

EXHIBIT A
REQUEST FOR FINANCING AND LIST OF BANKS

(See Attached)

NOTICE: External Email - Sender is dfeuerstein@baystlouis-ms.gov - Please be cautious when opening links or attachments in email.

I apologize for the quick turnaround on this one, however -

We are requesting Lease Financing Proposals for (4) 2026 Dodge Durango PPV's with outfitting equipment – all will be tax exempt:

- | | |
|---|--------------|
| • (4) 2026 Dodge Durango PPV – Direct Auto CDJR | \$154,024.00 |
| • (4) Stalker Radar – Applied Concepts | \$6,796.00 |
| • (4) Graphics from Graphics International | \$2,672.00 |
| • (4) Graphic Installs from Gumbo Graphics | \$1,800.00 |
| • (4) Equipment Installs from Southern Connection | \$46,374.68 |

Total Lease Financing Requested: \$211,666.68

Requested term for lease purchase is **5 years** with **annual** arrears fixed payments. Any excess costs including documentation costs should be noted in the proposal along with an amortization schedule.

Please return proposals via email or in person prior to **5:00 p.m. on Friday, March 13, 2026**; the financing is scheduled to be awarded at the March 17, 2026 City Council meeting.

Thank you,

Dana Feuerstein
Deputy Municipal Clerk / Finance Administrator
688 Hwy 90
Bay St. Louis, MS 39520
Office: (228)466-5451

Dana Feuerstein
Deputy Municipal Clerk / Finance Administrator
688 Hwy 90
Bay St. Louis, MS 39520
Office: (228)466-5451

EXHIBIT B

PROPOSALS RECEIVED FROM THE BANKS

(See Attached)

ESTABLISHED 1996

THE PEOPLES BANK

MEMBER FDIC

"Where PEOPLE come first"

P.O. DRAWER 529 BILOXI, MISSISSIPPI 39533-0529
(228) 435-5511 • (228) 864-2252 • (800) USE MINT (873-6468)
FAX (228) 435-8418

March 11, 2026

City of Bay St. Louis
Sissy Gonzales, City Clerk/Comptroller
P. O. Box 2550
Bay St. Louis, MS 39521

Re: \$ 211,666.68 (4) 2026 Dodge Durango Police PPV's with outfitting Equipment

Dear Ms. Gonzales:

For your \$211,666.68 par value, legally issued lease purchase note, we will pay \$211,666.68 plus accrued interest from date of issuance. Both principal and interest will be payable at The Peoples Bank. The note will bear interest as follows:

In Four (5) equal annual installments beginning 1 year following the issuance of the note at a rate of 5.23%.

Provided that you promptly furnish us, prior to the delivery of the note, without cost to us, a full transcript, properly certified, of all proceedings had prior to and incident to this issue, satisfactorily evidencing to our attorneys the unqualified legality of the issue in all respects; and you agree to take such further action as our attorneys may require, to establish the validity of said issue. This transcript should also state that the note is eligible as pledge collateral under the laws of the State of Mississippi.

The above rate is based on the assumption that the lease purchase note will be and hereby is designated as a "qualified tax-exempt obligation" for the purpose of paragraph (3) of sub-sections 265 (b) of the Internal Revenue Code of 1986, and the city does not anticipate issuing more than \$10,000,000.00 of such qualified tax-exempt obligations during the 2026 year.

We require titles for each of the vehicles to include the following information listing The Peoples Bank, Biloxi, Mississippi as lienholder and titles delivered to the Bank:

Lienholder Information for Auto Titles:

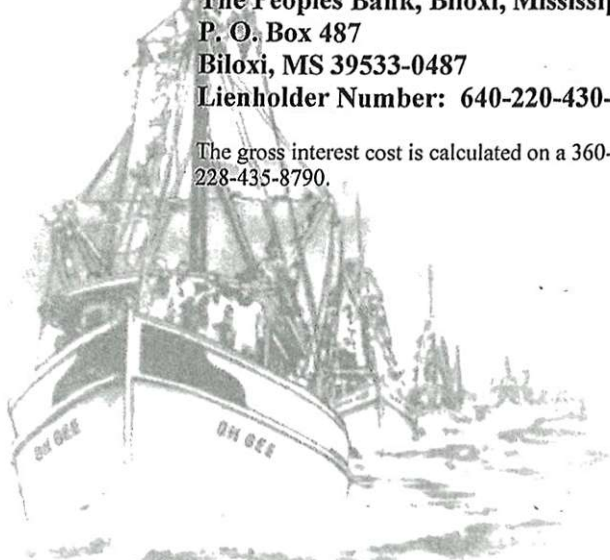
The Peoples Bank, Biloxi, Mississippi
P. O. Box 487
Biloxi, MS 39533-0487
Lienholder Number: 640-220-430-00

The gross interest cost is calculated on a 360-day basis. If you have any questions on this proposal, please call me at 228-435-8790.

Sincerely,



C.J. Dunaway
Vice President/Investments
The Peoples Bank



ANNUAL BLESSING OF THE SHRIMP FLEET
A CEREMONY DATING BACK OVER 300 YEARS

WWW.THEPEOPLES.COM



* % 60%05172026% *

AMORTIZATION SCHEDULE

Principal \$211,666.68	Loan Date 05-17-2026	Maturity 05-17-2031	Loan No	Call / Coll 001	Account	Officer CCS	Initials
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "*****" has been omitted due to text length limitations.							

Borrower: CITY OF BAY ST LOUIS

Lender: The Peoples Bank, Biloxi, Mississippi
Main Office
152 Lamouse Street
Biloxi, MS 39530-4214

Disbursement Date: May 17, 2026
Interest Rate: 5.230

Repayment Schedule: Installment
Calculation Method: 30 /360 U.S. Rule

Payment Number	Payment Date	Payment Amount	Interest Paid	Principal Paid	Remaining Balance
1	05-17-2027	49,200.92	11,070.16	38,130.76	173,535.92
2	05-17-2028	49,200.92	9,075.93	40,124.99	133,410.93
3	05-17-2029	49,200.92	6,977.39	42,223.53	91,187.40
4	05-17-2030	49,200.92	4,769.10	44,431.82	46,755.58
5	05-17-2031	49,200.90	2,445.32	46,755.58	0.00
TOTALS:		246,004.58	34,337.90	211,666.68	

NOTICE: This is an estimated loan amortization schedule. Actual amounts may vary if payments are made on different dates or in different amounts.



CADENCE EQUIPMENT FINANCE

3/4/2026

City of Bay St. Louis, MS

It is a pleasure to submit for your consideration the following proposal to provide lease-purchase financing based on the terms and conditions set forth below:

1. Lessor: Cadence Equipment Finance, a division of The Huntington National Bank
2. Lessee: City of Bay St. Louis, MS
3. Equipment Description: Four (4) New 2026 Dodge Durango PPV's
4. Equipment Cost: \$211,666.68
5. Lease Term: 5 Years
6. Lease Payments: (These are approximate payment amounts. The actual payment will be determined at funding date.)

5 annual payments of \$49,089.31 arrears
7. Lease Rate: 5.03%
8. Funding Date: This proposal is contingent upon the equipment being delivered and the lease funded prior to a change **in the current prime rate of 6.75%**. Any extension of the funding or delivery date must be in writing.
9. Purchase Option: Title is passed to Lessee at lease expiration for no further consideration.
10. Non-appropriation/Termination: The lease provides that Lessee is to make reasonable efforts to obtain funds to satisfy the obligation in each fiscal year. However, the lease may be terminated without penalty in the event of non-appropriation. In such event, the Lessee agrees to provide an attorney's opinion confirming the events of non-appropriation and Lessee's exercise of diligence to obtain funds.
11. Bank Qualification: This lease-purchase financing shall be designated as a bank qualified tax-exempt transaction as per the 1986 Federal Tax Bill. **This means that the Lessee's governing body will pass a resolution stating that it does not anticipate issuing more than \$10 million in General Obligation debt or other debt falling under the Tax Bill's definition of qualifying debt during the calendar year that the lease is funded.**

12. Tax Status: This proposal is subject to the Lessee being qualified as a governmental entity or "political subdivision" within the meaning of Section 103(a) of the Internal Revenue Code of 1954 as amended, within the meaning of said Section. Lessee agrees to cooperate with Lessor in providing evidence as deemed necessary or desirable by Lessor to substantiate such tax status.
13. Net Lease: This will be a net lease transaction whereby maintenance, insurance, taxes (if applicable), compliance with laws and similar expenses shall be borne by Lessee.
14. Financial Statements: Complete and current financial statements must be submitted to Lessor for review and approval of Lessee creditworthiness
15. Lease Documentation: This equipment lease-purchase package is subject to the mutual acceptance of lease-purchase documentation within a reasonable time period, otherwise payments will be subject to market change.

If the foregoing is acceptable, please so indicate by signing this letter in the space provided below and returning it to Cadence Equipment Finance. **The proposal is subject to approval by Cadence Equipment Finance's Credit Committee and to mutually acceptable terms, conditions and documentation.**

Acceptance of this proposal expires as the close of business on 4/4/2026. Extensions must be approved by the undersigned.

Any concerns or questions should be directed to Jonathan King at 228-223-4642 or Jonathan.King@cadencebank.com.

Jonathan King

Jonathan King
Municipal Territory Manager

ACKNOWLEDGMENT AND ACCEPTANCE

By: _____
Title

Date: _____

City of Bay St. Louis Durango's

Compounding Period: Monthly

Nominal Annual Rate: 5.030%

Cash Flow Data - Loans and Payments

	Event	Date	Amount	Number	Period	End Date
1	Loan	02/01/2026	211,666.68	1		
2	Payment	02/01/2027	49,089.31	5	Annual	02/01/2031

TValue Amortization Schedule - Normal, 30E3/360

	Date	Payment	Interest	Principal	Balance
Loan	02/01/2026				211,666.68
2026 Totals		0.00	0.00	0.00	
1	02/01/2027	49,089.31	10,895.75	38,193.56	173,473.12
2027 Totals		49,089.31	10,895.75	38,193.56	
2	02/01/2028	49,089.31	8,929.70	40,159.61	133,313.51
2028 Totals		49,089.31	8,929.70	40,159.61	
3	02/01/2029	49,089.31	6,862.44	42,226.87	91,086.64
2029 Totals		49,089.31	6,862.44	42,226.87	
4	02/01/2030	49,089.31	4,688.77	44,400.54	46,686.10
2030 Totals		49,089.31	4,688.77	44,400.54	
5	02/01/2031	49,089.31	2,403.21	46,686.10	0.00
2031 Totals		49,089.31	2,403.21	46,686.10	
Grand Totals		245,446.55	33,779.87	211,666.68	



COMMUNITY BANK

LOAN PROPOSAL FOR

CITY OF BAY ST. LOUIS

541 MAIN STREET
BAY ST. LOUIS, MS 39520

(228) 797.5230

COMMUNITYBANK.NET • MEMBER FDIC

INTRODUCTION



ERIC CHAMBLESS

CEO, COAST REGION

(228) 295.8154

Eric.Chambless@communitybank.net

NMLS#415941



MARSHALL ELEUTERIUS

PRESIDENT, MISSISSIPPI COAST DIVISION

(228) 374.7742

Marshall.Eleuterius@communitybank.net

NMLS#415944



JEREMY COMPRETTE

VICE PRESIDENT

(228) 797.5227

Jeremy.Compretta@communitybank.net

NMLS#500394



WHO WE ARE

Founded over 120 years ago, in the small East-Central Mississippi timber community of Forest, Community Bank puts the highest of value on taking care of our customers - no matter the relationship size, and giving back to the communities we serve.



