



March 10, 2021

City of Coalinga PD
270 N 6th Street
Coalinga, CA 93210

Re: Municipal Lease/Purchase Financing Proposal

Dear Sir or Madam:

Lease Servicing Center, Inc. dba NCL Government Capital ("NCL") is pleased to propose to the City of Coalinga PD the following tax-exempt Lease/purchase transaction as outlined below. Under this transaction, the City of Coalinga PD would enter into a municipal Lease/purchase agreement with NCL for the purpose of acquiring a (3)Ford Interceptors (1) Ram 1500 Big Horn (1) Dodge Durango K9 Unit. This transaction is subject to formal review and approval by both the Lessor and Lessee.

LESSEE:	City of Coalinga PD
LESSOR:	Lease Servicing Center, Inc. dba NCL Government Capital & it's assigns
EQUIPMENT:	(3)Ford Interceptors (1) Ram 1500 Big Horn (1) Dodge Durango K9 Unit
EQUIPMENT COST:	\$265,793.05
DOWN-PAYMENT:	\$0
AMOUNT FINANCED:	<u>\$265,793.05</u>
TERM:	<u>5 Years</u>
ANNUAL LEASE PAYMENTS:	\$58,720.08
FIRST PAYMENT DUE:	12 Months from Lease Commencement
PURCHASE OPTION:	\$1.00
PRICING:	The Rates and Payments outlined above are locked, provided this proposal is accepted by the Lessee by March 31, 2021 and the transaction closes/funds prior to May 01, 2021. After these days, the final Rate and Payments shall be adjusted commensurately with market rates in effect at the time of funding and shall be fixed for the entire lease term.
DOCUMENTATION FEE:	\$250 paid to Lessor at closing

DOCUMENTATION: Lessor shall provide all of the documentation necessary to close this transaction. This documentation shall be governed by the laws of the State of lessee.

TITLE / INSURANCE: Lessee shall retain title to the equipment during the lease term. Lessor shall be granted a perfected security interest in the equipment and the Lessee shall keep the equipment free from any/all liens or encumbrances during the term. Lessee shall provide adequate loss and liability insurance coverage, naming Lessor as additional insured and loss-payee.

TAX STATUS: This transaction must be designated as Tax-Exempt under Section 103 of the IRS code of 1986 as amended.

SOURCEWELL CONTRACT: NCL has been competitively bid and awarded a contract through Sourcewell (Formerly NJPA).
#011620-NCL NCL's Sourcewell Contract # is 011620-NCL.

We appreciate this opportunity to offer an NCL Financing Solution. Please do not hesitate to contact me if you have any questions at (866) 763-7600. Acceptance of this proposal is required prior to credit underwriting by NCL. Upon acceptance of this proposal, please scan and e-mail to my attention. Thank you again.

Sincerely,

Matt Geiselhart - (866) 763-7600
mgeiselhart@lscfinancial.com

ACCEPTANCE

As a duly authorized agent of the City of Coalinga PD, I hereby accept the terms of this proposal as outlined above and intend to close this financing with NCL, subject to final approval.

ACCEPTED: _____ DATE: _____

NAME: _____ TITLE: _____

PHONE: _____

WE ARE PROVIDING THE INFORMATION CONTAINED HEREIN FOR INFORMATIONAL PURPOSES ONLY IN CONNECTION WITH POTENTIAL ARMS-LENGTH COMMERCIAL BANKING TRANSACTIONS. IN PROVIDING THIS INFORMATION, WE ARE ACTING FOR OUR OWN INTEREST AND HAVE FINANCIAL AND OTHER INTERESTS THAT DIFFER FROM YOURS. WE ARE NOT ACTING AS A MUNICIPAL ADVISOR OR FINANCIAL ADVISOR TO YOU, AND HAVE NO FIDUCIARY DUTY TO YOU OR ANY OTHER PERSON PURSUANT TO SECTION 15B OF THE SECURITIES EXCHANGE ACT OF 1934. THE INFORMATION CONTAINED IN THIS DOCUMENT IS NOT INTENDED TO BE AND SHOULD NOT BE CONSTRUED AS "ADVICE" WITHIN THE MEANING OF SECTION 15B OF THE SECURITIES EXCHANGE ACT OF 1934 AND THE MUNICIPAL ADVISOR RULES OF THE SEC. WE ARE NOT RECOMMENDING THAT YOU TAKE AN ACTION WITH RESPECT TO THE INFORMATION CONTAINED HEREIN. BEFORE ACTING ON THIS INFORMATION, YOU SHOULD DISCUSS IT WITH YOUR OWN FINANCIAL AND/OR MUNICIPAL, LEGAL, ACCOUNTING, TAX AND OTHER ADVISORS AS YOU DEEM APPROPRIATE. IF YOU WOULD LIKE A MUNICIPAL ADVISOR THAT HAS LEGAL FIDUCIARY DUTIES TO YOU, THEN YOU ARE FREE TO ENGAGE A MUNICIPAL ADVISOR TO SERVE IN THAT CAPACITY.