

M.S.T. Government Leasing LLC

1491 Eastside River Road

Dummer, NH 03588

800-750-1538

Lease Number: 457

## **Municipal Lease Purchase Agreement**

M.S.T. Government Leasing LLC, a New Hampshire Limited Liability Company with a principal location in Dummer, New Hampshire, (the “Lessor”), and the Lessee, indicated on Schedule A attached hereto (the “Lessee”) agree to the lease of equipment subject to the terms of this Agreement and all schedules attached hereto (collectively referred to as the “Lease”).

In consideration of the mutual covenants herein contained, the parties covenant and agree as follows:

1. **EQUIPMENT.** Lessor agrees to lease to Lessee and Lessee agrees to lease from Lessor the equipment listed in Schedule F together with any replacement parts, additions, repairs or accessories now or hereafter permanently incorporated in or affixed to it (the “Equipment”) on the terms and conditions set forth herein.
2. **TERM.** The term of this Lease is set forth in Schedule A (the “Lease Term”)
3. **COMMENCEMENT AND EXPIRATION.** This Lease shall commence upon Lessee’s acceptance of the Equipment (the “Commencement Date”) and continue until the earlier of (i) the end of the Lease Term; (ii) a permitted termination pursuant to Non-Appropriation of Funds (Paragraph 17); (iii) Lessor’s termination of the Lease after Default (Paragraph 19) or (iv) Lessee’s proper exercise of its option (Paragraph 20). Lessor shall have no obligation to Lessee under this Lease if the Equipment, for whatever reason, is not delivered to Lessee within 90 days after Lessee signs this Lease. Lessor shall have no obligation to Lessee under this Lease if Lessee fails to execute and deliver to Lessor an “Acknowledgement and Acceptance of Equipment by Lessee” form within 30 days after the Equipment is delivered to Lessee.
4. **ACCEPTANCE OF EQUIPMENT.** Lessee agrees to immediately inspect the Equipment upon receipt of the Equipment and to execute an “Acknowledgment and Acceptance of Equipment by Lessee” form, in the form attached hereto as Schedule B, after the

Equipment has been delivered and after Lessee is satisfied that the Equipment is satisfactory as of the time of inspection in every respect, excluding latent or unknown defects. The "Acknowledgment and Acceptance of Equipment by Lessee" form must be promptly executed and delivered to Lessor within 30 days after the Equipment is delivered to Lessee.

5. **CONVENANTS OF LESSEE.** Lessee represents and warrants to Lessor that as of the date of this Lease and throughout the term of this Lease:
  - (a) Lessee is a public body, politic and corporate within the State in which it is located;
  - (b) Lessee is duly organized and existing under the Constitution and laws of said State, and is duly authorized to execute and carry out its obligations under this Lease;
  - (c) This Lease including all schedules and amendments hereto have been duly authorized, executed and delivered by Lessee;
  - (d) Lessee will comply with all applicable provisions of the Internal Revenue Code of 1986, as amended (the "Code") and the regulations of the Treasury Department thereunder, from time to time proposed or in effect, in order to maintain the excludability from gross income for federal income tax purposes of the interest component of payments under this Lease and will not use or permit the use of the Equipment in such a manner as to cause this Lease to be a "private activity bond" or an "arbitrage bond" under the Code; and
  - (e) No provision of this Lease constitutes a pledge of tax or general revenues of Lessee and all lease payments hereunder shall constitute current expenses of the Lessee.
6. **PAYMENTS: AMORTIZATION SCHEDULE.** Lessee agrees to pay the total rent equal to the "Payment Amount" as set forth in Schedule A multiplied by the number of payments specified in "No. of Payments" as set forth in Schedule A. Payments will be made in advance and periodically as specified in Schedule A. Payments shall be made by Lessee at Lessor's address set forth above, or as otherwise directed by the Lessor. Lessee shall not abate, set off, deduct any amount, or reduce any payment for any reason. The first payment shall be due on the date of the date of acceptance of the Equipment by Lessee, and subsequent payments shall be due on the same day of each succeeding pay period throughout the term of the Lease. Lessee agrees that the Amortization Schedule delivered or to be delivered to Lessee shall be incorporated into this Lease. Lessee shall be deemed to have agreed to such Amortization Schedule as of the Commencement Date.
7. **DISCLAIMER OF WARRANTIES AND CLAIMS, LIMITATION OF REMEDIES.** THERE ARE NO WARRANTIES BY OR ON BEHALF OF LESSOR. Lessee acknowledges and agrees as follows:

**(a) LESSOR MAKES NO WARRANTIES EITHER EXPRESSED OR IMPLIED AS TO THE CONDITION OF THE EQUIPMENT, ITS MERCHANTABILITY, ITS FITNESS OR SUITABILITY FOR ANY PARTICULAR PURPOSE, ITS DESIGN, ITS CAPACITY, ITS QUALITY, OR WITH RESPECT TO ANY CHARACTERISTICS OF THE EQUIPMENT;**

(b) Lessee has fully inspected the Equipment, which it has requested Lessor to acquire and lease to Lessee, and the Equipment is in good condition and to Lessee's complete satisfaction as of the time of inspection, excluding latent or unknown defects;

(c) Lessee acknowledges that the Equipment is leased to Lessee solely for the purpose of performing essential governmental uses and public functions of Lessee within the permissible scope of Lessee's authority and will not be used in a trade or business;

(d) If the Equipment is not properly installed, does not operate as represented or warranted by the Supplier or manufacturer, or is unsatisfactory for any reason, regardless of cause or consequence, Lessee's only remedy, if any, shall be against the Supplier or the manufacturer of the Equipment and not against the Lessor;

(e) Provided Lessee is not in default under this Lease, Lessor assigns to Lessee any warranties made by the Supplier or the manufacturer of the Equipment;

(f) LESSEE SHALL HAVE NO REMEDY FOR CONSEQUENTIAL OR INCIDENTAL DAMAGES AGAINST LESSOR; and

(g) NO DEFECT, DAMAGE, OR UNFITNESS OF THE EQUIPMENT FOR ANY PURPOSE SHALL RELIEVE LESSEE OF THE OBLIGATION TO MAKE LEASE PAYMENTS OR RELIEVE LESSEE OF ANY OTHER OBLIGATION UNDER THIS LEASE.

8. **NON-ASSIGNMENT.** Lessee agrees that it shall not assign, sublease, pledge or transfer this Lease or sublease the Equipment or any interest therein, or otherwise dispose of the Equipment referenced in this Lease without the prior written consent of the Lessor.

9. **RELATION BETWEEN THE LESSOR AND THE SUPPLIER.** Lessee understands and acknowledges that no broker or Supplier or any agent of such is an agent of Lessor. No Supplier or agent of such is authorized to waive or alter any term or condition of this Lease and no representation as to the Equipment made by a Supplier or agent of same shall affect Lessee's duty to pay Lessor the lease payments hereunder.

10. **LOCATION.** The Equipment shall be kept at the location set forth in Schedule A and may not be removed without Lessor's prior written consent.
11. **USE.** Lessee shall maintain the Equipment in good operating condition in the same configuration as when accepted, shall use the Equipment solely in the manner for which it is intended and reasonably in compliance with the manufacturer instructions, shall make all necessary repairs at Lessee's expense, shall reasonably comply with all laws relating to its possession, use or maintenance, and shall not unreasonably make any alterations, additions or improvements to the Equipment without the Lessor's prior written consent. Lessee further agrees to comply with all license and copyright requirements of any software used in connection with the Equipment.
12. **OWNERSHIP; TITLE.** Title to the Equipment shall pass to Lessee upon Lessee's acceptance of the Equipment pursuant to this Lease, subject to the rights of Lessor under this Agreement. To secure the payment of Lessee's obligations under this Lease, Lessee grants to Lessor a security interest constituting a first lien on the Equipment and on all additions, attachments, accessions and substitutions thereto, and on any proceeds therefrom. Lessee agrees to execute such additional documents, including a UCC-1 financing statement in the appropriate office of Lessee's state and similar instruments, in form reasonably satisfactory to Lessor, which Lessor deems necessary or appropriate to establish and maintain a security interest, and upon assignment, the security interest of any assignee of Lessor. Lessor agrees to provide the Equipment to Lessee free of liens, attachments and other encumbrances. All additions, repairs or improvements made to Equipment shall belong to Lessee, subject to the rights of Lessor under this Lease.
13. **SURRENDER.** At the expiration of the Lease Term, should the Lessee choose not to exercise its option to purchase the Equipment, the Lessee, at its expense, shall return the Equipment in good repair, ordinary wear and tear excepted, by delivering it packed, if applicable, and ready for shipment to the Supplier or such other location as is agreed to by the parties.
14. **LOSS OR DAMAGE.** Lessee shall at all times after signing this Lease bear the entire risk of loss, theft, damage or destruction of any part of the Equipment from any cause whatsoever and no loss, theft, damage or destruction of the Equipment shall relieve Lessee of the obligation to make lease payments hereunder or to comply with any other obligation of this Lease. In the event of damage to any part of the Equipment, Lessee shall immediately place the same in good repair at Lessee's expense. If Lessor determines that any part of the Equipment is lost, stolen, destroyed, or damaged beyond repair, Lessee shall, at Lessee's option, do one of the following:
  - (a) Replace the same with like equipment in good repair of comparable function, capacity and features, reasonably acceptable to Lessor in which event this Lease shall continue

and the replacement equipment shall constitute Equipment for all purposes of this Lease;  
or

