

\$12,533,626  
**EQUIPMENT LEASE PURCHASE AGREEMENT**  
**DATED AS OF FEBRUARY 14, 2025, BETWEEN**  
**WEBSTER BANK, NATIONAL ASSOCIATION, AS LESSOR, AND THE**  
**CITY OF SAN ANTONIO, TEXAS, AS LESSEE**  
**CLOSING DATE: FEBRUARY 14, 2025**

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**LIST OF CLOSING DOCUMENTS**

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**Document  
Number**

1. Equipment Lease Purchase Agreement, with the following exhibits attached:  

Exhibit A: Equipment Schedule.  
Exhibit B: Payment Schedule.
2. Texas Rider to Equipment Lease Purchase Agreement.
3. Escrow Agreement, with the following items attached:  

Exhibit A: Form of Certificate of Acceptance and Payment Request.  
Exhibit B: Incumbency Certificate regarding Lessee Representatives.  
Exhibit C: Lessor Representatives.  
Schedule 1: Escrow Agent Fees.  
Schedule 2: Investment Authorization Form.
4. Lessee's Closing Certificate, with evidence of authorization from Lessee's governing body attached.
5. Essential Use Certificate.
6. Opinion of Lessee's Counsel (validity opinion).
7. Opinion of Lessee's Bond Counsel (tax opinion).
8. Federal Tax Agreement (including IRS Form 8038-G).
9. Insurance Coverage Requirements, together with certificates of insurance; certificates of origin for titled vehicles.
10. UCC-1 Financing Statement.
11. Lessee's Form W-9.
12. Letter from Webster Bank, National Association to Lessee regarding municipal advisor representation.
13. Funding Memorandum.

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## EQUIPMENT LEASE PURCHASE AGREEMENT

**THIS EQUIPMENT LEASE PURCHASE AGREEMENT** (this “Agreement”), is dated as of February 14, 2025, between **WEBSTER BANK, NATIONAL ASSOCIATION**, a national banking association organized and existing under the laws of the United States of America, as Lessor (“Lessor”), and the **CITY OF SAN ANTONIO, TEXAS**, a political subdivision organized and existing under the laws of the State of Texas, as Lessee (“Lessee”), wherein the parties hereby agree as follows:

**Section 1. Definitions.** The following terms will have the meanings indicated below unless the context clearly requires otherwise:

“**Agreement**” means this Equipment Lease Purchase Agreement and any other schedule, exhibit or escrow agreement made a part hereof by the parties hereto, together with any amendments to this Agreement.

“**Code**” means the Internal Revenue Code of 1986, as amended.

“**Commencement Date**” is the date when the term of this Agreement and Lessee’s obligation to pay rent commences, which date will be the earlier of (i) the date on which the Equipment is accepted by Lessee in the manner described in **Section 13**, or (ii) the date on which sufficient moneys to purchase the Equipment are deposited for that purpose with an escrow agent.

“**EMMA**” means the Municipal Securities Rulemaking Board’s Electronic Municipal Market Access system, or its successor.

“**Equipment**” means the property described on the Equipment Schedule attached hereto as **Exhibit A**, and all replacements, substitutions, repairs, restorations, modifications, attachments, accessions, additions and improvements thereof or thereto and all insurance and/or proceeds therefrom.

“**Event of Default**” means an Event of Default described in **Section 35**.

“**Lease Term**” means the Original Term and all Renewal Terms, but ending on the occurrence of the earliest event specified in **Section 6**.

“**Lessee**” means the entity described as such in the first paragraph of this Agreement, its successors and its assigns.

“**Lessor**” means the entity described as such in the first paragraph of this Agreement, its successors and its assigns.

“**Maximum Lease Term**” means the Original Term and all Renewal Terms through the Renewal Term including the last Rental Payment Date set forth on the Payment Schedule.

“**Net Proceeds**” means the amount remaining from the gross proceeds of any insurance claim or condemnation award after deducting all expenses (including attorneys’ fees) incurred in the collection of such claim or award.

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

“**Payment Schedule**” means the schedule of Rental Payments and Purchase Price set forth on **Exhibit B**.

“**Purchase Price**” means the amount set forth on the Payment Schedule that Lessee may, at its option, pay to Lessor to purchase the Equipment.

“**Renewal Terms**” means the optional renewal terms of this Agreement, each having a duration of one year and a term co-extensive with Lessee’s fiscal year.

“**Rental Payment Dates**” means the dates set forth on the Payment Schedule on which Rental Payments are due.

“**Rental Payments**” means the basic rental payments payable by Lessee pursuant to **Section 9**.

“**State**” means the State of Texas.

“**Vendor**” means the manufacturer of the Equipment as well as the agents or dealers of the manufacturer from whom Lessor purchased or is purchasing the Equipment, as listed on **Exhibit A**.

**Section 2. Representations and Covenants of Lessee.** Lessee represents, warrants and covenants for the benefit of Lessor as follows:

(a) Lessee is a political subdivision duly organized and existing under the constitution and laws of the State. Lessee will do or cause to be done all things to preserve and keep in full force and effect its existence as a political subdivision. Lessee has a substantial amount of one or more of the following sovereign powers: (i) the power to tax, (ii) the power of eminent domain, and (iii) police power.

(b) Lessee is authorized under the constitution and laws of the State to enter into this Agreement and the transaction contemplated hereby and to perform all of its obligations hereunder.

(c) Lessee has been duly authorized to execute and deliver this Agreement 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.

(d) This Agreement constitutes the legal, valid and binding obligation of 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) 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 exists at the Commencement Date.

(f) Lessee has, in accordance with the requirements of law, fully budgeted and appropriated sufficient funds for the current fiscal year to make the Rental Payments scheduled to come due during the Original Term, if any, and to meet its other obligations for the Original Term, and such funds have not been expended for other purposes.

(g) Lessee has complied with such public bidding requirements as may be applicable to this Agreement and the acquisition by Lessee of the Equipment hereunder.

(h) 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 Agreement or any other document, agreement or certificate which is used or contemplated for use in the consummation of the transactions contemplated by this Agreement or materially adversely affect the financial condition or properties of Lessee.

(i) All authorizations, consents and approvals of governmental bodies or agencies required in connection with the execution and delivery by Lessee of this Agreement or in connection with the carrying out by Lessee of its obligations hereunder have been obtained.

(j) The entering into and performance of this Agreement or any other document or agreement contemplated hereby to which Lessee is or is to be a party will not violate any judgment, order, law or regulation applicable to Lessee or result in any breach of, or constitute a default under, or result in the creation of any lien, charge, security interest or other encumbrance on any assets of Lessee or the Equipment pursuant to any indenture, mortgage, deed of trust, bank loan or credit agreement or other instrument to which Lessee is a party or by which it or its assets may be bound, except as herein provided.

(k) The Equipment described in this Agreement is essential to the function of Lessee or to the service Lessee provides to its citizens. Lessee has an immediate need for, and expects to make immediate use of, substantially all the Equipment, which need is not temporary or expected to diminish in the foreseeable future. The 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 Lessee's authority.

(l) Neither the payment of the Rental Payments hereunder nor any portion thereof is (i) secured by any interest in property used or to be used in a trade or business of a non-exempt person (within the meaning of Section 103 of the Code) or in payments in respect of such property or (ii) derived from payments in respect of property, or borrowed money, used or to be used in a trade or business of a non-exempt person (within the meaning of Section 103 of the Code). No portion of the Equipment will be used directly or indirectly in any trade or business carried on by any non-exempt person (within the meaning of Section 103 of the Code).

(m) Lessee will comply with all applicable provisions of the Code, including without limitation Sections 103 and 148 thereof, and the applicable regulations of the Treasury Department to maintain the exclusion of the interest components of Rental Payments from gross income for purposes of federal income taxation.

(n) Lessee will use the proceeds of this Agreement as soon as practicable and with all reasonable dispatch for the purpose for which this Agreement has been entered into. No part of the proceeds of this Agreement will be invested in any securities, obligations or other investments or used, at any time, directly or indirectly, in a manner which, if such use had been reasonably anticipated on the date of the execution and delivery of this Agreement, would have caused any portion of this Agreement to be or become an “arbitrage bond” within the meaning of Section 103(b)(2) or Section 148 of the Code and the applicable regulations of the Treasury Department.

(o) Lessee has never failed to pay payments coming due under any bond issue, lease purchase agreement or other indebtedness obligation of Lessee.

(p) Lessee represents and covenants that in the event of a nonappropriation or an Event of Default under this Agreement, that it will file a notice on the EMMA website, disclosing such event.

(p) The useful life of the Equipment will not be less than the Maximum Lease Term.

(q) The application, statements and credit or financial information submitted by Lessee to Lessor are true and correct and made to induce Lessor to enter into this Agreement and the related escrow agreement, and Lessee has experienced no material change in its financial condition since the date(s) of such information.

(r) Lessee has provided Lessor with audited financial statements through September 30, 2023. Lessee has experienced no material change in its financial condition or in the revenues expected to be utilized to make the Rental Payments due under this Agreement since September 30, 2023.

(s) Lessee shall pay the excess (if any) of the actual costs of acquiring the Equipment in excess of the amount deposited by Lessor in the escrow fund established under the related escrow agreement allocated to payment of costs of the Equipment and interest earnings thereon.

(t) The Equipment is not a replacement, repair, substitution or proceeds of any equipment or personal property subject to a prior lien or security interest of a third party.

(u) Lessee is the fee owner of the real estate where the Equipment is and will be located and has good and marketable title thereto, and there exists no mortgage, pledge, lien, security interest, charge or other encumbrance of any nature whatsoever on or with respect to such real estate.

**Section 3. Certification as to Arbitrage.** Lessee hereby represents as follows:

(a) The estimated total costs of the Equipment, together with any costs of entering into this Agreement that are expected to be financed under this Agreement, will not be less than the total principal portion of the Rental Payments.

(b) The Equipment has been ordered or is expected to be ordered within six months of the Commencement Date, and the Equipment is expected to be delivered and installed, and the Vendor fully paid, within eighteen months of the Commencement Date.

(c) Lessee has not created or established, and does not expect to create or establish, any sinking fund or other similar fund (i) that is reasonably expected to be used to pay the Rental Payments, or (ii) that may be used solely to prevent a default in the payment of the Rental Payments.

(d) The Equipment has not been and is not expected to be sold or otherwise disposed of by Lessee, either in whole or in major part, prior to the last maturity of the Rental Payments.

(e) To the best of our knowledge, information and belief, the above expectations are reasonable.

**Section 4. Lease of Equipment.** Lessor hereby demises, leases and lets the Equipment to Lessee, and Lessee rents, leases and hires the Equipment from Lessor, in accordance with the provisions of this Agreement, for the Lease Term.

**Section 5. Lease Term.** The Original Term of this Agreement will commence on the Commencement Date and will terminate on the last day of Lessee's current fiscal year. The Lease Term may be continued, solely at the option of Lessee, at the end of the Original Term or any Renewal Term for an additional Renewal Term up to the Maximum Lease Term. At the end of the Original Term and at the end of each Renewal Term until the Maximum Lease Term has been completed, Lessee will be deemed to have exercised its option to continue this Agreement for the next Renewal Term unless Lessee has terminated this Agreement pursuant to **Section 6** or **Section 31**. The terms and conditions during any Renewal Term will be the same as the terms and conditions during the Original Term, except that the Rental Payments will be as provided in the Payment Schedule.

**Section 6. Termination of Lease Term.** The Lease Term will terminate upon the earliest of any of the following events:

- (a) the expiration of the Original Term or any Renewal Term of this Agreement and the nonrenewal of this Agreement in the event of nonappropriation of funds pursuant to **Section 8**;
- (b) the exercise by Lessee of the option to purchase the Equipment under the provisions of **Section 31** and payment of the Purchase Price and all amounts payable in connection therewith;
- (c) an Event of Default by Lessee and Lessor's election to terminate this Agreement under **Section 36**; or
- (d) the payment by Lessee of all Rental Payments authorized or required to be paid by Lessee hereunder during the Maximum Lease Term.

**Section 7. Continuation of Lease Term.** Lessee currently intends, subject to the provisions of **Section 8** and **Section 12**, to continue the Lease Term through the Original Term and all of the Renewal Terms and to pay the Rental Payments hereunder. Lessee reasonably believes that legally available funds in an amount sufficient to make all Rental Payments during the Original Term and each of the Renewal Terms can be obtained. The responsible financial officer of Lessee will do all things lawfully within his or her power to obtain and maintain funds from which the Rental Payments may be made, including making provision for such Rental Payments to the extent necessary in each proposed annual budget submitted for approval in accordance with applicable procedures of Lessee and to exhaust all available reviews and appeals in the event such portion of the budget is not approved. Notwithstanding the foregoing, the decision whether or not to budget or appropriate funds or to extend this Agreement for any Renewal Term is solely within the discretion of the then current governing body of Lessee.

**Section 8. Nonappropriation.** Lessee is obligated only to pay such Rental Payments under this Agreement as may lawfully be made from funds budgeted and appropriated for that purpose during Lessee's then current fiscal year. In the event sufficient funds will not be appropriated or are not otherwise legally available to pay the Rental Payments required to be paid in the next occurring Renewal Term, as set forth in the Payment Schedule, this Agreement will be deemed to be terminated at the end of the then current Original Term or Renewal Term. Lessee agrees to deliver notice to Lessor of such termination at least 90 days prior to the end of the then current Original Term or Renewal Term, but failure to give such notice will not extend the Lease Term beyond such Original Term or Renewal Term. If this Agreement is terminated in accordance with this Section, Lessee agrees, at Lessor's sole cost and expense, to peaceably deliver the Equipment to Lessor at the location or locations specified by Lessor within the State of Texas.

**Section 9. Rental Payments.** Lessee will pay Rental Payments from all legally available funds, in lawful money of the United States of America to Lessor in the amounts and on the dates set forth on the Payment Schedule, such payment to be made by wire or other form of electronic payment in accordance with written instructions provided by Lessor or, with Lessor's consent, by such other commercially reasonable method of payment. Rental Payments will be in consideration for Lessee's use of the Equipment during the fiscal year in which such payments are due. Any Rental Payment not received on or before its due date will bear interest at the rate of 10% per annum or the maximum amount permitted by law, whichever is less, from its due date.

In the event that it is determined that any of the interest components of Rental Payments may not be excluded from gross income for purposes of federal income taxation, Lessee agrees to pay to Lessor promptly after any such determination and on each Rental Payment Date thereafter an additional amount determined by Lessor to compensate Lessor for the loss of such excludability (including without limitation, compensation relating to interest expense, penalties or additions to tax), which determination shall be conclusive absent manifest error.

**Section 10. Interest Component.** As set forth on the Payment Schedule, a portion of each Rental Payment is paid as, and represents payment of, interest.

