

# Signature/Name Affidavit

Date:

Agreement #

RE: City of Beaumont, California

This affidavit is to verify that the above entity has entered into a Rental Agreement with Alliance Funding Group, and that Todd Parton, City Manager (Authorized Signor) certifies that his legal signature is as follows.

  
Signature

Todd Parton  
(Print name)

The following identification was provided to the notary:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Signature: \_\_\_\_\_

Notary Public for the State of \_\_\_\_\_

My Commission Expires: \_\_\_\_\_

**CALIFORNIA JURAT WITH AFFIANT STATEMENT**

**GOVERNMENT CODE § 8202**

- See Attached Document (Notary to cross out lines 1-6 below)
- See Statement Below (Lines 1-6 to be completed only by document signer[s], *not* Notary)

1 \_\_\_\_\_

2 \_\_\_\_\_

3 \_\_\_\_\_

4 \_\_\_\_\_

5 \_\_\_\_\_

6 \_\_\_\_\_

*Signature of Document Signer No. 1*

*Signature of Document Signer No. 2 (if any)*

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California  
 County of Riverside

Subscribed and sworn to (or affirmed) before me  
 on this 19<sup>th</sup> day of June, 2018,  
 by Todd Parton  
 (1) \_\_\_\_\_

(and (2) \_\_\_\_\_),  
*Name(s) of Signer(s)*



proved to me on the basis of satisfactory evidence  
 to be the person(s) who appeared before me.

Signature Karee Keeper  
*Signature of Notary Public*

*Seal*  
 Place Notary Seal Above

**OPTIONAL**

*Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.*

**Description of Attached Document**

Title or Type of Document: \_\_\_\_\_ Document Date: \_\_\_\_\_

Number of Pages: \_\_\_\_\_ Signer(s) Other Than Named Above: \_\_\_\_\_

## DOCUMENTATION INSTRUCTIONS

The instructions listed below should be followed when completing the enclosed documentation. ***Please print on single sided paper only.*** Documentation completed improperly will delay funding. If you have any questions regarding the Conditions to Funding, instructions or the documentation, please call us at (714) 704-1440.

### I. Attached Documentation

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1. **Rental Agreement**
  - ◆ An authorized individual that is with the Renter should sign on the first space provided.
2. **Exhibit A – Description of Equipment**
  - ◆ Review equipment description. Complete serial number/VIN if applicable.
  - ◆ List the location where the equipment will be located after delivery/installation.
3. **Exhibit B – Payment Schedule**
  - ◆ Sign and print name and title
4. **Exhibit C - Acceptance of Obligation**
  - ◆ Sign and print name and title
5. **Exhibit D - Certificate of Authorization**
  - ◆ Print or type the name and title of the individual(s) who is authorized to execute the Agreement.
  - ◆ The secretary, chairman or other authorized board member of the Renter must sign the Certificate where indicated.
  - ◆ A different individual must attest the Certificate where indicated.
6. **Exhibit E - Payment Request & Equipment Acceptance Form**
  - ◆ Do Not Return until you need to request funds from the Vendor Payable Account.
7. **Exhibit F - Signature Card**
  - ◆ Sign and print name and title
  - ◆ An additional individual may sign as an authorized individual, if desired.
8. **Exhibit G - Renter Acknowledgement**
  - ◆ Complete information as indicated.
9. **Notice of Assignment**
  - ◆ Sign and type name and title.
10. **Insurance Requirements**
  - ◆ Complete insurance company contact information where indicated.
11. **Debit Authorization – (Preferred)**
  - ◆ Complete form and attach a voided check

### II. Additional Documentation Required

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1. Proof of down payment
2. Signed and completed Credit Application

### III. Condition to Funding

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If, for any reason: (i) the required documentation is not returned by June 24, 2018, is incomplete, or has unresolved issues relating thereto, or (ii) on, or prior to the return of the documentation, there is a change of circumstance, including but not limited to changes in the federal corporate income tax rate or reducing/capping the tax-exempt interest benefit, which adversely affects the expectations, rights or security of the Obligee or its assignees; then Obligee or its assignees reserve the right to withdraw/void its offer to fund this transaction in its entirety. *Neither KS StateBank nor Baystone Government Finance is acting as an advisor to the municipal entity/obligated person and neither owes a fiduciary duty pursuant to Section 15B of the Exchange Act of 1934.*

**All documentation should be returned to:**  
 Alliance Funding Group, Inc.  
 3745 W. Chapman Ave., 2nd Floor  
 Orange, California 92868

## RENTAL AGREEMENT

### Renter

City of Beaumont, California  
550 East 6th Street  
Beaumont, California 92223  
Federal ID#:

### Owner

Alliance Funding Group, Inc.  
3745 W. Chapman Ave., 2nd Floor  
Orange, California 92868  
Federal ID#: 33-0805823

**Dated as of June 1, 2018**

This Rental Agreement dated as of the date listed above is between Owner and Renter listed directly above. Owner desires to rent the Equipment described in Exhibit "A" to Renter and Renter desires to rent the Equipment from Owner subject to the terms and conditions of this Agreement which are set forth below.

#### I. Definitions

**Section 1.01 Definitions.** The following terms will have the meanings indicated below unless the context clearly requires otherwise:

"Agreement" means this Rental Agreement and all Exhibits and Addendums attached hereto, and all documents relied upon by Owner prior to the execution of this Agreement.

"Budget Year" means the Renter's fiscal year.

"Commencement Date" is the date when Renter's obligation to pay rent begins.

"Equipment" means all of the items of Equipment listed on Exhibit "A" and all replacements, restorations, modifications and improvements.

"Legally Available Funds" means funds that the governing body of Renter duly appropriates or are otherwise legally available for the purpose of making Rental Payments under this Agreement, including monies held in the Vendor Payable Account to the extent that such moneys are used to prepay Rental Payments or Stipulated Loss Value.

"Owner" means the entity originally listed above as Owner or any of its assignees.

"Original Term" means the period from the Commencement Date until the end of the Budget Year of Renter.

"Partial Prepayment Date" means the first Rental Payment date that occurs on or after the earlier of (a) the twenty-four month (24) anniversary of the Commencement Date or (b) the date on which Renter has accepted all the Equipment and all of the equipment has been paid for from the Vendor Payable Account.

"Purchase Price" means the total cost of the Equipment, including all delivery charges, installation charges, legal fees, financing costs, recording and filing fees and other costs necessary to vest full, clear legal title to the Equipment in Renter, subject to the security interest granted to and retained by Owner as set forth in this Agreement, and otherwise incurred in connection with the rental of this Equipment.

"Renewal Term" means the annual term which begins at the end of the Original Term and which is simultaneous with Renter's Budget Year.

"Rental Payments" means the payments Renter is required to make under this Agreement as set forth on Exhibit "B".

"Rental Term" means the Original Term and all Renewal Terms.

"Renter" means the entity listed above as Renter and which is renting the Equipment from Owner under the provisions of this Agreement.

"State" means the state in which Renter is located.

"Surplus Amount" means any amount on deposit in the Vendor Payable Account on the Partial Prepayment Date.

"Vendor Payable Account" means the separate account of that name established pursuant to Section X of this Agreement.

