



**FORD MOTOR CREDIT COMPANY LLC  
MASTER EQUIPMENT LEASE-PURCHASE AGREEMENT**

Lease No. 5529011

**Lessee:** **Walton County Board of Commissioners**  
111 S. Broad St.  
Monroe, GA 30655

**Lessor:** **Ford Motor Credit Company LLC**  
1 American Road  
Dearborn, MI 48126

The terms of this Master Equipment Lease Purchase Agreement (the "Master Agreement") are terms which will be incorporated into, and constitute a part of, one or more lease schedules executed from time to time by Lessor and Lessee (together with all attachments thereto, a "Schedule," or "Lease" or collectively, the "Schedules" or "Leases"), pursuant to which Lessee agrees to lease from Lessor, the equipment, including all additions, attachments, accessions, and substitutions thereto (the "Equipment"), described in each such Schedule. Each executed and delivered Schedule will constitute a separate, assignable obligation.

**1. TERM AND TERMINATION.** The lease term (the "Lease Term") for the Equipment listed in each Schedule will commence on the earlier of (i) the date on which the Equipment listed on the Schedule is accepted by Lessee by the execution of a Delivery and Acceptance Certificate as required under Section 3 below, or (ii) the date on which sufficient moneys to purchase such Equipment are deposited for that purpose with an escrow agent (the "Commencement Date"), and, unless earlier terminated as expressly provided for in Sections 6, 19 or 20 of this Master Agreement, will continue until the expiration date (the "Expiration Date") set forth in the applicable Schedule.

**2. LEASE PAYMENTS.** For the lease of the Equipment listed in each Schedule, Lessee shall pay to Lessor the lease payments and other charges (the "Lease Payments") set forth in the applicable Schedule. As set forth in the applicable Schedule, each Lease Payment includes a principal portion and an interest portion. The Lease Payments will be payable without notice or demand at the office of Lessor (or such other place as Lessor or its assignee may from time to time designate in writing) on the first Lease Payment Date and thereafter as set forth in the applicable Schedule. If any Lease Payment is received later than 10 days after the due date, Lessee will pay a late payment charge equal to 1.8% of the amount of the Lease Payment or the maximum amount permitted by law, whichever is less. Except as specifically provided in Section 6 hereof, the obligation of Lessee to make the Lease Payments hereunder and perform all of its other obligations hereunder will be absolute and unconditional in all events and will not be subject to any abatement, setoff, defense, counterclaim, or recoupment for any reason whatsoever including, without limitation, any failure of the Equipment to be delivered or installed, any defects, malfunctions, breakdowns or infirmities in the Equipment or any accident, condemnation or unforeseen circumstances. Lessee reasonably believes that sufficient funds can be obtained to make all Lease Payments during the applicable Lease Term and hereby covenants that the official of Lessee responsible for budget preparation will do all things lawfully within his or her power to obtain, maintain and properly request and pursue funds from which the Lease Payments may be made, including making provisions for Lease Payments to the extent necessary in each budget submitted for the purpose of obtaining funding, using his or her best efforts to have such portion of the budget approved and exhausting all available administrative reviews and appeals in the event such portion of the budget is not approved. It is Lessee's intent to make Lease Payments for the full Lease Term if funds are legally available therefor and in that regard Lessee represents that the use of the Equipment is essential to its proper, efficient and economic operation. The foregoing provisions shall not be construed to require Lessee's governing body or other governmental body charged with budgeted or appropriating funds for Lessee to budget or appropriate funds to make Lease Payments. Lessor and Lessee understand and intend that the obligation of Lessee to pay Lease Payments hereunder and each Schedule hereto shall constitute a current expense of Lessee and shall not in any way be construed to be a debt of Lessee in contravention of any applicable constitutional or statutory limitation or requirement concerning the creation of indebtedness by Lessee, nor shall anything contained herein constitute a pledge of the general tax revenues, funds or monies of Lessee.

