

**COMMERCE COMMERCIAL LEASING, LLC**  
2059 Springdale Road  
Cherry Hill, New Jersey 08003

**Lease Purchase Agreement**  
**LESSEE: Nutley Board of Education**  
**AGREEMENT # 40018732**

This agreement (the "Agreement") is a binding contract between Commerce Commercial Leasing, LLC ("COMMERCE") and Nutley Board of Education (the "Lessee", when referring to the governing body, and the "School District" when referring to the territorial boundaries and the legal entity governed by the Lessee).

**1. Agreement:** In executing this Agreement, Lessee agrees to rent the equipment described in Exhibit A (the "Equipment"). Exhibit B sets forth the terms of the Agreement, including the commencement (or "Dated") date, which is the date when the term begins and Lessee's obligation to pay rent accrues. Rental Payments (the "Rental Payments") should be paid to COMMERCE as instructed, and must be paid only out of legally available funds. A portion of each rental payment represents interest and the balance of each Rental Payment represents principal, as shown on Exhibit B. In order to maintain that interest rate, Lessee must comply with the tax covenants described below and file informational federal tax Form 8038 G in a timely manner. If not, each rental payment will be increased to compensate for the loss of the tax exemption status which was assumed in the initial interest rate, as set forth in Section 7 below. These are informational returns only and will not require Lessee to pay a tax. Lessee agrees to accept the Equipment when delivered, installed and operating to manufacturer's specifications and to execute the Acceptance Certificate, attached hereto as Exhibit D (the "Acceptance Certificate") supplied by COMMERCE as evidence thereof. Lessee agrees to hold COMMERCE harmless from damages, if for any reason, the vendor fails to deliver, or delays in delivery of, the Equipment so ordered or if the Equipment is unsatisfactory for any reason whatsoever. Lessee agrees that any delay in delivery of the Equipment shall not affect the validity of this Agreement or the obligation to make Rental Payments hereunder. Lessee's execution of the Acceptance Certificate shall conclusively establish that the Equipment covered thereby is acceptable to Lessee for all purposes of this Agreement. If Lessee fails or refuses to sign the Acceptance Certificate within a reasonable time, not to exceed five (5) business days, after the Equipment has been delivered, installed and is operating to manufacturer's specifications, COMMERCE shall have the option of treating this Agreement as cancelled by Lessee and Lessee shall automatically assume all of COMMERCE'S rights and obligations as purchaser of the Equipment.

**2. The Obligation to Make Payments:** Rental Payments shall be due and payable as set forth in Exhibit B hereto. The obligation of Lessee to pay Rental Payments hereunder is a current expense of Lessee and not a debt. This obligation is not in contravention of any applicable statutory or regulatory limitations or requirements; nor shall anything contained herein constitute a pledge of the general tax revenues, funds or monies of Lessee. All payments made by or on behalf of Lessee hereunder shall be nonrefundable. Except in the Event of Nonappropriation (hereinafter defined) as set forth in this paragraph, Lessee's obligation to pay such rental payments shall be absolute and unconditional and is not subject to any abatement, set-off, defense or counter-claim for any reason whatsoever. Lessee hereby represents and warrants that it has funds available to pay the Rental Payments set forth on Exhibit B through the end of the current fiscal year ("First Appropriation Period"). Lessee intends to do all things lawfully within its power to obtain and to maintain funds from which the Rental Payments may be made. Notwithstanding the foregoing, after the First Appropriation Period, if Lessee has not appropriated sufficient funds to pay COMMERCE for the Rental Payments, and Lessee shall not have funds duly authorized for the Rental Payments or other amounts payable hereunder from other sources, an Event of Nonappropriation (an "Event of Nonappropriation") shall be deemed to have occurred. Lessee shall promptly deliver notice thereof to COMMERCE and shall endeavor to give such notice not less than one hundred twenty (120) days prior to the end of the last fiscal year for which an appropriation was made. Such notice shall state that the termination of this