#### II. Renter Warranties

**Section 2.01 Renter represents, warrants and covenants as follows for the benefit of Owner or its assignees:**

- (a) Renter is authorized to enter into this Agreement, and has used such authority to properly execute and deliver this Agreement. Renter has followed all proper procedures of its governing body in executing this Agreement. The Officer of Renter executing this Agreement has the authority to execute and deliver this Agreement. This Agreement constitutes a legal, valid, binding and enforceable obligation of the Renter in accordance with its terms.
- (b) Renter has complied with all statutory laws and regulations that may be applicable to the execution of this Agreement.
- (c) Upon request by Owner, Renter will provide Owner with current financial statements, reports, budgets or other relevant fiscal information.
- (d) Renter presently intends to continue this Agreement for the Original Term and all Renewal Terms as set forth on Exhibit "B" hereto. The official of Renter responsible for budget preparation will include in the budget request for each Budget Year the Rental Payments to become due in such Budget year, and will use all reasonable and lawful means available to secure the appropriation of money for such Budget Year sufficient to pay the Rental Payments coming due therein. Renter reasonably believes that moneys can and will lawfully be appropriated and made available for this purpose.
- (e) Renter finds and determines that the amount of the Rental Payments set forth in Exhibit B are equal to the fair rental value of the related Equipment during the respective Budget Year of Renter in which such Rental Payments are made.
- (f) The Equipment will have a useful life that is substantially in excess of the Rental Term.

#### III. Use of Equipment and Rental Payments

**Section 3.01 Installation and Acceptance.** Renter shall be solely responsible for the ordering of the Equipment and for the delivery and installation of the Equipment. Renter has selected or will select all of the Equipment and the manufacturer or supplier thereof (the "Supplier(s)") and therefore acknowledges that Owner has not selected, manufactured, supplied or provided any Equipment. As soon as practicable after the date on which the Equipment has been delivered and determined by Supplier(s) to be ready for use at Renter's location (the "Acceptance Date"), Renter will execute a Certificate of Acceptance in the form attached and dated as of the Acceptance Date. If (i) no Event of Default has occurred, (ii) Owner receives such executed Certificate of Acceptance, all other documents and information required under this Agreement, and (iii) Owner receives appropriate invoices and related documents from Supplier(s), Owner shall pay the Supplier(s) for the Equipment. Renter shall arrange with the Supplier(s) for delivery and installation of Equipment. All Equipment shall be shipped directly from Supplier(s) to Renter. Owner shall have no liability for any delay or failure by the Supplier(s) to deliver and install Equipment, or to perform any services, or with respect to the selection, installation, testing, performance, quality, maintenance or support of the Equipment. Renter, at its expense, will pay all transportation, packing, taxes, duties, insurance, installation, testing, maintenance and other charges in connection with the delivery, installation and use of the Equipment. By making a Rental Payment after its receipt of the Equipment pursuant to this Agreement, Renter shall be deemed to have accepted the Equipment on the date of such Rental Payment for purposes of this Agreement. All Rental Payments paid prior to delivery of the Payment Request and Equipment Acceptance Form shall be credited to Rental Payments as they become due as shown on the Rental Payment Schedule attached as Exhibit B hereto.

**Section 3.02 Rental Payments.** Renter shall pay Rental Payments exclusively to Owner or its assignees in lawful, legally available money of the United States of America. The Rental Payments shall be sent to the location specified by the Owner or its assignees. Owner shall have the option to charge interest at the highest lawful rate on any Rental Payment received later than the due date, plus any additional accrual on the outstanding balance for the number of days that the Rental Payment(s) were late. Owner shall also have the option, on monthly payments only, to charge a late fee of up to 10% of the monthly Rental Payment that is past due. The Rental Payments will be payable without notice or demand. Renter shall pay or, if requested by Owner, reimburse Owner for any and all sales, use, personal property, or other taxes, fees or assessments levied against or imposed upon the Equipment, its value, use or operation. Furthermore, Renter agrees to pay any fees associated with the use of a payment system other than check, wire transfer, or ACH.

**Section 3.03 Abatement.** During any period in which, by reason of material damage or destruction or taking under the power of eminent domain (or sale to any entity threatening the use of such power) or material title defect with respect to the Equipment, there is substantial interference with the use and possession by Renter of the Equipment, the Rental Payments due under the Agreement with respect to the Equipment shall be abated proportionately in whole or in part. Renter shall immediately notify Owner upon the occurrence of any event causing substantial interference with Renter's use and possession of the Equipment and such notice shall be provided prior to the abatement of any Rental Payments. The amount of abatement shall be such that the remaining rental obligation represents fair consideration for Renter's use and possession of the Equipment, or portions thereof, not substantially interfered with, and end on the earlier of the date on which the use and possession of the Equipment is restored to Renter or the date on which Renter uses the Net Proceeds of insurance or a condemnation awards to pay the Rental Payments or the applicable Stipulated Loss Value. In the event of any such interference, this Agreement and the related abatement agreement shall continue in full force and effect. To the extent allowed by law, Renter waives the benefits of Civil Code Section 1932 and any and all other rights to terminate this Contract and the related abatement agreement by virtue of any interference with the use and possession of any Equipment, although such waiver shall not constitute a waiver of abatement of Rental Payments, as set forth in this section.

**Section 3.04 Rental Payments Unconditional.** Except as provided under Section 3.03, THE OBLIGATIONS OF RENTER TO MAKE RENTAL PAYMENTS AND TO PERFORM AND OBSERVE THE OTHER COVENANTS CONTAINED IN THIS AGREEMENT SHALL BE ABSOLUTE AND UNCONDITIONAL IN ALL EVENTS. NOTWITHSTANDING ANY DISPUTE BETWEEN RENTER AND OWNER OR BETWEEN RENTER AND VENDOR OR ANY OTHER PERSON, RENTER SHALL MAKE ALL RENTAL PAYMENTS AND OTHER PAYMENTS REQUIRED HEREUNDER WHEN DUE AND SHALL NOT WITHHOLD ANY RENTAL PAYMENT OR OTHER PAYMENT PENDING FINAL RESOLUTION OF SUCH DISPUTE NOR SHALL RENTER ASSERT ANY RIGHT OF SET-OFF OR COUNTERCLAIM AGAINST ITS OBLIGATION TO MAKE RENTAL PAYMENTS OR OTHER PAYMENTS REQUIRED HEREUNDER. Renter's obligation to make Rental Payments or other payments shall not be abated on account of failure of the Equipment to perform as desired or obsolescence of the Equipment and shall not be abated through accident or unforeseen circumstances except as provided in Section 3.03.

**Section 3.05 Rental Term.** The Rental Term of the Agreement shall be the Original Term and all Renewal Terms until all the Rental Payments are paid as set forth on Exhibit B.

