

EQUIPMENT LEASE CONTRACT

Provided by Marlin Business Services Corp.

Marlin Leasing Corporation
 300 Fellowship Rd · Mt.Laurel, NJ 08054
 phone: 888.479.9111 · fax: 888.479.1100

or **Marlin Business Bank**
 2795 E.Cottonwood Pky, Ste 120-Salt Lake City, UT 84121
 phone: 801.453.1722

· Processing Office
 1500 JFK Blvd., Ste 330
 Philadelphia, PA 19106

DESCRIPTION OF LEASED EQUIPMENT (Include quantity, make, model, serial number and accessories. Attach schedule if necessary.) **MUST BE COMPLETED**

(99) Panasonic Toughbooks

LEASING CUSTOMER ("YOU")

Company Name (Exact business name): City of Chula Vista # **1056862**
 Address: 276 4th Ave Chula Vista CA 91910
Street City County State Zip
 Phone: 6196915031 Fax: _____ Corp. Limited Liability Corp. Partnership Prop.
 Equipment Location: 276 4th Ave, Chula Vista, CA 91910 State of Incorporation/Organization: _____
 Vendor: Portable Computer Systems Inc Address: 1200 W Mississippi Ave, Denver, CO 80223

| Lease Term (Mos.) | Total No. of Payments | Amount of Each Payment | Advance Rentals | Payment Frequency | Purchase Option at End of Lease Term |
|-------------------|-----------------------|---|---|-------------------|--------------------------------------|
| 48 | 48 | \$8,863.56 <small>(plus applicable taxes)</small> | \$0.00 <small>First 0 and last 0 month(s)</small> | Monthly | \$1.00 |

TERMS OF LEASE

1. REQUEST FOR US TO ACQUIRE EQUIPMENT FOR YOU. You (the Leasing Customer identified above) wish to acquire certain equipment from the equipment vendor identified above. Rather than purchasing it yourself, you have come to us, the Lessor identified above, and asked us to purchase it and then lease it back to you. In exchange for our agreement to do this, you have agreed to the terms in this lease agreement (the "Lease"). We have given you an opportunity to discuss and negotiate these terms with us, and the following is the final version of our contract. If there is any information deleted from the above boxes, you give us permission to fill it in. This Lease is not binding on us until we sign it.

2. THE EQUIPMENT. We agree to lease to you, and you agree to lease from us, the equipment identified above and on any schedules attached to this Lease. This Lease also covers any and all replacement equipment, add-ons, substitutions or accessories (collectively referred to as the "Equipment"). The other details of the Lease such as the rental amount, the initial Lease term and other matters are set forth in the boxes above.

3. YOUR SELECTION OF THE EQUIPMENT VENDOR AND THE EQUIPMENT. You hereby acknowledge and agree that:

- (a) YOU SELECTED THE EQUIPMENT VENDOR AND THE EQUIPMENT BASED ON YOUR OWN SKILL AND KNOWLEDGE.
- (b) WE DID NOT SELECT OR INSPECT THE EQUIPMENT, HAVE NEVER SEEN THE EQUIPMENT AND HAVE NO EXPERT KNOWLEDGE REGARDING IT.
- (c) YOU AGREE THAT THIS LEASE IS A FINANCE LEASE AS DEFINED IN ARTICLE 2A OF THE UNIFORM COMMERCIAL CODE. IT IS ALSO A "TRUE LEASE," MEANING THAT IT IS NOT A "LEASE INTENDED AS SECURITY," A CONDITIONAL SALE, A LOAN OR A SIMILAR ARRANGEMENT.

(d) PRIOR TO EXECUTING THE LEASE, YOU RECEIVED AND APPROVED THE SUPPLY CONTRACT (IF ANY) BETWEEN US AND THE EQUIPMENT VENDOR, AND YOU HAVE BEEN ADVISED IN WRITING (OR ARE NOW ADVISED HEREBY) THAT YOU MAY HAVE RIGHTS AGAINST THE VENDOR UNDER THE SUPPLY CONTRACT (IF ANY) AND THAT YOU MAY CONTACT THE VENDOR FOR INFORMATION ABOUT WHAT YOUR RIGHTS AGAINST THE VENDOR ARE (IF ANY).