- (b) Pay Lessor in cash the following: (i) all amounts due from Lessee to Lessor under this Lease up to the date of the loss; and (ii) the accelerated balance of the total amounts due for the remaining term of this Lease attributable to said item, discounted to its net present value at a simple interest rate equal to the interest rate set forth on Schedule A and resulting in the amortization of principal and interest as set forth in the attached Amortization Schedule. Upon Lessor's receipt of payment set forth above, Lessee shall be entitled to the Equipment with any warranties made by the Supplier or manufacturer but without any warranties from Lessor. If insurance proceeds are used to fully comply with this subparagraph, the balance of any such proceeds shall go Lessee to compensate for loss of use of the Equipment for the remaining term of the Lease.

15. **INSURANCE; LIENS; TAXES.** The Lessee shall at its own expense and for the term of this Lease provide and maintain insurance against loss, theft, damage or destruction of the Equipment in an amount not less than the full replacement value of the Equipment, naming Lessor or its assignee as the loss payee to the extent of Lessor's interest. Lessee also agrees to name Lessor as an additional insured on Lessee's comprehensive general all-risk liability policy or public liability policy, insuring Lessor and Lessee against any and all loss or liability for all damages, either to property, persons or otherwise, which might result from the condition, use or operation of the Equipment, with such limits and with an insurer satisfactory to the Lessor. The Lessee's obligation under this paragraph is limited by the Lessee's limits of liability and substantive areas of liability under the Maine Tort Claims Act or its limits and areas of liability under its insurance, whichever is greater. Each policy shall expressly provide that said insurance as to Lessor and its assigns shall not be invalidated by any act, omission, or neglect of Lessee and cannot be canceled without 30 days' prior written notice to Lessor. As to each policy Lessee shall furnish to Lessor a certificate of insurance from the insurer, which certificate shall be evidence the insurance coverage required by this paragraph. Lessor shall have no obligation to ascertain the existence of or provide any insurance coverage for the Equipment or for Lessee's benefit. Lessee agrees to keep the Equipment free and clear of all liens and encumbrances and to pay any and all charges and taxes imposed by local, state or federal law or authorities arising out of ownership, leasing, rental, sale, purchase, possession or use of the Equipment. If Lessee causes or allows events to happen that change the interest income tax-exempt status of this Lease, as provided in the Internal Revenue Code of 1986, as amended, Lessee agrees to pay the "taxable interest rate" retroactive to its Commencement Date. The "taxable interest rate" is defined as that rate that results in the same after-tax yield to the Lessor, or its assigns, as the tax-exempt rate on this Lease, or the highest rate permitted by law, whichever is less.
16. **ASSIGNMENT BY LESSOR.** Lessee agrees that Lessor may assign this Lease after providing written notice to the Lessee of the assignment. Should the Lessor choose to assign the Lease, the assignee shall have all rights and obligations originally afforded

Lessor under this Lease. Lessee shall recognize and hereby consents to any assignments of this Lease.

17. **NONAPPROPRIATION OF FUNDS.** In the event no funds or insufficient funds are appropriated and budgeted for lease payments due under this Lease, the Lessee may elect to terminate this Lease in accordance with this paragraph. Lessee's election to terminate must be exercised by delivering its prior written notice of its intent to terminate together with a certified statement by an authorized official indicating that insufficient sums have been appropriated for the ensuing fiscal year of the Lessee. In the event of such termination, Lessee agrees to peaceably surrender the Equipment to Lessor or its assignee on the date of such termination, packed for shipment in accordance with manufacturer's specifications, if applicable, and sent prepaid and insured to the location as is agreed to by the parties. Lessor shall have all legal and equitable rights and remedies to take possession of the Equipment. Termination under this Paragraph 17 shall be effective upon the expiration of the applicable fiscal year of the Lease and payment of all lease payments during that fiscal year. Lessee's exercise of its rights under this Paragraph 17 shall not affect the survival of any other provisions (other than the obligation to make lease payments beyond the applicable fiscal year) which survive the termination of the Lease.
18. **ESCROW ACCOUNT.** At the option of the Lessor, an escrow account may be created at Norway Savings Bank to hold the Lease proceeds prior to disbursement of funds to the seller of the Equipment. Any interest earned on this account shall be payable to the Lessee. Lessor shall act as the escrow agent and shall disburse funds as appropriate under the other provisions of the Lease. Lessee understands and agrees they have no right of direct access to the funds in said escrow account.
19. **DEFAULT.** Lessee shall be in default of this Lease if: (a) Lessee fails to make any payments which are due under the terms of this Lease for a period of ten (10) days after the due date thereof; (b) Lessee fails to abide by any of the provisions of this Lease, and such failure continues for a period of ten (10) days after notice from Lessor; (c) the Equipment or any portion of the Equipment becomes subject to liens, seizures, assignments, transfers, sublease or sale without the prior written consent of the Lessor; (d) Lessee abandons the Equipment or permits any other entity to use the Equipment without the prior written consent of Lessor, (e) Lessee has made any misleading or false statements in connection with application for or performance of this Lease; (f) Lessee defaults in any other agreement it has with Lessor; (g) Lessee assigns its rights in property for the benefit of creditors; or (h) Lessee files a petition under any state or federal bankruptcy or insolvency laws, or any similar law.
20. **OPTION.** Provided that no default or Non-Appropriation of Funds has occurred, Lessee may purchase all (but not less than all) of the Equipment for the Option Price set forth on Schedule A at the end of the Lease Term. If Lessee exercises its option under this

paragraph, Lessor shall convey or release to Lessee, all its right, title and/or interest in the Equipment on an "AS-IS, WHERE-IS" basis without any representation or warranty.

21. **SEVERABILITY.** This Lease is intended to constitute a valid and enforceable legal instrument, and no provision of this Lease that may be deemed unenforceable shall in any way invalidate any other portion or provisions hereof, all of which shall remain in full force and effect.
22. **TIME OF ESSENCE.** Time is of the essence in the performance of all aspects of this Lease; the parties agree that this provision shall not be waived by implication or otherwise should the parties accept performance on a late basis.
23. **CHOICE OF LAW.** The parties agree that the execution, interpretation and performance of this Lease shall be governed by the laws of the State of Maine.
24. **ENTIRE AGREEMENT: NO WAIVER.** This Lease, together with the attached Schedules A-F, constitutes the entire agreement between Lessor and Lessee. No provision of this Lease shall be modified or rescinded unless in writing signed by a representative of all parties hereto. Waiver by Lessor of any provision hereof in one instance shall not constitute a waiver as to any other instance.

IN WITNESS WHEREOF, the parties have caused this Municipal Lease Purchase Agreement to be executed by their duly authorized representatives as an instrument under seal.