**3. CONDITIONS TO LESSOR'S PERFORMANCE UNDER SCHEDULES; DELIVERY AND ACCEPTANCE OF EQUIPMENT.** (a) As a prerequisite to the performance by Lessor of any of its obligations pursuant to the execution and delivery of any Schedule, Lessee shall deliver to Lessor the following: (i) if requested by Lessor, a certification satisfactory to Lessor of the Clerk or Secretary or other comparable officer of Lessee as to due authorization and approval, incumbency of officers and such other matters as Lessor may require; (ii) if requested by Lessor, an opinion of counsel to Lessee respecting such Schedule in substantially the form attached hereto as **Exhibit A** and otherwise satisfactory to Lessor; (iii) all documents, including an application for certificate of title with lien notice, as applicable, and other financing statements, affidavits, notices and similar instruments, in form satisfactory to Lessor, which Lessor deems necessary or appropriate at that time pursuant to Sections 8 and 15; (iv) board minutes in a form acceptable to Lessor; (v) a copy of the executed Internal Revenue Services ("IRS") form 8038-G or 8038-GC, as appropriate, as filed, or to be filed, with the IRS; (vi) satisfactory proof of property and liability insurance coverage and (vii) such other items, if any, as are set forth in such Schedule or are reasonably required by Lessor. This Master Agreement is not a commitment by Lessor to enter into any Schedule not currently in existence, and nothing in this Master Agreement shall be construed to impose any obligation upon Lessor to enter into any proposed Schedule, it being understood that whether Lessor enters into any proposed Schedule shall be a decision solely within Lessor's discretion, and no Lease will be binding or commence until accepted by Lessor. Without limiting the foregoing, Lessee will provide Lessor with any documentation or information Lessor may request in connection with Lessor's review of any proposed Schedule. Such documentation may include, without limitation, documentation concerning the Equipment and its contemplated use and location and documentation or information concerning the financial status of Lessee and other matters related to Lessee.

(b) Lessor will cause the Equipment to be delivered to Lessee at the location specified in the applicable Schedule ("Equipment Location"). Lessee will pay all transportation and other costs, if any, incurred in connection with the delivery and installation of the Equipment. Lessee will accept the Equipment as soon as it has been delivered and is operational. Lessee will evidence its acceptance of the Equipment by executing and delivering to Lessor a Delivery and Acceptance Certificate in the form provided by Lessor within three days of delivery of the Equipment.

**4. WARRANTIES.** (a) Assignment of Warranties. So long as no Event of Default has occurred and is continuing,

Lessor assigns to Lessee during the Lease Term of the Equipment all manufacturer's warranties, if any, expressed or implied with respect to the Equipment, and Lessor authorizes Lessee to obtain the customary services furnished in connection with such warranties at Lessee's expense. Lessee will resolve any claims under such warranties directly with the appropriate manufacturer or supplier of the Equipment. Lessee's sole remedy for the breach of any warranty shall be against the party providing the warranty, and not against Lessor. Lessee expressly acknowledges that Lessor makes, and has made, no representations or warranties whatsoever as to the existence or the availability of such warranties of the manufacturer or supplier of the Equipment.

(b) DISCLAIMER OF WARRANTIES. LESSEE ACKNOWLEDGES AND AGREES THAT (1) THE EQUIPMENT IS OF A

SIZE, DESIGN AND CAPACITY SELECTED BY LESSEE, (2) LESSOR IS NOT A MANUFACTURER, DISTRIBUTOR, VENDOR OR SUPPLIER OF THE EQUIPMENT, (3) LESSOR LEASES AND LESSEE TAKES THE EQUIPMENT AND EACH PART THEREOF "AS-IS" AND (4) LESSOR HAS NOT MADE, AND DOES NOT MAKE, ANY REPRESENTATION, WARRANTY, OR COVENANT, EXPRESS OR IMPLIED, WITH RESPECT TO THE MERCHANTABILITY, CONDITION, QUALITY, DURABILITY, DESIGN, OPERATION, FITNESS FOR USE, OR SUITABILITY OF THE EQUIPMENT IN ANY RESPECT WHATSOEVER OR IN CONNECTION WITH OR FOR THE PURPOSES AND USES OF LESSEE, OR AS TO THE ABSENCE OF LATENT OR OTHER DEFECTS, WHETHER OR NOT DISCOVERABLE, OR AS TO THE ABSENCE OF ANY INFRINGEMENT OF ANY PATENT, TRADEMARK OR COPYRIGHT, OR AS TO ANY OBLIGATION BASED ON STRICT LIABILITY IN TORT OR ANY OTHER REPRESENTATION, WARRANTY, OR COVENANT OF ANY KIND OR CHARACTER, EXPRESS OR IMPLIED, WITH RESPECT THERETO, IT BEING AGREED THAT ALL RISKS INCIDENT THERETO ARE TO BE BORNE BY LESSEE AND LESSOR SHALL NOT BE OBLIGATED OR LIABLE FOR ACTUAL, INCIDENTAL, CONSEQUENTIAL, OR OTHER DAMAGES OF OR TO LESSEE OR ANY OTHER PERSON OR ENTITY ARISING OUT OF OR IN CONNECTION WITH THE USE OR PERFORMANCE OF THE EQUIPMENT AND THE MAINTENANCE THEREOF.