**Section 11. Rental Payments To Be Unconditional.** Except as provided in **Section 8**, the obligations of Lessee to make Rental Payments and to perform and observe the other covenants and agreements contained herein shall be absolute and unconditional in all events without abatement, diminution, deduction, set-off or defense, for any reason, 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 or the failure by Lessor or any other person or entity to perform its obligations under this Agreement or any other agreement, including any performance guaranty of the Vendor.

**Section 12. Rental Payments to Constitute a Current Expense of Lessee.** The obligation of Lessee to pay Rental Payments hereunder will constitute a current expense of Lessee, is from year to year and does not constitute a mandatory payment obligation of Lessee in any fiscal year beyond the then current fiscal year of Lessee. Lessee's obligation hereunder will not in any way be construed to be an indebtedness of Lessee in contravention of any applicable constitutional, charter or statutory limitation or requirement concerning the creation of indebtedness by Lessee, nor will anything contained herein constitute a pledge of the general credit, tax revenues, funds or moneys of Lessee.

**Section 13. Delivery, Installation and Acceptance of the Equipment.** Lessee will order the Equipment, cause the Equipment to be delivered and installed at the locations specified on **Exhibit A** and pay any and all delivery and installation costs in connection therewith. When the Equipment has been delivered and installed, Lessee will immediately accept the Equipment and evidence said acceptance by executing and delivering to Lessor a certificate of acceptance and payment request in substantially the form attached to the related escrow agreement, acceptable to Lessor. After it has been installed, the Equipment will not be moved from the location(s) specified in the related Vendor agreement without Lessor's consent, which consent will not be unreasonably withheld.

**Section 14. Enjoyment of Equipment.** Lessor hereby covenants to provide Lessee with quiet use and enjoyment of the Equipment during the Lease Term, and Lessee will peaceably and quietly have and hold and enjoy the Equipment during the Lease Term, without suit, trouble or hindrance from Lessor, except as otherwise expressly set forth in this Agreement.

**Section 15. Right of Inspection.** Lessor will have the right at all reasonable times during regular business hours to enter into and upon the property of Lessee for the purpose of inspecting the Equipment.

**Section 16. Use of the Equipment.** Lessee will not install, use, operate or maintain the Equipment improperly, carelessly, in violation of any applicable law or in a manner contrary to that contemplated by this Agreement. Lessee will obtain or cause to be obtained all permits and licenses, if any, necessary for the installation and operation of the Equipment. In addition, Lessee agrees to comply in all respects (including, without limitation, with respect to the use, maintenance and operation of each item of the Equipment) with all applicable laws, regulations and rulings of any legislative, executive, administrative or judicial body; provided, however, that Lessee may contest in good faith the validity or application of any such law, regulation or ruling in any reasonable manner that does not, in the opinion of Lessor, adversely affect the interest of Lessor in and to the Equipment or its interest or rights under this Agreement.

**Section 17. Maintenance of Equipment.** Lessee agrees that it will, at Lessee's own cost and expense, maintain, preserve and keep the Equipment in good repair, working order and condition. Lessor will have no responsibility to maintain, or repair or to make improvements or additions to the Equipment. If requested to do so by Lessor, Lessee will enter into a maintenance contract for the Equipment with the Vendor.

**Section 18. Title to the Equipment.** During the Lease Term, title to the Equipment and any and all additions, repairs, replacements or modifications will vest in Lessee, subject to the rights of Lessor under this Agreement; provided that title will thereafter immediately and without any action by Lessee vest in Lessor, and Lessee will immediately surrender possession of the Equipment to Lessor upon (a) any termination of this Agreement other than termination pursuant to **Section 31** or (b) the occurrence of an Event of Default. It is the intent of the parties hereto that any transfer of title to Lessor pursuant to this Section will occur automatically without the necessity of any bill of sale, certificate of title or other instrument of conveyance. Lessee will, nevertheless, execute and deliver any such instruments as Lessor may request to evidence such transfer. Lessee irrevocably designates, makes, constitutes and appoints Lessor and its assignee as Lessee's true and lawful attorney (and agent in-fact) with power, at such time of termination or times thereafter as Lessor in its sole and absolute discretion may determine, in Lessee's or Lessor's or such assignee's name, to endorse the name of Lessee upon any bill of sale, document, instrument, invoice, freight bill, bill of lading or similar document relating to the Equipment in order to vest title in Lessor and transfer possession to Lessor.

**Section 19. Security Interest.** To secure the payment of all of Lessee's obligations under this Agreement and to the extent permitted by law, Lessor retains a security interest constituting a first lien on the Equipment. Lessee agrees to execute such additional documents in form satisfactory to Lessor, that Lessor deems necessary or appropriate to establish and maintain its security interest. Lessee agrees that financing statements may be filed with respect to the security interest in the Equipment.

Lessee will, at Lessee's expense, file an application for and obtain the first certificate of title for any Equipment constituting a vehicle, designating Lessee as owner and Lessor as first lienholder, and a certificate of registration issued in

Lessee's name. Lessee will, at Lessee's expense, take such action as shall be necessary from time to time to avoid suspension or revocation of any certificates of title and to renew and maintain all certificates of registration. If Lessee is required to obtain any new certificate of title or of registration, Lessee will, at Lessee's expense and with written notice to Lessor of such action, obtain such new certificate of title or of registration in the form described above. Lessee will provide Lessor with all license, registration and vehicle identification numbers relating to each vehicle and will arrange for the registration and titling of all such vehicles. Lessee will notify Lessor of any changes to the certificate of registration or license plate within 10 days of such change.

As further security therefor, Lessee grants to Lessor a first priority security interest in the cash and negotiable instruments from time to time comprising the escrow fund, if any, established under any related escrow agreement and all proceeds (cash and non-cash) thereof, and agrees with respect thereto that Lessor shall have all the rights and remedies of a secured party.

**Section 20. Personal Property; No Encumbrances.** Lessor and Lessee agree that the Equipment is and will remain personal property. The Equipment will not be deemed to be affixed to or a part of the real estate on which it may be situated, notwithstanding that the Equipment or any part thereof may be or hereafter become in any manner physically affixed or attached to such real estate or any building thereon. Upon the request of 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. Lessee shall not create, incur, assume or permit to exist any mortgage, pledge, lien, security interest, charge or other encumbrance of any nature whatsoever on any of the real estate where the Equipment is or will be located or enter into any agreement to sell or assign or enter into any sale/leaseback arrangement of such real estate without the prior written consent of Lessor; provided, that if Lessor or its assigns is furnished with a waiver of interest in the Equipment acceptable to Lessor or its assigns in its discretion from any party taking an interest in any such real estate prior to such interest taking effect, such consent shall not unreasonably be withheld.

**Section 21. Liens, Taxes, Other Governmental Charges and Utility Charges.** Lessee will keep the Equipment free and clear of all liens, charges and encumbrances, except those created under this Agreement. The parties to this Agreement contemplate that the Equipment will be used for a governmental or proprietary purpose of Lessee and, therefore, that the Equipment will be exempt from all property taxes and other similar charges. If the use, possession or acquisition of the Equipment is found to be subject to taxation in any form, Lessee will pay all taxes and governmental charges lawfully assessed or levied against or with respect to the Equipment. Lessee will pay all utility and other charges incurred in the use and maintenance of the Equipment. Lessee will pay such taxes and charges as the same become due; provided that, with respect to any such taxes and charges that may lawfully be paid in installments over a period of years, Lessee will be obligated to pay only such installments that accrue during the Lease Term.

**Section 22. Insurance.** At its own expense, Lessee will maintain (a) casualty insurance insuring the Equipment against loss or damage by fire and all other risks covered by the standard extended coverage endorsement then in use in the State and any other risks reasonably required by Lessor in an amount at least equal to the then applicable Purchase Price of the Equipment, (b) liability insurance that protects Lessor from liability in all events in form and amount satisfactory to Lessor, and (c) workers' compensation coverage as required by the laws of the State; provided that Lessee may self-insure against the risks described in clauses (a), (b) and (c). All insurance proceeds from casualty losses will be payable as hereinafter provided. Lessee will furnish to Lessor certificates evidencing such coverage throughout the Lease Term.

All such casualty and liability insurance will be with insurers that are acceptable to Lessor, will name Lessor as a loss payee and an additional insured and will contain a provision to the effect that such insurance will not be cancelled or modified materially without first giving written notice thereof to Lessor at least ten days in advance of such cancellation or modification. All such casualty insurance will contain a provision making any losses payable to Lessee and Lessor, as their respective interests may appear.

**Section 23. Advances.** In the event Lessee fails to maintain the insurance required by this Agreement, pay taxes or charges required to be paid by it under this Agreement or fails to keep the Equipment in good repair and operating condition, Lessor may (but will be under no obligation to) purchase the required policies of insurance and pay the cost of the premiums thereof, pay such taxes and charges and make such Equipment repairs or replacements as are necessary and pay the cost thereof. All amounts so advanced by Lessor will become additional rent for the then current Original Term or Renewal Term. Lessee agrees to pay such amounts with interest thereon from the date paid at the rate of 10% per annum or the maximum permitted by law, whichever is less.

**Section 24. Financial Information.** Lessee shall maintain proper books of record and account in which proper entries shall be made in accordance with generally accepted government accounting standards, consistently applied, of all its business and affairs. Lessee shall have an annual audit of the financial condition of Lessee made by an independent certified public accountant promptly following the end of each fiscal year. Such report shall include statements in reasonable detail, certified by such accountant, reflecting Lessee's financial position as of the end of such fiscal year and the results of Lessee's operations

and changes in the financial position of its funds for the fiscal year. Lessee shall furnish to Lessor copies of such audit report immediately after it is accepted by Lessee, but not later than 360 days after the end of the fiscal year. If the audit is publicly available on Lessee's website or on the EMMA website, the requirement to provide the audit to Lessor will be satisfied if Lessee emails a link to the posted item to Lessor within such 360-day period. The electronic audit or link may be sent to the following email address (or such other address as Lessor supplies to Lessee in writing): [PublicFinance@WebsterBank.com](mailto:PublicFinance@WebsterBank.com).

**Section 25. No Liability of Lessor.** Lessor shall have no liability for any claims or damages arising out of or as the result of (a) the ownership of any item of the Equipment, (b) the manufacturing, ordering, acquisition, use, operation, condition, purchase, delivery, rejection, storage or return of any item of the Equipment, or (c) any accident in connection with the operation, use, condition, possession, storage or return of any item of the Equipment resulting in damage to property or injury or death to any person.

**Section 26. Risk of Loss.** Lessee assumes, from and including the Commencement Date, all risk of loss of or damage to the Equipment from any cause whatsoever. No such loss of or damage to the Equipment nor defect therein nor unfitness or obsolescence thereof will relieve Lessee of the obligation to make Rental Payments or to perform any other obligation under this Agreement.

**Section 27. Damage, Destruction, Condemnation; Use of Proceeds.** If (a) the Equipment or any portion thereof is destroyed, in whole or in part, or is damaged by fire or other casualty, or (b) title to, or the temporary use of, the Equipment or any part thereof or the interest of Lessee or Lessor in the Equipment or any part thereof will be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm or corporation acting under governmental authority, Lessee and Lessor will cause the Net Proceeds of any insurance claim or condemnation award to be applied to the prompt replacement, repair, restoration, modification or improvement of the Equipment, unless Lessee has exercised its option to purchase the Equipment pursuant to **Section 31**. Any balance of the Net Proceeds remaining after such work has been completed will be paid to Lessee.

**Section 28. Insufficiency of Net Proceeds.** If the Net Proceeds are insufficient to pay in full the cost of any repair, restoration, modification or improvement referred to in **Section 27**, Lessee will either (a) complete such replacement, repair, restoration, modification or improvement and pay any costs thereof in excess of the amount of the Net Proceeds, or (b) purchase Lessor's interest in the Equipment pursuant to **Section 31**. The amount of the Net Proceeds, if any, remaining after completing such repair, restoration, modification or improvement or after purchasing the Equipment will be retained by Lessee. If Lessee will make any payments pursuant to this Section, Lessee will not be entitled to any reimbursement therefor from Lessor nor will Lessee be entitled to any diminution of the amounts payable under **Section 9**.

**Section 29. Disclaimer of Warranties.** LESSOR MAKES NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR PARTICULAR USE OR PURPOSE OF THE EQUIPMENT OR AGAINST INFRINGEMENT, OR ANY OTHER WARRANTY OR REPRESENTATION WITH RESPECT THERETO. IN NO EVENT SHALL LESSOR BE LIABLE FOR ANY ACTUAL, INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGE IN CONNECTION WITH OR ARISING OUT OF THIS AGREEMENT OR THE EXISTENCE, FURNISHING, FUNCTIONING OR LESSEE'S USE OR MAINTENANCE OF ANY EQUIPMENT OR SERVICES PROVIDED FOR IN THIS AGREEMENT.

**Section 30. Vendor's Warranties.** Lessee may have rights under the contract evidencing the purchase of the Equipment; Lessee is advised to contact the Vendor for a description of any such rights. Lessee hereby assigns to Lessor during the Lease Term all warranties and representations, express or implied, running from the Vendor to Lessee. Lessor hereby irrevocably appoints Lessee its agent and attorney-in-fact during the Lease Term, so long as Lessee will not be in default hereunder, to assert from time to time whatever claims and rights (including without limitation warranties) related to the Equipment that Lessor may have against the Vendor. Lessee's sole remedy for the breach of any such warranty, indemnification or representation will be against the Vendor, and not against Lessor. Any such matter will not have any effect whatsoever on the rights and obligations of Lessor with respect to this Agreement, including the right to receive full and timely payments hereunder. Lessee expressly acknowledges that Lessor makes, and has made, no representations or warranties whatsoever as to the existence or availability of such warranties by the Vendor.

**Section 31. Purchase Option; Prepayment.**

(a) *Purchase Option.* Lessee will have the option to purchase the Equipment, upon giving written notice to Lessor at least 30 days before the date of purchase, at the following times and upon the following terms:



(i) On any Rental Payment Date after February 14, 2026, upon payment in full of the Rental Payment then due hereunder plus all other amounts due hereunder at the then-applicable Purchase Price to Lessor; or

(ii) In the event of substantial damage to or destruction or condemnation (other than by Lessee or any entity controlled by or otherwise affiliated with Lessee) of substantially all of the Equipment, on the day Lessee specifies as the purchase date in Lessee's notice to Lessor of its exercise of the purchase option, upon payment in full of the Rental Payment and all other amounts then due hereunder plus (A) the Purchase Price designated on the Payment Schedule for such purchase date if such purchase date is a Rental Payment Date or the Purchase Price for the immediately preceding Rental Payment Date if such purchase date is not a Rental Payment Date, and (B) if such day is not a Rental Payment Date, an amount equal to the portion of the interest component of the Rental Payment scheduled to come due on the following Rental Payment Date accrued from the immediately preceding Rental Payment Date to such purchase date, computed on the basis of a 360-day year of twelve 30-day months. If a Purchase Price is not listed for such date that Lessee has designated as the purchase date, the Purchase Price for that date shall be calculated as the Rental Payment then due plus the outstanding principal balance of this Agreement.

