

RESOLUTION NO. 2021 17

A RESOLUTION OF THE QUORUM COURT OF VAN BUREN
ARKANSAS, SUPPORTING THE ESTABLISHMENT OF AN INCOME
CREDIT FOR FULLTIME LAW ENFORCEMENT OFFICERS
IN THE STATE OF ARKANSAS

Whereas, the Governor's Task Force to Advance the State of Law Enforcement in Arkansas recommended legislation that eases the state income tax burden on our active full-time law enforcement officers and recommended ensuring that entry level salaries for law enforcement officers be equivalent to or above the average annual wage in Arkansas;

Whereas, the average annual wage for full-time law enforcement officers in Arkansas ranks 49th in the nation and averages \$40,750 annually, below the average statewide wage in Arkansas of \$42,690; and the average entry level wage for law enforcement officers in Arkansas is \$28,610, barely above the yearly earnings of a minimum wage worker.

Whereas, law enforcement officers in the State of Arkansas risk their lives every day, working long hours for subpar wages, while Arkansas has one of the highest violent crime rates in the US and ranks as the 4th most dangerous state in the nation;

Whereas, the Governor's Task Force to Advance the State of Law Enforcement in Arkansas identified the incredibly low salaries and limited agency funding to be the biggest barriers to law enforcement retention, recruitment, and hiring;

Whereas, the Governor's Task Force to Advance the State of Law Enforcement recommended a state income tax credit for full-time law enforcement officers in order to substantially promote retention, recruitment, hiring, a boost in morale, and greater economic security for full-time law enforcement officers and their families;

Whereas, the 93rd General Assembly of the State of Arkansas was duly presented legislation, SB 304 of 2021, during the 2021 regular session of the General Assembly which sought to establish a \$3,000 non-refundable state income tax to full-time law enforcement officers, however, SB 304 was not voted upon, passed or adopted into law;

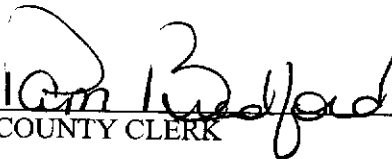
Whereas, the State of Arkansas now has unprecedented record surpluses, and the Governor of the State of Arkansas intends to call a special session of the General

Assembly to consider and adopt numerous state income tax credits and other measures which in the aggregate in will total hundreds of millions of dollars;


Whereas, the sponsors of SB304 have expressed an intent to file legislation seeking to establish a refundable state income tax credit for all full-time law enforcement officers in the sum of \$3,000 to be duly considered by the members of General Assembly of the State of Arkansas for their deliberation and to be adopted during the anticipated special session of the General Assembly of the State of Arkansas;

Now Therefore, the QUORUM COURT OF VAN BUREN COUNTY, ARKANSAS, hereby resolves to fully and robustly support full-time law enforcement officers in Arkansas, to "Back the Blue", and to advocate our members of the General Assembly, the Governor and the members of the General Assembly as a whole, for the due consideration and adoption by the General Assembly and signing by the Governor of Arkansas, of legislation creating: a state income tax credit for full-time law enforcement officers; that the full-time law enforcement income tax credit legislation include signed verification requirements before a full-time law enforcement officer may qualify for the state income tax credit; and respectfully encourage the full-time law enforcement state income tax credit legislation to be a legislative priority of the General Assembly and the Governor of the State of Arkansas. A copy of this resolution should be provided to your legislators requesting them to co-sponsor the proposed legislation.

ATTEST:


COUNTY CLERK

APPROVED:


COUNTY JUDGE

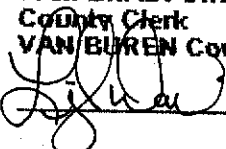
DATE: 11-18-2021

DATE: 11-18-2021

SPONSOR:

HON. _____

JUSTICE OF THE PEACE DISTRICT # _____

I certify that this instrument
filed on 11/19/2021 09:56
and recorded in
RESOLUTION Book 2021
PAM BRADFORD
County Clerk
VAN BUREN County, AR


Sponsor Russell Hensley
BOOK 2021
PAGE 25
Recorded in:
RESOLUTION Book
11/19/2021 10:02 AM
PAM BRADFORD
County Clerk
VAN BUREN County, AR

**VAN BUREN COUNTY QUORUM COURT
RESOLUTION # 2021- 18**

BE IT RESOLVED BY THE QUORUM COURT OF THE COUNTY OF VAN BUREN, ARKANSAS A RESOLUTION TO BE ENTITLED:

**A RESOLUTION AUTHORIZING AND APPROVING EXECUTION OF AN
EQUIPMENT LEASE-PURCHASE AGREEMENT WITH KS STATE BANK
FOR THE PURPOSE OF LEASE-PURCHASING CERTAIN EQUIPMENT**

WHEREAS, the Quorum Court, the Governing Body (the "Governing Body") of Van Buren County, Arkansas (the "Lessee"), acting for and on the behalf of the Lessee hereby finds, determines and adjudicates as follows:

1. The Lessee desires to enter into an Equipment Lease-Purchase Agreement with the Exhibits attached thereto in substantially the same form as attached hereto as Exhibit "A" (the "Agreement") with KS State Bank (the "Lessor") for the purpose of presently purchasing the equipment as described there in for the total cost specified therein (collectively the "Equipment") and to purchase such other equipment from time to time in the future upon appropriate approval;
2. The Lessee is authorized pursuant to "The City and County Government Development Bond and Short-Term Financing Amendment" to the Constitution of the State of Arkansas to acquire tangible personal property with an expected useful life of more than one (1) year by Lease-Purchase agreement and pay interest thereon by contract for a term not to exceed five (5) years;
3. It is in the best interest of the residents served by Lessee that the Lessee acquire the Equipment pursuant to and in accordance with the terms of the Agreement; and
4. It is necessary for the Lessee to approve and authorize the Agreement.
5. The Lessee desired to designate the Agreement as a qualified tax-exempt obligation of Lessee for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986 (the "Code")

NOW, THEREFORE, BE IT RESOLVED by the Governing Body for and on behalf of the Lessee as follows:

Section 1. The Agreement and Exhibits attached thereto in substantially the same form as attached hereto as Exhibit "A" by and between the Lessor and the Lessee is approved and Dale James (the "Authorized Officer") is hereby authorized and directed to execute said Agreement on behalf of the Lessee

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Section 2. The Agreement is being issued in calendar year 2021.

Section 3. Neither any portion of the gross proceeds of the Agreement nor the Equipment identified to the Agreement shall be used (directly or indirectly) in a trade or business carried on by any person other than a governmental unit, except for such use as a member of the general public.

Section 4. No portion of the rental payments identified in the Agreement (a) is secured, directly or indirectly, by property used or to be used in a trade or business carried on by a person other than a governmental unit, except for such use as a member of the general public, or by payments in respect of such property, or (b) is to be derived from payments (or not to Lessee) in respect of property or borrowed money used or to be used for a trade or business carried on by any person other than a governmental unit.

Section 5. No portion of the gross proceeds of the Agreement are used (directly or indirectly) to make or finance loans to persons other than governmental units.

Section 6. Lessee hereby designates the Agreement as a qualified tax-exempt obligation for purposes of Section 265(b) of the Code.

Section 7. In calendar year 2021, Lessee has designated \$110,000 of tax-exempt obligations (including the Agreement) as qualified tax-exempt obligations. Including the Agreement herein so designated, Lessee will not designate more than \$10,000,000 of obligations issued during calendar year 2021 as qualified tax-exempt obligations.

Section 8. Lessee reasonably anticipates that the total amount of tax-exempt obligations (other than private activity bonds) to be issued by Lessee during calendar year 2021 will not exceed \$10,000,000.

Section 9. For purposes of this resolution, the amount of Tax-exempt obligations stated as either issued or designated as qualified tax-exempt obligations includes tax-exempt obligations issued by all entities deriving their issuing authority from Lessee or by an entity subject to substantial control by Lessee, as provided in Section 265(b)(3) (E) of the Code.

Section 10. The assessed value of taxable property located within the municipality or county is \$91,750 as determined by the last completed tax assessment.

Section 11. The aggregate principal amount of short-term financing obligations incurred by Lessee, including the obligations under the Agreement, does not exceed five percent (5%), if Lessee is a municipality, or two and one-half percent (2 1/2%), if Lessee is a county, of the assessed value of taxable property located within the municipality or county, as determined by the last completed tax assessment.

Section 12. The Authorized Officer is further authorized for and on behalf of the Governing Body and the Lessee to do all things necessary in furtherance of the obligations of the Lessee pursuant of the Agreement, including execution and delivery of all other documents necessary or appropriate to carry out the transaction contemplated thereby in accordance with the terms and provisions thereof.

Following the reading of the foregoing resolution, _____ moved that the forgoing resolution be adopted. _____ seconded the motion for its adoption. The _____ put the question to a roll call vote and the result was as follows:

| | |
|-----------------|-------------|
| Dell Holt | Voted _____ |
| Nickie Brown | Voted _____ |
| Sarah Brown | Voted _____ |
| Mary Philips | Voted _____ |
| Russell Hensley | Voted _____ |
| John Bradford | Voted _____ |
| Brian Tatum | Voted _____ |
| Virgil Lemings | Voted _____ |
| Ester Bass | Voted _____ |

The motion having received the affirmative vote of all members present, the Quorum Court declared the motion carried and the resolution adopted this the 18th day of November, 2021.

