

EQUIPMENT SCHEDULE NO. 03
TO
2009 ENERGY PERFORMANCE CONTRACT
MASTER LEASE-PURCHASE AGREEMENT

THIS EQUIPMENT SCHEDULE NO. 03, dated as of _____, 2012, (the "Equipment Schedule"), is executed by and between GRANT CAPITAL MANAGEMENT, INC. ("Lessor"), and HOWARD COUNTY, MARYLAND ("Lessee"),

WITNESSETH:

WHEREAS, Lessor and Lessee have previously entered into that certain 2009 Energy Performance Contract Master Lease-Purchase Agreement dated as of April 1, 2009, as amended by the First Amendment to 2009 Energy Performance Contract Master Lease-Purchase Agreement dated as of August 19, 2009 (collectively, the "Master Lease") (unless otherwise defined herein all terms having a defined meaning in the Master Lease shall have the same meaning when used herein), which Master Lease provides for the execution and delivery of one or more Equipment Schedules for the purpose of identifying the Equipment to be leased and purchased pursuant to the Master Lease and specifying certain terms and conditions applicable to the lease and purchase of such Equipment;

WHEREAS, Lessor and Lessee have previously entered into Equipment Schedule No. 01 to the Master Lease, dated as of April 13, 2009 ("Schedule No. 01") and Equipment Schedule No. 02 to the Master Lease, dated as of August 19, 2009 ("Schedule No. 02," and together with Schedule No. 02 and Master Lease, collectively, the "Leases") under which Lessee leased certain Equipment with an option to purchase (the "EPC Equipment");

WHEREAS, Grant previously assigned the Leases to Capital One Public Funding, LLC ("Capital One");

WHEREAS, Lessee had the option to purchase the EPC Equipment leased under the Leases by making Concluding Payments, will make such Concluding Payments to Capital One and Capital One will provide Lessee with a Concluding Payment acknowledgement letter dated _____, 2012;

WHEREAS, in order to provide Lessee with funds necessary to make the Concluding Payments, Lessor and Lessee desire to enter into a new Equipment Schedule under the Master Lease with respect to the EPC Equipment ("Schedule No. 3," together with the Master Lease being, the "Refunding Lease") the Payment Schedule for which is attached hereto as Exhibit B;

WHEREAS, each of Lessor and Lessee desires to enter into the Refunding Lease on the terms and conditions of the Master Lease and as herein provided; and

NOW, THEREFORE, in consideration of the premises (and such recitals constituting a substantive portion of this Schedule No. 3), Lessor and Lessee hereby agree as follows:

1. EQUIPMENT. The EPC Equipment (described in Exhibit A to Equipment Schedule No. 1 and Exhibit A to Equipment Schedule No. 2) shall be subject to the terms and conditions of the Refunding Lease, and are incorporated herein by reference.

2. LOCATION OF EQUIPMENT. The EPC Equipment shall be kept at the Equipment Location (herein so called) set forth in Exhibit A to Equipment Schedule No. 1 and Exhibit A to Equipment Schedule No. 2 of the Leases and such terms shall be incorporated by reference in this Refunding Lease.

3. LEASE TERM. The Lease Term (herein so called) with respect to the EPC Equipment shall commence on the date of hereof and shall continue for a term ending on October 13, 2023.

4. LEASE PAYMENTS.

(a) Lessee hereby agrees to make the Lease Payments (herein so called) to Lessor in such amounts and at such times as set forth on Exhibit B.

(b) Upon the exercise by Lessee of any option granted under the Master Lease to terminate this Refunding Lease prior to the expiration of the term thereof and hereof, Lessee agrees to pay to Lessor the Concluding Payment as shown on Exhibit B for the lease and purchase of the EPC Equipment.

(c) The principal components of the Lease Payments bear interest at the total interest cost of 2.08% per annum, but in no event shall such interest exceed 3.25%.

5. REPRESENTATIONS AND WARRANTIES. By execution and delivery of this Refunding Lease, Lessee confirms that all representations and warranties contained in the Master Lease are true and correct as of the date hereof. Further, Lessee represents and warrants as of the date hereof that: (i) Lessee reasonably has sufficient appropriations or other funds legally available to pay all Lease Payments and other amounts due hereunder for the fiscal period ending on June 30, 2013; and, (ii) the use of the EPC Equipment by Lessee is essential to the Lessee's proper, efficient, and economic operation and will be used for the purposes set forth on Exhibits C and D of Schedules No. 01 and No. 02.

6. LIMITATIONS ON WARRANTIES. Lessee represents, warrants, acknowledges, and agrees that the Equipment is of a size, design, and capability selected by Lessee; that Lessee is satisfied that the Equipment is suitable for its purpose; that Lessor is neither a manufacturer nor a vendor of the Equipment; and that LESSOR HAS NOT MADE, AND DOES NOT HEREBY MAKE, ANY REPRESENTATION, WARRANTY, OR COVENANT, EXPRESS OR IMPLIED, WITH RESPECT TO THE MERCHANTABILITY, CONDITION, QUALITY, DURABILITY, DESIGN, OPERATION, FITNESS FOR USE, OR SUITABILITY OF THE EQUIPMENT IN ANY RESPECT WHATSOEVER OR IN CONNECTION WITH OR FOR THE PURPOSES AND USES OF LESSEE, OR ANY OTHER REPRESENTATION, WARRANTY, OR COVENANT OF ANY KIND OR CHARACTER, EXPRESS OR IMPLIED, WITH RESPECT THERETO, AND LESSOR SHALL NOT BE OBLIGATED OR LIABLE FOR ACTUAL, INCIDENTAL, CONSEQUENTIAL, OR OTHER DAMAGES OF OR TO LESSEE OR ANY OTHER PERSON OR ENTITY ARISING OUT OF OR IN CONNECTION WITH THE USE OR PERFORMANCE OF THE EQUIPMENT AND THE MAINTENANCE THEREOF.

