

ORDINANCE NO. 1489

ORIGINAL

AN ORDINANCE OF THE CITY OF REDMOND, WASHINGTON
AUTHORIZING THE INCURRENCE OF AN OBLIGATION
PURSUANT TO EXECUTORY CONDITIONAL SALES
CONTRACT IN ORDER TO FINANCE THE ACQUISITION OF
AN AERIAL LADDER FIRE TRUCK; AND MAKING A
CURRENT YEAR APPROPRIATION FROM THE FIRE
EQUIPMENT RESERVE FUND.

WHEREAS, by motion duly passed at its regular meeting on
April 18, 1989, the City Council authorized the Fire Department
to lease/purchase an aerial ladder fire truck, to surplus the
current inoperative ladder truck, and to allocate funds from the
Fire Equipment Reserve Fund for the 1989 payment; and

WHEREAS, pursuant to City Purchase/Requisition Order No.
069627, the City has arranged to purchase an aerial ladder fire
truck from Seagraves Fire Apparatus, Inc., for the sum of
\$324,840.50; and

WHEREAS, Seattle-First National Bank, Seattle, Washington,
has offered to finance the acquisition of said aerial ladder fire
truck upon the terms and conditions set forth in the executory
conditional sales contract hereinafter described; and

WHEREAS, by memorandum dated March 30, 1989, the Finance
Director has recommended the acceptance of said executory
conditional sales contract; and

WHEREAS, the incurrence of an obligation by the City to
purchase the aerial ladder fire truck will not cause the total
indebtedness of the City to be incurred without the assent of the
voters of the City to exceed the limitations set forth in Chapter
39.36 RCW and Article VIII, Section 6 of the Washington
Constitution; and

WHEREAS, pursuant to RCW 39.30.010, the City is authorized to
execute an executory conditional sales contract for the purchase
of real or personal property in connection with the exercise of
any authorized powers or duties without the assent of the voters
of the City if the entire amount of the purchase price specified
in such contract does not result in a total indebtedness in

excess of three-fourths of one percent of the value of taxable property in the City; NOW, THEREFORE,

THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON, DO
ORDAIN AS FOLLOWS:

Section 1. Authorization to Enter Into Sales Contract.

Seagraves Fire Apparatus, Inc., and Seattle-First National Bank (collectively, the "Seller") have offered to sell to the City an aerial ladder fire truck, described in the City's Purchase/Requisition Order No. 069627, a copy of which is attached hereto as Exhibit A and is incorporated herein by this reference, for the sum of \$324,840.50, upon the terms and conditions set forth in the Washington Retail Installment (sic) Contract and Disclosure Statement (the "Sales Contract") attached hereto as Exhibit B and incorporated herein by this reference. The City Council finds that entering into the Sales Contract is in the best interests of the City and therefore accepts the terms contained in the Sales Contract, substantially in the form attached hereto as Exhibit B, with such insertions, deletions and/or modifications as are hereafter deemed by the Finance Director to be in the best interests of the City. The City Council hereby authorizes and directs the execution of the Sales Contract by the proper City officials.

Section 2. Registration Covenant. The City covenants that, until the Sales Contract shall have been paid in full, it will maintain a system of recording the ownership of the Sales Contract that complies with the provisions of Section 149(a) of the Internal Revenue Code of 1986, as amended (the "Code"). In particular, the City shall maintain a register as to ownership as to both principal and interest to be paid under the Sales Contract, and the right to principal of and interest under the Sales Contract may only be transferred in accordance with the provisions of Temp. Treas. Regs. Section 5f.103-1(c).

Section 3. Debt Limit Not Exceeded. The City Council finds and covenants on behalf of the City, that the Sales Contract is

executed within the applicable constitutional and statutory limitations on City indebtedness.

Section 4. Pledge of Full Faith, Credit and Resources. The Sales Contract is a general obligation of the City. The City hereby pledges its full faith, credit and resources to the prompt payment of such principal and interest.

Section 5. Tax Exemption.