Upon the exercise of the option to purchase set forth above, title to the Equipment will be vested in Lessee, free and clear of any claim by or through Lessor.

(b) *Prepayment in Part.*

(i) Lessee will have the option to prepay in part outstanding principal components of Rental Payments, without payment of any prepayment premium, upon giving written notice to Lessor at least 30 days before the date of prepayment, on any Rental Payment Date. Partial prepayment may occur no more than once per calendar year, and must be in a principal amount of not less than \$500,000. In the event of any such prepayment, the Payment Schedule will be revised to reflect a principal reduction in inverse order of Rental Payment Dates and shall supersede and replace the initial Payment Schedule attached hereto as **Exhibit B**, as specified by Lessor and acknowledged by Lessee, without any further action by Lessor or Lessee.

(ii) In the event monies remain in the escrow fund established under the related escrow agreement, upon receipt by the escrow agent under such escrow agreement of a duly executed certificate of acceptance and payment request identified as the final such request, the remaining monies in such escrow fund shall, first be applied to all reasonable fees and expenses incurred by such escrow agent, if applicable, in connection with such escrow fund as evidenced by its statement forwarded to Lessor and Lessee; and, second be paid to Lessor, to be applied by Lessor on any Rental Payment Date to all or a portion of the Rental Payment due and owing in the succeeding twelve (12) months and any remaining amounts shall be applied by Lessor as prepayment to the remaining principal balance owing hereunder in inverse order of Rental Payment Dates, unless Lessor directs that payment of such amount be made in such other manner that, in the opinion of nationally recognized counsel in the area of tax exempt municipal obligations satisfactory to Lessor, will not adversely affect the exclusion of the interest components of Rental Payments from gross income for federal income tax purposes. If any such amount is applied against the outstanding principal components of Rental Payments, the Payment Schedule attached hereto will be revised accordingly.

On the final Rental Payment Date, Lessee will be deemed to have exercised its option to purchase the Equipment subject to this Agreement, without requirement for written notice, upon payment in full of the Rental Payments then due hereunder, plus all other amounts due hereunder and not yet paid.

**Section 32. Determination of Fair Purchase Price.** Lessee and Lessor hereby agree and determine that the Rental Payments hereunder during the Original Term and each Renewal Term represent the fair value of the use of the Equipment and that the amount required to exercise Lessee's option to purchase the Equipment pursuant to **Section 31** represents, as of the end of the Original Term or any Renewal Term, the fair purchase price of the Equipment. Lessee hereby determines that the Rental Payments do not exceed a reasonable amount so as to place Lessee under a practical economic compulsion to renew this Agreement or to exercise its option to purchase the Equipment hereunder. In making such determinations, Lessee and Lessor have given consideration to (a) the costs of the Equipment, (b) the uses and purposes for which the Equipment will be employed by Lessee, (c) the benefit to Lessee by reason of the acquisition and installation of the Equipment and the use of the Equipment pursuant to the terms and provisions of this Agreement, and (d) Lessee's option to purchase the Equipment. Lessee hereby determines and declares that the acquisition and installation of the Equipment and the leasing of the Equipment pursuant to this Agreement will result in equipment of comparable quality and meeting the same requirements and standards as would be necessary if the acquisition and installation of the Equipment were performed by Lessee other than pursuant to this Agreement. Lessee hereby determines and declares that the Maximum Lease Term does not exceed the useful life of the Equipment.

**Section 33. Assignment by Lessor.** Lessor's interest in, to and under this Agreement and the Equipment may be assigned and reassigned in whole or in part to one or more assignees by Lessor without the necessity of obtaining the consent of Lessee; provided that any assignment will not be effective against Lessee until (a) Lessee has received written notice of the name and address of the assignee and (b) in the event that such assignment is made to a bank or trust company for holders of certificates representing interests in this Agreement, such bank or trust company agrees to maintain, or cause to be maintained, a register by which a record of the names and addresses of such holders as of any particular time is kept and agrees, upon request of Lessee, to furnish such information to Lessee. Lessee will retain all such notices as a register of all assignees and will make all payments to the assignee or assignees designated in such register. Lessee agrees to execute all documents, including notices of assignment and chattel mortgages or financing statements that may be reasonably requested by Lessor or any assignee to protect its interest in the Equipment and in this Agreement and agrees to the filing of financing statements with respect to the Equipment and this Agreement. Lessee will not have the right to and will not assert against any assignee any claim, counterclaim, defense, set-off or other right Lessee may have against Lessor.

**Section 34. Assignment and Subleasing by Lessee.** None of Lessee's right, title and interest in, to and under this Agreement and the Equipment may be assigned or encumbered by Lessee for any reason, except that Lessee may sublease all or part of the Equipment if Lessee obtains the prior written consent of Lessor and an opinion of nationally recognized counsel in the area of tax exempt municipal obligations satisfactory to Lessor that such subleasing will not adversely affect the exclusion of the interest components of the Rental Payments from gross income for federal income tax purposes. Any such sublease of all or part of the Equipment will be subject to this Agreement and the rights of Lessor in, to and under this Agreement and the Equipment.

**Section 35. Events of Default Defined.** Subject to the provisions of **Section 8**, any of the following will be "Events of Default" under this Agreement:

(a) Failure by Lessee to pay any Rental Payment or other payment required to be paid hereunder at the time specified herein;

(b) Failure by Lessee to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in **Section 35(a)**, for a period of 30 days after written notice, specifying such failure and requesting that it be remedied, is given to Lessee by Lessor, unless Lessor will agree in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice cannot be corrected within the applicable period, Lessor will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by Lessee within the applicable period and diligently pursued until the default is corrected;

(c) Any statement, representation or warranty made by Lessee in or pursuant to this Agreement or its execution, delivery or performance will prove to have been false, incorrect, misleading or breached in any material respect on the date when made;

(d) Any provision of this Agreement will at any time for any reason cease to be valid and binding on Lessee, or will be declared to be null and void, or the validity or enforceability thereof will 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 will deny that it has any further liability or obligation under this Agreement;

(e) Lessee will (i) apply for or consent to the appointment of a receiver, trustee, custodian or liquidator of Lessee, or of all or a substantial part of the assets of Lessee, (ii) be unable, fail or admit in writing its inability generally to pay its debts as they become due, (iii) make a general assignment for the benefit of creditors, (iv) have an order for relief entered against it under applicable federal bankruptcy law, or (v) file a voluntary petition in bankruptcy or a petition or an answer seeking reorganization or an arrangement with creditors or taking advantage of any insolvency law or any answer admitting the material allegations of a petition filed against Lessee in any bankruptcy, reorganization or insolvency proceeding; or

(f) An order, judgment or decree will be entered by any court of competent jurisdiction, approving a petition or appointing a receiver, trustee, custodian or liquidator of Lessee or of all or a substantial part of the assets of Lessee, in each case without its application, approval or consent, and such order, judgment or decree will continue unstayed and in effect for any period of 30 consecutive days.

**Section 36. Remedies on Default.** Whenever any Event of Default exists, Lessor will have the right, at its sole option without any further demand or notice, to take one or any combination of the following remedial steps:

(a) By written notice to Lessee, Lessor may declare all Rental Payments 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 this Agreement, Lessor may enter the premises where the Equipment is located and retake possession of the Equipment or require Lessee to promptly return any or all of the Equipment to the possession of Lessor, at Lessor's expense, at a place specified by Lessor, provided, however, that such place shall be a location reasonably convenient to Lessor within the State of Texas, and sell or lease the Equipment or, for the account of Lessee, sublease the Equipment, holding Lessee liable for the difference between (i) the Rental Payments and other amounts payable by Lessee hereunder plus the applicable Purchase Price, and (ii) the net proceeds of any such sale, lease or sublease (after deducting all expenses of Lessor in exercising its remedies under this Agreement, 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 subparagraph (b) shall not exceed the Rental Payments and other amounts otherwise due hereunder plus the remaining Rental Payments and other amounts payable by Lessee to the end of the then current Original Term or Renewal Term;

(c) Lessor may provide written notice of the occurrence of an Event of Default to the escrow agent under the related escrow agreement, and the escrow agent shall thereupon promptly remit to Lessor the entire balance of the escrow fund established thereunder; and

(d) Lessor may take whatever other action at law or in equity may appear necessary or desirable to enforce its rights as the owner of the Equipment.

In addition, Lessee will remain liable for all covenants and indemnities under this Agreement and for all legal fees and other costs and expenses (other than costs associated with returning the Equipment), 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.

**Section 37. No Remedy Exclusive.** No remedy herein conferred upon or reserved to Lessor is intended to be exclusive and every such remedy will be cumulative and will be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default will impair any such right or power or will be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle Lessor to exercise any remedy reserved to it in this Agreement it will not be necessary to give any notice, other than such notice as may be required in this Agreement.

**Section 38. Notices.** All notices, certificates or other communications hereunder will be sufficiently given and will be deemed given when delivered or mailed by registered mail, postage prepaid, to the parties at the addresses immediately after the signatures to this Agreement (or at such other address as either party hereto will designate in writing to the other for notices to such party), to any assignee at its address as it appears on the register maintained by Lessee.

**Section 39. Binding Effect.** This Agreement will inure to the benefit of and will be binding upon Lessor and Lessee and their respective successors and assigns.

**Section 40. Severability.** In the event any provision of this Agreement will be held invalid or unenforceable by any court of competent jurisdiction, such holding will not invalidate or render unenforceable any other provision hereof.

**Section 41. Entire Agreement.** This Agreement constitutes the entire agreement between Lessor and Lessee.

**Section 42. Amendments.** This Agreement may be amended, changed or modified in any manner by written agreement of Lessor and Lessee. Any waiver of any provision of this Agreement or any right or remedy hereunder must be affirmatively and expressly made in writing and will not be implied from inaction, course of dealing or otherwise.

**Section 43. Execution in Counterparts.** This Agreement may be simultaneously executed in several counterparts, each of which will be an original and all of which will constitute but one and the same instrument.

**Section 44. Captions.** The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement.

**Section 45. Applicable Law.** This Agreement will be governed by and construed in accordance with the laws of the State.

**Section 46. Electronic Transactions.** The parties agree that the transaction described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

**Section 47. Role of Lessor.** Lessor has not acted and will not act as a fiduciary for Lessee or as Lessee's agent or municipal advisor. Lessor has not and will not provide financial, legal, tax, accounting or other advice to Lessee or to any financial advisor or placement agent engaged by Lessee with respect to this Agreement. Lessee, its financial advisor, placement agent or municipal advisor, if any, shall each seek and obtain its own financial, legal, tax, accounting and other advice with respect to this Agreement from its own advisors (including as it relates to structure, timing, terms and similar matters).

**Section 48. Participation of Agreement from Lessor to Affiliate.** Lessor hereby notifies Lessee, and Lessee hereby acknowledges such notification, that simultaneously with the execution and delivery of this Agreement, Lessor will enter into a participation agreement with its affiliate, whereby Lessor will sell to such affiliate a 100% participation interest in this Agreement at par. Lessor will continue to service this Agreement and collect all Rental Payments and payment of the Purchase Price hereunder.

**Section 49. Lessee's Notice Filings Related to this Agreement for SEC Rule 15c2-12.** In connection with Lessee's compliance with any continuing disclosure undertakings (each, a "Continuing Disclosure Agreement") entered into by Lessee on and after February 27, 2019, pursuant to SEC Rule 15c2-12 promulgated pursuant to the Securities and Exchange Act of 1934, as amended (the "Rule"), Lessor acknowledges that Lessee may be required to file with the EMMA website, notice that Lessee has incurred obligations under this Agreement and notice of certain subsequent events reflecting financial difficulties in connection with this Agreement. Lessee agrees that it shall not file or submit, or permit to be filed or submitted, with EMMA any documentation that includes the following unredacted sensitive or confidential information about Lessor or its affiliates: address and account information of Lessor or its affiliate, e-mail addresses, telephone numbers, fax numbers, names and signatures of officers, employees and signatories of Lessor or its affiliates, or any account information for any related escrow agreement, unless otherwise required for compliance with the Rule or otherwise required by law. Lessee acknowledges that Lessor is not responsible for Lessee's compliance or noncompliance with the Rule or any Continuing Disclosure Agreement.

[Signature page follows.]

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

**WEBSTER BANK, NATIONAL ASSOCIATION**

By: \_\_\_\_\_  
Name: Kevin C. King  
Title: Senior Managing Director  
Address: 360 Lexington Avenue, 5th Floor  
New York, NY 10017  
Attention: Public Sector Finance

**CITY OF SAN ANTONIO, TEXAS**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Address: 100 Military Plaza  
San Antonio, TX 78205

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**CERTIFICATION**

I, the undersigned, do hereby certify (i) that the officer of Lessee who executed the foregoing Agreement on behalf of Lessee and whose genuine signature appears thereon, is the duly qualified and acting officer of Lessee as stated beneath his or her signature and has been authorized to execute the foregoing Agreement on behalf of Lessee, and (ii) that the fiscal year of Lessee is from October 1 to September 30.

**DATED:** February 14, 2025.

By: \_\_\_\_\_  
Name: Troy Elliott  
Title: Deputy Chief Financial Officer

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**EXHIBIT A TO EQUIPMENT LEASE PURCHASE AGREEMENT**  
**EQUIPMENT SCHEDULE**

**Equipment Description:**

The Equipment consists of the following personal property to be used by Lessee's Solid Waste Management Department, Fire Department and Police Department:

- **Solid Waste Management Department Equipment:** Garbage, recycling and organics bins and lids, as further described on **Exhibit A-1** attached hereto;
- **Police Department Equipment:** Interceptor, 4-door sport utility vehicles, including mobile data terminals and radar, as further described on **Exhibit A-2** attached hereto; and
- **Fire Department Equipment:** Ambulances, enhanced squad vehicles, bunker gear and CPR devices, as further described on **Exhibit A-3** attached hereto;

together with any and all replacement parts, additions, repairs, modifications, attachments and accessories thereto, any and all substitutions, replacements or exchanges therefor, and any and all insurance and/or proceeds thereof. See also "Scope of Work" attached hereto.

This Equipment Schedule shall be deemed to be supplemented and amended by the descriptions of the Equipment included in the Certificate of Acceptance and Payment Requests submitted to Lessor for approval pursuant to the Escrow Agreement dated as of February 14, 2025, among Lessor, Lessee and Frost Bank, as escrow agent, which descriptions shall be deemed to be incorporated herein.