Lessor:

**M.S.T. Government Leasing LLC**

By: Merle S. Tilton

Its: President

Date: 8-15-2019

Lessee:

**Town of Kennebunkport, Maine**

By: Laurie A. Smith

Its: Town Manager

Date: 8/10/19

**M.S.T Government Leasing, LLC.**

**Lease Number: 457**

**Schedule A – SCHEDULE OF EQUIPMENT AND LEASE PAYMENTS**

**LESSEE: Town of Kennebunkport, Maine**

**ADDRESS: 6 Elm Street**

**Kennebunkport, Maine 04046-0367**

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**EQUIPMENT DESCRIPTION: (See Schedule F)**

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**Lease Term: 5 Years**

**Payment Amount: \$6,540.12**

**No. of Payments: 5**

**Pay Period: Annual**

**Advance Payments: \$0.00**

**Lease Value: \$30,206.72**

**Option Price: \$1.00**

**Amortization Schedule: (see attached)**

**Lease Commencement Date: 7/1/2019**

**First Payment Due: 8/1/2019 of \$6,540.12**

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**Lessor: M.S.T Government Leasing**

By: 

Merle S. Tilton, President

Date: 9-17-19

**Lessee: Town of Kennebunkport, Maine**

By: 

Laurie A. Smith, Town Manager

Date: 9/11/19



## Kennebunkport Town Amort Schedule 9-6-2019 NEW

Compound Period ..... : Annual

Nominal Annual Rate .... : 3.950 %

LAS

## CASH FLOW DATA

Event	Date	Amount	Number	Period	End Date
1 Loan	07/01/2019	30,206.72	1		
2 Payment	08/01/2019	6,540.12	5	Annual	08/01/2023

## AMORTIZATION SCHEDULE - Normal Amortization

	Date	Payment	Interest	Principal	Balance
Loan	07/01/2019				30,206.72
1	08/01/2019	6,540.12	101.34	6,438.78	23,767.94
2019 Totals		6,540.12	101.34	6,438.78	
2	08/01/2020	6,540.12	938.83	5,601.29	18,166.65
2020 Totals		6,540.12	938.83	5,601.29	
3	08/01/2021	6,540.12	717.58	5,822.54	12,344.11
2021 Totals		6,540.12	717.58	5,822.54	
4	08/01/2022	6,540.12	487.59	6,052.53	6,291.58
2022 Totals		6,540.12	487.59	6,052.53	
5	08/01/2023	6,540.12	248.54	6,291.58	0.00
2023 Totals		6,540.12	248.54	6,291.58	
Grand Totals		32,700.60	2,493.88	30,206.72	

Kennebunkport Town Of				
Exhibit A				
ID #	Building	Room	1st Year Equipment	Serial Number
1	Kennebunkport Fire	Main Office	Konica Minolta BH4422 42 CPM Black MFP~ RADF Duplex Standard Paper Supply Sort CIF-Print-Scan-Fax-Post Script-Google Cloud Print	AAFM011000329
2	Kennebunkport Highway	Main Office	Konica Minolta BH4422 42 CPM Black MFP~ RADF Duplex Standard Paper Supply Sort CIF-Print-Scan-Fax-Post Script-Google Cloud Print	AAFM011001137
3	Kennebunkport Parks and Rec	Main Office	Konica Minolta BH4422 42 CPM Black MFP~ RADF Duplex Standard Paper Supply Sort CIF-Print-Scan-Fax-Post Script-Google Cloud Print	AAFM011001133
4	Kennebunkport Police	Main Office	Konica Minolta BH658 65 CPM Black Photo~ RADF Duplex (LCT if under 1,500 Capacity) Finisher 3-Hole Punch CIF-Print-Scan-Post Script-Hard Drive for Secure Print 400+ Lb Console-Google Cloud Print	AA6R011003202
5	Kennebunkport Public Health	Main Office	Konica Minolta BH4422 42 CPM Black MFP~ RADF Duplex Standard Paper Supply Sort CIF-Print-Scan-Fax-Post Script-Google Cloud Print	AAFM011001139
6	Kennebunkport Sewer	Main Office	Konica Minolta BH308 30 CPM Black Photo~ RADF Duplex 2-Paper Drawer CIF-Print-Scan-Post Script-Google Cloud Print	AA6W017003565
7	Kennebunkport Town Hall	Code Enforcement	Color Photo Konica Minolta BHC458 45 CPM~ RADF Duplex 4-Paper Drawer 11 X 17 Finisher 3-Hole Punch CIF-Print-Scan-Post Script-Hard Drive for Secure Print-Google Cloud Print	A79M011044606
8	Kennebunkport Town Hall	Main Office	Color Photo Konica Minolta BHC658 65 CPM~ RADF Duplex LCT-Paper 11 X 17 Finisher 3-Hole Punch CIF-Print-Scan-Fax-Post Script-Hard Drive for Secure Print-Google Cloud Print	A79J013007406

**M.S.T. Government Leasing, LLC.**

**Lease Number: 457**

**Schedule B - ACKNOWLEDGEMENT AND ACCEPTANCE OF EQUIPMENT**

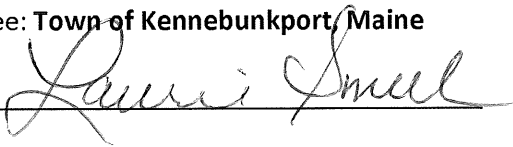
Equipment: See Schedule F

Lessee hereby acknowledges that the Equipment described above has been received in good condition and repair, has been properly installed, tested, and inspected and is operating satisfactorily in all respects for all of Lessee's intended uses and purposes, excluding latent or unknown defects. Lessee hereby accepts the Equipment unconditionally and irrevocably from Lessor but waives no rights against supplier or manufacturer.

By signature below, Lessee specifically authorizes and requests Lessor to make payment to the supplier of the Equipment. Lessee agrees that said Equipment is not being leased on any type or form of trial or rental basis.

Lessee: **Town of Kennebunkport, Maine**

By: \_\_\_\_\_



Date: \_\_\_\_\_

7/30/19

\_\_\_\_\_  
Laurie A. Smith, Town Manager

**M.S.T. Government Leasing, LLC.**

**Lease Number: 457**

**Schedule C – INSURANCE VERIFICATION**

Paragraph 15 of the Lease states that you must carry insurance on the Equipment. Your insurance company shall name M.S.T. GOVERNMENT LEASING, LLC, 1491 EASIDE RIVER ROAD, DUMMER, NH 03588, its successors and/or assigns as the loss payee to the extent of its interest if the equipment is damaged. Please fill out the information below to ensure this takes place. You are responsible for contacting your insurance agent to set this up. Please have a binder sent to us.

This is to confirm that the Equipment under Lease Purchase Agreement No. 457 is or will be insured for all risks of loss or damage from every cause whatsoever, and the Lessee shall also carry public liability insurance, person injury insurance and property damage insurance covering the Equipment.

All such insurance shall be provided in accordance with the requirements of paragraph 15 of the Lease. M.S.T Government Leasing, LLC. and/or its Assignee shall be named to the extent of its interest "LOSS PAYEE" on the loss or damage coverage and "ADDITIONAL INSURED" on the liability coverage.

A binder describing the insurance will be sent to M.S.T. GOVERNMENT LEASING, LLC and/or its Assignee by mail and/or Fax:  
603-262-1931

AGENCY: N/A

ADDRESS: PO Box 9109, Augusta, ME 04332-9109

Agent's Name: Marcus Ballou

Phone: 207-626-5583 Fax: 207-624-0130

Insurance Co. Maine Municipal Assoc. Risk Management

Policy No. P31120PC2019

Expiration Date: 6/30/2020

**WE MUST HAVE A CERTIFICATE OF INSURANCE IN HOUSE PRIOR TO FUNDING**

## Request for Certificate of Insurance

**TO:**

**Insurance Company:** Maine Municipal Assoc. Risk  
Management  
PO BOX 9109  
Augusta, ME 04332

**Contact Name:** Marcus Ballou  
**Telephone Number:** (207) 626-5583  
**Fax Number:** (207) 624-0130

**FROM:**

**Customer/Lessee Name:** Town of Kennebunkport  
6 Elm Street  
Kennebunkport, ME 04046

**Contact Name:** Laurie A. Smith, Town Manager  
**Telephone Number:** (207) 967-4243  
**Fax Number:**

The Town of Kennebunkport ("Lessee") is in the process of financing certain equipment from M.S.T. Government Leasing, LLC ("Lessor"). In order to facilitate **this transaction, please submit a Certificate of Insurance to:**

M.S.T. Government Leasing, LLC  
Attn: Jessica Paradis  
Fax Number: 603-262-1931  
Phone Number: 800-750-1538 x 1

Norway Savings Bank  
Attention: Jack Day  
Fax Number: (207) 743-5377  
Phone Number: (888) 725-2207 x1040

Lessee requests that M.S.T. Government Leasing, LLC and Norway Bank be listed as INSUREDs as to public liability coverage and CO-LOSS PAYEES as to property coverage. A copy of said certificate should be forwarded to M.S.T. Government Leasing, LLC and Norway Savings Bank as described below.

**NOTE:** Coverage is to include (1) insurance against all risks of physical loss or damage to the Equipment (including theft) and (2) commercial general liability insurance (including blanket contractual liability coverage and products liability coverage) for personal and bodily injury and property damage. In addition, M.S.T. Government Leasing, LLC and Norway Bank are to receive 30 days' prior written notice of cancellation or material change in coverage.