4. NO RIGHT TO CANCEL; OTHER IMPORTANT TERMS OF THE LEASE. YOU AGREE AS FOLLOWS:

- (a) **LEASE CANNOT BE REVOKED; NO "TEST PERIOD."** BECAUSE WE ARE PURCHASING THE EQUIPMENT FOR YOU AT YOUR REQUEST AND CANNOT GET A REFUND, THIS LEASE CANNOT BE CANCELLED OR REVOKED BY YOU FOR ANY REASON AT ANY TIME, INCLUDING BUT NOT LIMITED TO EQUIPMENT FAILURE OR DEFECTS, DAMAGE OR LOSS. THE LEASE CANNOT BE PREPAID EXCEPT WITH OUR PRIOR WRITTEN PERMISSION ON TERMS ACCEPTABLE TO US. THERE IS NO "TEST PERIOD" FOR THE EQUIPMENT.
- (b) **LESSOR IS NOT RELATED TO MANUFACTURER OR VENDOR; NO CLAIMS TO BE MADE AGAINST LESSOR.** WE ARE NOT RELATED IN ANY WAY TO THE EQUIPMENT MANUFACTURER OR VENDOR. NEITHER THE VENDOR NOR ANYONE ELSE IS OUR AGENT, AND NO STATEMENT, REPRESENTATION, GUARANTEE OR WARRANTY MADE BY THE VENDOR OR OTHER PERSON IS BINDING ON US OR WILL AFFECT YOUR OBLIGATIONS TO US. ONLY AN EXECUTIVE OFFICER OF THE LESSOR IS AUTHORIZED TO WAIVE OR ALTER ANY OF THE TERMS OF THIS LEASE, AND THEN ONLY IN WRITING. IF THE EQUIPMENT FAILS TO OPERATE PROPERLY, OR THE VENDOR OR

(Agreement continues on page 2)

ACCEPTANCE OF LEASE AGREEMENT THIS IS A BINDING CONTRACT. IT CANNOT BE CANCELED. READ IT CAREFULLY BEFORE SIGNING AND CALL US IF YOU HAVE ANY QUESTIONS.

X
 Signature of Leasing Customer _____ Print Name of Signer _____ Title _____ Date _____

Accepted and Signed by the Lessor identified above _____
 Print Name of Signer _____ Title _____ Date _____

PERSONAL GUARANTY

IN CONSIDERATION OF MY RECEIVING BENEFIT AND VALUE FROM THE ABOVE LEASE, I (OR WE, IF THERE IS MORE THAN ONE OF US, INDIVIDUALLY, JOINTLY AND SEVERALLY) HEREBY PERSONALLY AND UNCONDITIONALLY GUARANTEE ALL PAYMENTS AND OBLIGATIONS OWED BY THE LEASING CUSTOMER UNDER THIS LEASE, AND I ALSO AGREE TO PAY THE LESSOR'S LEGAL FEES AND COSTS INCURRED IN ENFORCING THE LEASE AND THIS PERSONAL GUARANTY. I WAIVE NOTICE OF ACCELERATION, DEFAULT, RENEWALS, EXTENSIONS, TRANSFERS, AMENDMENTS AND OTHER CHANGES IN THE TERMS OF THE LEASE AND AGREE THAT I WILL BE BOUND BY ANY AND ALL SUCH CHANGES. I AGREE THE LESSOR MAY PROCEED AGAINST ME SEPARATELY FROM THE LEASING CUSTOMER. I AGREE THAT ANY SUIT RELATING TO THIS LEASE SHALL BE BROUGHT ONLY IN A STATE OR FEDERAL COURT IN PENNSYLVANIA AND I IRREVOCABLY CONSENT AND SUBMIT TO THE JURISDICTION OF SUCH COURTS, AND I WAIVE TRIAL BY JURY. I AGREE THAT THIS PERSONAL GUARANTY WILL BE BINDING UPON MY HEIRS AND PERSONAL REPRESENTATIVES. I HAVE AUTHORIZED THE LESSOR AND ITS AFFILIATES AND DESIGNEES TO USE MY CONSUMER CREDIT REPORTS FROM TIME TO TIME IN ITS CREDIT EVALUATION AND COLLECTION PROCESSES, AS WELL AS TO OFFER FUTURE CREDIT PRODUCTS AND SERVICES. I AGREE THAT MY FAXED SIGNATURE SHALL BE CONSIDERED AS GOOD AS MY ORIGINAL SIGNATURE AND ADMISSIBLE IN COURT AS CONCLUSIVE EVIDENCE OF THIS PERSONAL GUARANTY.