**Vendors:**

The Vendors for the Equipment will be as set forth in the Certificate of Acceptance and Payment Requests submitted to Lessor from time to time for approval.

**EXHIBIT A-1 TO EQUIPMENT LEASE PURCHASE AGREEMENT**

**DESCRIPTION OF SOLID WASTE MANAGEMENT EQUIPMENT**

| SWMD Equipment List<br>FY 2025 |                     |                        |         |                          |                      |                         |
|--------------------------------|---------------------|------------------------|---------|--------------------------|----------------------|-------------------------|
|                                | GENERAL DESCRIPTION | DETAILED DESCRIPTION   | QTY     | UNIT COST<br>(Estimated) | TOTAL COST /<br>FEES | YEARS OF USEFUL<br>LIFE |
| 1                              | 96G Brown           | Garbage bin            | 14,560  | \$68.99                  | \$ 1,004,494.40      | 10                      |
| 2                              | 96G Blue            | Recycling bin          | 7,280   | \$68.99                  | \$ 502,247.20        | 10                      |
| 3                              | 96G Green           | Organics bin           | 7,280   | \$68.99                  | \$ 502,247.20        | 10                      |
|                                |                     | <b>Subtotal:</b>       | 29,120  |                          | \$ 2,008,988.80      |                         |
| 4                              | 64G Blue            | Recycling bin          | 7,056   | \$60.39                  | \$ 426,111.84        | 10                      |
| 5                              | 64G Green           | Organics bin           | 7,056   | \$60.39                  | \$ 426,111.84        | 10                      |
|                                |                     | <b>Subtotal:</b>       | 14,112  |                          | \$ 852,223.68        |                         |
| 6                              | 48G Brown           | Garbage bin            | 9,520   | \$55.54                  | \$ 528,740.80        | 10                      |
| 7                              | 48G Blue            | Recycling bin          | 7,140   | \$55.54                  | \$ 396,555.60        | 10                      |
| 8                              | 48G Green           | Organics bin           | 7,140   | \$55.54                  | \$ 396,555.60        | 10                      |
|                                |                     | <b>Subtotal:</b>       | 23,800  |                          | \$ 1,321,852.00      |                         |
| 9                              | 96G Black Lids      | Garbage lids           | 8,500   | \$20.21                  | \$ 171,785.00        | 10                      |
| 10                             | 96G Blue Lids       | Recycling lids         | 13,000  | \$20.21                  | \$ 262,730.00        | 10                      |
| 11                             | 96G Green Lids      | Organics lids          | 3,000   | \$20.21                  | \$ 60,630.00         | 10                      |
|                                |                     | <b>Subtotal:</b>       | 24,500  |                          | \$ 495,145.00        |                         |
| 12                             | 64G Brown Lids      | Garbage lids           | 3,000   | \$18.52                  | \$ 55,560.00         | 10                      |
| 13                             | 64G Blue Lids       | Recycling lids         | 3,000   | \$18.52                  | \$ 55,560.00         | 10                      |
| 14                             | 64G Green Lids      | Organics lids          | 3,000   | \$18.52                  | \$ 55,560.00         | 10                      |
|                                |                     | <b>Subtotal:</b>       | 9,000   |                          | \$ 166,680.00        |                         |
| 15                             | 48G Brown Lids      | Garbage lids           | 3,000   | \$17.49                  | \$ 52,470.00         | 10                      |
| 16                             | 48G Blue Lids       | Recycling lids         | 3,000   | \$17.49                  | \$ 52,470.00         | 10                      |
| 17                             | 48G Green Lids      | Organics lids          | 3,000   | \$17.49                  | \$ 52,470.00         | 10                      |
|                                |                     | <b>Subtotal:</b>       | 9,000   |                          | \$ 157,410.00        |                         |
|                                |                     | <b>Financing Cost:</b> |         |                          | \$ 9,750.00          |                         |
|                                |                     | <b>Total:</b>          | 109,532 |                          | \$ 5,012,300.00      |                         |

**EXHIBIT A-2 TO EQUIPMENT LEASE PURCHASE AGREEMENT**

**DESCRIPTION OF POLICE DEPARTMENT EQUIPMENT**

| SAPD Equipment List<br>FY 2025 |                       |  |     |                          |                      |                         |
|--------------------------------|-----------------------|--|-----|--------------------------|----------------------|-------------------------|
|                                | GENERAL DESCRIPTION   | DETAILED DESCRIPTION                         | QTY | UNIT COST<br>(Estimated) | TOTAL COST /<br>FEES | YEARS OF USEFUL<br>LIFE |
| 1                              | Interceptor           | Police 4-dr, 8 cyl auto trans., w/air condit | 12  | \$54,181.00              | \$ 650,172.00        | 100,000 miles           |
|                                |                       |  |     |                          |                      |                         |
| 2                              | MDT                   | Mobile Data Terminal                         | 12  | \$5,819.00               | 69,828.00            | 5                       |
|                                |                       |  |     |                          |                      |                         |
| 3                              | Parts                 | Parts  | 12  | \$11,209.00              | 134,508.00           | 5                       |
|                                |                       |  |     |                          |                      |                         |
| 4                              | Cradle Point Hardware | Cradle point hardware                        | 12  | \$3,153.00               | 37,836.00            | 5                       |
|                                |                       |  |     |                          |                      |                         |
| 5                              | Radar                 | Radar  | 12  | \$3,492.00               | 41,904.00            | 5                       |
|                                |                       |  |     |                          |                      |                         |
|                                |                       | <b>Financing Cost:</b>                       |     |                          | \$ 1,750.00          |                         |
|                                |                       |  |     |                          |                      |                         |
|                                |                       | <b>Total:</b>                                | 60  |                          | \$ 935,998.00        |                         |



# EXHIBIT A-3 TO EQUIPMENT LEASE PURCHASE AGREEMENT

## DESCRIPTION OF FIRE DEPARTMENT EQUIPMENT

| SAFD Equipment List<br>FY 2025 |                                    |   |      |                       |                   |                        |
|--------------------------------|------------------------------------|---|------|-----------------------|-------------------|------------------------|
|                                | GENERAL DESCRIPTION                | DETAILED DESCRIPTION  | QTY  | UNIT COST (Estimated) | TOTAL COST / FEES | YEARS OF USEFUL LIFE   |
| 1                              | Lucas Device                       | Automated CPR device  | 25   | \$ 17,212.90          | \$ 430,322.50     | 10                     |
| 2                              | Lucas Device Service Plan          | Service plan 4 year   | 25   | \$ 5,844.60           | \$ 146,115.00     |                        |
|                                |                                    | Subtotal:   | 50   |                       | \$ 576,437.50     |                        |
| 3                              | Zoll X-Series Monitor              | 12 Lead Defibrillators  | 68   | \$ 32,471.40          | \$ 2,208,055.20   | 10                     |
| 4                              | Zoll X-Series Monitor Service Plan | Worry Free Service Plan for the X-Series                              | 68   | \$ 8,835.75           | \$ 600,831.00     |                        |
|                                |                                    | Subtotal:   | 136  |                       | \$ 2,808,886.20   |                        |
| 5                              | Bunker Gear                        | 2 - Bunker Coats for 50 cadets  | 100  | \$ 2,234.77           | \$ 223,477.00     | 10                     |
| 6                              | Bunker Gear                        | 2 - Bunker Pants for 50 cadets  | 100  | \$ 1,558.78           | \$ 155,878.00     | 10                     |
| 6                              | Bunker Gear                        | 2 - Gloves for 50 cadets  | 100  | \$ 130.08             | \$ 13,008.00      | 10                     |
| 7                              | Bunker Gear                        | Hoods for 50 cadets   | 50   | \$ 125.00             | \$ 6,250.00       | 10                     |
| 7                              | Bunker Gear                        | Gear Bag for 50 cadets  | 50   | \$ 71.22              | \$ 3,561.00       | 10                     |
| 8                              | Bunker Gear                        | Boots for 50 cadets   | 50   | \$ 479.99             | \$ 23,999.50      | 10                     |
|                                |                                    | Subtotal:   | 450  |                       | \$ 426,173.50     |                        |
| 9                              | Bunker Gear                        | 2 - Bunker Coats for 50 cadets  | 84   | \$ 2,234.77           | \$ 187,720.68     | 10                     |
| 10                             | Bunker Gear                        | 2 - Bunker Pants for 50 cadets  | 84   | \$ 1,558.78           | \$ 130,937.52     | 10                     |
| 11                             | Bunker Gear                        | 2 - Gloves for 50 cadets  | 72   | \$ 130.08             | \$ 9,365.76       | 10                     |
| 12                             | Bunker Gear                        | Hoods for 50 cadets   | 36   | \$ 125.00             | \$ 4,500.00       | 10                     |
| 13                             | Bunker Gear                        | Gear Bag for 50 cadets  | 36   | \$ 71.22              | \$ 2,563.92       | 10                     |
| 14                             | Bunker Gear                        | Boots for 50 cadets   | 36   | \$ 479.99             | \$ 17,279.64      | 10                     |
|                                |                                    | Subtotal:   | 450  |                       | \$ 352,367.52     |                        |
| 15                             | Bunker Gear                        | Bunker gear replace expired coats                                     | 118  | \$ 2,234.77           | \$ 263,702.86     | 10                     |
| 16                             | Bunker Gear                        | Bunker gear replace expired pants                                     | 118  | \$ 1,558.78           | \$ 183,936.04     | 10                     |
|                                |                                    | Subtotal:   | 236  |                       | \$ 447,638.90     |                        |
| 17                             | Bunker Gear                        | Inventory restocks – gloves   | 342  | \$ 141.46             | \$ 48,379.32      | 10                     |
| 18                             | Bunker Gear                        | Inventory restocks – hoods  | 335  | \$ 151.83             | \$ 50,863.05      | 10                     |
| 19                             | Bunker Gear                        | Inventory restocks - gear bags  | 26   | \$ 71.22              | \$ 1,851.72       | 10                     |
| 20                             | Bunker Gear                        | Inventory restocks – boots  | 100  | \$ 479.99             | \$ 47,999.00      | 10                     |
|                                |                                    | Subtotal:   | 325  |                       | \$ 75,287.50      |                        |
| 21                             | Enhanced Squads Vehicles           | Dodge Ram 3500  | 2    | \$ 175,000.00         | \$ 350,000.00     | 125K miles or 10 years |
|                                |                                    | Subtotal:   | 2    |                       | \$ 350,000.00     |                        |
| 22                             | Ambulance                          | Stretcher   | 4    | \$ 36,510.00          | \$ 146,040.00     |                        |
| 23                             | Ambulance                          | Stair Chair   | 4    | \$ 4,760.00           | \$ 19,040.00      |                        |
|                                |                                    | Subtotal:   | 8    |                       | \$ 165,080.00     |                        |
| 24                             | Ambulance                          | Supply & Installation Type I Ambulance Body, Class 1, Configuration A | 4    | \$ 324,100.00         | \$ 1,296,400.00   |                        |
|                                |                                    | Subtotal:   | 8    |                       | \$ 1,296,400.00   |                        |
|                                |                                    | Financing Cost:   |      |                       | \$ 13,250.00      |                        |
|                                |                                    | Total:  | 1661 |                       | \$ 6,585,327.00   |                        |

## EXHIBIT B TO EQUIPMENT LEASE PURCHASE AGREEMENT

### PAYMENT SCHEDULE (COMBINED) <sup>(1)(2)</sup>

Principal Amount: \$12,533,626

Commencement Date: February 14, 2025

Rental Payments will be made in accordance with **Section 9** and this Payment Schedule.

| Rental<br>Payment Date | Total<br>Rental Payment | Interest<br>Portion   | Principal<br>Portion   |
|------------------------|-------------------------|-----------------------|------------------------|
| 05/1/2025              | \$ 110,068.71           | \$ 110,068.71         | \$ 0.00                |
| 08/1/2025              | 561,980.95              | 128,651.75            | 433,329.20             |
| 11/1/2025              | 561,980.95              | 124,223.55            | 437,757.40             |
| 02/1/2026              | 561,980.95              | 119,750.08            | 442,230.87             |
| 05/1/2026              | 561,980.95              | 115,230.89            | 446,750.06             |
| 08/1/2026              | 561,980.95              | 110,665.50            | 451,315.45             |
| 11/1/2026              | 561,980.95              | 106,053.44            | 455,927.51             |
| 02/1/2027              | 561,980.95              | 101,394.24            | 460,586.71             |
| 05/1/2027              | 561,980.95              | 96,687.40             | 465,293.55             |
| 08/1/2027              | 561,980.95              | 91,932.45             | 470,048.50             |
| 11/1/2027              | 561,980.95              | 87,128.89             | 474,852.06             |
| 02/1/2028              | 561,980.95              | 82,276.24             | 479,704.71             |
| 05/1/2028              | 561,981.02              | 77,373.98             | 484,607.04             |
| 08/1/2028              | 478,910.59              | 72,421.60             | 406,488.99             |
| 11/1/2028              | 478,910.59              | 68,234.76             | 410,675.83             |
| 02/1/2029              | 478,910.59              | 64,004.80             | 414,905.79             |
| 05/1/2029              | 478,910.59              | 59,731.27             | 419,179.32             |
| 08/1/2029              | 478,910.59              | 55,413.72             | 423,496.87             |
| 11/1/2029              | 478,910.59              | 51,051.70             | 427,858.89             |
| 02/1/2030              | 478,910.59              | 46,644.76             | 432,265.83             |
| 05/1/2030              | 478,910.59              | 42,192.42             | 436,718.17             |
| 08/1/2030              | 478,910.59              | 37,694.22             | 441,216.37             |
| 11/1/2030              | 478,910.59              | 33,149.69             | 445,760.90             |
| 02/1/2031              | 478,910.59              | 28,558.35             | 450,352.24             |
| 05/1/2031              | 478,910.59              | 23,919.73             | 454,990.86             |
| 08/1/2031              | 478,910.59              | 19,233.32             | 459,677.27             |
| 11/1/2031              | 478,910.59              | 14,498.64             | 464,411.95             |
| 02/1/2032              | 478,910.59              | 9,715.21              | 469,195.38             |
| 05/1/2032              | 478,910.77              | 4,882.49              | 474,028.28             |
| Totals                 | <u>\$14,516,409.80</u>  | <u>\$1,982,783.80</u> | <u>\$12,533,626.00</u> |

CITY OF SAN ANTONIO, TEXAS

By: \_\_\_\_\_  
Name: Troy Elliott  
Title: Deputy Chief Financial Officer

<sup>(1)</sup> Lessee's Rental Payments to Lessor should be made from this **Exhibit B**. (See **Exhibits B-1, B-2** and **B-3** attached hereto for informational payment schedules relating to the Solid Waste Management Equipment, the Police Department Equipment and the Fire Department Equipment.)

