

EXHIBIT A TO ORDINANCE

**PUBLIC PROPERTY FINANCE CONTRACT
(NON-APPROPRIATION)**

Dated As of: January 30, 2024

Borrower: CITY OF SAN ANTONIO, TEXAS

This Public Property Finance Contract together with all addenda, riders and attachments hereto, as the same may from time to time be amended, modified or supplemented ("Contract") is made and entered by and between **JPMORGAN CHASE BANK, N.A.** ("Lender") and the borrower identified above ("Borrower").

1. **PURCHASE OF EQUIPMENT.** Subject to the terms and conditions of this Contract, Lender agrees to make a loan to Borrower to finance the purchase of the Equipment described in each Schedule signed from time to time by Borrower and Lender.

2. **CERTAIN DEFINITIONS.** All terms defined in the Loan are equally applicable to both the singular and plural form of such terms. (a) "Schedule" means each Loan Schedule signed and delivered by Borrower and Lender, together with all addenda, riders, attachments, certificates and exhibits thereto, as the same may from time to time be amended, modified or supplemented. Borrower and Lender agree that each Schedule (except as expressly provided in said Schedule) incorporates by reference all of the terms and conditions of this Contract. (b) "Loan" means any one Schedule and this Contract as incorporated into said Schedule. (c) "Equipment" means the property described in each Schedule, together with all attachments, additions, accessions, parts, repairs, improvements, replacements and substitutions thereto. (d) "Lien" means any security interest, lien, mortgage, pledge, encumbrance, judgment, execution, attachment, warrant, writ, levy, other judicial process or claim of any nature whatsoever by or of any person.

3. **LOAN TERM.** The term of the loan described in each Loan ("Loan Term") commences on the first date any portion of the Loan is funded by Lender or on the date specified in the Schedule for such Loan and, unless earlier terminated as expressly provided in the Loan, continues until Borrower's payment and performance in full of all of Borrower's obligations under the Loan.

4. LOAN PAYMENTS.

4.1 For each Loan, Borrower agrees to pay to Lender the payments in the amounts and at the times as set forth in the Payment Schedule attached to the Schedule ("Loan Payments"). A portion of each Loan Payment is paid as and represents the payment of interest as set forth in the Payment Schedule. Borrower acknowledges that its obligation to pay Loan Payments including interest therein accrues as of the Accrual Date stated in the Schedule or its Payment Schedule; provided, that no Loan Payment is due until Lender funds any portion of the Loan or the parties execute an escrow agreement. Loan Payments will be payable for the Loan Term in U.S. dollars, without notice or demand at the office of Lender (or such other place as Lender may designate from time to time in writing).

4.2 If Lender receives any payment from Borrower later than ten (10) days from the due date, Borrower shall pay Lender on demand as a late charge five per cent (5%) of such overdue amount, limited, however, to the maximum amount allowed by law.

4.3 EXCEPT AS SPECIFICALLY PROVIDED IN SECTION 6, THE OBLIGATION TO PAY LOAN PAYMENTS UNDER EACH LOAN SHALL BE ABSOLUTE AND UNCONDITIONAL IN ALL EVENTS AND SHALL NOT BE SUBJECT TO ANY SETOFF, DEFENSE, COUNTERCLAIM, ABATEMENT OR RECOUPMENT FOR ANY REASON WHATSOEVER.

5. DELIVERY; ACCEPTANCE; FUNDING CONDITIONS.

5.1 Borrower shall arrange for the transportation, delivery and installation of all Equipment to the location specified in the Schedule ("Location") by Equipment suppliers ("Suppliers") selected by Borrower. Borrower shall pay all costs related thereto.

5.2 Borrower shall accept Equipment as soon as it has been delivered and is operational. Borrower shall evidence its acceptance of any Equipment by signing and delivering to Lender the applicable Schedule. If Borrower signs and delivers a Schedule and if all Funding Conditions have been satisfied in full, then Lender will advance funds on the Loan to pay or cause to be paid the costs of such

Equipment as stated in the Schedule ("Purchase Price") to the Escrow Agent named in that certain Escrow And Account Control Agreement dated as of January 30, 2024, by and between Lender, Borrower, and Frost Bank, San Antonio, Texas ("Escrow Agent").

5.3 Lender shall have no obligation to pay any Purchase Price unless all reasonable conditions established by Lender ("Funding Conditions") have been satisfied, including, without limitation, the following: (a) Borrower has signed and delivered the Schedule and its Payment Schedule; (b) no Event of Default shall have occurred and be continuing; (c) no material adverse change shall have occurred in the Internal Revenue Code of 1986, as amended, and the related regulations and rulings thereunder (collectively, the "Code"); (d) no material adverse change shall have occurred in the financial condition of Borrower; (e) the Equipment is reasonably satisfactory to Lender and is free and clear of any Liens (except Lender's Liens); (f) all representations of Borrower in the Loan remain true, accurate and complete; and (g) Lender has received all of the following documents, which shall be reasonably satisfactory, in form and substance, to Lender: (1) evidence of insurance coverage required by the Loan; (2) an opinion of Borrower's counsel; (3) reasonably detailed invoices for the Equipment; (4) Uniform Commercial Code (UCC) financing statements; (5) copies of resolutions by Borrower's governing body authorizing the Loan and incumbency certificates for the person(s) who will sign the Loan; (6) such documents and certificates relating to the tax-exempt interest payable under the Loan (including, without limitation, IRS Form 8038G or 8038GC) as Lender may request; and (7) such other documents and information previously identified by Lender or otherwise reasonably requested by Lender.

