute and deliver this Lease and the payment schedule attached hereto as Exhibit A, and further represents and warrants that it has taken all such action as necessary to make this Lease the valid and binding obligation of Lessee, enforceable according to its terms, and Lessee has complied with its usual and customary purchasing practices in connection with the acquisition by Lessor of the Equipment hereunder for use by Lessee.

(e) During the term of this Lease, the Equipment will be used by Lessee only for the purpose of performing one or more governmental or proprietary functions of Lessee consistent with the permissible scope of Lessee's authority and will not be used in a trade or business of any person or entity other than Lessee.

(f) During the period this Lease is in force, Lessee will provide annual statements every 210 days, current financial statements, budgets, proof of appropriation for the ensuing fiscal year and such other financial information relating to the ability of Lessee to continue this Lease as may be reasonably requested by Lessor or its assignee. So long as the requested items are available publicly on a web site, delivery of physical copies shall not be required.

(g) Each Unit of Equipment acquired under this Lease will have a useful life in the hands of Lessee that is in excess of the sum of the Original Term and all Renewal Terms specifically relating to it.

(h) The Equipment is, and during the period this Lease is in force shall remain, personal property of the Lessor.

(i) The County has implemented and maintains in effect policies and procedures designed to ensure compliance by the County and its directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions, and the County and its officers and employees and, to the knowledge of the County, its directors and agents, are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects. None of (a) the County or to the knowledge of the County, any of its directors, officers or employees, or (b) to the knowledge of the County, any agent of the County that will act in any capacity in connection with or benefit from the Site Lease or this Lease, is a Sanctioned Person. Neither this Lease, any borrowing hereunder, the use of proceeds or other transaction contemplated by this Lease will violate any Anti-Corruption Law or applicable Sanctions.

(j) The County will maintain in effect and enforce policies and procedures designed to ensure compliance by the County and its directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions.

(k) The County shall not use, and shall procure that its directors, officers, employees and agents shall not use, the proceeds of this Lease or the Equipment (A) in

furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws, (B) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country, or (C) in any manner that would result in the violation of any Sanctions applicable to any party hereto. Notwithstanding any provisions to contrary contained herein, any violation of this provision shall constitute an immediate Event of Default hereunder.

## ARTICLE II

### DEFINITIONS

The following terms will have meanings indicated below unless the context clearly requires otherwise:

*“Accrual Date”* means August 31, 2017, the date upon which the Lessor executed and delivered the Assignment in exchange for payment or reimbursement of the Acquisition Cost of the Equipment.

*“Acquisition Cost(s)”* means the total cost of preparation, execution and delivery of this Lease and acquisition, including payment of any delivery charges, and preparation of the Equipment for Lessee’s use.

*“Anti-Corruption Laws”* means all laws, rules, and regulations of any jurisdiction applicable to the County from time to time concerning or relating to bribery or corruption.

*“Assignment”* means the Purchase and Assignment Agreement dated August 31, 2017, pursuant to which Lessor is assigning its right, title and interest in this Lease to JPMorgan Chase Bank, N.A., the initial Registered Owner thereof.

*“Code”* means the Internal Revenue Code of 1986, as amended.

*“Defeasance Securities”* means bills, certificates of indebtedness, notes, bonds or similar securities which are direct, non-callable obligations of the United States of America or which are fully and unconditionally guaranteed as to the timely payment of principal and interest by the United States of America, to the extent funds of the Lessee may be invested in such investments under the laws of the State at the time of such investment.

*“Individual Payment Schedule”* means the payment schedule specifically allocated in Exhibit A hereto to an individual Unit of Equipment identified in Exhibit B hereto.

*“Interest Rate”* means 1.6320 %.

*“Lease Term”* means, collectively, the Original Term and all Renewal Terms provided for in this Lease.

*“Paying Agent”* means the Director of Finance of the County.

*“Purchase Price”* means the amount which Lessee may, in its discretion, pay to Lessor in order to purchase the Equipment.

*“Receipt Certificate”* has the meaning set forth in the Escrow Agreement.

*“Registered Owner”* means the registered owner of the Assignment, according to the records maintained by the Registrar. The initial Registered Owner is \_\_\_\_\_.

*“Registrar”* means the Director of Finance of the County.

*“Rental Payments”* means the rental payments payable by Lessee for each Unit of Equipment pursuant to the provisions of this Lease and any applicable Individual Payment Schedule during the Lease Term, payable in consideration of the right of Lessee to use the Equipment during the Lease Term. Rental Payments shall be payable by Lessee to Lessor (if there is no Assignment) or the Registered Owner of the Assignment, in the amounts and at the times during the Lease Term set forth in Exhibit A hereto.

*“Sanctions”* economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by the U.S. government, including those administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State.

*“Sanctioned Country”* means, at any time, a country or territory which is itself the subject or target of any Sanctions (at the time of this Lease, Cuba, Iran, North Korea, Sudan and Syria).

*“Sanctioned Person”* means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State, (b) any Person operating, organized or resident in a Sanctioned Country or (c) any Person owned or controlled by any such Person or Persons described in the foregoing clauses (a) or (b).

*“Transfer Agent”* means the Director of Finance of the County.

*“Unit”* means, with respect to any item of equipment, a discrete item or group of items identified in the description attached hereto as Exhibit B.

*“Vendor”* means the manufacturer/contractor of any of the Equipment as well as the agents or dealers of the manufacturer from whom Lessor purchased or is purchasing the Equipment.

### **ARTICLE III**

#### **DEPOSIT OF MONEYS; ACQUISITION AND LEASE OF EQUIPMENT**

**Section 3.01. Deposit of Moneys; Transfers Upon Acceptance.** Lessor and Lessee agree that Lessor or, in the event of assignment by Lessor, the Registered Owner of the Assignment, as Lessor’s assignee, shall apply or cause to be applied to the purchase of the Equipment the principal amount of \$3,826,775.00 less any Acquisition Costs paid at closing,



which net amount is certified by Lessee to be sufficient to effect the same; provided, however, that, in the event all or any portion of the Equipment is not yet available for purchase as of such date, Lessor shall enter into the Escrow Agreement, pursuant to which Lessor or, in the event of assignment by Lessor, the Registered Owner of the Assignment, as Lessor's assignee, shall cause to be deposited in the Escrow Account created under such Escrow Agreement and held by the Escrow Agent, the principal amount of \$3,791,775.00 less any Acquisition Costs paid at closing. In the event that this Lease has been assigned in consideration of the initial Registered Owner providing funds for Acquisition Costs, Lessee agrees that such funds shall only be disbursed upon the satisfaction of the conditions of the Registered Owner's purchase of the Assignment.

**Section 3.02. Lessee As Agent; Acquisition of the Equipment.** To the extent that Lessor has not made arrangements directly with the Vendor of any Unit for the ordering, delivery or acceptance thereof by Lessor, Lessor hereby appoints Lessee as its agent solely for the purpose of acquiring the Equipment and Lessee hereby accepts such appointment. Lessee and Lessor will do all things necessary to effect the acquisition of the Equipment free and clear of any encumbrances and to subject the same to any security interests contemplated hereunder. Lessor shall not be responsible for the obligations of Vendor, and a failure by the Vendor to perform shall not affect Lessee's obligation to make Rental Payments under this Lease. Lessee agrees that the Equipment will be acquired in accordance with the terms, conditions and specifications therefor on file with Lessor.

Upon completion of acquisition of the Equipment satisfactory to Lessee and after authorization by Lessor, but in any event not later than 30 days following completion of such acquisition, Lessee shall deliver to Lessor, or Lessor shall obtain directly the required documentation to effect disbursement of funds from the Escrow Account for the Acquisition Costs thereof. Lessor shall make no such disbursement, either from its own funds or from funds provided by its assignee, until after it has received all of the following in form and substance satisfactory to Lessor: (a) evidence of insurance with respect to the Equipment in compliance with Section 8.03 of this Lease; (b) Vendor invoice(s) relating to the Equipment and, if such invoice(s) has (have) been paid by Lessee, evidence of payment thereof; (c) the manufacturer's Certificate of Origin/Assignment of Title and Title Application Form for Equipment subject to Certificate of Title laws; and (d) any other documents or items reasonably required by Lessor to evidence its title to the Equipment and its grant of a security interest in the Equipment to the Registered Owner.

Upon completion of acquisition of the Equipment satisfactory to Lessee and after authorization by Lessor, but in any event not later than 30 days following completion of such acquisition, Lessee shall deliver to Lessor an executed Receipt Certificate as set forth in the Escrow Agreement.