GUARANTOR #1 (Print Name) _____
 X _____
 Signature (Individually; No Titles) _____ Date _____

GUARANTOR #2 (Print Name) _____
 X _____
 Signature (Individually; No Titles) _____ Date _____

ACCEPTANCE OF DELIVERY

I AM AUTHORIZED TO SIGN THIS CERTIFICATE ON BEHALF OF THE LEASING CUSTOMER. I CERTIFY TO THE LESSOR THAT THE EQUIPMENT HAS BEEN DELIVERED AND IS FULLY INSTALLED AND WORKING PROPERLY. I HEREBY AUTHORIZE THE LESSOR TO PAY THE EQUIPMENT VENDOR AND COMMENCE THE LEASE.

X _____
 Authorized Signature _____ Name and Title (Please Print) _____ Equipment Delivery Date _____

TERMS OF LEASE (continued)

ANY OTHER PERSON FAILS TO PROVIDE ANY INSTALLATION, MAINTENANCE, OR OTHER SERVICE, YOU WILL MAKE ANY COMPLAINT ONLY AGAINST THE VENDOR OR OTHER PERSON AND NOT AGAINST US (EITHER BY WAY OF A CLAIM, COUNTERCLAIM, DEFENSE OR EXCUSE TO PAYMENT).

(c) LESSOR MAKES NO WARRANTIES. THE EQUIPMENT IS LEASED BY US TO YOU "AS IS," "WHERE IS" AND WITH ANY AND ALL FAULTS. WE HAVE MADE NO STATEMENT, REPRESENTATION, OR WARRANTY REGARDING THE EQUIPMENT. WE DISCLAIM ALL EXPRESS AND IMPLIED WARRANTIES, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. WE SHALL TRANSFER TO YOU ALL EXPRESS WARRANTIES, IF ANY, MADE BY THE EQUIPMENT VENDOR TO US, BUT THIS DOES NOT IMPLY THAT THERE ARE ANY SUCH WARRANTIES. YOU MAY CONTACT THE VENDOR TO GET A STATEMENT OF SUCH WARRANTIES, IF ANY.

(d) BARGAINED FOR WAIVER OF RIGHTS. YOU WAIVE ANY AND ALL RIGHTS AND REMEDIES YOU HAVE UNDER ARTICLE 2A OF THE UNIFORM COMMERCIAL CODE, INCLUDING SECTIONS 508 THROUGH 522 THEREOF.

(e) DISCLAIMER OF LIABILITY. WE ARE NOT LIABLE FOR ANY LOSS, DAMAGE (INCLUDING LOST PROFITS, SPECIAL DAMAGES OR INCIDENTAL OR CONSEQUENTIAL DAMAGES) OR INJURY TO YOU, YOUR EMPLOYEES OR ANY OTHER PERSON OR PROPERTY CAUSED BY THE EQUIPMENT.

5. RENTAL AMOUNT; INTERIM RENT; LATE FEE; DOCUMENTATION FEE. The monthly or other periodic rent you have agreed to pay is stated above. The rental amount is based on the estimated cost of all the Equipment and it may be adjusted higher or lower if the actual cost of the Equipment is higher or lower than the estimate. You also agree to pay a partial rental payment (interim rent) covering the period between the delivery date and the date the first regular payment is due. If we do not receive your payment by its due date, there will be a late fee equal to 15% of the late amount (or, if less, the maximum amount allowable under applicable law), which you agree is a reasonable estimate of the costs we incur with respect to late payments and is not a penalty. Upon your request, we will waive the first assessed late charge. We may charge you a one-time documentation fee of \$95.00. You agree to pay (i) a convenience fee of \$10 for any payment you elect to make by telephone and (ii) a charge of \$30 if any payment made by ACH or check is dishonored or returned.