6. TERMINATION FOR GOVERNMENTAL NON-APPROPRIATIONS.

6.1 For the Loan, Borrower represents and warrants: that it has appropriated and budgeted the necessary funds to make all Loan Payments required pursuant to such Loan for the remainder of the fiscal year in which the Loan Term commences; and that it currently intends to make Loan Payments for the full Loan Term as scheduled in the applicable Payment Schedule if funds are appropriated for the Loan Payments in each succeeding fiscal year by its governing body. Without contractually committing itself to do so, Borrower reasonably believes that moneys in an amount sufficient to make all Loan Payments can and will lawfully be appropriated and made available for such Loan Payments. All Loan Payments shall be payable out of the general funds of Borrower or out of other funds legally available for such Loan Payments. Lender agrees that the Loan will not be a general obligation of Borrower and the Loan shall not constitute a pledge of either the full faith and credit of Borrower or the taxing power of Borrower.

6.2 If Borrower's governing body fails to appropriate sufficient funds in any fiscal year for Loan Payments or other payments due under the Loan and if other funds are not legally available for such payments, then a "Non-Appropriation Event" shall be deemed to have occurred. If a Non-Appropriation Event occurs, then: (a) Borrower shall give Lender immediate notice of such Non-Appropriation Event and provide written evidence of such failure by Borrower's governing body; (b) on the Return Date, Borrower shall return to Lender all, but not less than all, of the Equipment covered by the Loan, at Borrower's sole expense, in accordance with Section 21 hereof (provided, that if under applicable State law Borrower's obligation to pay the expenses of returning the Equipment would render the Loan void or unenforceable under State law, then Borrower shall not be obligated to pay the expenses of returning the Equipment under Section 21 hereof, but Borrower shall be required to cooperate with Lender in Lender's taking possession of the Equipment); and (c) the Loan shall terminate on the Return Date without penalty to Borrower, provided, that Borrower shall pay all Loan Payments and other amounts payable under the Loan for which funds have been appropriated or are otherwise legally available, provided further, that Borrower shall pay month-to-month rent at the rate set forth in the Loan for each month or part thereof that Borrower fails to return the Equipment under this Section 6.2. "Return Date" means the last day of the fiscal year for which appropriations were made for the Loan Payments due under the Loan."

7. LIMITATION ON WARRANTIES. LENDER MAKES NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, AS TO ANY MATTER WHATSOEVER, INCLUDING, WITHOUT LIMITATION, AS TO THE MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY OF THE EQUIPMENT OR AS TO THE VALUE, DESIGN, CONDITION, USE, CAPACITY OR DURABILITY OF ANY OF THE EQUIPMENT. Borrower agrees that (a) Lender is not a manufacturer or dealer of any Equipment and has no liability for the delivery or installation of any Equipment, (b) Lender assumes no obligation with respect to any manufacturer's or Supplier's product warranties or guaranties, (c) no manufacturer or Supplier or any representative of said parties is an agent of Lender, and (d) any warranty, representation, guaranty or agreement made by any manufacturer or Supplier or any representative of said parties shall not be binding upon Lender.

8. TITLE; SECURITY INTEREST.

8.1 Upon Borrower's acceptance of any Equipment under a Loan, title to the Equipment shall vest in Borrower, subject to Lender's security interest therein and all of Lender's other rights under such Loan including, without limitation, Sections 6, 20 and 21 hereof.

8.2 As collateral security for the Secured Obligations, Borrower hereby grants to Lender a first priority security interest in any and all of the Equipment (now existing or hereafter acquired) and any and all proceeds thereof. Borrower agrees to execute and deliver to Lender all necessary documents to evidence and perfect such security interest, including, without limitation, UCC financing statements and any amendments thereto.

8.3 "Secured Obligations" means Borrower's obligations to pay all Loan Payments and all other amounts due and payable under all present and future Loans and to perform and observe all covenants, agreements and conditions (direct or indirect, absolute or contingent, due or to become due, or existing or hereafter arising) of Borrower under all present and future Loans.

9. **PERSONAL PROPERTY.** All Equipment is and will remain personal property and will not be deemed to be affixed or attached to real estate or any building thereon.

10. **MAINTENANCE AND OPERATION.** Borrower agrees it shall, at its sole expense: (a) repair and maintain all Equipment in good condition and working order and supply and install all replacement parts or other devices when required to so maintain the Equipment or when required by applicable law or regulation, which parts or devices shall automatically become part of the Equipment; and (b) use and operate all Equipment in a careful manner in the normal course of its operations and only for the purposes for which it was designed in accordance with the manufacturer's warranty requirements; and (c) comply with all laws and regulations relating to the Equipment. If any Equipment is customarily covered by a maintenance agreement, Borrower will furnish Lender with a maintenance agreement by a party reasonably satisfactory to Lender. No maintenance or other service for any Equipment will be provided by Lender. Borrower will not make any alterations, additions or improvements ("Improvements") to any Equipment without Lender's prior written consent unless the Improvements may be readily removed without damage to the operation, value or utility of such Equipment, but any such Improvements not removed prior to the termination of the applicable Loan shall automatically become part of the Equipment.

11. **LOCATION; INSPECTION.** Equipment will not be removed from, or if Equipment is rolling stock its permanent base will not be changed from, the Location without Lender's prior written consent which will not be unreasonably withheld. Upon reasonable notice to Borrower, Lender may enter the Location or elsewhere during normal business hours to inspect the Equipment.

12. **LIENS AND TAXES.**

12.1 Borrower shall keep all Equipment free and clear of all Liens except those Liens created under its applicable Loan. Borrower shall not sublet or lend any Equipment or permit it to be used by anyone other than Borrower or Borrower's employees.