APPROVED: _____

(Presiding Officer)

Dale James, Van Buren County Judge

ATTEST: _____

(SEAL)

Pam Bradford, Van Buren County Clerk

I certify that this instrument
filed on 11/19/2021 10:02
and recorded in
RESOLUTION Book 2021
PAM BRADFORD
County Clerk
VAN BUREN County, AR

EXHIBIT A

DESCRIPTION OF EQUIPMENT

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RE: Government Obligation Contract dated as of October 27, 2016, between KS StateBank (Obligee) and Van Buren County, Arkansas (Obligor)

Below is a detailed description of all the items of Equipment including quantity, model number and serial number where applicable:

Refinance of Contract # 3350613 for Two (2) 2017 Mack GU713 Trucks VIN: 1M2AX04CXHM035732, 1M2AX04C1HM035733

Physical Address of Equipment after Delivery : 438 Old Hwy 9, Clinton, AR 72031

EXHIBIT C

CERTIFICATE OF ACCEPTANCE

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RE: Government Obligation Contract dated as of October 27, 2016, between KS StateBank (Obligee) and Van Buren County, Arkansas (Obligor)

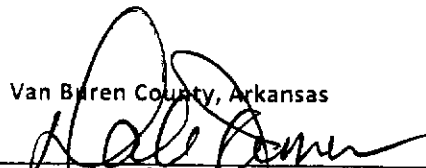
I, the undersigned, hereby certify that I am a duly qualified representative of Obligor and that I have been given the authority by the Governing Body of Obligor to sign this Certificate of Acceptance with respect to the above referenced Contract. I hereby certify that:

1. The Equipment described on Exhibit A has been delivered and installed in accordance with Obligor's specifications.
2. Obligor 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.
3. Obligor has appropriated and/or taken other lawful actions necessary to provide moneys sufficient to pay all Contract Payments required to be paid under the Contract during the current Budget Year of Obligor, and such moneys will be applied in payment of all Contract Payments due and payable during such current Budget Year.
4. Obligor has obtained insurance coverage as required under the Contract from an insurer qualified to do business in the State.
5. No event or condition that constitutes or would constitute an Event of Default exists as of the date hereof.
6. The governing body of Obligor has approved the authorization, execution and delivery of this Contract on its behalf by the authorized representative of Obligor who signed the Contract.
7. Please list the Source of Funds (Fund Item in Budget) for the Contract Payments that come due under Exhibit B of this Contract.

Source of Funds : General Fund

By signing below, Obligor hereby authorizes the General Fund of the Obligor as a backup source of funds from which the Contract Payments can be made.

Van Buren County, Arkansas


 Signature _____
 Dale James, County Judge
 Printed Name and Title _____

2014

GOVERNMENT OBLIGATION CONTRACT

Obligor
Van Buren County, Arkansas
PO Box 60
Clinton, Arkansas 72031

Obligee
KS StateBank
1010 Westloop; P.O. Box 69
Manhattan, Kansas 66505-0069

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Dated as of November 12, 2016

This Government Obligation Contract dated as of the date listed above is between Obligee and Obligor listed directly above. Obligee desires to finance the purchase of the Equipment described in Exhibit A to Obligor and Obligor desires to have Obligee finance the purchase of the Equipment subject to the terms and conditions of this Contract which are set forth below.

I. Definitions

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Section 1.01 Definitions. The following terms will have the meanings indicated below unless the context clearly requires otherwise: "Additional Schedule" refers to the proper execution of additional schedules to Exhibit A and Exhibit B, as well as other exhibits or documents that may be required by the Obligee all of which relate to the financing of additional Equipment.

"Budget Year" means the Obligor's fiscal year.

"Commencement Date" is the date when Obligor's obligation to pay Contract Payments begins.

"Contract" means this Government Obligation Contract and all Exhibits attached hereto, all addenda, modifications, schedules, refinancings, guarantees and all documents relied upon by Obligee prior to execution of this Contract.

"Contract Payments" means the payments Obligor is required to make under this Contract as set forth on Exhibit B.

"Contract Term" means the Original Term and all Renewal Terms.

"Exhibit" includes the Exhibits attached hereto, and any "Additional Schedule", whether now existing or subsequently created.

"Equipment" means all of the items of Equipment listed on Exhibit A and any Additional Schedule, whether now existing or subsequently created, and all replacements, restorations, modifications and improvements.

"Government" as used in the title hereof means a State or a political subdivision of the State within the meaning of Section 103(a) of the Internal Revenue Code of 1986, as amended ("Code"), or a constituted authority or district authorized to issue obligations on behalf of the State or political subdivision of the State within the meaning of Treasury Regulation 1.103-1(b), or a qualified volunteer fire company within the meaning of section 150(e)(1) of the Code.

"Obligee" means the entity originally listed above as Obligee or any of its assignees.

"Obligor" means the entity listed above as Obligor and which is financing the Equipment through Obligee under the provisions of this Contract.

"Original Term" means the period from the Commencement Date until the end of the Budget Year of Obligor.

"Renewal Term" means the annual term which begins at the end of the Original Term and which is simultaneous with Obligor's Budget Year and each succeeding Budget Year for the number of Budget Years necessary to comprise the Contract Term.

"State" means the state in which Obligor is located.