(a) The City covenants that it will not take or permit to be taken on its behalf any action that would adversely affect the exclusion of the interest to be paid to the Seller pursuant to the Sales Contract from gross income for purposes of federal income taxation, and will take or require to be taken such acts as may be permitted by law and as may from time to time be required under applicable law to continue the exclusion of such interest from gross income.

(b) The City has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that the City is a bond issuer the arbitrage certifications of which may not be relied upon.

(c) The City hereby designates the Sales Contract as a "qualified tax-exempt obligation" for purposes of Section 265 of the Code (relating to the deduction by financial institutions of the interest incurred to carry tax-exempt debt) and authorizes and directs the proper City officials to execute and deliver all documents necessary to evidence such designation to any and all interested parties. The City further covenants not to issue more than \$10,000,000 of such "qualified tax-exempt obligations" during 1989.

Section 6. Appropriation. The sum of \$81,570.23 is hereby appropriated in the current year from the Fire Equipment Reserve Fund (No. 120) for the purpose of paying the down payment due under the Sales Contract.

Section 7. Effective Date. This ordinance shall take effect from and after its passage and five days following its publication as required by law.

CITY OF REDMOND, WASHINGTON

Doreen Marchione
MAYOR DOREEN MARCHIONE

ATTEST/AUTHENTICATED:

Doris A. Schaible
CITY CLERK, DORIS A. SCHAIBLE

APPROVED AS TO FORM:

OFFICE OF THE CITY ATTORNEY

Greg C. Martin

FILED WITH THE CITY CLERK:	4/27/89
PASSED BY THE CITY COUNCIL:	5/2/89
SIGNED BY THE MAYOR:	5/2/89
PUBLISHED:	5/5/89
EFFECTIVE DATE:	5/10/89
ORDINANCE NO. <u>1489</u>	

DSG:dlm(sll)
4/26/89

CITY OF REDMOND

15670 N.E. 85TH STREET
REDMOND, WASHINGTON 98052



PURCHASE REQUISITION/ORDER

ADDRESS ALL INVOICES
TO FINANCE DEPARTMENT
FEDERAL EXCISE TAX
IS NOT APPLICABLE
WASHINGTON STATE SALES
TAX IS APPLICABLE

069627

THIS NUMBER MUST APPEAR
ON ALL PAPERS AND PACKAGES

APR 25 '89
ORDER DATE
DATE REQUIRED
DEPARTMENT

TO: Seagraves Fire Apparatus

10:14 CITY OF REDMOND
REQUESTED BY: W.P. 0910
DEPT. HEAD AUTHORIZATION:

ITEM #	INVOICE DATE	INVOICE NUMBER	DESCRIPTION	ACCOUNT NUMBER	APPROVAL P. W.	PROJECT OR WORK ORDER NO.	ENCUMBR.	AMOUNT
1	4/18/89		ONE Seagraves	170,000.00				324,840.50
2			Rescue Ladder, Saws					
3			Onoco. W75554					
4			Model RA110					
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								

VENDOR NUMBER

BY:

PURCHASING AGENT

VARIANCE APPROVAL

TOTAL

324,840.50

EXHIBIT A

P.2/5



**SEAGRAVE
FIRE APPARATUS,
INC.**

CLINTONVILLE, WISCONSIN
54928-1500

INVOICE NO. 300 DATE ^{P. 3/5} 4/23/89
YOUR ORDER NO. Contract
OUR ORDER NO. V75554
TERMS: Net Upon Receipt
SHIPPED VIA Dealer Pick Up

SOLD
TO

City of Redmond
8450 161st Avenue N.E.
Redmond, Washington 98082
Attn: Chief Radtke

SHIPPED TO:

QUANTITY	SERIAL OR PART NO.	DESCRIPTION	PRICE	EXTENSION
1	Chassis V75554 Motor 8VF121690 VIN NO. 1F9FX38J0JCST2024	One Seagrave Model JP59DH RA110' aerial ladder with miscellaneous equipment Washington State Sales Tax @ 8.1%		\$300,500.00 24,340.50 <u>\$324,840.50</u>
Please remit to: FWD/SEAGRAVE Drawer No. 719 Milwaukee WI 53278				

F.O.B. CLINTONVILLE, WISCONSIN UNLESS OTHERWISE SPECIFIED

PROPOSAL

for furnishing
Seagrave FIRE APPARATUS

APRIL 18 19 89

CITY OF REDMOND

8450 - 161st Ave. N. E.

