

INSTALLMENT PURCHASE CONTRACT

1. The parties to this Installment Purchase Contract are the VILLAGE OF ALMONT, whose address is 817 N. Main Street, Almont, Michigan 48003 (the "Buyer"), RCI ELECTRICAL CONTRACTORS, INC., whose address is 2195 Imlay City Road, Lapeer, MI 48446 (the "Seller"), and TRI-COUNTY BANK, whose address is 4511 Van Dyke, Almont, Michigan 48003 (the "Lender").

2. The Seller agrees to sell, and the Buyer agrees to purchase, 45 light posts including installation. The Buyer will pay the cost of purchasing and installation of the Property from the Financing Proceeds (as defined in Paragraph 3 hereof).

3. The Lender, as assignee of the Seller, agrees to pay to the Buyer the sum of One Hundred Twenty-Six Thousand Nine Hundred Fifty-Five and 75/100 Dollars (\$126,955.75) (the "Financing Proceeds") upon the execution and delivery of this Installment Purchase Contract to enable the Buyer to acquire the Property and Installation from the Seller in accordance with the Contract. The Buyer will use the Financing Proceeds to pay the cost of acquiring the Property and shall furnish the Lender with an invoice for the Property at the time that the Financing Proceeds are applied to acquire the Property.

4. The Buyer promises to pay the Lender the principal sum of One Hundred Twenty-Six Thousand Nine Hundred Fifty-Five and 75/100 Dollars (\$126,955.75) and interest on the principal balance from the date hereof and from time to time unpaid at the rate of 3.0% per annum. Principal and interest shall be due and payable in accordance with the schedule set forth on Exhibit A. All payments shall be payable at the address of the Lender set forth above, or to such other place or such other person as the Lender or any subsequent assignee may designate in writing.

5. This Installment Purchase Contract is a general obligation of the Buyer. The Buyer shall include in its general operating budget and pay each year until this Installment Purchase Contract is paid in full such sum or sums as may be necessary each year to make payments of principal and interest thereon when and as the same become due; provided, however, it is understood that the Buyer is not authorized to levy taxes in excess of its legal limitations for such purposes without the approval of its electors.

6. The obligation of the Buyer hereunder to pay principal and interest shall be absolute and unconditional and shall not be subject to any abatement, reduction, setoff, defense, counterclaim or recoupment for any reason whatsoever, including, without limitation, abatements or reductions due to any present or future claims of the Buyer against the Seller. This Installment Purchase Contract shall not terminate, nor shall the obligation of the Buyer be affected by reason of any defect in or damage to or destruction of all or any part of the Property from whatever cause, it being the intention of the parties hereto that the principal and interest payable hereunder shall be payable in all events.

7. All rights of the Lender shall inure to the benefit of the Lender's successors and assigns; and all obligations of the Buyer shall bind the Buyer's successors and assigns.

8. The Buyer may not pledge, encumber, sell, assign, transfer or otherwise dispose of its rights or obligations under this Installment Purchase Contract, except as may be consented to in writing by the Lender or any subsequent assignee.

9. The Buyer hereby waives any claim it might have against the Lender for any loss, damage or expense caused by the Property or any defect therein, or use or maintenance thereof, or servicing or adjustment thereto. The Buyer acknowledges that the Lender is not a dealer in vehicles of any kind. If the Property is unsatisfactory for any reason, the Buyer shall not make any claim against the Lender.

10. The Buyer represents and warrants that (a) it has complied with the provisions of Act 99, Public Acts of Michigan, 1933, as amended ("Act 99"), and all other applicable laws and regulations, and all acts or conditions precedent to the execution of this Installment Purchase Contract have been accomplished; (b) this Installment Purchase Contract does not require any approval or consent of any holders of any indebtedness or obligations of the Buyer, and does not contravene any law, regulation or order binding on the Buyer or contravene the provisions of, or constitute a default under, or result in the creation of any lien or encumbrance upon the property of the Buyer under any indenture, mortgage, contract or other agreement to which the Buyer is a party, or by which it may be bound or affected; (c) this Installment Purchase Contract constitutes a legal, valid and binding obligation of the Buyer enforceable against the Buyer in accordance with its terms; and (d) there are no pending or threatened actions or proceedings before any court or administrative agency which will materially adversely affect the condition or operations of the Buyer or the ability of the Buyer to perform its obligations under this Installment Purchase Contract.

11. The Buyer covenants to comply with existing provisions of the Internal Revenue Code of 1986, as amended, necessary to maintain the exclusion of interest on this Installment Purchase Contract from gross income for federal income tax purposes.

12. The Buyer hereby warrants that the aggregate outstanding balance, exclusive of interest, of all purchases made by the Buyer pursuant to Act 99, including the purchase of the Property, does not exceed 1-1/4% of the taxable value of the real and personal property within the boundaries of the Buyer as of the date hereof.

13. This Installment Purchase Contract may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SELLER:
RCI ELECTRICAL CONTRACTING, INC.


By: 
Its: PRESIDENT

Date: 7/14/22

BUYER:
VILLAGE OF ALMONT

By: 
Its: Village Manager

Date: 7/18/22

And: 
Its: Clerk

Date: 07/14/2022

ASSIGNEE:
TRI-COUNTY BANK

By: 
Its: Branch Manager

Date: 8-11-22

EXHIBIT A

<u>Payment Number</u>	<u>Due Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
1	07/2023	\$11,076.12	\$3,808.67	\$14,884.79
2	07/2024	\$11,398.88	\$3,485.91	\$14,884.79
3	07/2025	\$11,750.37	\$3,134.42	\$14,884.79
4	07/2026	\$12,102.88	\$2,781.91	\$14,884.79
5	07/2027	\$12,465.96	\$2,418.83	\$14,884.79
6	07/2028	\$12,834.34	\$2,050.45	\$14,884.79
7	07/2029	\$13,224.97	\$1,659.82	\$14,884.79
8	07/2030	\$13,621.72	\$1,263.07	\$14,884.79
9	07/2031	\$14,030.37	\$854.42	\$14,884.79
10	07/2032	\$14,450.14	\$434.69	\$14,884.83