**5. RETURN OF EQUIPMENT.** Unless Lessee shall have exercised its purchase option as provided in Section 20

hereof, upon the expiration or earlier termination of the Lease Term of the Equipment pursuant to the terms hereof, Lessee shall, at its sole expense but at Lessor's option, return the Equipment to Lessor in good working condition, packed for shipment in accordance with manufacturer's specifications and freight prepaid and insured to any location designated by Lessor.

**6. NON-APPROPRIATION OF FUNDS.** Notwithstanding anything contained in this Master Agreement or any

Schedule to the contrary, in the event no funds or insufficient funds are appropriated and budgeted and sufficient funds are not otherwise made available in any fiscal period for all Lease Payments under a Lease, Lessee will immediately notify Lessor in writing of such occurrence and provide documentation evidencing such non-appropriation satisfactory to Lessor, and the Lease Term for the Equipment under that Lease shall terminate on the last day of the fiscal period for which sufficient appropriations have been received or made without penalty or expense to Lessee, except as to Lessee's obligations and liabilities under any Lease relating to, or accruing or arising prior to, such termination. In the event of such termination, Lessee agrees to peaceably surrender possession of the Equipment under that Lease to Lessor on the date of such termination in the manner set forth in Section 5 hereof and Lessor will have all legal and equitable rights and remedies to take possession of the Equipment.

**7. REPRESENTATIONS AND WARRANTIES.** Lessee represents and warrants as of the date hereof, and as of the

date of each Schedule, that: (a) Lessee is a State or a fully constituted political subdivision of a State, and has a substantial amount of one or more of the following sovereign powers: (1) power to tax, (2) power of eminent domain, or (3) police power, and will do or cause to be done all things necessary to preserve and keep in full force and effect its existence; (b) Lessee is authorized under the constitution and laws of the State to enter into and agree to the terms of this Master Agreement and, as of the date of each Schedule, that Schedule and the transactions contemplated thereby and to perform all of its obligations thereunder; (c) the execution, delivery and performance by the Lessee of this Master Agreement, and each Schedule incorporating the terms of this Master Agreement has been duly authorized by proper action and approval of its governing body at a meeting duly called, regularly convened and attended throughout by a requisite majority of the members thereof or by other appropriate official approval, and will not result in contravention of any state, county, district, city or town statute, charter, ordinance, resolution, rule, regulation or other governmental provision or requirement, including, without limitation any applicable debt limitations; (d) each Schedule incorporating the terms of this Master Agreement constitutes a legal, valid and binding obligation of the Lessee enforceable in accordance with its terms, except to the extent limited by applicable bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally; (e) all required public bidding procedures, and the purchase of the Equipment covered by each Schedule have been followed by Lessee, and, as of the date of each Schedule, no governmental orders, permissions, consents, approvals or authorizations are required to be obtained and no registrations or declarations are required to be filed in connection with the execution and delivery of that Schedule; (f) Lessee has made sufficient appropriations or other funds available to pay all Lease Payments and other amounts due hereunder for the current fiscal period; (g) the use of the Equipment by Lessee is essential to and will be limited to the performance by Lessee of one or more governmental functions of Lessee consistent with the permissible scope of Lessee's authority; (h) no event or condition that constitutes, or with the giving of notice or the lapse of time or both would constitute, an Event of Default hereunder or a default under any debt, revenue or purchase obligation which it has issued or to which it is a party exists, nor has it been in default under any such obligation at any time during the past five years; (i) no lease, rental agreement or contract for purchase to which Lessee has been a party at any time during the past five years has been terminated by Lessee as a result of insufficient funds being appropriated in any fiscal period; and (j) there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending or threatened against or affecting Lessee, nor to the best knowledge of Lessee is there any basis therefor, wherein an unfavorable decision, ruling or finding would materially adversely affect the transactions contemplated by this Master Agreement or any Schedule incorporating the terms of this Master Agreement, or any other document, agreement or certificate that is used or contemplated for use in the consummation of the transactions contemplated by this Master Agreement or any Schedule.

