

SCHEDULE OF PROPERTY NO. 4
City of Riverside 2022A Equipment Financing (Helicopters)
[SUBJECT TO APPROPRIATION]

Re: Master Equipment Lease/Purchase Agreement, dated as of December 20, 2013, between Banc of America Public Capital Corp, as Lessor, and City of Riverside, as Lessee

1. *Subject to Appropriation Schedule of Property.* The parties intend this Schedule to be structured as an annual appropriation lease obligation, rather than an abatement lease obligation. To accomplish this, the above-referenced Master Equipment Lease/Purchase Agreement (the “*Master Equipment Lease*”), shall be deemed amended solely for the purposes of this Schedule, as follows:

A. The following changes are hereby made to Section 1.01 of the Master Equipment Lease:

(i) The following shall be inserted in lieu of the definition for “Lease Term:”

“*Lease Term*” means the Scheduled Term upon its expiration or as terminated as provided in Section 3.03.

(ii) The dollar amount in the definition of “Maximum Equipment Cost” shall be changed from to \$28,428,000.00 to \$40,428,000.00.

(iii) The following shall be inserted in lieu of the definition for “Acquisition Fund” and all references in the Master Equipment Lease to “Acquisition Fund” shall be replaced with “Escrow Account:”

“*Escrow Account*” means the fund established and held by the Escrow Agent pursuant to the Escrow Agreement.

(iv) The following shall be inserted in lieu of the definition for “Acquisition Fund Agreement” and all references in the Master Equipment Lease to “Acquisition Fund Agreement” shall be replaced with “Escrow Agreement:”

“*Escrow Agreement*” means the Escrow and Account Control Agreement in form and substance acceptable to and executed by Lessee, Lessor and the Escrow Agent, pursuant to which an Escrow Account is established and administered.

(v) The following shall be inserted in lieu of the definition for “Acquisition Fund Custodian” and all references in the Master Equipment Lease to “Acquisition Fund Custodian” shall be replaced with “Escrow Agent:”

“*Escrow Agent*” means the Escrow Agent identified in the Escrow Agreement, and its successors and assigns.

(vi) The following definitions shall be inserted alphabetically in Section 1.01:

“*Original Term*” means the period from the Commencement Date until the end of the fiscal year of Lessee in effect at such Commencement Date.

“*Renewal Terms*” means the consecutive renewal terms of this Agreement, the first of which commences immediately after the end of the Original Term and each having a duration and term coextensive with each successive fiscal year of Lessee; *provided* that the final such renewal term shall commence on the first day of the last such fiscal year and end on the first business day after the last scheduled Rental Payment Date.

“*Scheduled Term*” means the Original Term and all Renewal Terms, with a final Renewal Term ending on July 1, 2032.

B. The following shall be added to the end of Section 3.01 of the Master Equipment Lease:

The Lease Term may be continued, solely at the option of Lessee, at the end of the Original Term or any Renewal Term for the next succeeding Renewal Term up to the maximum Lease Term as set forth in the Rental Payment Schedule. At the end of the Original Term and at the end of each Renewal Term until the maximum Lease Term has been completed, Lessee shall be deemed to have exercised its option to continue this Agreement for the next Renewal Term unless Lessee shall have terminated this Agreement pursuant to Section 3.03 or Section 10.01. The terms and conditions during any Renewal Term shall be the same as the terms and conditions during the Original Term, except that the Rental Payments shall be as provided in the Rental Payment Schedule.

C. The following shall be inserted in lieu of Section 3.02 of the Master Equipment Lease:

Section 3.02. Continuation of Lease Term. Lessee intends, subject to Section 3.03, to continue the Lease Term through the Original Term and all Renewal Terms. Lessee affirms that sufficient funds are legally available for the current fiscal year, and Lessee reasonably believes that an amount sufficient to make all Rental Payments during the entire Scheduled Term can be obtained from legally available funds of Lessee. Lessee further intends to do all things lawfully within its power to obtain and maintain funds sufficient and available to discharge its obligation to make Rental Payments due hereunder, including making provision for such payments to the extent necessary in each budget or appropriation request submitted and adopted in accordance with applicable provisions of law. Notwithstanding the foregoing, the decision whether or not to budget and appropriate funds or to extend the Lease Term for any Renewal Term is within the sole discretion of the governing body of Lessee.