**Section 3.03. Payment of Acquisition Costs.** Payment to the Vendor(s) of the Acquisition Cost(s) of the Equipment shall be made by Lessor or, in the event of assignment by Lessor, the Registered Owner of the Assignment, as Lessor's assignee, or, in the event all or any portion of the Equipment is not available for purchase as of the date of execution and delivery of this Lease, from the moneys deposited with Escrow Agent, as provided in Section 3.01, which shall be disbursed for that purpose in accordance with and upon compliance with the terms of the Escrow Agreement. In the event such moneys are insufficient to pay all Acquisition Costs,

either Lessor or the Registered Owner shall advance additional funds as necessary to payment in full of the Acquisition Costs (provided, that any such advance by the Registered Owner shall be subject to written credit approval by the Registered Owner in its sole discretion) upon the execution and delivery of an appropriate amendment to Exhibit A hereto, or, at Lessee's option, Lessee shall pay the remaining Acquisition Costs from its own funds.

## **ARTICLE IV**

### **LEASE TERM**

**Section 4.01. Lease of Equipment.** Lessor hereby demises, leases and lets to Lessee, and Lessee rents, leases and hires from Lessor, the Equipment in accordance with the provisions of this Lease, to have and to hold for the Lease Term.

**Section 4.02. Commencement of Lease Term.** The Original Term of this Lease shall commence on the Accrual Date and shall terminate immediately following the last day of Lessee's then current fiscal year. The Lease Term will be subject to renewal at the end of the Original Term or any Renewal Term for an additional year (each a "Renewal Term"), upon the appropriation of funds for the ensuing fiscal year's Rental Payments, unless Lessee gives written notice to Lessor not less than 90 days prior to the end of the Original Term or Renewal Term then in effect, or such other notice as may be provided in Article VI hereof, of Lessee's intention to terminate this Lease at the end of the Original Term or Renewal Term, upon receipt by Lessor of any Rental Payments due for the then current year. The terms and conditions during any Renewal Term shall be the same as the terms and conditions during the Original Term, except that the Rental Payments shall be as provided in Exhibit A hereto.

**Section 4.03. Termination of Lease Term.** The Lease Term will terminate upon the earliest of any of the following events:

- (a) the expiration of the Original Term or any Renewal Term in the event of nonappropriation of funds pursuant to Section 6.06 hereof;
- (b) the exercise by Lessee of the option to purchase the Equipment granted under the provisions of Article IX or XI hereof;
- (c) a default by Lessee and Lessor's election to terminate this Lease under Article XIII; or
- (d) the payment by Lessee of all Rental Payments, late payment charges, past due finance charges, moneys due to release liens of any kind whatsoever, taxes and any other charges authorized or required to be paid by Lessee hereunder.

This Lease will automatically terminate in whole upon the last day of the last Renewal Term.

## ARTICLE V

### ENJOYMENT OF EQUIPMENT

Lessor hereby covenants to afford Lessee during the Lease Term the quiet use and enjoyment of the Equipment, and Lessee shall during the Lease Term peaceably and quietly have and hold and enjoy the Equipment, without suit, trouble or hindrance from Lessor, except as expressly set forth in this Lease.

Lessor shall have the right at all reasonable times during business hours to enter into and upon the property of Lessee for the purpose of inspecting the Equipment.

## ARTICLE VI

### RENTAL PAYMENTS

**Section 6.01. Rental Payments Constitute a Current Expense of Lessee.** Lessor and Lessee understand and intend that the obligation of Lessee to pay Rental Payments hereunder shall constitute a current expense of Lessee and shall not in any way be construed to be a debt, indebtedness or multiple fiscal year financial obligation of Lessee in contravention of any applicable constitutional or statutory limitation or requirement, nor shall anything herein constitute a pledge of the general tax revenues, funds or moneys of Lessee. Rental Payments shall be in consideration of Lessee's use of the Equipment during the year in which such payments are due.

**Section 6.02. Payment of Rental Payments.** The Paying Agent shall pay Rental Payments, exclusively from legally available moneys appropriated from Lessee's general fund and such other legally available funds as may be designated by Lessee in lawful money of the United States of America to Lessor or, in the event of assignment by Lessor, to the Registered Owner of the Assignment, as Lessor's assignee, in the amounts and no later than the dates set forth in Exhibit A; provided, that if Lessor or the Registered Owner, as the case may be, receives any Rental Payment later than 10 days from the scheduled due date, then Lessee shall also pay upon written demand as a late charge an amount equal to 5% of such overdue Rental Payment amount, limited, however, to the maximum amount allowed by law.

**Section 6.03. Interest and Principal Components.** A portion of each Rental Payment payable hereunder is paid as, and represents payment of, interest, and the balance of the Rental Payment payable hereunder is paid as, and represents payment of, principal. Exhibit A hereto sets forth the interest component and the principal component of each Rental Payment during the Original Term and all Renewal Terms of the Lease.

**Section 6.04. Rental Payments To Be Unconditional.** The obligations of Lessee to make the Rental Payments required under this Article VI and other sections of this Lease, and to perform and observe the covenants and obligations contained herein, shall be absolute and unconditional in all events, except as expressly provided in this Lease. Notwithstanding any dispute between Lessee and Lessor, any Vendor or any other person, Lessee shall make all Rental Payments when due and shall not withhold any Rental Payments, nor shall Lessee assert

any right of withholding, setoff or counterclaim against its obligation to make such payments required under this Lease. Lessee's obligation to make Rental Payments during the Original Term or any Renewal Term shall not be abated through accident or unforeseen circumstances.

**Section 6.05. Continuation of Lease Term by Lessee.** Lessee intends, subject to the provisions of Section 6.06 below, to continue the lease of the Equipment through the Original Term and all Renewal Terms and to make the Rental Payments as the same shall become due hereunder. Lessee reasonably believes that legally available funds in an amount sufficient to make all Rental Payments during the Original Term and each of the Renewal Terms will be on hand or available for appropriation. The officer of the Lessee responsible for preparation of the annual budget shall include in the proposed budget in each year funds for the payment of Rental Payments hereunder, provided that the decision to appropriate such amounts shall remain within the sole discretion of Lessee's County Council.

**Section 6.06. Nonappropriation.** In the event sufficient funds are not appropriated for the Rental Payments required to be paid in the next occurring Renewal Term (an "Event of Nonappropriation"), then Lessee may terminate this Lease in whole, and Lessee shall not be obligated to make payment of the Rental Payments provided for in this Lease beyond the then current Original or Renewal Term. Lessee agrees to deliver notice to Lessor of such termination at least 90 days prior to the end of the then current Original or Renewal Term, but failure to provide such notice shall not operate to extend the then current Original or Renewal Term or result in any liability to Lessee. If this Lease is terminated under the provisions of this Section 6.06, Lessee agrees peaceably to deliver the Equipment to Lessor at the location or locations specified by Lessor. To the extent lawful, Lessee agrees that if funds are appropriated to make Rental Payments for a succeeding fiscal year, it will not terminate this Lease during such fiscal year. Following an Event of Nonappropriation, if Lessee shall continue in possession of the Equipment after the termination hereof, Lessor shall have the right to recover the fair rental value thereof for such time as Lessee shall continue in possession. Fair rental value for this purpose shall be calculated by prorating the Rental Payments which would have come due had this Lease not been so terminated.

## **ARTICLE VII**

### **TITLE TO EQUIPMENT; SECURITY INTEREST**

During the term of this Lease, title to the Equipment and any and all additions, repairs, replacements or modifications shall vest in Lessor, subject to the interest and rights of Lessee hereunder and to encumbrances created or suffered to exist by Lessor, including, without limitation, liens granted by Lessor upon the Equipment as security for payments due to the Registered Owner of the Assignment. Whether the Acquisition Cost is funded by Lessor's assignee rather than Lessor itself, through the sale of the Assignment, or by Lessor's sale of the Assignment to the Registered Owner after such Acquisition Cost is paid by Lessor, Lessor may encumber its title to the Equipment to secure such Registered Owner.

## ARTICLE VIII

### MAINTENANCE; MODIFICATION; TAXES; INSURANCE AND OTHER CHARGES

**Section 8.01. Maintenance of Equipment by Lessee.** Lessee agrees at all times during the Lease Term, at Lessee's own cost and expense, to cause maintenance to be performed in such a way so as to make all necessary and proper repairs, replacements and renewals of such component parts as may from time-to-time be required and to maintain, preserve and keep the Equipment in good repair, working order and condition. To the extent of the provisions of this Lease and except as may otherwise be agreed to, neither Lessor nor any of its assignees shall have responsibility in any of these matters, or for the making of improvements or additions to the Equipment.