<sup>(2)</sup> Lessee's option to purchase is subject to provisions of Section 31 of the Agreement.

# EXHIBIT B-1 TO EQUIPMENT LEASE PURCHASE AGREEMENT

## PAYMENT SCHEDULE FOR SOLID WASTE MANAGEMENT DEPARTMENT EQUIPMENT<sup>(1)</sup>

Principal Amount: \$5,012,300

Commencement Date: February 14, 2025

Interest Rate: 4.12%; 30/360 basis

| Rental<br>Payment Date | Total<br>Rental Payment | Interest<br>Portion | Principal<br>Portion  | Purchase<br>Price <sup>(2)</sup> |
|------------------------|-------------------------|---------------------|-----------------------|----------------------------------|
| 05/1/2025              | \$ 44,169.50            | \$ 44,169.50        | \$ 0.00               | \$5,012,300.00                   |
| 08/1/2025              | 206,977.11              | 51,626.69           | 155,350.42            | 4,856,949.58                     |
| 11/1/2025              | 206,977.11              | 50,026.58           | 156,950.53            | 4,699,999.05                     |
| 02/1/2026              | 206,977.11              | 48,409.99           | 158,567.12            | 4,541,431.93                     |
| 05/1/2026              | 206,977.11              | 46,776.75           | 160,200.36            | 4,381,231.57                     |
| 08/1/2026              | 206,977.11              | 45,126.69           | 161,850.42            | 4,219,381.15                     |
| 11/1/2026              | 206,977.11              | 43,459.63           | 163,517.48            | 4,055,863.67                     |
| 02/1/2027              | 206,977.11              | 41,775.40           | 165,201.71            | 3,890,661.96                     |
| 05/1/2027              | 206,977.11              | 40,073.82           | 166,903.29            | 3,723,758.67                     |
| 08/1/2027              | 206,977.11              | 38,354.71           | 168,622.40            | 3,555,136.27                     |
| 11/1/2027              | 206,977.11              | 36,617.90           | 170,359.21            | 3,384,777.06                     |
| 02/1/2028              | 206,977.11              | 34,863.20           | 172,113.91            | 3,212,663.15                     |
| 05/1/2028              | 206,977.11              | 33,090.43           | 173,886.68            | 3,038,776.47                     |
| 08/1/2028              | 206,977.11              | 31,299.40           | 175,677.71            | 2,863,098.76                     |
| 11/1/2028              | 206,977.11              | 29,489.92           | 177,487.19            | 2,685,611.57                     |
| 02/1/2029              | 206,977.11              | 27,661.80           | 179,315.31            | 2,506,296.26                     |
| 05/1/2029              | 206,977.11              | 25,814.85           | 181,162.26            | 2,325,134.00                     |
| 08/1/2029              | 206,977.11              | 23,948.88           | 183,028.23            | 2,142,105.77                     |
| 11/1/2029              | 206,977.11              | 22,063.69           | 184,913.42            | 1,957,192.35                     |
| 02/1/2030              | 206,977.11              | 20,159.08           | 186,818.03            | 1,770,374.32                     |
| 05/1/2030              | 206,977.11              | 18,234.86           | 188,742.25            | 1,581,632.07                     |
| 08/1/2030              | 206,977.11              | 16,290.81           | 190,686.30            | 1,390,945.77                     |
| 11/1/2030              | 206,977.11              | 14,326.74           | 192,650.37            | 1,198,295.40                     |
| 02/1/2031              | 206,977.11              | 12,342.44           | 194,634.67            | 1,003,660.73                     |
| 05/1/2031              | 206,977.11              | 10,337.71           | 196,639.40            | 807,021.33                       |
| 08/1/2031              | 206,977.11              | 8,312.32            | 198,664.79            | 608,356.54                       |
| 11/1/2031              | 206,977.11              | 6,266.07            | 200,711.04            | 407,645.50                       |
| 02/1/2032              | 206,977.11              | 4,198.75            | 202,778.36            | 204,867.14                       |
| 05/1/2032              | <u>206,977.27</u>       | <u>2,110.13</u>     | <u>204,867.14</u>     | 0.00                             |
| Totals                 | <u>\$5,839,528.74</u>   | <u>\$827,228.74</u> | <u>\$5,012,300.00</u> |                                  |

<sup>(1)</sup> For informational purposes only. Lessee's Rental Payments to Lessor should be made from **Exhibit B**.

<sup>(2)</sup> Pursuant to Section 31 of the Agreement, Lessee's first date to exercise its option to purchase the Solid Waste Management Department Equipment is February 14, 2026.

**EXHIBIT B-2 TO EQUIPMENT LEASE PURCHASE AGREEMENT**

**PAYMENT SCHEDULE FOR POLICE DEPARTMENT EQUIPMENT**<sup>(1)</sup>

Principal Amount: \$935,998

Commencement Date: February 14, 2025

Interest Rate: 3.93%; 30/360 basis

| Rental<br>Payment Date | Total<br>Rental Payment | Interest<br>Portion | Principal<br>Portion | Purchase<br>Price <sup>(2)</sup> |
|------------------------|-------------------------|---------------------|----------------------|----------------------------------|
| 05/1/2025              | \$ 7,867.84             | \$ 7,867.84         | \$ 0.00              | \$935,998.00                     |
| 08/1/2025              | 83,070.36               | 9,196.18            | 73,874.18            | 862,123.82                       |
| 11/1/2025              | 83,070.36               | 8,470.37            | 74,599.99            | 787,523.83                       |
| 02/1/2026              | 83,070.36               | 7,737.42            | 75,332.94            | 712,190.89                       |
| 05/1/2026              | 83,070.36               | 6,997.28            | 76,073.08            | 636,117.81                       |
| 08/1/2026              | 83,070.36               | 6,249.86            | 76,820.50            | 559,297.31                       |
| 11/1/2026              | 83,070.36               | 5,495.10            | 77,575.26            | 481,722.05                       |
| 02/1/2027              | 83,070.36               | 4,732.92            | 78,337.44            | 403,384.61                       |
| 05/1/2027              | 83,070.36               | 3,963.25            | 79,107.11            | 324,277.50                       |
| 08/1/2027              | 83,070.36               | 3,186.03            | 79,884.33            | 244,393.17                       |
| 11/1/2027              | 83,070.36               | 2,401.16            | 80,669.20            | 163,723.97                       |
| 02/1/2028              | 83,070.36               | 1,608.59            | 81,461.77            | 82,262.20                        |
| 05/1/2028              | <u>83,070.43</u>        | <u>808.23</u>       | <u>82,262.20</u>     | 0.00                             |
| Totals                 | <u>\$1,004,712.23</u>   | <u>\$68,714.23</u>  | <u>\$935,998.00</u>  |                                  |

<sup>(1)</sup> For informational purposes only. Lessee's Rental Payments to Lessor should be made from **Exhibit B**.

<sup>(2)</sup> Pursuant to Section 31 of the Agreement, Lessee's first date to exercise its option to purchase the Police Department Equipment is February 14, 2026.

**EXHIBIT B-3 TO EQUIPMENT LEASE PURCHASE AGREEMENT****PAYMENT SCHEDULE FOR FIRE DEPARTMENT EQUIPMENT<sup>(1)</sup>**

Principal Amount: \$6,585,328

Commencement Date: February 14, 2025

Interest Rate: 4.12%; 30/360 basis

| Rental<br>Payment Date | Total<br>Rental Payment | Interest<br>Portion   | Principal<br>Portion  | Purchase<br>Price <sup>(2)</sup> |
|------------------------|-------------------------|-----------------------|-----------------------|----------------------------------|
| 05/1/2025              | \$ 58,031.37            | \$ 58,031.37          | \$ 0.00               | \$6,585,328.00                   |
| 08/1/2025              | 271,933.48              | 67,828.88             | 204,104.60            | 6,381,223.40                     |
| 11/1/2025              | 271,933.48              | 65,726.60             | 206,206.88            | 6,175,016.52                     |
| 02/1/2026              | 271,933.48              | 63,602.67             | 208,330.81            | 5,966,685.71                     |
| 05/1/2026              | 271,933.48              | 61,456.86             | 210,476.62            | 5,756,209.09                     |
| 08/1/2026              | 271,933.48              | 59,288.95             | 212,644.53            | 5,543,564.56                     |
| 11/1/2026              | 271,933.48              | 57,098.71             | 214,834.77            | 5,328,729.79                     |
| 02/1/2027              | 271,933.48              | 54,885.92             | 217,047.56            | 5,111,682.23                     |
| 05/1/2027              | 271,933.48              | 52,650.33             | 219,283.15            | 4,892,399.08                     |
| 08/1/2027              | 271,933.48              | 50,391.71             | 221,541.77            | 4,670,857.31                     |
| 11/1/2027              | 271,933.48              | 48,109.83             | 223,823.65            | 4,447,033.66                     |
| 02/1/2028              | 271,933.48              | 45,804.45             | 226,129.03            | 4,220,904.63                     |
| 05/1/2028              | 271,933.48              | 43,475.32             | 228,458.16            | 3,992,446.47                     |
| 08/1/2028              | 271,933.48              | 41,122.20             | 230,811.28            | 3,761,635.19                     |
| 11/1/2028              | 271,933.48              | 38,744.84             | 233,188.64            | 3,528,446.55                     |
| 02/1/2029              | 271,933.48              | 36,343.00             | 235,590.48            | 3,292,856.07                     |
| 05/1/2029              | 271,933.48              | 33,916.42             | 238,017.06            | 3,054,839.01                     |
| 08/1/2029              | 271,933.48              | 31,464.84             | 240,468.64            | 2,814,370.37                     |
| 11/1/2029              | 271,933.48              | 28,988.01             | 242,945.47            | 2,571,424.90                     |
| 02/1/2030              | 271,933.48              | 26,485.68             | 245,447.80            | 2,325,977.10                     |
| 05/1/2030              | 271,933.48              | 23,957.56             | 247,975.92            | 2,078,001.18                     |
| 08/1/2030              | 271,933.48              | 21,403.41             | 250,530.07            | 1,827,471.11                     |
| 11/1/2030              | 271,933.48              | 18,822.95             | 253,110.53            | 1,574,360.58                     |
| 02/1/2031              | 271,933.48              | 16,215.91             | 255,717.57            | 1,318,643.01                     |
| 05/1/2031              | 271,933.48              | 13,582.02             | 258,351.46            | 1,060,291.55                     |
| 08/1/2031              | 271,933.48              | 10,921.00             | 261,012.48            | 799,279.07                       |
| 11/1/2031              | 271,933.48              | 8,232.57              | 263,700.91            | 535,578.16                       |
| 02/1/2032              | 271,933.48              | 5,516.46              | 266,417.02            | 269,161.14                       |
| 05/1/2032              | <u>271,933.50</u>       | <u>2,772.36</u>       | <u>269,161.14</u>     | 0.00                             |
| Totals                 | <u>\$7,672,168.83</u>   | <u>\$1,086,840.83</u> | <u>\$6,585,328.00</u> |                                  |

<sup>(1)</sup> For informational purposes only. Lessee's Rental Payments to Lessor should be made from **Exhibit B**.

<sup>(2)</sup> Pursuant to Section 31 of the Agreement, Lessee's first date to exercise its option to purchase the Fire Department Equipment is February 14, 2026.

**TEXAS RIDER TO  
EQUIPMENT LEASE PURCHASE AGREEMENT**

This Rider to that certain Equipment Lease Purchase Agreement (together with all Exhibits and this Rider, the “Agreement”) dated as of February 14, 2025, between **WEBSTER BANK, NATIONAL ASSOCIATION** (together with its successors and assigns, “Lessor”), and the **CITY OF SAN ANTONIO, TEXAS** (together with its successors and assigns, “Lessee”), is incorporated in and is hereby made a part of the Agreement.

Lessor and Lessee hereby agree that capitalized terms used herein and not otherwise defined herein shall have the terms assigned to such terms in the Agreement and that the following changes and additions shall be made to the Agreement:

**Section 1. Section 5** of the Agreement is hereby amended by adding the following sentence at the end of that Section:

The Maximum Lease Term may not exceed 20 years.

**Section 2. Section 7** of the Agreement is hereby deleted, and the following **Section 7** is hereby inserted in lieu thereof:

**Section 7. Continuation of Lease Term.** The decision whether or not to budget or appropriate funds for any Renewal Term is solely within the discretion of Lessee’s then governing body.

**Section 3. Section 33** of the Agreement is hereby deleted, and the following **Section 33** is hereby inserted in lieu thereof:

**Section 33. Assignment by Lessor.** Lessor’s interest in, to and under this Agreement and the Equipment may be assigned and reassigned only in whole, not in part, by Lessor without the necessity of obtaining the consent of Lessee, and such assignment, transfer or conveyance shall be made only to (i) an affiliate of Lessor or (ii) banks, insurance companies, trusts, custodians or other financial institutions or their affiliates, but no such assignment, transfer or conveyance shall be effective as against Lessee unless and until Lessor has delivered to Lessee written notice thereof that discloses the name(s) and address(es) of the assignee(s). Lessee will retain all such notices as a register of all assignees and will make all payments to the assignee designated in such register. Lessee agrees to execute all documents, including notices of assignment and chattel mortgages or financing statements that may be reasonably requested by Lessor or any assignee to protect its interest in the Equipment and in this Agreement and agrees to the filing of financing statements with respect to the Equipment and this Agreement. Lessee will not have the right to and will not assert against any assignee any claim, counterclaim, defense, set-off or other right Lessee may have against Lessor.

**Section 4.** The following sections are hereby added to the Agreement:

**Section 50. No Boycott of Israel.** Lessor certifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of this Agreement. As used in the foregoing verification, “boycott Israel” has the meaning provided in Section 2271.001, Government Code.

**Section 51. Not a Sanctioned Company.** Lessor certifies that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153, Government Code, or Section 2270.0201, Government Code.

**Section 52. No Boycott of Energy Companies.** Lessor certifies it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this Agreement. As used in the foregoing verification, “boycott energy companies” has the meaning provided in Section 2276.001(1), Government Code.

**Section 53. No Discrimination Against Firearm and Ammunition Industries.** Lessor certifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of this Agreement. As used in the foregoing verification, “discriminate against a firearm entity or firearm trade association” has the meaning provided in Section 2274.001(3), Government Code.