WHEN I CAME TO COMMUNITY BANK IN 1968, I WANTED TO BE GOOD - I WANTED OUR BANK TO BE GOOD, SO WE COULD OFFER THE BEST BANKING SERVICES TO OUR CUSTOMERS,

said Thomas W. Colbert, Sr., Senior Chairman of the Board and Visionary Leader of Community Bank.



As Community Bank has grown from one office with 13 staff members and six million in assets when Colbert was named CEO, to today, with over 850 staff members, 56 offices and \$5 billion in assets, it is evident that staff is the key to success. Colbert continued, "You have to have the right people, and we made it a priority to put things in place to ensure we had the right staff."

The development and growth of Community Bank's staff has remained the top priority for the last 54 years. Instilling the culture of Community Bank that puts value not only on the relationship with customers, but places much emphasis on investing in the next generations of the company's leaders.

This dedication to the next generation of company leaders gives Community Bank a level of buy-in to our culture that is unprecedented. As you look at staff around our system you will find over 115 staff members who have been with the company over 20 years. "Our staff is our greatest asset. They always have been and always will be what makes Community Bank special," said Chuck Nicholson, Chairman of the Board for Community Bank.

From the early days in Forest until today having locations across four states, Community Bank has hired young, budding talent, brought them into the culture and taught them how to be true relationship bankers. There is an urgency to take care of the customers and to do it well. "We equip our staff with the ability to help the customers - we foster a culture of building relationships with our customers, no matter the financial need," said Justin Martin, President and CEO of Community Bank.



OFFERINGS

March 13, 2026

City of Bay St. Louis
Attn: Dana Feuerstein- Deputy Municipal Clerk/Finance Administrator
688 Hwy 90
Bay St. Louis, MS 39520

Re: Lease Proposal to purchase (4) 2026 Dodge Durango PPV; (4) Stalker Radar Units; (4) Graphics (Graphics Int'l); (4) Graphics (Gumbo); Equipment Installation

Dear Dana:

Thank you for taking an interest in Community Bank of MS to assist you with the financial needs for the City of Bay St. Louis. Community Bank of MS has 56 offices in 4 states – Mississippi, Alabama, Tennessee, and Florida, with 10 of those being right here on the MS Gulf Coast. We pride ourselves in offering reliable financial services to each of our customers in a timely manner. Above all, we aim to offer the highest standard of customer service possible.

Please accept the enclosed proposal for the City of Bay St. Louis Lease Proposal to purchase (4) 2026 Dodge Durango PPV; (4) Stalker Radar Units; (4) Graphics (Graphics Int'l); (4) Graphics (Gumbo); Equipment Installation. We appreciate the opportunity you have afforded Community Bank of MS in submitting this proposal.

Sincerely,



Jeremy Compretta
Vice President



OFFERINGS



11 March 2026

Dana Feuerstein
Deputy Municipal Clerk/Finance Administrator
City of Bay St. Louis
688 Hwy 90
Bay St. Louis, MS 39520

C/O Jeremy Compretta

We appreciate the information you have provided and are pleased to provide you with the following lease proposal. This proposal is subject to final credit approval and assumes use of our standard lease documentation. Unless previously extended in writing, this proposal will expire 30 days from today's date. **All pricing is net of applicable taxes.**

Lessee:	City of Bay St. Louis
Lessor:	BanCleasing, L.L.C. TM and/or its Assigns (Community Bank)
Base Lease Commencement:	Upon execution of lease documents and final acceptance of the vehicles and related equipment
Payments Due:	Annual; in arrears
Equipment Type:	(4) 2026 Dodge Durango PPV; (4) Stalker Radar Units; (4) Graphics (Graphics Int'l); (4) Graphics (Gumbo); Equipment Installation
Equipment Cost:	\$211,666.68
Lease Type:	Municipal
Base Lease Term:	5 Years
Annual Payments:	\$48,877
Interest Rate:	4.99%
End-of-term:	Purchase the configuration for \$1
Documentation Fee:	-0-
Lease Rate Adjustment:	The lease payment is fixed from the Commencement Date to the end of the initial lease term. It may be adjusted on the Commencement Date to reflect any upward change from the date of this proposal in either the Prime Rate of interest or like-term U.S. Treasuries as published in the Wall Street Journal.
Lease Accounting:	The Lessee and/or its accountants are responsible for determining Lessee's accounting treatment of any lease schedule, including lease classification and tax treatment.
Additional Terms:	This quote is subject to the Lessee designating the agreement as a "qualified tax-exempt obligation" as defined in Section 265(b)(3)(B) of the Internal Revenue Code.

Thank you for the opportunity to work with you. Please contact one of us with questions or requests for additional information. We look forward to developing a mutually beneficial relationship with you.

Jeremy Compretta
Vice President
Community Bank
228.797.5227
jeremy.compretta@communitybank.net

Bart Shaw
Senior Account Executive
BanCleasing, L.L.C.
214.778.1847
fbshaw@bancleasing.com

Agreed to & Accepted by

Lessee: City of Bay St. Louis

Signature

Date

Name

Title



OFFERINGS



City of Bay St Louis

4- Dodge Durangos; Stalker Radar Units; Graphics;
 Equipmet Installation

Compound Period: Annual

Nominal Annual Rate: 4.990%

AMORTIZATION SCHEDULE - Normal Amortization, 360 Day Year

	Date	Payment	Interest	Principal	Balance
Lease	4/1/2026				211,666.68
2026 Totals		0.00	0.00	0.00	
1	4/1/2027	48,877.00	10,563.49	38,313.51	173,353.17
2	4/1/2028	48,877.00	8,651.41	40,225.59	133,127.58
3	4/1/2029	48,877.00	6,643.90	42,233.10	90,894.48
4	4/1/2030	48,877.00	4,536.20	44,340.80	46,553.68
5	4/1/2031	48,877.00	2,323.32	46,553.68	0.00
Grand Totals		244,385.00	32,718.32	211,666.68	

This schedule is for illustrative purposes only.



OFFERINGS



Having complied with all the requirements of law, and having placed approved securities with the State Treasurer of Mississippi, Community Bank of Mississippi is hereby appointed a

STATE DEPOSITORY

for a term of one year ending the **thirtieth (30th)** day of **November, 2026**, and is hereby authorized and empowered to receive and disburse, according to law, any and all State Funds, there offered for demand deposits and for investment in Time Certificates of Deposit or other authorized securities, but shall not have on deposit at any time an amount exceeding that authorized by Section 27-105-9, Mississippi Code (1972) as amended, or other applicable law or regulation unless otherwise ordered by the State Treasurer.

In witness whereof, the State Treasurer has ordered this Commission issued and has duly signed and affixed the Seal of the Office of the Treasurer of the State of Mississippi thereto on this the **first** day of **December, 2025**.

A handwritten signature in black ink, appearing to read "David McRae", is written over a horizontal line.

David McRae
Treasurer of the State of Mississippi

EXHIBIT C
FORM OF LEASE PURCHASE AGREEMENT
(See Attached)



Master Lease Agreement

Lease # 56006MS-100

Date May 14, 2026

Lessee:

Name: City of Bay St. Louis (hereinafter "Lessee")
Address: 688 Hwy 90
City, St Zip: Bay St. Louis, MS 39520
Attn: Michael J. Favre
Phone #: (228) 466-5451
Fax #:

Billing Address (if different):

Address: PO Box 2550
City, St Zip: Bay St. Louis, MS 39520
Attn: Dana Feuerstein
Phone #: (228) 466-5451
Fax #:

A. MASTER LEASE AGREEMENT TERMS AND CONDITIONS. Each lease ("Lease") that is made and entered into pursuant to the terms of this Master Lease Agreement ("Master Lease Agreement" or "Agreement") consists of one or more acceptance certificate(s) ("Acceptance Certificate(s)") that incorporate by reference, the terms and conditions of this Master Lease Agreement. A schedule ("Schedule") summarizes all of the facts and data of each Acceptance Certificate. The terms and conditions of Section B of this Master Lease Agreement are incorporated by reference in each and every Lease. Lessor may, but shall not be obligated to designate a unique transaction number ("TA #") for each Schedule. Each Acceptance Certificate constitutes a separate obligation of the Lessee. This Master Lease Agreement shall become effective upon its execution by the Lessor and shall remain effective until terminated by either party hereto upon ten (10) day's prior written notice. At any time Lessor may, at Lessor's sole discretion, refrain from entering into a new Lease, provided however, that such action by Lessor shall not terminate this Master Lease Agreement. Notwithstanding the termination of this Master Lease Agreement, all Leases shall remain in full force and effect and subject to the terms of this Master Lease Agreement until the expiration of their respective term.

B. LEASE TERMS AND CONDITIONS. The following terms and conditions shall be incorporated by reference in each and every Acceptance Certificate that is made and entered into pursuant to this Master Lease Agreement:

1. LEASE. Lessor hereby agrees to lease to Lessee and Lessee hereby agrees to lease from Lessor all items (collectively, the "Equipment") identified or described in each Acceptance Certificate. The terms and conditions of this Master Lease Agreement are incorporated in each and every Acceptance Certificate. In the event of a conflict between the Master Lease Agreement and any Acceptance Certificate or Schedule, the terms and conditions of the Acceptance Certificate shall prevail. If more than one Acceptance Certificate is executed in connection with a Lease, Lessor may determine in its sole and absolute discretion, which Acceptance Certificates will apply to and be summarized on any Schedule.