Redmond, Washington

Gentlemen:

The undersigned is prepared to manufacture for you, upon an order being placed by you for final acceptance by Seagrave Fire Apparatus, Inc., a subsidiary of FWD Corporation, at its home office in Clintonville, Wisconsin, the apparatus and equipment herein named and for the following prices:

ONE (1) SEAGRAVE DEMO, Sales Order #W75554, MODEL RA110, \$ 300,500.00

110' AERIAL WITH PUMP AND TELESCOPING WATERWAY FOR THE SUM OF

DRIVE OUT ALLOWANCE: We will furnish the sum of \$1500.00.
City shall provide Drive-Out Insurance.

PLUS WASHINGTON STATE SALES TAX

TAX 24340.50
Total \$ 324,840.50

Said apparatus and equipment are to be built and shipped in accordance with the specifications hereto attached, delays due to strikes, war or international conflict, failures to obtain materials, or other causes beyond our control not preventing, within about On or before May 1, 1989 working days after receipt of this order and the acceptance thereof at our office at Clintonville, Wisconsin, and to be delivered to you at REDMOND, WASHINGTON

The specifications herein contained shall form a part of the final contract, and are subject to changes desired by the purchaser, provided such alterations are interlined prior to the acceptance by the company of the offer to purchase, and provided such alterations do not materially affect the cost of the construction of the apparatus.

Unless accepted within 30 days from date, the right is reserved to withdraw this proposition.

SUBJECT TO PRIOR SALE

SEAGRAVE FIRE APPARATUS, INC.
FWD CORPORATION

By 
RUSSELL E. MORRIS, Vice-President

Seagrave

CONTRACT

THIS AGREEMENT made in duplicate by and between Seagrave Fire Apparatus, Inc., a Subsidiary of FWD Corporation, Clintonville, Wisconsin, first party, and

The City of Redmond by its authorized representative, second party

Witnesseth:

First. The said first party thereby agrees to furnish the apparatus and equipment according to the specifications hereto attached and made a part of this contract, and to deliver the same as hereinafter provided.

Second. The first party guarantees that all material and workmanship in and about said apparatus and equipment shall comply with said specifications. In the event there is any conflict between City Specifications and the Seagrave Bid Proposal, the Seagrave Proposal will prevail. The standard Seagrave Warranty will apply.

Third. The said apparatus and equipment shall be ready for delivery from Clintonville, Wisconsin, within about _____

ON OR BEFORE MAY 1, 1989

after the receipt and acceptance of this contract at the first party's office at Clintonville, Wisconsin, delays due to strikes, failures to obtain materials, or other causes beyond its control not preventing, and shall be delivered to said party of the second part at REDMOND, WASHINGTON

Fourth. A competent serviceman shall, upon request, be furnished by first party to demonstrate said apparatus for party of second part and to give its employees the necessary instructions in the operation and handling of said apparatus.

Fifth. The second party purchases and agrees to pay for said apparatus and equipment, the sum of Three Hundred Thousand Five Hundred Dollars (\$ 300,500.00)

It is hereby certified that such amount will be available on the delivery date. Plus Washington State Sales Tax and License.

In the event the apparatus is placed in fire service prior to payment in full the first party reserves the right to charge a rental fee of two hundred dollars (\$200.00) per day for each day the apparatus is used prior to payment.

Net payment cash upon delivery. If more than one piece of apparatus is covered by this contract, the above terms of payment shall apply to each piece, and an invoice covering each piece shall be rendered in the proper amount.