Please fax this completed information to:

M.S.T. Government Leasing, LLC  
1491 East Side River Road  
Dummer, New Hampshire  
03588  
Attn: Jessica Paradis

Norway Savings Bank  
Attention: Jack Day  
Fax Number: (207) 743-5377  
Phone Number: (888) 725-2207 x1040

Please contact the person above  
if you have any questions.  
Thank you!

**Town of Kennebunkport**

By: 

Name: Laurie A. Smith

Title: Town of Kennebunkport

<h1 style="margin: 0;">CERTIFICATE OF MEMBERSHIP</h1>					ISSUE DATE    08/19/19  	
NAMED MEMBER Town of Kennebunkport PO Box 566 Kennebunkport, ME 04046-0566			THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND, OR ALTER THE COVERAGE AFFORDED BY THE POOL.			
			COMPANIES AFFORDING COVERAGE			
			COMPANY A - MAINE MUNICIPAL ASSOCIATION PROPERTY AND CASUALTY POOL  60 Community Dr. Augusta, ME 04330			
<b>COVERAGES</b>						
THIS IS TO CERTIFY THAT THE COVERAGE LISTED BELOW IS AFFORDED TO THE NAMED MEMBER NAMED ABOVE FOR THE PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE COVERAGE DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS, DEFINITIONS AND CONDITIONS OF THE NAMED MEMBER'S COVERAGE CERTIFICATE.						
CO LTR	TYPE OF COVERAGE		CERTIFICATE NUMBER	EFFECTIVE DATE	EXPIRATION DATE	LIMITS OF LIABILITY
A	General Liability		P31120PC2019	07/01/2019	07/01/2020	\$400,000/occurrence for causes of action pursuant to the Maine Tort Claims Act. Coverage is limited to those areas for which governmental immunity has been expressly waived.  \$2,000,000/occurrence for causes of action pursuant to federal law or state law for which immunity is not provided by the Maine Tort Claims Act. The maximum limit of liability available per occurrence is \$2,000,000 regardless of number or types of actions.
	<input checked="" type="checkbox"/>	Premises/Operations				
	<input checked="" type="checkbox"/>	Products/Completed Operations				
	<input checked="" type="checkbox"/>	Contractual				
	<input checked="" type="checkbox"/>	Broad Form Property Damage				
	<input checked="" type="checkbox"/>	Personal Injury				
	<input checked="" type="checkbox"/>	Bodily Injury/Property Damage				
	<input type="checkbox"/> Claims Made	<input checked="" type="checkbox"/> Occurrence				
	Law Enforcement Liability					The maximum limit of liability available per occurrence is \$2,000,000 regardless of number or types of actions.
	Medical Malpractice / Ambulance Malpractice					
	Automobile Liability					
	Automobile Physical Damage					
A	Property - All Risk		P31120PC2019	07/01/2019	07/01/2020	
	Crime					
	Other					
	Workers Compensation and Employer Liability					
Description of Operations/Locations/Vehicles/Special Items						
Norway Savings Bank is added as a Member under, and subject to all terms and provisions in, the above identified Certificate, but only with respect to Section III-Liability, Agreement D-General Liability and added as Loss Payee only with respect to Section II-Property, Agreement A-Building & Personal Property, of the Certificate, only with respect to (8) Konica Minolta Xerox Copiers, per lease agreement #457 until 8.1.2023, and only with respect to liability caused, in whole or in part, by the acts, conduct or omissions of the Town of Kennebunkport. Norway Savings Bank is not a Member for or with respect to liability caused by or arising out of its own acts, conduct or omissions, or caused by or arising out of acts, conduct or omissions by others acting on its behalf.						
Certificate Holder				Cancellation		
Norway Savings Bank 261 Main Street Norway, ME 04268				Should any of the above described certificates be cancelled before the expiration date thereof, notice will be delivered in accordance with the common conditions.		
				Authorized Representative <div style="text-align: right; margin-top: 10px;"> </div>		

<h1 style="margin: 0;">CERTIFICATE OF MEMBERSHIP</h1>					ISSUE DATE    08/19/19  	
NAMED MEMBER Town of Kennebunkport PO Box 566 Kennebunkport, ME 04046-0566			THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND, OR ALTER THE COVERAGE AFFORDED BY THE POOL.			
			COMPANIES AFFORDING COVERAGE			
			COMPANY A - MAINE MUNICIPAL ASSOCIATION PROPERTY AND CASUALTY POOL  60 Community Dr. Augusta, ME 04330			
<b>COVERAGES</b>						
THIS IS TO CERTIFY THAT THE COVERAGE LISTED BELOW IS AFFORDED TO THE NAMED MEMBER NAMED ABOVE FOR THE PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE COVERAGE DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS, DEFINITIONS AND CONDITIONS OF THE NAMED MEMBER'S COVERAGE CERTIFICATE.						
CO LTR	TYPE OF COVERAGE		CERTIFICATE NUMBER	EFFECTIVE DATE	EXPIRATION DATE	LIMITS OF LIABILITY
A	General Liability		P31120PC2019	07/01/2019	07/01/2020	\$400,000/occurrence for causes of action pursuant to the Maine Tort Claims Act. Coverage is limited to those areas for which governmental immunity has been expressly waived.  \$2,000,000/occurrence for causes of action pursuant to federal law or state law for which immunity is not provided by the Maine Tort Claims Act. The maximum limit of liability available per occurrence is \$2,000,000 regardless of number or types of actions.
	<input checked="" type="checkbox"/>	Premises/Operations				
	<input checked="" type="checkbox"/>	Products/Completed Operations				
	<input checked="" type="checkbox"/>	Contractual				
	<input checked="" type="checkbox"/>	Broad Form Property Damage				
	<input checked="" type="checkbox"/>	Personal Injury				
	<input checked="" type="checkbox"/>	Bodily Injury/Property Damage				
	Claims Made	<input checked="" type="checkbox"/> Occurrence				
	Law Enforcement Liability					
	Medical Malpractice / Ambulance Malpractice					
	Automobile Liability					
	Automobile Physical Damage					
A	Property - All Risk		P31120PC2019	07/01/2019	07/01/2020	
	Crime					
	Other					
	Workers Compensation and Employer Liability					
Description of Operations/Locations/Vehicles/Special Items						
MST Government Leasing LLC. is added as a Member under, and subject to all terms and provisions in, the above identified Certificate, but only with respect to Section III-Liability, Agreement D-General Liability and added as Loss Payee only with respect to Section II-Property, Agreement A-Building & Personal Property, of the Certificate, only with respect to (8) Konica Minolta Xerox Copiers, per lease agreement #457 until 8.1.2023, and only with respect to liability caused, in whole or in part, by the acts, conduct or omissions of the Town of Kennebunkport. MST Government Leasing LLC. is not a Member for or with respect to liability caused by or arising out of its own acts, conduct or omissions, or caused by or arising out of acts, conduct or omissions by others acting on its behalf.						
Certificate Holder				Cancellation		
MST Government Leasing LLC Attn: Jessica Paradis 1491 East Side River Rd. Dummer, NH 03588				Should any of the above described certificates be cancelled before the expiration date thereof, notice will be delivered in accordance with the common conditions.		
				Authorized Representative <div style="text-align: right; font-family: cursive; font-size: 1.2em;">Michelle Pelletier</div>		

**M.S.T. Government Leasing, LLC.**

**Lease Number: 457**

**Schedule D – ESSENTIAL USE STATEMENT**

It is represented to Lessor that the Equipment will be used by Lessee for the Following Purposes:

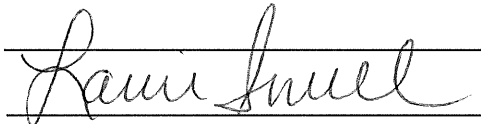
Reprographics and the use of the Equipment is essential to its proper, efficient and economic operation. The expense is an ordinary and necessary expense of the Lessee and the use of the Equipment is essential to the proper, efficient and economic operation of the Lessee.

**Appropriation Certificate**

The Lessee hereby certifies that all payments due for the fiscal year ending June 30<sup>th</sup>, 2020 are within such fiscal year's budget for Lessee and within an available, unexhausted and unencumbered appropriation.

**Lessee: Town of Kennebunkport, Maine**

By: \_\_\_\_\_



Laurie A. Smith, Town Manager

Date: \_\_\_\_\_

7/10/19



## M.S.T. Government Leasing, LLC.

Lease Number: 457

### Schedule E – Tax Statement

Lessee further covenants to Lessor as follows:

Lessee is a state or a political subdivision thereof, within the meaning of Section 103 of the Internal Revenue Code of 1986, as amended, and regulations thereunder (the "Code").