6. LEASE COMMENCEMENT AND TERM. This Lease will commence when the Equipment is delivered to you and will continue for the entire Lease term plus any interim rent period and any renewal term. The monthly (or other periodic) due date will be established by us. The due date for the first regular rental payment will also be established by us; however, it will not be greater than 30 days from the date on which the Equipment was delivered to you.

7. ADVANCE PAYMENT(S). You have paid us one or more advance payments in the amount(s) indicated above. If the Lease does not commence for reasons other than our own negligence, we may retain such monies to compensate us for our credit and other administrative costs.

8. EQUIPMENT DELIVERY. You understand and agree that we are not responsible for packaging, delivery, installation or testing of the Equipment. You (and/or the Vendor, if you have made such arrangements with the Vendor) are responsible for all such matters. You agree that you will not have any complaint against us if the Vendor or any other person improperly packages the Equipment or delays in delivering or installing it.

9. USE OF THE EQUIPMENT. YOU REPRESENT TO US THAT THE EQUIPMENT WILL BE USED ONLY FOR COMMERCIAL, BUSINESS OR AGRICULTURAL PURPOSES, AND NOT FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES. In addition, you agree not to attach the Equipment to any realty or otherwise permit to become a "fixture" to real estate or a structure thereon, nor will you trade it in, make alterations to it, sell or dispose of it without our prior written permission. You shall not allow any liens or encumbrances (for example, a mechanic's lien) to be placed on the Equipment. You will keep and use the Equipment only at the address listed above and will not move it or return it prior to the end of the Lease term.

10. MAINTENANCE AND SERVICE. You agree that we are not responsible for installation, maintenance, repairs or service to the Equipment. You agree to use the Equipment strictly in the manner for which it is intended by the manufacturer, and you shall maintain the Equipment in good operating order. At the end of the term of the Lease, unless you have been given a written option to purchase the Equipment and you make the purchase, you will be liable for all damage or distress to the Equipment. Your payments may include amounts you owe to the vendor under a separate maintenance, service and/or supply arrangement. We may invoice such amounts on the vendor's behalf for your convenience. You agree that any claims related to maintenance, service or supplies will not impact your obligation to pay us the full amount due under the Lease.

11. LEASE ASSIGNMENT; SUBLEASE OF EQUIPMENT. THIS LEASE WAS MADE TO YOU BASED ON YOUR OWN CREDIT. THEREFORE YOU AGREE THAT YOU MAY NOT ASSIGN, TRANSFER OR SELL ANY OF YOUR RIGHTS OR INTERESTS UNDER THE LEASE TO ANY OTHER PERSON OR ENTITY, NOR MAY YOU SUBLEASE OR RENT ANY OF THE EQUIPMENT TO ANY OTHER PERSON OR ENTITY WITHOUT OUR PRIOR WRITTEN APPROVAL. HOWEVER, YOU AGREE THAT WE MAY ASSIGN, TRANSFER, SELL, PLEDGE OR OTHERWISE ENCUMBER ANY OR ALL OF OUR RIGHTS AND INTERESTS UNDER THIS LEASE (INCLUDING OUR RIGHTS AND INTERESTS IN THE EQUIPMENT) TO ANY OTHER PERSON OR ENTITY (INCLUDING A BANK OR OTHER SECURED PARTY OR A BUYER) (COLLECTIVELY, A "THIRD PARTY") WITHOUT PRIOR NOTICE TO YOU. SUCH THIRD PARTY MAY ALSO ASSIGN, TRANSFER, SELL, PLEDGE OR OTHERWISE ENCUMBER ITS RIGHTS AND INTERESTS. IN THIS EVENT, YOU AGREE THAT SUCH THIRD PARTY, OR ITS ASSIGNEE OR TRANSFEREE, WILL RECEIVE ALL THE RIGHTS AND INTERESTS WE HAD UNDER THE LEASE BUT NONE OF OUR OBLIGATIONS OR LIABILITIES, IF ANY. WE WILL CONTINUE TO BE RESPONSIBLE FOR ALL SUCH LIABILITIES AND WILL RETAIN AND HONOR ALL SUCH OBLIGATIONS, IF ANY. YOU PROMISE AND AGREE THAT YOU WILL NOT ASSERT ANY CLAIMS, COUNTERCLAIMS, DEFENSES OR SETOFFS AGAINST SUCH THIRD PARTY. YOU HEREBY ACKNOWLEDGE THAT ANY TRANSFER OF OUR RIGHTS AND/OR INTERESTS TO A THIRD PARTY WOULD NOT MATERIALLY CHANGE YOUR OBLIGATIONS UNDER THE LEASE OR INCREASE YOUR RISKS.