Sixth. In case the second party desires to test the said apparatus such test shall be made within ten (10) days after arrival at destination, and a written report of such test forthwith delivered to the first party at its principal office at Clintonville, Wisconsin. If no such test be made, or if no such report be made by the second party within ten (10) days after arrival, then said apparatus and equipment shall be considered as fully complying with contract specifications.

Seventh. It is agreed that the apparatus and equipment covered by this contract shall remain the property of the first party until the entire contract price has been paid, but if more than one piece of apparatus is covered by this contract, then each piece shall remain the property of the first party until the above listed price for such piece has been paid in full, and in case of any default in payment the said first party may take full possession of the apparatus and equipment, or of the piece or pieces upon which default has been made, and any payments that have been made shall be applied as rent in full for the use of the apparatus and equipment up to date of taking possession.

Eighth. In the event any Federal or State regulation shall be enacted during the course of this contract that will affect the cost of producing said product, such costs will be extended to the second party.

The contract to be binding must be signed and approved by an officer of Seagrave Fire Apparatus, Inc. and/or FWD Corporation, or some one authorized by him to do so. This contract and specifications take precedence over all previous negotiations and no representations are considered as entering into this contract except as are contained herein or in the specifications attached hereto.

IN WITNESS WHEREOF, The said parties have caused these presents to be executed and the second party has caused its corporate seal to be hereunto affixed, and attested by its authorized representatives, on this _____

day of _____ 19 _____

SEAGRAVE FIRE APPARATUS, INC.

By _____
First Party

Date of Acceptance _____

The CITY OF REDMOND

By Doreen Marshmore
Mayor
Frank Mellquist
Fire Chief

Second Party

If you require sworn bills, kindly mail us blank forms.

(Rev. 7/83)



EXHIBIT B

WASHINGTON RETAIL INSTALLMENT CONTRACT AND DISCLOSURE STATEMENT
MISCELLANEOUS RETAILThis is a ☐ Market Rate ☒ Fixed Rate Contract

In this agreement the words, I, me and my mean each Buyer who signs below. The words you and your mean the seller named below who is the creditor making the disclosures. This agreement covers my instalment purchase from you of the property described below. If I am one of two or more Buyers signing this Contract, I agree we will all be responsible to perform its terms. I also agree you may enforce it against any one or more of us. You have my permission to transfer this agreement to Seattle-First National Bank, P.O. Box 58190, Tukwila, Washington 98188, in which case the words you and your will mean Seattle-First National Bank. I'll then make my payments directly to the bank.

SECURITY. I give you a security interest in the following collateral: (1) the goods or services I am purchasing including any service or warranty contract purchased; (2) any other property described below; and (3) ☐ if checked, the real estate described below where the purchased goods or services will be provided. Any security interest in this real estate will be in the form of a Deed of Trust which is attached or a statutory lien. I also give you a security interest in any insurance you provide or finance. These security interests secure this debt and any other amount I owe you.

DESCRIPTION OF GOODS OR SERVICES PURCHASED
1 Firetruck Seagraves JP59DHRA110' Ariel Ladder W/Misc. equipment
DESCRIPTION OF OTHER PROPERTY
The legal description of the real estate where the property is to be installed, if to be installed on real property, is:

INSURANCE

PROPERTY INSURANCE IS REQUIRED. I UNDERSTAND I CAN GET ANY REQUIRED INSURANCE (PLUS LIABILITY INSURANCE) FROM MY OWN INSURANCE COMPANY OR AGENT OR I CAN GET THIS INSURANCE THROUGH YOU.

CREDIT LIFE AND CREDIT DISABILITY INSURANCE IS NOT REQUIRED TO OBTAIN CREDIT. I CAN GET THIS INSURANCE THROUGH YOU IF I WANT.

