

SPRINGFIELD TOWNSHIP TRUSTEES  
LUCAS COUNTY, OHIO  
**RESOLUTION 20-018**

**RESOLUTION TO BORROW MONEY FOR ACQUISITION OF EQUIPMENT**

The Board of Trustees of Springfield Township, Lucas County, Ohio, met in Regular Session on August 3, 2020, at 7617 Angola Road, Holland, Ohio, with the following members present:

Tom Anderson Jr. - ABSENT   Robert Bethel   Andrew Glenn

Robert Bethel moved the adoption of the following Resolution:

**WHEREAS**, by motion unanimously passed on January 21, 2020 the Board of Trustees authorized the acquisition of two (2) new trucks for use by the Township in the combined amount of \$287,498.00; and

**WHEREAS**, for budgetary reasons the Fiscal Officer recommends that the Board of Trustees finance a portion of the truck acquisitions, specifically \$82,165.00 for the acquisition of a 2021 Freightliner Model No. 108SD diesel truck chassis; and

**WHEREAS**, pursuant to *Ohio Revised Code* Section 133.10 the Board of Trustees is authorized to borrow money and issue its notes in anticipation of the collection of current revenues; and

**WHEREAS**, the Board of Trustees has determined that is in the best interests of the Township to borrow money to pay for a portion of the truck acquisitions.

**NOW THEREFORE, BE IT RESOLVED** by the Board of Trustees of Springfield Township, Lucas County, Ohio:

1. That the Board of Trustees finance acquisition of the 2021 Freightliner Model No. 108SD diesel truck chassis.
2. That the Board of Trustees borrow from Signature Bank, N.A. the unsecured principal sum of \$82,165.00 plus interest thereon at the fixed rate of 3.25% per annum, payable in six semi-annual installments in the amount of \$14,496.00 each commencing on January 31, 2021 and ending on July 31, 2023, such borrowed money to be used for acquisition of the 2021 Freightliner Model No. 108SD diesel truck chassis.
3. That the Term Note in favor of Signature Bank, N.A. and the Loan Agreement with Signature Bank, N.A. substantially in the form attached hereto as Exhibit A and incorporated herein by reference are approved, with such changes that are not inconsistent with this Resolution, are not substantially adverse to the Township and are approved by the Township Administrator and Law Director, all of which shall be evidenced conclusively by the execution of the Term Note and Loan Agreement by the Trustees.
4. That the Trustees or the Fiscal Officer shall sign and deliver such other documents, forms, loan applications, acknowledgements, closing statements and other instruments consistent with the terms of this Resolution as may be necessary to consummate the loan transaction.
5. That it is hereby found and determined that all formal actions of this Board concerning and relating to the passage of this Resolution were adopted in an open meeting of this Board and that all

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deliberations of this Board that resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements, including Section 121.22 of the Revised Code of Ohio.

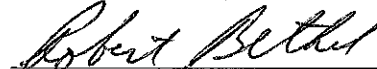
Andrew Glenn seconded the motion and roll was called on the question of its adoption.

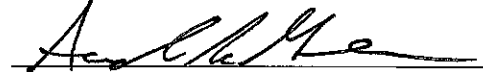
Vote was as follows:

<u>NAME</u>	<u>VOTE</u>
Tom Anderson Jr.	YES
Robert Bethel	YES
Andrew Glenn	YES

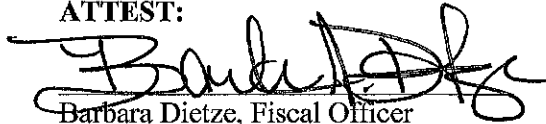
ABSENT

Tom Anderson Jr., Trustee

  
Robert Bethel, Trustee

  
Andrew Glenn, Trustee

ATTEST:

  
Barbara Dietze, Fiscal Officer  
August 3, 2020 Regular Trustee Meeting

## LOAN AGREEMENT

This Agreement, dated the 3<sup>rd</sup> day of August, 2020, by and between **SPRINGFIELD TOWNSHIP, LUCAS COUNTY, OHIO** (hereinafter called the "Borrower") and **SIGNATURE BANK, N.A.**, a national banking association (hereinafter called the "Bank").

### WITNESSETH

**WHEREAS**, Borrower has requested that Bank provide it with a term loan, as more particularly described herein; and

**WHEREAS**, Bank has agreed to the request so made by Borrower, subject to and upon the terms and conditions set forth in this Agreement.