II. Obligor Warranties

Section 2.01 Obligor represents, warrants and covenants as follows for the benefit of Obligee or its assignees:

- (a) Obligor is an "issuer of tax exempt obligations" because Obligor is the State or a political subdivision of the State within the meaning of Section 103(a) of the Internal Revenue Code of 1986, as amended, (the "Code") or because Obligor is a constituted authority or district authorized to issue obligations on behalf of the State or political subdivision of the State within the meaning of Treasury Regulation 1.103-1(b), or a qualified volunteer fire company within the meaning of section 150(e)(1) of the Code.
- (b) Obligor has complied with any requirement for a referendum and/or competitive bidding.
- (c) Obligor has complied with all statutory laws and regulations that may be applicable to the execution of this Contract; Obligor, and its officer executing this Contract, are authorized under the Constitution and laws of the State to enter into this Contract and have used and followed all proper procedures of its governing body in executing and delivering this Contract. The officer of Obligor executing this Contract has the authority to execute and deliver this Contract. This Contract constitutes a legal, valid, binding and enforceable obligation of the Obligor in accordance with its terms.
- (d) Obligor shall use the Equipment only for essential, traditional government purposes.
- (e) Should the IRS disallow the tax-exempt status of the interest portion of the Contract Payments as a result of the failure of the Obligor to use the Equipment for governmental purposes, or should the Obligor cease to be an issuer of tax exempt obligations, or should the obligation of Obligor created under this Contract cease to be a tax exempt obligation for any reason, then Obligor shall be required to pay additional sums to the Obligee or its assignees so as to bring the after tax yield on this Contract to the same level as the Obligee or its assignees would attain if the transaction continued to be tax-exempt.
- (f) Obligor will submit to the Secretary of the Treasury an information reporting statement as required by the Code.
- (g) Upon request by Obligee, Obligor will provide Obligee with current financial statements, reports, budgets or other relevant fiscal information.
- (h) Obligor shall retain the Equipment free of any hazardous substances as defined in the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. 9601 et. seq. as amended and supplemented.
- (i) Obligor hereby warrants the General Fund of the Obligor is the primary source of funds or a backup source of funds from which the Contract Payments will be made.
- (j) Obligor presently intends to continue this Contract for the Original Term and all Renewal Terms as set forth on Exhibit B hereto. The official of Obligor responsible for budget preparation will include in the budget request for each Budget Year the Contract Payments to become due in such Budget Year, and will use all reasonable and lawful means available to secure the appropriation of money for such Budget Year sufficient to pay the Contract Payments coming due therein. Obligor reasonably believes that moneys can and will lawfully be appropriated and made available for this purpose.
- (k) Obligor has selected both the Equipment and the vendor(s) from whom the Equipment is to be purchased upon its own judgment and without reliance on any manufacturer, merchant, vendor or distributor, or agent thereof, of such equipment to the public.
- (l) Obligor owns free and clear of any liens any additional collateral pledged, subject only to the lien described herein; Obligor has not and will not, during the Contract Term, create, permit, incur or assume any levies, liens or encumbrances of any kind with respect to the Equipment and any additional collateral except those created by this Contract.
- (m) The aggregate principal amount of short-term financing obligations incurred by Obligor shall not exceed 5% of the assessed value of taxable property located within the municipality or county. 2.5% of the assessed value of taxable property located within the county, as determined by the last tax assessment completed before the last obligation was incurred by the city or county.

Section 2.02 Escrow Agreement. In the event both Obligee and Obligor mutually agree to utilize an Escrow Account, then immediately following the execution and delivery of this Contract, Obligee and Obligor agree to execute and deliver and to cause Escrow Agent to execute and deliver the Escrow Agreement. This Contract shall take effect only upon execution and delivery of the Escrow Agreement by the parties thereto. Obligee shall deposit or cause to be deposited with the Escrow Agent for credit to the Equipment Acquisition Fund the sum of N/A, which shall be held, invested and disbursed in accordance with the Escrow Agreement.

III. Acquisition of Equipment, Contract Payments and the Purchase Option Price

Section 3.01 Acquisition and Acceptance. Obligor shall be solely responsible for the ordering of the Equipment and for the delivery and installation of the Equipment. Execution of the Certificate of Acceptance or, alternatively, Payment Request and Equipment Acceptance Form, by a duly authorized representative of Obligor, shall constitute acceptance of the Equipment on behalf of the Obligor.

Section 3.02 Contract Payments. Obligor shall pay Contract Payments exclusively to Obligee or its assignees in lawful, legally available money of the United States of America. The Contract Payments shall be sent to the location specified by the Obligee or its assignees. The Contract Payments, payable without notice or demand, are due as set forth on Exhibit B. Obligee shall have the option to charge interest at the highest lawful rate on any Contract Payment received later than the due date for the number of days that the Contract Payment(s) were late. Obligee shall also have the option, on monthly payments only, to charge a late fee of up to 10% of the monthly Contract Payment that is past due. Furthermore, Obligor agrees to pay any fees associated with the use of a payment system other than check, wire transfer, or ACH. Once all amounts due Obligee hereunder have been received, Obligee will release any and all of its rights, title and interest in the Equipment.

SECTION 3.03 Contract Payments Unconditional. THE OBLIGATIONS OF OBLIGOR TO MAKE CONTRACT PAYMENTS AND TO PERFORM AND OBSERVE THE OTHER COVENANTS CONTAINED IN THIS CONTRACT SHALL BE ABSOLUTE AND UNCONDITIONAL IN ALL EVENTS WITHOUT ABATEMENT, DIMINUTION, DEDUCTION, SET-OFF, OR SUBJECT TO DEFENSE OR COUNTERCLAIM.