12.2 Borrower shall pay when due all Taxes which may now or hereafter be imposed upon any Equipment or its ownership, lease, rental, sale, purchase, possession or use, upon any Loan or upon any Loan Payments or any other payments due under any Loan. If Borrower fails to pay such Taxes when due, Lender shall have the right, but not the obligation, to pay such Taxes. If Lender pays any such Taxes, then Borrower shall, upon demand, immediately reimburse Lender therefor. "Taxes" means present and future taxes, levies, duties, assessments or other governmental charges that are not based on the net income of Lender, whether they are assessed to or payable by Borrower or Lender, including, without limitation (a) sales, use, excise, licensing, registration, titling, gross receipts, stamp and personal property taxes, and (b) interest, penalties or fines on any of the foregoing.

13. **RISK OF LOSS.**

13.1 Borrower bears the entire risk of loss, theft, damage or destruction of any Equipment in whole or in part from any reason whatsoever ("Casualty Loss"). No Casualty Loss to any Equipment shall relieve Borrower from the obligation to make any Loan Payments or to perform any other obligation under any Loan. Proceeds of any insurance recovery will be applied to Borrower's obligations under this Section 13.

13.2 If a Casualty Loss occurs to any Equipment, Borrower shall immediately notify Lender of the same and Borrower shall, unless otherwise directed by Lender, immediately repair the same.

13.3 If Lender reasonably determines that any item of Equipment has suffered a Casualty Loss beyond repair ("Lost Equipment"), then Borrower shall either: (a) immediately replace the Lost Equipment with similar equipment in good repair, condition and working order free and clear of any Liens (except Lender's Liens), in which event such replacement equipment shall automatically be Equipment under the applicable Loan, and deliver to Lender true and complete copies of the invoice or bill of sale covering the replacement equipment; or (b) on earlier of 60 days after the Casualty Loss or the next scheduled Loan Payment date (the "Loss Payment Due Date"), pay Lender (i) all amounts owed by Borrower under the applicable Loan, including the Loan Payments due on or accrued through such date plus (ii) an amount equal to the Termination Value as of the Loan Payment date (or if the Casualty Loss payment is due between Loan Payment dates, then as of the Loan Payment date preceding the date that the Casualty Loss payment is due) set forth in the Payment Schedule to the applicable Loan.

14. INSURANCE.

14.1 (a) Borrower at its sole expense shall at all times keep all Equipment insured against all Casualty Losses for an amount not less than the Termination Value of the Equipment. Proceeds of any such insurance covering damage or loss of any Equipment shall be payable to Lender as lender loss payee. (b) Borrower maintains self-insurance and a fully funded reserve account which meets or exceeds Lender's insurance requirements. .

14.2 Self-insurance shall be reasonably satisfactory to Lender. The self-insurance maintained by Borrower shall be primary without any right of contribution from insurance which may be maintained by Lender.

14.3 Notwithstanding anything to the contrary set out in Section 14.1 or Section 14.2 above, with Lender's prior written consent, Borrower may self-insure against the risks described in Section 14.1. Execution of this Contract on behalf of Lender evidences its prior written consent to Borrower's self-insurance against such risks. Borrower shall furnish to Lender evidence of such insurance or self-insurance coverage throughout each Loan Term. Borrower shall not cancel or modify such insurance or self-insurance coverage in any way that would affect the interests of Lender without first giving written notice thereof to Lender at least thirty (30) days in advance of such cancellation or modification.

15 PREPAYMENT; PURCHASE

15.1. **Purchase Rights.** Borrower shall be entitled to full title and all ownership interests in the Equipment identified on Schedule A, and Lender's security interest therein shall be terminated:

- (a) Upon payment in full of all Loan Payments under the Loan Schedule and all other amounts due under this Contract, with respect to the Loan Schedule; or
- (b) Upon written notice by Borrower delivered at least thirty (30) days in advance of any date on which a Loan Payment is due, and upon the payment on such date of the Loan Payments due, the Principal Balance, and all other amounts owed by Borrower under the Loan Schedule.

15.2. **Optional Prepayment.** Borrower shall have the right to prepay the outstanding principal balance of the Loan Schedule, in full or in part on any Loan payment date which occurs after the first twenty four (24) months of the Loan Term; provided, that as conditions precedent to Borrower's right to make, and Lender's obligation to accept, any such prepayment: (i) Lender shall have actually received the notice required in Section 15.1(b) above providing the amount of principal which will be prepaid (the "Prepaid Principal") and the date (the "Prepayment Date") on which the prepayment will be made; (ii) each prepayment of principal shall be in the amount of twenty-five (\$25,000) dollars or a larger integral multiple of five thousand (\$5,000) dollars (unless the prepayment retires the outstanding balance of the Schedule A in full); and (iii) each such prepayment shall be in the amount of one hundred percent (100%) of the principal amount to be prepaid plus accrued unpaid interest thereon to the Prepayment Date, plus any other sums which have become due to Lender under such Loan Schedule on or before the Prepayment Date but have not been paid, provided, however, in no event shall any prepayment cause the Interest Rate on such Loan Schedule to exceed the maximum interest rate allowed for similar governmental obligations pursuant to Chapter 1204, Texas Government Code, as amended, or other applicable laws in effect as of the date of such Loan Schedule. All prepayments of principal shall be applied to principal in inverse order of maturity. There are no prepayment premiums.