D. The following shall be inserted in lieu of Section 3.03 of the Master Equipment Lease:

Section 3.03. Nonappropriation. Lessee is obligated only to pay such Rental Payments as may lawfully be made during Lessee's then current fiscal year from funds budgeted and appropriated for that purpose. Should Lessee fail to budget, appropriate or otherwise make available funds to pay Rental Payments following the then current Original Term or Renewal Term, this Agreement shall be deemed terminated at the end of the then current Original Term or Renewal Term. Lessee agrees to deliver notice to Lessor of such termination promptly after any decision to non-appropriate is made, but failure to give such notice shall not extend the Scheduled Term beyond such Original Term or Renewal Term. If this Agreement is terminated in accordance with this Section, Lessee agrees to cease use of the Equipment and peaceably remove and deliver at Lessee's sole expense the Equipment to Lessor at the location(s) to be specified by Lessor within the State; *provided*, that Lessee shall pay month-to-month rent at the Contract Rate (or the Taxable Rate if then in effect) for each month or part thereof that Lessee fails to return the Equipment pursuant to this Section 3.03.

E. "Subject to Section 3.03," shall be inserted at the beginning of the first sentence of Section 4.01 of the Master Equipment Lease.

F. In Section 4.01 of the Master Equipment Lease, the reference to 16% is amended to 12%.

G. In Section 5.04 of the Master Equipment Lease, first paragraph, the following shall be inserted after the second sentence:

Upon the occurrence of an Event of Default or upon termination of this Agreement pursuant to Section 3.03, full and unencumbered legal title to the Equipment shall, at Lessor's option, pass to Lessor, and Lessee shall have no further interest therein. In addition, upon the occurrence of such an Event of Default or such termination, Lessee shall execute and deliver to Lessor such documents as Lessor may request to evidence the passage of such legal title to Lessor and the termination of Lessee's interest therein, and upon request by Lessor shall deliver possession of the Equipment to Lessor in accordance with Section 3.03 or Section 12.02, as applicable.

In the second paragraph of Section 5.04, delete the third, fourth and fifth sentences.

H. The following shall be inserted in lieu of the last sentence of Section 7.03 of the Master Equipment Lease:

All amounts so advanced by Lessor shall constitute additional rent for the then current Original Term or Renewal Term and Lessee covenants and agrees to pay such amounts so advanced by Lessor with interest thereon from the date

advanced until paid at the rate of 12% per annum or the maximum amount permitted by law, whichever is less.

I. In Section 12.02 of the Master Equipment Lease, the following paragraphs (a) through (d) shall be inserted in lieu of the existing paragraphs (a) through (d):

(a) By written notice to Lessee, Lessor may declare all Rental Payments payable by Lessee and other amounts payable by Lessee hereunder to the end of the then current Original Term or Renewal Term to be due;

(b) With or without terminating the Lease Term, Lessor may enter the premises where the Equipment is located and retake possession of such Equipment or require Lessee at Lessee's expense to promptly return any or all of such Equipment to the possession of Lessor at such place within the United States as Lessor shall specify, and sell or lease such Equipment or, for the account of Lessee, sublease such Equipment, continuing to hold Lessee liable, but solely from legally available funds, for the difference between (i) the Rental Payments payable by Lessee and other amounts hereunder or the Equipment that are payable by Lessee to the end of the then current Original Term or Renewal Term, as the case may be, and (ii) the net proceeds of any such sale, leasing or subleasing (after deducting all expenses of Lessor in exercising its remedies hereunder, including without limitation all expenses of taking possession, storing, reconditioning and selling or leasing such Equipment and all brokerage, auctioneer's and attorney's fees). The exercise of any such remedies respecting any such Event of Default shall not relieve Lessee of any other liabilities hereunder or with respect to the Equipment;

(c) Lessor may terminate the Escrow Agreement and apply any proceeds in the Escrow Account to the Rental Payments scheduled to be paid hereunder; and

(d) Lessor may take whatever action at law or in equity may appear necessary or desirable to enforce its rights under this Agreement or the Escrow Agreement or as a secured party in any or all of the Equipment or the Escrow Account.