Section 3.04 Purchase Option Price. Upon thirty (30) days written notice, Obligor shall have the option to pay, in addition to the Contract Payment, the corresponding Purchase Option Price which is listed on the same line on Exhibit B. This option is only available to the Obligor on the Contract Payment date and no partial prepayments are allowed. If Obligor chooses this option and pays the Purchase Option Price to Oblige then Oblige will transfer any and all of its rights, title and interest in the Equipment to Obligor.

Section 3.05 Contract Term. The Contract Term shall be the Original Term and all Renewal Terms until all the Contract Payments are paid as set forth on Exhibit B except as provided under Section 9.01 below.

Section 3.06 Disclaimer of Warranties. OBLIGEE MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY, FITNESS FOR PARTICULAR PURPOSE OR ANY OTHER WARRANTY WITH RESPECT TO THE EQUIPMENT. OBLIGEE IS NOT A MANUFACTURER, SELLER, VENDOR OR DISTRIBUTOR, OR AGENT THEREOF, OF SUCH EQUIPMENT; NOR IS OBLIGEE A MERCHANT OR IN THE BUSINESS OF DISTRIBUTING SUCH EQUIPMENT TO THE PUBLIC. OBLIGEE SHALL NOT BE LIABLE FOR ANY INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGE ARISING OUT OF THE INSTALLATION, OPERATION, POSSESSION, STORAGE OR USE OF THE EQUIPMENT BY OBLIGOR.

IV. Appropriation of Money

Section 4.01 Appropriation. Obligor shall be obligated to appropriate sufficient money to make all the Contract Payments for the Original Term and each successive Renewal Term as each Contract Payment comes due. If Obligor fails to make an appropriation of money to make any Contract Payment, then an Event of Default will be deemed to have occurred as set forth under Section IX below. This Contract represents a binding and enforceable promise to pay in accordance with the terms herein by the Obligor.

V. Insurance, Damage, Insufficiency of Proceeds

Section 5.01 Insurance. Obligor shall maintain both property insurance and liability insurance at its own expense with respect to the Equipment. Obligor shall be solely responsible for selecting the insurer(s) and for making all premium payments and ensuring that all policies are continuously kept in effect during the period when Obligor is required to make Contract Payments. Obligor shall provide Oblige with a Certificate of Insurance which lists the Oblige and/or assigns as a loss payee and an additional insured on the policies with respect to the Equipment.

- (a) Obligor shall insure the Equipment against any 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 Oblige in an amount at least equal to the then applicable Purchase Option Price of the Equipment. Alternatively, Obligor may insure the Equipment under a blanket insurance policy or policies.
- (b) The liability insurance shall insure Oblige from liability and property damage in any form and amount satisfactory to Oblige.
- (c) Obligor may self-insure against the casualty risks and liability risks described above. If Obligor chooses this option, Obligor must furnish Oblige with a certificate and/or other documents which evidences such coverage.
- (d) All insurance policies issued or affected by this Section shall be so written or endorsed such that the Oblige and its assignees are named additional insureds and loss payees and that all losses are payable to Obligor and Oblige or its assignees as their interests may appear. Each policy issued or affected by this Section shall contain a provision that the insurance company shall not cancel or materially modify the policy without first giving thirty (30) days advance notice to Oblige or its assignees. Obligor shall furnish to Oblige certificates evidencing such coverage throughout the Contract Term.

Section 5.02 Damage to or Destruction of Equipment. Obligor assumes the risk of loss or damage to the Equipment. If the Equipment or any portion thereof is lost, stolen, damaged, or destroyed by fire or other casualty, Obligor will immediately report all such losses to all possible insurers and take the proper procedures to obtain all insurance proceeds. At the option of Oblige, Obligor shall either (1) apply the Net Proceeds to replace, repair or restore the Equipment or (2) apply the Net Proceeds to the applicable Purchase Option Price. For purposes of this Section and Section 5.03, the term Net Proceeds shall mean the amount of insurance proceeds collected from all applicable insurance policies after deducting all expenses incurred in the collection thereof.

Section 5.03 Insufficiency of Net Proceeds. If there are no Net Proceeds for whatever reason or if the Net Proceeds are insufficient to pay in full the cost of any replacement, repair, restoration, modification or improvement of the Equipment, then Obligor shall, at the option of Oblige, either (1) complete such replacement, repair, restoration, modification or improvement and pay any costs thereof in excess of the amount of the Net Proceeds or (2) apply the Net Proceeds to the Purchase Option Price and pay the deficiency, if any, to the Oblige.

