

Non-Appropriation Addendum

WELLS
FARGO

Wells Fargo Equipment Finance, Manufacturer and Dealer Finance
800 Walnut Street | 4th Floor | Des Moines, IA 50309

Agreement Number

dated as of September 8, 2023

Name and Address of Customer:
LOWNDES COUNTY, GA
327 N Ashley St
Valdosta, GA 31601-5504

This Addendum (this "Addendum") between the above-referenced customer ("Customer") and WELLS FARGO FINANCIAL LEASING, INC. ("Company") is made and entered into as of the date of the financing arrangement corresponding to the account number set forth above (the "Agreement").

- 1. INCORPORATION AND EFFECT.** This Addendum is hereby made a part of, and incorporated into, the Agreement as though fully set forth therein. As modified or supplemented by the terms set forth herein, the provisions of the Agreement shall remain in full force and effect, provided that, in the event of a conflict between any provision of this Addendum and any provision of the Agreement, the provision of this Addendum shall control.
- 2. GOVERNMENTAL PROVISIONS.** Customer hereby represents, warrants and covenants to Company that: (a) Customer intends, subject only to the provisions of this Addendum, to remit to Company all sums due and to become due under the Agreement for the full term; (b) Customer's governing body has appropriated sufficient funds to pay all payments and other amounts due during Customer's current fiscal period; (c) Customer reasonably believes that legally available funds in an amount sufficient to make all payments for the full term of the Agreement can be obtained; and (d) Customer intends to do all things lawfully within its power to obtain and maintain funds from which payments due under the Agreement may be made, including making provision for such payments to the extent necessary in each budget or appropriation request submitted and adopted in accordance with applicable law. If Customer's governing body fails to appropriate sufficient funds to pay all payments and other amounts due and to become due under the Agreement in Customer's next fiscal period ("Non-Appropriation"), then (i) Customer shall promptly notify Company of such Non-Appropriation, (ii) the Agreement will terminate as of the last day of the fiscal period for which appropriations were received, and (iii) Customer shall return the Equipment to Company pursuant to the terms of the Agreement. Customer's obligations under the Agreement shall constitute a current expense and shall not in any way be construed to be a debt in contravention of any applicable constitutional or statutory limitations or requirements concerning Customer's creation of indebtedness, nor shall anything contained herein constitute a pledge of Customer's general tax revenues, funds or monies. Customer further represents, warrants and covenants to Company that: (a) Customer has the power and authority under applicable law to enter into the Agreement and this Addendum and the transactions contemplated hereby and thereby and to perform all of its obligations hereunder and thereunder, (b) Customer has duly authorized the execution and delivery of the Agreement and this Addendum by appropriate official action of its governing body and has obtained such other authorizations, consents and/or approvals as are necessary to consummate the Agreement and this Addendum, (c) all legal and other requirements have been met, and procedures have occurred, to render the Agreement and this Addendum enforceable against Customer in accordance with their respective terms, and (d) Customer has complied with all public bidding requirements applicable to the Agreement and this Addendum and the transactions contemplated hereby and thereby.
- INDEMNIFICATION.** To the extent Customer is or may be obligated to indemnify, defend or hold Company harmless under the terms of the Agreement, any such indemnification obligation shall arise only to the extent permitted by applicable law and shall be limited solely to sums lawfully appropriated for such purpose in accordance with Section 2 above.
- 4. REMEDIES.** To the extent Company's remedies for a Customer default under the Agreement include any right to accelerate amounts to become due under the Agreement, such acceleration shall be limited to amounts to become due during Customer's then current fiscal period.
- 5. CHOICE OF GOVERNING LAW.** Notwithstanding anything in the Agreement to the contrary, the Agreement and this Addendum shall be governed by, construed and enforced in accordance with the laws of the state in which the Customer is located.
- 6. MISCELLANEOUS.** This Addendum, together with the provisions of the Agreement not expressly inconsistent herewith, constitutes the entire agreement between the parties with respect to the matters addressed herein, and shall supersede all prior oral or written negotiations, understandings and commitments regarding such matters. Company may in its sole discretion, accept a photocopy, electronically transmitted, facsimile or other reproduction of this Addendum as the binding and effective record of this Addendum whether or not an ink signed copy hereof is also received by Company from Customer.
- 7. TERM; ANNUAL RENEWAL; TERMINATION.** Notwithstanding any provisions of the Agreement to the contrary, Customer's obligation to pay all amounts due under the Agreement, including but not limited to periodic rent payments, is subject to the terms of this Section. The Agreement shall be in effect for a Term consisting of an "Original Term," which commences on the date of Customer's acceptance of the Equipment (the "Commencement Date") and continues until the end of the calendar year in which such commencement date occurs, and for up to four subsequent "Additional Terms," each of which shall commence at the end of the Original Term or the preceding Additional Term (as applicable), and continue until the end of such calendar year, except for the "Final Additional Term," which, if exercised, shall terminate on the fourth anniversary of the Commencement Date (the "Absolute Termination Date"). The terms and conditions of the Agreement in effect for the Original Term shall be the same as those in effect for each Additional Term that goes into effect, and payments shall be due and payable during each such Additional Term as set forth in the Agreement. The word "Term" as used in the Agreement and this Addendum means the Original Term and all Additional Terms during which the Agreement is in effect.

Listed below are the aggregate amounts of periodic scheduled payments (exclusive of taxes, fees and other expenses which may be chargeable to Customer under the Agreement) for each calendar year during the anticipated Term (first of which is the "Original Term" and each subsequent term would be an "Additional Term"):

Total Periodic Scheduled Payments for Each "Year" of the Term:

<u>Original Term:</u> Commencement Date through December 31, 2023	\$8,360.00
<u>First Additional Term:</u> January 1, 2024, through December 31, 2024	\$50,160.00
<u>Second Additional Term:</u> January 1, 2025, through December 31, 2025	\$50,160.00
<u>Third Additional Term:</u> January 1, 2026, through December 31, 2026	\$50,160.00
<u>Final Additional Term:</u> January 1, 2027, through Absolute Termination Date	\$41,800.00

Pursuant to O.C.G.A. § 36-60-13(a), not less than 90 days before the end of the Original Term or any Additional Term, Customer may give written notice to Company of Customer's intention to discontinue the Agreement, and in such event the Agreement shall terminate and expire at the end of the Original Term or the Additional Term then in effect on the date of Customer's notice of discontinuation. If Customer does not timely give such notice, the Agreement shall be automatically renewed for the ensuing Additional Term. Customer's affirmative action to terminate the Agreement shall be by the passage of a specific ordinance or resolution so terminating the Agreement. It is expressly acknowledged that there shall be no automatic renewal of the Agreement beyond the Absolute Termination Date, and no affirmative action is required by Customer to terminate the Agreement as of such date.