12. DAMAGE TO EQUIPMENT; RISK OF LOSS OF EQUIPMENT; INSURANCE. You agree that we are not liable or responsible for any damage to the Equipment, or any loss of or casualty to the Equipment from any cause whatsoever. NO SUCH DAMAGE, CASUALTY OR LOSS WILL AFFECT YOUR RESPONSIBILITIES AND OBLIGATIONS UNDER THE LEASE.

You must maintain acceptable liability insurance naming us as "additional insured". You must keep the Equipment insured against all risks of loss in an amount equal to the replacement cost and have us listed on the policy as "loss payee." If you do not give us proof of the required insurance within 30 days after the Lease commences, then depending on the original cost of the Equipment we may, but are not obligated to, obtain insurance to cover our interests and charge you a fee for such coverage (including a monthly administration fee and a profit to us). You can cancel the insurance coverage fee at any time by delivering the required proof of insurance.

13. TAXES AND CERTAIN FEES RELATING TO THE LEASE OF THE EQUIPMENT. You agree and understand that the amounts we are charging you to lease the Equipment do NOT cover taxes, governmental fees and similar types of costs. Accordingly, you agree to pay us upon demand for all taxes (including but not limited to sales, property, use and other taxes), administrative costs and other charges and fees relating to this Lease or to the use or ownership of the Equipment. We may adjust this Lease and the monthly (or other periodic) payment amount to finance for you any taxes due at Lease inception. We may bill you based on our estimate of the taxes. We may charge you an annual property tax administration fee up to \$25. We may require you to file all personal property tax returns.

14. TITLE TO THE EQUIPMENT. You agree that the Equipment is and will remain throughout the term of the Lease solely our property. We will have title to the Equipment throughout the term, and this is a "true lease." You hereby grant us a first priority security interest in the Equipment and you authorize us and our agents to file Uniform Commercial Code Financing Statements recording such security interest (in case this is later determined not to be a "true lease").

15. YOUR REPRESENTATIONS TO US. The person signing this Lease on behalf of the leasing customer hereby represents and warrants to Lessor that: This Lease has been authorized by any and all action required of the corporation, partnership, limited liability company or other form of business (whichever applies in your case), and no consent of any other person or entity is necessary; the lessee entity has complete power to enter into this Lease, and the person signing on behalf of the lessee has been authorized to do so; the Lease is a legal, valid and binding obligation of the lessee entity, and enforceable against the lessee in accordance with its terms; all factual statements made in this Lease and all other information supplied to us by the lessee entity or your representatives, is accurate and complete in all material respects. All prior conversations, agreements and representations relating to this Lease or the equipment are integrated herein.

16. DEFAULT DEFINED. You will be in default under this Lease if any of the following events occur: (a) you fail to make any rental payment or pay any other amount due under this Lease by its due date; (b) you fail to comply with any other term or condition of this Lease or any other agreement between us, or fail to perform any obligation imposed upon you relating to this Lease or any such other agreement; or (c) you become deceased (if the lessee entity under this Lease is one or more natural persons), go out of business, admit your inability to pay your debts as they fall due, become insolvent, make an assignment for the benefit of your creditors, file (or have filed against you) a petition in bankruptcy, a trustee or receiver of your business assets is appointed, or you sell all or substantially all of such assets.