2. EQUIPMENT ACQUISITION. Lessee requests that Lessor (a) order from the applicable vendor the Equipment described in any Lease, (b) arrange for delivery of such Equipment to Lessee, (c) and pay for the Equipment. If Lessor has paid for all or any part of the Equipment and the Equipment is not delivered, assembled or accepted by Lessee within sixty (60) days that Lessor orders the Equipment, Lessor will have the right to recover from Lessee all sums advanced together with interest thereon at the highest rate allowed by law from the date that Lessor paid for the Equipment to the date that Lessee pays Lessor in full for the amounts expended by the Lessor for the Equipment.

3. WARRANTIES. LESSOR HAS NOT MADE AND SPECIFICALLY DISCLAIMS ANY REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, AS TO ANY MATTER WHATSOEVER, INCLUDING, WITHOUT LIMITATION, THE QUALITY OR CONDITION OF THE EQUIPMENT, ITS MERCHANTABILITY OR ITS FITNESS FOR A PARTICULAR PURPOSE. REGARDLESS OF CAUSE, LESSOR IS NOT RESPONSIBLE FOR AND LESSEE WILL NOT MAKE ANY CLAIM FOR DAMAGES, WHETHER CONSEQUENTIAL, DIRECT, SPECIAL OR INDIRECT. LESSEE HEREBY ACKNOWLEDGES THAT NEITHER THE SUPPLIER OF THE EQUIPMENT NOR ANY SALES PERSON, EMPLOYEE OR AGENT OF THE EQUIPMENT SUPPLIER IS LESSOR'S AGENT OR REPRESENTATIVE AND HAS NO POWER OR AUTHORITY TO REPRESENT OR BIND LESSOR IN ANY WAY. Lessor will not be liable for any loss, cost or damage to Lessee or others arising from defects, negligence, delays, failure of delivery, interference with any patent, trademark, copyright or other intellectual property right or nonperformance of the Equipment. Lessee warrants to Lessor that (a) the Lessee is in good standing under the laws of the state of its formation and any state in which it conducts business; (b) the person(s) executing this Master Lease Agreement and any Schedule(s) and/or Acceptance Certificate(s) on behalf of the Lessee is Lessee's authorized representative empowered to bind the Lessee. Lessee shall provide executed Certificate(s) of Incumbency evidencing such authorization, if so requested by Lessor; (c) this Lease does not violate any other agreement(s) binding the Lessee; and (d) Lessee has furnished Lessor or the Equipment's supplier ("Supplier") the specifications regarding the Equipment or the Lessee has selected the Supplier and has directed the Lessor to acquire the Equipment in connection with the Lease.

4. DURATION OF LEASE AND LEASE PAYMENTS. Lessee's obligation to pay lease payments ("Lease Payments") will commence on the date set forth on each Acceptance Certificate ("Acceptance Date") and shall continue through the last date of the Base Term, as hereinafter defined, or any extension thereof. The base term of the Lease ("Base Term") shall be set forth on any Acceptance Certificate and shall be a date chosen by Lessor, which shall commence no more than forty-five (45) days from (i) the Acceptance Date, or (ii) in the case where one or more Acceptance

Certificates are summarized on a Schedule, the latest Acceptance Date of any Acceptance Certificate summarized on a Schedule ("Commencement Date"). Lessee shall pay Lease Payments in immediately available funds and in advance on the Commencement Date and on the same day of each consecutive month thereafter during the Base Term, or any extension thereof. During the period from the Acceptance Date to the Commencement Date, Lessee shall pay immediately upon Lessee's receipt of an invoice from Lessor, an amount equal to the product of (x) 1/360th of the annual Lease Payments multiplied by (y) the number of days that have elapsed or that will elapse from the Acceptance Date to, but not including, the Commencement Date. Each remittance from Lessee to Lessor shall contain information as to the Lease for which payment is made. Lessee agrees to lease from Lessor all upgrades, additions and all replacement equipment (as hereinafter defined) of the Equipment and make any adjustments to the Lease Payments, as necessary and applicable. At the expiration of the Base Term, or any extensions thereof, unless the Lease is terminated as provided herein, or unless the Equipment is purchased or returned by Lessee in accordance with Section 18 herein or any purchase option addendum attached hereto and incorporated herein, the Lease shall automatically extend for one (1) year under the same terms and conditions of the Base Term or any extension thereof. Lessee may terminate the Lease at the end of the Base Term or any extension thereof by providing Lessor with written notice, in accordance with the notice requirements set forth in Section 21 hereof, of its intent to terminate the Lease no less than ninety (90) days prior to the expiration of the Base Term or any extension thereof.

5. FINANCE LEASE, PURCHASE AND ACCEPTANCE OF THE EQUIPMENT. Lessee acknowledges and agrees that the Lease is a "Finance Lease" as that term is defined in the Article 2A 103 of the Uniform Commercial Code ("UCC"). Lessee acknowledges that (a) Lessor has not selected, manufactured, sold or supplied any of the Equipment, its supplies, service(s) or software; (b) Lessee has selected the Supplier and/or each item of Equipment, its supplies, service(s), software, and all other items related to the Equipment; (c) Lessee is responsible for all shipping costs and Equipment installation and de-installation charges; (d) Lessor is purchasing or has purchased the Equipment solely in connection with this Lease. This Lease constitutes a "finance lease" within the meaning of Article 2A of the Uniform Commercial Code, whether or not each requirement of the definition thereof

has been strictly or technically met. Lessor hereby notifies Lessee that Lessee is entitled to the promises and warranties, including those of any third party, provided to the Lessor by the entity supplying the Equipment in connection with or as part of the contract by which Lessor acquired the Equipment or the right to possession and use of the Equipment. Lessee may communicate with the Supplier and receive an accurate and complete statement of the promises and warranties, including any disclaimers and limitations thereof, or remedies made by the Supplier. Lessee hereby appoints Lessor its attorney-in-fact to insert the Acceptance Date and the serial numbers of any Equipment appearing on any Acceptance Certificate or Schedule. Such power-of-attorney is coupled with an interest and is irrevocable.

6. ADVANCE PAYMENT. Any advance payment(s) ("Advance Payment(s)") set forth in an Acceptance Certificate shall be security for Lessee's performance under this Lease and, so long as Lessee is not in default under this Lease or any lease made pursuant to the Master Lease Agreement, the Advance Payment(s) shall be used to pay the Lease Payment(s) number(s) set forth on the related Acceptance Certificate. Lessor may, at its sole discretion, apply Advance Payment(s) to cure any default under this Lease or any lease made pursuant to the Master Lease.

7. UNCONDITIONAL LEASE. Lessee's obligation to pay Lease Payments is ABSOLUTE AND UNCONDITIONAL UNDER ALL CIRCUMSTANCES WHATSOEVER and shall not be affected by, without limitation, any defect in condition, design, or operation of the Equipment, any lack of maintenance or service for the Equipment, its supplies or software, or any setoff, counterclaim, defense or reduction which Lessee may have against Lessor or any other party.

8. OWNERSHIP OF EQUIPMENT. Lessor is the owner of the Equipment and shall at all times retain title to the Equipment. Lessee will defend Lessor's title to the Equipment and will keep it free and clear of any and all claims, liens and encumbrances of any nature whatsoever and expressly authorizes Lessor or its assignee(s) to complete and file financing statements reflecting the parties' interest in the Equipment. Lessee will obtain and maintain all required, customary or appropriate licenses, titles, registrations and permits reflecting Lessor as owner. Although this Agreement is the standard form used by Lessor to lease hardware equipment to Lessee, Lessor and Lessee acknowledge that, with respect to any software which may be included in the description and definition of Equipment ("Software"), this Lease is a Finance Lease and a portion of Lessee's Lease Payment applicable to any Software represents license fees which has been paid by Lessor to the Software vendor ("Vendor"). Neither Lessor nor Lessee have or were granted any ownership or other proprietary rights in the Software, and neither party purports to transfer any such rights to the other hereunder. Lessee has only those rights in the Software that were granted to Lessee pursuant to the software license agreement entered into directly between Vendor and Lessee ("License"). The terms of this Lease are applicable only as between Lessor (and any Assignee) and Lessee. The terms of the License are applicable only as between Lessee and Vendor, and Lessor does not assume and is not liable for any obligations under any of the provisions of the License. Lessee's Lease Payment obligation is absolute and unconditional in all respects regardless of any problem Lessee may have with the Software, any dispute Lessee may have with the Vendor, any inability of Lessee to use the Software, or the exercise by Vendor of any remedies it may have pursuant to the License.

9. CARE, USE AND LOCATION. During the Base Term or any extensions thereof, and at Lessee's sole expense, Lessee shall cause the Equipment to be kept and maintained in accordance with the original Supplier's or approved maintenance provider's maintenance specifications. Lessee shall keep and maintain the Equipment in like new condition, repair, and appearance, ordinary wear and tear excepted. Lessee shall use the Equipment in the regular course of its business, and shall comply with all laws and regulations relating to the Equipment and its use. Lessee will not modify the Equipment without the prior written approval of Lessor, except if such modification is made in accordance with the Supplier's specific recommendation. All alterations, additions, replacements and accessions made to or upon the Equipment shall immediately become Lessor's sole and absolute property. The Equipment shall at all times be deemed to be personal property. Lessee shall keep the Equipment at the location set forth in the Acceptance Certificate and shall not remove the Equipment under any condition or circumstance without Lessor's prior written approval, provided: however, that under no circumstances shall the Equipment be moved outside the continental United States. Lessor or Lessor's representative shall have the right to enter Lessee's premises at all reasonable times to inspect the Equipment.

10. TAXES. Lessee will pay all excise taxes, sales and use taxes, personal property taxes and all other taxes and charges which may be imposed by any governmental entity during the term of this Lease, arising from the acquisition, use, ownership or leasing of the Equipment whether due before or after termination of this Lease (all such charges collectively referred to as "Taxes"). Lessor shall file personal property tax returns with respect to the Equipment directly with the taxing jurisdiction; provided, however, Lessee shall remit to Lessor, in advance, the Taxes that Lessor estimates are due and owing for the taxable year or immediately upon request from the Lessor or as otherwise directed by the Lessor. The provisions of this Section 10 shall survive termination of this Lease.