**Section 3.06 Disclaimers.**

- (a) OWNER, NOT BEING THE SUPPLIER OR THE AGENT OF ANY SUPPLIER, MAKES NO WARRANTY, REPRESENTATION OR COVENANT, EXPRESS OR IMPLIED, AS TO ANY MATTER WHATSOEVER, INCLUDING, BUT NOT LIMITED TO THE MERCHANTABILITY OF THE EQUIPMENT OR THEIR FITNESS FOR ANY PARTICULAR PURPOSE, THE DESIGN, QUALITY, CAPACITY OR CONDITION OF THE EQUIPMENT COMPLIANCE OF THE EQUIPMENT WITH THE REQUIREMENT OF ANY LAW, RULE, SPECIFICATION OR AGREEMENT, PATENT OR COPYRIGHT INFRINGEMENT, OR LATENT DEFECTS. OWNER SHALL HAVE NO LIABILITY WHATSOEVER FOR THE BREACH OF ANY REPRESENTATION OR WARRANTY MADE BY THE SUPPLIER(S). OWNER MAKES NO REPRESENTATION AS TO THE TREATMENT BY RENTER OF THIS AGREEMENT FOR FINANCIAL STATEMENT OR TAX PURPOSES. RENTER AGREES THE EQUIPMENT IS "AS IS." Renter agrees, regardless of cause, not to assert any claim whatsoever against Owner for any indirect, consequential, incidental or special damages or loss, of any kind, including, without limitation, any loss of business, lost profits or interruption of service. Any action by Renter against Owner for any default by Owner under this Agreement shall be commenced within one (1) year after any such cause of action accrues.
- (b) Renter shall look solely to the Supplier(s) for any and all claims related to the Equipment. RENTER UNDERSTANDS AND AGREES THAT NEITHER SUPPLIER(S) NOR ANY SALESPERSON OR OTHER AGENT OF SUPPLIER(S) IS AN AGENT OF OWNER, NOR ARE ANY OF THEM AUTHORIZED TO WAIVE OR ALTER THIS AGREEMENT. No representation by Supplier(s) shall in any way affect Renter's duty to pay the Rental Payments and perform its obligations under this Agreement.

**Section 3.07 End of Rental Term Options.** Renter may, if no Event of Default then exists, (i) purchase all (but not less than all) of the Equipment by paying Owner the fair market value of the Equipment as determined by Owner, (ii) renew this Agreement for a period of not less than twelve (12) months at a monthly Rental Payment to be determined at time of renewal, or (iii) return Equipment to the Owner pursuant to Section 3.07. Renter must provide Owner written notice of the option selected not less than 90 days prior to the end of the Rental Term. If such notice is not received, Agreement will automatically renew for one year at the current Rental Payment. If Renter elects to purchase Equipment, Renter shall, on the last day of the Rental Term, pay to Owner the purchase price for Equipment in cash; and upon receipt of such payment Owner shall transfer to Renter title to the Equipment, free and clear of any claim, lien or encumbrance (other than those held by parties claiming by, through or under Renter), but without recourse, representation or any other warranty, express or implied, "AS IS", in its then condition and location. Renter shall be responsible for all applicable sales, use, personal property and other taxes.

**Section 3.08 Surrender.** Once Renter has made all of the Rental Payments set forth under Exhibit B, Renter, at its sole expense, shall pay original supplier to teardown, remove, and for the return of Equipment to Owner's storage facility. Owner and Renter shall inspect the Equipment upon their removal, and the results of such inspections shall be conclusive as to any damage to the Equipment above ordinary wear and tear. Renter shall be responsible for the prompt payment of any and all damages to or reduction in value of the Equipment. At the conclusion of the Agreement, the Renter hereby grants to Owner a ninety (90) day rent free period of time after termination for the Owner to remove the Equipment.

**IV. Appropriation**

**Section 4.01 Appropriation.** Subject only to Section 3.03, Renter shall be obligated to appropriate sufficient money to make all the Rental Payments for the Original Term and each successive Renewal Term as each payment comes due. If Renter fails to make an appropriation of money to make any Rental Payment, then an Event of Default will be deemed to have occurred as set forth under Section IX below.

**V. Insurance, Damage, Insufficiency of Proceeds Indemnification**

**Section 5.01 Insurance.** Renter shall maintain property insurance, liability insurance, and rental interruption and loss of use and occupancy insurance at its own expense with respect to the Equipment. Renter shall be solely responsible for selecting the insurer(s) and for making all premium payments and ensuring that all policies are continuously kept in effect during the period when Renter is required to make Rental Payments. Renter shall provide Owner with a Certificate of Insurance which lists the Owner and/or assigns as a loss payee and additional insured on the policies with respect to the Equipment. Renter shall insure the Equipment against any loss or damage in an amount at least equal to the then applicable Stipulated Loss Value of the Equipment. Renter may self-insure against the casualty risks described above. If Renter chooses this option, Renter must furnish Owner with a certificate and/or other documents which evidences such self insurance. Each policy issued or affected by this Section shall contain a provision that the insurance company shall not cancel or materially modify the policy without first giving thirty (30) days advance notice to Owner or its assignees. Renter shall furnish to Owner certificates evidencing such coverage throughout the Rental Term.

**Section 5.02 Rental Interruption Insurance.** Renter shall maintain or cause to be maintained at its expense throughout the Agreement, rental interruption insurance against loss of use of the Equipment or portions thereof with coverage equal to the maximum total Rental Payments payable under the Agreement by Renter for any consecutive 24-month period. The policy shall insure against abatement of Rental Payments payable by Renter resulting from Renter's loss of use of the Equipment or any substantial portion thereof and caused by any and all perils, either insured or uninsured, including acts of God. The Net Proceeds of such insurance shall be payable to Owner in amounts proportionate to Renter's loss of use of the Equipment and the corresponding rental abatement, if any, and shall supplement Rental Payments made by Renter, if any, during the period in which Renter's use and occupancy of the Equipment is being restored in sufficient amounts to make Owner whole.

**Section 5.03 Damage to or Destruction of Equipment.** Renter assumes the risk of loss or damage to the Equipment. If the Equipment or any portion thereof is lost, stolen, damaged, or destroyed by fire or other casualty, Renter will immediately report all such losses to all possible insurers and take the proper procedures to attain all insurance proceeds. At the option of Owner, Renter shall either (1) apply the Net Proceeds to replace, repair or restore the Equipment or (2) apply the Net Proceeds to the applicable Stipulated Loss Value. For purposes of this Section and Section 5.03, the term Net Proceeds shall mean the amount of insurance proceeds collected from all applicable insurance policies after deducting all expenses incurred in the collection thereof.

**Section 5.04 Insufficiency of Net Proceeds.** If there are no Net Proceeds for whatever reason or if the Net Proceeds are insufficient to pay in full the cost of any replacement, repair, restoration, modification or improvement of the Equipment, then Renter shall, at the option of Owner, either (1) complete such replacement, repair, restoration, modification or improvement and pay any costs thereof in excess of the amount of the Net Proceeds or (2) apply the Net Proceeds to the Stipulated Loss Value and pay the deficiency, if any, to the Owner.

**Section 5.05 Reimbursement.** Renter assumes liability for, and agrees to and does hereby reimburse, protect and keep harmless, Owner, its successors and assigns, and their respective agents, employees, officers and directors from and against any and all claims, liability, loss, cost, damage or expense (including reasonable attorneys' fees), of whatsoever kind and nature including but not limited to those arising out of or caused by the negligence of Renter, and their respective agents or employees, arising out of the use, condition, operation, possession, control, selection, delivery or return of any item of Equipment, regardless of where, how, and by whom operated, and any failure by Renter to comply with this Agreement. The foregoing reimbursements (i) include, without limitation, claims, loss, cost, damage or expense suffered or incurred as a result of any defect in the Equipment, Software or Services (whether discoverable or not) or based upon any theory of liability (including strict liability doctrines or statutes) and (ii) shall only apply with respect to events prior to the return of the Equipment pursuant to Section 9.04.

**VI. Title**

**Section 6.01 Title.** Title to the Equipment shall vest in Owner upon execution of this Agreement. Title to the Equipment will remain with the Owner throughout the Rental Term. Renter shall be responsible for the filing fees, charges, and any other costs associated with the registration of the title. Renter agrees that Owner or its Assignee may execute any additional documents including financing statements, affidavits, notices, and similar instruments, for and on behalf of Renter which Owner deems necessary or appropriate to protect Owner's interest in the Equipment and in this Agreement.