**8. TITLE TO EQUIPMENT; SECURITY INTEREST.** Upon acceptance of the Equipment by Lessee, title to the

Equipment will vest in Lessee subject to Lessor's rights under the Schedule and the terms of this Master Agreement; provided, however, that title will immediately vest in Lessor without any action by Lessee and Lessee shall immediately surrender possession of

the Equipment to Lessor in accordance with Section 5 hereof, if Lessee terminates the Lease Term of the Equipment pursuant to Section 6, or upon the occurrence of an Event of Default, or if Lessee does not exercise the purchase option prior to the Expiration Date. It is the intent of the parties that any transfer of title to Lessor pursuant to this Section shall occur automatically without the necessity of any bill of sale, certificate of title or other instrument of conveyance. Lessee shall, nevertheless, execute and deliver any such instruments as Lessor may request to evidence such transfer. In order to secure all of its obligations under each Lease, Lessee hereby (a) grants to Lessor a first and prior security interest in any and all right, title and interest of Lessee in the Equipment covered by that Lease including but not limited to computer programs and computer documentation, if any, relating to the Equipment and in all additions, attachments, accessions, and substitutions thereto whether now owned or hereafter acquired, and on any proceeds therefrom, (b) agrees that the applicable Lease may be filed as a financing statement evidencing such security interest, (c) agrees to execute and deliver all financing statements, certificates of title and other instruments in form satisfactory to Lessor necessary or appropriate to evidence such security interest, and (d) authorizes Lessor acting on behalf of Lessee to file any financing statements and to take any other action required to perfect and maintain Lessor's security interest in the Equipment.

**9. USE; REPAIRS.** Lessee will use the Equipment in a careful manner for the use contemplated by the manufacturer of the Equipment. Lessee shall comply with all laws, ordinances, insurance policies and regulations relating to the possession, use, operation or maintenance of the Equipment. Lessee, at its expense, will keep the Equipment in good working order and repair and furnish all parts, mechanisms and devices required therefor.

**10. ALTERATIONS.** Lessee will not make any modifications, alterations, additions or improvements to the Equipment without Lessor's prior written consent unless such modifications, alterations, additions or improvements may be readily removed without damage to the Equipment.

**11. LOCATION; INSPECTION.** The Equipment will not be removed from or, if the Equipment consists of rolling stock, its permanent base will not be changed from the Equipment Location without Lessor's prior written consent which will not be unreasonably withheld. Lessor will be entitled to enter upon the Equipment Location or elsewhere during reasonable business hours to inspect the Equipment or observe its use and operation.

**12. LIENS AND TAXES.** Lessee shall keep the Equipment free and clear of all levies, liens and encumbrances except those created under any Schedule incorporating the terms of this Master Agreement. Lessee shall pay, when due, to the extent required by law, all charges and taxes (local, state and federal) which may now or hereafter be imposed upon the ownership, leasing, rental, sale, purchase, possession or use of the Equipment, excluding however, all taxes on or measured by Lessor's income. If Lessee fails to pay said charges, or taxes when due, Lessor may, but need not, pay said charges or taxes and, in such event, Lessee shall reimburse Lessor therefor on demand, with interest at the maximum rate permitted by law from the date of such payment by Lessor to the date of reimbursement by Lessee.