11. INSURANCE. Lessee shall be responsible for all risk of loss to the Equipment from the time the Equipment leaves the Supplier's place of business until it is returned to the location designated by the Lessor as provided for in Section 18 hereof. Prior to the time the Equipment leaves the Supplier's place of business, Lessee shall provide and maintain from insurance companies satisfactory to Lessor (A) property damage insurance against loss, fire, theft, damage or destruction of the Equipment, naming Lessor and its assignees as the loss payee, in an amount which is the greater of (i) the then current full replacement value of the Equipment or (ii) the value set forth on the Acceptance Certificate as "Stipulated Loss Value" less the product of 15% of the Stipulated Loss Value multiplied by the number of anniversary dates (but not greater than four) elapsed since the Acceptance Date; and (B) comprehensive general all-risk liability insurance including without limitation, product liability coverage, insuring Lessor, its assigns and Lessee, with a severability of interest endorsement or its equivalent, against any and all loss or liability for all damages, either to persons or property, or otherwise, which might result, or happen in connection with the condition, use or operation of the Equipment, with such limits as are satisfactory to Lessor. Each policy shall expressly provide that said insurance as to Lessor and Lessor's assigns shall not be invalidated by any act, omission or neglect of Lessee and cannot be cancelled or modified without thirty (30) days prior written notice to Lessor or its assigns. As to each policy, upon request from Lessor or its assignee(s), Lessee shall immediately furnish to Lessor, a loss payable endorsement, a certificate of insurance and/or copies of the insurance policies from the insurer, evidencing the insurance coverage required by this Section 11 ("Valid Evidence"). Lessor shall have no obligation to ascertain the existence of or provide any insurance coverage for the Equipment or for Lessee's benefit. The insurance proceeds shall be the sole property of Lessor, and may, at Lessor's discretion, be used for any of the following: (i) to reimburse Lessee for the cost of repair or replacement of the Equipment as required in Section 13 hereof; or (ii) to pay any remaining obligations under this Lease, provided however, that if all such obligations are paid in full, this Lease will terminate and the terms and conditions of section 18 will apply to such termination; or (iii) if Lessee is in default under the terms of this Lease, to pay any of Lessee's obligations under this Lease; provided however, that Lessor shall not be obligated to apply such insurance proceeds toward Lessee's obligations under the Lease and the application of such insurance proceeds by Lessor shall not waive or eliminate Lessor's default remedies hereunder. In the event Lessee fails to procure the insurance required above, prior to the commencement of this Lease or if Lessee fails to provide Valid Evidence, or in the event Lessee fails to maintain the required insurance, Lessor may, but shall not be required to, and without notice to Lessee, purchase such insurance and add the cost, including customary charges or fees associated with the placement, maintenance or service of such insurance, to the next monthly Lease Payment to become due hereunder and such charges shall constitute additional Lease Payments. Lessor may terminate or allow to lapse any coverage obtained by Lessor without having any liability to Lessee. Lessee hereby appoints Lessor as Lessee's attorney-in-fact to make a claim for, receive payment of, and execute and endorse all documents, checks or drafts for loss, theft, damage or destruction to the Equipment under any insurance obtained by Lessee. Such power-of-attorney is coupled with an interest and is non-revocable. Notwithstanding whether the Equipment is lost, destroyed, damaged, stolen or whether insurance is in effect or a claim pending thereunder, Lessee's obligation to pay Lease Payments is ABSOLUTE AND UNCONDITIONAL UNDER ALL CIRCUMSTANCES WHATSOEVER and Lessee will continue to pay Lease Payments throughout the Base Term and any extension thereof.

12. INDEMNITY. Lessee indemnifies and defends Lessor, its affiliates, their officers, agents and employees, assigns, successors, heirs and personal representatives of Lessor against all loss, liability and expense, including, without limitation, all actual attorney's fees (including costs of a successful defense) from claims for negligence, tort, strict liability, bodily injury,

including death or property damage or for any alleged violation of rights of others, including contract, patent, trademark, copyright or intellectual property rights or for any alleged violation of any law, ordinance, rule, regulation, decree, or otherwise arising from or in any way related to the Equipment, supplies, software, the Lease or the Master Lease Agreement, or otherwise, including, without limitation, the ownership, operation, manufacturing, maintenance or services of the Equipment. This provision shall survive expiration, assignment or termination of this Lease or the Master Lease Agreement.

13. LOSS OR DAMAGE. Lessee shall bear all the risks of loss of and damage to the Equipment from any cause and the occurrence of such loss or damage shall not relieve Lessee of any obligation hereunder. In the event of such loss or damage, Lessee shall immediately notify the Lessor in writing and, at the election of Lessor, shall; (a) place the same in like new condition and working order, certified for original Supplier's maintenance and deliver to Lessor written confirmation thereof or; (b) replace the same with equipment having a fair market value at the expiration of the Base Term equal to or greater than the fair market value of the Equipment replaced, and anticipated to have a fair market value that the replaced Equipment would have had at the end of the Base Term, and be the same manufacture, model and type and of at least equal capacity as that of the replaced Equipment ("Replacement Equipment"). Lessor will remit to Lessee the proceeds of insurance in an amount that is the lesser of (i) the actual cost of such repairs or Replacement Equipment or (ii) the insurance proceeds. The Replacement Equipment shall be free and clear of liens and encumbrances and Lessee shall immediately deliver to Lessor, a bill of sale in a form satisfactory to Lessor containing serial number(s) of the Replacement Equipment that conveys the Replacement Equipment to Lessor.

14. FEES, COLLECTION EXPENSES AND LATE CHARGES. Lessee shall also pay to Lessor hereunder a reasonable, administrative fee(s), which shall cover, among other things, Lessor's administrative costs and expenses associated with the initial set-up, revisions, reporting and payment of any taxes due hereunder, monitoring insurance coverage and termination of the Lease. If any Lease Payment, tax payment or any other amount payable herein is not paid when due ("Amount Due"), Lessor may elect for Lessee to pay on demand the following: (a) any collection agency fees and expenses plus; (b) a late payment service fee equal to the greater of fifteen (\$15.00) dollars or fifteen (15%) percent of the Amount Due for every month that the Amount Due remains unpaid. Lessor and Lessee agree that the fees set forth in this Section 14 are a reasonable approximation of the internal costs that Lessor will incur as a result of Lessee's delay in paying such Amount Due plus; (c) interest at an interest rate that is the highest rate permitted by law ("Late Charge Rate") on such Amount Due for the period for which it is overdue; (d) actual attorney fees and expenses. If Lessee fails to make any Lease Payment or fails to remit any other payment or perform any of its other obligations under this Lease (including, without limitation, its agreement to provide insurance coverage or pay taxes), Lessor may make such payment or perform such agreement and the amount of such payment and the expense of Lessor shall be additional Lease Payments payable by Lessee on demand by Lessor. Lessee shall pay to Lessor a charge of one hundred (\$100.00) dollars or, if less, the maximum amount permitted by applicable law for each check returned to Lessor unpaid in addition to any other fee provided for herein for a delinquent Lease Payment.

15. ASSIGNMENT. LESSEE SHALL NOT, DIRECTLY OR INDIRECTLY; (A) ASSIGN, SELL OR OTHERWISE DISPOSE OF ANY LEASE OR ANY INTEREST THEREIN OR THE EQUIPMENT OR ANY PART THEREOF OR; (B) SUBLEASE, CREATE, GRANT, ASSUME OR ALLOW TO EXIST ANY LIEN OR OTHER CLAIM TO THE EQUIPMENT OR ANY PART HEREOF. Lessor or any assignee hereof, may sell or grant a security interest in all or any part of Lessor's rights, obligations, title or interest in the Equipment and rights, obligations or interest arising under this Lease or under the Master Lease Agreement or any Lease Payment(s) or other amount payable under this Lease, to any entity ("Assignee") and in such event the Assignee shall have all of the rights, powers and remedies of Lessor hereunder. Lessee shall execute all documentation deemed necessary by Lessor, and/or any Assignee, to reflect Lessee's obligations under the Lease and/or Lessor's or Assignee's interest in the Lease and the Equipment. Lessee agrees that after written notice by Lessor or any Assignee (which notice for the purpose of this Section 15 may be an invoice bearing Lessor's or Assignee's name), Lessee shall pay all Lease Payments to the party and to the location as directed by the Lessor or Assignee. Lessee agrees to make all Lease Payments whether or not the Master Lease Agreement is terminated by operation of law, act of the parties hereto or

otherwise. Lessee will not (a) assert against any Assignee, any claims by way of abatement, defense, setoff, counterclaim, recoupment or otherwise which Lessee may have, (b) look to such Assignee to perform any of Lessor's obligations hereunder or (c) terminate or attempt to terminate this Lease on account of any default by Lessor or Assignee. Lessee acknowledges that a transfer or assignment of this Lease will not materially increase or change its obligations, burdens, duties or risks under this Lease. This Lease shall inure to the benefit of and be binding upon the successors and assigns of the respective parties hereto and the heirs, executors and administrators of the Lessee, if the Lessee is an individual, always providing that nothing contained in this paragraph shall impair any of the provisions herein before set forth inhibiting assignment without written approval of Lessor.

16. DEFAULT. Any of the following events or conditions shall constitute an event of default hereunder; (a) Lessee fails to pay any Lease Payment hereunder when due; (b) Lessee fails to perform any covenant, in part or whole, herein; (c) Lessee becomes insolvent or makes an assignment for the benefit of creditors or ceases conducting business as a going concern; (d) a receiver, trustee, conservator, or liquidator of Lessee is appointed with or without the application or approval of Lessee; (e) the filing by or against Lessee of a petition under the United States Bankruptcy Code or any amendment thereto; or under any other insolvency law or laws providing for, but not limited to, the relief of debtors or; (f) any representation or statement made or furnished to Lessor by or on behalf of Lessee which could prove to have been false, misleading or have a material effect on Lessee in any respect when made or furnished; (g) Lessee dissolves liquidates, or suspends its business; (h) Lessee sells, transfers or otherwise disposes of all or a majority of its assets, except that Lessee may sell its inventory in the ordinary course of its business; (i) Lessee enters into any merger, consolidation or similar reorganization unless it is the surviving entity; (j) Lessee transfers all or any substantial part of its operations or assets outside of the United States of America; (k) Lessee changes its name or chief place of business, without providing Lessor at least thirty days prior written notice thereof; or (l) when Lessor believes in good faith that the prospect for performance of the terms and conditions of this Lease by Lessee or payment of the Lease Payments by Lessee is impaired. As used in this Section 16, the term "Lessee" also includes any guarantor of all of Lessee's obligations hereunder.