17. OUR REMEDIES UPON DEFAULT. In the event you default under this Lease, as defined above, we will have the right to take ANY OR ALL of the following actions, in addition to any and all other remedies that may be available to us under law:

(a) terminate the Lease without prior notice or warning to you;

(b) directly debit (charge) your bank account(s) and/or file a lawsuit against you to collect all past due rent AND ALL RENT THAT WILL BECOME DUE IN THE FUTURE DURING THE UNEXPIRED TERM, plus the "residual value" of the Equipment as determined by us in our sole but reasonable judgment, plus all other fees, charges or amounts that are then due. You agree to pay all of our reasonable legal costs, including but not limited to reasonable attorney's fees, and reasonable overhead for employee time spent on preparing for suit or attempting to collect payments; and/or

(c) repossess the Equipment or apply to a court for an order allowing repossession. In this event, you agree that, after the Equipment is repossessed, you will have no further rights in the Equipment, and you agree we may resell, re-lease or otherwise remarket the Equipment without notice to you. You agree (and you waive any rights that may provide to the contrary) that we will NOT be required to repossess, resell, re-lease or otherwise remarket the Equipment at any time, and that our failure to do so will not affect our other rights of collection and other rights under this Lease or under law.

18. PERSONAL JURISDICTION OVER YOU IN PENNSYLVANIA, AND PLACE FOR ANY LAWSUIT. You hereby acknowledge that this Lease was accepted by us in Pennsylvania, where we maintain an office, and it did not take effect until we received the executed legal documents in our Pennsylvania office. Accordingly, YOU AGREE THAT THIS LEASE SHALL BE GOVERNED BY THE LAWS OF THE COMMONWEALTH OF PENNSYLVANIA. YOU AGREE THAT ANY SUIT RELATING TO THIS LEASE SHALL BE BROUGHT ONLY IN A STATE OR FEDERAL COURT IN PENNSYLVANIA, AND YOU IRREVOCABLY CONSENT AND SUBMIT TO THE JURISDICTION OF SUCH COURTS. EACH PARTY WAIVES ANY RIGHT TO A JURY TRIAL. You irrevocably waive, to the fullest extent you may effectively do so, any objection that you may now or hereafter have to the laying of the venue of any such proceeding brought in such a court and any claim that any such proceeding brought in such a court has been in an inconvenient forum. Any action by you against us must be commenced within one year after the cause of action arises or be forever barred.

19. You understand that we have no control over your use of the Equipment and, in any event, for the amount of rent we are charging we cannot agree to accept any financial, liability or other risks relating to the use or ownership of the Equipment. Accordingly, you agree to hold us harmless, indemnify (pay or reimburse) and defend us against all claims, liabilities, losses, suits, proceedings, damages, costs (including reasonable legal fees) relating to this Lease or to the use or ownership of the Equipment, including but not limited to claims for death or injury to persons and claims for property damage. This duty to indemnify shall survive the termination of this Lease.

20. AS A CONVENIENCE TO YOU (THE LEASING CUSTOMER) AND TO FURTHER EXPEDITE THIS TRANSACTION FOR YOU, WE (THE LESSOR) AND YOU HAVE AGREED THAT A PHOTOCOPY OR FACSIMILE OF THIS LEASE WHICH INCLUDES A PHOTOCOPY OR A FACSIMILE OF THE SIGNATURES OF BOTH PARTIES SHALL BE AS VALID, AUTHENTIC AND LEGALLY BINDING AS THE ORIGINAL VERSION FOR ALL PURPOSES AND SHALL BE ADMISSIBLE IN COURT AS FINAL AND CONCLUSIVE EVIDENCE OF THIS TRANSACTION AND OF THE EXECUTION OF THE DOCUMENT.