**NOW, THEREFORE**, the parties hereto, in consideration of the mutual covenants and conditions herein contained, and intending to be legally bound, do hereby agree as follows:

#### **Section 1. The Term Loan**

Subject to the terms and conditions of this Agreement, Bank agrees to make available to Borrower a term loan (the "Term Loan") in the principal amount of \$82,165.00. This Term Loan shall be evidenced by a Term Note (the "Note") executed and delivered by Borrower dated of even date herewith and shall be payable and bear interest in accordance with the terms described therein.

#### **Section 2. Purpose**

Proceeds of the Term Loan shall be used to purchase two dump trucks from Freightliner.

#### **Section 3. Conditions to Advances**

The Bank shall not be obligated to advance any portion of the Note hereunder unless the representations and warranties which are a part of this Agreement are true and correct on and as of the date of Borrower's request for an advance, with the same effect as though they had been made on and as of the date thereof, and unless no Event of Default (as specified in this Agreement) and no event which, with the lapse of time or the giving of notice or both, would constitute an Event of Default shall have occurred and be continuing on the date of such request.

#### **Section 4. Representations and Warranties**

Borrower represents and warrants that:

4.1 Borrower is a township duly organized, validly existing and in good standing under the laws of the State of Ohio and is duly authorized to do business in the State of Ohio and in every other state where the nature of its business so requires.

4.2 Borrower has full power and authority and is duly authorized and empowered to enter into, execute, deliver and perform this Agreement, the Note and the Loan Documents to which it is a party, and its representative(s) executing and delivering this Agreement, the Note and such Loan Documents are duly authorized and empowered to do so; and each of this Agreement, the Note and such Loan Documents, upon delivery to the Bank, will constitute a valid and binding obligation of Borrower enforceable in accordance with its respective terms.

4.3 Borrower's financial statements provided to Bank are true and accurate, and there has been no material adverse change in the financial condition of Borrower since the date of the latest of such statements.

4.4 None of the Borrower's assets are encumbered by or subject to any liens except for liens in favor of Bank and those liens previously and specifically disclosed in writing to Bank.

4.5 No litigation is pending or threatened against Borrower or any of its properties.

4.6 The execution, delivery and performance by Borrower of this Agreement, the Note and the Loan Documents to which it is a party shall not, by the lapse of time, the giving of notice or otherwise, constitute a violation of any applicable law or a breach of any provision contained in any agreement, instrument or document to which Borrower is now a party or by which it or its property is bound.

4.7 Borrower is not in default in respect of any judgment, order, writ, injunction, decree or decision of any governmental body, which default would have a material adverse effect on the financial condition, operations, business or property of Borrower, and Borrower is in compliance in all material respects with all applicable statutes and regulations, a violation of which would have a material adverse effect upon the financial condition, operations, business or property of Borrower.

4.8 Borrower has filed all federal, state and local tax returns and other reports required by law and has paid, to the extent due and payable, all federal, state, county, municipal and other governmental taxes, levies, assessments or liens upon or relating its employees, payroll, income and gross receipts, its ownership or use of any of its assets, and any other aspect of its business.

4.9 Borrower has been given the right to have the terms and conditions of this Agreement, the Note and the Loan Documents reviewed by an attorney for Borrower. Borrower acknowledges that the representative executing such documents on Borrower's behalf fully understood the terms and conditions of such documents at the time of signing.

## **Section 5. Covenants of the Borrower**

Borrower agrees that, so long as the Term Loan shall be outstanding, unless Bank shall otherwise consent in writing:

5.1 Borrower shall pay when due the principal and the interest on the Note.

5.2 Borrower shall pay all charges, taxes, assessments, and claims in a timely manner so that they will not become or result in a lien against Borrower's assets, except any charges or liabilities which are being contested in good faith by appropriate legal proceedings.

5.3 In addition to any insurance required by the Loan Documents, Borrower shall maintain and keep in force insurance of the types and in amounts customarily carried by responsible companies in lines of business similar to Borrower's and as required by any other agreement with Bank, including but not limited to fire, public liability, property damage, and workers' compensation insurance, with companies and in amounts satisfactory to Bank and shall deliver to Bank from time to time at Bank's request evidence of such insurance acceptable to Bank.

5.4 Borrower shall maintain its financial records in accordance with generally accepted accounting principles ("GAAP") or the Internal Revenue Code, with such changes or modifications thereto as may be approved in writing by Bank, and allow Bank to review the records at any reasonable time.

5.5 Borrower shall furnish to Bank:

- a. Within one hundred twenty (120) days after the close of each fiscal year, audited financial statements prepared by independent certified public accountants satisfactory to Bank.
- b. Such other information as may from time to time be reasonably requested by Bank.