**Section 54. Representation Regarding Texas Attorney General Standing Letter and Bringdown Verification.** Lessor represents and verifies that it is aware of the Texas Office of the Attorney General's (the "Texas Attorney General") All Bond Counsel Letter, dated November 1, 2023, that is available on the website of the Texas Attorney General using the following link: (<https://www.texasattorneygeneral.gov/sites/default/files/files/divisions/public-finance/ABCLetter-11-01-2023.pdf>) and the Texas Attorney General's supplemental All Bond Counsel Letter, dated November 16, 2023, that is available on the website of the Texas Attorney General using the following link: (<https://texasattorneygeneral.gov/sites/default/files/files/divisions/public-finance/ABCLetter-11-06-2023.pdf> ). Lessor represents and verifies that it has (i) on file a standing letter ("Standing Letter") acceptable to the Texas Attorney General addressing the representations and verifications in Sections 50 through 53 hereof, and (ii) will, upon request of the Lessee or Bond Counsel on behalf of the Lessee, provide the Lessee and Bond Counsel with a copy of its Standing Letter. Lessor further represents and verifies that its Standing Letter remains in effect as of the date of this Agreement and that the Texas Attorney General has not notified the Lessor that a determination has been made that the Lessor boycotts energy companies or has a policy that discriminates against firearm entities or firearm trade associations under the laws of the State of Texas. Upon request of the Lessee or Bond Counsel on the Lessee's behalf, Lessor shall provide additional written certifications to the Lessee and Bond Counsel (which may be by email) to the effect that the Texas Attorney General may continue to rely on its Standing Letter and the statutory representations and covenants contained in this Agreement through the Closing Date (the "Bringdown Verification"). The Lessee reserves the right, and the Lessor hereby expressly authorizes the Lessee, to provide such Bringdown Verifications to the Texas Attorney General.

Except as specifically set forth in this Rider, all terms and conditions contained in the Agreement will remain in full force and effect and are hereby ratified and confirmed.

**LESSOR: WEBSTER BANK, NATIONAL ASSOCIATION**

**LESSEE: CITY OF SAN ANTONIO, TEXAS**

By: \_\_\_\_\_  
Name: Kevin C. King  
Title: Senior Managing Director

By: \_\_\_\_\_  
Name: Troy Elliott  
Title: Deputy Chief Financial Officer

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# ESCROW AGREEMENT

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## ESCROW AND ACCOUNT CONTROL AGREEMENT

**THIS ESCROW AND ACCOUNT CONTROL AGREEMENT** (this “Escrow Agreement”) is made as of February 14, 2025, by and among **WEBSTER BANK, NATIONAL ASSOCIATION**, a national banking association organized under the laws of the United States of America (“Lessor”), **CITY OF SAN ANTONIO, TEXAS**, a political subdivision of the State of Texas (“Lessee”), and **FROST BANK**, San Antonio, Texas, a state banking association organized under the laws of the State of Texas, as escrow agent (“Escrow Agent”).

Lessor and Lessee have heretofore entered into that certain Equipment Lease Purchase Agreement dated as of February 14, 2025 (the “Agreement”). The Agreement contemplates that certain equipment described therein (the “Equipment”) is to be acquired from the vendor(s) or manufacturer(s) thereof. After acceptance of the Equipment by Lessee, the Equipment is to be leased by Lessor to Lessee pursuant to the terms of the Agreement.

The Agreement further contemplates that Lessor will deposit an amount equal to \$12,533,626 (the “Purchase Price”), which is the anticipated aggregate acquisition cost of the Equipment and certain costs of issuance in connection with the Agreement, with Escrow Agent to be held in escrow and applied on the express terms set forth herein. The Purchase Price shall be held in the Escrow Fund (defined herein), together with all interest and other additions received with respect thereto, is to be applied to pay the vendor(s) or manufacturer(s) of the Equipment (the “Vendor”) its invoice cost, and to payment of certain costs of issuance.

The parties desire to set forth the terms on which the Escrow Fund is to be created and to establish the rights and responsibilities of the parties hereto.

Now, THEREFORE, the parties agree as follows:

1. (a) There is hereby created a special escrow account to be known as the “City of San Antonio Tax-Exempt Equipment Lease Purchase Agreement/Webster Bank (2025)” (the “Escrow Fund”) to be held by Escrow Agent for the purposes stated herein.
- (b) Escrow Agent hereby agrees to serve as escrow agent upon the terms and conditions set forth herein.
- (c) The moneys and investments held in the Escrow Fund are irrevocably held in escrow for the benefit of Lessee and Lessor, and such moneys, together with any income or interest earned thereon, shall be expended only as provided in this Escrow Agreement, and Lessor and Lessee acknowledge, and declare that the same shall not, to the extent permitted by applicable law, be subject to levy or attachment or lien by or for the benefit of any creditor of either Lessee or Lessor. Lessee and Escrow Agent intend that the Escrow Fund constitute an escrow account in which Lessee has no legal or equitable right, title or interest until satisfaction in full of all conditions contained herein for the disbursement of funds by the Escrow Agent therefrom. However, if the parties’ intention that Lessee shall have no legal or equitable right, title or interest until all conditions for disbursement are satisfied in full is not respected in any legal proceeding, the parties hereto intend that Lessor shall have a security interest in the Escrow Fund, and such security interest is hereby granted by Lessee to secure payment of all sums due to Lessor under the Agreement. For such purpose, Escrow Agent hereby agrees to act as agent for Lessor in connection with the perfection of such security interest and agrees to note, or cause to be noted, on all books and records relating to the Escrow Fund, the Lessor’s interest therein.
- (d) The Escrow Agent shall invest and reinvest moneys on deposit in the Escrow Fund in Authorized Investments (as defined herein) in accordance with written instructions received from Lessee. Lessee shall be solely responsible for ascertaining that all proposed investments and reinvestments are Authorized Investments and that they comply with federal, state and local laws, regulations and ordinances governing investment of such funds and for providing appropriate notice to Escrow Agent for the reinvestment of any maturing investment. Accordingly, Lessee acknowledges that neither Escrow Agent nor Lessor will be responsible for any liability, cost, expense, loss or claim of any kind, directly or indirectly arising out of or related to the investment or reinvestment of all or any portion of the moneys on deposit in the Escrow Fund, and Lessee agrees to and does hereby release each of Escrow Agent and Lessor from any such liability, cost, expenses, loss or claim. Interest on the Escrow Fund shall become part of the Escrow Fund, and gains and losses on the investment of the moneys on deposit in the Escrow Fund shall be borne by the Escrow Fund. For purposes of this Escrow Agreement, “Authorized Investments” means any investments which meet the requirements of the Public Funds Investment Act, Chapter 2256, Texas Government Code, as amended (“Chapter 2256”), and are

permitted by Lessee's current Investment Policy. Interest or other amounts earned and received by Escrow Agent with respect to the Escrow Fund shall be deposited in and comprise a part of the Escrow Fund.

(e) If the amounts in the Escrow Fund are insufficient to pay such amounts, Lessee shall provide any balance of the funds needed to complete the acquisition of the Equipment.

2. On such day as is determined to the mutual satisfaction of the parties (the "Closing Date"), Lessor shall deposit with Escrow Agent cash in the amount of the Purchase Price, to be held in escrow by Escrow Agent on the express terms and conditions set forth herein. Lessee shall provide notice to Escrow Agent at least two (2) business days prior the Closing Date that Lessor will be transferring such funds to Escrow Agent

Subject to having received the notice required above, Escrow Agent agrees to accept the deposit of the Purchase Price by Lessor on the Closing Date, and further agrees to hold the amount so deposited together with all interest and other cash additions received with respect thereto, as the Escrow Fund hereunder, in escrow on the express terms and conditions set forth herein.

3. Escrow Agent shall at all times segregate the Escrow Fund into an account maintained for that express purpose, which shall be clearly identified on the books and records of Escrow Agent as being held in its capacity as Escrow Agent. Securities and other negotiable instruments comprising the Escrow Fund from time to time shall be held or registered in the name of "City of San Antonio Tax-Exempt Equipment Lease Purchase Agreement/Webster Bank (2025)". The Escrow Fund shall not, to the extent permitted by applicable law, be subject to levy or attachment or lien by or for the benefit of any creditor of any of the parties hereto (except with respect to the security interest therein held by Lessor).

4. In order to perfect Lessor's security interest by means of control in (i) the Escrow Fund established hereunder, (ii) all securities entitlements, investment property and other financial assets now or hereafter credited to the Escrow Fund, (iii) all of Lessee's rights in respect of the Escrow Fund, such securities entitlements, investment property and other financial assets, and (iv) all products, proceeds and revenues of and from any of the foregoing personal property (collectively, the "Collateral"), Lessor, Lessee and Escrow Agent further agree as follows:

(a) All terms used in this Section 4 which are defined in the Commercial Code of the State of Texas ("Commercial Code") but are not otherwise defined herein shall have the meanings assigned to such terms in the Commercial Code, as in effect on the date of this Escrow Agreement.

(b) Escrow Agent will comply with all "entitlement orders" (as such term is defined in the UCC §8.102(a)(8)) originated by Lessor with respect to the Collateral, or any portion of the Collateral, without further consent by Lessee.

(c) Escrow Agent and Lessee hereby agree that each item of investment property held in the Escrow Fund (the "Account Property") shall be treated as a financial asset under such section of the Commercial Code as corresponds with Section 8.102(a)(9) of the Uniform Commercial Code, notwithstanding any contrary provision of any other agreement to which Escrow Agent may be a party. Lessor and Lessee agree that Escrow Agent has no obligation to monitor the market value of the Account Property or the Escrow Fund for the benefit of the Lessor. Such monitoring is the sole responsibility of the Lessor and the Lessee. The Lessor and the Lessee agree that the Escrow Agent will not be responsible for any diminution of the loss of value of the Account Property, including any diminution or loss of value attributable to declines in the market value of the Account Property.

(d) Escrow Agent hereby represents and warrants (i) that the records of Escrow Agent show that Lessee is the sole owner of the Collateral, (ii) that Escrow Agent has not been served with any notice of levy or received any notice of any security interest in or other claim to the Collateral, or any portion of the Collateral, other than Lessor's claim pursuant to this Escrow Agreement, and (iii) that Escrow Agent is not presently obligated to accept any entitlement order from any person with respect to the Collateral, except for entitlement orders that Escrow Agent is obligated to accept from Lessor under this Escrow Agreement and entitlement orders that Escrow Agent, subject to the provisions of paragraph (e) below, is obligated to accept from Lessee.

(e) Without the prior written consent of Lessor, Escrow Agent will not enter into any agreement by which Escrow Agent agrees to comply with any entitlement order of any person other than Lessor or, subject to the provisions of paragraph (f) below, Lessee, with respect to any portion or all of the Collateral. Escrow Agent shall promptly notify Lessor in writing if any person requests Escrow Agent to enter into any such agreement or otherwise asserts or seeks to assert a lien, encumbrance or adverse claim against any portion or all of the Collateral.

(f) Except as otherwise provided in this paragraph (f) and subject to Section 1(b) hereof, Escrow Agent may allow Lessee to effect sales, trades, transfers and exchanges of Collateral within the Escrow Fund, but will not, without the prior written consent of Lessor, allow Lessee to withdraw any Collateral from the Escrow Fund. Escrow Agent acknowledges that Lessor reserves the right, by delivery of written notice to Escrow Agent, to prohibit Lessee from effecting any withdrawals (including withdrawals of ordinary cash dividends and interest income), sales, trades, transfers or exchanges of any Collateral held in the Escrow Fund. If at any time the Lessor delivers to Escrow Agent a notice instructing Escrow Agent to terminate Lessee's access to the Escrow Fund (the "Notice of Sole Control"), the Escrow Agent agrees that, commencing two (2) business days after receipt of such notice, it will take all instruction with respect to such Escrow Fund solely from the Lessor, terminate all instructions and orders originated by the Lessee with respect to the Escrow Fund or any funds therein, and cease taking instructions from the Lessee, including, without limitation, instructions for distribution or transfer of any funds in the Escrow Fund. Lessee and Lessor acknowledge that Escrow Agent has no obligation to, and will not, investigate the reason for any action taken by Lessor, the amount of any obligations of Lessee to Lessor, the validity of any of Lessor's claims against or agreements with Lessee, the existence of any defaults under such agreements, or any other matter. Until such time as the Escrow Agent receives a Notice of Sole Control, Lessee shall direct Escrow Agent with respect to the voting of any financial assets credited to the Escrow Fund.

(g) Lessee hereby irrevocably authorizes Escrow Agent to comply with all instructions and entitlement orders delivered by Lessor to Escrow Agent after Escrow Agent receives a Notice of Sole Control. Escrow Agent will not be liable to Lessor for complying with instructions concerning the Escrow Fund from Lessee that are received by Escrow Agent before Escrow Agent receives, and has a reasonable opportunity to act on, a Notice of Sole Control.

(h) Escrow Agent hereby agrees that any security interest in, lien on, encumbrance, claim or (except as provided in the next sentence) right of set-off against, the Escrow Fund or any Account Property it now has or subsequently obtains shall be subordinate to the security interest of the Lessor in the Escrow Fund and the Account Property therein or credited thereto. Escrow Agent hereby agrees not to exercise any present or future right of recoupment or set-off against the Escrow Fund or to assert against the Escrow Fund any present or future security interest, banker's lien or any other lien or claim (including claim for penalties) that Escrow Agent may at any time have against or in the Escrow Fund or any Account Property therein or credited thereto; provided, however, that Escrow Agent may set off amounts due to Escrow Agent in respect of its customary fees and expenses for the routine maintenance and operation of the Escrow Fund and to secure or satisfy payment for Account Property.

(i) Escrow Agent is hereby authorized and instructed, and hereby agrees, to send to Lessor at its address set forth in Section 13 hereof, concurrently with the sending thereof to Lessee, duplicate copies of any and all monthly Escrow Fund statements or reports issued or sent to Lessee with respect to the Escrow Fund.

5. Escrow Agent shall send monthly statements of account to Lessee and Lessor, which statements shall set forth all withdrawals from and interest earnings on the Escrow Fund as well as the investments in which the Escrow Fund is invested.

6. Escrow Agent shall take the following actions with respect to the Escrow Fund:

(a) From time to time, Escrow Agent shall disburse funds from the Escrow Fund that are then due and payable to the Vendor of the Equipment and/or other named party, upon Escrow Agent's receipt of a duly and fully executed Requisition Request and Certificate of Acceptance, substantially in the form attached as **Exhibit 1** hereto, that authorizes the payment, describes it with specificity, and is signed by an authorized representative of Lessee and approved for payment by Lessor, who is also an authorized signer on the Escrow Fund and, with respect to Lessor, specifically named in the Lessor's List of Authorized Signers attached hereto as **Exhibit 2**. Lessor acknowledges that Escrow Agent has no duty to question the continued authority of Lessor's authorized signatories and may rely on the list attached as **Exhibit 2**. Without limiting the foregoing, Lessor shall not be required to approve any such requisition request unless and until Lessee shall have provided to Lessor (i) certificates of insurance evidencing coverage in accordance with the Agreement and satisfactory to Lessor, and (ii) certificates of origin for titled vehicles in accordance with the Agreement in form and substance satisfactory to Lessor.