The Equipment will be used for a governmental or proprietary purpose of Lessee and will not be used in a trade or business of any person or entity other than the Lessee.

The Equipment will have a useful life in the hands of the Lessee that is in excess of the term of the Lease.

Lessee will comply with all applicable provisions of the Internal Revenue Code of 1986 (the "Code"), including without limitation Section 103 and 148 thereof, and the applicable regulations of the U.S. Treasury Department in order to maintain the exclusion of the interest components of the Lease Purchase Payments from gross income for the purpose of Federal Income Taxation.

Lessee will use the Equipment as soon as practicable and with all reasonable dispatch for the purpose for which this Lease has been entered into. No part of the proceeds of this Lease shall be invested in any securities, obligations or other investments or used, at any time, directly or indirectly, in a manner which, if such use had been reasonably anticipated on the date of this Lease, would have caused any portion of the Lease to be or become "arbitrage bonds" within the meaning of Section 103(b)(2) or Section 148 of the Code, as amended, and the applicable regulations of the U.S. Treasury Department.

Lessee hereby designates the Lease as a "qualified tax-exempt obligation" as defined in Section 265 (b)(3)(B) of the Code, as amended. The aggregate face amount of all tax-exempt obligations (excluding private activity bonds other than qualified 501 (c)(3) bonds) issued, or to be issued, by Lessee and all subordinate entities thereof during the calendar year of commencement of this Lease (the "Issuance Year") is not reasonably expected to exceed \$10,000,000. Lessee and all subordinate entities thereof will not issue in excess of \$10,000,000 of qualified tax-exempt obligations (including this Lease but excluding private activity bonds other than qualified 501 (c)(3) bonds) during the Issuance Year without first obtaining an opinion of recognition bond counsel acceptable to Lessor that the designation of this Lease as a "qualified tax-exempt obligation" will not be adversely affected.

Lessee represents and warrants that it is a governmental unit under the laws of the State with general taxing powers, this Lease is not a private activity bond as defined in Section 141 of the Code, as amended; 95% or more of the net proceeds of this Lease will be used for local governmental activities of Lessee; and the aggregate face amount of all tax-exempt obligations (other than private activity bonds) issued, or to be issued by the Lessee and all subordinate entities thereof during the Issuance Year is not reasonably expected to exceed \$5,000,000. Lessee and all subordinate entities thereof will not issue in excess of \$5,000,000 of tax-exempt bonds (including this Lease but excluding private activity bonds) during the Calendar Year without first obtaining an opinion of recognized bond counsel acceptable to Lessor that the excludability of the interest on the Lease from gross income for federal tax purposes will not be adversely affected.

Upon Lessor's request, Lessee shall, at its own expense, provide an opinion of recognized bond counsel acceptable to Lessor as to the above representations prior to acceptance of Equipment.

Lessee: Town of Kennebunkport, Maine

By: Laurie Smith

Date: 7/10/19

Laurie A. Smith, Town Manager

Tax ID #

01-6006222



Maine Revenue Services  
Augusta, Maine

## PERMANENT EXEMPTION CERTIFICATE

This Exemption Certificate  
is issued under the provisions of Title 36, Part 3 MRSA

KENNEBUNKPORT TOWN OF  
PO BOX 566  
KENNEBUNKPORT, ME 04046

Registration Number : E45931  
Date Effective: August 13, 1996  
Date Issued: October 18, 2009

ACTING EXECUTIVE DIRECTOR  
*Thomas D. Dineen*

Form ST-2  
4011079091016

This certifies that the organization named above is an agency, branch, or instrumentality of the federal government, the State of Maine or a political subdivision of the State of Maine, and is therefore entitled to purchase tangible personal property or taxable services that will be used exclusively by the organization for the purposes for which it is organized without payment of the Maine sales or use tax.

Note to the Organization: This certificate is not to be used in activities that are mainly commercial enterprises including, but not limited to, purchases of items which will be resold by the organization. A copy of this certificate with the certification completed below, must be provided to your vendors in order to purchase goods exempt from tax. It is only necessary to provide one copy to the vendor. Subsequent purchases should indicate that the purchase is exempt from tax. In order to be exempt, the sale must be billed directly to and paid for directly by the organization named on the exemption certificate. This certificate cannot be used for purchases when payments are made with cash, personal checks, or personal credit cards.

Note to the Vendor: This certificate must be taken in good faith from the taxpayer named above. Your good faith may be questioned if you have knowledge of facts which give rise to a reasonable inference that the purchaser is not the holder of the exemption certificate or that the merchandise is not to be used exclusively by the organization. This certificate is valid only if the following certification is completed.

## PERMANENT EXEMPTION CERTIFICATE

I HEREBY CERTIFY: That the above exemption certificate is valid, that the tangible personal property described herein which I shall purchase from \_\_\_\_\_ will be used exclusively by the organization named above for purposes for which it is organized.

Description of property to be purchased:

Authorized Signature



Maine Secretary of State

Filing Number:

20190918109000137 - 01

Filing Date and Time:

09/18/19 01:20 PM

**UCC FINANCING STATEMENT AMENDMENT**

FOLLOW INSTRUCTIONS

A. NAME &amp; PHONE OF CONTACT AT FILER [optional]

B. E-MAIL CONTACT AT FILER [optional]

C. SEND ACKNOWLEDGEMENT TO: (Name and Address)

**ONLINE FILING**

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1a. INITIAL FINANCING STATEMENT FILE NUMBER

**20190808109000170**1b. ☐ This FINANCING STATEMENT AMENDMENT is to be filed (for record)  
(or recorded) in the REAL ESTATE RECORDS

Filer: attach Amendment Addendum (Form UCC3Ad ) and provide Debtor's name in Item 13

2. ☐ TERMINATION: Effectiveness of the Financing Statement identified above is terminated with respect to the security interest(s) of Secured Party authorizing this Termination Statement3. ☐ ASSIGNMENT (full or partial): Provide name of Assignee in item 7a or 7b and address of Assignee in item 7c and name of Assignor in item 9  
For partial assignment, complete items 7 and 9 and also indicate affected collateral in item 84. ☐ CONTINUATION: Effectiveness of the Financing Statement identified above with respect to the security interest(s) of Secured Party authorizing this Continuation Statement is continued for the additional period provided by applicable law5. ☐ PARTY INFORMATION CHANGE:Check one of these two boxes:AND Check one of these three boxes to:This Change affects ☐ Debtor or ☐ Secured Party of record☐ CHANGE name and/or address: Complete  
item 6a or 6b; and item 7a or 7b and item 7c☐ ADD name: Complete item  
7a or 7b and item 7c☐ DELETE name: Give record  
name to be deleted in item 6a or 6b6. CURRENT RECORD INFORMATION: Complete for Party Information Change - provide only one name (6a or 6b)

6a. ORGANIZATION'S NAME

OR 6b. INDIVIDUAL'S SURNAME

FIRST PERSONAL NAME

ADD'L NAME(S)/INITIAL(S)

SUFFIX

7. CHANGED OR ADDED INFORMATION: Complete for Assignment or Party Information Change - provide only one name (7a or 7b)(use exact, full name; do not omit, modify or abbreviate any part of the Debtor's name)

7a. ORGANIZATION'S NAME

OR 7b. INDIVIDUAL'S SURNAME

INDIVIDUAL'S FIRST PERSONAL NAME

INDIVIDUAL'S ADDITIONAL NAME(S)/INITIAL(S)

SUFFIX

7c. MAILING ADDRESS

CITY

STATE

POSTAL CODE

COUNTRY

8. ☒ COLLATERAL CHANGE: Also check one of these four boxes: ☒ ADD collateral ☐ DELETE collateral ☐ RESTATE covered collateral ☐ ASSIGN collateral  
Indicate collateral:9. NAME of SECURED PARTY of RECORD AUTHORIZING THIS AMENDMENT: Provide only one name (9a or 9b) (name of Assignor, if this is an Assignment)If this is an Amendment authorized by a DEBTOR, check here ☒ and provide name of authorizing Debtor

9a. ORGANIZATION'S NAME

**TOWN OF KENNEBUNKPORT**

OR 9b. INDIVIDUAL'S SURNAME

FIRST PERSONAL NAME

ADD'L NAME(S)/INITIAL(S)

SUFFIX

10. OPTIONAL FILER REFERENCE DATA:

**UCC FINANCING STATEMENT**

FOLLOW INSTRUCTIONS

Maine Secretary of State

Filing Number:

20190808109000170-86

Filing Date and Time:

08/08/19 02:47 PM

A. NAME & PHONE OF CONTACT AT FILER [optional]
B. E-MAIL CONTACT AT FILER [optional]
C. SEND ACKNOWLEDGEMENT TO: (Name and Address)
<b>ONLINE FILING</b>

