

AUTHORIZING RESOLUTION

Lessee:

Principal Amount Expected to be Financed:

WHEREAS, the Lessee named above (the "Lessee") is a political subdivision of the State of New Jersey (the "State") and is duly organized and existing pursuant to the Constitution and laws of the State;

WHEREAS, pursuant to applicable law, the Lessee acting through its governing body (the "Governing Body") is authorized to acquire and lease personal property necessary to the functions or operations of the Lessee;

WHEREAS, the Governing Body hereby finds and determines the execution of the lease-purchase agreement ("Equipment Lease") in the principal amount not exceeding the amount stated above (the "Principal Amount") for the purpose of acquiring the equipment described generally below (the "Equipment") and to be described more specifically in Exhibit A, Description of Equipment, attached to the Equipment Lease, is appropriate and necessary to the functions and operations of the Lessee;

Brief Description of Equipment:

WHEREAS, First Hope Bank, A National Banking Association (the "Lessor") is expected to act as the Lessor under the Equipment Lease;

WHEREAS, the Lessee may pay certain capital expenditures in connection with the Equipment prior to its receipt of proceeds of the Equipment Lease ("Lease Purchase Proceeds") for such expenditures, and such expenditures are not expected to exceed the Principal Amount; and

WHEREAS, the Lessee hereby declares its official intent to be reimbursed for any capital expenditures made for the Equipment after adoption of this resolution but prior to the issuance of the Equipment Lease from the Lease Purchase Proceeds.

NOW, THEREFORE, Be It Resolved by the Governing Body of the Lessee as follows:

Section 1. The Lessee hereby determines that it has critically evaluated the financing alternatives and that entering into the Equipment Lease and financing the acquisition of the Equipment thereby is in the best interests of the Lessee.

Section 2. The Lessee is hereby authorized to acquire and install the Equipment and is hereby authorized to finance the Equipment by entering into the Equipment Lease. Any action taken by the Lessee in connection therewith is hereby ratified and confirmed.

Section 3. Either one or both of the School Business Administrator or the Board President (each an "Authorized Representative") acting on behalf of the Lessee is hereby authorized to negotiate, enter into, execute, and deliver one or more Equipment Lease in substantially the form set forth in

the document presently before the Governing Body, which document is available for public inspection at the office of the Lessee. Each Authorized Representative acting on behalf of the Lessee is hereby authorized to negotiate, enter into, execute, and deliver such other agreement or documents relating to the Equipment Lease (including, but not limited to, escrow agreements) as the Authorized Representative deems necessary and appropriate.

Section 4. By a written instrument signed by any Authorized Representative, said Authorized Representative may designate specifically identified officers or employees of the Lessee to execute and deliver agreements and documents relating to the Equipment Lease on behalf of the Lessee.

Section 5. The aggregate original principal amount of the Equipment Lease shall not exceed the Principal Amount and shall bear interest as set forth in the Equipment Lease and the Equipment Lease shall contain such options to purchase by the Lessee as set forth therein.

Section 6. The Lessee's obligations under the Equipment Lease shall be subject to annual appropriation or renewal by the Governing Body as set forth in each Equipment Lease, and the Lessee's obligations under the Equipment Lease shall not constitute indebtedness of the Lessee under the laws of the State.

Section 7. It is hereby determined that the acquisition of the Equipment is permitted under the laws governing the Lessee and is essential to the efficient operation of the Lessee.

Section 8. The Governing Body of the Lessee anticipates that the Lessee may pay certain capital expenditures in connection with the Equipment following adoption of this resolution but prior to the receipt of the Lease Purchase Proceeds for the Equipment. The Governing Body of the Lessee hereby declares the Lessee's official intent to use the Lease Purchase Proceeds to reimburse itself for such Equipment expenditures. This section of the resolution is adopted by the Governing Body of the Lessee for the purpose of establishing compliance with the requirements of Section 1.150-2 of Treasury Regulations. This section of this resolution does not bind the Lessee to make any expenditure, incur any obligation, or proceed with the acquisition of the Equipment.