Agreement was caused by the failure of the Lessee to appropriate moneys to make Rental Payments due hereunder and that Lessee shall promptly, upon the effective date of such termination, return the Equipment as hereinafter provided. If an Event of Nonappropriation has occurred, this Lease shall terminate, in whole, but not in part, as to all Equipment, effective upon the last day of the fiscal year for which funds were appropriated. Upon termination of this Lease as provided in this Section, Lessee shall not be responsible for the payment of any additional Rental Payments coming due in succeeding fiscal years. Lessee shall then, at Lessee's expense, promptly return the Equipment to COMMERCE to a location in the State of New Jersey specified by COMMERCE. If an Event of Nonappropriation has occurred, Lessee agrees, to the extent permitted by law and applicable public policy, not to purchase, lease or rent any other functionally similar equipment. Lessee agrees that it will not deliberately cause an Event of Nonappropriation so as to permit Lessee to terminate this Agreement in order to acquire any other equipment or obtain funds directly or indirectly to perform essentially the same application for which the Equipment is intended.

**3. The Equipment:** Lessee agrees and acknowledges that (I) Lessee has selected the Equipment to be acquired by COMMERCE and rented to Lessee, (II) the Equipment is, and during the period of this Agreement shall remain personal property, (III) the Equipment will have a useful life in Lessee's hands that is substantially in excess of the initial term of this Agreement, and (IV) Lessee does not intend to sell, or otherwise dispose of, the Equipment during the term of the Agreement. Lessee may contact the seller of the Equipment directly, as COMMERCE'S agent, to effect the acquisition of the Equipment. When Lessee accepts the Equipment, Lessee must deliver to COMMERCE an Acceptance Certificate. If the Equipment has not been identified on the date of this Agreement, the Purchase Price shall be deposited in an account held with COMMERCE ("Purchase Fund"). The Lessee shall submit an invoice for the Equipment to COMMERCE and upon COMMERCE'S approval of such invoice, COMMERCE shall fund the acquisition of the Equipment directly to the Equipment vendor out of moneys in the Purchase Fund. Lessee may assert claims and rights that COMMERCE may have against any manufacturer of the Equipment as well as the agents or dealers of the manufacturer (the "Vendor") of any portion of the Equipment.

**4. Security Interest and Title of the Equipment:** During the term of this Agreement, pursuant to the provisions of N.J.A.C. 5:34-3.3 ownership of all Equipment and any and all repairs, replacements, substitutions and modifications thereto shall remain with COMMERCE until Lessee has paid all rental payments. By paying all such rental payments, Lessee shall be deemed to have exercised Lessee's option to acquire ownership of the Equipment, and upon such payment, title shall transfer automatically to Lessee, and COMMERCE shall be obligated to take all actions necessary to vest such title and ownership in Lessee. Notwithstanding ownership of the Equipment by COMMERCE, for federal income tax and accounting purposes and for purposes of Section 7 hereof, equitable title to the Equipment during the term of this Agreement shall be in the Lessee. Lessee acknowledges that COMMERCE does not operate, control or have possession of the Equipment and has no control over Lessee or Lessee's operation, use, storage or maintenance of the Equipment. Following an event of default or an Event of Nonappropriation or upon other termination of this Agreement for any reason other than Lessee's rights under Section 5, title to the Equipment will immediately vest in COMMERCE and Lessee will surrender