15.3. **Consummation of Purchase.** Lender's security interest in the Equipment identified in Loan Schedule shall be terminated and released automatically in conjunction with the Purchase Rights as provided in section 15.1 above, unless an Event of Default hereunder shall have occurred and be continuing as of such date. Such date may at the discretion of Lender be extended for such additional period as Lender's counsel reasonably determines to be necessary to reflect the impact of, and avoid the risks related to, bankruptcy-related laws. On such date, Lender shall deliver to Borrower such deeds, termination statements, bills of sale and other documents and instruments as Borrower shall reasonably require to evidence the transfer of all right, title and interest of Lender in such Equipment to Borrower free and clear of all liens and encumbrances created by or arising, directly or indirectly, through Lender.

15.4. **Mandatory Prepayment.** Subject to Section 18, all or substantially all of the assets of Borrower, including Borrower's interest in this Contract and the Equipment, may be acquired in any manner by another entity, subject to the opinion of counsel acceptable to Lender as to the continued exclusion from gross income of the interest component of the Loan Payments. However, if all or substantially all of the assets of Borrower, including Borrower's interest in this Contract and the Equipment, are

acquired in any manner by another entity, Borrower may be required, at the direction of Lender to prepay in whole pursuant to Section 15.2 hereof.

15.5. **Eminent Domain by Borrower.** Borrower expressly agrees that in connection with any exercise of its eminent domain powers, the fair market value of the Equipment shall be the Purchase Price plus any Loan Payment then due.

16. **BORROWER'S REPRESENTATIONS AND WARRANTIES.** With respect to each Loan and its Equipment, Borrower hereby represents and warrants to Lender that: (a) Borrower has full power, authority and legal right to execute and deliver the Loan and to perform its obligations under the Loan, and all such actions have been duly authorized by appropriate findings and actions of Borrower's governing body; (b) the Loan has been duly executed and delivered by Borrower and constitutes a legal, valid and binding obligation of Borrower, enforceable in accordance with its terms; (c) the Loan is authorized under, and the authorization, execution and delivery of the Loan complies with, all applicable federal, state and local laws and regulations (including, but not limited to, all open meeting, public bidding and property acquisition laws) and all applicable judgments and court orders; (d) the execution, delivery and performance by Borrower of its obligations under the Loan will not result in a breach or violation of, nor constitute a default under, any agreement, lease or other instrument to which Borrower is a party or by which Borrower's properties may be bound or affected; (e) there is no pending, or to the best of Borrower's knowledge threatened, litigation of any nature which may have a material adverse effect on Borrower's ability to perform its obligations under the Loan; and (f) Borrower is a state, or a political subdivision thereof, as referred to in Section 103 of the Code, and Borrower's obligation under the Loan constitutes an enforceable obligation issued on behalf of a state or a political subdivision thereof.

17. FEDERAL INCOME TAX EXCLUSION.

17.1 **General.** Borrower intends that the interest on the Loan be excludable from gross income for federal income tax purposes pursuant to Sections 103 and 141 through 150 of the Code and the applicable Treasury Regulations (the "Regulations"). Borrower covenants and agrees not to take any action, or omit to take any action within its control, that if taken or omitted, respectively, would (i) cause the interest on the Loan to be includable in gross income, as defined in Section 61 of the Code, for federal income tax purposes or (ii) result in the violation of or failure to satisfy any provision of Section 103 and 141 through 150 of the Code and the applicable Regulations. In particular, Borrower covenants and agrees to comply with each requirement of this Section 17; provided, however, that Borrower will not be required to comply with any particular requirement of this Section 17 if Borrower has received an opinion of nationally recognized bond counsel ("Counsel's Opinion") that (i) such noncompliance will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Loan or (ii) compliance with some other requirement set forth in this Section 17 will satisfy the applicable requirements of the Code and the Regulations, in which case compliance with such other requirement specified in such Counsel's Opinion will constitute compliance with the corresponding requirement specified in this Section 17.

17.2 **No Private Activity Bond.** Borrower covenants and agrees that it will make such use of the proceeds of the Loan, including interest or other investment income derived from the Loan proceeds, regulate the use of property financed, directly or indirectly, with such proceeds, and take such other and further action as may be required so that the Loan will not be a "private activity bond" within the meaning of Section 141 of the Code and the Regulations promulgated thereunder. Moreover, Borrower will certify, through an authorized officer, employee or agent, based upon all facts and estimates known or reasonably expected to be in existence on the date the Loan is delivered, that the proceeds of the Loan will not be used in a manner that would cause the Loan to be a "private activity bond" within the meaning of Section 141 of the Code and the Regulations promulgated thereunder.

17.3 **No Federal Guarantee.** Borrower covenants and agrees not to take any action, or knowingly omit to take any action within its control, that if taken or omitted, respectively, would cause the Loan to be "federally guaranteed" within the meaning of Section 149(b) of the Code and the applicable Regulations thereunder, except as permitted by Section 149(b)(3) of the Code and such Regulations.

17.4 **No Hedge Bond.** Borrower covenants and agrees not to take any action, or knowingly omit to take any action within its control, that if taken or omitted, respectively, would cause the Loan to be a "hedge bond" within the meaning of Section 149(g) of the Code and the applicable Regulations thereunder.

17.5 **No Arbitrage.** Borrower covenants and agrees that it will make such use of the proceeds of the Loan, including interest or other investment income derived from the Loan, regulate investments of proceeds of the Loan, and take such other and further action as may be required so that the Loan will not be an "arbitrage bond" within the meaning of Section 148(a) of the Code and the applicable Regulations promulgated thereunder. Moreover, Borrower will certify, through an authorized officer, employee or agent, based upon all facts and estimates known or reasonably expected to be in existence on the date the Loan is delivered, that proceeds of the Loan will not be used in a manner that would cause the Loan to be "arbitrage bonds" within the meaning of Section 148(a) of the Code and the applicable Regulations promulgated thereunder.