5.6 Borrower shall promptly notify Bank of (i) any material change in Borrower's or any Guarantor's financial condition; (ii) any change in its name or business address(es) or in its state of organization or formation or in the location of any of its assets; (iii) any material litigation involving the Borrower or any Guarantor; or (iv) the occurrence of any event which, with the lapse of time or the giving of notice or both, would constitute an Event of Default hereunder.

5.7 Borrower will not violate any laws or regulations.

5.8 Borrower shall not, without written consent of Bank:

- a. Merge or consolidate with any other entity, or dispose of any substantial part of its assets.

## **Section 6. Events of Default**

The occurrence of any one or more of the following events shall constitute an "Event of Default" hereunder:

6.1 Borrower shall fail to pay when due any principal or interest on the Note or on any other obligation of Borrower to the Bank, which failure continues for a period of 10 calendar days following notice by Bank.

6.2 (a) Borrower shall fail to comply with any financial covenants set forth in Section 5.8 hereof, or (b) Borrower or any Guarantor shall fail to perform or comply with any obligation required to be performed or complied with by it under this Agreement, the Note, any Loan Document or any other agreement with Bank (other than as provided in Section 6.1 or Section 6.2 (a)), which failure continues for a period of 30 calendar days following notice by Bank.

6.3 Any representation, warranty, request or certificate made or furnished by Borrower or any Guarantor to Bank proves to have been untrue in any material respect when made.

6.4 Borrower or any Guarantor (a) files a petition in bankruptcy under the Bankruptcy Code, as it now exists or may hereafter be amended, (the "Code") or an admission seeking the relief therein provided; (b) any bankruptcy or insolvency proceeding is commenced against Borrower or any Guarantor and remains undismissed for a period of 60 days; (c) is unable or admits in writing its inability to pay its debts as they become due; (d) makes an assignment for the benefit of creditors; (e) consents to the appointment of a receiver for all or a substantial part of its property; (f) fails to have vacated or set aside within 60 days of its entry an order of a court appointing without its consent a receiver or trustee for all or a substantial part of its property; (g) has an order for relief entered against it under the Code and not discharged within 60 days; or (h) winds up its affairs, suspends its current business or dissolves or terminates its existence.

6.5 Final judgment for the payment of money in excess of \$100,000 (which is not fully covered by insurance) shall be rendered against Borrower or any Guarantor, and the same remains undischarged for a period of 30 days during which execution shall not be effectively stayed.

## **Section 7. Rights on Default**

7.1 Upon the occurrence of an Event of Default under Section 6.4, the outstanding principal balance of the Note, and all accrued interest thereon, and all other obligations of Borrower to Bank, whether matured or unmatured, (collectively, the "Obligations") shall automatically without any action by Bank, and without demand, notice or legal process of any kind, be due and payable in full. Upon the occurrence of any other Event of Default under Section 6, and at any time thereafter if such Event of Default is then continuing, all of the Obligations may, at the option of Bank, and without notice, demand or legal process of any kind, be declared immediately due and payable.

7.2 Upon the occurrence of an Event of Default, Bank shall have the right to cease making any further advances under the Note.

7.3 In addition to the remedies set forth above, Bank may, upon the occurrence of an Event of Default, exercise any of the remedies with respect to the collateral or the guarantors as provided in the Loan Documents or otherwise as provided by law.

## Section 8. Miscellaneous

8.1 Neither a failure nor any delay on the part of Bank to exercise any right or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or privilege preclude any other or further exercise thereof or the exercise of any other right or privilege.

8.2 This Agreement shall be binding upon Borrower, its successors and assigns, and shall be binding upon and shall inure to the benefit of Bank and its respective successors and assigns.

8.3 Borrower will reimburse Bank for all costs, expenses and reasonable attorney's fees, to the extent permitted by applicable law, expended or incurred by Bank in (i) the preparation of this Agreement and the perfection of any security interests and lien positions provided for under this Agreement or any Loan Document, (ii) enforcing this Agreement, (iii) collecting any sums which become due Bank hereunder or on the Note, or (iv) realizing on any collateral. In accordance with Ohio Revised Code Section 1319.02, Borrower acknowledges and agrees that (a) this Agreement constitutes a "contract of indebtedness," and (b) the Note has been issued for a business purpose, and not for a purpose that is primarily personal, family or household. Borrower agrees that attorneys' fees charged at the rates customarily charged by the attorneys rendering services to the Bank shall be deemed reasonable.