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S NAME: Provide only one debtor name (1a or 1b)(use exact, full name, do not omit, modify, or abbreviate any part of the Debtor's name); if any, part of the Individual Debtor's name will not fit in line 1b, leave all of item 1 blank, check here ☐ and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

1a. ORGANIZATION'S NAME <b>TOWN OF KENNEBUNKPORT</b>				
OR	1b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADD'L NAME(S)/INITIAL(S)	SUFFIX
1c. MAILING ADDRESS <b>6 ELM STREET</b>		CITY <b>KENNEBUNKPORT</b>	STATE <b>ME</b>	POSTAL CODE <b>04046</b>
			COUNTRY	

2. DEBTOR'S NAME: Provide only one debtor name (2a or 2b)(use exact, full name, do not omit, modify, or abbreviate any part of the Debtor's name); if any, part of the Individual Debtor's name will not fit in line 2b, leave all of item 2 blank, check here ☐ and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

2a. ORGANIZATION'S NAME				
OR	2b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADD'L NAME(S)/INITIAL(S)	SUFFIX
2c. MAILING ADDRESS		CITY	STATE	POSTAL CODE
				COUNTRY

3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR SECURED PARTY - insert only one Secured Party name (3a or 3b))

3a. ORGANIZATION'S NAME <b>NORWAY SAVINGS BANK</b>				
OR	3b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADD'L NAME(S)/INITIAL(S)	SUFFIX
3c. MAILING ADDRESS <b>261 MAIN STREET</b>		CITY <b>NORWAY</b>	STATE <b>ME</b>	POSTAL CODE <b>04268</b>
				COUNTRY

4. COLLATERAL: This financing statement covers the following collateral:

See attachment

5. Check only if applicable and check only one box: Collateral is ☐ held in a Trust (see UCC1Ad, item 17 and instructions) ☐ being administered by a Decedent's Personal Representative

6a. Check only if applicable and check only one box:

☐ Public-Finance Transaction ☐ Manufactured-Home Transaction ☐ A Debtor is a Transmitting Utility

6b. Check only if applicable and check only one box:

☐ Agricultural Lien ☐ Non-UCC Filing

7. ALTERNATIVE DESIGNATION (if applicable): ☐ Lessee/Lessor ☐ Consignee/Consignor ☐ Seller/Buyer ☐ Bailee/Bailor ☐ Licensee/Licensor

8. OPTIONAL FILER REFERENCE DATA

Kennebunkport Town Of				
Exhibit A				
ID #	Building	Room	1st Year Equipment	Serial Number
1	Kennebunkport Fire	Main Office	Konica Minolta BH4422 42 CPM Black MFP~ RADF Duplex Standard Paper Supply Sort CIF-Print-Scan-Fax-Post Script-Google Cloud Print	AAFM011000329
2	Kennebunkport Highway	Main Office	Konica Minolta BH4422 42 CPM Black MFP~ RADF Duplex Standard Paper Supply Sort CIF-Print-Scan-Fax-Post Script-Google Cloud Print	AAFM011001137
3	Kennebunkport Parks and Rec	Main Office	Konica Minolta BH4422 42 CPM Black MFP~ RADF Duplex Standard Paper Supply Sort CIF-Print-Scan-Fax-Post Script-Google Cloud Print	AAFM011001133
4	Kennebunkport Police	Main Office	Konica Minolta BH658 65 CPM Black Photo~ RADF Duplex (LCT if under 1,500 Capacity) Finisher 3-Hole Punch CIF-Print-Scan-Post Script-Hard Drive for Secure Print 400+ Lb Console-Google Cloud Print	AA6R011003202
5	Kennebunkport Public Health	Main Office	Konica Minolta BH4422 42 CPM Black MFP~ RADF Duplex Standard Paper Supply Sort CIF-Print-Scan-Fax-Post Script-Google Cloud Print	AAFM011001139
6	Kennebunkport Sewer	Main Office	Konica Minolta BH308 30 CPM Black Photo~ RADF Duplex 2-Paper Drawer CIF-Print-Scan-Post Script-Google Cloud Print	AA6W017003565
7	Kennebunkport Town Hall	Code Enforcement	Color Photo Konica Minolta BHC458 45 CPM~ RADF Duplex 4-Paper Drawer 11 X 17 Finisher 3-Hole Punch CIF-Print-Scan-Post Script-Hard Drive for Secure Print-Google Cloud Print	A79M011044606
8	Kennebunkport Town Hall	Main Office	Color Photo Konica Minolta BHC658 65 CPM~ RADF Duplex LCT-Paper 11 X 17 Finisher 3-Hole Punch CIF-Print-Scan-Fax-Post Script-Hard Drive for Secure Print-Google Cloud Print	A79J013007406



**Specialized Purchasing Consultants Inc.**  
Serving Maine, New Hampshire & Vermont since 1988

Skip Tilton  
President

Corporate Office:  
1491 East Side River Road  
Dummer, NH 03588  
(800) 750-1538  
(866) 281-7596 Fax  
Corporate Email Address:  
[stilton@spccopypro.com](mailto:stilton@spccopypro.com)

VISIT US ON THE WEB:  
[www.spccopypro.com](http://www.spccopypro.com)

September 18<sup>th</sup>, 2019  
By certified mail, return receipt requested

Internal Revenue Service Center  
Ogden, UT 84201

Re: Town of Kennebunkport – EIN# 01-6000222  
\$30,206.72 Municipal Lease Purchase Agreement #457  
Form 8038-GC – Information Return for Small Tax-Exempt Governmental Bond  
Issues

Dear Sir/Madam:

Enclosed for filing is an original execution copy of the above-referenced Form 8038  
GC **Amended** Information Return for Small Tax-Exempt Governmental Bond Issues  
for the Town of Kennebunkport. Also enclosed is an Amended Return Explanation.

Thank you for your attention to this matter.

Sincerely,

Jessica Paradis

Enclosures: Laurie Smith (by email)  
Jack Day (by email)

**AMENDED RETURN EXPLANATION**  
**FORM 8038-GC**

Issuer: Town of Kennebunkport  
EIN: 01-6000222  
Name of Issue: Municipal Lease Purchase Agreement #457

This amended return corrects the following information:

- The issue price entered on Line 8a. The amount entered on original form corrected to \$30,206.72 instead of \$ 28,404.91.
- The amount of the reported obligation on Line 9b is corrected to \$30,206.72 instead of \$ 28,404.91.



Filed 8/19/20

Form **8038-GC**

(Rev. January 2012)  
Department of the Treasury  
Internal Revenue Service

**Information Return for Small Tax-Exempt  
Governmental Bond Issues, Leases, and Installment Sales**

► Under Internal Revenue Code section 149(e)

OMB No. 1545-0720

Caution: If the issue price of the issue is \$100,000 or more, use Form 8038-G.

Check box if Amended Return ☒

**Part I Reporting Authority**

1 Issuer's name Town of Kennebunkport	2 Issuer's employer identification number (EIN) 0 1 6 0 0 0 2 2 2
3 Number and street (or P.O. box if mail is not delivered to street address) 6 Elm Street	Room/suite
4 City, town, or post office, state, and ZIP code Kennebunkport, ME 04046	5 Report number (For IRS Use Only) <input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3
6 Name and title of officer or other employee of issuer or designated contact person whom the IRS may call for more information Jessica Paradis	7 Telephone number of officer or legal representative 800-750-1538 x 1

**Part II Description of Obligations** Check one: a single issue ☐ or a consolidated return ☐

8a Issue price of obligation(s) (see instructions) <u>28,404.91</u>	8a 28404 91
b Issue date (single issue) or calendar date (consolidated). Enter date in mm/dd/yyyy format (for example, 01/01/2009) (see instructions) <u>7/1/2019</u>	
9 Amount of the reported obligation(s) on line 8a that is:	
a For leases for vehicles	9a
b For leases for office equipment <u>28,404.91</u>	9b 30201 28404 91 72
c For leases for real property	9c
d For leases for other (see instructions)	9d
e For bank loans for vehicles	9e
f For bank loans for office equipment	9f
g For bank loans for real property	9g
h For bank loans for other (see instructions)	9h
i Used to refund prior issue(s)	9i
j Representing a loan from the proceeds of another tax-exempt obligation (for example, bond bank)	9j
k Other	9k
10 If the issuer has designated any issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check this box <input checked="" type="checkbox"/>	
11 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check this box (see instructions) <input type="checkbox"/>	
12 Vendor's or bank's name: <u>Norway Savings Bank</u>	
13 Vendor's or bank's employer identification number: <u>0 1 0 1 3 0 8 7 0</u>	

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the Issuer's return information, as necessary to process this return, to the person(s) that I have authorized above.