Section 5.04 Obligor Negligence. Obligor assumes all risks and liabilities, whether or not covered by insurance, for loss or damage to the Equipment and for injury to or death of any person or damage to any property whether such injury or death be with respect to agents or employees of Obligor or of third parties, and whether such property damage be to Obligor's property or the property of others (including, without limitation, liabilities for loss or damage related to the release or threatened release of hazardous substances under the Comprehensive Environmental Response, Compensation and Liability Act, the Resource Conservation and Recovery Act or similar or successor law or any State or local equivalent now existing or hereinafter enacted which in any manner arise out of or are incident to any possession, use, operation, condition or storage of any Equipment by Obligor), which is proximately caused by the negligent conduct of Obligor, its officers, employees and agents.

Section 5.05 Reimbursement. Obligor hereby assumes responsibility for and agrees to reimburse Oblige for all liabilities, obligations, losses, damages, penalties, claims, actions, costs and expenses (including reasonable attorneys' fees) of whatsoever kind and nature, imposed on, incurred by or asserted against Oblige that in any way relate to or arise out of a claim, suit or proceeding, based in whole or in part upon the negligent conduct of Obligor, its officers, employees and agents, or arose out of installation, operation, possession, storage or use of any item of the Equipment, to the maximum extent permitted by law.

VI. Title and Security Interest

Section 6.01 Title. Title to the Equipment shall vest in Obligor when Obligor acquires and accepts the Equipment. Title to the Equipment will automatically transfer to the Oblige in the event Obligor defaults under Section 9.01. In such event, Obligor shall execute and deliver to Oblige such documents as Oblige may request to evidence the passage of legal title to the Equipment to Oblige.

Section 6.02 Security Interest. To secure the payment of all Obligor's obligations under this Contract, as well as all other obligations, debts and liabilities, plus interest thereon, whether now existing or subsequently created, Obligor hereby grants to Oblige a security interest under the Uniform Commercial Code constituting a first lien on the Equipment described more fully on Exhibit A, including any and all additional collateral listed on any other Exhibit A. The security interest established by this section includes not only all additions, attachments, repairs and replacements to the Equipment but also all proceeds therefrom. Obligor authorizes Oblige to prepare and record any Financing Statement required under the Uniform Commercial Code to perfect the security interest created hereunder. Obligor agrees that any Equipment listed on Exhibit A is and will remain personal property and will not be considered a fixture even if attached to real property.

VII. Assignment

Section 7.01 Assignment by Oblige. All of Oblige's rights, title and/or interest in and to this Contract may be assigned and reassigned in whole or in part to one or more assignees or sub-assignees by Oblige at any time without the consent of Obligor. No such assignment shall be effective as against Obligor until the assignor shall have filed with Obligor written notice of assignment identifying the assignee. Obligor shall pay all Contract Payments due hereunder relating to such Equipment to or at the direction of Oblige or the assignee named in the notice of assignment. Obligor shall keep a complete and accurate record of all such assignments.

Section 7.02 Assignment by Obligor. None of Obligor's right, title and interest under this Contract and in the Equipment may be assigned by Obligor unless Oblige approves of such assignment in writing before such assignment occurs and only after Obligor first obtains an opinion from nationally recognized counsel stating that such assignment will not jeopardize the tax-exempt status of the obligation.

VIII. Maintenance of Equipment

Section 8.01 Equipment. Obligor shall keep the Equipment in good repair and working order, and as required by manufacturer's and warranty specifications. If Equipment consists of copiers, Obligor is required to enter into a copier maintenance/service agreement. Oblige shall have no obligation to inspect, test, service, maintain, repair or make improvements or additions to the Equipment under any circumstances. Obligor will be liable for all damage to the Equipment, other than normal wear and tear, caused by Obligor, its employees or its agents. Obligor shall pay for and obtain all permits, licenses and taxes related to the ownership, installation, operation, possession, storage or use of the Equipment. If the Equipment includes any titled vehicle(s), then Obligor is responsible for obtaining such title(s) from the State and also for ensuring that Oblige is listed as First Lienholder on all of the title(s). Obligor shall not use the Equipment to haul, convey or transport hazardous waste as defined in the Resource Conservation and Recovery Act, 42 U.S.C. 6901 et. seq. Obligor agrees that Oblige or its Assignee may execute any additional documents including financing statements, affidavits, notices, and similar instruments, for and on behalf of Obligor which Oblige deems necessary or appropriate to protect Oblige's interest in the Equipment and in this Contract. Obligor shall allow Oblige to examine and inspect the Equipment at all reasonable times.

IX. Default

Section 9.01 Events of Default defined. The following events shall constitute an "Event of Default" under this Contract:

- (a) Failure by Obligor to pay any Contract Payment listed on Exhibit B for fifteen (15) days after such payment is due according to the Payment Date listed on Exhibit B.
- (b) Failure to pay any other payment required to be paid under this Contract at the time specified herein and a continuation of said failure for a period of fifteen (15) days after written notice by Oblige that such payment must be made. If Obligor continues to fail to pay any payment after such period, then Oblige may, but will not be obligated to, make such payments and charge Obligor for all costs incurred plus interest at the highest lawful rate.