possession of the Equipment to COMMERCE. Lessee authorizes COMMERCE to file a financing statement with respect to the Equipment where permitted by the Uniform Commercial Code (the "UCC"). The filing of a financing statement is not to be construed as evidence that any security interest was intended to be created, but only to give public notice of COMMERCE'S ownership of the Equipment. If this Agreement is deemed at any time to be one intended as a security then Lessee grants COMMERCE a first priority security interest in the Equipment together with all related software (embedded therein or otherwise) and general intangibles, and all additions, accessories, attachments and accessions thereto whether furnished by the supplier of the Equipment, all subleases, chattel paper, accounts and security deposits relating thereto, and any and all substitutions, replacements or exchanges for such item of Equipment, in each such case in which Lessee shall from time to time acquire an interest, and any and all proceeds (including insurance proceeds) of the Equipment and other collateral in and against which a security interest is granted hereunder. Lessee will promptly execute, or otherwise authenticate, and deliver to COMMERCE such further documents, instruments, assurances and other records, and take such further action as COMMERCE from time to time may reasonably request in order to carry out the intent and purpose of this Agreement and to establish and protect the rights and remedies created or intended to be created in favor of COMMERCE under such documents (including without limitation (i) lien searches and (ii) such UCC financing statements, fixture filings and waivers as reasonably may be required by COMMERCE in connection with any change in circumstances relating to Lessee, the Equipment or otherwise); provided, however, Lessee hereby authorizes COMMERCE to file any and all of the same without Lessee's authentication, to the extent permitted by applicable law. If requested by COMMERCE, Lessee shall conspicuously mark the Equipment with appropriate lettering, labels or tags and maintain such markings during the Lease Term so as clearly to disclose COMMERCE'S security interest in the Equipment. Upon termination of this Lease through exercise of Lessee's option to purchase pursuant to Section 5 or through payment by Lessee of all Rental Payments and, in either case, payment of all amounts relating thereto, COMMERCE'S security interest in the Equipment shall terminate, and COMMERCE shall execute and shall deliver to Lessee such documents as Lessee reasonably may request to evidence the termination of COMMERCE'S security interest in the Equipment.

**5. Option to Purchase:** Lessee shall be entitled and shall have exercised its option to purchase the Equipment: (a) upon payment in full of all Rental Payments in accordance with Exhibit B hereof and all other amounts due hereunder, or (b) upon written notice delivered at least thirty (30) days in advance of a proposed date (which shall be a date scheduled for payment of a Rental Payment) for payment and upon payment on such date of the prepayment price equal to all principal due and remaining unpaid and interest accrued to such date of prepayment.

When Lessee exercises its purchase rights hereunder and COMMERCE shall have received all amounts due under this Agreement, then title shall pass simultaneously to Lessee, and this Agreement shall terminate. COMMERCE shall cooperate and execute such documents that are necessary for the title to the Equipment to vest with Lessee AS IS, WHERE IS, WITHOUT WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR FITNESS FOR THE USE CONTEMPLATED BY LESSEE, except that the Equipment shall not be subject to any Lien created by or arising through COMMERCE.

**6. Responsibilities for Repair and Maintenance:** Lessee agrees to maintain the Equipment in good condition and make all necessary repairs and replacements at Lessee's expense. Lessee agrees to maintain a maintenance log for the Equipment and permit COMMERCE to inspect the Equipment and the log(s). Lessee must have the Equipment serviced and repaired at Lessee's expense when servicing or repair is required within intervals not exceeding 5% of those recommended in the owner's manual(s).

**7. Tax Covenants:** Lessee will not make or direct any use of the proceeds of the obligation provided herein or any other funds which will cause such obligation to

be an "arbitrage bond" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended and the treasury regulations promulgated thereunder (the "Code"), to be "federally guaranteed" within the meaning of Section 149 of the Code or to be a "private activity bond" within the meaning of Section 141(a) of the Code. To that end, so long as any Rental Payments are unpaid, Lessee, with respect to such proceeds and such other funds, will comply with all requirements of such Code sections and all regulations of the United States Department of the Treasury issued thereunder to the extent that such requirements are, at the time, applicable and in effect. Furthermore, to the extent applicable pursuant to Section 148(f) of the Code, Lessee covenants to complete or cause to be completed all reporting requirements and rebate all positive arbitrage to the United States of America. Lessee covenants that the Equipment will be used only for the purpose of performing one or more of Lessee's governmental or proprietary functions, and the Equipment will not be used in a trade or business of any person or entity other than Lessee on a basis different from the general public. Lessee will not use or permit the use of the Equipment by any person for a "private business use" within the meaning of Section 141(b) of the Code in such matter or to such extent as would result in the inclusion of interest received hereunder in gross income for federal income tax purposes under Section 103 of the Code.