2. *Defined Terms; Aircraft Addendum.* All capitalized terms used herein, other than those amended, above, shall have the meanings ascribed to them in the Master Equipment Lease and the Addendum Relating to Aircraft, dated [June 2, 2022], between Lessor and Lessee with respect to this Schedule of Property No. 4 (the "Aircraft Addendum").

3. *Equipment.* For purposes of the Lease created hereby, the following items of Equipment are hereby included under this Schedule of Property No. 4 (the "Schedule") of the Agreement:

Two (2) Airbus H125 helicopter and related equipment as more fully described in Annex A to the Aircraft Addendum.

Equipment location: 7020 Central Avenue, Riverside CA 92504

Any equipment or property acquired with Lease Proceeds shall also be part of the Equipment.

4. *Payment Schedule.*

(a) *Rental Payments.* The Rental Payments shall be in such amounts and payable on such dates as set forth in the Rental Payment Schedule attached to this Schedule as Exhibit A-1. Rental Payments shall commence on the date on which the Equipment listed in this Schedule is accepted by Lessee, as indicated in an Acceptance Certificate substantially in the form of Exhibit B to the Master Equipment Lease or the date on which sufficient moneys to purchase the Equipment are deposited for that purpose with an Escrow Agent, whichever is earlier.

(b) *Purchase Price Schedule.* The Purchase Price on each Rental Payment Date shall be the amount set forth for such Rental Payment Date in the "Purchase Price" column of the Rental Payment Schedule attached to this Schedule. The Purchase Price is in addition to all Rental Payments then due under this Schedule (including the Rental Payment shown on the same line in the Rental Payment Schedule).

5. *Representations, Warranties and Covenants.* Lessee hereby represents, warrants and covenants that its representations, warranties and covenants set forth in the Master Equipment Lease are true and correct as though made on the date of commencement of Rental Payments on this Schedule. Lessee further represents and warrants that (a) no material adverse change in Lessee's financial condition has occurred since June 30, 2021; (b) the governing body of Lessee has authorized the execution and delivery of this Schedule pursuant to Resolution No. _____, approved on [May 24, 2022]; (c) the Equipment described in the Schedule referenced above is essential to the functions of Lessee or to the services Lessee provides its citizens; (d) Lessee has an immediate need for, and expects to make immediate use of, substantially all such Equipment, which will be used by Lessee only for the purpose of performing one or more of Lessee's governmental or proprietary functions consistent with the permissible scope of its authority; and (e) Lessee expects and anticipates adequate funds to be available for all future payments or rent due after the current budgetary period.

6. *The Lease.* The terms and provisions of the Master Equipment Lease (other than to the extent that they relate solely to other Schedules or Equipment listed on other Schedules) and the Aircraft Addendum are hereby incorporated into this Schedule by reference and made a part hereof. In addition, the terms and conditions set forth in the Aircraft Addendum, including, but not limited to, the requirements therein for the Security Agreement, shall be applicable to the Equipment set forth in Annex A of the Aircraft Addendum (the "Aircraft").

7. *Acquisition Amount and Lease Proceeds.* The Acquisition Amount for the Equipment described in this Schedule is \$[12,000,000.00], which Lessor shall pay to the Escrow Agent in connection with this Schedule which is for deposit to the Escrow Account on the Commencement Date.

8. *Acquisition Period.* The Acquisition Period applicable to this Schedule shall end at the conclusion of the 18th month following the date hereof.

9. *Purchase Option Commencement Date.* For purposes of Section 10.01 of the Lease, the Purchase Option Commencement Date is [January 1, 2028].

10. *Interest Rate.* The Interest Rate for this Schedule is 1.7729%.

11. *Tax Opinion.* As a condition of funding of this Schedule, Lessee shall provide an opinion in form acceptable to Lessor, and from tax counsel acceptable to Lessor, that the interest component of Rental Payments under this Schedule are exempt from federal income tax.

12. *Waiver of Insurance Provision.* Lessor waives the following insurance requirement set forth in Section 7.02 of the Master Equipment Lease:

the rental interruption insurance set forth in clause (d) with respect to all of the Equipment.