- (c) Failure by Obligor to observe and perform any warranty, covenant, condition, promise or duty under this Contract for a period of thirty (30) days after written notice specifying such failure is given to Obligor by Oblige, unless Oblige agrees in writing to an extension of time. Oblige will not unreasonably withhold its consent to an extension of time if corrective action is instituted by Obligor. Subsection (c) does not apply to Contract Payments and other payments discussed above.
- (d) Any statement, material omission, representation or warranty made by Obligor in or pursuant to this Contract which proves to be false, incorrect or misleading on the date when made regardless of Obligor's intent and which materially adversely affects the rights or security of Oblige under this Contract.
- (e) Any provision of this Contract which ceases to be valid for whatever reason and the loss of such provision would materially adversely affect the rights or security of Oblige.
- (f) Obligor admits in writing its inability to pay its obligations.
- (g) Obligor defaults on one or more of its other obligations.
- (h) Obligor becomes insolvent, is unable to pay its debts as they become due, makes an assignment for the benefit of creditors, applies for or consents to the appointment of a receiver, trustee, conservator, custodian, or liquidator of Obligor, or all or substantially all of its assets, or a petition for relief is filed by Obligor under federal bankruptcy, insolvency or similar laws, or is filed against Obligor and is not dismissed within thirty (30) days thereafter.

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Section 9.02 Remedies on Default. Whenever any Event of Default exists, Oblige shall have the right to take one or any combination of the following remedial steps:

- (a) With or without terminating this Contract, Oblige may declare all Contract Payments and other amounts payable by Obligor hereunder to the end of the Contract Term to be immediately due and payable.
- (b) With or without terminating this Contract, Oblige may require Obligor at Obligor's expense to redeliver any or all of the Equipment and any additional collateral to Oblige to a location specified by Oblige. Such delivery shall take place within fifteen (15) days after the Event of Default occurs. If Obligor fails to deliver the Equipment and any additional collateral, Oblige may enter the premises where the Equipment and any additional collateral is located and take possession of the Equipment and any additional collateral and charge Obligor for costs incurred. Notwithstanding that Oblige has taken possession of the Equipment and any additional collateral, Obligor shall still be obligated to pay the remaining Contract Payments due up until the end of the Contract Term. Obligor will be liable for any damage to the Equipment and any additional collateral caused by Obligor or its employees or agents.
- (c) Oblige may take whatever action at law or in equity that may appear necessary or desirable to enforce its rights. Obligor shall be responsible to Oblige for all costs incurred by Oblige in the enforcement of its rights under this Contract including, but not limited to, reasonable attorney fees.

Section 9.03 No Remedy Exclusive. No remedy herein conferred upon or reserved to Oblige is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Contract now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or shall be construed to be a waiver thereof.

Section 9.04 Return of Equipment and Storage.

- (a) Surrender: The Obligor shall, at its own expense, surrender the Equipment, any additional collateral and all required documentation to evidence transfer of title from Obligor to the Oblige in the event of a default by delivering the Equipment and any additional collateral to the Oblige to a location accessible by common carrier and designated by Oblige. In the case that any of the Equipment and any additional collateral consists of software, Obligor shall destroy all intangible items constituting such software and shall deliver to Oblige all tangible items constituting such software. At Oblige's request, Obligor shall also certify in a form acceptable to Oblige that Obligor has complied with the above software return provisions and that they will immediately cease using the software and that they shall permit Oblige and/or the vendor of the software to inspect Obligor's locations to verify compliance with the terms hereto.
- (b) Delivery: The Equipment and any additional collateral shall be delivered to the location designated by the Oblige by a common carrier unless the Oblige agrees in writing that a common carrier is not needed. When the Equipment and any additional collateral is delivered into the custody of a common carrier, the Obligor shall arrange for the shipping of the item and its insurance in transit in accordance with the Oblige's instructions and at the Obligor's sole expense. Obligor at its expense shall completely sever and disconnect the Equipment and any additional collateral and all of the component parts of the Equipment and any additional collateral carefully and in accordance with any recommendations of the manufacturer. The Obligor shall deliver to the Oblige the plans, specifications, operation manuals or other warranties and documents furnished by the manufacturer or vendor on the Equipment and any additional collateral and such other documents in the Obligor's possession relating to the maintenance and methods of operation of such Equipment and any additional collateral.
- (c) Condition: When the Equipment is surrendered to the Oblige it shall be in the condition and repair required to be maintained under this Contract. It will also meet all legal regulatory conditions necessary for the Oblige to sell or lease it to a third party and be free of all liens. If Oblige reasonably determines that the Equipment or an item of the Equipment, once it is returned, is not in the condition required hereby, Oblige may cause the repair, service, upgrade, modification or overhaul of the Equipment or an item of the Equipment to achieve such condition and upon demand, Obligor shall promptly reimburse Oblige for all amounts reasonably expended in connection with the foregoing.
- (d) Storage: Upon written request by the Oblige, the Obligor shall provide free storage for the Equipment and any additional collateral for a period not to exceed 60 days after the expiration of the Contract Term before returning it to the Oblige. The Obligor shall arrange for the insurance described to continue in full force and effect with respect to such item during its storage period and the Oblige shall reimburse the Obligor on demand for the incremental premium cost of providing such insurance.