Addendum to Equipment Lease Contract for leases to state or municipal entities

Application #: 1056862

This addendum (the "Addendum") is incorporated into and a part that certain Equipment Lease Contract by and between Marlin Business Bank ("Lessor," "we," "us") and City of Chula Vista, a state or municipal governmental entity ("Lessee," "you," "your") executed by the Lessee on _____ under which the Lessee will lease (99) Panasonic Toughbooks from the Lessor. This Addendum and the Equipment Lease Contract together are one contract. This Addendum shall amend the Equipment Lease Contract to the extent, and only to the extent, that the terms of this Addendum are inconsistent with the terms of the Equipment Lease Contract. All other terms of the Equipment Lease Contract shall be and remain in full force and effect. In consideration of the Lessor's ("we") agreement to purchase the equipment and lease it to the Lessee ("you"), the Lessee agrees as follows:

I. REPRESENTATIONS, COVENANTS AND WARRANTIES OF LESSEE. You hereby represent, covenant and warrant to us as follows: (a) You are authorized under the Constitution and laws of the State to enter into this Lease (and the other agreements and documents relating to the Lease, hereinafter included in the definition of "Lease") and to perform all of your obligations hereunder and thereunder; (b) The officer of the Lessee entity who is executing the Lease and each Schedule has been duly authorized to execute and deliver same under the terms and provisions of a resolution of your governing body, or by other appropriate official action; (c) In authorizing and executing the Lease, you have complied with all public bidding, usury and other State and Federal laws applicable to the acquisition of the Equipment; (d) You have sufficient appropriations or other funds available to pay all amounts due under Lease for the applicable fiscal year; (e) The Equipment is essential to your proper, efficient and economic operation; (f) You have never terminated an equipment lease, lease-purchase or similar contract due to non-appropriation of funds or defaulted under the terms thereof.

II. NON-APPROPRIATION OF FUNDS. You believe that funds can and will be obtained in amounts sufficient to make all Lease Payments during the Lease term. You and your fiscal officer hereby covenant that you (the Lessee entity) and he/she will do all things within your and his/her power to obtain, maintain and properly request and pursue funds from which the lease payments and payments for other related charges, if any, may be made, specifically including in your annual budget requests amounts sufficient to make such payments for the full Lease term. You intend to make all such payments for the full Lease term if funds are legally available for that purpose. If your official governing body does not allot you funds for the succeeding fiscal year to continue such payments under the Lease, and you have no other available funds to continue making such payments under the Lease or to purchase, lease or rent other equipment or services to perform functions similar to those performed by the Equipment under this Lease, you may terminate the Lease at the end of the then current fiscal year, by giving ninety (90) days prior written notice to us, and enclosing therewith a sworn, notarized statement that the foregoing conditions exist. **The foregoing shall be the sole circumstance in which you will not be legally obligated to continue making such payments beyond the end of the then current fiscal year.** Upon the occurrence of this event, if any Lease is terminated by you in accordance with this paragraph, you agree (i) not to purchase, lease or rent personal property to perform the same or similar functions as, or functions taking the place of, those performed by the Equipment under this Lease, and (ii) not to permit such functions to be performed by your own employees or by any agency, contractor, service provider or other entity affiliated with or hired by you, for a period of three hundred sixty (360) days; provided, however, that these restrictions shall not be applicable in the event that the Equipment under this Lease is sold by us and the amount received from such sale, less all costs of such sale, is sufficient to pay the then balance otherwise then due from you under this Lease. If the application of these restrictions would affect the validity of this Lease, you agree to provide us with an opinion of your counsel relating to the circumstances of non-appropriation. Upon the occurrence of this event, you shall, at your cost and expense, both restore the Equipment to its original condition (excepting only reasonable wear and tear) and return it to us in accordance with the terms set forth in Section III of this Addendum. Upon termination of the Lease by reason of non-appropriation of funds as provided herein, you shall not be responsible for the payment of any additional Lease Payments coming due with respect to succeeding fiscal years. However, (a) **you shall continue to remain responsible for the payment of all past due payments and other obligations that accrued under the Lease prior to the end of the 90-day notice period referred to above;** and (b) if you have not delivered possession of the Equipment to us at your expense and conveyed title to us or released your interest in the Equipment to us within ten (10) days after the termination of the applicable Lease, the termination shall nevertheless be effective, but **you shall be responsible for the payment of damages in an amount equal to the amount of the lease payments thereafter coming due under the Lease that are attributable to the number of days after such ten (10) day period during which you fail to take such actions, plus all other losses suffered by us as a result of your failure to take such actions as required.** Non-Appropriation under one Lease shall not affect the validity or enforceability or any other lease or contract between you and us.