17.6 **Arbitrage Rebate.** If Borrower does not qualify for an exception to the requirements of Section 148(f) of the Code relating to the required rebate to the United States, Borrower will take all necessary steps to comply with the requirement that certain amounts earned by Borrower on the investment of the "gross proceeds" of the Loan (within the meaning of Section 148(f)(6)(B) of the Code), be rebated to the federal government. Specifically, Borrower will (i) maintain records regarding the investment of the gross proceeds of the Loan as may be required to calculate the amount earned on the investment of the gross proceeds of the Loan separately from records of amounts on deposit in the funds and accounts of Borrower allocable to other bond issues of Borrower or moneys that do not represent gross proceeds of any bonds of Borrower, (ii) determine at such times as are required by applicable Regulations, the amount earned from the investment of the gross proceeds of the Loan that is required to be rebated to the federal government, and (iii) pay, not less often than every fifth anniversary date of the delivery of the Loan, or on such other dates as may be permitted under applicable Regulations, all amounts required to be rebated to the federal government. Further, Borrower will not indirectly pay any amount otherwise payable to the federal government pursuant to the foregoing requirements to any person other than the federal government by entering into any investment arrangement with respect to the gross proceeds of the Loan that might result in a reduction in the amount required to be paid to the federal government because such arrangement results in a smaller profit or a larger loss than would have resulted if the arrangement had been at arm's length and had the yield on the issue not been relevant to either party.

17.7 **Information Reporting.** Borrower covenants and agrees to file or cause to be filed with the Secretary of the Treasury, not later than the 15th day of the second calendar month after the close of the calendar quarter in which the Loan is issued, an information statement concerning the Loan, all under and in accordance with Section 149(e) of the Code and the applicable Regulations promulgated thereunder.

17.8 **Record Retention.** Borrower will retain all pertinent and material records relating to the use and expenditure of the proceeds of the Loan until three years after the final payment of the Loan Payments is made, or such shorter period as authorized by subsequent guidance issued by the Department of the Treasury, if applicable. All records will be kept in a manner that ensures their complete access throughout the retention period. For this purpose, it is acceptable that such records are kept either as hardcopy books and records or in an electronic storage and retrieval system, provided that such electronic system includes reasonable controls and quality assurance programs that assure the ability of Borrower to retrieve and reproduce such books and records in the event of an examination of the Loan by the Internal Revenue Service.

17.9 **Deliberate Actions.** Borrower will not take a deliberate action (as defined in Section 1.141-2(d)(3) of the Regulations) that causes the Loan to fail to meet any requirement of Section 141 of the Code after the issue date of the Finance Contract unless an appropriate remedial action is permitted by Section 1.141-12 of the Regulations, Borrower takes such remedial action and a Counsel's Opinion is obtained that such remedial action cures any failure to meet the requirements of Section 141 of the Code.

17.10 **Continuing Obligation.** Notwithstanding any other provision of this Contract, Borrower's obligations under the covenants and provisions of this Section 17 will survive the defeasance and discharge of the Loan for as long as such matters are relevant to the exclusion from gross income of interest on the Loan for federal income tax purposes.

18. ASSIGNMENT.

18.1 Borrower shall not assign, transfer, pledge, hypothecate, nor grant any Lien on, nor otherwise dispose of, any Loan or any Equipment or any interest in any Loan or Equipment.

18.2 Lender may assign its rights, title and interest in and to any Loan or any Equipment, and/or may grant or assign a security interest in any Loan and its Equipment, in whole or in part, to any party at any time. Any such assignee or lienholder (an "Assignee") shall have all of the rights of Lender under the applicable Loan. Lender hereby covenants not to take any action which will convert any Loan into a public security pursuant to the provisions of Chapter 1201, as amended, Texas Government Code, and require the approval of the Texas Attorney General, including any action to "participate" or issue certificates of participation in the Lender's Lease Payment stream. **BORROWER AGREES NOT TO ASSERT AGAINST ANY ASSIGNEE ANY CLAIMS, ABATEMENTS, SETOFFS, COUNTERCLAIMS, RECOUPMENT OR ANY OTHER SIMILAR DEFENSES WHICH BORROWER MAY HAVE AGAINST LENDER.** Unless otherwise agreed by Borrower in writing, any such assignment transaction shall not release Lender from any of Lender's obligations under the applicable Loan. An assignment or reassignment of any of Lender's right, title or interest in a Loan or its Equipment shall be enforceable against Borrower only after Borrower receives a written notice of assignment which discloses the name and address of each such Assignee, provided that such notice from Lender to Borrower of any assignment shall not be so required if Lender assigns a Loan to JPMORGAN CHASE & CO. or any of its direct or indirect subsidiaries. Borrower shall keep a complete and accurate record of all such assignments in the form necessary to comply with Section 149(a) of the Code and for such purpose, Borrower hereby appoints Lender (or Lender's designee) as the book entry and registration agent to keep a complete and accurate record of any and all assignments of any Loan. Borrower agrees to acknowledge in writing any such assignments if so requested.