Section 9. The Lessee covenants that it will comply with all requirements of the Internal Revenue Code of 1986, as amended, (the "Code") necessary to ensure that the interest portion of rental payments due under the Equipment Lease will be excluded from gross income under Section 103(a) of the Code. [The Lessee reasonably expects it will not issue more than \$10,000,000 of tax-exempt obligations (other than "private activity bonds" that are not "qualified 501(c)(3) bonds") during the calendar year in which each of the Equipment Lease is issued and hereby designates each Equipment Lease as a qualified tax-exempt obligation for purposes of Section 265(b) of the Code.] The Authorized Representative is further authorized to take such actions and execute such documents as may be necessary to ensure the continued status of the interest portion of the rental payments due on the Equipment Lease authorized by this resolution as excludable from gross income for federal income tax purposes pursuant to Section 103(a) of the Code.

Section 11. This resolution shall take effect immediately upon its adoption and approval.

ADOPTED AND APPROVED on this _____ day of _____, 2021.

CERTIFICATE

The undersigned **Secretary of the Board/Assistant Secretary of the Board** of the above-named Lessee hereby certifies and attests that (i) the undersigned has access to the official records of the Governing Body of the Lessee; (ii) the foregoing resolutions were duly adopted by the favorable vote of the members of the Governing Body of the Lessee at a [regular/special] meeting of the Governing Body duly called, regularly convened and attended throughout by the requisite quorum of the members thereof; (iii) such resolutions have not been amended or altered and are in full force and effect on the date stated below; and (iv) such meeting of the Governing Body relating to the authorization and delivery of the Equipment Lease has been conducted in accordance with the Open Public Meetings Act, N.J.S.A. 10:4-6 *et seq.*, and any internal procedures of the Governing Body.

Signature of Assistant Board Secretary of Lessee

Print Name: _____

Official Title: _____

Date: _____, 2021.

(Date)

First Hope Bank, a National Banking Association
201 Route 94
Columbia, NJ 07832

Re: Lease Purchase Agreement between First Hope Bank, A National Banking Association, Lessor
and _____, Lessee, dated _____
\$ _____

Dear Lessor:

As counsel for _____ (“Lessee”), I have examined duly executed originals of the Lease Purchase Agreement (the “Agreement”) dated _____, between Lessee and First Hope Bank, a National Banking Association (“Lessor”), and based upon my examination and such other examination as I have deemed necessary or appropriate, I am of the opinion that:

1. Lessee is a public body corporate and politic, legally existing under the laws of the State of New Jersey.
2. The Agreement has been duly authorized, executed and delivered by Lessee pursuant to constitutional, statutory and/or home rule provision which authorizes this transaction and the Resolution, attached as Exhibit ____ to the Lease Purchase Agreement.
3. The Agreement is a legal, valid and binding obligation of Lessee, enforceable in accordance with its terms. In the event the Lessor obtains a judgment against Lessee in money or damages as a result of an event of default under the Agreement, Lessee will be obligated to pay such judgment.
4. Applicable public bidding requirements have been complied with and the equipment is being acquired in accordance with Public Schools Contract Law.
5. Lessee has fully budgeted and appropriated sufficient funds to pay the Rental Payments through the end of its current fiscal year and such funds have not been expended for other purposes. Pursuant to NJSA 18A:20-4.2(f), the payments as set forth in the Rental Payment Schedule of the Agreement are subject to annual appropriation of funds sufficient to meet the required payments.
6. To the best of my knowledge, no proceedings or litigation is pending or threatened in any court, arbitration board or other tribunal, state or federal, in any way questioning or affecting the validity of the Resolution, the Agreement in its entirety or Lessor’s security interest in the Equipment or which would adversely affect the transaction contemplated by the Agreement or the security interest of Lessor or its assigns, as the case may be, in the Equipment.
7. The signatures of the officers of Lessee which appear on the Agreement is true and genuine; I know said officers and know them to hold the offices set forth below their names.

Very truly yours,