



February 7, 2024

Mr. Chad Blake
Town of Lapel, Indiana
825 N. Main Street
Lapel, Indiana 46051

RE: Master Lease Schedule No. 8 -Tax Exempt Lease Purchase of a 2023 Ford Explorer with Law Enforcement Equipment.

Crossroads Bank is pleased to submit the following tax-exempt lease purchase proposal for the Town of Lapel's acquisition of a new 2023 Ford Explorer with Law Enforcement Equipment.

- I. LESSEE: Town of Lapel, Indiana
- II. LESSOR: Crossroads Bank (CRB)
- III. EQUIPMENT VENDOR: Oxmoor Ford, and American Eagle Equipment.
- IV. EQUIPMENT: One New 2023 Ford Explorer with Law Enforcement Equipment.
- V. STRUCTURE OF TRANSACTION: Tax Exempt - Equipment Lease-Purchase
- VI. AMOUNT FINANCED: \$58,104.95
- VII. ESTIMATED FUNDING DATE: February 15, 2024. Proceeds to be placed into a Crossroads Bank interest bearing escrow account.
- VIII. TERM: Option 1 – Three Years Option 2 -Five Years

crossroadsbanking.com

1205 N. Cass Street
P.O. Box 259
Wabash, IN 46992
Phone 260.563.3185
Fax 260.563.4841

Columbia City
260.248.2265

North Manchester
260.982.2188

Peru
765.327.4064

South Whitley
260.723.5127

Syracuse
574.457.4411



IX. PAYMENTS: Payments shall be due annually with the first payment due June 1, 2024.

X. DOCUMENTATION FEE: \$350 due upon lease commencement

XI. RATE(S) & FACTOR(S): The following payment factor(s), when multiplied by the actual amount financed, will determine the payment amount:

<u>Option</u>	<u>Term</u>	<u>Rate*</u>	<u>Factor</u>	<u>Payment</u>
1	3 Years	5.25%	.355888	\$20,678.88
2	5 Years	5.05%	.223418	\$12,981.68

The annual payment amounts set forth above assumes that funding will take place on February 16, 2024, with a first payment due date of June 1, 2024. If the funding date or the payment due date changes the payments will be adjusted to reflect timing differences.

The rates quoted in this proposal shall be held for thirty days from the date of this proposal. If the funding takes place after the thirty days, the rates will be subject to adjustment. The rate will be indexed to the respective three-year and five-year Treasury Constant Maturity quoted in the Federal Reserve Statistical Release H.15. The rate will be adjusted at 100% of the increase variance in yield. The Index rate date we will use is February 5, 2024 – 3 year – 4.27%, 5 year - 4.13%.

The Annual Rate(s) set forth above in this letter is/are based on the provisions of the Internal Revenue Code of 1986, as amended, in effect to the date of this proposal, current interpretation of those provisions and current state and local tax laws. Such Annual Rate(s) will be adjusted to preserve the Lessor's anticipated after-tax yield on the transaction in the event of a change in any tax laws or interpretations which adversely affect such yield and with an effective date prior to delivery of the related Certificate of Acceptance to Lessor pursuant to the Lease Schedule.



If any transaction is funded in multiple phases, all terms of this proposal, including the foregoing adjustment clause, will apply to each funding as if such Equipment associated with each funding were documented on a separate Lease Schedule and applicable Certificate of Acceptance.

XII. CONDITIONS: This proposal is subject to the following conditions:

- A. All applicable and required taxes (including but not limited to sales and property taxes), maintenance, and insurance will be the responsibility of Lessee.
- B. This lease is subject to Crossroads Bank credit approval. All documentation must be acceptable to Crossroads Bank and to its counsel both as to form and substance prior to the time of execution. The proposal is based upon the use of Crossroads Bank's standard municipal leasing documentation for this type of transaction, and any material variations from such documentation may result in a change in the terms contained in this proposal.
- C. By signing below, Lessee acknowledges the terms and conditions of this proposal. Upon receipt of the executed proposal, CRB shall commence the investment approval process.

XIII. EXPIRATION

OF PROPOSAL: The proposal will expire 15 days hence, unless otherwise extended by CRB.

We appreciate this opportunity to provide you with this proposal. Should you have any further questions or need additional information prior to the acceptance, please contact Barry Grossman at 317-565-2379.

Thank you very much.

Sincerely,



Barry Grossman
Sr. Vice President



Accepted: Town of Lapel, Indiana

By: _____

(Printed Name)

Title: _____

Date: _____

Please Select Option 1 or Option 2.

_____ Option 1 – Three Years

_____ Option 2 - Five Years