18.3 Each Assignee of a Loan hereby agrees that: (a) the term Secured Obligations as used in Section 8.3 hereof is hereby amended to include and apply to all obligations of Borrower under the Assigned Loans and to exclude the obligations of Borrower under any Non-Assigned Loans; (b) said Assignee shall have no Lien on, nor any claim to, nor any interest of any kind in, any Non-Assigned Loan or any Equipment covered by any Non-Assigned Loan; and (c) Assignee shall exercise its rights, benefits and remedies as the assignee of Lender (including, without limitation, the remedies under Section 20 of the Contract) solely with respect to the Assigned Loans. "Assigned Loans" means only those Loans which have been assigned to a single Assignee pursuant to a written agreement; and "Non-Assigned Loans" means all Loans excluding the Assigned Loans.

18.4 Subject to the foregoing, each Loan inures to the benefit of and is binding upon the heirs, executors, administrators, successors and assigns of the parties hereto.

19. **EVENTS OF DEFAULT.** For each Loan, "Event of Default" means the occurrence of any one or more of the following events as they may relate to such Loan: (a) Borrower fails to make any Loan Payment (or any other payment) as it becomes due in accordance with the terms of the Loan, and any such failure continues for ten (10) days after the due date thereof; (b) Borrower fails to perform or observe any of its obligations under Sections 12.1, 14 or 18.1 hereof; (c) Borrower fails to perform or observe any other covenant, condition or agreement to be performed or observed by it under the Loan and such failure is not cured within thirty (30) days after receipt of written notice thereof by Lender; (d) any statement, representation or warranty made by Borrower in the Loan or in any writing delivered by Borrower pursuant thereto or in connection therewith proves at any time to have been false, misleading or erroneous in any material respect as of the time when made; or (e) Borrower applies for or consents to the appointment of a receiver, trustee, conservator or liquidator of Borrower or of all or a substantial part of its assets, or a petition for relief is filed by Borrower under any federal or state bankruptcy, insolvency or similar law, or a petition in a proceeding under any federal or state bankruptcy, insolvency or similar law is filed against Borrower and is not dismissed within sixty (60) days thereafter.

20. **REMEDIES.** If any Event of Default occurs, then Lender may, at its option, exercise any one or more of the following remedies:

(a) Lender may require Borrower to pay (and Borrower agrees that it shall pay) all amounts then currently due under all Loans and all remaining Loan Payments due under all Loans during the fiscal year in effect when the Event of Default occurs together with interest on such amounts at the rate of twelve percent (12%) per annum (but not to exceed the highest rate permitted by applicable law) from the date of Lender's demand for such payment;

(b) Lender may require Borrower to promptly return all Equipment under all or any of the Loans to Lender in the manner set forth in Section 21 (and Borrower agrees that it shall so return the Equipment), or Lender may, at its option, enter upon the premises where any Equipment is located and repossess any Equipment without demand or notice, without any court order or other process of law and without liability for any damage occasioned by such repossession;

(c) Lender may sell, lease or otherwise dispose of any Equipment under all or any of the Loans, in whole or in part, in one or more public or private transactions, and if Lender so disposes of any Equipment, then Lender shall retain the entire proceeds of such disposition free of any claims of Borrower, provided, that if the net proceeds of the disposition of all the Equipment exceeds the applicable Termination Value of all the Schedules plus the amounts payable by Borrower under clause (a) above of this Section and under clause (f) below of this Section, then such excess amount shall be remitted by Lender to Borrower;

(d) Lender may terminate, cancel or rescind any Loan as to any and all Equipment;

(e) Lender may enforce any and all rights to payment by mandamus;

(f) Lender may exercise any other right, remedy or privilege which may be available to Lender under applicable law or, by appropriate court action at law or in equity, Lender may enforce any of Borrower's obligations under any Loan; and/or

(g) Lender may require Borrower to pay (and Borrower agrees that it shall pay) all out-of-pocket costs and expenses incurred by Lender as a result (directly or indirectly) of the Event of Default and/or of Lender's actions under this section, including, without limitation, any attorney fees and expenses and any costs related to the repossession, safekeeping, storage, repair, reconditioning or disposition of any Equipment.

None of the above remedies is exclusive, but each is cumulative and in addition to any other remedy available to Lender. Lender's exercise of one or more remedies shall not preclude its exercise of any other remedy. No delay or failure on the part of Lender to exercise any remedy under any Loan shall operate as a waiver thereof, nor as an acquiescence in any default, nor shall any single or partial exercise of any remedy preclude any other exercise thereof or the exercise of any other remedy.

21. **RETURN OF EQUIPMENT.** If Lender is entitled under the provisions of any Loan, including any termination thereof pursuant to Sections 6 or 20 of this Contract, to obtain possession of any Equipment or if Borrower is obligated at any time to return any Equipment, then (a) title to the Equipment shall vest in Lender immediately upon Lender's notice thereof to Borrower, and (b) Borrower shall, at its sole expense and risk, immediately de-install, disassemble, pack, crate, insure and return the Equipment to Lender (all in accordance with applicable industry standards) at any location within a 300 mile radius of the City of San Antonio, Texas and within the State, as designated by Lessor, or such other location as the parties may from time to time reasonably agree or specify to the contrary in any Lease hereunder, with Lessee bearing such costs and expenses up to the point of redelivery. Such Equipment shall be in the same condition as when received by Borrower (reasonable wear, tear and depreciation resulting from normal and proper use excepted), shall be in good operating order and maintenance as required by the applicable Loan, shall be free and clear of any Liens (except Lender's Lien) and shall comply with all applicable laws and regulations. Until Equipment is returned as required above, all terms of the applicable Loan shall remain in full force and effect including, without limitation, obligations to pay Loan Payments and to insure the Equipment. Borrower agrees to execute and deliver to Lender all documents reasonably requested by Lender to evidence the transfer of legal and beneficial title to such Equipment to Lender and to evidence the termination of Borrower's interest in such Equipment.