**13. RISK OF LOSS; DAMAGE; DESTRUCTION.** Lessee assumes all risk of loss of or damage to the Equipment from any cause whatsoever, and no such loss of or damage to the Equipment nor defect therein nor unfitness or obsolescence thereof shall relieve Lessee of the obligation to make Lease Payments or to perform any other obligation under any Lease. In the event of damage to any item of Equipment, Lessee will immediately place the same in good repair, with the proceeds of any insurance recovery applied to the cost of such repair. If Lessor determines that any item of Equipment is lost, stolen, destroyed or damaged beyond repair, within 30 days of such determination, Lessee, at the option of Lessor, will either (a) replace the same with like equipment in good repair (with its own funds to the extent that sufficient insurance proceeds are not available for that purpose) and convey, to the extent permitted by law, a security interest in such replacement equipment to Lessor (at which time such equipment will become Equipment subject to the Lease), or (b) pay Lessor an amount equal to (1) the Concluding Payment for the immediately preceding Lease Payment Date as set forth in the applicable Schedule, (2) the accrued interest portion of the next Lease Payment through the date such amount is paid, and (3) all other amounts then due under any Schedule with respect to such Equipment. In the event that Lessee is obligated to make such payment pursuant to clause (b) above with respect to less than all of the Equipment under a Schedule, Lessor will provide Lessee with the pro rata amount of the Concluding Payment to be made by Lessee with respect to the Equipment which has suffered the event of loss. The pro rata amount will be calculated on the basis of the Cash Price shown on the Schedule for the particular item of Equipment that has been lost, stolen, destroyed or damaged and the aggregate Cash Price of all items of Equipment under the same Schedule. Upon receipt of the Concluding Payment, Lessee shall be entitled to whatever interest Lessor has in such Equipment, in its then condition and location, without warranties of any kind.

**14. PERSONAL PROPERTY.** The Equipment is and will remain personal property and will not be deemed to be affixed or attached to real estate or any building thereon. If requested by Lessor, Lessee will, at Lessee's expense, furnish a waiver of any interest in the Equipment from any party having an interest in any such real estate or building.

**15. INSURANCE.** Lessee, will, at its expense, maintain at all times during the Lease Term, fire and extended coverage, public liability and property damage insurance with respect to the Equipment in such amounts, covering such risks, and with such insurers satisfactory to Lessor, or may self-insure against any or all such risks under a self-insurance program satisfactory to Lessor. In no event will the insurance limits be less than the amount of the then applicable Concluding Payment with respect to such Equipment, as shown on the applicable Schedule. Each insurance policy will name Lessee as an insured and Lessor as an additional insured, and will contain a clause requiring the insurer to give Lessor at least 30 days prior written notice of any alteration in the terms of such policy or the cancellation thereof. The proceeds of any such policies or self-insurance will be payable to Lessee and Lessor as their interests may appear. Upon acceptance of the Equipment, on or before each insurance renewal date, and otherwise at Lessor's request, Lessee will deliver to Lessor a certificate evidencing such insurance. In the event that Lessee has been permitted to self-insure, Lessee will furnish Lessor with a letter or certificate to such effect. In the event of any loss, damage, injury or accident involving the Equipment, Lessee will promptly provide Lessor with written notice thereof and make available to Lessor all information and documentation relating thereto and shall permit Lessor to participate and cooperate with Lessee in making any claim for insurance in respect thereof. Should Lessee fail to obtain such insurance or to provide evidence thereof to Lessor, Lessor may, but shall not be

obligated to, obtain such insurance on Lessee's behalf and charge Lessee for all costs and expenses associated therewith. Without limiting the generality of the foregoing, Lessee specifically acknowledges and agrees that if Lessor obtains such insurance on Lessee's behalf, Lessee will be required to pay a monthly insurance charge. The insurance charge will include reimbursement for premiums advanced to the insurer, finance charges (which will typically be at a rate higher than the rate used to determine the Lease Payment amount payable by Lessee), billing and tracking fees, administrative expenses and other related fees.

**16. INDEMNIFICATION.** Since Lessor's sole responsibility in connection with this transaction is to provide an amount equal to the principal portion of the Lease Payments to pay costs of the acquisition and lease of the Equipment, the parties intend that Lessor incur no liability, cost or expense with respect to Lessee's possession, use, condition, storage, operation or return of the Equipment, or the loss of federal tax exemption of the interest on any Lease. Accordingly, Lessee agrees, to the extent permitted by law, to indemnify Lessor against, and hold Lessor harmless from, any and all claims, actions, proceedings, expenses, penalties, interest, damages or liabilities, including attorney's fees and court costs, arising in connection with the Equipment, including, but not limited to, its selection, purchase, delivery, installation, ownership, possession, use, operation, rejection, or return and the recovery of claims under insurance policies thereon. The indemnification provided under this Section shall survive the full payment of all obligations under all Schedules or the termination of the Lease Term for a Schedule for any reason.