17. REMEDIES AND LIQUIDATED DAMAGES. If any event of default exists in any of Lessee's obligations or covenants hereunder, Lessor or Lessor's agent or assigns, at any of their sole discretion, may, at any time, do one or more of the following in any order and Lessee shall perform its obligations imposed immediately thereby; (a) require Lessee to return to any location designated by Lessor any or all Equipment that is the subject of this Lease; (b) repossess any or all Equipment wherever found; (c) sell any or all Equipment at public or private sale, with or without advertisement or publication, (d) re-lease or otherwise dispose of the Equipment, use, hold or keep it; (e) require Lessee to immediately pay to Lessor as liquidated damages, with respect to any or all Equipment the sum of (i) all Lease Payments that are then due and unpaid; (ii) the Present Value, as that term is defined in the UCC, of the Lease Payments that are not then due but that will be due throughout the remaining Base Term or any extension thereof ("Remaining Payments"). The Remaining Payments shall be discounted in advance at an interest rate of Two Percent (2%) per annum. Lessee acknowledges and agrees that Two Percent (2%) per annum is a commercially reasonable interest rate and takes into account the facts and circumstances of the Lease at the time it is entered into; (iii) the anticipated market value of the Equipment as of the end of the Lease and determined in a commercially reasonable manner by Lessor; (iv) all costs, expenses, damages, including, without limitation, any collection agency and actual attorney's fees and expenses incurred in connection with the enforcement of this Lease or any related document; and (v) interest at the maximum rate permitted by the laws governing this Lease on the total of all sums due from time to time and on which interest has not previously been charged, accruing from the date of the Lessee's default under the Lease and continuing until all such amounts are paid; Lessee acknowledges and agrees that the sum of the aforementioned amounts is reasonable in light of the anticipated harm caused by the Lessee's default or other act or omission; (f) cancel this Lease and all Leases under the Master Lease Agreement; (g) sue to enforce Lessee's performance of its obligation under this Lease or any other Lease under the Master Lease; and (h) exercise any other right or remedy then available to Lessor at law or in equity. Lessor is not required to undertake any legal process or give Lessee any notice before exercising any of the above remedies. Lessee expressly waives all rights of notice prior to Lessor exercising such remedies and pursuing any and all legal action(s) against Lessee. None of the above remedies is exclusive, and each is cumulative and in addition to any other remedy available to Lessor. Lessor's

exercise of one or more remedies shall not preclude its exercise of any other remedy at any time. No delay or failure on the part of Lessor to exercise any right or remedy hereunder shall operate as a waiver thereof nor as an acquiescence in any default, nor shall any single or partial exercise of any right preclude any other exercise thereof or the exercise of any other right at any future and all Lessor's rights and remedies contained herein shall survive the termination of this or the Master Lease Agreement. Lessor shall not be required to sell, re-lease or otherwise dispose of any Equipment prior to Lessor enforcing any of the remedies described above. Lessor may sell or re-lease the Equipment in any manner it chooses, free and clear of any claims or rights of Lessee and without any duty to account to Lessee with respect thereto.

18. END OF LEASE PROVISIONS. Upon the expiration of the Base Term or any extension thereof: Lessee may, upon not less than (90) days prior written notice to Lessor, either (i) terminate the Lease in accordance with the terms of the Lease and this Master Lease and return the Equipment, by fulfilling the conditions set forth below, to a location designated by Lessor or (ii) purchase the Equipment in accordance with the terms herein effective on the expiration date of the Base Term. If Lessee elects to return the Equipment, at Lessee's sole expense, Lessee shall fulfill all of the conditions and requirements as follows: (a) cure any defaults then existing under the Lease, (b) place the Equipment in like new condition, ordinary wear and tear excepted, and if the Equipment is required by the Supplier to be certified for re-sale or re-lease, cause the Equipment to be certified for maintenance by the Supplier; (c) pay Lessor a restocking and disposition fee equal to Ten Percent (10%) of the original cost of the Equipment; and (d) pay all unpaid Taxes. After the Equipment has been returned to the Lessor, an audit will be performed and, if Lessee has failed for any reason to bring the Equipment to like new condition, ordinary wear and tear excepted, and pay all Taxes due and owing on the Equipment, upon written notice by Lessor, Lessee shall immediately pay all costs incurred by Lessor to bring the Equipment to a like new condition and pay all Taxes. The provisions of the preceding sentence shall survive termination of the Lease. If the Lessee has provided Lessor with at least ninety (90) days advance written notice of its intent to purchase the Equipment, upon Lessor's receipt of such written notice from Lessee, Lessor shall, as soon as reasonably possible, notify Lessee of the Equipment's purchase price, which shall be in Lessor's sole and absolute discretion based upon Lessor's estimate of the then market value ("Fair Market Value") of the Equipment. Within five (5) business days of Lessor's notification to Lessee of the Equipment's Fair Market Value, Lessee shall notify Lessor whether or not it intends to purchase the Equipment for the Equipment's Fair Market Value. If the Lessee wishes to purchase the Equipment, it shall purchase, on an "as is, where is" basis, all, but not less than all, of the Equipment on the date of expiration of the Base Term by payment to Lessor, in good and immediately available funds, of the aforesaid purchase price for the Equipment. If Lessee does not complete the purchase of the Equipment after notifying Lessor of its intent to do so, or does not return the Equipment after giving timely notice to terminate a Lease, Lessee shall pay Lessor, as liquidated damages and not as penalty, the sum of one year's Lease Payments in addition to returning the Equipment. Lessor and Lessee agree that the aforementioned liquidated damages are a fair and reasonable estimate of Lessor's damages resulting from Lessee's failure to purchase the Equipment.

19. UCC FILINGS AND FINANCIAL STATEMENTS. Lessor and Lessee agree that a reproduction of this Lease Agreement and its attachments may be filed as a financing statement and shall be sufficient as a financing statement under the UCC. Lessee hereby ratifies all action of the Lessor in

executing and filing financing statements prior to the execution of this Lease. Lessee shall execute or obtain or deliver to Lessor, upon Lessor's request, such other documents as Lessor deems necessary or advisable for the protection or perfection of this Lease and Lessor's rights hereunder and shall pay all costs incident thereto. Lessee shall make available to the Lessor all financial statements and tax returns upon request. At a minimum, Lessee agrees to provide Lessor such statements during the term of this Lease.

20. ENTIRE AGREEMENT. This Agreement represents the final, complete and entire agreement between the parties hereto. There are no oral or unwritten agreements or understandings affecting this Lease agreement, the Lease or the Equipment. This Agreement may not be modified, rescinded or altered except by a subsequent written document duly signed by an authorized representative of each party.

21. MISCELLANEOUS. In the event any provision, in whole or in part, of this Lease shall be held by a court of competent jurisdiction to be invalid or unenforceable, the remaining provision(s), in whole or in part shall remain and survive in full force and effect. The provisions of this Lease shall be binding upon and inure to the benefit of any successors or permitted assigns. If a Lease or the Master Lease is signed by more than one Lessee, all Lessees shall be jointly and severally liable for payment and performance of all of the Lessee's obligations under this Lease. In the event an unauthorized party or parties execute the Master Lease Agreement, an Acceptance Certificate or a Schedule, or represents that such party or parties has or had authority to bind the Lessee, then the Lessee shall be deemed to have authorized the execution of such document and shall be unconditionally bound under the terms of the Master Lease Agreement, the Acceptance Certificate or the Schedule, as the case may be. All notices permitted hereunder shall be effective (i) when delivered in person to the recipient of such notice; (ii) when delivered to a delivery carrier and when the carrier obtains from the intended recipient the recipient's or recipient's agent's signature; (iii) upon the date set forth on the return receipt when such notice is deposited in the United States mail with postage prepaid and sent certified mail return receipt requested; or (iv) sent via facsimile with evidence of a successful transmittal by the sender.

22. JURISDICTION. This Lease Agreement shall be binding when accepted in writing by the Lessor. THE INTERPRETATION, ENFORCEMENT, CONSTRUCTION, AND VALIDITY OF THIS LEASE AND ALL OF THE OTHER LEASE DOCUMENTS, AND RIGHTS AND OBLIGATIONS OF THE PARTIES HERETO, HEREUNDER AND THEREUNDER, SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF MISSISSIPPI (WITHOUT REGARD TO THE CONFLICT OF LAWS PRINCIPLES OF STATE), INCLUDING ALL MATTERS OF CONSTRUCTION, ENFORCEMENT, VALIDITY AND PERFORMANCE, REGARDLESS OF THE LOCATION OF THE EQUIPMENT. With respect to any legal action commenced hereunder, Lessee hereby voluntarily consents to the exclusive jurisdiction of any Federal or State Court located in the county of Scott, State of MISSISSIPPI. Lessee expressly waives any right to a trial by jury.

23. STATEMENT OF PURPOSE. Lessee hereby warrants and represents that all leased Equipment under this Lease Agreement will be used for business purposes and not for personal, family or household purposes and Lessee acknowledges that Lessor has relied upon this representation entering into this Lease Agreement.

Multiple Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

Lessor: BancLeasing, LLC™
660 North Central Expressway, Suite 400
Plano, TX 75074
Tel. No: 214-778-1840
Fax No: 214-778-1841

Lessee: City of Bay St. Louis, Mississippi

By: _____
Authorized Signature Date

Name

Title

By: _____
Authorized Signature Date

Michael J. Favre
Name

Mayor
Title



ADDENDUM TO MASTER LEASE

This Addendum to Master Lease Agreement #56006MS-100 (this "Addendum"), dated as of May 14, 2026 by and between BancLeasing, LLC™ ("BL" or "Lessor"), as lessor and City of Bay St. Louis, Mississippi, as lessee ("Lessee"). Unless otherwise defined herein, all capitalized terms used in this Addendum shall have the same meanings assigned to them in the Master Lease Agreement, dated as of May 14, 2026, by and between the Lessor and the Lessee (the "Master Lease Agreement").

NOW THEREFORE, for and in consideration of the mutual covenants and conditions set forth herein, and other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the Lessor and the Lessee hereby agree as follows:

1. Lessee warrants that it is a state, or a political subdivision thereof, as defined in Section 103(a) of the Internal Revenue Code of 1986, as amended (the "Code") and the related regulations and rulings thereunder, or the District of Columbia, and that Lessee's obligation under this Lease constitutes an enforceable obligation issued on behalf of a state or political subdivision thereof, such that any interest income derived under this Lease and due Lessor or its assignee, will qualify for exclusion from gross income for federal income tax purposes by Lessor, its assignee, and any participants with such, under Section 103 of the Code.