22. **LAW GOVERNING.** Each Loan shall be governed by the laws of the state where Borrower is located (the "State").

23. **NOTICES.** Any notices and demands under or related to this document shall be in writing and delivered to the intended party at its address stated herein (if to Lender 1111 Polaris Parkway, Suite 1P – OH1-1085, Columbus, Ohio 43240-2050, to the attention of the GNPH Operations Manager) . Notice shall be deemed sufficiently given or made (a) upon receipt if delivered by hand, (b) on the Delivery Day after the day of deposit with a nationally recognized courier service, (c) on the third Delivery Day after the day of deposit in the United States mail, sent certified, postage prepaid with return receipt requested, and (d) only if to Borrower, on the third Delivery Day after the notice is deposited in the United States mail, postage prepaid. "Delivery Day" means a day other than a Saturday, a Sunday, or any other day on which national banking associations are authorized to be closed. Any party may change its address for the purposes of the receipt of notices and demands by giving notice of such change in the manner provided in this provision.

24. **FINANCIAL INFORMATION.** Borrower agrees to furnish to Lender annual audited financial statements of Borrower within 180 days of the end of each fiscal year of Borrower.

25. **DECLARATION OF PERSONAL PROPERTY FINANCING.**

(a) BORROWER AND LENDER EXPRESSLY DECLARE AND AGREE THAT THE EQUIPMENT SHALL CONSTITUTE PERSONAL PROPERTY AND THAT THE EQUIPMENT SHALL NOT BE DEEMED, OR IDENTIFIED AS, ANY OF THE FOLLOWING: REAL PROPERTY; AN IMPROVEMENT ON ANY REAL PROPERTY; A PERMANENT BUILDING OR STRUCTURE ON ANY REAL PROPERTY; OR A FIXTURE ON ANY REAL PROPERTY.

(b) Borrower represents and warrants to Lender that the Equipment is personal property and that the Equipment is not any of the following: real property; an improvement on any real property; a permanent building or structure on any real property; or a fixture on any real property.

(c) Without limiting the generality of the representations in the Contract as it applies to the Loan, Borrower represents and warrants to Lender that the Loan complies with all applicable provisions of the laws of the State of Texas, including, without limitation, all applicable public finance laws of the State of Texas.

26. **NO SALE OF FRACTIONAL INTERESTS IN THE LOAN.** Lender agrees that: (a) unless otherwise agreed by Borrower in writing, Lender will not create or sell fractional interests in the Loan or participation interests in the Loan; (b) if Lender sells or assigns its rights in the Loan, then, unless otherwise agreed by Borrower in writing, such sale or assignment shall be of an undivided interest in all of Lender's right, title and interest in the Loan to a single purchaser or assignee; and (c) if Borrower consents to the creation or sale of any fractional interests in the Loan or any participation interests in the Loan, Lender agrees that such transaction shall comply with applicable State and federal law.

27. **INTEREST RATE.** The interest rate payable under the Loan Schedule shall never exceed the then maximum interest rate allowed for similar governmental obligations pursuant to Chapter 1204, Texas Government Code, as amended, or other applicable laws in effect as of the date of such Loan Schedule.

28. **SECTION HEADINGS.** All section headings contained herein or in any Schedule are for convenience of reference only and do not define or limit the scope of any provision of any Loan.

29. **EXECUTION IN COUNTERPARTS.** Each Schedule to this Contract may be executed in several counterparts, each of which shall be deemed an original, but all of which shall be deemed one instrument. If more than one counterpart of each Schedule is executed

by Borrower and Lender, then only one may be marked "Lender's Original" by Lender. A security interest in any Schedule may be created through transfer and possession only of: the sole original of said Schedule if there is only one original; or the counterpart marked "Lender's Original" if there are multiple counterparts of said Schedule.

30. SECTION 26.02 NOTICE; WRITTEN AMENDMENTS. THE CONTRACT, THE LOAN SCHEDULE AND ALL OTHER INSTRUMENTS, DOCUMENTS AND AGREEMENTS EXECUTED AND DELIVERED IN CONNECTION THEREWITH EMBODY THE FINAL, ENTIRE AGREEMENT AMONG THE PARTIES HERETO AND SUPERSEDE ANY AND ALL PRIOR COMMITMENTS, AGREEMENTS, REPRESENTATIONS AND UNDERSTANDINGS, WHETHER WRITTEN OR ORAL, RELATING THERETO, AND MAY NOT BE CONTRADICTED OR VARIED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OR DISCUSSIONS OF THE PARTIES HERETO. No Loan shall be modified, amended, altered, or changed except with the written consent of Borrower and Lender. Any provision of any Loan found to be prohibited by law shall be ineffective to the extent of such prohibition without invalidating the remainder of the Loan.

31. BOYCOTT ISRAEL. The Lender represents and verifies that to the extent this Contract constitutes a contract for goods or services for which a written verification is required under Section 2271.002, Texas Government Code that the Lender and any parent company, wholly-or majority-owned subsidiaries, and other affiliates of the Lender do not boycott Israel and will not boycott Israel through the end of the Lease period. The foregoing verification is made solely to enable the City to comply with such Section and to the extent such Section does not contravene applicable Federal or Texas law. As used in the foregoing verification, "boycott Israel," a term defined in Section 2271.001, Texas Government Code, by reference to Section 808.001(1), Texas Government Code, means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes.

32. BUSINESS WITH IRAN, SUDAN, OR FOREIGN TERRORIST ORGANIZATION.

The Lender represents and verifies that neither the Lender nor any parent company, wholly-or majority-owned subsidiaries, and other affiliates of the Lender is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website:

- <https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>,
- <https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>,
- <https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>.