8.4 This Agreement shall be construed in accordance with and governed by the laws of the State of Ohio.

8.5 All notices, requests, demands or other communications required by this Agreement or any Loan Document shall be addressed as follows:

Signature Bank, N.A.  
4607 W. Sylvania Avenue  
Toledo, Ohio 43623  
Attn: Brian C. Reid

Springfield Township  
7617 Angola Road  
Holland, Ohio 43528  
Attn: Robert Bethel

or at such other address as a party may from time to time request in writing.

8.6 All representations, warranties and agreements herein contained shall survive the issuance of the Note and the making of any advance hereunder.

8.7 All captions are for convenience only and should not be construed to form a substantive part of this Agreement nor restrict or enlarge any substance or part of this Agreement.

8.8 This Agreement may be executed in several counterparts, and all counterparts so executed shall constitute one agreement, binding on all parties hereto, notwithstanding that all the parties are not signatories to the same counterpart.

8.9 Any accounting terms used in this Agreement which are not specifically defined herein shall have the meanings customarily given to such terms in accordance with GAAP.

8.10 In case any one or more of the provisions contained in this Agreement, the Note, or any Loan Document shall for any reason be held to be invalid, illegal or unenforceable in any respect, the invalidity, illegality or unenforceability of such provisions shall not affect any other provisions of this Agreement, the Note, or any Loan Document, and such shall be construed as though the invalid, illegal, or unenforceable provision had never been contained therein.

8.11 Borrower acknowledges that, as to any and all disputes that may arise between the Borrower and the Bank, the commercial nature of the transaction out of which this Agreement arises would make any such dispute unsuitable for trial by jury. Accordingly, Borrower hereby knowingly, voluntarily and irrevocably waives any right to trial by jury as to any and all disputes that may arise relating to this Agreement, the Note or to any of the other instruments or Loan Documents executed in connection herewith.

8.12 This Agreement represents the agreement of the Borrower and the Bank with respect to the subject matter hereof, and there are no promises, undertakings, representations or warranties by the Bank related to the subject matter hereof not expressly set forth or referred to herein or in the Loan Documents.

**SIGNATURE BANK, N.A.**

By: \_\_\_\_\_  
Brian C. Reid  
Its: Vice President

**SPRINGFIELD TOWNSHIP,  
LUCAS COUNTY, OHIO**

By: Robert Bethel  
Robert Bethel

Its: Trustee

By: Andrew R. Glenn  
Andrew Glenn

Its: Trustee

By: Thomas Anderson, Jr.  
Thomas Anderson, Jr.

Its: Trustee



**TERM NOTE**

Toledo, Ohio  
\$82,165.00

August 3, 2020

**FOR VALUE RECEIVED**, the undersigned, **SPRINGFIELD TOWNSHIP, LUCAS COUNTY, OHIO** (the "Maker"), jointly and severally if more than one, unconditionally promises to pay to the order of **SIGNATURE BANK, N.A.**, a national banking association (the "Bank"), at 4607 W. Sylvania Avenue, Toledo, OH 43623, the principal sum of **EIGHTY TWO THOUSAND ONE HUNDRED SIXTY FIVE AND 00/100 DOLLARS (\$82,165.00)**, plus interest thereon prior to maturity at the fixed rate of 3.25% per annum and in the manner described below, until all amounts owing under this Note are paid in full.

This Note is executed and the loan represented hereby is made pursuant to a Loan Agreement dated of even date herewith (as the same may be supplemented or amended, the "Loan Agreement") and all the representations, covenants, agreements, terms and conditions contained therein, including Events of Default upon which this Note may be declared due and payable. All capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Loan Agreement.

Commencing on February 3, 2021 and continuing each six months thereafter until payment or maturity, whether by acceleration or otherwise, Maker shall pay principal and interest to Bank in consecutive semi-annual installments of \$14,496.00 each. If not sooner paid as hereinafter permitted, the entire unpaid principal balance of this Note and all accrued and unpaid interest and other charges hereunder shall be due and payable in full on August 3, 2023 (the "Maturity Date"). Maker acknowledges that if the monthly payments set forth above do not fully amortize this Note, the payment due on the Maturity Date will be a balloon payment, consisting of (i) all accrued and unpaid interest and other charges, and (ii) the entire unpaid principal balance hereof. All payments shall be made to Bank at its address set forth above, or at any other address so designated by Bank, and in lawful currency of the United States of America.

All payments shall be credited first to interest accrued but unpaid, then to the payment and reduction of principal, and then to late fees and other charges. Payments received by Bank more than 10 days after the payment due date will be charged a late fee of 5% of the payment amount with a minimum late charge of \$50.00.