**Section 8.02. Taxes, Other Governmental Charges and Utility Charges.** The parties to this Lease contemplate that the Equipment will be used for a governmental or proprietary purpose of Lessee and, therefore, that the Equipment will be exempt from all taxes presently assessed and levied with respect to personal property. In the event that the use, possession or acquisition of the Equipment is found to be subject to taxation in any form, Lessee will pay during the Lease Term, as the same respectively come due, all taxes and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to (i) the Equipment and any equipment or other property acquired by Lessee in substitution for, as a renewal or replacement of, or a modification, improvement or addition to the Equipment or (ii) the Rental Payments; provided that, with respect to any governmental charges that may lawfully be paid in installments over a period of years, Lessee may elect to pay only such installments as have accrued during the time this Lease is in effect.

**Section 8.03. Provisions Regarding Insurance.** At its own expense Lessee shall cause casualty, public liability and property damage insurance to be carried and maintained, or shall demonstrate to the satisfaction of Lessor that adequate self-insurance is provided based upon actuarially sound insurance criteria as are consistent with generally accepted insurance industry standards with respect to the Equipment, sufficient to protect the Full Insurable Value (as that term is hereinafter defined) of the Equipment, and to protect Lessor from liability in all events and in such amount as is reasonably acceptable to Lessor or the Registered Owner, as the case may be, and which name Lessor and/or its assignee as additional named insured and as a Lender Loss Payee thereunder. All insurance proceeds from casualty losses shall be payable as hereinafter provided in this Lease. Lessee shall furnish to Lessor Assignments evidencing such coverage throughout the Lease Term. Any insurance maintained by Lessee shall be primary without any right of contribution from insurance which may be maintained by Lessor or the Registered Owner.

Lessee shall notify Lessor within five business days of any event of damage to or destruction of the Equipment.

The term "Full Insurable Value" as used herein shall mean the full replacement value of the Equipment but in no event less than the applicable Purchase Price.

Any insurance policy maintained pursuant to this Section 8.03 shall be so written or endorsed as to make losses, if any, payable to Lessee and Lessor as their respective interests may appear. The Net Proceeds (as defined in Section 9.01) of the insurance required in this Section 8.03 shall be applied as provided in Article IX hereof.

**Section 8.04. Advances.** In the event Lessee shall fail to maintain the full insurance coverage required by this Lease or shall fail to keep the Equipment in good repair and operating condition, Lessor or the Registered Owner of the Assignment may (but shall be under no obligation to) purchase the required policies of insurance and pay the premiums on the same or may cause to be made such repairs or replacements as are necessary and provide for payment thereof; and all amounts so advanced therefor by Lessor or the Registered Owner of the Assignment shall become additional rent for the then current Original Term or Renewal Term, which amounts Lessee agrees to pay.

**Section 8.05. Tax Covenants.** The following covenants are made for the benefit of the Registered Owner(s) of the Assignment. Lessee will not make or direct any use of the proceeds of the obligation provided herein or any other funds of Lessee which will cause such obligation to be an “arbitrage bond” within the meaning of Section 148 of the Code, to be “federally guaranteed” within the meaning of Section 149 of the Code, or to be a “private activity bond” within the meaning of Section 141(a) of the Code. To that end, so long as any Rental Payments are unpaid, Lessee, with respect to such proceeds and such other funds, will comply with all requirements of such Code sections and all regulations of the United States Department of the Treasury issued thereunder to the extent that such requirements are, at the time, applicable and in effect. Furthermore, to the extent applicable pursuant to Section 148(f) of the Code, Lessee covenants to complete or cause to be completed all reporting requirements and remit all required arbitrage rebate payments to the United States of America. Lessee covenants that the Equipment will be used only for the purpose of performing one or more governmental or proprietary functions of Lessee, and the Equipment will not be used in a trade or business of any person or entity other than Lessee on a basis different from the general public. Lessee will not use or permit the use of the Equipment by any person for a “private business use” within the meaning of Section 141(b) of the Code in such manner or to such extent as would result in the inclusion of the interest component of Rental Payments received hereunder in gross income for federal income tax purposes under Section 103 of the Code.

Lessor and Lessee shall at all times do and perform all acts and things permitted by law which are necessary or desirable in order to assure that the interest component of the Rental Payments will not be included in the gross income of Lessor for federal income tax purposes.

## ARTICLE IX

### DAMAGE, DESTRUCTION AND CONDEMNATION: USE OF NET PROCEEDS

**Section 9.01. Damage, Destruction and Condemnation.** Unless Lessee shall have exercised its option to purchase the Equipment by making payment of the Purchase Price as provided herein, if prior to the termination of the Lease Term (a) the Equipment or any portion thereof is destroyed (in whole or in part) or is damaged by fire or other casualty; or (b) title to, or the temporary use of, the Equipment or any Unit or any part thereof shall be taken under the

exercise of the power of eminent domain by any governmental body or by any person, firm or corporation acting under governmental authority, Lessee and Lessor (or the Registered Owner, if applicable) will cause the Net Proceeds (as defined below) of any insurance claim or condemnation award to be applied to the prompt repair, restoration, modification or improvement of the Equipment. Any balance of the Net Proceeds remaining after such work has been completed shall be paid to Lessee or its assignee.

For purposes of Section 8.03 and this Article IX, the term "Net Proceeds" shall mean the amount remaining from the gross proceeds of any insurance claim or condemnation award after deducting all expenses (including attorneys' fees) incurred in the collection of such claim or award.

**Section 9.02. Insufficiency of Net Proceeds.** Subject to Lessee's right to terminate this Lease under Section 6.06 hereof, if the Net Proceeds are insufficient to pay in full the cost of any repair, restoration, modification or improvement referred to in Section 9.01 hereof, Lessee shall either (a) complete the repair or replacement of damaged property and pay any costs in excess of the amount of Net Proceeds or (b) pay to Lessor the amount of the applicable Purchase Price, applying Net Proceeds to such payment.

## **ARTICLE X**

### **DISCLAIMER OF WARRANTIES; VENDOR'S WARRANTIES; USE OF THE EQUIPMENT**

**Section 10.01. Disclaimer of Warranties.** AS BETWEEN LESSOR AND LESSEE, DELIVERY OF EQUIPMENT TO LESSEE AND EXECUTION BY LESSEE OF A RECEIPT CERTIFICATE WITH RESPECT THERETO SHALL CONSTITUTE LESSEE'S ACKNOWLEDGEMENT THAT THE EQUIPMENT IS IN GOOD ORDER AND CONDITION AND IS OF THE MANUFACTURE, DESIGN AND CAPACITY SELECTED BY LESSEE, THAT LESSEE IS SATISFIED THAT THE SAME IS SUITABLE FOR ITS PURPOSE, AND THAT NEITHER LESSOR NOR ANY ASSIGNEE OF LESSOR MAKES ANY WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, WITH RESPECT TO THE EQUIPMENT, INCLUDING WITHOUT LIMITATION, ITS VALUE, DESIGN, CAPACITY, CONDITION, MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE OR INTENDED USE OF THE EQUIPMENT, OR WARRANTY WITH RESPECT THERETO, AND LESSOR AND ITS ASSIGNEES HEREBY DISCLAIM ALL SUCH REPRESENTATIONS AND WARRANTIES. IN NO EVENT SHALL ANY ASSIGNEE OF LESSOR BE LIABLE FOR ANY INCIDENTAL, DIRECT, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGE IN CONNECTION WITH OR ARISING OUT OF THIS LEASE OR THE EXISTENCE, FURNISHING, FUNCTIONING OR LESSEE'S USE OF ANY ITEM OR PRODUCTS OR SERVICES PROVIDED FOR IN THIS LEASE.

**Section 10.02. Vendor's Warranties.** Lessor hereby irrevocably appoints Lessee its agent and attorney-in-fact during the Lease Term, so long as Lessee shall not be in default hereunder, to assert from time-to-time whatever claims and rights, including warranty claims with respect to the Equipment, which Lessor may have against any Vendor of the Equipment.

Lessee's sole remedy for the breach of such warranty, indemnification or representation shall be against the Vendor of the Equipment, and not against Lessor or any assignee, if any, of Lessor, nor shall such matter have any effect whatsoever on the rights and obligations of Lessor or its assignee with respect to this Lease, including the right to receive full and timely payments hereunder. Lessee expressly acknowledges that no assignee of Lessor makes, or has made, any representation or warranties whatsoever as to the existence or availability of such warranties of any Vendor of the Equipment.