**17. ASSIGNMENT.** Without Lessor's prior written consent, Lessee will not either (a) assign, transfer, pledge, hypothecate, grant any security interest in or otherwise dispose of any Schedule, or the Equipment or any interest in this Master Agreement, any Schedule or the Equipment or (b) sublet or lend the Equipment or permit it to be used by anyone other than Lessee or Lessee's employees. Lessor may, without the Lessee's consent, assign all or any portion or portions of its rights, title and interest in and to this Master Agreement, any Schedule, the Equipment or any documents executed with respect to this Master Agreement or any Schedule, and/or grant or assign a security interest in this Master Agreement, any Schedule and the Equipment, in whole or in part, and Lessee's rights will be subordinated thereto. Lessee consents and specifically authorizes Lessor to forward any documentation and information that Lessor now has or may hereafter acquire in connection with any transaction between Lessor and Lessee, to any potential investor, rating agency and any other party involved in the sale, transfer, assignment, securitization or participation transaction involving this Master Agreement, any Schedule or the Equipment or any interest in this Master Agreement, any Schedule or the Equipment. Lessor's assignees shall have all of the rights of Lessor under any Lease with respect to the rights and interest assigned. Any such assignment to an assignee may provide that Lessor or the assignee shall act as a collection and paying agent for any assignee, or may provide that a third-party trustee or agent shall act as collection and paying agent for any assignee. Subject to the foregoing, the rights and obligations under any Lease inure to the benefit of and are binding upon the successors and assigns of the parties hereto. Lessee covenants and agrees not to assert against the assignee any claims or defenses by way of abatement, setoff, counterclaim, recoupment or the like which Lessee may have against Lessor. Upon any assignment by Lessor, unless Lessor provides Lessee written notice to the contrary, all Lease Payments shall continue to be directed to Ford Motor Credit Company LLC ("Ford Credit"), who agrees to accept such payments for the benefit of the assignee. Lessee hereby appoints Ford Credit, or its designee, to act as its registration agent, and Ford Credit shall maintain, or cause to be maintained, a book-entry record identifying the name, address and taxpayer identification number of the owner of payments due under each Schedule, and to keep or cause to be kept a complete and accurate record of all assignments, in form necessary to comply with Section 149(a) of the Internal Revenue Code of 1986, as amended (the "Code"). Lessee agrees to acknowledge in writing, any assignment(s) if so requested, and to make payments directly to the new owner (assignee) if and when so directed.

**18. EVENT OF DEFAULT; WAIVERS.** Any of the following events shall constitute an "Event of Default" under any Lease: (a) Lessee fails to make any Lease Payment (or any other payment) as it becomes due in accordance with the terms of that Lease, and any such failure continues for 10 days after the due date thereof; (b) Lessee fails to perform or observe any other covenant, condition, or agreement to be performed or observed by it under that Lease, other than as referred to in clause (a) above; (c) the discovery by Lessor that any statement, representation, or warranty made by Lessee in that Lease or in any writing ever delivered by Lessee pursuant thereto or in connection herewith was false, misleading, or erroneous in any material respect; (d) any provision of that Lease shall at any time for any reason cease to be valid and binding on Lessee, or shall be declared to be null and void, or the validity or enforceability thereof shall be contested by Lessee or any governmental agency or authority if the loss of such provision would materially adversely affect the rights or security of Lessor, or Lessee shall deny that it has any further liability or obligation under that Lease; (e) Lessee becomes insolvent, or is unable to pay its debts as they become due, or makes an assignment for the benefit of creditors, applies or consents to the appointment of a receiver, trustee, conservator or liquidator of Lessee or of any of its assets, or a petition for relief is filed by Lessee under any bankruptcy, insolvency, reorganization or similar laws, or a petition in, or a proceeding under, any bankruptcy, insolvency, reorganization or similar laws is filed or instituted against Lessee; (f) Lessee fails to make any payment when due or fails to perform or observe any covenant, condition, or agreement to be performed by it under any other agreement or obligation with Lessor or an affiliate of Lessor and any applicable grace period or notice with respect thereto shall have elapsed or been given; or (g) an attachment, levy or execution is threatened or levied upon or against the Equipment under that Lease. **The waiver by Lessor of any breach by Lessee of any term, covenant or condition of a Lease shall not operate as a waiver of any subsequent breach thereof or of any other Lease.**