III. RETURN OF EQUIPMENT. Notwithstanding any contrary terms set forth or implied in the “Equipment Lease Contract,” upon the expiration or termination of the Lease in accordance with its terms prior to the payment of all lease payments and other amounts due to us hereunder, you shall return the Equipment to us in the same condition it was in as of the date it was delivered to you, excepting only reasonable wear and tear, in the following manner as may be specified by us in our sole discretion: (a) by delivering the Equipment at your cost and expense to such place within the State as we shall specify; or (b) by loading such portions of the Equipment as are considered movable at your cost and expense, on board such carrier as we shall specify and shipping the same, freight prepaid by you, to a place specified by us. If you refuse to return the Equipment in the manner designated above, we may repossess the Equipment and charge you with the costs of such repossession and/or pursue any other remedy provided to us in this Lease or under law.

IV. OPTION TO PURCHASE. Notwithstanding any contrary term set forth or implied in the “Equipment Lease Contract” or any separate purchase option document executed by us, upon the expiration of the originally scheduled term of the Lease, provided you have made all scheduled payments to us, have not terminated the Lease by reason of non-appropriation or other reason, and are not then in default under the Lease, you shall have the option to purchase our interest in the Equipment for the purchase option price specified in such purchase option.

V. FINANCIAL INFORMATION. During the term of this Lease, you annually shall provide us with current annual financial reports, budgets, proof of appropriation for the ensuing fiscal year and such other financial information relating to your ability and commitment to continue the Lease as may be requested by us.

The terms of this Addendum shall inure to the benefit of Lessor’s successors and assigns.

Intending to be legally bound, the parties hereto have executed this Agreement effective as of the effective date of the Equipment Lease Contract.

LESSOR: Marlin Business Bank

LESSEE: City of Chula Vista

By: _____

By:  _____

Print Name: _____

Print Name:  _____

Title: _____

Title:  _____

Date: _____

Date:  _____

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App #: 1056862

Customer: City of Chula Vista

USPA Disclosure

To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. What this means to you: When you open an account, we will ask you for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

Federal Tax ID#:  _____ DOB: _____

Guarantor's SS# (if applicable): _____

Lessee Signature:  _____

Print Name:  _____

Print Title:  _____

Date:  _____



Delivery and Acceptance Receipt

Lessor: *Marlin Leasing Corporation*
300 Fellowship Rd · Mount Laurel, NJ 08054
www.marlinleasing.com phone: 888-479-9111 · fax: 888-479-1100

or *Marlin Business Bank*
2795 Cottonwood Pkwy., Ste. 120 · Salt Lake City, UT 84121
phone: 801-453-1722

Lessee Application No.: 1056862

Leasing Customer: City of Chula Vista

Vendor Name: Portable Computer Systems Inc

Equipment Description: (99) Panasonic Toughbooks

The above Leasing Customer hereby represents and certifies to the lessor identified above (“Lessor”) as follows:

1. The equipment described above has been fully delivered to the Leasing Customer, has been fully installed, has been inspected and tested by the Leasing Customer, and is working properly. Therefore, Leasing Customer accepts the equipment.
2. The above Leasing Customer hereby requests Lessor to purchase the equipment from the above vendor and lease it to the Leasing Customer. The Leasing Customer understands that Lessor will not be able to get a refund after the equipment is purchased. The Leasing Customer hereby acknowledges having signed an equipment lease agreement and understands that the lease cannot be revoked or cancelled for any reason.
3. To expedite this transaction for the Leasing Customer, the Leasing Customer agrees that a facsimile of this document and a facsimile of the Leasing Customer’s signature shall be considered as valid and binding as the original and will be admissible in a court of law as conclusive evidence of this transaction.

To the leasing customer:

Do not sign this document unless and until you have actually received all the equipment and are certain that all of the above statements by you are correct.



Authorized Signature of Leasing Customer



Date



Print Name and Title