**Section 10.03. Use of the Equipment.** Lessee will not use, operate or maintain the Equipment or cause the Equipment to be used, operated or maintained improperly, carelessly, in violation of any applicable law or in a manner contrary to that contemplated by this Lease. Lessee shall provide or cause to be provided all permits and licenses, if any, necessary for the operation of the Equipment; provided, however, that Lessee may contest in good faith the validity or application of any such law or rule in any reasonable manner which does not, in the opinion of Lessor, adversely affect the estate of Lessor in and to any of the items of the Equipment or its interest or rights under this Lease.

Lessee shall notify Lessor within five business days if Lessee has actual knowledge of the assertion or filing of any claim or litigation arising in connection with the Equipment or the use thereof.

## **ARTICLE XI**

### **OPTION TO PURCHASE**

This transaction is non-callable. Upon payment of the Purchase Price, at the request of Lessee, the Lessor's or Registered Owner's security interest in the Equipment will be terminated, this Lease shall terminate in whole, the Equipment so purchased shall be the sole and separate property of Lessee, and Lessor, or the Registered Owner if there is an Assignment, shall deliver such bills of sale, releases, assignments or other instruments as reasonably requested by Lessee to evidence Lessee's title to such Equipment, free and clear of liens and encumbrances:

(a) at the end of the Lease Term, upon payment in full of Rental Payments due hereunder, plus all past due charges and other amounts hereunder then due and owing, if any; or

(b) if the Lease Term is terminated pursuant to Article IX of this Lease, in the event of total damage, destruction or condemnation of the Equipment and, if Lessee is not on such date in default under this Lease, upon payment of the then applicable Purchase Price to Lessor plus accrued interest on the then applicable Purchase Price at the Interest Rate thereon to the date of settlement thereof plus all past due charges and other amounts hereunder then due and owing, if any, subject to Lessee's right to terminate this Lease under Section 6.06 hereof.

Nothing herein shall prevent Lessee from depositing cash or Defeasance Securities in trust for the timely payment of such Rental Payments in accordance with the provisions of this Lease.



## ARTICLE XII

### ASSIGNMENT, SUBLEASING, INDEMNIFICATION MORTGAGING AND SELLING

**Section 12.01. Assignment.** This Lease, and Lessor's right to receive payments hereunder, may be assigned and reassigned in whole but not in part to one or more assignees or subassignees by Lessor at any time at or subsequent to the execution hereof, and the Lessee expressly consents to such assignment; provided, however, that no such assignment or reassignment shall be effective against Lessee and Lessee shall not be required to recognize any purported assignment or transfer or make payment to anyone other than Lessor unless and until (a) Lessee shall have received notice of the assignment or reassignment, disclosing the name and address of the assignee or subassignee; (b) such assignment shall be effective only upon the entry of the name of the assignee or subassignee as Registered Owner upon the registration books of the Lessee maintained by the Registrar and only by means of the transfer, on the records of the Registrar and Transfer Agent, of a written Assignment in substantially the form set forth in Exhibit C hereto; (c) such Assignment and any subsequent transfer of such Assignment shall be made or transferred only to (i) a "qualified institutional buyer" as defined in Rule 144A promulgated by the Securities and Exchange Commission pursuant to the Securities Act of 1933, as amended, or (ii) an "Accredited Investor" as defined in Regulation D under the Securities Act of 1933, as amended; and (d) in the event that such Assignment or any subsequent transfer is made to a bank or trust company as trustee for holders of certificates or other instruments representing interests in this Lease, or rights to receive amounts hereunder, such bank or trust company agrees to maintain, or cause to be maintained on behalf of and as agent for Lessee, a book-entry system by which a record of the names and addresses of such holders as of any particular time is kept and agrees, upon request of Lessee, to furnish such information to Lessee. Upon receipt of notice of assignment and evidence satisfactory to the Registrar and Transfer Agent of compliance with such conditions to transfer, the Registrar shall reflect in a book entry the assignee designated in such notice of assignment, and the Paying Agent shall thereafter make all payments to the Registered Owner designated in the notice of assignment, notwithstanding any claim, defense, setoff or counterclaim whatsoever (whether arising from a breach of this Lease or otherwise) that Lessee may from time-to-time have against Lessor, or any assignee. Lessor agrees to execute all documents, including notices of assignment and chattel mortgages or financing statements as may be reasonably requested by such permitted assignees or subassignees to protect their interests in the Equipment and in this Lease.

**Section 12.02. No Sale, Assignment or Subleasing by Lessee.** This Lease and the interest of Lessee in the Equipment may not be sold, assigned, subleased or encumbered by Lessee without the prior written consent of Lessor, which consent may be withheld in the total discretion of Lessor or its assignee taking into account, among other things, the treatment for federal income tax purposes of the interest component of the Rental Payments.

**Section 12.03. Release and Indemnification Covenants.** Except for the intentional or negligent acts of Lessor or any of its employees or agents thereof arising out of (a) entering into this Lease; and/or (b) any liability, obligation, loss, claim or damage arising out of or in connection with any misstatement of a material fact or failure to make a statement of material fact by Lessor or any assignee thereof (other than a misstatement by Lessee) in connection with

any offer, sale or other transfer of this Lease or any interest herein, to the extent permitted by the laws and Constitution of the State, Lessee shall, to the extent permitted by law, protect, hold harmless and indemnify Lessor from and against any and all liability, obligations, losses, claims and damages, regardless of cause thereof, and expenses in connection therewith, including, without limitation, counsel fees and expenses, penalties and interest arising out of or as the result of the entering into of this Lease in connection with the ownership or intended ownership, delivery, rejection, storage or return of any item of Equipment or any accident in connection with the operation, use, condition, possession, storage or return of any item of Equipment resulting in damage to property or injury to or death to any person. To the extent permitted by law, Lessee's obligation to protect, hold harmless and indemnify Lessor under this Section 12.03 shall continue in full force and effect notwithstanding the full payment of all obligations under this Lease or the termination of the Lease Term for any reason.

### ARTICLE XIII

#### EVENTS OF DEFAULT AND REMEDIES

**Section 13.01. Events of Default Defined.** The following shall be "events of default" under this Lease and the terms "event of default" and "default" shall mean, whenever they are used in this Lease, any one or more of the following events:

(a) failure by Lessee to pay any Rental Payment or other payment required to be paid hereunder at the time specified herein;

(b) failure by Lessee to observe and perform any covenant, condition or Lease on its part to be observed or performed, other than as referred to in Section 13.01(a) or 13.01(c), for a period of 30 days after written notice, specifying such failure and requesting that it be remedied as given to Lessee by Lessor, unless Lessor shall agree in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice cannot be corrected within the applicable period, Lessor will not unreasonably withhold its consent to an extension of such time if corrective action deemed appropriate by Lessor in its sole discretion, is instituted by Lessee within the applicable period and diligently pursued until the default is corrected;

(c) failure by Lessee to maintain insurance on the Equipment in accordance with Section 8.03 hereof; and

(d) a determination by Lessor that any representation or warranty of Lessee was materially false or misleading when made.

(e) Lessee applies for or consents to the appointment of a receiver, trustee, conservator or liquidator of Lessee or of all or a substantial part of its assets, or a petition for relief is filed by Lessee under any federal or state bankruptcy, insolvency or similar law, or a petition in a proceeding under any federal or state bankruptcy, insolvency or similar law is filed against Lessee and is not dismissed within sixty (60) days thereafter.

The foregoing provisions of this Section 13.01 are subject to (a) the provisions of Section 6.06; and (b) if by reason of force majeure Lessee is unable in whole or in part to carry

out its Lease on its part herein contained, other than the obligations on the part of Lessee contained in Article VI and Section 8.03 hereof, Lessee shall not be deemed in default during the continuance of such inability. The term "force majeure" as used herein shall mean, without limitation, the following: acts of God, strikes, lockouts or other industrial disturbances; acts of public enemies, orders or restraints of any kind of the government of the United States of America or of the state wherein Lessee is located or any of their departments, agencies or officials, or any civil or military authority; insurrections; riots; landslides; earthquakes; fires; storms; droughts; floods; or explosions.