**Section 6.02 Owner.** Renter acknowledges and agrees that Owner is sole and exclusive owner of the Equipment, and that by the execution of this Agreement, Renter shall not possess or obtain any ownership interest, legal or equitable, in the Equipment, except solely as Renter hereunder and subject to the terms hereof. The Equipment is and shall at all times be and remain, personal property, notwithstanding that the Equipment or any part thereof may now be, or hereafter become in any manner affixed or attached to real property.

**VII. Assignment**

**Section 7.01 Assignment by Owner.** All of Owner's rights, title and/or interest in the Rental Payments may be assigned and reassigned in whole or in part to one or more assignees or sub-assignees by Owner at any time without the consent of Renter. No such assignment shall be effective as against Renter until the assignor shall have filed with Renter written notice of assignment identifying the assignee. Renter shall pay all Rental Payments due hereunder relating to such Equipment to or at the direction of Owner or the assignee named in the notice of assignment. Renter shall keep a complete and accurate record of all such assignments.

**Section 7.02 Assignment by Renter.** None of Renter's right, title and interest under this Agreement and in the Equipment may be assigned by Renter unless Owner approves of such assignment in writing before such assignment occurs.

**VIII. Maintenance of Equipment**

**Section 8.01 Maintenance.** Renter shall pay any and all fees, property taxes or other taxes, charges and expenses and comply with all laws related to the use, possession, and operation of the Equipment while it is in Renter's possession, including obtaining all approvals and permits related to the use and/or possession of the Equipment. Renter shall maintain and keep the Equipment in good repair and safe operating condition during the term of this Agreement in accordance to Supplier's recommendations including but not limited to regular maintenance of all HVAC equipment. Renter will be liable for all damage to the Equipment, other than normal wear and tear, caused by Renter, its employees or its agents. Renter shall not during the term of this Agreement create, incur or assume any levies, liens or encumbrances of any kind with respect to the Equipment except those created by this Agreement. Renter shall allow Owner to examine and inspect the Equipment at all reasonable times.

**IX. Default**

**Section 9.01 Events of Default defined.** The following events shall constitute an "Event of Default" under this Agreement:

- (a) Failure by Renter to pay any Rental Payment listed on Exhibit "B" for fifteen (15) days after such payment is due according to the Payment Date listed on Exhibit "B," other than by reason of abatement as provided under Section 3.03.
- (b) Failure by Renter to maintain any of the insurance policies as required under Section 5.01 and 5.02.
- (c) Failure to pay any other payment required to be paid under this Agreement at the time specified herein and a continuation of said failure for a period of fifteen (15) days after written notice by Owner that such payment must be made. If Renter continues to fail to pay any payment after such period, then Owner may, but will not be obligated to, make such payments and charge Renter for all costs incurred plus interest at the highest lawful rate.
- (d) Failure by Renter to observe and perform any warranty, covenant, condition, promise or duty under this Agreement for a period of thirty (30) days after written notice specifying such failure is given to Renter by Owner, unless Owner agrees in writing to an extension of time. Owner will not unreasonably withhold its consent to an extension of time if corrective action is instituted by Renter. Subsection (c) does not apply to Rental Payments and other payments discussed above.
- (e) Any statement, material omission, representation or warranty made by Renter in or pursuant to this Agreement which proves to be false, incorrect or misleading on the date when made regardless of Renter's intent and which materially adversely affects the rights or security of Owner under this Agreement.
- (f) Any provision of this Agreement which ceases to be valid for whatever reason and the loss of such provision would materially adversely affect the rights or security of Owner.
- (g) Renter admits in writing its inability to pay its obligations. Renter defaults on one or more of its other obligations. Renter applies or consents to the appointment of a receiver or a custodian to manage its affairs. Renter makes a general assignment for the benefit of Owners.

**Section 9.02 Remedies on Default.** Whenever any Event of Default exists, Owner shall have the right to take one or any combination of the following remedial steps:

- (a) With or without terminating this Agreement, Owner may declare all Rental Payments and other amounts payable by Renter hereunder to the end of the full Rental Term to be immediately due and payable.
- (b) With or without terminating this Agreement, Owner may require Renter at Renter's expense to redeliver any or all of the Equipment to Owner as provided below in Section 9.04. Such delivery shall take place within 15 days after the event of default occurs. If Renter fails to deliver the Equipment, Owner may enter the premises where the Equipment is located and take possession of the Equipment and charge Renter for cost incurred. Renter will be liable for any damage to the Equipment caused by Renter or its employees or agents. If Owner, in its discretion, takes possession and disposes of the Equipment or any portion thereof, Owner shall apply the proceeds of any such disposition to pay the following items in the following order: (i) all costs (including, but not limited to, attorneys' fees) incurred in securing possession of the Equipment; (ii) all expenses incurred in completing the disposition; (iii) any sales or transfer taxes; and (iv) the balance of any Contract Payments due. Any disposition proceeds remaining after the requirements of clauses (i), (ii), (iii), (iv) have been met shall be retained by Owner. If there is a deficiency in the disposition proceeds to cover the items listed in clauses (i), (ii), (iii), (iv), Renter shall still be obligated to pay any outstanding balance due to Owner.
- (c) Owner may retain all amounts credited to the Vendor Payable Account and Renter shall have no further interest therein.
- (d) Owner may take whatever action at law or in equity that may appear necessary or desirable to enforce its rights. Renter shall be responsible to Owner for all costs incurred by Owner in the enforcement of its rights under this Agreement including, but not limited to, reasonable attorney fees.

**Section 9.03 No Remedy Exclusive.** No remedy herein conferred upon or reserved to Owner is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or shall be construed to be a waiver thereof.

**Section 9.04 Return of Equipment and Storage.**

- (a) Surrender: The Renter shall, at its own expense, surrender the Equipment to the Owner in the event of a default by delivering the Equipment to the Owner to a location accessible by common carrier and designated by Owner.
- (b) Delivery: The Equipment shall be delivered to the location designated by the Owner by a common carrier unless the Owner agrees in writing that a common carrier is not needed. When the Equipment is delivered into the custody of a common carrier, the Renter shall arrange for the shipping of the item and its insurance in transit in accordance with the Owner's instructions and at the Renter's sole expense. Renter at its expense shall completely sever and disconnect the Equipment or its component parts from the Renter's property all without liability to the Owner. Renter shall pack or crate the Equipment and all of the component parts of the Equipment carefully and in accordance with any recommendations of the manufacturer. The Renter shall deliver to the Owner the plans, specifications operation manuals or other warranties and documents furnished by the manufacturer or vendor on the Equipment and such other documents in the Renter's possession relating to the maintenance and methods of operation of such Equipment.
- (c) Condition: When the Equipment is surrendered to the Owner it shall be in the condition and repair required to be maintained under this Agreement. It will also meet all legal regulatory conditions necessary for the Owner to sell or lease it to a third party and be free of all liens. If Owner reasonably determines that the Equipment or an item of the Equipment, once it is returned, is not in the condition required hereby, Owner may cause the repair, service, upgrade, modification or overhaul of the Equipment or an item of the Equipment to achieve such condition and upon demand, Renter shall promptly reimburse Owner for all amounts reasonably expended in connection with the foregoing.
- (d) Storage: Upon written request by the Owner, the Renter shall provide free storage for the Equipment or any item of the Equipment for a period not to exceed 60 days after the expiration of its lease term before returning it to the Owner. The Renter shall arrange for the insurance described to continue in full force and effect with respect to such item during its storage period and the Owner shall reimburse the Renter on demand for the incremental premium cost of providing such insurance.