**19. REMEDIES.** Upon the occurrence of an Event of Default under any Lease, and as long as such Event of Default under any Lease is continuing, Lessor may, at its option, exercise any one or more of the following remedies: (a) by written notice to Lessee, declare an amount equal to all amounts then due under that Lease or all Leases, and all remaining Lease Payments due under that Lease or all Leases during the fiscal year of Lessee in which the default occurs to be immediately due and payable, whereupon the same shall become immediately due and payable; (b) Lessor may enter the premises where the Equipment is located and retake possession of the Equipment or require Lessee, at Lessee's expense, to promptly return any or all of the Equipment to the possession of Lessor at a place specified by Lessor, and sell or lease the Equipment or, for the account of Lessee, sublease the Equipment, holding Lessee liable for the difference between (i) the Lease Payments and other amounts payable by Lessee hereunder plus the then applicable Concluding Payment, and (ii) the net proceeds of any such sale, lease or sublease (after deducting all expenses of Lessor in exercising its remedies under the Lease, including without limitation, all expenses of taking possession, storing, reconditioning and selling or leasing the Equipment and all brokerage, auctioneers' and attorneys' fees); provided that the amount of Lessee's liability under this

paragraph shall not exceed the Lease Payments and other amounts otherwise due hereunder, plus the remaining Lease Payments and other amounts payable by Lessee hereunder to the end of the then current fiscal year of Lessee; (c) terminate unfunded commitments under any escrow agreement; and (d) exercise any other right, remedy or privilege which may be available to it under applicable laws of the state where the Equipment is then located or any other applicable law or proceed by appropriate court action to enforce the terms of such Lease(s) or to recover damages for the breach of such Lease(s) or to rescind that Lease as to any or all of the Equipment under such Lease(s). In addition, Lessee will remain liable for all covenants and indemnities under the terms of this Master Agreement and any Schedule and, to the extent permitted by law, for all legal fees and other costs and expenses, including court costs, incurred by Lessor with respect to the enforcement of any of the remedies listed above or any other remedy available to Lessor. Lessor may be a purchaser at any sale of the Equipment pursuant to this Section 19. The proceeds of any sale, lease or sublease of the Equipment pursuant to this Section shall be applied as described in clause (b) above, with the balance, if any, being paid to Lessee.

**20. PURCHASE OPTION.** On the last day of the Lease Term, as well as at any time upon at least 30 days prior written notice from Lessee to Lessor, and provided that no Event of Default has occurred and is continuing, Lessee will have the right to purchase all (but not less than all) of Lessor's interest in the Equipment under any Schedule, at a purchase price equal to the sum of (a) the Concluding Payment for the immediately preceding Lease Payment Date, as set forth in the applicable Schedule, (b) the accrued interest portion of the next Lease Payment through the date the purchase price is paid, and (c) any other amounts then due under the Lease with respect to such Equipment (including the Lease Payment otherwise due, if the purchase date occurs on a Lease Payment Date). Upon satisfaction by Lessee of such purchase conditions, Lessor will transfer any and all of its right, title and interest in the Equipment to Lessee as is, without warranty, express or implied.

**21. TAX COVENANTS; INDEMNITY.** (a) Tax Assumptions and Covenants. The parties assume that, and Lessor is entering into this Master Agreement and each Schedule with the expectation that, Lessor can exclude from Federal gross income the interest portion of each Lease Payment set forth in each Schedule under the column captioned "Interest Portion." Lessee covenants that (a) Lessee will execute and file, or cause to be filed, with the Internal Revenue Service, the appropriate Form 8038-G or 8038-GC for each Schedule; (b) Lessee shall be the only entity or person (other than its employees within the scope of their employment) to own, use, manage or operate the Equipment during the Lease Term; (c) Lessee will not take any action which results, directly or indirectly, in any Lease being a "private activity bond" within the meaning of Section 141(a) of the Code; (d) Lessee will not take any action which results, directly or indirectly, in the interest portion of any Lease Payment not being excludable from Federal gross income pursuant to section 103 of the Code and will take any reasonable action necessary to prevent such result; and (e) not take any action which results in any Lease becoming, and will take any reasonable action to prevent any Lease from becoming an arbitrage obligation within the meaning of section 148 of the Code or federally guaranteed within the meaning of section 149 of the Code. In the event that a question arises as to Lessee's qualification as a political subdivision, Lessee agrees to cooperate with Lessor to make application to the Internal Revenue Service for a letter ruling with respect to the issue.

