



GILA COUNTY ATTORNEY

Daisy Flores

ATTACHMENT C

OPINION OF LESSEE'S COUNSEL

Date: October 11, 2010

Lessor: Caterpillar Financial Services Corporation
2120 West End Avenue
Nashville, TN 37203-0001

Re: Government Equipment Lease-Purchase Agreement dated as of October 5, 2010 by and between **GILA, COUNTY, AZ.** and Lessor.

143H Caterpillar Wheel Loader 928HZ CXK00693

Ladies and Gentlemen:

I have acted as counsel to Lessee in connection with the execution and delivery by Lessee of the Governmental Equipment Lease-Purchase Agreement described above, and all related exhibits, attachments and other documents necessary to consummate the transactions contemplated therein (collectively, the foregoing is referred to as the "Lease").

Based upon the foregoing examination and upon an examination of such other documents, records, and certificates and having made such other investigation as I consider necessary to render the opinions herein, I am of the opinion that:

1. Lessee is a County duly organized and legally existing as a political subdivision under the Constitution and laws of the State of Arizona (the "State") with full power and authority to enter into the Lease and to carry out its obligations thereunder and the transactions contemplated thereby.

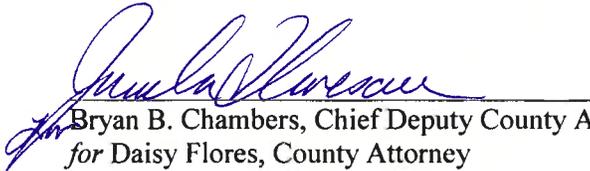
2. The Lease has been duly authorized, executed and delivered by Lessee and, assuming due authorization, execution and delivery thereof by Lessor, constitutes the legal, valid and binding obligation of Lessee, enforceable against Lessee in accordance with its terms, subject to any applicable bankruptcy, insolvency, moratorium or other laws or equitable principles affecting the enforcement of creditors' rights generally, and does not violate any judgment, order, law or regulation applicable to Lessee.

3. No litigation or proceeding is pending or, to the best of my knowledge, threatened to restrain or enjoin the execution, delivery or performance by Lessee of the Lease or in any way to contest the validity of the Lease, to contest or question the creation or existence of Lessee or its governing body or the authority or ability of Lessee to execute or deliver the Lease or to comply with or perform its obligations thereunder. There is no litigation pending or, to the best of my knowledge, threatened that seeks to or could restrain or enjoin Lessee from annually appropriating sufficient funds to pay the Lease Payments (as defined in the Lease) or other amounts contemplated by the Lease.

4. The authorization, approval and execution of the Lease and all other proceedings of Lessee relating to the transactions contemplated thereby have been performed in accordance with all applicable opening meeting, public records, public bidding and all other laws, rules and regulations of the State. The appropriation of moneys to pay the Lease Payments coming due under the Lease does not and will not result in the violation of any constitutional, statutory or other limitation relating to the manner, form or amount of indebtedness which may be incurred by Lessee.

5. The Lessee is within the meaning of Section 103 of the Internal Revenue Code of 1986, as amended, and Treasury Regulations and Rulings related thereto, a state of fully constituted political subdivision or agency of a state. The portion of Lease Payments made by Lessee identified as the interest component thereof will not be includible as Federal gross income under applicable statutes, regulations, court decisions and rulings existing on the date of this opinion is not an item of tax preference and consequently will be exempt from present Federal income taxes except to the extent taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations.

Sincerely,


Bryan B. Chambers, Chief Deputy County Attorney
for Daisy Flores, County Attorney