**X. Vendor Payable Account**

**Section 10.01 Establishment of Vendor Payable Account.** On the date that the Owner executed this Agreement, which is on or after the date that the Renter executes this Agreement, Owner agrees to (i) make available to Renter an amount sufficient to pay the total Purchase Price for the Equipment by establishing a separate, non-interest bearing account (the "Vendor Payable Account"), as agent for Renter's account, with a financial institution that Owner selects that is acceptable to Renter (including Owner or any of its affiliates) and (ii) to deposit an amount equal to such Purchase Price as reflected on Exhibit B in the Vendor Payable Account. Renter hereby further agrees to make the representations, warranties and covenants relating to the Vendor Payable Account as set forth in Exhibit C attached hereto. Upon Renter's delivery to Owner of a Payment Request and Equipment Acceptance Form in the form set forth in Exhibit G attached hereto, Renter authorizes Owner to withdraw funds from the Vendor Payable Account from time to time to pay the Purchase Price, or a portion thereof, for each item of Equipment as it is delivered to Renter. The Payment Request and Equipment Acceptance Form must be signed by an authorized individual acting on behalf of Renter. The authorized individual or individuals designated by the Renter must sign the Signature Card which will be kept in the possession of the Owner.

**Section 10.02 Down Payment.** Prior to the disbursement of any funds from the Vendor Payable Account, the Renter must either (1) deposit all the down payment funds that the Renter has committed towards the purchase of the Equipment into the Vendor Payable Account or (2) Renter must provide written verification to the satisfaction of the Owner that all the down payment funds Renter has committed towards the purchase of the Equipment have already been spent or are simultaneously being spent with the funds requested from the initial Payment Request and Equipment Acceptance Form. For purposes of this Section, the down payment funds committed towards the Equipment from the Renter are the down payment funds that were represented to the Owner at the time this transaction was submitted for credit approval by the Renter to the Owner.

**Section 10.03 Disbursement upon Default.** If an Event of Default occurs prior to the Partial Prepayment Date, the amount then on deposit in the Vendor Payable Account shall be retained by the Owner and Renter will have no interest therein.

**Section 10.04 Surplus Amount.** Any Surplus Amount then on deposit in the Vendor Payable Account on the Partial Prepayment Date shall be applied to pay on such Partial Prepayment Date a portion of the Stipulated Loss Value then applicable.

**Section 10.05 Recalculation of Rental Payments.** Upon payment of a portion of the Stipulated Loss Value as provided in Section 10.03 above, each Rental Payment thereafter shall be reduced by an amount calculated by Owner based upon a fraction of the numerator of which is the Surplus Amount and the denominator of which is the Stipulated Loss Value on such Partial Prepayment Date. Within fifteen (15) days after such Partial Prepayment Date, Owner shall provide to Renter a revised Exhibit B to this Agreement, which shall take into account such payment of a portion of the Stipulated Loss Value thereafter and shall be and become thereafter Exhibit B to this Agreement. Notwithstanding any other provision of this Section 10, this Agreement shall remain in full force and effect with respect to all or the portion of the Equipment accepted by Renter as provided in this Agreement, and the portion of the principal component of Rental Payments remaining unpaid after the Partial Prepayment Date plus accrued interest thereon shall remain payable in accordance with the terms of this Agreement, including revised Exhibit B hereto which shall be binding and conclusive upon Owner and Renter.

XI.

**Miscellaneous**

Section 11.01 Notices. All notices shall be sufficiently given and shall be deemed given when delivered or mailed by registered mail, postage prepaid, to the parties at their respective places of business as first set forth herein or as the parties shall designate hereafter in writing.

Section 11.02 Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon Owner and Renter and their respective successors and assigns.

Section 11.03 Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 11.04 Amendments, Addenda, Changes or Modifications. This Agreement may be amended, added to, changed or modified by written agreement duly executed by Owner and Renter. Furthermore, Owner reserves the right to directly charge or amortize into the remaining balance due from Renter, a reasonable fee, to be determined at that time, as compensation to Owner for the additional administrative expense resulting from such amendment, addenda, change or modification requested by Renter.

Section 11.05 Execution in Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 11.06 Captions. The captions or headings in this Agreement do not define, limit or describe the scope or intent of any provisions or sections of this Agreement.

Section 11.07 ARTICLE 2A WAIVERS. In the event that Article 2A of the Uniform Commercial Code is adopted under applicable state law and applies to this Agreement, then Renter, to the extent permitted by law, waives any and all rights and remedies conferred upon a Renter by Sections 2A-508 through 2A 522 of such Article 2A, including, but not limited to, Renter's rights to: (i) cancel or repudiate this Agreement; (ii) reject or revoke acceptance of the Equipment, Software or Services; (iii) claim, grant or permit a security interest in the Equipment in Renter's possession or control for any reason; (iv) deduct from Rental payments or other amounts due hereunder, all or any part of any claimed damages resulting from Owner's default, if any, under this Agreement; (v) accept partial delivery of the Equipment; (vi) "cover" by making any purchase or lease of, or contract to purchase or lease equipment in substitution for Equipment designated in this Agreement; and (vii) obtain specific performance, replevin, detinue, sequestration, claim and delivery or the like for any Equipment identified to this Agreement. To the extent permitted by applicable law, Renter also hereby waives any rights now or hereafter conferred by statute or otherwise which may require Owner to sell, lease or otherwise use any Equipment in mitigation of Owner's damages or which may otherwise limit or modify any of Owner's rights or remedies.


Section 11.08 Master Rental. This Agreement can be utilized as a Master Rental Agreement. This means that the Owner and the Renter may agree to the rental of the additional Equipment under this Agreement at some point in the future by executing one or more Additional Schedules to Exhibit A, Exhibit B, Exhibit C and Exhibit D as well as other exhibits or documents that may be required by Owner. For purposes of this section, the term "Additional Schedule" refers to the proper execution of additional Schedules to Exhibit A, Exhibit B, Exhibit C and Exhibit D as well as other exhibits or documents that may be required by the Owner all of which relate to the renting of additional Equipment. Additional Schedules will be consecutively numbered on each of the exhibits which make up the Additional Schedule and all the terms and conditions of the Agreement shall govern to each Additional Schedule.

Section 11.09 Entire Writing. This Agreement constitutes the entire writing between Owner and Renter. No waiver, consent, modification or change of terms of this Agreement shall bind either party unless in writing and 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 understandings, agreements, representations, conditions, or warranties, express or implied, which are not specified herein regarding this Agreement or the Equipment rented hereunder. Any terms and conditions of any purchase order or other documents submitted by Renter in connection with this Agreement which are in addition to or inconsistent with the terms and conditions of this Agreement will not be binding on Owner and will not apply to this Agreement.

Section 11.10 Choice of Law. This Agreement shall be governed according to the laws of the State of the Renter.

Owner and Renter have caused this Agreement to be executed in their names by their duly authorized representatives listed below.