The parties will cooperate in performing all acts and things legally required or desirable in order to assure that the interest component of the rental payments will not be included in the gross income of COMMERCE or its assigns for federal income tax purposes.

If any event shall occur so that interest payments on the lease are includible in the gross income for federal income tax purposes of the recipient of the interest payments on the lease ("Event of Taxability"), the interest rate on the lease payments shall increase to the prime rate as published on the first day of the month in the Wall Street Journal ("Prime Rate") plus two percent (2%) from the date of the occurrence of the Event of Taxability. Lessee agrees to pay and indemnify COMMERCE for all interest, penalties, fines, additions to taxes, levied or assessed on the lease or COMMERCE as a result of the Event of Taxability.

**8. Lessee's Risk of Loss or Damage:** Lessee agrees to bear all risk of loss, damage, destruction or theft of the Equipment. Lessee must maintain insurance of the types and in the amounts not less than that set forth on Exhibit C, directing Lessee's insurance company to give COMMERCE a certificate showing COMMERCE as lender loss payee and an additional named insured. If Lessee does not maintain the required insurance, COMMERCE may obtain it and charge Lessee for it. Lessee must give COMMERCE prompt notice of (1) the loss, theft or destruction of any part of the Equipment, (2) any damage to the Equipment exceeding \$500, or (3) any claim arising out of the ownership, maintenance, storage or use of the Equipment. The parties will cooperate in deciding if insurance proceeds will be applied to the repair of the Equipment or to its purchase price. If COMMERCE receives insurance proceeds exceeding the amount of the purchase price shown on Exhibit B, plus interest, or the amount required to complete the work, COMMERCE agrees to forward the excess proceeds to Lessee.

**9. Indemnification:** Except for the intentional or negligent acts or omissions of COMMERCE arising out of entering into this Agreement, including any misstatements of material fact, in connection with any transfer of this Agreement, because Lessee has selected the Equipment for Lessee's use and purposes, and because Lessee operates and maintains the Equipment, Lessee agrees, to the extent permitted by law of the State of New Jersey, to indemnify COMMERCE against any and all loss, damage, injury, claims, taxes (excluding COMMERCE'S income taxes), fees, fines, penalties and expenses (including legal fees and expenses) of every kind that relate to the use, operation, ownership, condition or maintenance of the Equipment. Lessee's obligation to indemnify COMMERCE will continue after termination of the Agreement as to all matters, except those which arise from COMMERCE'S (or anyone COMMERCE sells or re-leases the Equipment to) use, operation, ownership, condition or maintenance of the Equipment following termination.

**10. No Warranty:** COMMERCE MAKES NO EXPRESS OR IMPLIED WARRANTIES CONCERNING THE EQUIPMENT, INCLUDING BUT NOT LIMITED TO MERCHANTABILITY, SUITABILITY OR FITNESS FOR A PARTICULAR USE. THIS SECTION IN NO EVENT IS INTENDED TO AFFECT THE WARRANTIES OR REPRESENTATIONS CONTAINED IN ANY CONTRACT ENTERED INTO FOR THE ACQUISITION OF THE EQUIPMENT.