Dated: [June 2, 2022]

LESSOR:
Banc of America Public Capital Corp
11333 McCormick Road
Mail Code: MD5-031-06-05
Hunt Valley, MD 21031

LESSEE:
City of Riverside
3900 Main Street
Riverside, California 92522

By _____
Title _____

By _____
Title _____

(Seal)

Attest:
By _____
Title _____

APPROVED AS TO FORM:

Stradling Yocca Carlson & Rauth, a
Professional Corporation
As Bond Counsel to Lessee

By _____
Title _____

Counterpart No. _____ of _____ manually executed and serially numbered counterparts. To the extent the Lease constitutes chattel paper (as defined in the Uniform Commercial Code), no security interest herein may be created through the transfer or possession of any Counterpart other than Counterpart No. 1.

EXHIBIT A-1

RENTAL PAYMENT SCHEDULE

Rental Payment Number	Rental Payment Date	Rental Payment Amount	Interest Portion %	Principal Portion	Outstanding Balance	Purchase Price
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Prepayment Premium for purposes of Section 10.01(a) is 0.00%.

For purposes of the Lease, "*Taxable Rate*," with respect to the interest component of Rental Payments, means an annual rate of interest equal to ____%.

LESSEE:
City of Riverside

By _____
Title _____

ACCEPTANCE CERTIFICATE

Banc of America Public Capital Corp
11333 McCormick Road
Mail Code: MD5-031-06-05
Hunt Valley, MD 21031

Re: Schedule of Property No. 4, dated [June 2, 2022], to Master Equipment Lease/Purchase Agreement, dated as of December 20, 2013, between Banc of America Public Capital Corp, as Lessor, and City of Riverside, as Lessee.

Ladies and Gentlemen:

In accordance with the Master Equipment Lease/Purchase Agreement (the "*Agreement*"), the undersigned Lessee hereby certifies and represents to, and agrees with Lessor as follows:

1. All of the Equipment (as such term is defined in the Agreement) listed in the above-referenced Schedule of Property (the "*Schedule*") and the Addendum Relating to Aircraft, dated [June 2, 2022], between Lessor and Lessee (the "*Aircraft Addendum*") has been delivered, installed and accepted as of the date hereof.

2. Lessee has conducted such inspection and/or testing of the Equipment listed in the Schedule and the Aircraft Addendum as it deems necessary and appropriate and hereby acknowledges that it accepts the Equipment for all purposes.

3. Lessee is currently maintaining the insurance coverage required by Section 7.02 of the Agreement and Section 4(f) of the Addendum Relating.

4. No event or condition that constitutes, or with notice or lapse of time, or both, would constitute, an Event of Default (as defined in the Agreement, as well as the Aircraft Addendum) exists at the date hereof. No event or condition that constitutes, or with notice or lapse of time, or both, would constitute, a nonappropriation, as define in Section 3.03 of the Agreement exists at the date hereof.

Date: _____, 20__

LESSEE:
City of Riverside

[To be executed with final disbursement
request under the Escrow and Account
Control Agreement.]

EXHIBIT ONLY-DO NOT EXECUTE

By _____

Title _____

(Seal)

INCUMBENCY AND AUTHORIZATION CERTIFICATE

The undersigned, a duly elected and acting City Clerk of City of Riverside (“*Lessee*”) certifies as follows:

A. The following listed persons are duly elected and acting officials of Lessee (the “*Officials*”) in the capacity set forth opposite their respective names below and that the facsimile signatures are true and correct as of the date hereof;

B. The Officials are duly authorized, on behalf of Lessee, to negotiate, execute and deliver Schedule of Property No. 4 dated [June 2, 2022], pursuant to the Master Equipment Lease/Purchase Agreement dated as of December 20, 2013, by and between Lessee and Banc of America Public Capital Corp (“*Lessor*”), the Addendum Relating to Aircraft, dated [June 2, 2022], the Escrow and Account Control Agreement dated as of [June 2, 2022], among Lessor, Lessee and Bank of America, National Association, as Escrow Agent, and all documents related thereto and delivered in connection therewith (collectively, the “*Agreements*”), and the Agreements are binding and authorized agreements of Lessee, enforceable in all respects in accordance with their terms.

Name of Official	Title	Signature
_____	_____	_____
_____	_____	_____
_____	_____	_____

Dated _____

By _____

Title City Clerk

(The signer of this Certificate cannot be listed above as authorized to execute the Agreements.)