COVERAGE	Term Mos.	Premium	I want:	Coverage Amt.	Term Mos.	Premium
<input type="checkbox"/> I want COMPREHENSIVE - (including fire and theft) actual cash value of loss less deductible COLLISION - (actual cash value of loss less \$ deductible)			<input type="checkbox"/> credit life insurance	\$		\$
			<input type="checkbox"/> credit life and credit disability insurance	\$		\$
			<input type="checkbox"/> joint credit life insurance	\$		\$
			<input type="checkbox"/> joint credit life and single credit disability insurance	\$		\$
I want OTHER INSURANCE (describe fully)		\$				

Please get me the insurance checked above at the costs and terms indicated. I understand that you will not get me insurance unless the appropriate information is filled in above and I sign below.

Date	Signature	Date	Signature of Additional Insured (Only required for Joint Credit Life)

ITEMIZATION OF AMOUNT FINANCED (THE AMOUNT OF CREDIT PROVIDED TO ME OR ON MY BEHALF SHOWN BELOW)

1. Price of goods or services purchased	\$ 300,500.00	8. Other charges which are financed:	
2. Sales tax	\$ 24,340.50	A. Filing fee to state or county	\$
3. Service or warranty contract	\$ -0-	B. License fee to state	\$
4. Cash price of property purchased (1 + 2 + 3)	\$ 324,840.50	C. Registration fees and taxes to state	\$
5. Downpayment:		D. To public officials for recording fee	\$
A. Cash	\$ 81,570.23	E. To trustee for reconveyance fee	\$
B. Trade-in ()	\$	F. Other:	\$
Total Downpayment (5A + 5B)	\$ 81,570.23	Total Charges Financed (8A + 8B + 8C + 8D + 8E + 8F)	\$ -0-
6. Balance due on property (4 - 5)	\$ 243,270.27	9. AMOUNT FINANCED (6 + 7 + 8)	\$ 243,270.27
7. To insurance company(s) for total insurance premiums financed (see insurance breakdown)	\$	10. Finance Charge (Periodic Finance Charge at the Annual Percentage Rate).	\$ 62,613.03
		11. Total of Payments (9 + 10)	\$ 305,883.30
		12. Total Sale Price (5 + 9 + 10)	\$ 387,453.53

If this is a home improvement loan, finance charges will begin to be charged on the day I sign the work completion certificate, which is estimated to be _____, 19____. After that day, my first payment will be due in _____ days.

† If this is a market rate contract, the periodic finance charge rate is subject to change in accordance with changes in the index. The index is now _____ %.

DISCLOSURES

ANNUAL PERCENTAGE RATE	FINANCE CHARGE	Amount Financed	Total of Payments	Total Sale Price
The cost of my credit as a yearly rate.	The dollar amount the credit will cost me after I have made all payments as scheduled.	The amount of credit provided to me or on my behalf.	The amount I will have paid after I have made all payments as scheduled.	The total cost of my purchase on credit, including my downpayment of
8.15 %*†	\$62,613.03 *	\$ 243,270.27	\$ 305,883.30 *	\$ 81,570.23 \$ 387,453.53 *

My payment schedule will be monthly unless otherwise specified:

Number of Payments*	Amount of Payments	When Payments Are Due: Starting
Annual payments (5) to	\$ begin 1 year from disbursement date.	DAY YEAR
	\$	
	\$	

SECURITY. I am giving you a security interest in the goods or services being purchased. And ☐ I am also giving you a security interest in Unsecured _____ Collateral

(OTHER PROPERTY DESCRIBED ABOVE)

securing other credit with you may also secure this Agreement.

LATE CHARGE: If a payment is more than 10 days late, I will pay the larger of \$2 or 5% of the payment

ASSUMPTION: Someone buying my property, subject to certain conditions, may be allowed to assume the remainder of my obligations under this Agreement under the original terms and conditions.