**11. Termination:** This Agreement will terminate: (1) upon payment of all amounts due hereunder by Lessee to COMMERCE, (2) at the time and for the reason set forth in Section 2, (3) if Lessee has returned the Equipment and paid all amounts due through the end of the term then in effect, including interest, (4) upon Lessee's purchase of the Equipment under Section 5 and Lessee's payment of all amounts due, (5) at COMMERCE'S option if Lessee defaults as described in Section 12, and (6) if all or any portion of the Equipment has been lost, stolen or damaged beyond repair, upon COMMERCE'S receipt of insurance proceeds covering the purchase price of the lost, stolen or damaged Equipment. When this Agreement terminates, if Lessee has not paid to COMMERCE all amounts due hereunder, Lessee must, at Lessee's expense, return the Equipment Lessee has not purchased to COMMERCE at the address specified by COMMERCE, in as good condition as when Lessee received it, ordinary wear excepted. Lessee must remove all signs and markings and make all repairs (other than for ordinary wear) requested by COMMERCE. If Lessee does not, COMMERCE may do so and charge Lessee for it. No prepaid interest will be rebated to Lessee upon termination.

**12. Default:** The following constitute "Events of Default" under this Agreement: (a) failure by Lessee to pay any Rental Payment or other payment required to be paid hereunder when due; or (b) failure by Lessee to maintain insurance on the Equipment in accordance with Section 8; or (c) failure by Lessee to observe and perform any other covenant, condition or agreement on its part to be observed or performed for a period of fifteen (15) days after written notice is given to Lessee by COMMERCE, specifying such failure and requesting that it be remedied; provided, however, that if the failure stated in such notice cannot be corrected within such fifteen (15) day period, COMMERCE will not unreasonably withhold its consent to an extension of such period if corrective action is instituted by Lessee within the applicable period and diligently pursued until the default is corrected; or (d) initiation by Lessee of a proceeding under any federal or state bankruptcy or insolvency law seeking relief under such laws concerning its indebtedness; or (e) the determination by COMMERCE that any representation or warranty made by Lessee in this Lease was untrue in any material respect upon the execution hereof. If any such default occurs, COMMERCE, without notice or demand, may declare this Agreement in default and declare all amounts eligible or actually appropriated for Rental Payments under this Agreement to be immediately due and payable. Equipment must then be returned to COMMERCE (at the address specified by COMMERCE) at Lessee's expense, and the Equipment and all Lessee's rights therein shall be deemed surrendered to COMMERCE. Upon declaration of default, COMMERCE may repossess the Equipment with or without process of law, and for the purposes may enter upon any of Lessee's premises or other's premises, wherever the Equipment may be found, without liability therefor. COMMERCE may recover from Lessee any unpaid amounts due or to become due for the remainder of the term of this Agreement, together with all expenses, including attorney's fees and legal expenses (to the extent permitted by law) incurred by COMMERCE to enforce its rights hereunder. The repossession and sale of the Equipment shall not affect COMMERCE'S right to recover from Lessee all damages which COMMERCE has suffered because of Lessee's breach. COMMERCE may sell or release the Equipment with or without advertisement, at public or private sale or leasing, without notice to Lessee, free of any of Lessee's interest, without any duty to account to Lessee for COMMERCE'S actions or inaction or for any sale or re-lease proceeds. The proceeds of any sale or re-lease will be applied in the following order: (1) to the payment of per and reasonable costs and expenses (including attorney's fees) associated with the default, repossession and restoration of title to COMMERCE, (2) to pay to COMMERCE the amount of all unpaid Rental Payments, if any, which are then due and owing, together with interest and late charges thereon; then applicable prepayment price (taking into account the payment of past due Rental Payments

as aforesaid), plus a pro rata allocation of interest, at the rate utilized to establish the interest component for the Rental Payment next due, from the next preceding due date of a Rental Payment until the date of payment by Lessee, and any other amounts due hereunder, and (3) if any proceeds remain, to Lessee. If COMMERCE is unable to repossess any Equipment after a default, the Equipment shall be deemed to have suffered a total loss compensable under Section 8. COMMERCE may also enforce Lessee's performance of Lessee's covenants to recover damages for the breach of those covenants. COMMERCE'S rights and remedies in this section are not exclusive but are cumulative and in addition to all other rights and remedies that COMMERCE has at law or in equity.