(b) Tax Indemnity. In the event that Lessor either (a) receives notice from the Internal Revenue Service, or (b) reasonably determines, based on an opinion of independent tax counsel selected by Lessor and not reasonably objected to by Lessee within 10 days after notice from Lessor of the selection, that the interest portion of any of the Lease Payments set forth in a Schedule is includable in Lessor's gross income for Federal income tax purposes, then Lessee will pay Lessor within 30 days after receiving notice from Lessor of such determination, the amount which, with respect to such Lease Payments previously paid, will restore the after-tax yield (after taking into account all taxes, interest and penalties) on the transactions evidenced by that Schedule to that which would have been had such interest portion not been includable in Lessor's gross income for Federal income tax purposes, and pay as an additional Lease Payment on succeeding Lease Payment due dates such amount as will maintain such after-tax yield. Notwithstanding the earlier termination or expiration of the Lease Term of the Equipment, the obligations provided for in this Section 21 shall survive such earlier termination or expiration.

**22. MISCELLANEOUS.** (a) Notices. All notices to be given under this Master Agreement or any Schedule shall be made in writing and mailed by certified mail, return receipt requested, to the other party at its address set forth herein or at such address as the party may provide in writing from time to time. Any such notice shall be deemed to have been received five days subsequent to mailing.

(b) Section Headings. All section headings contained herein are for the convenience of reference only and are not intended to define or limit the scope of any provision of this Master Agreement or any Lease.

(c) Governing Law. This Master Agreement and any Schedule incorporating the terms of this Master Agreement, shall be construed in accordance with, and governed by, the laws of the state in which Lessee is located.

(d) Delivery of Related Documents. Lessee will execute or provide, as requested by Lessor, such other documents and information as are reasonably necessary with respect to the transaction contemplated by a Lease.

(e) Entire Agreement; Severability. This Master Agreement, any Schedule incorporating the terms of this Master Agreement, and the other documents or instruments executed by Lessee and Lessor in connection herewith, including, without limitation, the Delivery and Acceptance Certificates referred to in Section 3, constitutes the entire agreement between the parties with respect to the lease of the Equipment, and neither this Master Agreement nor any Schedule shall be modified, amended, altered, or changed except with the written consent of Lessee and Lessor. Any provision of this Master Agreement or any Schedule found to be prohibited by law shall be ineffective to the extent of such prohibition without invalidating the remainder of this Master Agreement or the applicable Schedule. Notwithstanding the foregoing, Lessee authorizes Lessor to insert or correct missing information in this Master Agreement and on each Schedule and related documents, including Lessee's legal name, Equipment identifying information (e.g. VIN), Equipment location, and any other information describing the Equipment.

(f) Interest Rate Limitations. It is the intention of the parties hereto to comply with any applicable usury and other interest rate limitation laws; accordingly, notwithstanding any provisions to the contrary in this Master Agreement or any Schedule, in no

event shall this Master Agreement or any Schedule require the payment or permit the collection of interest or any amount in the nature of interest or fees in excess of the maximum permitted by applicable law.

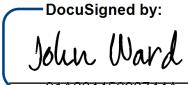
(g) Financial Statements. Lessee shall annually provide Lessor with current financial statements, budgets, proof of appropriation for the ensuing budget year and other financial information relating to the ability of Lessee to continue this Master Agreement and each Schedule incorporating the terms of this Master Agreement, as may be requested by Lessor.

(h) Counterparts; Chattel Paper; Electronic Transaction. This Master Agreement or any Schedule 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 and either of the parties hereto may execute this Master Agreement or any Schedule by signing any counterpart, except that, to the extent that any Schedule constitutes chattel paper, no security interest therein may be perfected through possession except by possession of Counterpart No. 1 of a Schedule, with respect to that Schedule. The parties agree that any Lease and related documents may be stored by electronic means.

**IN WITNESS WHEREOF**, the parties have executed this Master Agreement as of 2/16/2026.

Lessee: **Walton County Board of Commissioners**

Lessor: **Ford Motor Credit Company LLC**

By:   
John A. Ward  
91A26445698744A...

By: \_\_\_\_\_

Title: **County Manager**

Title: **Representative, Ford Motor Credit Company**

In Process