(b) Upon receipt of written notice from Lessor that an Event of Default or nonappropriation by Lessee under the Agreement has occurred prior to the Lessee's acceptance of all the Equipment, Escrow Agent shall thereupon promptly remit to Lessor by wire transfer the entire balance of the Escrow Fund *after* application thereof to all reasonable fees and expenses incurred by Escrow Agent in connection herewith as evidenced by its statement forwarded to Lessor and Lessee.

(c) Upon receipt by Escrow Agent of written notice from Lessor that the purchase price of the Equipment has been paid in full, the remaining monies in the Escrow Fund shall, *first* be applied to all reasonable fees and expenses incurred by Escrow Agent in connection herewith as evidenced by its statement forwarded to Lessor and Lessee, and, *second* be paid to Lessor, to be applied by Lessor on any rental payment date to all or a portion of the rental payments due and owing in the succeeding twelve (12) months, and any remaining amounts shall be applied by Lessor as prepayment to the remaining principal balance owing under the Agreement at par, in inverse order of rental payment dates, unless Lessor directs that payment of such amount be made in such other manner that, in the opinion of nationally recognized counsel in the area of tax-exempt municipal obligations satisfactory to Lessor, will not adversely affect the exclusion of the interest components of rental payments from gross income for federal income tax purposes. If any such amount is used to prepay principal, the payment schedule attached to the Agreement will be revised accordingly as specified by Lessor.

(d) Escrow Agent will not be liable to Lessee or Lessor for complying with a Notice of Sole Control or with instructions concerning the Escrow Fund originated by the Lessor, even if the Lessee notifies Escrow Agent that Lessor is not legally entitled to issue a Notice of Sole Control or any other instructions contemplated under this Escrow Agreement unless the Escrow Agent takes the action after it is served with an injunction, restraining order, or other legal process enjoining it from doing so, issued by a court of competent jurisdiction, and had a reasonable opportunity to act on the injunction, restraining order or other legal process.

(e) This Escrow Agreement does not create any obligation of Escrow Agent except for those expressly set forth in this Escrow Agreement. In particular, Escrow Agent need not investigate whether Lessor is entitled under Lessor's agreements with Lessee to give instructions concerning the Escrow Fund or a Notice of Sole Control. Escrow Agent may rely on notices and communications it believes to be given by the appropriate party.

7. Lessee shall reimburse the Escrow Agent for all reasonable costs and expenses, including those of the Escrow Agent's attorneys, agents and employees incurred for extraordinary administration of the Escrow Fund and the performance of the Escrow Agent's powers and duties hereunder in connection with any Event of Default under the Agreement, or in connection with any dispute between Lessor and Lessee concerning the Escrow Fund. Escrow Agent waives any claim against Lessor with respect to compensation for maintaining the Escrow Fund or complying with its responsibilities hereunder.

8. Escrow Agent shall have no liability for acting upon any written instruction presented by Lessor in connection with this Escrow Agreement, which Escrow Agent in good faith believes to be genuine. Furthermore, Escrow Agent shall not be liable for any act or omission in connection with this Escrow Agreement except for its own negligence, willful misconduct or bad faith. In no event shall Escrow Agent be liable for losses or delays resulting from computer malfunction, interruption of communication facilities, labor difficulties, delays due to natural disasters or pandemics, or other causes beyond Escrow Agent's reasonable control or for indirect, special, or consequential damages.

9. Lessor and Lessee represent and warrant to Escrow Agent that the Agreement does not contain any provision that expands the liabilities or duties of the Escrow Agent beyond those set forth in this Escrow Agreement.

10. Lessor, Lessee and Escrow Agent acknowledge that Escrow Agent presently serves as Lessee's depository financial institution. The Escrow Agent and the Lessee hereby agree that, in consideration for performing services as the Escrow Agent, any amounts that may be payable by the Lessee to the Escrow Agent for services provided by Escrow Agent hereunder will be paid by the Lessee pursuant to, and as a part of, the agreement between Lessee and Escrow Agent as the Lessee's depository financial institution, and Escrow Agent agrees, subject to Section 4(h) of this Escrow Agreement, that the sole remedy for nonpayment will be action under such agreement for depository services. All of the above named parties agree that in the event that at any time during the term of this Escrow Agreement and the Agreement, Escrow Agent ceases to be Lessee's depository financial institution, Escrow Agent shall deliver its written resignation as Escrow Agent to Lessee and Lessor in the manner specified in Section 13 of this Escrow Agreement for notices. Such resignation shall be effective as of the end of business on the last day on which Escrow Agent is Lessee's depository financial institution, and shall be delivered to Lessee and Lessor not later than thirty (30) days prior thereto. Subject to the Lessor's prior written approval which shall not be unreasonably withheld or delayed, Lessee's new depository financial institution (or such other mutually agreeable entity) shall be substituted as the Escrow Agent under this Escrow Agreement and with respect to the Agreement ("Substitute Escrow Agent"), effective on the first day on which it is Lessee's new depository financial institution or such other mutually agreeable entity takes control and possession of the Escrow Fund. Escrow Agent shall take any and all actions necessary to effect the complete and immediate transition of all of its rights, obligations and duties under this Escrow Agreement and the Agreement to the Substitute Escrow Agent. Escrow Agent shall not be responsible for any actions of the Substitute Escrow Agent after the effective date of the Substitute Escrow Agent's substitution under this Escrow Agreement and the Agreement, but shall remain responsible (but only if and to the extent provided in this Escrow Agreement) to Lessor and Lessee for its actions during the entire time it served as Escrow Agent.

11. This Escrow Agreement and the escrow established hereunder shall terminate upon receipt by Escrow Agent of the written notice from Lessor specified in Section 6(b) or Section 6(c) hereof or upon disbursement of all funds or mutual agreement of Lessor and Lessee.

12. In the event of any disagreement between the undersigned or any of them, and/or any other person, resulting in adverse claims and demands being made in connection with or for any moneys involved herein or affected hereby, Escrow Agent shall be entitled at its option to refuse to comply with any such claim or demand, so long as such disagreement shall continue, and in so refusing Escrow Agent may refrain from making any delivery or other disposition of any moneys involved herein or affected hereby and in so doing Escrow Agent shall not be or become liable to the undersigned or any of them or to any person or party for its failure or refusal to comply with such conflicting or adverse demands, and Escrow Agent shall be entitled to continue so to refrain and refuse so to act until:

(a) the rights of the adverse claimants have been finally adjudicated in a court assuming and having jurisdiction of the parties and the moneys involved herein or affected hereby; or

(b) all differences shall have been adjusted by agreement and Escrow Agent shall have been notified thereof in writing signed by all of the persons interested.

13. All notices (excluding billings and communications in the ordinary course of business) hereunder shall be in writing, and shall be sufficiently given and served upon the other party if delivered (a) personally, (b) by United States registered or certified mail, return receipt requested, postage prepaid, (c) by an overnight delivery by a service such as Federal Express or Express Mail from which written confirmation of overnight delivery is available, or (d) by email with a confirmation copy by regular United States mail, postage prepaid, addressed to the other party at its respective address stated below the signature of such party or at such other address as such party shall from time to time designate in writing to the other party, and shall be effective from the date of receipt.

If to Lessor: Webster Bank, National Association  
360 Lexington Avenue, 5<sup>th</sup> Floor  
New York, New York 10017  
Attention: Public Sector Finance  
Email: [publicfinance@websterbank.com](mailto:publicfinance@websterbank.com)

If to Lessee: City of San Antonio, Texas  
Finance Department  
100 W. Houston St., 8th Floor  
San Antonio, Texas 78205  
Attention: Division of Financial Management  
Phone: (210) 207-8668  
Fax: (210) 207-7774

If to Escrow Agent: Frost Bank  
P.O. Box 1600  
San Antonio, Texas 78296-1600  
Attention: Brandon LaField  
Phone: (210) 220-6256  
Email: [brandon.lafield@frostbank.com](mailto:brandon.lafield@frostbank.com) with a copy to [pftreasurymanagement@frostbank.com](mailto:pftreasurymanagement@frostbank.com)

14. This Escrow Agreement shall inure to the benefit of and shall be binding upon the parties hereto and their respective successors and assigns. No rights or obligations of Escrow Agent under this Escrow Agreement may be assigned without the prior written consent of Lessor and Escrow Agent.

15. This Escrow Agreement shall be governed by and construed in accordance with the laws in the State of Texas. This Escrow Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof, and no waiver, consent, modification or change of terms hereof shall bind any party unless in writing signed by all parties.

[Signature page follows.]

**IN WITNESS WHEREOF**, the parties hereto have caused this Escrow Agreement to be duly executed as of the day and year first above set forth.

**WEBSTER BANK, NATIONAL ASSOCIATION,  
as Lessor**

By: \_\_\_\_\_  
Name: Kevin C. King  
Title: Senior Managing Director

**CITY OF SAN ANTONIO, TEXAS, as Lessee**

By: \_\_\_\_\_  
Name: Troy Elliott  
Title: Deputy Chief Financial Officer

**FROST BANK, as Escrow Agent**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

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**EXHIBIT 1**

**REQUISITION REQUEST AND CERTIFICATE OF ACCEPTANCE NO. \_\_\_\_\_**  
**(to be submitted with each requisition request for payment to the Vendor)**

-or-

**\_\_\_\_\_ (x) FINAL REQUISITION REQUEST AND CERTIFICATE OF ACCEPTANCE**  
**(to be submitted with the final requisition request upon acceptance of the Equipment)**

The Escrow Agent is hereby requested to pay from the Escrow Fund established and maintained under that certain Escrow and Account Control Agreement dated as of February 14, 2025 (the "Escrow Agreement"), by and among Webster Bank, National Association (the "Lessor"), City of San Antonio, Texas (the "Lessee"), and Frost Bank (the "Escrow Agent"), the amount set forth below to the named payee(s). The amount shown is due and payable under a purchase order or contract (or has been paid by and not previously reimbursed to Lessee) with respect to equipment being financed under that certain Equipment Lease Purchase Agreement dated as of February 14, 2025 (the "Agreement"), by and between the Lessor and the Lessee, and has not formed the basis of any prior requisition request.

| PAYEE' S WIRE INSTRUCTIONS | INVOICE NUMBER | AMOUNT | PURPOSE |
|----------------------------|----------------|--------|---------|
|                            |                |        |         |
|                            |                |        |         |
|                            |                |        |         |

Total requisition request amount: \$ \_\_\_\_\_

The undersigned, as Lessee under the Agreement hereby certifies as follows:

1. The items of the Equipment (as such term is defined in the Agreement) fully and accurately described in the invoices attached hereto have been delivered and installed at the location(s) set forth in the Agreement.
2. A present need exists for the Equipment which need is not temporary or expected to diminish in the near future. The Equipment is essential to and will be used by the Lessee only for the purpose of performing one or more governmental functions of Lessee consistent with the permissible scope of Lessee's authority.
3. The estimated useful life of the Equipment based upon the manufacturer's representations and the Lessee's projected needs is not less than the term of the Agreement.
4. The Lessee has conducted such inspection and/or testing of the Equipment as it deems necessary and appropriate and hereby acknowledges that it accepts the Equipment for all purposes as of the date of this requisition request.
5. The Equipment is covered by insurance in the types and amounts required by the Agreement.
6. No Event of Default (as such term is defined in the Agreement) or nonappropriation, and no event which with the giving of notice or lapse of time, or both, would become an Event of Default or nonappropriation under the Agreement, has occurred and is continuing on the date hereof.
7. Sufficient funds have been appropriated by the Lessee for the payment of all rental payments due under the Agreement during the Lessee's current fiscal year.
8. Based on the foregoing, the Lessor is hereby authorized and directed to fund the acquisition of the Equipment by paying, or causing to be paid, the manufacturer(s)/vendor(s) the amounts set forth on the attached invoices.
9. The following documents are attached hereto and made a part hereof:
  - (a) Original Invoice(s); and



(b) Copies of Certificate(s) of Origin designating Lessor as lienholder if any part of the Equipment consists of motor vehicles, and evidence of filing.

**IF REQUISITION REQUEST IS FINAL REQUEST, CHECK HERE:** ☐. If this is the final acceptance of Equipment, then as of the Acceptance Date stated below and as between the Lessee and the Lessor, the Lessee hereby agrees that: (a) the Lessee has received and inspected all of the Equipment described in the Agreement; (b) all Equipment is in good working order and complies with all purchase orders, contracts and specification; (c) the Lessee accepts all Equipment for purposes of the Agreement "as-is, where-is"; and (d) the Lessee waives any right to revoke such acceptance.

**IF REQUISITION REQUEST IS FOR REIMBURSEMENT, CHECK HERE:** ☐. If Lessee paid an invoice prior to the commencement date of the Agreement and is requesting reimbursement for such payment, attached is a copy of evidence of such payment and other evidence that Lessee has satisfied the requirements for reimbursement set forth in Treas. Reg. §1.150-2. Lessor's approval hereof shall evidence that Lessee has delivered to Lessor such required documentation.

**AUTHORIZED LESSEE CONTACT.** The Lessee will confirm wire instructions by telephone (if required by the Lessor) by designating an authorized contact ("Authorized Lessee Contact") for the Lessee. This Authorized Lessee Contact must be someone who has the requisite knowledge to verify the instructions outlined above AND must be someone other than the authorized signer hereto. The Lessee should consider designating more than one Authorized Lessee Contact to avoid funding delays. The Authorized Lessee Contact(s) for this requisition are as follows:

Contact #1: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Direct Telephone: \_\_\_\_\_  
General Telephone: \_\_\_\_\_

Contact #2: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Direct Telephone: \_\_\_\_\_  
General Telephone: \_\_\_\_\_

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

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

[Remainder of page intentionally left blank.]

Acceptance Date: \_\_\_\_\_, 20\_\_\_\_.