**City of Beaumont, California**

  
\_\_\_\_\_  
Signature  
*Todd Parkes, City Manager*  
\_\_\_\_\_  
Printed Name and Title

**Alliance Funding Group, Inc.**

\_\_\_\_\_  
Signature  
\_\_\_\_\_  
Printed Name and Title

**EXHIBIT A**  
**DESCRIPTION OF EQUIPMENT**

**RE: Rental Agreement dated as of June 1, 2018, between Alliance Funding Group, Inc. (Owner) and City of Beaumont, California (Renter)**

---

Below is a detailed description of all the items of Equipment including quantity, model number and serial number where applicable:

One (1) Vactor 2115 Plus Sewer Cleaner On A 2018 Kenworth 370HP Tandem Axle Chassis with Assorted Equipment and One (1) H.D. Industries Pro-Patch TCM-425-100 DHE Mounted On A 2018 Freightliner S2G with Assorted Equipment

Physical Address of Equipment after Delivery : \_\_\_\_\_



## EXHIBIT B

## PAYMENT SCHEDULE

RE: Rental Agreement dated as of June 1, 2018, between Alliance Funding Group, Inc. (Owner) and City of Beaumont, California (Renter)

Date of First Payment: July 1, 2018  
 Total Number of Payments: Forty-Eight (48)  
 Number of Payments Per Year: Twelve (12)

<b>Pmt No.</b>	<b>Due Date</b>	<b>Rental Payment</b>	<b>*†Stipulated Loss Value</b>
1	1-Jul-18	\$11,830.77	Not Available
2	1-Aug-18	\$11,830.77	Not Available
3	1-Sep-18	\$11,830.77	\$488,049.46
4	1-Oct-18	\$11,830.77	\$478,093.61
5	1-Nov-18	\$11,830.77	\$468,099.52
6	1-Dec-18	\$11,830.77	\$458,067.03
7	1-Jan-19	\$11,830.77	\$447,996.00
8	1-Feb-19	\$11,830.77	\$437,886.28
9	1-Mar-19	\$11,830.77	\$427,737.72
10	1-Apr-19	\$11,830.77	\$417,550.18
11	1-May-19	\$11,830.77	\$407,323.50
12	1-Jun-19	\$11,830.77	\$397,057.53
13	1-Jul-19	\$11,830.77	\$386,752.12
14	1-Aug-19	\$11,830.77	\$376,407.12
15	1-Sep-19	\$11,830.77	\$366,022.38
16	1-Oct-19	\$11,830.77	\$355,597.75
17	1-Nov-19	\$11,830.77	\$345,133.07
18	1-Dec-19	\$11,830.77	\$334,628.19
19	1-Jan-20	\$11,830.77	\$324,082.95
20	1-Feb-20	\$11,830.77	\$313,497.20
21	1-Mar-20	\$11,830.77	\$302,870.78
22	1-Apr-20	\$11,830.77	\$292,203.54
23	1-May-20	\$11,830.77	\$281,495.32
24	1-Jun-20	\$11,830.77	\$270,745.96
25	1-Jul-20	\$11,830.77	\$259,955.31
26	1-Aug-20	\$11,830.77	\$249,123.20
27	1-Sep-20	\$11,830.77	\$238,249.48
28	1-Oct-20	\$11,830.77	\$227,333.99
29	1-Nov-20	\$11,830.77	\$216,376.56
30	1-Dec-20	\$11,830.77	\$205,377.04
31	1-Jan-21	\$11,830.77	\$194,335.26
32	1-Feb-21	\$11,830.77	\$183,251.06
33	1-Mar-21	\$11,830.77	\$172,124.28
34	1-Apr-21	\$11,830.77	\$160,954.75
35	1-May-21	\$11,830.77	\$149,742.31
36	1-Jun-21	\$11,830.77	\$138,486.80
37	1-Jul-21	\$11,830.77	\$127,188.05

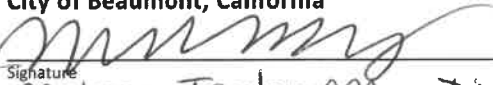
## EXHIBIT B – CONTINUED

## PAYMENT SCHEDULE

RE: Rental Agreement dated as of June 1, 2018, between Alliance Funding Group, Inc. (Owner) and City of Beaumont, California (Renter)

Pmt No.	Due Date	Rental Payment	*†Stipulated Loss Value
38	1-Aug-21	\$11,830.77	\$115,845.89
39	1-Sep-21	\$11,830.77	\$104,460.16
40	1-Oct-21	\$11,830.77	\$93,030.69
41	1-Nov-21	\$11,830.77	\$81,557.31
42	1-Dec-21	\$11,830.77	\$70,039.86
43	1-Jan-22	\$11,830.77	\$58,478.16
44	1-Feb-22	\$11,830.77	\$46,872.04
45	1-Mar-22	\$11,830.77	\$35,221.34
46	1-Apr-22	\$11,830.77	\$23,525.88
47	1-May-22	\$11,830.77	\$11,785.49
48	1-Jun-22	\$11,830.77	\$0.00

City of Beaumont, California

  
 Signature  
 Melana Taylor CPA Dir. of Finance  
 Printed Name and Title

\*Assumes all Rental Payments due to date are paid

†Stipulated Loss Value is not Fair Market Value (FMV), and should not be interpreted as same. FMV, as referenced in 3.06, can only be obtained from Owner at end of term.

**EXHIBIT C**  
**ACCEPTANCE OF OBLIGATION**  
**TO COMMENCE RENTAL PAYMENTS UNDER EXHIBIT B**

**RE: Rental Agreement dated as of June 1, 2018, between Alliance Funding Group, Inc. (Owner) and City of Beaumont, California (Renter)**

---

I, the undersigned, hereby certify that I am a duly qualified representative of Renter and that I have been given the authority by the governing body of Renter to sign this Acceptance of Obligation to commence Rental Payments with respect to the above referenced Agreement. I hereby certify that:

1. The Equipment described on Exhibit A has not been delivered, installed or available for use as of the Commencement date of this Agreement.
2. Renter acknowledges that Owner has agreed to deposit into a Vendor Payable Account an amount sufficient to pay the total purchase price (the "Purchase Price") for the Equipment so identified in such Exhibit A;
3. Renter agrees to execute a Payment Request and Equipment Acceptance Form authorizing payment of the Purchase Price, or a portion thereof, for each withdrawal of funds from the Vendor Payable Account.

Notwithstanding that the Equipment has not been delivered to or accepted by Renter on the date of execution of the Agreement, Renter hereby warrants that:

- (a) Renter's obligation to commence Rental Payments as set forth in Exhibit B is absolute and unconditional as of the Commencement Date and on each date set forth in Exhibit B thereafter, subject to the terms and conditions of the Agreement;
- (b) immediately upon delivery and acceptance of all the Equipment, Renter will notify Owner of Renter's final acceptance of the Equipment by delivering to Owner the "Payment Request and Equipment Acceptance Form" in the form set forth in Exhibit E attached to the Agreement;
- (c) in the event that any Surplus Amount is on deposit in the Vendor Payable Account when an Event of Non-appropriation under the Agreement occurs, then those amounts shall be applied as provided in Section 10 of the Agreement;
- (d) regardless of whether Renter delivers a final Payment Request and Equipment Acceptance Form, all Rental Payments paid prior to delivery of all the Equipment shall be credited to Rental Payments as they become due under the Agreement as set forth in Exhibit B.