Lessee further warrants that (a) Lessee has the legal capacity to enter into this Lease and is not in contravention of any city, district, county or state statute, rule, regulation or other governmental provision; (b) during the Lease term, the Equipment will be used by Lessee only for the governmental or proprietary purpose stated herein 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; and (c) it shall not take any action, or fail to take any action, if any such action or failure to take action would adversely affect the exclusion from gross income of the interest component of the Lease Payments under Section 103 of the Code; (d) it shall not, directly or indirectly, use or permit the use of the property financed with the Lease, or any portion thereby, by any person other than the governmental unit, in such manner or to such extent as would result in the loss of exclusion from gross income for federal income tax purposes of the interest component of the Lease Payments.

Upon the occurrence of an Event of Taxability, the interest component of Lease Payments and any charge on Lease Payments or other amounts payable based on the rate listed on the applicable Schedule shall have accrued and be payable at the Taxable Rate retroactive to the date as of which the interest component is determined by the Internal Revenue Service to be includible in the gross income of the owner or owners thereof for federal income tax purposes (which retroactive date shall be the earliest date as of which the interest component of any Lease Payment is deemed includable in the gross income of the owner thereof for federal income tax purposes, which may be earlier than the date of delivery of such determination by the Internal Revenue Service), and Lessee will pay such additional amount as will result in the owner receiving the interest component at the Taxable Rate.

For purposes of this Section, "*Event of Taxability*" means and shall be deemed to have occurred on the first to occur of the following: (a) the filing by the Lessee of any statement, supplemental statement or other tax schedule, return or document which discloses that the interest on this Agreement is includable in the gross income of the owner or former owner of this Agreement for federal income tax purposes; (b) receipt by the Lessee of notice that the Escrow Agreement, if any, or the Lessor has received a written opinion of Special Counsel to the effect that the interest on this Agreement is includable in the gross income of the owner or former owner of this Agreement for federal income tax purposes unless, within 180 days (or such longer period(s) as consented to in writing by the Lessor) after receipt by the Lessee of such notice, the Lessee shall deliver to the Escrow Agent a ruling or determination letter issued to or on behalf of the Lessee by the Commissioner or any District Director of the Internal Revenue Service (or any other governmental official or agency exercising the same or a substantially similar function from time to time) to the effect that, after taking into consideration such facts as form the basis for such opinion, the interest on this Agreement is not includable in the gross income of the owners or former owners of this Agreement for federal income tax purposes; (c) receipt by the Lessor or Lessee of written notice from the Commissioner or any District Director of the Internal Revenue Service (or any other government official or agency exercising the same or a substantially similar function from time to time) that the interest on this Agreement is includable in the gross income of the owner or former owner of this Agreement for federal income tax purposes; or (d) receipt by the Lessor or Lessee of written notice that the Internal Revenue Service (or any other government official or agency exercising the same or a substantially similar function from time to time) has assessed as includable in the gross income of such Lessor or such former Lessor the interest on this Agreement.

For purposes of this Section, "Taxable Rate" means for each day that the interest component of Lease Payments is taxable for Federal income tax purposes, an interest rate equal to the rate listed on the applicable Schedule plus a rate sufficient such that the total interest to be paid on any payment date would, after such interest was reduced by the amount of any Federal, State or local income tax (including any interest, penalties or additions to tax) actually imposed thereon, equal the amount of interest otherwise due to Lessor.

Notwithstanding the foregoing, no event described in clause (c) or (d) above shall constitute a Determination of Taxability unless the Lessee has been afforded the opportunity, at its sole expense, to contest any such assessment for a period of no more than 180 days so long as the Lessee is contesting the same during such 180-day period in good faith by appropriate proceedings diligently pursued until the earliest of (i) the date on which the Lessee abandons the contest; (ii) the date on which such contest has been concluded adversely to the Lessee and no further appeals are possible; and (iii) the date that is six months after the initial receipt by the Lessee or Lessor of such notice or assessment; provided, however, that upon demand from the Lessor, the Lessee shall promptly reimburse Lessor for any payments, including (without limitation) any taxes, interest, penalties, charges or expenses incurred by the Lessor as a result of such Determination of Taxability.

2. Paragraph 11 is hereby deleted in its entirety and replaced with the following:

11. **INSURANCE.** Lessee shall be responsible for all risk of loss to the Equipment from the time the Equipment leaves the Supplier's place of business. Prior to the time the Equipment leaves the Supplier's place of business, Lessee shall provide proof of insurance satisfactory to Lessor (A) property damage insurance against loss, fire, theft, damage or destruction of the Equipment, naming Lessor and its assignees as the loss payee, in an amount which is the greater of (i) the then current full replacement value of the Equipment or (ii) the value set forth on the Acceptance Certificate as "Stipulated Loss Value" less the product of 15% of the Stipulated Loss Value multiplied by the number of anniversary dates (but not greater than four) elapsed since the Acceptance Date; and (B) comprehensive general all-risk liability insurance including without limitation, product liability coverage, insuring Lessee, with a severability of interest endorsement or its equivalent, against any and all loss or liability for all damages, either to persons or property, or otherwise, which might result, or happen in connection with the condition, use or operation of the Equipment, with such limits as are satisfactory to Lessor. Each policy shall expressly provide that said insurance cannot be cancelled or modified without thirty (30) days prior written notice to Lessor or its assigns. The insurance proceeds shall be the property of Lessor and Lessee, and may, at Lessee's discretion, be used for any of the following: (i) to reimburse Lessee for the cost of repair or replacement of the Equipment as required in Section 13 hereof; or (ii) to pay any remaining obligations under this Lease, provided however, that if all such obligations are paid in full, this Lease will terminate and the terms and conditions of Section 18 will apply to such termination; or (iii) if Lessee is in default under the terms of this Lease, to pay any of Lessee's obligations under this Lease. Notwithstanding whether the Equipment is lost, destroyed, damaged, stolen or whether insurance is in effect or a claim pending thereunder, Lessee will continue to pay Lease Payments throughout the Base Term and any extension thereof.

3. Paragraph 13 is hereby deleted in its entirety and replaced with the following:

13. **LOSS OR DAMAGE.** Lessee shall bear all the risks of loss of and damage to the Equipment from any cause and the occurrence of such loss or damage shall not relieve Lessee of any obligation hereunder. In the event of such loss or damage, Lessee shall promptly notify the Lessor in writing and shall notify Lessor which of the following actions Lessee shall take: (a) place the same in like new condition and working order, certified for original Supplier's maintenance and deliver to Lessee and Lessor written confirmation thereof or; (b) replace the same with equipment having a fair market value at the expiration of the Base Term equal to or greater than the fair market value of the Equipment replaced, and anticipated to have a fair market value that the replaced Equipment would have had at the end of the Base Term, and be the same manufacture, model and type and of at least equal capacity as that of the replaced Equipment ("Replacement Equipment"). Lessor will agree with Lessee for the proceeds of insurance in an amount that is the lesser of (i) the actual cost of such repairs or Replacement Equipment or (ii) the insurance proceeds. The Replacement Equipment shall be free and clear of liens and encumbrances and Lessee shall immediately deliver to Lessor, a bill of sale in a form satisfactory to Lessor containing serial number(s) of the Replacement Equipment.

4. Paragraph 14 is hereby deleted and replaced with the following:

14. **LATE CHARGES.** If any Lease Payment is not paid when due, Section 31-7-305 of the Mississippi Code of 1986, as amended or any successor statute of such section, shall apply, including that a Lease Payment is not late until after forty-five (45) days after the date of payment listed on the Schedule and that any such late payments shall accrue interest at the rate of one and one-half percent per month or portion thereof on the unpaid balance from the expiration of such forty-five day period until such time as the Lease Payment is made.

5. The last two sentences of Paragraph 22 are hereby deleted in their entirety and replaced with the following:

With respect to any legal action commenced hereunder, Lessee hereby consents to the extent allowed by law to the jurisdiction of any federal or State court located in Hancock County, Mississippi.

6. Any provision in the Master Lease Agreement that requires or provides for the Lessee to waive, diminish, or relinquish an obligation, claim or defense of the Lessee is limited to the extent provided by state law. Except as expressly stated herein, all other terms and conditions of the Lease shall remain the same and in full force and effect.

7. This Addendum shall be effective as of the date listed above.

IN WITNESS WHEREOF, Lessor and Lessee have caused this Agreement to be executed in their names by their duly authorized representatives as of the date first above written.

Multiple Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

LESSOR: **BancLeasing, LLC**

LESSEE: **City of Bay St. Louis, Mississippi**

By: _____

By: _____

Name: _____

Name: Michael J. Favre

Title: _____

Title: Mayor

Date: _____

Date: _____



\$1.00 PURCHASE OPTION ADDENDUM

This addendum "Addendum" is made to Schedule #1, dated May 14, 2026 of Master Lease Agreement # 56006MS-100 ("Lease") between BancLeasing, LLC™, Lessor, and City of Bay St. Louis, ("Lessee").

1. Provided no Event of Default or event which with the giving of notice or lapse of time, or both, would constitute an Event of Default under the Lease, has occurred and is continuing, and further provided that the Lessee has, on a timely basis, fully complied with all terms and conditions of the Lease, Lessee may exercise one of the following options upon the expiration of the Base Term, or any renewal thereof.

- A. Lessee may purchase all, but not less than all, of the Equipment on an "AS IS, WHERE IS" basis for an amount equal to One Dollar (\$1.00), plus any applicable taxes and fees, which amount shall be payable to Lessor within ten (10) days following the end of the Base Term or any renewal thereof.
- B. If Lessee does not purchase the equipment as set forth above, Lessee may return the equipment to the Lessor pursuant to the terms of the Lease, upon giving prior written notice of its election to Lessor no later than Ninety (90) days prior to the end of the Base Term or any renewal thereof,

2. If this Lease is deemed by a court of competent jurisdiction to constitute a conditional sales agreement or a lease intended as a security, as that term is defined in Article 2A of the Uniform Commercial Code as adopted by the State of MISSISSIPPI, the following shall apply: Interest evidenced by this Agreement shall not exceed the maximum amount of non-usurious interest that may be contracted for, taken, reserved, charged or received under law; any interest in excess of the maximum amount of interest allowable by law shall be credited on the principal of the debt, or, if that has been paid, refunded. On any acceleration required or permitted prepayment, any such excess shall be cancelled automatically as of the date of acceleration or prepayment, or if the principal of the debt has been paid, refunded. This provision shall supersede any other contrary provisions in this document and all other instruments concerning the debt, if it is deemed to be a debt.