**CITY OF SAN ANTONIO, TEXAS, as Lessee**

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

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

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**APPROVED FOR PAYMENT:**  
**WEBSTER BANK, NATIONAL ASSOCIATION, as Lessor**

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

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

Title: \_\_\_\_\_

Date: \_\_\_\_\_

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EXHIBIT 2

LESSOR AUTHORIZED SIGNATORIES

|  |   |  |
|--|---|--|
| <p>Name and Title:</p> <p>Kevin C. King, Senior Managing Director</p> <p>Telephone:<br/>(614) 203-5768</p> | <p>Specimen Signature:</p> <p></p> <p>Email Address:<br/>kking@websterbank.com</p>   | <p>Authority:</p> <p><input checked="" type="checkbox"/> Approval of Payments</p>                        |
| <p>Cyprian Oyomba, Portfolio Manager</p> <p>Telephone:<br/>(212) 847-7158</p>                              | <p>Specimen Signature:</p> <p>N/A</p> <p>Email Address:<br/><a href="mailto:coyomba@websterbank.com">coyomba@websterbank.com</a><br/><a href="mailto:publicfinance@websterbank.com">publicfinance@websterbank.com</a></p> | <p>Authority:</p> <p><input checked="" type="checkbox"/> Confirmation of Funds Transfer Instructions</p> |

## LESSEE'S CLOSING CERTIFICATE

Re: Equipment Lease Purchase Agreement dated as of February 14, 2025, between the City of San Antonio, Texas, as lessee ("Lessee"), and Webster Bank, National Association, as lessor ("Lessor") (the "Agreement")

We, the undersigned, the duly appointed, qualified and acting \_\_\_\_\_ and \_\_\_\_\_, respectively, of the above-captioned Lessee do hereby certify as follows:

(1) Lessee did, at a meeting of the governing body of Lessee held on \_\_\_\_\_, 2025, by motion duly made, seconded and carried, in accordance with all requirements of law, approve and authorize the execution and delivery of the above-referenced Agreement and the related escrow agreement and federal tax agreement (collectively, the "Transaction Documents") on its behalf by the following named representative of Lessee:

---

Printed Name

Title

Signature

*[This signature line to be signed by person who executed the Transaction Documents on behalf of Lessee.]*

(2) The above-named representative of Lessee held at the time of such authorization and holds at the present time the office designated above and the signature set forth opposite his or her name is the true and correct specimen of his or her genuine signature.

(3) The meeting of the governing body of Lessee at which the Transaction Documents were approved and authorized to be executed was duly called, regularly convened and attended by the requisite majority of the members thereof or by other appropriate official approval, and the actions approving the Transaction Documents and authorizing the execution thereof have not been altered or rescinded. *Attached hereto is a true and correct copy of the resolution constituting such official action.*

(4) 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 (as such term is defined in the Agreement) exists at the date hereof.

(5) All insurance required in accordance with the Agreement is currently maintained by Lessee.

(6) Lessee has, in accordance with the requirements of law, fully budgeted and appropriated sufficient funds for the current fiscal year to make the Rental Payments scheduled to come due during the Original Term, if any, and to meet its other obligations for the Original Term (as such terms are defined in the Agreement), and such funds have not been expended for other purposes.

(7) 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 Agreement or the interest of Lessor or its assigns, as the case may be, in the Equipment.

(8) The Equipment has not been the subject of a referendum that failed to receive the approval of the voters of Lessee within the preceding four years.

(9) The correct billing address for Rental Payments is as follows:

City of San Antonio, Texas  
100 W. Houston  
San Antonio, TX 78205  
Attention: Financial Management Division

[Signature page follows.]

Dated: February 14, 2025.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

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**ATTACHMENT TO  
LESSEE'S CLOSING CERTIFICATE**

**EVIDENCE OF AUTHORIZATION FROM LESSEE'S GOVERNING BODY  
(per Section 3)**

[Please provide signed copy of authorizing resolution.]

DRAFT

## ESSENTIAL USE CERTIFICATE

February 14, 2025

Webster Bank, National Association  
360 Lexington Avenue, 5th Floor  
New York, NY 10017  
Attention: Public Sector Finance

Re: Equipment Lease Purchase Agreement dated as of February 14, 2025, between the City of San Antonio, Texas, as lessee ("Lessee"), and Webster Bank, National Association, as lessor ("Lessor") (the "Agreement")

Ladies and Gentlemen:

I, Troy Elliott, a duly elected, appointed, or designated representative of the City of San Antonio, Texas ("Lessee"), am qualified to answer the questions set forth below regarding the Equipment to be acquired by Lessee in connection with the above-referenced Agreement:

1. *What is the specific use of the Equipment?*

Solid Waste Management Department Equipment: \_\_\_\_\_

Police Department Equipment: \_\_\_\_\_

Fire Department Equipment: \_\_\_\_\_

2. *What increased capabilities will the Equipment provide?*

Solid Waste Management Department Equipment: \_\_\_\_\_

Police Department Equipment: \_\_\_\_\_

Fire Department Equipment: \_\_\_\_\_

3. *Why is the Equipment essential to your ability to deliver governmental services?*

Solid Waste Management Department Equipment: \_\_\_\_\_

Police Department Equipment: \_\_\_\_\_

Fire Department Equipment: \_\_\_\_\_

4. *Does the Equipment replace existing equipment?*  
*(If so, please explain why you are replacing the existing equipment)*

Solid Waste Management Department Equipment: \_\_\_\_\_

Police Department Equipment: \_\_\_\_\_

Fire Department Equipment: \_\_\_\_\_

5. *Why did you choose this specific Equipment?*

Solid Waste Management Department Equipment: \_\_\_\_\_

Police Department Equipment: \_\_\_\_\_

Fire Department Equipment: \_\_\_\_\_

6. *For how many years do you expect to utilize the Equipment?*

Solid Waste Management Department Equipment: \_\_\_\_\_

Police Department Equipment: \_\_\_\_\_

Fire Department Equipment: \_\_\_\_\_

7. *What revenue source will be utilized to make Rental Payments due under the Agreement?*

\_\_\_\_\_

Very truly yours,

CITY OF SAN ANTONIO, TEXAS

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

Name: Troy Elliott

Title: Deputy Chief Financial Officer

DRAFT



**OPINION OF LESSEE COUNSEL – VALIDITY OPINION**

*[Please furnish on Attorney's letterhead.]*

February 14, 2025

Webster Bank, National Association  
360 Lexington Avenue, 5th Floor  
New York, NY 10017  
Attention: Public Sector Finance

Re: Equipment Lease Purchase Agreement dated as of February 14, 2025, between the City of San Antonio, Texas, as lessee ("Lessee"), and Webster Bank, National Association, as lessor ("Lessor") (the "Agreement")

Ladies and Gentlemen:

As legal counsel to Lessee, I have examined (a) an executed counterpart of the Agreement, which, among other things, provides for the lease by Lessee from Lessor of the Equipment, (b) an executed counterpart of the Escrow Agreement, dated as of February 14, 2025 (the "Escrow Agreement"), among Lessor, Lessee and Frost Bank, as escrow agent, (c) an executed copy of the Federal Tax Agreement, dated the date hereof (the "Tax Agreement," and together with the Agreement and the Escrow Agreement, the "Lessee Documents"), (d) an executed resolution of Lessee which, among other things, authorizes Lessee to execute the Lessee Documents, and (e) such other opinions, documents and matters of law as I have deemed necessary in connection with the following opinions.

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

1. Lessee is a political subdivision duly organized and existing under the laws of the State of Texas, and has a substantial amount of one or more of the following sovereign powers: (a) the power to tax, (b) the power of eminent domain, and (c) police power.
2. Lessee has the requisite power and authority to purchase the Equipment and to execute and deliver the Lessee Documents and to perform its obligations thereunder.
3. The Lessee Documents and the other documents either attached thereto or required therein have been duly authorized, approved and executed by and on behalf of Lessee, and the Lessee Documents are valid and binding obligations of Lessee enforceable in accordance with their respective terms.
4. The authorization, approval and execution of the Lessee 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 and federal laws.
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 Lessee Documents or the security interest of Lessor or its assigns, as the case may be, in the Equipment.
6. The Equipment to be leased pursuant to the Agreement constitutes personal property and when subjected to use by Lessee will not be or become a fixture under applicable law.
7. The authorization, execution, delivery and performance of the Lessee Documents by Lessee do not require submission to, approval of, or other action by any governmental authority or agency which action has not been taken and is final and non-appealable.

All capitalized terms herein will have the same meanings as in the Agreement. Lessor, its successors and assigns and any counsel rendering an opinion on the exclusion of the interest components of Rental Payments from gross income for purposes of federal income taxation are entitled to rely on this opinion.

Very truly yours,

**TAX OPINION;  
FEDERAL TAX AGREEMENT AND IRS FORM 8038-G**

[To be provided by Lessee's Bond Counsel – Please provide drafts for review.]

DRAFT

## INSURANCE COVERAGE REQUIREMENTS

TO LESSOR: Webster Bank, National Association, ISAOA  
(CERTIFICATE 360 Lexington Avenue, 5th Floor  
HOLDER) New York, NY 10017  
Attention: Public Sector Finance

FROM LESSEE: City of San Antonio, Texas  
(INSURED) 100 Military Plaza  
San Antonio, TX 78205

Equipment Lease Purchase Agreement dated as of February 14, 2025 (the "Agreement"), between the undersigned ("Lessee") and Webster Bank, National Association

EQUIPMENT LOCATION(S): [To be provided by Lessee.]

SUBJECT: INSURANCE COVERAGE REQUIREMENTS

### Check All Appropriate Boxes:

- ☐ **Third-Party Insurance.** In accordance with Section 22 of the Agreement, we have instructed the insurance agent named below to issue the insurance indicated below (please fill in name, address and telephone number of insurance agent):

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

- ☐ Casualty insurance on the leased equipment ("Equipment") covered by the Agreement, evidenced by a Certificate of Insurance and Long Form Loss Payable Clause **naming Webster Bank, National Association, and/or its assigns, as additional insured and loss payee.**

Coverage Required: Purchase Price (as defined in the Agreement) of the Equipment

- ☐ Public liability insurance evidenced by a Certificate of Insurance **naming Webster Bank, National Association, and/or its assigns, as additional insured.**

Minimum Coverage Required:

\$1,000,000.00 per person

\$1,000,000.00 aggregate bodily injury liability

\$100,000.00 property damage liability

- ☐ Workers' compensation insurance evidenced by a Certificate of Insurance

Coverage Required: In compliance with State law

**Proof of insurance coverage will be provided prior to the time the Equipment is delivered to us.**

- ☐ **Self Insurance.** Pursuant to Section 22 of the Agreement, we are self-insured for:

- ☐ All risk, physical damage.

- ☐ Public liability.

Such self-insurance covers Webster Bank, National Association, and/or its assigns to the same extent that commercial insurance would otherwise be required to do so by the Agreement. We will provide proof of such self-insurance in letter form together with a copy of the statute or other authority authorizing this form of insurance.

LESSEE: CITY OF SAN ANTONIO, TEXAS

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

Name: Troy Elliott

Title: Deputy Chief Financial Officer

**INSURANCE CERTIFICATES (PROPERTY LIABILITY AND WORKERS' COMPENSATION) COMPLYING WITH THE PROVISIONS OF SECTION 22 OF THE AGREEMENT TO BE PROVIDED BY LESSEE, WITH THE FOLLOWING PARTY SHOWN AS LOSS PAYEE AND ADDITIONAL INSURED WITH RESPECT TO PROPERTY INSURANCE, AND SHOWN AS ADDITIONAL INSURED WITH RESPECT TO LIABILITY INSURANCE:**

Webster Bank, National Association and its successors and assigns  
360 Lexington Avenue, 5th Floor  
New York, New York 10017  
Attention: Public Sector Finance (publicfinance@websterbank.com)

*[To be provided by Lessee prior to disbursement of funds from Escrow Fund for payment of costs of the Equipment.]*

**CERTIFICATES OF ORIGIN FOR TITLED VEHICLES (AS APPLICABLE) WITH THE FOLLOWING PARTY SHOWN AS LIENHOLDER:**

Webster Bank, National Association and its successors and assigns  
360 Lexington Avenue, 5th Floor  
New York, New York 10017  
Attention: Public Sector Finance (publicfinance@websterbank.com)

*[To be provided by Lessee prior to disbursement of funds from Escrow Fund for payment of costs of this portion of the Equipment.]*

DRAFT

## **UCC-1 FINANCING STATEMENT**

[To be prepared and filed by Lessor Counsel]

DRAFT

**LESSEE'S FORM W-9**

[Please provide.]

DRAFT



City of San Antonio, Texas  
100 Military Plaza  
San Antonio, TX 78205

Re: \$12,533,626 Equipment Lease Purchase Agreement dated as of February 14, 2025, between the City of San Antonio, Texas, as lessee, and Webster Bank, National Association, as lessor (the "Loan Obligation")

Ladies and Gentlemen:

Thank you for selecting Webster Bank, National Association (the "Lender") as your lender. We are delivering this letter to describe our role in the transaction.

The Lender has not acted and will not act as your agent or serve as your municipal advisor (as defined in Section 15B of the Securities Exchange Act of 1934). The Lender has no fiduciary duty to you and intends only to enter into an arm's-length transaction involving extending credit to you through the purchase of the above-referenced Loan Obligation.

Any quote or indication of interest provided to you consists solely of the terms under which the Lender may be willing to enter into a transaction with you for its own account.

Please acknowledge the foregoing by signing where indicated below and returning this letter via e-mail to our counsel, Gilmore & Bell, P.C. In addition, please identify below any registered municipal advisor, financial advisor or placement agent you are working with on this transaction.

Please let us know if you or your counsel would like to further discuss these matters. Thank you again for doing business with us. We look forward to working with you.

Date: February 14, 2025.

WEBSTER BANK, NATIONAL ASSOCIATION

☐ Placement Agent

\_\_\_\_\_  
(Name of Firm)

☐ Financial Advisor/ Registered Municipal Advisor:

\_\_\_\_\_  
(Name of Firm)

☐ No Placement Agent/Financial Advisor/Registered Municipal Advisor

Acknowledgement:

CITY OF SAN ANTONIO, TEXAS

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

Name: Troy Elliott

Title: Deputy Chief Financial Officer

## FUNDING MEMORANDUM

**\$12,533,626**

# EQUIPMENT LEASE PURCHASE AGREEMENT

**DATED AS OF FEBRUARY 14, 2025, BETWEEN**

**WEBSTER BANK, NATIONAL ASSOCIATION, AS LESSOR, AND THE**

**CITY OF SAN ANTONIO, TEXAS, AS LESSEE**

(the “Lease”)

## I. Closing Information

Closing Date: February 14, 2025

## II. Sources and Uses of Funds

|   |                     |
|---|---------------------|
| Sources of Funds                              |                     |
| Par Amount of Lease                           | \$12,533,626        |
| Total Sources of Funds                        | <u>\$12,533,626</u> |
|   |                     |
| Uses of Funds                                 |                     |
| Deposit to Escrow Fund to pay Equipment Costs | \$12,533,626        |
| Costs of Issuance                             |                     |
| Total Uses of Funds                           | <u>\$12,533,626</u> |

### III. Flow of Funds

On the morning of February 14, 2025, Webster Bank, National Association (the “Lessor”) will wire \$12,533,626 to Frost Bank (the “Escrow Agent”) for deposit into the escrow fund held by the Escrow Agent, as follows:

[Please provide.]

## IV. Closing

Upon confirmation of the Escrow Agent's receipt of the above-referenced funds and confirmation that all closing documents have been executed and delivered, the transaction is closed.

CITY OF SAN ANTONIO, TEXAS

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

Name: Troy Elliott

Title: Deputy Chief Financial Officer