DISCLOSURES CONTINUED ON THE REVERSE SIDE

DISCLOSURES - CONTINUED

☐ **MARKET RATE.** If checked, the figures marked with an "*" are subject to change because the Annual Percentage Rate ("APR") I pay may change. The APR may increase (or decrease) during the term of this Agreement if there is an increase (or decrease) in the monthly average of the 30 Day Federal Reserve Certificate of Deposit Composite Rate ("Index Rate") as published in the Federal Reserve statistical release "G13 Selected Interest Rates," under the heading "CDS (Secondary Market) 1-Month." You will measure changes monthly in the Index Rate starting with the Index Rate for the month which is two before the month this contract starts. Any change in the Index Rate will go into effect two months later on the payment due date for that month. For example, a change in the Index Rate in April would be effective starting with my June payment. The APR will change by the same number of percentage points and in the same direction as the change in the Index Rate. The APR over the term of the Agreement will never exceed ____%. Any change in the APR will be implemented by a change in the number of payments (a decrease in the APR will reduce the number of payments, an increase in the APR will increase the number of payments). For example, if the Amount Financed is \$8,000.00 at an initial APR of 14.00%, my monthly payment would be \$273.42, for 36 months. If the APR increased by .25 percentage point per month for six months, and did not fluctuate thereafter, the total number of my regular monthly payments would increase to 36.8.

PREPAYMENT. I will not have to pay a penalty. I will not be entitled to a refund of the fee included in the finance charge.

I understand I should see the contract for any additional information about non-payment, default, any required repayment in full before the schedule date, prepayment refunds and penalties, and security interest.

WARRANTY DISCLAIMER. I understand you don't provide any warranties whatsoever and the goods or services are sold AS IS AND WITH ALL DEFECTS unless a warranty page is attached to this agreement. Any new property warranty by the manufacturer (not you) will be in the information provided by the manufacturer.

THE TERMS AND CONDITIONS ON THE BACK AND IN THE ABOVE DISCLOSURES ARE PART OF THIS AGREEMENT.

Some of the terms used in the following NOTICE TO THE BUYER are inconsistent with those required by Federal Truth-In-Lending. In this notice "you" is the buyer.

NOTICE TO BUYER: (1) Do not sign this contract before you read it or if any spaces intended for the agreed terms, except as to unavailable information, are blank. (2) You are entitled to a copy of this contract at the time you sign it. (3) You may at any time pay off the full unpaid balance due under this contract, and in doing so you may receive a partial rebate of the service charge. (4) The service charge does not exceed ____% per annum computed monthly.

PLEASE SIGN EACH PLY INDIVIDUALLY

Signed at Seller's address on _____, 19____.

SELLER: Seagraves Fire Apparatus, Inc.
Print or Type Name of Seller

SIGNATURE OF SELLER: X

POSITION: _____

ADDRESS: Clintonville, Wisconsin 54929-1590
City County State Zip

I'VE READ THIS AGREEMENT AND RECEIVED A COPY AND AGREE TO ITS TERMS.

BUYER(S): City of Redmond
Print or Type Name of Buyer(s)

SIGNATURE OF BUYER(S): X Dorcas Marchione, Mayor

ADDRESS: 15670 N.E. 85th St. Redmond, King, WA 98502
City County State Zip

TERMS AND CONDITIONS

SALE OR RENT OF PROPERTY. I will not sell or rent the property (referred to on the rest of this page as the "collateral") without your written permission.

ENTIRE BALANCE DUE. If I miss a payment or break one of my promises under this agreement, you can require me to pay the remaining balance and all charges at once. You can also do this if I become insolvent or anything else happens that you believe endangers the collateral or my ability to pay. Since finance charges are not pre-computed, no unearned finance charges are due.

DELAY IN ENFORCEMENT. You can delay enforcing any of your rights under this agreement without losing these or any other rights.

OWNERSHIP AND USE OF COLLATERAL. I promise no one else has any claim on the collateral. I won't do anything that will create a claim against it. I'll deliver to you any certificates of title I have covering the collateral. I promise to use the collateral carefully and lawfully and keep it in good repair. I will not use the collateral for commercial purposes without your written permission. I won't sell or transfer it or make any major alterations without your written permission. If the collateral is lost or damaged, I'll still have to pay all amounts I owe you.

INSURANCE, TAXES AND NOTICE. I'll keep the collateral insured for its full insurable value against fire, theft, casualty, collision or any other damage. If I select my own insurance, the policy must be satisfactory to you and must name the bank as "loss payee". If you ask, I'll give you the policy and receipts.