**13. Liens:** This Equipment must be kept free of all liens and encumbrances, except COMMERCE'S security interest, at all times.

**14. Limitation on Assignment:** The Lessee may not assign or sublease this Agreement or any interest in it or the Equipment without COMMERCE'S prior written consent and a written opinion of nationally recognized bond counsel to the effect that any such assignment or sublease of this Agreement or any interest in it or the Equipment will not adversely effect the exclusion of the interest component of the Rental Payments from gross income for federal income tax purposes. In no event may Lessee assign or sublet this Agreement or any interest in it or the Equipment to a non-governmental entity. COMMERCE may assign or sell its interest under this Agreement, in whole or in part, without Lessee's consent, but the assignment will not be effective until Lessee has received notice disclosing the name and address of assignee and information sufficient to enable Lessee to meet the requirements of Section 149(a) of the Code. Lessee shall be provided with written notice of COMMERCE'S assignment. During the term of this Agreement, Lessee shall keep a complete and accurate register of all such assignments in form necessary to comply with Section 149(a) of the Code.

**15. Late Charges:** If Lessee does not pay Rental Payments due under this Agreement on their due date, COMMERCE may charge Lessee a late fee of \$5.00 or 5% of the amount that is late, whichever is more.

**16. Exhibits:** Exhibits A through H attached hereto are part of this Agreement, incorporated herein by reference, and must be executed by Lessee, where applicable.

**17. Other Terms:** This Agreement constitutes the entire agreement between the parties as to the subject matter it covers and may not be changed except by a written agreement signed by Lessee and COMMERCE. If any part of this Agreement is or becomes invalid, illegal or unenforceable, such invalidity, illegality or unenforceability will not affect the other or remaining provisions hereof. This Agreement and all rights and actions arising under it shall be governed by the laws of the state of New Jersey. No waiver, consent, modification or change of terms of this Agreement shall bind either party unless in writing 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. This Agreement may be executed in several counterparts. All notices must be addressed to the parties at their addresses shown on Exhibit B, or at another address specified by either party in writing and shall be deemed given when delivered or mailed by registered mail, postage prepaid. To the extent applicable, Lessee hereby waives any and all rights and remedies granted Lessee by Sections 508 through 522 of Article 2A of the Uniform Commercial Code including, by way of example only and not as a limitation, the right to repudiate this Agreement and reject the Equipment; the right to cancel this Agreement; the right to revoke acceptance of the Equipment; the right to grant a security interest in the Equipment in Lessee's possession and control for any reason; the right to recover damages thereunder for any breach of warranty or for any other reason deduct all or any part of the claimed damages resulting from COMMERCE'S default, if any, under this Agreement; the right to accept partial delivery of the Equipment; the right to "cover" by making any purchase or leases of or contract to purchase or lease Equipment in substitution for those due from COMMERCE; the right to recover any general, special, incidental or consequential damages, for any reason whatsoever; and the right to specific performance, replevin, detinue,

sequestration, claim and delivery and the like for the Equipment. The waivers contained herein shall not constitute a waiver by Lessee of any of its rights or remedies against the vendor and/or manufacturer of the Equipment.