**City of Beaumont, California**

  
\_\_\_\_\_  
Signature  
Melana Taylor, CPA Director of Finance  
Printed Name and Title

EXHIBIT D  
CERTIFICATE OF AUTHORIZATION

RE: Rental Agreement dated as of June 1, 2018, between Alliance Funding Group, Inc. (Owner) and City of Beaumont, California (Renter)

- Determination of Need.** The Governing Body of Renter, either through direct board action or indirectly through its officers, officials or other authorized representatives, has determined that a true and very real need exists for the acquisition of the Equipment described on Exhibit A of the Rental Agreement ("Agreement") dated as of June 1, 2018, between City of Beaumont, California (Renter) and Alliance Funding Group, Inc. (Owner).
- Approval and Authorization.** The Governing Body of Renter, either through direct board action or indirectly through its officers, officials or other authorized representatives has determined that it is in the best interest of the Renter to enter into a lease substantially in the form of the Agreement to finance the purchase of the Equipment described on Exhibit A of the Agreement. The Governing Body of Renter has duly authorized the individuals listed below to execute the Agreement and all documents related thereto on behalf of the Renter. Such authorization derives from either direct board action or indirectly through established policies and procedures or bylaws all as allowed by law.

Authorized Individual(s):   *Todd Parton City Manager*    
(Printed or Printed Name and Title of Individual(s) authorized to execute the Agreement)

- Adoption.** The signatures below from the designated individuals of the Governing Body of the Renter evidence the adoption of this Certificate of Authorization

Signature:   *Nicole Wheelwright*    
(Signature of Secretary, Board Chairman or other member of the Governing Body)

Printed Name & Title:   *Nicole Wheelwright*    
(Printed Name and Title of individual who signed directly above)

Attested By:   *Melana Taylor*    
(Signature of one additional person who can witness the passage of this Resolution)

Printed Name & Title:   *Melana Taylor CPA Director of Finance*    
(Printed Name and Title of individual who signed directly above)

## EXHIBIT E

## PAYMENT REQUEST AND EQUIPMENT ACCEPTANCE FORM

RE: Rental Agreement dated as of June 1, 2018, between Alliance Funding Group, Inc. (Owner) and City of Beaumont, California (Renter)

In accordance with Section 10.01, by executing this Payment Request and Equipment Acceptance Form the Renter hereby represents that the Payee or Payees listed below who are requesting payment have delivered the Equipment or a portion of the Equipment or performed the services to the satisfaction of the Renter and that the amounts requested below by the Payee or Payees are proportionate with the value of the Equipment delivered or services rendered by the Payee or Payees. The Renter hereby represents and warrants for all purposes that:

1. Pursuant to the invoice attached hereto, the amount to be disbursed is \$ \_\_\_\_\_ and this amount is consistent with the Contract between Renter and Vendor.
2. Payment is to be made to: Payee: \_\_\_\_\_
3. The undersigned certifies that the following documents are attached to this Payment Request and Equipment Acceptance Form when there is a request for a release of funds from the Vendor Payable Account to pay for a portion, or all, of the Equipment: (1) Invoice from the Vendor, (2) copy of the Contract between Renter and Vendor (if requested by the Owner), (3) Insurance Certificate (if applicable), (4) front and back copy of the original MSO/Title listing KS StateBank and/or its assigns as the first lien holder (if applicable). By executing this Payment Request and Equipment Acceptance Form and attaching the documents as required above, the Renter shall be deemed to have accepted this portion of the Equipment for all purposes under the Agreement, including, without limitation, the obligation of Renter to make the Rental Payments with respect thereto in a proportionate amount of the total Rental Payment.
4. No amount listed in this exhibit was included in any such exhibit previously submitted.
5. Each disbursement hereby requested has been incurred and is a proper charge against the Vendor Payable Account. No amount hereby requested to be disbursed will be paid to Renter as reimbursement for any expenditure paid by Renter more than 60 days prior to the date of execution and delivery of the Agreement.
6. The Equipment referenced in the attached has been delivered, installed, inspected and tested as necessary and in accordance with Renter's specifications and accepted for all purposes.
7. Renter has obtained insurance coverage as required under the Agreement from an insurer qualified to do business in the State.
8. Renter has appropriated and/or taken other lawful actions necessary to provide moneys sufficient to pay all Rental Payments required to be paid under the Agreement during the current Budget Year of Renter, and such moneys will be applied in payment of all Rental Payments due and payable during such current Budget Year.
9. No event or condition that constitutes or would constitute an Event of Default exists as of the date hereof.

I, the undersigned, hereby certify that I am a duly qualified representative of Renter and that I have been given the authority by the governing body of Renter to sign this Payment Request and Equipment Acceptance Form.

Please forward this document and any correspondence relating to vendor payment to:

Email: bpatel@alliancefunds.com  
or  
Fax: (714) 704-1448

Please call (714) 704-1440 if you have any questions.

City of Beaumont, California

Signature

Printed Name and Title

*Todd Barton, City Manager*

**EXHIBIT F**  
**SIGNATURE CARD**

**RE: Rental Agreement dated as of June 1, 2018, between Alliance Funding Group, Inc. (Owner) and City of Beaumont, California (Renter)**

---

The below signatures will be used for purposes of verifying the signature on a Payment Request and Equipment Acceptance Form prior to making payments from the Equipment Acquisition Fund or Vendor Payable Account. By signing below, the undersigned represents and warrants that s/he has received all appropriate authority from City of Beaumont, California.

**City of Beaumont, California**

Signature

Printed Name and Title

*Signature of additional authorized individual (optional) of Renter*

Signature

Printed Name and Title

**EXHIBIT G  
RENTER ACKNOWLEDGMENT**

**RE: Rental Agreement dated as of June 1, 2018, between Alliance Funding Group, Inc. (Owner) and City of Beaumont, California (Renter)**

---

Renter hereby acknowledges that it has ordered or caused to be ordered the equipment that is the subject of the above-mentioned Agreement.

Please complete the below information, attach another page if necessary

Vendor Name: \_\_\_\_\_

Equipment: \_\_\_\_\_

Cost of Equipment: \_\_\_\_\_

Vendor Name: \_\_\_\_\_

Equipment: \_\_\_\_\_

Cost of Equipment: \_\_\_\_\_

Vendor Name: \_\_\_\_\_

Equipment: \_\_\_\_\_

Cost of Equipment: \_\_\_\_\_

Vendor Name: \_\_\_\_\_

Equipment: \_\_\_\_\_

Cost of Equipment: \_\_\_\_\_

Vendor Name: \_\_\_\_\_

Equipment: \_\_\_\_\_

Cost of Equipment: \_\_\_\_\_

**Renter will immediately notify Owner if any of the information listed above is changed.**



**NOTICE OF ASSIGNMENT**

---

**JUNE 1, 2018**

Alliance Funding Group, Inc. (Owner/Assignor) hereby gives notice of an Assignment between Owner/Assignor and KS StateBank (Assignee) of the Rental Agreement (Contract) between Owner/Assignor and City of Beaumont, California, dated as of June 1, 2018.