3. Notwithstanding any other provision of the Master Lease Agreement, the Acceptance Certificate or the Schedule to the contrary, Lessee shall timely file directly with each governmental entity having jurisdiction over the Equipment ("Governmental Entity"), all reports or returns concerning the value, use, ownership or lease of the Equipment, including without limitation, reports of excise taxes, personal property taxes and all other taxes and charges (all such amounts are collectively referred herein as "Taxes"). Lessee will timely pay directly to the appropriate Governmental Entity all Taxes imposed by each Governmental Entity during the term of this Lease, whether due before or after termination of this Lease. If Lessee, in good faith, believes that the value of the Equipment or the amount of Taxes determined or imposed are incorrect, Lessee shall comply with all requirements of any Governmental Entity regarding filing of protests and shall timely file all documents necessary to effectuate such protest. At the same time that Lessee notifies any Governmental Entity of a protest, it shall notify Lessor of the same. If requested by Lessor, Lessee shall immediately furnish Lessor proof of payment of Taxes. Lessee indemnifies and defends Lessor, its affiliates, their officers, agents and employees, assigns, successors, heirs and personal representatives of Lessor against all loss, liability and expense, including, without limitation, all attorney's fees (including costs of a successful defense) from claims for unpaid Taxes and penalties thereon. The provisions of this Section 3 shall survive termination of this Lease.

4. The capitalized terms used in this Addendum, not otherwise defined herein, shall have the same definition as in the Lease, and in the event of a conflict of terms and conditions among this Addendum and the Lease, and/or the Schedule to which this Addendum applies, the terms and conditions of this Addendum will apply.

Multiple Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

LESSOR: BancLeasing, LLC

LESSEE: City of Bay St. Louis, Mississippi

By: _____

By: _____

Name: _____

Name: Michael J. Favre

Title: _____

Title: Mayor

Date: _____

Date: _____

NOTE: SIGNATURE MUST BE SAME AS ON LEASE



**ACCEPTANCE CERTIFICATE
#1**

EXECUTED IN COMPLIANCE WITH MASTER LEASE AGREEMENT #: 56006MS-100

Transaction #: MS-100-1

Schedule #1

Qty	Equipment Type	Model Number	Equipment Description	Serial Number
LOCATION - 547 Main St, Bay St. Louis, Hancock County MS 39520				
4	ASSY, DUAL ENHANCED COUNTING UNIT, 1.5 PCB, ARM PROCESSOR			
	SERIAL NUMBERS: 10803, 10804, 10809, 10835			
4	DUAL SL MOD11 L AR OSC DISPLAY			
	SERIAL NUMBERS: 168102, 168224, 168311, 168332			
8	DUAL DSR KA' ANTENNA			
	SERIAL NUMBERS: 293569, 293578, 293768, 295130, 296008, 296012, 296032, 296040			
4	DUAL SL REM;; TE CONTROL W/SCREW LATCH			
4	25 MPH/ 40 KPH KA TUN I NG FORK			
4	40 MPH/64 KPH KA TUNING FORK			
4	COUNTING/DINPLAY TALL MOUNT			
4	ANTENNA DASH MOUNT			
4	ANTENNA TALL DECK IT.OUNT			
4	DISPLAY SUN SH IELD			
4	8 FOOT ANTENNA CABLE, IP67			
4	20 FOOT ANTENNA CABLE, IP67			
4	VSS CABL E KIT			
4	DUAL MANU A L KIT			
4	FAN NOISE SUPPRESSION ADDENDUM OUAL SL			
4	DUAL CERTIFIED PACKAGE			
4	SHIPPING CONTAINER, DASH MOUNTED RADAR			
4	CERTIFICATE OF ACCURACY, STALKER DUAL/DSR/SII/2X			
4	2026 DODGE DURANGO PURSUIT AWD BLACK			
	VIN NUMBERS: 1C4RDJFG1TC218599, 1C4RDJFG4TC218600, 1C4RDJFG6TC218601, 1C4RDJFG8TC218602			
4	2026 (BLACK) DODGE DURANGO COMPLETE 3M REFLECTIVE FULL COLOR KIT			
4	VEHICLE GRAPHIS INSTALL			
4	ENNLB01 QJQ-3K6: SOUNDOFF NFORCE® NXT LIGHTBAR 48' /122CM 9-32 VOLT NFORCE NXT LED LIGHTBAR W.25' LIN DSC TECHNOLOGY			
4	ETSA481RSP: SOUNDOFF SIRENS NERGY 400 SERIES REMOTE SIREN W/ BUTTON CONTROL, 10-16V - 100 WATT SINGLETONE			
4	SOUNDOFF SPEAKERS 100J SERIES COMPOSITE SPEAKER W/ UNIVERSAL BAIL BRACKET - 100 WATT			
4	SOUNDOFF MPOWER® TRAFFIC CONTROLLER 26" 4 HEAD REAR MPOWER® TRAFFIC CONTROLLER W/ 15' LIN DSC TECHNOLOGY			
32	SOUNDOFF PERIMETER LIGHTING MPOWER® 3" FASCIA LIGHT W/ QUICK MOUNT, 8' HARD WIRE W/ SYNC OPTION, SAE CLASS 1 & CA TITLE 13, 9-32 VDC, BLACK HOUSING, 4 LED, SINGLE COLOR - BLUE			
8	SO WINDOW SHROUD KIT FOR 4" LIGHT W/ STUD MOUNT - BLACK			
8	SOUNDOFF PERIMETER LIGHTING MPOWER® FASCIA 4" LIGHT WITH STUD MOUNT 12 LED 9-32 VOLT SAE WITH 8' PIGTAIL BLACK HOUSING WITH CLEAR L ENS BLU/WHT			
4	JOTTO DODGE CONSOLE CONTOUR CONSOLE CON, MAXD/DGS, DURANGO 21+, 16" DURANGO 2021+ DGS/MAX DEPTH CONTOUR CONSOLE (16" FP), W/FP ONLY			
4	JOTTO CONSOLE ACCESSORIES CUP HOLDER, INSULATED, 4" DUAL 4" DUAL ABS CUP HOLDER (INTERNALLY MOUNTED)			
4	JOTTO UNIVERSAL CONSOLE ACCESSORIES ARMREST STRUCTURE, UPPER, 7.75X8X8 ARMREST- UPPER STRUCTURE (7.75" X 8" X 8")			
4	JOTTO DODGE DURANGO 14+ VEHICLE PARTITIONS - SPACE CREATOR PARTITION, VP9, SC, HSHV, DURANGO 14+ SPACE CREATOR- HIGH SECURITY/HIGH VISIBILITY WINDRM (INCLUDES CENTER HSEP ONLY)			

Initials _____



ACCEPTANCE CERTIFICATE #1

EXECUTED IN COMPLIANCE WITH MASTER LEASE AGREEMENT #: 56006MS-100

Transaction #: MS-100-1

Schedule #1

Qty	Equipment Type	Model Number	Equipment Description	Serial Number
LOCATION - 547 Main St, Bay St. Louis, Hancock County MS 39520				
4	JOTTO - DODGE DURANGO 18+	BIO SEATS & FLOOR PANS	SEAT REPLACEMENT SYSTEM, DURANGO PPV 19+	
4	JOTTO DODGE DURANGO PPV 19+	WINDOW ARMOR & DOOR PANELS	W/A, BAR, REAR DOOR, DURANGO PPV 19+	
8	FED SIG FLSH MNT LIGHT HEAD,	BLU/ WHT		
8	INSTALLATION SUPPLIES			
4	WINDOW TINT			
72	LABOR			

Base Term ("Base Term") in years:

5

Acceptance Date:

LESSOR Initials: _____

Lease Payments are paid:

Annually

Amount of Each Lease Payment:

\$48,854.00

Advance Payment:

\$0.00

Stipulated Loss Value

\$232,722.94

End of Term Purchase Option

As set forth in the Master Lease or Purchase Option Addendum, attached thereto and incorporated therein.

LESSEE HEREBY AFFIRMS THAT EACH ITEM OF EQUIPMENT LISTED ABOVE HAS BEEN DELIVERED, IS WORKING SATISFACTORY AND IS ACCEPTED FOR ALL PURPOSES OF THE LEASE.

ON THE ACCEPTANCE DATE SET FORTH ABOVE, THIS ACCEPTANCE CERTIFICATE BINDS LESSEE GOVERNED BY THE TERMS OF THE MASTER LEASE AGREEMENT.

Multiple Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

LESSOR: BancLeasing, LLC™

LESSEE: City of Bay St. Louis, Mississippi

By: _____

By: _____

Name: _____

Name: Michael J. Favre

Title: _____

Title: Mayor



SCHEDULE

1

MADE IN COMPLIANCE WITH MASTER LEASE AGREEMENT #: 56006MS-100

T.A. #: MS-100-1

Qty	Equipment Type	Model Number	Equipment Description	Serial Number
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As set forth on each Acceptance Certificate that is summarized by this Schedule.

Number of Acceptance Certificates summarized by this Schedule:

Base Term in years:	5
Lease Payments are paid:	annually
Amount of Lease Payment:	\$48,854.00
Advance Payment:	\$0.00
Stipulated Loss Value(s):	\$232,722.94 (The Aggregate of the Stipulated Loss Value(s) set forth on each Acceptance Certificate that is summarized on this Schedule).
End of Term Purchase Option:	As set forth in the Master Lease or Purchase Option Addendum, attached thereto and incorporated therein.

THIS SCHEDULE CONSOLIDATES AND INCORPORATES BY REFERENCE THE FACTS AND DATA OF EACH ACCEPTANCE CERTIFICATE THAT IS RELATED TO AND ASSOCIATED WITH THIS SCHEDULE AS IDENTIFIED ABOVE. WHEN EXECUTED BY THE LESSEE, THIS SCHEDULE SHALL BE THE LEASE OF THE EQUIPMENT IDENTIFIED ON THE ACCEPTANCE CERTIFICATE(S), IS GOVERNED BY THE TERMS AND CONDITIONS OF MASTER LEASE AGREEMENT 56006MS-100 AND SHALL BE BINDING UPON AND ENFORCEABLE AGAINST LESSEE IN THE SAME MANNER AS EACH ACCEPTANCE CERTIFICATE(S).