**Lessee Representations and Warranties:** Lessee hereby represents, warrants and covenants to COMMERCE the following with respect to this Agreement as of the date Lessee executes the Acceptance Certificate: (a) Lessee is organized and validly existing under the laws of the state of its organization listed below Lessee's signature herein, with adequate power and capacity to enter into this Agreement, all documents related to the purchase of the Equipment and any other documents required to be delivered in connection with this Agreement or the Equipment (hereinafter "Documents"); (b) the Documents have been duly authorized, executed and delivered by Lessee and constitute valid, legal and binding agreements, enforceable in accordance with their terms, except to the extent that the enforcement of remedies therein provided may be limited under applicable bankruptcy and insolvency laws; (c) no approval, consent or withholding of objections is required from any federal, state or local governmental authority or instrumentality with respect to the entry into or performance by Lessee of the Documents, except such as have already been obtained; (d) the entry into and performance by Lessee of its obligations under the Documents will not (i) violate any judgment, order, law or regulation applicable to Lessee or (ii) result in any breach of, constitute a default under or result in the creation of any lien, charge, security interest or other encumbrance upon any item of the Equipment pursuant to any indenture, mortgage, deed of trust, bank loan or credit agreement or other instrument (other than this Agreement or any purchase money security interest retained by any supplier) to which Lessee is a party; and (e) there are no suits or proceedings pending or threatened in court or before any regulatory commission, board or other administrative governmental agency against or affecting Lessee, which will have a material adverse effect on the ability of Lessee to fulfill its obligations under this Agreement; and (f) lessee has complied with all statutes, laws, regulations and procedures in entering into this Agreement and the matters contemplated hereby, including without limitation N.J.S.A. §18A:20 and N.J.A.C. §6A:26-10.

**COMMERCE Representations and Warranties:** COMMERCE represents, covenants and warrants as following:

- a) COMMERCE is a corporation duly organized, existing and in good standing under the laws of the State of New Jersey and is authorized to do business in the State of New Jersey; has full and complete power to enter into the Agreement, to enter into and to carry out the transactions contemplated by it hereby and thereby and to carry out its obligations under the Agreement, is possessed of full power to own and to hold real and personal property and to lease the same, and has duly authorized the execution and the delivery of the Agreement, and all other agreements, certificates and documents contemplated hereby and thereby.
- b) Neither the execution and the delivery of the Agreement, nor the fulfillment of or the compliance with the terms and the conditions thereof, nor the consummation of the transactions contemplated hereby and thereby conflicts with or results in a breach of the terms, the conditions or the provisions of any restriction, any agreement or any instrument to which COMMERCE is now a party or by which COMMERCE or its property is bound, constitutes a default under any of the foregoing that results in the creation or the imposition of any lien, charge or encumbrance whatsoever upon any of the property or the assets of COMMERCE or upon the Equipment.

**20. Financing:** In consideration for and upon the execution of this Agreement, COMMERCE hereby agrees to pay to the Lessee the amount of \$60,582.00 which will be deposited in a separate project account which will be maintained by the Lessee (subject to the provisions of Section 3 hereof) for the purchase of the equipment and related costs.

**21. Conditions of Closing:** At or prior to payment to Lessee as stated in Section 20, COMMERCE shall received the following:

- a) this Agreement executed by Lessee and COMMERCE;
- b) an executed Exhibit B to this Agreement;
- c) an executed Insurance Coverage Requirements Certificate, a form of which is attached hereto as Exhibit C;
- d) an executed Acceptance Certificate, a form of which is attached hereto as Exhibit D;
- e) a duly adopted resolution of Lessee, in form and substance acceptable to COMMERCE and including those matters set forth in Exhibit E;
- f) an executed Certificate of Lessee, a form of which is attached as Exhibit F;
- g) and executed Arbitrage and Tax Certificate, a form of which is attached as Exhibit G-1 for New Money Projects or as Exhibit G-2 for Refunding Projects;
- h) an opinion of counsel to Lessee, substantially in the form of the opinions attached as Exhibit H;
- i) an executed Form 8038 G; and
- j) any and all opinions, certificates, instruments, financing statements or other documents as COMMERCE may request to evidence compliance with the agreements to be performed and all conditions to be satisfied under this Agreement.

IN WITNESS WHEREOF, the undersigned parties have executed this Agreement as of the date first set forth above.

**COMMERCE COMMERCIAL LEASING, LLC**

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

**LESSEE: NUTLEY BOARD OF EDUCATION**

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

**Jurisdiction of Organization: NJ**

**Organizational Number: N/A**

**Chief Executive Office: 375 Bloomfield Avenue**

**Nutley, NJ 07110**