**Signature and Consent**

Laurie A. Smith 7/10/19  
Signature of Issuer's authorized representative Date  
Type or print name and title  
Laurie A. Smith, Town Manager

Paid Preparer Use Only	Print/Type preparer's name Jessica Paradis	Preparer's signature J Paradis	Date 7/10/19	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name Specialized Purchasing Consultants	Firm's EIN 02-0515500		Phone no. 800-750-1538	
	Firm's address 1491 East Side River Rd				

**General Instructions**

Section references are to the Internal Revenue Code unless otherwise noted.

**What's New**

The IRS has created a page on IRS.gov for information about the Form 8038 series and its instructions, at [www.irs.gov/form8038](http://www.irs.gov/form8038). Information about any future developments affecting the Form 8038 series (such as legislation enacted after we release it) will be posted on that page.

**Purpose of Form**

Form 8038-GC is used by the issuers of tax-exempt governmental obligations to provide the IRS with the information required by section 149(e) and to monitor the requirements of sections 141 through 150.

**Who Must File**

Issuers of tax-exempt governmental obligations with issue prices of less than \$100,000 must file Form 8038-GC.

Issuers of a tax-exempt governmental obligation with an issue price of \$100,000 or more must file Form 8038-G, Information Return for Tax-Exempt Governmental Obligations.

**Filing a separate return for a single issue.**

Issuers have the option to file a separate Form 8038-GC for any tax-exempt governmental obligation with an issue price of less than \$100,000.

An issuer of a tax-exempt bond used to finance construction expenditures must file a separate Form 8038-GC for each issue to give notice to the IRS that an election was made to

pay a penalty in lieu of arbitrage rebate (see the line 11 instructions).

**Filing a consolidated return for multiple issues.** For all tax-exempt governmental obligations with issue prices of less than \$100,000 that are not reported on a separate Form 8038-GC, an issuer must file a consolidated information return including all such issues issued within the calendar year.

Thus, an issuer may file a separate Form 8038-GC for each of a number of small issues and report the remainder of small issues issued during the calendar year on one consolidated Form 8038-GC. However, if the issue is a construction issue, a separate Form 8038-GC must be filed to give the IRS notice of the election to pay a penalty in lieu of arbitrage rebate.





## Specialized Purchasing Consultants Corp.

Serving Maine, New Hampshire & Vermont since 1988

### CONTRACT

THIS CONTRACT (the "Contract") is made this 4th day of February, 2014 by and between Specialized Purchasing Consultants ("Contractor" or "SPC") and Kennebunkport Town Of ("Client"). For and in consideration of the mutual covenants and performance set forth herein, Contractor and Client agree as follows:

Skip Tilton  
President

Corporate Office:  
1491 East Side River Road  
Dummer, NH 03588  
(800) 750-1538

Corporate Email Address:  
stilton@spccopypro.com

1. **Term.** The term of this Contract is five years from the date hereof, unless earlier terminated pursuant to the terms hereof. Client or SPC can terminate this Contract at any time for any reason after one year, upon 30 days written notice to the other party to this Contract, following completion by the Client of the issuance of a lease, purchase, lease-purchase, financing, or refinancing to replace, add, or upgrade equipment covered by this Contract ("an Upgrade"). If such an early termination is effected by Client or SPC, Client and SPC shall reconcile fairly all amounts due for services performed under the Contract.
2. **Fees.**

The fees payable by Client to Contractor under this Contract are: (a) eleven percent (11%) of the Total Cost Per Copy of all copies scheduled to be made on all service and supply agreements for reprographic equipment (Photocopiers, High-Speed Duplicators, Multi-functional Duplicating Equipment, High End Network Printers, or other equipment described in the Five Year Equipment Replacement Schedule referenced in subparagraph (1) hereof) leased, purchased, lease-purchased, financed, or refinanced by Client as a result of services performed by Contractor under this Contract (in other words, if the Total Cost Per Copy for services and supplies for equipment leased, purchased, lease-purchased, financed, or refinanced as a result of services performed by Contractor under this Contract is \$ .003 per scheduled copy, the Contractor's fee is \$ .00033 per such copy); and (b) eleven percent (11%) of the principal amount (purchase price financed) of all such reprographic equipment (in other words, if the total principal amount of reprographic equipment leased, purchased, lease-purchased, financed, or refinanced by Client as a result of services performed by Contractor under this Contract is \$3,000, the Contractor's fee is \$330). The "Total Cost Per Copy" for equipment covered by this Contract is defined as the total cost per copy scheduled to be charged for service and supply contracts between Client and servicing vendors for equipment acquired by Client as a result of services performed by Contractor under this Contract. Excluded from such service and supply contracts are the cost of paper and the cost of staples. No fees are payable by Client to Contractor hereunder, other than the retainer described in Paragraph 8 hereof, unless Client accepts a bid for reprographic services arranged by Contractor pursuant to this Contract, or unless Client breaches this Contract under Paragraph 4 hereof or otherwise.

Low End Network Printers (LENP) will be administered under separate contracts with the Vendors of such LENPs. Due to the limited volume done on LENPs, Contractor's fee will be Twenty-Five percent (25%) of the Vendor's fee per copy on the LENP. For example if the Total Cost per Copy ("TCPC") negotiated with a Vendor for a LENP is \$0.007, then the Contractor's fee is \$0.00175 for a Total cost to the Client of \$0.00875 per copy on the LENP.

SPC guarantees that Client's initial new total cost of obtaining and operating reprographic equipment pursuant to this Contract will be less than Client's current total cost of obtaining and operating Client's current reprographic equipment, even after SPC's fees have been included in this new total cost. If SPC fails to achieve this, SPC will terminate this Contract, refund SPC's retainer received from Client, and provide an additional \$500.00 check to Client to cover any loss of time on Client's part.

### 3. Services Performed By Contractor

- a. **Initial Needs and Capabilities Analysis.** Contractor will provide to Client a written Initial Needs and Capabilities Analysis (contained within the Five Year Equipment Replacement Schedule described in subparagraph (1) hereof) analyzing Client's existing reprographic system including Client's current photocopiers, offset presses, high-speed duplicators, Low End Network Printers, and outside printing requirements. Based on this Initial Needs and Capabilities Analysis, Contractor will design, with Client's approval, an overall reprographic system for Client, with the goal of increasing Client's reprographic capabilities, while reducing Client's reprographic costs. Specifically, throughout the term of this Contract, Contractor will provide Client with initial long-term service and supply contract savings and capital savings of up to two-thirds of retail. Annually hereunder, Contractor will provide Client with guaranteed ceilings on any annual price increases for service and supply contracts covering equipment obtained under this Contract of 5% or the annual increase in the Consumer Price Index (CPI-U), whichever is less.
- b. **Annual Use Report.** Annually hereafter, Contractor will provide to Client a written Annual Use Report analyzing the use of reprographic equipment and services and supplies by Client, with recommendations that identify for Client how to use such equipment, services and supplies, and other items in the most efficient and effective manner possible.
- c. **Two-Year Needs and Capabilities Analysis.** Every two years hereafter, Contractor will perform a Needs and Capabilities Analysis for Client covering the same matters contained in the Initial Needs and Capabilities Analysis. Client must provide written authorization to Contractor to perform the Two-Year Needs and Capabilities Analysis, and such written authorization may be provided by the Superintendent of Schools or Business Manager (or similar officer) of Client pursuant to this Contract.
- d. **Bid Specifications.** Based on the results of the Initial Needs and Capabilities Analysis, Annual Use Report, and Two-Year Needs and Capabilities Analysis, as applicable, Contractor will prepare and distribute bid specifications to qualified contractors to obtain for Client reprographic equipment and services desired by Client.