Multiple Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

LESSOR: BancLeasing, LLCTM

LESSEE: City of Bay St. Louis, Mississippi

By: _____

By: _____

Name: _____

Name: Michael J. Favre

Title: _____

Title: Mayor

INSURANCE ADDENDUM

This addendum applies to the lease ("Lease") that consists of Schedule 1 and each Acceptance Certificate that is made in connection therewith, all being made in accordance with Master Lease Agreement number 56006MS-100 dated May 14, 2026 between **BancLeasing, LLC™**, as Lessor, and City of Bay St. Louis, as Lessee.

Lessee hereby certifies that **property and liability insurance coverage(s) ("Coverage(s)")** required by the Lease is provided under the insurance policy or policies referenced below. Lessee hereby authorizes Lessor to obtain, and any insurance company or companies providing said Coverage(s) to release or issue to Lessor upon Lessor's request, either or both, the policy or policies of insurance, and/or endorsement(s) of Coverage.

Agent/Broker Name: _____

Company Name: _____

Policy No.: _____ **Policy Expiration Date** _____

Address: _____

City: _____ **State:** _____ **Zip:** _____

Phone No.: _____ **Fax No.:** _____

Please provide a certificate of insurance, lender's loss payable endorsement, and additional insured endorsement as follows:

Loss Payee & Additional Insured: *BancLeasing, LLC, ISAOA and
Community Bank of Mississippi
As Their Interests Appear
660 North Central Expressway, Suite 400
Plano, TX 75074
214.778.1840 Phone
214.778.1841 Fax*

Insured Amount: *\$232,722.94*
Equipment Description: *See Exhibit "A"*

Multiple Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

LESSEE: **City of Bay St. Louis**

BY: _____

NAME: Michael J. Favre

TITLE: Mayor

DATE: _____

EXHIBIT A

LESSEE:	City of Bay St. Louis
LEASE DATE:	May 14, 2026
SCHEDULE NO:	1
EQUIPMENT LOCATION:	547 Main St, Bay St. Louis, Hancock, MS 39520

QTY	TYPE	EQUIPMENT DESCRIPTION	MODEL NUMBER	SERIAL NUMBER
4		ASSY, DUAL ENHANCED COUNTING UNIT, 1.5 PCB, ARM PROCESSOR SERIAL NUMBERS: 10803, 10804, 10809, 10835		
4		DUAL SL MOD11 LAR OSC DISPLAY SERIAL NUMBERS: 168102, 168224, 168311, 168332		
8		DUAL DSR KA' ANTENNA SERIAL NUMBERS: 293569, 293578, 293768, 295130, 296008, 296012, 296032, 296040		
4		DUAL SL REM;; TE CONTROL W/SCREW LATCH		
4		25 MPH/ 40 KPH KA TUNING FORK		
4		40 MPH/64 KPH KA TUNING FORK		
4		COUNTING/DINPLAY TALL MOUNT		
4		ANTENNA DASH MOUNT		
4		ANTENNA TALL DECK MOUNT		
4		DISPLAY SUN SHIELD		
4		8 FOOT ANTENNA CABLE, IP67		
4		20 FOOT ANTENNA CABLE, IP67		
4		VSS CABLE KIT		
4		DUAL MANUAL KIT		
4		FAN NOISE SUPPRESSION ADDENDUM DUAL SL		
4		DUAL CERTIFIED PACKAGE		
4		SHIPPING CONTAINER, DASH MOUNTED RADAR		
4		CERTIFICATE OF ACCURACY, STALKER DUAL/DSR/SII/2X		
4		2026 DODGE DURANGO PURSUIT AWD BLACK VIN NUMBERS: 1C4RDJFG1TC218599, 1C4RDJFG4TC218600, 1C4RDJFG6TC218601, 1C4RDJFG8TC218602		
4		2026 (BLACK) DODGE DURANGO COMPLETE 3M REFLECTIVE FULL COLOR KIT		
4		VEHICLE GRAPHIS INSTALL		
4		ENNLB01 QJQ-3K6: SOUNDOFF NFORCE® NXT LIGHTBAR 48" /122CM 9-32 VOLT NFORCE NXT LED LIGHTBAR W.25' LIN DSC TECHNOLOGY		
4		ETSA481RSP: SOUNDOFF SIRENS NERGY 400 SERIES REMOTE SIREN W/ BUTTON CONTROL, 10-16V - 100 WATT SINGLE TONE		
4		SOUNDOFF SPEAKERS 100J SERIES COMPOSITE SPEAKER W/ UNIVERSAL BAIL BRACKET - 100 WATT		
4		SOUNDOFF MPOWER® TRAFFIC CONTROLLER 26" 4 HEAD REAR MPOWER® TRAFFIC CONTROLLER W/ 15' LIN DSC TECHNOLOGY		
32		SOUNDOFF PERIMETER LIGHTING MPOWER® 3" FASCIA LIGHT W/ QUICK MOUNT, 8' HARD WIRE W/ SYNC OPTION, SAE CLASS 1 & CA TITLE 13, 9-32 VDC, BLACK HOUSING, 4 LED, SINGLE COLOR - BLUE		
8		SO WINDOW SHROUD KIT FOR 4" LIGHT W/ STUD MOUNT - BLACK		
8		SOUNDOFF PERIMETER LIGHTING MPOWER® FASCIA 4" LIGHT WITH STUD MOUNT 12 LED 9-32 VOLT SAE WITH 8' PIGTAIL BLACK HOUSING WITH CLEAR LENS BLU/WHT		
4		JOTTO DODGE CONSOLE CONTOUR CONSOLE CON, MAXD/DGS, DURANGO 21+, 16" DURANGO 2021+ DGS/MAX DEPTH CONTOUR CONSOLE (16" FP), W/FP ONLY		
4		JOTTO CONSOLE ACCESSORIES CUP HOLDER, INSULATED, 4" DUAL 4" DUAL ABS CUP HOLDER (INTERNALLY MOUNTED)		
4		JOTTO UNIVERSAL CONSOLE ACCESSORIES ARMREST STRUCTURE, UPPER, 7.75X8X8 ARMREST- UPPER STRUCTURE (7.75" X 8" X 8")		
4		JOTTO DODGE DURANGO 14+ VEHICLE PARTITIONS - SPACE CREATOR PARTITION, VP9, SC, HSHV, DURANGO 14+ SPACE CREATOR- HIGH SECURITY/HIGH VISIBILITY WINDRM (INCLUDES CENTER HSEP ONLY)		
4		JOTTO - DODGE DURANGO 18+ BIO SEATS & FLOOR PANS SEAT REPLACEMENT SYSTEM, DURANGO PPV 19+ REPLACEMENT BIO SEAT SYSTEM		
4		JOTTO DODGE DURANGO PPV 19+ WINDOW ARMOR & DOOR PANELS W/A, BAR, REAR DOOR, DURANGO PPV 19+ WINDOW ARMOR (BAR STYLE) FOR USE WITH OEM DOOR PANELS		
8		FED SIG FLSH MNT LIGHT HEAD, BLU/ WHT		
8		INSTALLATION SUPPLIES		
4		WINDOW TINT		
72		LABOR		



NON-APPROPRIATION ADDENDUM

Addendum to Lease # 56006MS-100 ("Master Lease Agreement") Dated May 14, 2026 between BancLeasing, LLC™, Lessor, and City of Bay St. Louis, Mississippi Lessee.

This non-appropriation addendum ("NA Addendum") is an addendum to that certain Master Lease Agreement referenced above. Unless otherwise specified herein, all capitalized terms used in this NA Addendum have the same meaning as in the above referenced Master Lease Agreement, and all terms and conditions of the Master Lease Agreement not inconsistent with this NA Addendum shall be and remain in full force and effect.

The following is added to and is a part of the above referenced Master Lease Agreement.

NON-APPROPRIATION:

(a) Lessee intends to continue all Lease Schedules entered into pursuant to this Agreement and to pay the Lease Payments thereunder. Lessee reasonably believes that legally available funds in an amount sufficient to make all lease payments during the term of all Lease Schedules can be obtained. Lessee agrees that its staff will provide during the budgeting process for each budget year to the governing body of Lessee notification of any lease payments due under the Lease Schedules during the following budget year. Notwithstanding this covenant, if Lessee fails to appropriate the lease payments for a Lease Schedule under Section (b) below, such Lease Schedule shall terminate at the end of the then current Base Term or Base Term Extension. Although Lessee has made this covenant, in the event that it fails to provide such notice, no remedy is provided, and Lessee shall not be liable for any damages for its failure to so comply, and such failure shall not be an event of default under the Master Lease Agreement.

(b) If during the then current Base Term or Base Term Extension, sufficient funds are not appropriated to make lease payments required under a Lease Schedule for the following fiscal year, Lessee shall be deemed to not have renewed such Lease Schedule for the following fiscal year and the Lease Schedule shall terminate at the end of the then current Base Term or Base Term Extension and Lessee shall not be obligated to make lease payments under said Lease Schedule beyond the then current fiscal year for which funds have been appropriated. Upon the occurrence of such non-appropriation (a "Non-appropriation Event") Lessee shall, no later than the end of the fiscal year for which lease payments have been appropriated, deliver possession of the Equipment under said Lease Schedule to Lessor in the condition required by this NA Addendum. If Lessee fails to deliver possession of the Equipment to Lessor upon termination of said Lease Schedule by reason of a Non-appropriation Event, the termination shall nevertheless be effective. Lessee shall notify Lessor in writing within seven (7) days after the failure of the Lessee to appropriate funds sufficient for the payment of the lease payments, but failure to provide such notice shall not operate to extend the Lease Term or result in any liability to Lessee. At Lessor's request, Lessee shall promptly provide supplemental documentation as to such Non-appropriation Event satisfactory with Lessor. If Lessee terminates a Lease Schedule pursuant to this Section, unless the following would affect the validity of this Lease or such Lease Schedule, for a period of three hundred sixty (360) days from the effective date of the termination, Lessee will not purchase, lease, rent, seek appropriations for, or otherwise obtain equipment serving the same function as the Equipment, and such an obligation will survive termination of this Lease. In the event that, subsequent to Lessee's exercise of this termination for a Non-appropriation Event, funds are made available to Lessee for the Equipment or for equipment which will perform services and functions which in whole or in part are the same services and functions for which the Equipment was originally leased, Lessee agrees, at Lessor's option, to purchase, lease or otherwise acquire such equipment from Lessor if permitted under State law.

Multiple Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

LESSOR: **BancLeasing, LLC**

LESSEE: **City of Bay St. Louis, Mississippi**

By: _____

By: _____

Name: _____

Name: Michael J. Favre

Title: _____

Title: Mayor

Date: _____

Date: _____

NOTE: SIGNATURE MUST BE SAME AS ON LEASE