



Date: April 27,2022

To: City of Braham
Attn: Kevin Stahl
201 Broadway Avenue South
Braham, MN 55006

Re: Communications System Financing Proposal

Motorola Solutions, Inc. is pleased to submit the following proposal for the financing of your Motorola communications equipment in accordance with the terms and conditions outlined below:

Transaction Type: Municipal Lease Purchase Agreement (Tax-exempt)

Lessor: Motorola Solutions, Inc. (or its Assignee)

Lessee: City of Braham

Total Transaction Value: \$ 73,416.00

Down Payment: \$ 0.00

Balance to Finance: \$ 73,416.00

Equipment: Four Squad Radios and Nine Portables radios with Encryption (As per the Motorola Solutions equipment proposal.)

Title: Title to the equipment will vest with the Lessee.

Insurance: Lessee will be responsible to insure the equipment as outlined in the lease contract.

Taxes: Personal property, sales, leasing, use, stamp, or other taxes are for the account of the Lessee.

	Option 1
Lease Term	7 Years
Payment Type	Annually Arrears
Lease Rate	4.08%
Lease Factor	0.167579
Payment	\$12,302.98
Payment Commencement	First payment due one year after contract execution

Expiration: The above lease rates and factors are valid for all leases commenced by 5/27/2022. After this date the rate will be reset to reflect current market conditions.

Program Highlights: Terms up to seven years can be structured for Municipal Lease Purchase Agreement (Tax-exempt).
One hundred percent (100%) of a project's acquisition cost can be financed.
Payment frequency can be matched to meet your cash flow and budget requirements.
No pre-payment penalties.
Future equipment upgrades can easily be accommodated via add-on lease schedules, restructuring already existing deals, etc.

Qualifications: Receipt of a properly executed documentation package.
Lessee qualifies as a political subdivision or agency of the State as defined in the Internal Revenue Code of 1986. The interest portion of the Lease Payments shall be excludable from the Lessor's gross income pursuant to Section 103 of the Internal Revenue Code.
Receipt of a copy of the last 2 year's audited financial statements and current year's budget from the Lessee.
This proposal should not be construed as a commitment to finance. It is subject to final credit approval.

Documentation: Municipal Equipment Lease Purchase Agreement
Opinion of Counsel
Schedule A/Equipment List
Schedule B/Amortization Schedule
8038G
UCC-1
Certificate of Incumbency
Statement of Essential Use/Source of Funds
Evidence of Insurance or Statement of Self Insurance
Resolution from governing body authorizing the execution of the Lease
Delivery & Acceptance Certificate

Please feel free to contact me if there are any questions, or if an alternate structuring is required.

Regards,
Michael Kahl
Braham Police RAdio Upgrade
+1 (320) 980-1948