**Section 13.02. Remedies on Default.** Whenever any event of default referred to in Section 13.01 hereof shall have happened and be continuing, Lessor or, if the rights of Lessor have been assigned as permitted hereby, the Registered Owner of the Assignment shall have the right, at its sole option and without further demand or notice, to take one or any combination of the following remedial steps:

(a) with or without terminating this Lease, (i) enter upon the location and retake possession of the Equipment and sell, lease or sublease the Equipment for the account of Lessee, holding Lessee liable for the rents and other amounts payable by Lessee hereunder to the end of the Original Term or the then current Renewal Term; or (ii) require Lessee to assemble, pack, return and pay the costs of returning the Equipment, within 10 days, to a location specified by Lessor and sell, lease or sublease the Equipment for the account of Lessee, holding Lessee liable for the rents and other amounts payable by Lessee hereunder to the end of the Original Term or the then current Renewal Term; and

(b) require Lessee to pay (and Lessee agrees that it shall pay) all amounts then currently past due under this Lease and all remaining Rental Payments due under this Lease for which Lessee has appropriated funds when the default had occurred, provided, however, that, upon such payment by the Lessee, the Lessor or, if the rights of Lessor have been assigned as permitted hereby, the Registered Owner of the Assignment, shall refrain from taking the remedial steps described in (a) above until the end of the then-current Renewal Term; and

(c) require Lessee to pay (and Lessee agrees that it shall pay) all out-of-pocket costs and expenses incurred as a result (directly or indirectly) of the default and/or of Lessor's actions under this Section 13.02, including, without limitation, any reasonable attorney fees and expenses and any reasonable costs related to the repossession, safekeeping, storage, repair, reconditioning or disposition of any Equipment; and

(d) take whatever action at law or in equity may appear necessary or desirable to enforce its rights as Lessor of the Equipment.

**Section 13.03. No Remedy Exclusive.** No remedy herein conferred upon or reserved to Lessor is intended to be exclusive, and every such remedy shall be cumulative and in addition to every other remedy given under this Lease or now or hereafter existing at law or in equity. Any repossession or subsequent sale or lease by Lessor or the Registered Owner of any item of Equipment shall not bar an action against Lessee for a deficiency, except that Lessee shall not be

liable in any event for Rental Payments in excess of the amount appropriated by it and the other amounts expressly permitted by Section 6.06 hereof, and the bringing of any action against or the entry of judgment against Lessee shall not bar the right of Lessor or the Registered Owner to repossess any or all of the Equipment. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time-to-time and as often as may be deemed expedient.

## **ARTICLE XIV**

### **MISCELLANEOUS**

**Section 14.01. Notices.** All notices, assignments, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or mailed by registered mail, postage prepaid, to the parties at the following addresses, provided that either party may provide a new address by notice to the other:

If to Lessee:	El Paso County, Colorado 200 South Cascade Avenue, Suite 150 Colorado Springs, CO 80903
If to Lessor:	El Paso County Facilities Corporation 200 South Cascade Avenue, Suite 150 Colorado Springs, CO 80903
If to the initial Registered Owner of the Assignment:	JPMorgan Chase Bank, N.A. 1111 Polaris Parkway, Suite A3 (OH1-1085) Columbus, Ohio 43240

**Section 14.02. Binding Effect.** This Lease shall inure to the benefit of and shall be binding upon Lessor and Lessee and their respective successors and permitted assigns, including the Registered Owner.

**Section 14.03. Severability.** In the event any provision of this Lease shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof, and the invalid or unenforceable provision shall be reformed and revised to be enforceable to the full extent permissible under the laws of the State.

**Section 14.04. Amendments.** The terms of this Lease shall not be waived, altered, modified, supplemented or amended in any manner whatsoever except by written instrument signed by Lessor and Lessee, nor shall any such amendment that affects the rights of the Registered Owner be effective without such Registered Owner's consent.

**Section 14.05. Execution in Counterparts.** This Lease may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

**Section 14.06. Applicable Law.** This Lease shall be governed by and construed in accordance with the laws of the State of Colorado.

**Section 14.07. Captions.** The captions or headings in this Lease are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Lease.

**Section 14.08. Entire Agreement.** This Lease constitutes the entire agreement between Lessor and Lessee as to the matters herein described. No waiver, consent, modification or change of terms of this Lease shall bind either party unless in writing signed by both parties, and then such waiver, consent, modification or change shall be effective only in the specific instance and for the specific purpose given. There are no agreements, understandings, obligations, representations or warranties, express or implied, not specified herein regarding this Lease or the Equipment leased hereunder. Any terms and conditions of any purchase order or other document submitted by Lessee in connection with this Lease which are in addition to or inconsistent with the terms and conditions of this Lease will not be binding on Lessor and will not apply to this Lease. Lessee by the signature below of its authorized representative acknowledges that it has read this Lease, understands it, and agrees to be bound by its terms and conditions.

**Section 14.09. Waiver of Jury Trial. LESSEE, LESSOR AND THE REGISTERED OWNER EXPRESSLY WAIVE ALL RIGHTS TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF, IN CONNECTION WITH OR IN ANY WAY RELATED TO THIS LEASE.**

**Section 14.10. BANK QUALIFIED:** LESSEE CERTIFIES (a) THAT IT HAS DESIGNATED THIS LEASE AS A "QUALIFIED TAX-EXEMPT OBLIGATION" FOR THE PURPOSES OF AND WITHIN THE MEANING OF SECTION 265(b)(3) OF THE CODE, (b) THAT IT HAS NOT DESIGNATED MORE THAN \$10,000,000 OF ITS OBLIGATIONS AS QUALIFIED TAX-EXEMPT OBLIGATIONS IN ACCORDANCE WITH SECTION 265(b)(3) OF THE CODE FOR THE CURRENT CALENDAR YEAR AND (c) THAT IT REASONABLY ANTICIPATES THAT THE TOTAL AMOUNT OF SECTION 265 TAX-EXEMPT OBLIGATIONS TO BE ISSUED DURING THE CURRENT CALENDAR YEAR BY LESSEE, OR BY AN ENTITY CONTROLLED BY LESSEE OR BY ANOTHER ENTITY THE PROCEEDS OF WHICH ARE LOANED TO OR ALLOCATED TO LESSEE FOR PURPOSES OF SECTION 265(b) OF THE CODE WILL NOT EXCEED \$10,000,000. "Section 265 Tax-Exempt Obligations" are obligations the interest on which is excludable from gross income of the owners thereof under Section 103 of the Code, except for private activity bonds other than qualified 501(c)(3) bonds, both as defined in Section 141 of the Code.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, Lessor has executed this Lease in its corporate name and Lessee has caused this Lease to be executed in its corporate name and attested by its duly authorized officer, all as of the date herein first mentioned.

**EL PASO COUNTY  
FACILITIES CORPORATION**

By

  
Joseph A. Reich, Jr.  
President

**EL PASO COUNTY, COLORADO**

By

\_\_\_\_\_  
Darryl Glenn  
President

Attest

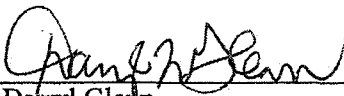
\_\_\_\_\_  
Chuck Broerman  
Clerk

IN WITNESS WHEREOF, Lessor has executed this Lease in its corporate name and Lessee has caused this Lease to be executed in its corporate name and attested by its duly authorized officer, all as of the date herein first mentioned.


**EL PASO COUNTY  
FACILITIES CORPORATION**

By \_\_\_\_\_  
Joseph A. Reich, Jr.  
President

**EL PASO COUNTY, COLORADO**

By   
Darryl Glenn  
President

Attest

  
Chuck Broerman  
Clerk

## EXHIBIT A-1

### TOTAL RENTAL PAYMENTS Lease Schedule Number: 1000143083

Lease Schedule Dated: **August 31, 2017**

Accrual Date **August 31, 2017**

Amount Financed **\$3,826,775.00**

Taxable Rate **2.2986%**

<b>Rent Number</b>	<b>Rent Date</b>	<b>Rent Payment</b>	<b>Interest Portion</b>	<b>Principal Portion</b>	<b>Principal Balance</b>	<b>Termination Value</b>
1	8/31/2017	\$650,000.00	\$0.00	\$650,000.00	\$3,176,775.00	\$3,272,078.25
2	2/1/2018	\$1,302,158.61	\$21,746.09	\$1,280,412.52	\$1,896,362.48	\$1,953,253.35
3	2/1/2019	\$1,302,158.61	\$30,948.64	\$1,271,209.97	\$625,152.51	\$643,907.09
4	2/1/2020	\$635,355.00	\$10,202.49	\$625,152.51	\$0.00	\$0.00
		\$3,889,672.22	\$62,897.22	\$3,826,775.00		

<sup>1</sup> The Interest Component is calculated at the Interest Rate of 1.6320%.