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Skip Tilton  
President

Corporate Office:  
1491 East Side River Road  
Dummer, NH 03588

(800) 750-1538

Corporate Email Address:  
[stilton@spccopypro.com](mailto:stilton@spccopypro.com)

VISIT US ON THE WEB:  
[www.spccopypro.com](http://www.spccopypro.com)

- e. **Selection of Vendors.** Contractor will analyze all bids received by Client for reprographic equipment and services pursuant to subparagraph (d) above and make recommendations to Client regarding how Client can obtain the most effective and lowest-cost reprographic equipment and services.
  - f. **Negotiation With Vendors.** After bids described in subparagraph (e) above are received, if further negotiation with vendors on behalf of Client is desired by Client, Contractor will undertake such negotiations with vendors at Client's direction so that contracts in compliance with Client's requirements can be executed.
  - g. **Financing.** Contractor will arrange, at no cost to Client, tax-exempt lease-purchase financing (for tax-exempt Clients) or other appropriate financing for the reprographic equipment selected by Client. Contractor shall submit all transactions to Contractor's bond counsel listed in the Bond Buyer's Municipal Marketplace ("Bond Counsel"), for the preparation of all documents, for legal compliance review, and for the provision of any legal validity and tax opinions necessary to complete and finance such transactions. In addition, Client may arrange for its own counsel ("Issuer Counsel") to participate in the transaction, at Client's cost, or the Client may choose to effect its own financing, at its own cost.
  - h. **Assumption of Existing Contracts.** Contractor will assume all financial obligations and hold Client harmless from such obligations under all existing contracts, leases, or financing agreements to which Client is a party for equipment being replaced by equipment being leased, purchased, lease-purchased, financed, or refinanced pursuant to this Contract. In order to facilitate the payment by Contractor of all obligations of Client under such contracts, leases, or financing arrangements, Client hereby authorizes Contractor, to change the billing addresses on such contracts, leases, or financing arrangements to the business address of Contractor. Client also agrees to hold Contractor harmless for, and to pay, any shipping costs back to a vendor or leasing company, or storage costs for such equipment, or any Federal, State, or local taxes lawfully assessed and due, now or hereafter, upon all equipment covered by such contracts, leases, or financing agreements being repaid by Contractor pursuant to this Contract.
  - i. **Cancellation and Renegotiation of Existing Service Contracts and Establishing New Service Contracts.** Contractor, at Client's direction, will cause existing service and supply contracts for existing reprographic equipment used by Client to be cancelled, and will negotiate new service and supply contracts at new terms acceptable to Client, including replacement warranties from vendors for all equipment identified by Client.
  - j. **Annual Monitoring of Service Contracts.** During the term of this Contract, Contractor will monitor annually all reprographic service and supply contracts entered into by Client to verify correct billing and to identify over-usage and under-usage of particular equipment.
  - k. **Installation of Equipment.** After contracts have been awarded to vendors for reprographic equipment pursuant to this Contract, Contractor will communicate with such vendors to assure proper installation of equipment pursuant to the terms of any applicable lease-purchase or other financing agreement and to assure proper commencement of service and supply contracts.
  - l. **Provision of Equipment Replacement Schedule.** Contractor will provide to Client, and will update as necessary, a Reprographic Equipment Replacement Schedule (a "Five Year Equipment Replacement Schedule") for all equipment to be replaced, reconditioned, upgraded, or otherwise covered by this Contract.
  - m. **Provision of Key Operator Instruction Forms.** Contractor will provide Client with a Key Operator Instruction Form for posting adjacent to each copying machine of Client describing proper use, key operator name, machine serial number, life expectancy of such machine, location and telephone number of vendor's service manager, and warranties for the machine.
4. **Exclusive Agency for Bidding and Selection of Vendors and Equipment.** All bidding, analysis, and selection of vendors and equipment by Client pursuant to this Contract shall be effected exclusively through Contractor. If, during the term of this Contract, Client executes a contract separate from Contractor with any vendor to provide services or equipment such as that covered by this Contract, then Client shall be in breach of this Contract and shall pay to Contractor all fees due and unpaid by Client to Contractor under this Contract, including all fees which would have been payable by Client to Contractor under this Contract had Client accepted a bid meeting the terms of this Contract and arranged by Contractor for Client under this Contract, plus all costs including attorney's fees incurred by Contractor to collect such fees. If Client rejects all of the bids arranged by Contractor for Client pursuant to this Contract, then Contractor shall be allowed exclusively to re-bid for Client the services and equipment desired by Client according to Client's specifications. *ATB* Client's Initials here acknowledge that Client carefully has reviewed the terms of this Paragraph 4 applicable to Client under this Contract.
5. **Warranties.** Throughout the term of this Contract, Contractor will obtain for Client from vendors five-to- ten-year average warranties on all new equipment obtained for Client under this Contract, five-year average warranties for all reconditioned equipment obtained for Client under this Contract, and three-to-five year average warranties for all existing equipment of Client left in place and monitored by Contractor under this Contract.
6. **Equipment Upgrades and Adjustment of SPC Fees.** If any equipment which is covered by this Contract is upgraded or replaced during the term of this Contract, then Total Cost Per Copy fees payable by Client to Contractor under paragraph 2(a) above shall be adjusted by the net increase or decrease in copy volume from the original copy volume negotiated by Contractor for Client pursuant to this Contract. (For example, three years after execution of this Contract, Contractor is asked to do an Upgrade by Client on certain of Client's equipment. After the Upgrade is approved by Client, total copy volume on Client's equipment is scheduled to be 2,000,000 copies per year for the remaining two years of this Contract



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instead of the 1,500,000 copies per year originally scheduled under this Contract. Under such circumstances, Contractor would be entitled to receive its fee under paragraph 2(a) above for the additional 500,000 copies per year scheduled under the Upgrade for the remaining two years of the Contract).

7. **Retainer.** Upon execution of this Contract, Client agrees to pay Contractor a retainer of \$1,000.00 (Waived for an existing client). This amount shall be credited in its entirety, however, to any fee earned by Contractor on an Upgrade of reprographic equipment or services by Client pursuant to this Contract.
8. **Optional Unforeseen Cost Fund & Installation:** By initialing below, Client hereby elects to pay Contractor, as part of the principal amount of equipment covered by this Contract, a one-time \$300 charge for each item of reprographic equipment covered by this Contract, to eliminate any liability by Client for costs unforeseen by Client for:
- a. SPC's Print Management Services (See Addendum A)
  - b. Shipping or storage under Paragraph 3(h) hereof;
  - c. Computer interface ports
  - d. Computer interface drops
  - e. Specialized reprographic surge protectors
  - f. Electrical rewiring found to be necessary to integrate reprographic equipment provided hereunder to Client's existing electronic data processing network
  - g. Additional legal cost paid by Contractor to prepare and facilitate the lease
  - h. Installation and operation of SPC Star Doc (remote monitoring of all reprographic equipment, and analysis of Client's usage and cost patterns)

Client Initials: KDS  
Accept \_\_\_\_\_

9. **Entire Agreement.** This Contract represents the entire agreement between Contractor and Client with regard to the subject matter hereof. No oral negotiations, discussions, or agreements, either prior to or subsequent to the date of this Contract, with regard to the subject matter hereof, are binding upon Contractor or Client, unless reduced to writing and set forth in the form of an agreement, signed by both Contractor and Client.

10. **No Conflicts-of-Interest by Contractor.** Contractor warrants to Client that Contractor has no monetary or other self-interest in the selection of any vendor to provide reprographic equipment or services to Client pursuant to this Contract, and that the performance of Contractor's obligations pursuant to this Contract shall be solely in the interests of Client to provide Client with the best possible reprographic equipment and services at the lowest possible price.

### CLIENT

Company	<u>Kennebunkport Town Of</u>
Signature	<u>X Laurie Smith</u>
Authorized by (please print)	<u>Laurie Smith</u>
Title	<u>Town Manager</u>
Address 1	<u>P.O. Box 566</u>
City, State, Zip	<u>Kennebunkport</u> <u>, ME 04046</u>
Telephone Number	<u>(207) 967-4243</u>
Fax Number	_____
E-mail address	<u>lsmith@kennebunkportme.gov</u>

### CONTRACTOR (SPECIALIZED PURCHASING CONSULTANTS)

SPC Corporate  
Signature

Skip Tilton  
Skip Tilton, President



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### **Addendum A: Included in Optional Unforeseen Cost Fund & Installation SPC's Print Management Services**

Skip Tilton  
President

Corporate Office:  
1491 East Side River Road  
Dummer, NH 03588

(800) 750-1538

Corporate Email Address:  
[stilton@spccopypro.com](mailto:stilton@spccopypro.com)

VISIT US ON THE WEB:  
[www.spccopypro.com](http://www.spccopypro.com)

- **Electronic Monitoring of all Printers/Copiers (FM Audit)**
- **Measure Output at Device Level (FM Audit)**
- **Allocate Cost by Device and Building (SPC STARDoc)**
- **Manage Fleet Optimization (Annual Report)**
- **Student Population Ratios Compared to Other School Districts in New England (SPC STARDoc & Annual Report)**
- **Cost Saving Recommendations (SPC STARDoc and Annual Report)**
- **Floor Plan Asset Management (SPC STARDoc)**
- **Secure Print and Per User Limits (Awarded Vendor)**