The foregoing representation is made solely to enable the City to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal or Texas law and excludes the Lender and any parent company, wholly-or majority-owned subsidiaries, and other affiliates of the Lender.

The Texas state comptroller currently does not prepare, maintain or provide to any governmental entity a list of scrutinized companies that provide supplies or services to Iran, Sudan, or a foreign terrorist organization. Lessor hereby verifies that if the Texas state comptroller as of the date of this Contract prepares and maintains and provides a list of all scrutinized companies, then Lessor will search all applicable databases to determine if Lessor has a contract with or provides supplies or services to any company on the state controller's list of scrutinized companies.

33. BOYCOTT ISRAEL The Lender represents and verifies that to the extent this Contract constitutes a contract for goods or services for which a written verification is required under Section 2274.002, Texas Government Code (as added by Senate Bill 13, 87th Texas Legislature, Regular Session ("SB 13")), as amended, the Lender and the parent company, wholly-or majority- owned subsidiaries, and other affiliates, if any, of the Lender does not boycott energy companies and, such entities will not boycott energy companies through the end of the Lease period. The foregoing verification is made solely to enable the City to comply with such Section and to the extent such Section does not contravene applicable Federal or Texas law. As used in the foregoing verification, "boycott energy companies," a term defined in Section 2274.001(1), Texas Government Code (as enacted by SB 13) by reference to Section 809.001, Texas Government Code (also as enacted by SB 13), shall mean, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company (A) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or (B) does business with a company described by (A) above.

34. DISCRIMINATION AGAINST FIREARM ENTITY AND TRADE ASSOCIATION. The Lender represents and verifies that to the extent this Contract constitutes a contract for goods or services for which a written verification is required under Section 2274.002, Texas Government Code (as added by Senate Bill 19, 87th Texas Legislature, Regular Session, (“SB 19”)), as amended, the neither Lender nor the parent company, wholly-or majority- owned subsidiaries, and other affiliates, if any, of the Lender have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association; and such entities will not through the end of the Lease period discriminate against a firearm entity or firearm trade association. The foregoing verification is made solely to enable the City to comply with such Section and to the extent such Section does not contravene applicable Federal or Texas law.

As used in the foregoing verification and the following definitions, (a) “discriminate against a firearm entity or firearm trade association,” a term defined in Section 2274.001(3), Texas Government Code (as enacted by SB 19), (A) means, with respect to the firearm entity or firearm trade association, to (i) refuse to engage in the trade of any goods or services with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, (ii) refrain from continuing an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, or (iii) terminate an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association and (B) does not include (i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories and (ii) a company’s refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship (aa) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency or (bb) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity’s or association’s status as a firearm entity or firearm trade association, (b) “firearm entity,” a term defined in Section 2274.001(6), Texas Government Code (as enacted by SB 19), means a manufacturer, distributor, wholesaler, supplier, or retailer of firearms (defined in Section 2274.001(4), Texas Government Code, as enacted by SB 19, as weapons that expel projectiles by the action of explosive or expanding gases), firearm accessories (defined in Section 2274.001(5), Texas Government Code, as enacted by SB 19, as devices specifically designed or adapted to enable an individual to wear, carry, store, or mount a firearm on the individual or on a conveyance and items used in conjunction with or mounted on a firearm that are not essential to the basic function of the firearm, including detachable firearm magazines), or ammunition (defined in Section 2274.001(1), Texas Government Code, as enacted by SB 19, as a loaded cartridge case, primer, bullet, or propellant powder with or without a projectile) or a sport shooting range (defined in Section 250.001, Texas Local Government Code, as a business establishment, private club, or association that operates an area for the discharge or other use of firearms for silhouette, skeet, trap, black powder, target, self-defense, or similar recreational shooting), and (c) “firearm trade association,” a term defined in Section 2274.001(7), Texas Government Code (as enacted by SB 19), means any person, corporation, unincorporated association, federation, business league, or business organization that (i) is not organized or operated for profit (and none of the net earnings of which inures to the benefit of any private shareholder or individual), (ii) has two or more firearm entities as members, and (iii) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that code.

As used in the verifications contained in this Contract, the Lender understands “affiliate” to mean an entity that controls, is controlled by, or is under common control with, the Lender.

35. STANDING LETTER WITH TEXAS ATTORNEY GENERAL. By executing this Contract, the Lender agrees to provide a standing letter (a “Standing Letter”) to the Texas Office of Attorney General not later than August 16, 2022, in the form prescribed by the Texas Office of Attorney General’s All Bond Counsel Letter, dated September 22, 2021. In executing this Contract, the Lender represents to the City that it has no reason to believe that the City may not be entitled to rely on such Standing Letter. The Lender agrees that it will not rescind their Standing Letter at any time before the end of the Lease period unless same is immediately replaced with a standing letter meeting the requirements of the All Bond Counsel Letter. In addition, the Lender agrees to provide email confirmation to the City at any time prior to closing on January 30, 2024, that the Texas Office of Attorney General can continue to rely on such Standing Letter and, if such entity has received a Notification Letter, that such entity has responded to or intends to timely respond to the Notification Letter.

(Signature Page on Following Page)

IN WITNESS WHEREOF, the parties hereto have executed this Contract as of the date first written above.

CITY OF SAN ANTONIO, TEXAS

(Borrower)

By: _____

Title: Deputy Chief Financial Officer

JPMORGAN CHASE BANK, N.A.

(Lender)

By: _____

Title: Authorized Officer