**EXHIBIT B****DESCRIPTION OF EQUIPMENT  
LEASE NO. 1000143083**

	Item	Make Model	Cost
1	Broom (443)	Elgin, Road Wizard	\$274,745
2	Broom (446)	Elgin, Road Wizard	\$274,745
3	Broom Construction (439)	Superior, DT80K	\$52,460
4	Broom Construction (440)	Superior, DT80K	\$52,460
5	Loader (243)	Caterpillar, 950GC	\$234,916
6	Grader (202)	Caterpillar, 140M3	\$281,444
7	Grader (205)	Caterpillar, 140M3	\$281,444
8	Grader (207)	Caterpillar, 140M3	\$281,444
9	Grader (211)	Caterpillar, 140M3	\$281,444
10	Grader (214)	Caterpillar, 140M3	\$281,444
11	Grader (215)	Caterpillar, 140M3	\$281,444
12	Grader (217)	Caterpillar, 140M3	\$281,444
13	Grader (218)	Caterpillar, 140M3	\$281,444
14	Snow Blower (295)	Fair, 948D	\$106,250
15	Patch Truck (160)	International, 4400	\$95,201
16	Tractor (100)	International, 7600 SBA	\$137,977
17	Tandem Dump (125)	International, 7600 SFA	\$143,886
18	Farm Tractor (407)	John Deere 5100E	\$53,693
19	Farm Tractor (408)	John Deere 5100E	\$53,693
20	Farm Tractor (408)	John Deere 5100E	\$53,693
			\$3,785,271

<sup>1</sup> Includes allocable portion of costs of execution and delivery of the Lease.

**EXHIBIT C**  
**FORM OF ASSIGNMENT**

[Please see Tab 2]

Form **8038-G**(Rev. September 2011)  
Department of the Treasury  
Internal Revenue Service**Information Return for Tax-Exempt Governmental Obligations**

► Under Internal Revenue Code section 149(e)

► See separate instructions.

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

OMB No. 1545-0720

<b>Part I Reporting Authority</b>		<b>If Amended Return, check here ► <input type="checkbox"/></b>	
<b>1</b> Issuer's name El Paso County, Colorado	<b>2</b> Issuer's employer identification number 84:6000764		
<b>3a</b> Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions)	<b>3b</b> Telephone number of other person shown on 3a		
<b>4</b> Number and street (or P.O. box if mail is not delivered to street address) 200 South Cascade Avenue	Room/suite	<b>5</b> Report number (For IRS Use Only)	3
<b>6</b> City, town, or post office, state, and ZIP code El Paso County, Colorado 80903	<b>7</b> Date of issue 08/31/2017		
<b>8</b> Name of issue Equipment Lease, 2017	<b>9</b> CUSIP number None		
<b>10a</b> Name and title of officer or other employee of the issuer whom the IRS may call for more information (see instructions) Nicola J. Sapp, Budget Officer	<b>10b</b> Telephone number of officer or other employee shown on 10a (719) 520-7428		

<b>Part II Type of Issue (enter the issue price). See instructions and attach schedule.</b>			
<b>11</b> Education .....	<b>11</b>		
<b>12</b> Health and hospital .....	<b>12</b>		
<b>13</b> Transportation .....	<b>13</b>		
<b>14</b> Public safety .....	<b>14</b>		
<b>15</b> Environment (including sewage bonds) .....	<b>15</b>		
<b>16</b> Housing .....	<b>16</b>		
<b>17</b> Utilities .....	<b>17</b>		
<b>18</b> Other. Describe ► Heavy Equipment	<b>18</b>	\$3,826,775	00
<b>19</b> If obligations are TANs or RANs, check only box 19a .....	► <input type="checkbox"/>		
If obligations are BANs, check only box 19b .....	► <input type="checkbox"/>		
<b>20</b> If obligations are in the form of a lease or installment sale, check box .....	► <input type="checkbox"/>		

<b>Part III Description of Obligations. Complete for the entire issue for which this form is being filed.</b>					
	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
<b>21</b>	02/01/2020	\$3,826,775.00	\$3,826,775.00	1.0071 years	1.6320%

<b>Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)</b>					
<b>22</b> Proceeds used for accrued interest .....	<b>22</b>		\$0	00	
<b>23</b> Issue price of entire issue (enter amount from line 21, column (b)) .....	<b>23</b>		\$3,826,775	00	
<b>24</b> Proceeds used for bond issuance costs (including underwriters' discount) .....	<b>24</b>	\$41,504	00		
<b>25</b> Proceeds used for credit enhancement .....	<b>25</b>	\$0	00		
<b>26</b> Proceeds allocated to reasonably required reserve or replacement fund .....	<b>26</b>	\$0	50		
<b>27</b> Proceeds used to currently refund prior issues .....	<b>27</b>	\$0	00		
<b>28</b> Proceeds used to advance refund prior issues .....	<b>28</b>	\$0	48		
<b>29</b> Total (add lines 24 through 28) .....	<b>29</b>		\$41,504	00	
<b>30</b> Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here) .....	<b>30</b>		\$3,785,271	00	

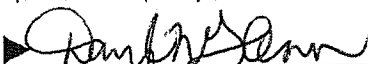
<b>Part V Description of Refunded Bonds. Complete this part only for refunding bonds.</b>	
<b>31</b> Enter the remaining weighted average maturity of the bonds to be currently refunded .....	► N/A
<b>32</b> Enter the remaining weighted average maturity of the bonds to be advance refunded .....	► N/A
<b>33</b> Enter the last date on which the refunded bonds will be called (MM/DD/YYYY) .....	► N/A
<b>34</b> Enter the date(s) the refunded bonds were issued (MM/DD/YYYY) .....	► N/A

For Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 63773S

Form **8038-G** (Rev. 9-2011)

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

Signature and Consent	Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.				
	 Signature of issuer's authorized representative		08/31/2017 Date	Darryl Glenn, President Type or print name and title	
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	PTIN
	Larry L. Carille, Esq.		08/31/2017		P01064471
	First name ▶ Kutak Rock LLP	Firm's EIN ▶ 47-0597598			
	Firm's address ▶ 1801 California Street, Suite 3100, Denver, Colorado, 80202			Phone no.: (303) 297-2400	

Form 8038-G (Rev. 9-2011)

THIS ASSIGNMENT EVIDENCES AN OBLIGATION EXEMPTED OR ISSUED IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER FEDERAL AND STATE OF COLORADO SECURITIES LAWS. UNDER NO CIRCUMSTANCES SHALL THIS ASSIGNMENT BE SOLD, PLEDGED OR OTHERWISE TRANSFERRED OR DISPOSED OF WITHOUT COMPLIANCE WITH THE REQUIREMENTS OF THE LEASE REFERRED TO HEREIN AND WITH ANY APPLICABLE STATE OR FEDERAL SECURITIES LAWS.

*This Assignment constitutes a motor vehicle mortgage and security agreement for purposes of the Colorado motor vehicle Certificate of Title Act, Part 1 of Article 6, Title 42, C.R.S., as amended, and is intended to create a security interest in the Equipment identified herein.*

## **PURCHASE AND ASSIGNMENT AGREEMENT**

**Lease Purchase Agreement No. 1000143083  
dated August 31, 2017**

**By and Between the El Paso County Facilities Corporation,  
a Colorado nonprofit corporation, as Lessor, and  
El Paso County, Colorado, a county and  
political subdivision of the State of Colorado, as Lessee**

Dated as of August 31, 2017

This Purchase and Assignment Agreement (the "Assignment") is made as of the date stated above by and between JPMORGAN CHASE BANK, N.A. ("JPMorgan Chase") and the "Seller" identified below:

Seller means: El Paso County Facilities Corporation, a Colorado nonprofit corporation

Lessee means: El Paso County, Colorado, a county and political subdivision of the State of Colorado

Lease means: Equipment Lease Purchase Agreement No. 1000143083, together with all exhibits, schedules, addenda and attachments thereto, dated as of August 31, 2017, a copy of which is attached hereto.

### **Section 1. Definitions.**

"*Conditional Title*" shall mean Seller's conditional title to the Equipment described in the Lease.

"*Equipment*" shall mean all of the property identified in the Lease, together with all parts, attachments, accessions and additions now or hereafter related thereto, and all substitutions and replacements thereof, wherever located.

"*Liens*" shall mean any liens, encumbrances, security interests and claims of any nature whatsoever.

“Purchase Price” means \$3,826,775.00\$

“Related Documents” shall mean any escrow agreement, guarantee, letter of credit, security agreement, credit enhancement or support agreement, insurance, indemnity, warranty or other agreement, executed in connection with or in any way related to the Lease or any Equipment.

“Rental Payments” shall mean all remaining rental payments which are described in Section 16 below and all other amounts payable by Lessee in connection with the Lease which are scheduled for payment by Lessee on or after the effective date of this Assignment.

Capitalized terms used herein and not otherwise defined shall have the same meanings, respectively, as provided in the Lease.