If I get insurance through you, a description of my coverage and costs is shown on the the front. If I don't qualify for the coverage you've ordered, you can order higher priced insurance for me and adjust my unpaid balance and payments as necessary.

If the collateral is lost or damaged, you can use the insurance proceeds to replace or repair it, or repay the debt. I will give you notice of such loss or damage within 24 hours of its occurrence.

I'll also pay all taxes and fees on the collateral. You can insure your interest in the collateral or pay any tax if I don't. I'll pay you back with interest at the Annual Percentage Rate indicated in the disclosure or any higher rate you specify which is allowed by law. You can add the cost to my unpaid balance and increase each remaining payment or require a larger final payment.

YOUR RIGHTS WITH RESPECT TO COLLATERAL IF I BREAK A PROMISE. You can repossess the collateral, terminate the services I am purchasing, foreclose any real property Deed of Trust I have given you as collateral, and foreclose any statutory lien you have if I break one of my promises or don't make a full payment on time. If asked, I agree to deliver the collateral to you but you can take it yourself. You can take possession without giving any advance notice. I will be liable for all of your costs incurred or sums advanced in repossession and storage. You won't be responsible for anything left in or on the collateral. You can sell the repossessed collateral after giving me at least ten days notice. You may apply the sale proceeds to my obligations under this contract.

If you have the right to repossess (whether or not you use this right) you may cancel any insurance you provided or financed and apply the proceeds to my obligations under this agreement.

ENTIRE AGREEMENT. I understand this agreement contains all our rights and responsibilities and no oral statements made in connection with the agreement will change this. Any change must first be approved by you in writing.

PROMISE TO PAY. I promise to pay you the Amount Financed in the Itemization of the Amount Financed on the reverse side. I also promise to pay a periodic Finance Charge computed daily on the balance of the Amount Financed at the Annual Percentage Rate shown in the itemization. If this is a market rate agreement, the APR and the number of my regular monthly payments are subject to change. In this case, I will pay the periodic finance charge at whatever APR is in effect. The Finance Charge may be less than the amount shown in the Disclosures if I pay early. It will be more, however, if I'm late. You will apply each payment first to the periodic Finance Charge, next to the balance of the Amount Financed and the fee just referred to, and last to any late or collection charges. I will pay you according the payment schedule on the reverse. Since the periodic Finance Charge is not pre-computed, there will be no unearned Finance Charge on prepayment. I will not be entitled to a refund of any fee included in the finance charge except to the extent that any part of the fee has not been paid by you to others at the time of prepayment.

COLLECTION CHARGES. I'll pay all reasonable costs of collection including your attorney's fees.

HEIRS AND REPRESENTATIVES/LAW THAT APPLIES. My heirs and legal representatives are bound by this agreement. Unless otherwise indicated, this agreement will be governed by the law of the state of Washington.

THE FOLLOWING NOTICE REQUIRED BY FEDERAL REGULATION ONLY APPLIES IF THE AMOUNT FINANCED IS \$25,000 OR LESS OR THE COLLATERAL IS BEING USED AS A PRINCIPAL DWELLING. HOWEVER, EVEN IF THIS NOTICE DOES NOT APPLY, I MAY HAVE SIMILAR RIGHTS UNDER STATE LAW.

NOTICE: Any holder of this consumer credit contract is subject to all claims and defenses which the debtor could assert against the seller of goods or services obtained pursuant hereto or with the proceeds hereof. Recovery hereunder by the debtor shall not exceed amounts paid by the debtor hereunder.

ASSIGNMENT BY DEALER TO BANK

SELLER HEREBY ASSIGNS THIS AGREEMENT TO SEATTLE FIRST NATIONAL BANK AS A ☐ 90 DAY RECOURSE OR ☐ FULL RECOURSE OR ☒ NON-RECOURSE CONTRACT PURSUANT TO DEALER'S AGREEMENT WITH BANK.

Date _____, 19____

Seller Seagraves Fire Apparatus, Inc.

By _____