All Rental Payments coming due pursuant to the Contract shall be made to:

KS StateBank  
P.O. Box 69  
Manhattan, Kansas 66505-0069

**Alliance Funding Group, Inc., Owner/Assignor**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name and Title

**ACKNOWLEDGEMENT OF AND CONSENT TO ASSIGNMENT**

---

City of Beaumont, California (Renter) as party to a Rental Agreement dated as of June 1, 2018 between Renter and Alliance Funding Group, Inc. (Owner), hereby acknowledges receipt of a Notice of Assignment dated June 1, 2018 whereby Owner gave notice of its assignment to KS StateBank of its right to receive all Rental Payments due from Renter under the Contract and hereby consents to that Assignment. Pursuant to the Notice of Assignment from Owner, Renter agrees to deliver all Rental Payments coming due under the Contract to:

KS StateBank  
P.O. Box 69  
Manhattan, Kansas 66505-0069

**City of Beaumont, California**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name and Title



## INSURANCE REQUIREMENTS

Pursuant to Article V of the Rental Agreement, you have agreed to provide us evidence of insurance covering the Equipment.

A Certificate of Insurance listing the information stated below should be sent to us no later than the date on which the equipment is delivered.

<b>Insured:</b>	<b>Certificate Holder:</b>
City of Beaumont, California	KS StateBank
550 East 6th Street	1010 Westloop, P.O. Box 69
Beaumont, California 92223	Manhattan, Kansas 66505-0069

**1. Equipment Description**

- ◆ One (1) Vactor 2115 Plus Sewer Cleaner On A 2018 Kenworth 370HP Tandem Axle Chassis with Assorted Equipment and One (1) H.D. Industries Pro-Patch TCM-425-100 DHE Mounted On A 2018 Freightliner S2G with Assorted Equipment
- ◆ Please include all applicable VIN's, serial numbers, etc.

**2. Physical Damage**

- ◆ All risk coverage to guarantee proceeds of at least \$497,575.97.

**3. Deductible**

- ◆ The deductible amounts on the insurance policy should not exceed \$50,000.00.

**4. Liability**

- ◆ Minimum Combined Single Limit of \$1,000,000.00 combined single-limit on bodily injury and property damage.

**5. Additional Insured and Loss Payee**

- ◆ KS StateBank AOIA (and/or Its Assigns) MUST be listed as additional insured and loss payee.

**6. Rental Interruption/Abatement Insurance**

- ◆ As set forth in Section 5.02 of the Agreement.

Please forward certificate as soon as possible to:      Email: bpatel@alliancefunds.com  
or  
Fax: (714) 704-1448

Please complete the information below and return this form along with the Agreement.

**City of Beaumont, California**

Insurance Company: City of Beaumont (self-insured)

Agent's Name: Kari Mendoza, Director of Administration

Telephone #: (951) 769-8520

Fax #: (951) 769-8526

Address: 550 E 6<sup>th</sup> St.

City, State Zip: Beaumont CA 92223

Email: kmendoza@beaumontca.gov

**\*PREFERRED\***

\*As an additional payment option for Renter, we are now providing the option of ACH (Automatic Clearing House). By completing this form, Renter is authorizing Owner to withdraw said payment amount on said date.

**DEBIT AUTHORIZATION**

I hereby authorize KS StateBank Government Finance Department to initiate debit entries, and, if necessary, to reinstate returned entries up to two additional times, to the account indicated below at the financial institution named below and to debit the same to such account for:

<b>Agreement Number</b> 3353429	<b>Payment Amount</b> \$11,830.77	<b>Frequency of Payments</b> Monthly
<b>Beginning</b> Month _____ Year _____	<b>Day of Month</b> 1st	

I acknowledge that the origination of ACH transactions to this account must comply with the provisions of U.S. law.

<b>Financial Institution Name</b>		<b>Branch</b>	
<b>Address</b>	<b>City</b>	<b>State</b>	<b>Zip</b>
<b>Routing Number</b>		<b>Account Number</b>	

**Type of Account**       Checking       Savings

This authority is to remain in full force and effect until KS StateBank has received written notification from any authorized signer of the account of its termination in such time and manner as to afford KS StateBank a reasonable opportunity to act on it.

<b>Renter Name on Agreement</b> City of Beaumont, California	
<b>Signature</b>	<b>Printed Name and Title</b>
<b>Tax ID Number</b>	<b>Date</b>

**PLEASE ATTACH COPY OF A VOIDED CHECK TO THIS FORM!**

**USA Patriot Act**

USA Patriot Act requires identity verification for all new accounts. This means that we may require information from you to allow us to make a proper identification.

**IMPORTANT NOTICE:**

This communication constitutes an electronic communication within the meaning of the Electronic Communications Act, 18 USC Section 2510, and its disclosure is strictly limited to the recipient intended by the sender of this message. This communication may contain confidential and privileged material for the sole use of the intended recipient and receipt by anyone other than the intended recipient does not constitute loss of the confidential or privileged nature of the communication. Any review, distribution, and sharing of information by others is strictly prohibited. If you are not the intended recipient, please contact sender by phone, email, or fax and delete all copies of this communication.



# INVOICE

DATE SENT: 05-31-2018

**BILL TO:**

CITY OF BEAUMONT, CALIFORNIA  
ATTN: ACCOUNTS PAYABLE  
550 EAST 6TH STREET  
BEAUMONT, CALIFORNIA 92223

**REMIT TO:**

KS STATEBANK  
GOVERNMENT FINANCE DEPARTMENT  
PO BOX 69  
MANHATTAN, KS 66505-0069  
FOR INQUIRIES: (714) 704-1440

ACCOUNT NUMBER	PAYMENT DATE	PAYMENT DUE DATE	TOTAL AMOUNT DUE
3353429	07-01-2018	07-01-2018	\$11,830.77

DESCRIPTION	AMOUNT
RENTAL AGREEMENT DATED AS OF JUNE 1, 2018	PAYMENT AMOUNT: \$11,830.77
ONE (1) VACTOR 2115 PLUS SEWER CLEANER ON A 2018 KENWORTH 370HP TANDEM AXLE CHASSIS WITH ASSORTED EQUIPMENT AND ONE (1) H.D. INDUSTRIES PRO-PATCH TCM-425-100 DHE MOUNTED ON A 2018 FREIGHTLINER S2G WITH ASSORTED EQUIPMENT	
<i>Additional interest will be assessed on any payment received after the due date.</i>	
	\$11,830.77
	<b>TOTAL DUE</b>

# INVOICE

DATE SENT: 05-31-2018

**BILL TO:**  
CITY OF BEAUMONT, CALIFORNIA  
ATTN: ACCOUNTS PAYABLE  
550 EAST 6TH STREET  
BEAUMONT, CALIFORNIA 92223

**REMIT TO:**  
KS STATEBANK  
GOVERNMENT FINANCE DEPARTMENT  
PO BOX 69  
MANHATTAN, KS 66505-0069  
FOR INQUIRIES: (714) 704-1440

ACCOUNT NUMBER	PAYMENT DATE	PAYMENT DUE DATE	TOTAL AMOUNT DUE
3353429	08-01-2018	08-01-2018	\$11,830.77

DESCRIPTION	AMOUNT
RENTAL AGREEMENT DATED AS OF JUNE 1, 2018	PAYMENT AMOUNT: \$11,830.77
ONE (1) VACTOR 2115 PLUS SEWER CLEANER ON A 2018 KENWORTH 370HP TANDEM AXLE CHASSIS WITH ASSORTED EQUIPMENT AND ONE (1) H.D. INDUSTRIES PRO-PATCH TCM-425-100 DHE MOUNTED ON A 2018 FREIGHTLINER S2G WITH ASSORTED EQUIPMENT	
<i>Additional interest will be assessed on any payment received after the due date.</i>	
	\$11,830.77
	<b>TOTAL DUE</b>