## **Section 2. Sale and Assignment; Grant of Security Interest in the Equipment.**

2.1 Effective upon the date of JPMorgan Chase’s payment of the Purchase Price (the “Effective Date”), Seller hereby sells, transfers and assigns to JPMorgan Chase and its successors and assigns without recourse (except as otherwise expressly provided herein) all of Seller’s present and future right, title and interest in and to the Lease, the Rental Payments, the Related Documents and any proceeds of any of the foregoing, including, without limitation, any insurance proceeds and claims against third parties (collectively, the “Sold Property”) to have and to hold for its and their own use and benefit forever.

2.2 The above assignment is an assignment of rights and benefits only under the Lease and the Related Documents, *not* an assignment or transfer of any obligations or liabilities of Seller under the Lease or any Related Documents. **SELLER AGREES THAT IT ALONE SHALL BE LIABLE FOR, AND SHALL FAITHFULLY AND PROMPTLY PERFORM, ALL OF ITS OBLIGATIONS UNDER THE LEASE, ANY RELATED DOCUMENTS AND UNDER ANY SERVICE OBLIGATIONS, WHETHER SUCH OBLIGATIONS ARISE BEFORE OR AFTER THE ACCEPTANCE DATE.** Seller shall comply with all of its warranty, maintenance, service, supply or other obligations, if any, relating to the Equipment (“Service Obligations”), including, without limitation such obligations included in the Lease or any Related Documents. Nothing herein shall relieve Seller from, or cause JPMorgan Chase to be liable for, the performance of any Service Obligations.

2.3 The above sale and assignment is intended to be an absolute and unconditional sale and is not intended as a loan by JPMorgan Chase to Seller. Accordingly, in the event of bankruptcy of Seller, the Sold Property shall not be part of Seller’s estate. However, if the above sale and assignment is deemed to be a loan by JPMorgan Chase to Seller, then Seller shall be deemed to have granted to JPMorgan Chase, and hereby grants to JPMorgan Chase, a continuing first priority security interest in the Sold Property and all proceeds thereof as collateral security for all Secured Obligations (as defined in Section 2.4 below), and this Assignment shall be deemed a security agreement with respect to such loan.

2.4 Seller and JPMorgan Chase expressly acknowledge and agree that: (a) under the Lease, Seller has retained Conditional Title to the Equipment; and (b) the Sold Property that is sold and assigned by Seller to JPMorgan Chase does not include Conditional Title to or any other

title to or ownership interest in the Equipment. As collateral security for the Secured Obligations (as defined below), Seller hereby grants to JPMorgan Chase a first priority security interest in any and all of the Equipment (now existing or hereafter acquired) and any and all proceeds thereof. Seller agrees to execute and deliver to JPMorgan Chase all necessary documents to evidence and perfect such security interest, including, without limitation, UCC financing statements and any amendments thereto. "Secured Obligations" means all of the following: (i) Lessee's obligations to pay all Rental Payments and all other amounts due and payable under the Lease; (ii) Lessee's obligation to perform and observe all covenants, agreements and conditions (direct or indirect, absolute or contingent, due or to become due, or existing or hereafter arising) of Lessee under the Lease; and (iii) Seller's obligation to perform and observe all covenants, agreements and conditions (direct or indirect, absolute or contingent, due or to become due, or existing or hereafter arising) of Seller under this Assignment.

**Section 3. Seller's Representations.** Seller represents to JPMorgan Chase that:

3.1 Seller has the power, authority and legal right to execute, deliver and perform this Assignment, the Lease and the Related Documents, none of which breach the provisions of Seller's Certificate or Articles of Incorporation or By-Laws or any material agreement by which Seller or its property is bound.

3.2 Except for the consent to assignment of Lessee (which has been duly executed and delivered by Lessee), no consent of any governmental body or any other party is required in connection with the execution, delivery and performance of this Assignment, the Lease or the Related Documents.

3.3 There is no legal action or proceeding before any court or governmental body pending against Seller or, to the best of Seller's knowledge, Lessee which involves in any way this Assignment or the Sold Property. The terms and conditions of this Assignment and, to the best of Seller's knowledge, the terms and conditions of the Lease and the Related Documents, do not violate any applicable state or federal law.

3.4 Good and marketable title to the Sold Property has been duly vested in JPMorgan Chase free and clear of any Liens other than the rights of Lessee under the Lease. Seller has not sold, assigned or transferred any of the Sold Property or any interest in the Sold Property to any party other than JPMorgan Chase.

3.5 The Equipment is free and clear of any Liens other than the Conditional Title and the security interest granted by Seller to JPMorgan Chase as set forth in Sections 2.3 and 2.4 above (the "Security Interests") and the rights of Lessee under the Lease.

3.6 Seller has delivered to JPMorgan Chase one of the signed originals of the Lease and the Related Documents.

3.7 The Lease, the Related Documents and this Assignment, together with all signatures appearing thereon, are genuine, are in full force and effect and are valid and legally binding agreements of Seller, Lessee and, if any, each guarantor, except as such enforceability may be affected by bankruptcy, insolvency or similar laws. No default has occurred under the Lease by either Seller or, to the best of Seller's knowledge, Lessee.

3.8 Seller shall provide JPMorgan Chase Bank, N.A. notice of the delivery and unconditional acceptance of the Equipment by Lessee. The Equipment shall comply with all warranties, all purchase orders or purchase contracts and all other specifications relating to the Equipment. Lessee does not have, and has not asserted, any right of offset, defense or counterclaim to any of its obligations under the Lease.

3.9 All statements, documents, information, representations and warranties made or furnished by Seller to JPMorgan Chase relating to the financial condition of Seller or Lessee or to this Assignment or the Sold Property are, when so furnished, in all material respects true, accurate and complete.

3.10 The Lease and the Related Documents which are delivered to JPMorgan Chase with this Assignment collectively constitute the entire agreement between Seller and Lessee as to the lease and/or sale of the Equipment.

#### **Section 4. Covenants.**

4.1 Seller agrees that it (a) shall not have any further or future interest in or rights to any of the Sold Property or any of the Equipment; (b) shall not have any right to amend, modify, compromise, release, terminate or permit prepayment of the Lease or any Related Documents; (c) shall not have any right to upgrade any Equipment or to accept the return of any Equipment; and (d) shall not take any action which may impair the payment of Rental Payments or the validity or enforceability of the Lease or any Related Documents; provided, that Seller shall be entitled to collect and retain the Retained Payments. "Retained Payments" shall mean any rental payments or other payments paid or payable to Seller which are specifically identified in Section 17 below. Seller agrees that it shall not sell, assign, transfer or otherwise dispose of any of the Equipment or any interest therein to any party other than a sale to Lessee pursuant to the express terms and conditions of the Lease and only so long as all proceeds of any such sale to Lessee are paid directly by Lessee to the Registered Owner of this Assignment.

4.2 If Seller receives any Rental Payments, then Seller shall receive such payments in trust for the Registered Owner and shall immediately deliver the same to the Registered Owner in the form received, duly endorsed by Seller for deposit by the Registered Owner.

4.3 At Seller's cost and expense, Seller shall execute and deliver to JPMorgan Chase such assignments, notices of assignment, UCC financing statements, assignments of financing statements and other documents, in form and substance satisfactory to JPMorgan Chase, and Seller shall take such other actions, as JPMorgan Chase may reasonably request from time to time to evidence, perfect, maintain and enforce JPMorgan Chase's rights in the Sold Property or the Security Interest and/or to enforce or exercise JPMorgan Chase's remedies under the Lease and any Related Documents. JPMorgan Chase may, where permitted by law, file such UCC financing statements without Seller's signature.

4.4 Seller shall pay directly, and shall indemnify and hold JPMorgan Chase harmless on an after-tax basis from, all Taxes as are, or may become, due in connection with Seller's sale or assignment of the Sold Property or with Seller's acquisition of the Equipment. "Taxes" shall



mean all taxes, governmental levies or assessments and other governmental charges of any nature whatsoever.

4.5 Seller shall defend the title to the Sold Property set forth in Section 2 hereof, the Security Interests granted to JPMorgan Chase and the representations, warranties and covenants set forth in Sections 3 and 4 hereof forever against all claims or demands.

## **Section 5. Indemnities.**

5.1 Seller hereby indemnifies JPMorgan Chase, its representatives, directors, officers and shareholders, and their respective successors and assigns, and agrees to hold such parties harmless from any and all claims, demands, actions, suits, proceedings, liabilities, obligations, losses, damages, injuries, penalties, costs and expenses (including reasonable attorneys' fees and expenses), which result from or arise out of (a) the incorrectness of any representation or warranty by Seller contained in this Assignment as of the date such representation or warranty is made by Seller; (b) the breach by Seller of any of the covenants or agreements contained in this Assignment; or (c) the failure by Seller to duly pay, perform and/or discharge its obligations and liabilities, if any, which were to be performed prior to the Effective Date by Seller under the Lease or which accrue with respect to the period prior to the Effective Date as a result of any act or omission of Seller with respect to the Lease.