Interest shall be calculated by means of the 365/360 day method.

Maker may prepay all or any part of this Note at any time, provided, however, that if any of the funds used to prepay the Note are proceeds of borrowings or contemplated borrowings from another financial institution, Maker shall pay a premium of 2% of the principal amount so prepaid.

Maker hereby waives presentment, demand, protest and notice of protest upon default.

In the event this Note is not paid at maturity, whether maturity occurs upon demand or lapse of time, the entire unpaid principal balance hereof and all accrued interest then owing shall bear interest until fully paid at a default rate per annum (the "Default Rate") which is the greater of (i) 16% per annum, or (ii) 4% above the Prime Lending Rate in effect from time to time, provided, however, that in no event shall the rate of interest hereunder exceed the maximum rate of interest permitted by law. If legal action is taken to collect this Note, interest thereafter shall be at a fixed rate equal to the Default Rate on the date suit is filed.

This Note shall be construed under the laws of the State of Ohio.

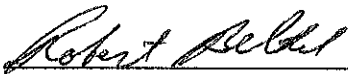
Bank's acceptance of one or more late or partial payments shall not be a course of dealing upon which Maker may rely on future occasions or a waiver of Bank's right to prompt, full payment when due under this Note. Bank's forbearance from exercising any right or remedy under this Note shall not be a waiver of such rights or remedies. Bank's forbearance from exercising any right or remedy under this Note on any one or more occasions shall not be a course of dealing or waiver on which Maker may rely on any future occasions. Bank's exercise of any rights or remedies or a part of a right or remedy on one or more occasions shall not preclude Bank from exercising any right or remedy at any other time. Bank's rights and remedies under this Note and at law and equity are cumulative to, but independent of, each other.

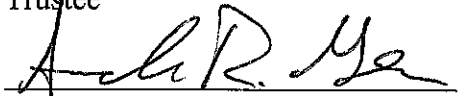
Maker shall pay, and upon demand reimburse the Bank, for all of the Bank's costs and expenses incidental to the administration or collection of this Note, including but not limited to reasonable attorneys' and expert fees and expenses, litigation costs and filing, appraisal, servicing, bond and inspection fees. This obligation shall survive the payment of all of Maker's liabilities to Bank under this Note. In accordance with Ohio Revised Code Section 1319.02, Maker acknowledges and agrees that: (a) this Note constitutes a "contract of indebtedness," and (b) this Note has been issued for a business purpose, and not for a purpose that is primarily personal, family or household. Maker agrees that attorneys' fees charged at the rates customarily charged by the attorneys performing services for Bank shall be deemed reasonable.


With full knowledge of all constitutional rights under the Constitutions of the State of Ohio and the United States of America, Maker hereby irrevocably authorizes any attorney at law, including without limitation, any attorney representing the Bank, to appear on Maker's behalf in any court of record in the State of Ohio, or in any other state or territory of the United States, or in any court of the United States, after this Note becomes due and payable; to waive the issuing and service of process and all other constitutional rights to due process of law; to confess judgment against Maker in favor of the Bank for the amount then appearing due together with the costs of suit; to release all errors; and to waive all rights of appeal and stays of execution. Maker hereby consents to the confessing attorney receiving a legal fee from the Bank or any other holder of this Note. Maker voluntarily and knowingly irrevocably waives (i) any conflict of interest with respect to the attorney confessing judgment against Maker, and (ii) all rights to notice and hearing prior to judgment being so confessed against Maker.

**WARNING - BY SIGNING THIS PAPER YOU GIVE UP YOUR RIGHT TO NOTICE AND COURT TRIAL. IF YOU DO NOT PAY ON TIME A COURT JUDGMENT MAY BE TAKEN AGAINST YOU WITHOUT YOUR PRIOR KNOWLEDGE AND THE POWERS OF A COURT CAN BE USED TO COLLECT FROM YOU REGARDLESS OF ANY CLAIMS YOU MAY HAVE AGAINST THE CREDITOR WHETHER FOR RETURNED GOODS, FAULTY GOODS, FAILURE ON HIS PART TO COMPLY WITH THIS AGREEMENT, OR ANY OTHER CAUSE.**

MAKER:        SPRINGFIELD TOWNSHIP,  
                  LUCAS COUNTY, OHIO

By:              
                  Robert Bethel  
Its:            Trustee

By:              
                  Andrew Glenn  
Its:            Trustee

By:              
                  Thomas Anderson, Jr.  
Its:            Trustee