7. EQUIPMENT COST. The cost of the EPC Equipment financed hereunder (the Equipment Cost, herein so called) is \$4,822,024.77.

IN WITNESS WHEREOF, Lessee and Lessor have executed this Equipment Schedule as of the date and year first above written.

GRANT CAPITAL MANAGEMENT, INC.

ATTEST:

LESSOR:

By: _____

Name: _____

Title: _____

WITNESS:

HOWARD COUNTY, MARYLAND

Lonnie R. Robbins
Chief Administrative Officer

By: _____

Ken Ulman
County Executive

APPROVED for Form and Legal Sufficiency this
_____ day of _____, 2012:

APPROVED for Sufficiency of Funds this
_____ day of _____, 2012:

Margaret Ann Nolan
County Solicitor

Stanley J. Milesky
Director of Finance

EXHIBIT A TO
EQUIPMENT SCHEDULE NO. 03 TO
2009 ENERGY PERFORMANCE CONTRACT MASTER LEASE-PURCHASE AGREEMENT

DESCRIPTION OF EQUIPMENT

[As set forth on Exhibit A to Equipment Schedule No. 01 and Exhibit A to Equipment Schedule No. 2,
which are incorporated by reference herein]

**EXHIBIT B TO
EQUIPMENT SCHEDULE NO. 01 TO
2009 ENERGY PERFORMANCE CONTRACT MASTER LEASE-PURCHASE AGREEMENT**

PAYMENT SCHEDULE

Interest Rate: 2.08%

Payment No.	Payment Date	Lease Payment	Interest Component	Principal Component	Principal Balance	Prepayment Price	Concluding Payment
1	4/13/2013	57,000.00	50,149.06	6,850.94	4,815,173.78	102.00%	4,911,477.26
2	10/13/2013	57,000.00	50,077.81	6,922.19	4,808,251.59	102.00%	4,904,416.62
3	4/13/2014	57,000.00	50,005.82	6,994.18	4,801,257.41	102.00%	4,897,282.56
4	10/13/2014	69,520.67	49,933.08	19,587.59	4,781,669.82	102.00%	4,877,303.22
5	4/13/2015	252,238.51	49,729.37	202,509.14	4,579,160.68	102.00%	4,670,743.89
6	10/13/2015	264,392.81	47,623.27	216,769.54	4,362,391.14	102.00%	4,449,638.96
7	4/13/2016	272,324.67	45,368.87	226,955.80	4,135,435.34	102.00%	4,218,144.05
8	10/13/2016	272,324.67	43,008.53	229,316.14	3,906,119.20	102.00%	3,984,241.58
9	4/13/2017	280,494.47	40,623.64	239,870.83	3,666,248.37	102.00%	3,739,573.34
10	10/13/2017	280,494.47	38,128.98	242,365.49	3,423,882.88	102.00%	3,492,360.54
11	4/13/2018	288,909.55	35,608.38	253,301.17	3,170,581.71	102.00%	3,233,993.34
12	10/13/2018	288,909.55	32,974.05	255,935.50	2,914,646.21	102.00%	2,972,939.13
13	4/13/2019	297,577.26	30,312.32	267,264.94	2,647,381.27	102.00%	2,700,328.90
14	10/13/2019	297,577.26	27,532.77	270,044.49	2,377,336.78	102.00%	2,424,883.52
15	4/13/2020	306,504.39	24,724.30	281,780.09	2,095,556.69	102.00%	2,137,467.82
16	10/13/2020	306,504.39	21,793.79	284,710.60	1,810,846.09	102.00%	1,847,063.01
17	4/13/2021	316,419.72	18,832.80	297,586.92	1,513,259.17	102.00%	1,543,524.35
18	10/13/2021	316,419.72	15,737.90	300,681.82	1,212,577.35	102.00%	1,236,828.90
19	4/13/2022	325,170.06	12,610.80	312,559.26	900,018.09	102.00%	918,018.45
20	10/13/2022	325,170.06	9,360.19	315,809.87	584,208.22	102.00%	595,892.38
21	4/13/2023	301,055.32	6,075.77	294,979.55	289,228.67	102.00%	295,013.24
22	10/13/2023	292,236.62	3,007.95	289,228.67	-		-
TOTALS		\$ 5,525,244.17	\$ 703,219.45	\$ 4,822,024.72			

ATTEST:

HOWARD COUNTY, MARYLAND

Lonnie R. Robbins
Chief Administrative Officer

By: _____ (SEAL)
Ken Ulman
County Executive

APPROVED FOR SUFFICIENCY OF FUNDS:

APPROVED as to Form and Legal Sufficiency
this ____ day of _____, 2012:

Stanley J. Milesky, Director
Department of Finance

Margaret Ann Nolan
County Solicitor