5.2 JPMorgan Chase hereby indemnifies Seller, its representatives, directors, officers and shareholders, and their respective successors and assigns, and agrees to hold such parties harmless from any and all claims, demands, actions, suits, proceedings, liabilities, obligations, losses, damages, injuries, penalties, costs and expenses (including reasonable attorneys' fees and expenses), which result from or arise out of (a) the incorrectness of any representation or warranty by JPMorgan Chase contained in this Assignment as of the date such representation or warranty is made by JPMorgan Chase; (b) the breach by JPMorgan Chase of any of the covenants or agreements contained in this Assignment; (c) any unauthorized transfer of this Assignment by JPMorgan Chase contrary to Section 12.01 of the Lease; or (d) the failure by JPMorgan Chase to duly pay, perform and/or discharge its obligations and liabilities under the Lease which are expressly assumed hereunder and to be performed by JPMorgan Chase on or after the Effective Date.

## **Section 6. Billing and Collection.**

6.1 JPMorgan Chase and Seller agree that upon the signing of this Assignment, Seller shall **not** invoice the Lessee for any Rental Payments, JPMorgan Chase shall send invoices for Rental Payments directly to the Lessee and JPMorgan Chase will require Rental Payments to be made directly to JPMorgan Chase.

6.2 Seller hereby irrevocably constitutes and appoints JPMorgan Chase and any officer, employee or agent of JPMorgan Chase, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the name of Seller or JPMorgan Chase to collect, receive and endorse any checks and other instruments relating to any Rental Payments or any payments due from any party named in any Related Document. This power of attorney is a power coupled with an interest and is irrevocable. The powers conferred

on JPMorgan Chase under this paragraph are solely to protect JPMorgan Chase's interests in the Sold Property and the Equipment and shall not impose any obligation on JPMorgan Chase to exercise any such powers. JPMorgan Chase shall be accountable only for amounts it actually receives as a result of the exercise of such powers.

**Section 7. Governing Law; Jurisdiction.** This Assignment shall be deemed to have been made in and shall be governed by and interpreted in accordance with the laws of the State of Colorado. In connection with any litigation relating to this Assignment, Seller and JPMorgan Chase irrevocably consent to the jurisdiction of any federal or State court in Colorado.

**Section 8. Late Charges.** If any amount payable by Seller under this Assignment is not paid when due (whether at the stated maturity, by acceleration or otherwise), Seller shall pay JPMorgan Chase interest on such overdue amount calculated at the rate of 18% per annum, but in no event higher than that permitted by applicable law, until such overdue amount is paid in full.

**Section 9. Assignment.** Seller may not assign its rights or obligations hereunder to any other party. JPMorgan Chase may sell, assign or otherwise dispose of its rights to and/or interests in the Sold Property and the Security Interests, in whole but not in part, together with its other rights or obligations under this Assignment, in whole but not in part, at any time, provided that such assignment is made in compliance with the provisions of Section 12.01 of the Lease. Any prohibited assignment shall be null and void.

**Section 10. Litigation.** If either party institutes a lawsuit arising out of this Assignment as against the other party, then the prevailing party shall be entitled to reasonable attorney fees and costs in addition to any judgment or other relief.

**Section 11. Waiver.** JPMorgan Chase shall not be required to exercise any powers or to take any action to preserve, collect, enforce, defend or protect its rights in the Lease, the Rental Payments, the Security Interests, the Related Documents or the Equipment or to maintain, repair, protect, preserve or insure the Equipment. JPMorgan Chase may at any time agree to amend, modify, supplement, compromise, waive, release, cancel or terminate any term or condition of the Lease or the Related Documents except Section 12.01 of the Lease. Any actions taken by JPMorgan Chase under this Section shall be without notice, liability or accountability to Seller.

**Section 12. Notices.** All notices provided for in this Assignment shall be in writing and shall be effective five days after being sent by regular United States mail, postage prepaid, to Seller or JPMorgan Chase at their respective addresses set forth below or shall be effective when actually delivered to Seller or JPMorgan Chase if sent by overnight delivery service or other methods. Any changes in such addresses shall be by similar notice as provided for herein.

**Section 13. Miscellaneous.** The provisions of this Assignment shall not be modified, amended or waived, orally or by course of conduct, but only by written instrument referring hereto and executed by the parties hereto. All section headings of this Assignment are inserted for convenience only and shall not be deemed to constitute a part hereof. If any provision of this Assignment is invalid or in contravention of any applicable law or regulation, such provision

shall be severable without affecting the validity or enforceability of any other provisions of this Assignment. This Assignment shall be binding upon and shall inure to the benefit of Seller and JPMorgan Chase and their respective successors and permitted assigns. This Assignment constitutes the entire agreement between Seller and JPMorgan Chase as to the matters herein described.

**Section 14. Purchase Conditions.** JPMorgan Chase shall not be obligated to pay the Purchase Price unless all of the following conditions are satisfied in full: (a) Seller has signed and delivered the Assignment and JPMorgan Chase has accepted it; (b) one (1) *counterpart originals* of the Lease and the Related Documents have been delivered to JPMorgan Chase with this Assignment; (c) JPMorgan Chase has received all requested Uniform Commercial Code financing statements, assignments, amendments, partial releases and/or terminations and all requested manufacturers' Certificates of Origin/Assignments of Title and Title Application Forms for any Equipment subject to Certificate of Title Laws; (d) JPMorgan Chase has received evidence of insurance coverage, and related certificates of insurance, as requested by JPMorgan Chase; (e) Lessee has signed and delivered *directly to JPMorgan Chase* a consent to assignment; (f) JPMorgan Chase has received such documents and certificates relating to the tax-exempt interest payable under the Lease (including, without limitation, IRS Form 8038G or 8038GC) as JPMorgan Chase may request; (g) JPMorgan Chase has received an opinion of Lessee's Commission and such other documents and information (including, without limitation, resolutions, incumbency certificates, essential use certificates, escrow agreements and arbitrage certificates) previously identified by JPMorgan Chase or otherwise reasonably requested by JPMorgan Chase; (h) the Equipment shall have been delivered, installed and accepted in writing by Lessee; and (i) the Lease, all Related Documents, Lessee's consent to assignment, the opinion of Lessee's Commission and all other documents shall be satisfactory in form and substance to JPMorgan Chase.

**Section 15. Purchase Price.** \$3,826,775.00 payable to Seller on the Effective Date.

**Section 16. Rent Due.** Seller represents that, as of the Effective Date, the following information about the Lease is true and complete (and all payment information excludes taxes, if any):

Number of Rental Payments Remaining:	4
Amount of Advance Rental Payment:*	\$650,000.00
Amount of Rental Payments due in 2018-2019:	\$1,302,158.61
Amount of Final Rental Payment:	\$635,355.00
Frequency of Rental Payment:*	Annually
Next Rental Payment Due:*	August 30, 2017
Number of Rental Payments Remaining:	

**Section 17. Seller's Retained Payments.** None.

[The next page is the signature page.]

**Section 18. Jury Waiver. BOTH PARTIES EXPRESSLY WAIVE ALL RIGHTS TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF, IN CONNECTION WITH OR IN ANY WAY RELATED TO THIS ASSIGNMENT.**

IN WITNESS WHEREOF, the parties have set their hands below.

JPMORGAN CHASE BANK, N.A.

By 

Authorized Officer

111 Polaris Parkway  
Suite A3 (OH1-1085)  
Columbus, OH 43240

EL PASO COUNTY  
FACILITIES CORPORATION

By

\_\_\_\_\_  
Joseph A. Reich, Jr.  
President

200 South Cascade Avenue, Suite 150  
Colorado Springs, CO 80903

JPMorgan Chase's Acceptance Date: August 31, 2017

**Section 18. Jury Waiver. BOTH PARTIES EXPRESSLY WAIVE ALL RIGHTS TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF, IN CONNECTION WITH OR IN ANY WAY RELATED TO THIS ASSIGNMENT.**

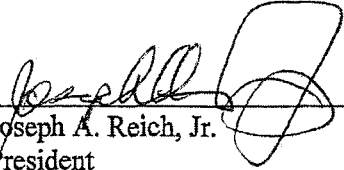
IN WITNESS WHEREOF, the parties have set their hands below.

JPMORGAN CHASE BANK, N.A.

By \_\_\_\_\_  
Authorized Officer

111 Polaris Parkway  
Suite A3 (OH1-1085)  
Columbus, OH 43240

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