Exhibit B

INSTALLMENT PURCHASE AGREEMENT
SCHOOL BUS
INSTALLMENT PURCHASE AGREEMENT

THIS AGREEMENT, dated as of __________, 2020, by and among the Walled Lake Consolidated School District, County of Oakland, State of Michigan (the “District”), _______________________ (the “Vendor”) and ______________ (the “Bank”), as assignee of the Vendor, is as follows:

1. Purchase Price, Title and Useful Life. The District agrees to acquire and the Vendor agrees to provide the Equipment as described on the attached Exhibit A (the “Equipment”), for a total purchase price of $______________ (the “Total Purchase Price”). The School District’s down payment to the Vendor in the amount of $______________ will be applied against the Total Purchase Price with the remaining balance of $______________ (the “Purchase Price”) being payable by the District to the Bank, as the assignee of this Agreement in accordance with Section 5 hereof, in equal annual installment payments of principal and interest over a _____ (__) year period as set forth on Exhibit B attached hereto, commencing on ______________, 20__, and annually thereafter through and including ___________, 20__. The District shall pay interest on the unpaid balance of the Purchase Price to the Bank at a rate of interest equal to ____% per annum, computed on the basis of a 30-day month, 360-day year. The District agrees that the useful life of the School Bus is at least equal to or longer than the date of the final payment hereunder.

2. Prepayment Option. On any payment date the District may prepay in full by paying the Payment due on such date and any additional payments due hereunder plus the Prepayment amount as listed on the Payment Schedule.

3. Rate of Interest. The District understands that the interest rate stated in paragraph 1 above has been set based on the assumptions that (a) this Agreement will be a “qualified tax exempt obligations” for purposes of the deduction of interest expense pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986, as amended; and (b) sums payable as interest under this Agreement will be (i) excludable from the Bank’s adjusted gross income for purposes of federal income taxation and (ii) exempt from state income taxation (both (a) and (b), the “Assumptions”). The District provides that if either of the Assumptions ever is or becomes untrue as to this Agreement, then the interest rate of this Agreement will be adjusted to a per annum rate of interest that will provide the Bank, on an after-tax basis, a rate of return equal to ____% per annum, computed on the basis of a 30-day month, 360-day year. The District agrees that the useful life of the School Bus is at least equal to or longer than the date of the final payment hereunder.
4. **Incorporate by Reference.** The Vendor agrees to all of the instructions, terms and conditions as set forth in the purchase order agreement by and between the District and the Vendor for the Equipment dated ______________, 2020 (collectively referred to herein as the “Purchase Contract”), which are hereby incorporated by reference in full herein. In the event of a conflict in terms between this Agreement and such Purchase Contract, the specific terms of this Agreement shall govern.

5. **Assignment to Bank.** The Vendor hereby irrevocably assigns this Agreement immediately to the Bank in consideration for: a) payment of $____________ from the Bank to the Vendor; and b) payment of $________ to the School District to reimbursement the School District for the portion of the Purchase Price previously paid to the Vendor by the District. The District hereby consents to said assignment, except with respect to the warranties and other obligations of the Vendor set forth in this Agreement, all of which shall remain the sole responsibility of the Vendor and shall not be assignable. With respect to the Bank, the District hereby waives any defenses based upon warranty, failure or inability of the Vendor to perform its non-assignable obligations or the failure of the Equipment to perform its function. It is expressly agreed between the Vendor, the District and the Bank, by acceptance of the assignment of this Agreement, that the District shall make all payments of principal and/or interest directly to the Bank. The Vendor represents and warrants that the assignment to the Bank of this Agreement does not violate any agreement to which it is a party, and that the Agreement has been duly executed and delivered by the Vendor.

6. **Default.** The District will be in default under this Agreement if any of the following events occur (each, an “Event of Default”)

   a) The District does not make any payment to the Bank that is required under this Agreement with 15 days of the due date; or

   b) Any present or future warranty, representation, statement, or certification that the District makes to the Bank is incorrect or misleading as to the date it is made; or

   c) A proceeding under any bankruptcy, insolvency, reorganization, or similar legislation is instituted by or against the District, or a receiver, custodian or similar officer is appointed for the District or any of its property and that proceeding or appointment is not vacated or fully stayed within twenty (20) days after the institution or occurrence thereof.

7. **Acceleration.** If an Event of Default occurs, the Bank may:

   a) Declare the entire indebtedness covered by this Agreement to be immediately due and payable, without notice; and

   b) Exercise all remedies for default provided by law or under this Agreement.
8. **Date of Acceptance.** The date of acceptance shall be the date when the Equipment have been delivered in accordance with the Purchase Contract.

9. **Warranty.** The Vendor warrants the Equipment as set forth in the Purchase Contract. Any warranties with respect to the Equipment shall not be assigned, but shall remain enforceable by the District.

10. **Entire Agreement.** This Agreement and the schedules, attachments, amendments and all documents expressly incorporated by reference herein constitute the entire agreement of the parties. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written, are hereby terminated.

11. **Amendments and Change Orders.** Any attempt to modify the terms of this Agreement or of any supporting document shall be ineffectual unless in writing, signed by the District and the Bank.

12. **Hold Harmless.** The Vendor agrees to defend, indemnify, and hold harmless the District, its officials, employees, departments, and agents from all liability, claims, demands, judgments, and expenses to persons or property occasioned, wholly or in part, by negligent or improper acts or omissions of Vendor, its agents, employees or sub-contractors pursuant to this Agreement.

13. **Security and Tax Covenant.** The obligation of the District to pay principal and interest under this Agreement is a general obligation of the District. The District shall include in its budget and pay each year, until this Agreement is paid in full, such sum as may be necessary each year to make all payments hereunder, when due. The District covenants that it shall comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to delivery of this Agreement in order that interest thereon be (or continue to be) excluded from gross income for federal income tax purposes.

14. **Attachments.** The following attachments are hereby incorporated and made a part of this Agreement.

   - Exhibit A - Description of Equipment.
   - Exhibit B - Payment Schedule.
15. **Counterparts.** This Agreement may be executed in counterparts.

______________________________ (Vendor)
By: ____________________________
Its: ____________________________

**WALLED LAKE CONSOLIDATED SCHOOL DISTRICT** (District)

By: ____________________________
Its: ____________________________

______________________________ (Bank)
By: ____________________________
Its: ____________________________

Dated: __________, 2020