[PLACE ON LEGAL COUNSEL'S LETTERHEAD]
OPINION OF COUNSEL TO LESSEE

Banc of America Public Capital Corp
11333 McCormick Road
Mail Code: MD5-031-06-05555
Hunt Valley, MD 21031

Re: Schedule of Property No. 4, dated [June 2, 2022], to Master Equipment Lease/Purchase Agreement, dated as of December 20, 2013, between Banc of America Public Capital Corp, as Lessor, and City of Riverside, as Lessee

Ladies and Gentlemen:

As legal counsel to City of Riverside ("*Lessee*"), I have examined (a) the final form of that certain Master Equipment Lease/Purchase Agreement, dated as of December 20, 2013, and Exhibits thereto by and between Banc of America Public Capital Corp ("*Lessor*") and Lessee (the "*Agreement*"), and the final form of Schedule of Property No. 4, dated [June 2, 2022], by and between Lessor and Lessee (the "*Schedule*"), which, among other things, provides for the lease of certain property listed in the Schedule (the "*Equipment*"), the Addendum Relating to Aircraft, dated [June 2, 2022], between Lessor and Lessee, with respect to the Schedule (the "Aircraft Addendum"), and the final form of that certain Escrow and Account Control Agreement dated June 2, 2022 by and among Lessee, Lessor and the Escrow Agent named therein (the "Escrow Agreement") (b) any executed resolution of Lessee which, among other things, may be required to authorize Lessee to execute the Agreement and the Schedule and (c) such other opinions, documents and matters of law as I have deemed necessary in connection with the following opinions. The Schedule and the terms and provisions of the Agreement and the Aircraft Addendum incorporated therein by reference together with the Rental Payment Schedule attached to the Schedule are herein referred to collectively as the "Lease." The Lease and the Escrow Agreement are referred to herein collectively as the "Lease Documents."

Based on the foregoing, I am of the following opinions:

1. Lessee is a municipal corporation, duly organized and existing under the Constitution and laws of the State, and has (a) the power to tax with voter approval, (b) the power of eminent domain, and (c) police power;
2. Lessee has the requisite power and authority to lease and acquire the Equipment and to execute and deliver the Lease Documents and to perform its obligations under the Lease Documents;

3. The Lease Documents have been duly authorized, approved, executed and delivered by and on behalf of Lessee and the Lease Documents are a valid and binding obligation of Lessee enforceable in accordance with their terms;

4. The authorization, approval, execution and delivery of the Lease Documents and all other proceedings of Lessee relating to the transactions contemplated thereby have been performed in accordance with all open meeting laws, public bidding laws and all other applicable state or federal laws; and

5. There is no proceeding pending or threatened in any court or before any governmental authority or arbitration board or tribunal that, if adversely determined, would adversely affect the transactions contemplated by the Lease Documents or the interest of Lessor or its assigns, as the case may be, in the Equipment thereunder.

All capitalized terms herein shall have the same meanings as in the Lease unless otherwise provided herein. Lessor and its successors and assigns, and any counsel rendering an opinion on the tax-exempt status of the interest components of the Rental Payments, are entitled to rely on this opinion.

Printed Name _____
Firm _____
Address _____
Telephone No. _____

Signature _____
Dated _____

ESSENTIAL USE/SOURCE OF FUNDS CERTIFICATE

Banc of America Public Capital Corp
11333 McCormick Road
Mail Code: MD5-031-06-05
Hunt Valley, MD 21031

Re: Master Equipment Lease/Purchase Agreement dated December 20, 2013,
between Banc of America Public Capital Corp and City of Riverside
 (“*Lessee*”) and Schedule of Property No. 4 dated [June 2, 2022]

This certificate confirms and affirms the Equipment described in the Agreement referenced above is essential to the functions of Lessee or to the services Lessee provides its citizens. Further, Lessee has an immediate need for, and expects to make immediate use of, substantially all such Equipment, which need is not temporary or expected to diminish in the foreseeable future. Such Equipment will be used by Lessee only for the purpose of performing one or more of Lessee’s governmental or proprietary functions consistent with the permissible scope of its authority.

Lessee expects and anticipates adequate funds to be available for all future payments or rent due after the current budgetary period.

CITY OF RIVERSIDE

By _____

Name _____

Title _____