X. Miscellaneous

Section 10.01 Notices. All notices shall be sufficiently given and shall be deemed given when delivered or mailed by registered mail, postage prepaid, to the parties at their respective places of business as first set forth herein or as the parties shall designate hereafter in writing.

Section 10.02 Binding Effect. Obligor acknowledges this Contract is not binding upon the Oblige or its assignees unless the Conditions to Funding listed on the Documentation Instructions have been met to Oblige's satisfaction, and Oblige has executed the Contract. Thereafter, this Contract shall inure to the benefit of and shall be binding upon Oblige and Obligor and their respective successors and assigns.

Section 10.03 Severability. In the event any provision of this Contract shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 10.04 Amendments, Addenda, Changes or Modifications. This Contract may be amended, added to, changed or modified by written agreement duly executed by Oblige and Obligor. Furthermore, Oblige reserves the right to directly charge or amortize into the remaining balance due from Obligor, a reasonable fee, to be determined at that time, as compensation to Oblige for the additional administrative expense resulting from such amendment, addenda, change or modification requested by Obligor.

Section 10.05 Execution in Counterparts. This Contract may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same Instrument.

Section 10.06 Captions. The captions or headings in this Contract do not define, limit or describe the scope or intent of any provisions or sections of this Contract.

Section 10.07 Master Contract. This Contract can be utilized as a Master Contract. This means that the Oblige and the Obligor may agree to the financing of additional Equipment under this Contract at some point in the future by executing one or more Additional Schedules to Exhibit A and Exhibit B, as well as other exhibits or documents that may be required by Oblige. Additional Schedules will be consecutively numbered on each of the exhibits which make up the Additional Schedule and all the terms and conditions of the Contract shall govern each Additional Schedule.

Section 10.08 Entire Writing. This Contract constitutes the entire writing between Oblige and Obligor. No waiver, consent, modification or change of terms of this Contract shall bind either party unless in writing and signed by both parties, and then such waiver, consent, modification or change shall be effective only in the specific instance and for the specific purpose given. There are no understandings, agreements, representations, conditions, or warranties, express or implied, which are not specified herein regarding this Contract, the Equipment or any additional collateral, financed hereunder. Any terms and conditions of any purchase order or other documents submitted by Obligor in connection with this Contract which are in addition to or inconsistent with the terms and conditions of this Contract will not be binding on Oblige and will not apply to this Contract.

Oblige and Obligor have caused this Contract to be executed in their names by their duly authorized representatives listed below.

Van Buren County, Arkansas

KS StateBank

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Roger W. Hooper

Signature
Roger W. HOOPER, VAN BUREN Co. JUDGE
Printed Name and Title

Signature
Marsha Jarvis, Senior Vice President
Printed Name and Title

Holt

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Recorded in:
RESOLUTION Book
11/19/2021 10:09 AM
PAM BRADFORD
County Clerk
VAN BUREN County, AR

RESOLUTION NO. 2021- 19

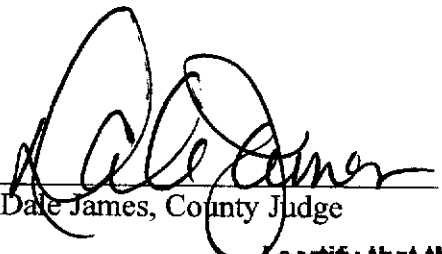
A RESOLUTION AUTHORIZING THE COUNTY JUDGE OF VAN BUREN COUNTY, ARKANSAS, TO ENTER INTO PURCHASE CONTRACT FOR CASCADE SYSTEM FOR DENNARD FIRE DEPARTMENT

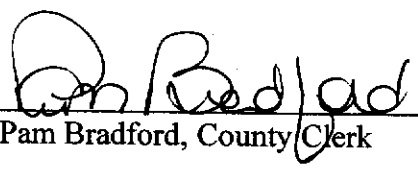
WHEREAS. Van Buren County has received quotes for a cascade system for the Dennard Fire Department. The funding for the project is being provided by a grant from the Arkansas Economic Development Commission and local funds. All quotes have been reviewed, and the lowest qualified bidder has been determined; and

WHEREAS, it is necessary for the County Judge to sign the necessary papers prior to ordering of the equipment.

NOW, THEREFORE, IT IS RESOLVED that the Quorum Court of Van Buren County, Arkansas, hereby declares that the County Judge be authorized to execute a purchase contract with North America Fire Equipment Co., Inc., (NAFECO), for Twenty-three Thousand Five Hundred Sixty Five and No/100 Dollars (\$23,565.00). Grant funds will pay \$17,290.60 and Dennard Fire Department will pay the balance. Said contract not to be changed without issuance of change order.

ENTERED this 18th day of November, 2021.

APPROVED: 
Dale James, County Judge

ATTEST: 
Pam Bradford, County Clerk

I certify that this instrumen
filed on 11/19/2021 10:09 /
and recorded in
RESOLUTION Book 2021
PAM BRADFORD
County Clerk
VAN BUREN County, AR
