



Tax Lease
Transaction Number 3074378

1. PARTIES

LESSOR ("we", "us" or "our"):

CATERPILLAR FINANCIAL SERVICES CORPORATION
 2120 West End Avenue
 Nashville, Tennessee 37203

LESSEE ("you" or "your"):

CITY OF COLUMBIA, MO
 701 E. Broadway
 Columbia, Missouri 65201

In reliance on your selection of the equipment described below (each, a "Unit"), we have agreed to acquire and lease the Units to you, subject to the terms of this Lease. **Until this Lease has been signed by our duly authorized representative, it will constitute an offer by you to enter into this Lease with us on the terms stated herein.**

2. DESCRIPTION OF THE UNITS

DESCRIPTION OF UNITS Whether the Unit is new or used, the model number, the manufacturer, and the model name.	SERIAL/VIN Unique ID number for this Unit.	MONTHLY RENT This is due per period, as stated below in Section 4.	OPTION PURCHASE PRICE Payment at end of lease for purchase of Unit (see Section 16).	MAX ANNUAL HOURS/MILEAGE Maximum annual usage of Unit (see Application Survey).	DELIVERY DATE Enter date machine was delivered to you.
(1) New 745C Caterpillar Articulated Truck	TFK01268	\$10,872.58	(Cat Value Option)	2500	

LOCATION OF UNITS: City of Columbia's Landfill, 5700 Peabody Road, Columbia, Missouri 65202.

You acknowledge that the Units described above were delivered to you in good working condition and that you accepted them on the date indicated.

You agree with us that the Option Purchase Price, if set forth above and identified as a Cat Value Option, is not less than the reasonably expected Residual Value (as defined in Section 10) of such Unit.

The Application Survey ("Application Survey") submitted by you to us for each Unit is made a part of and incorporated into this Lease.

TERMS AND CONDITIONS

3. **Lease Term** The Lease Term will start on the date we sign the Lease and will continue for sixty (60) months unless earlier terminated or canceled as permitted herein.

4. **Rent** You will pay us the Monthly Rent beginning on the date we sign this Lease and on the same date of each month thereafter for the next fifty-nine (59) months (for a total of 60 monthly payments). Monthly Rent will be due without demand. You will also pay us all other amounts payable under the terms of this Lease and under any other document executed in connection with this Lease, including each Application Survey (the "Lease Documents") ("Other Payments", and together with the Monthly Rent, collectively, the "Rent"). You will pay the Rent to us at Caterpillar Financial Services Corporation; PO Box 730669; Dallas, TX 75373-0669 or such other location that we designate in writing. **You agree this Lease constitutes a non-cancelable net lease. You also agree that your duties and liabilities under this Lease and the other Lease Documents are absolute and unconditional. Your payment and performance obligations are not subject to cancelation, reduction, or setoff for any reason. You agree to settle all claims, defenses, setoffs, counterclaims and other disputes you may have with the Supplier (as defined below), the manufacturer of each Unit, or any other third party directly with the Supplier, the manufacturer or the third party, as the case may be. You will not assert, allege or make**

any such claim, defense, setoff, counterclaim or other dispute against us or with respect to the payments due us under this Lease.

5. **Late Charges** If we do not receive a Rent payment on the date it is due, you will pay us, on demand, a late payment charge equal to five percent (5%) of the late Rent payment.

6. **Disclaimer of Warranties** You have selected each Unit based upon your own judgment. You understand that we are not the manufacturer or the seller of the Units. WE MAKE NO WARRANTIES WHATSOEVER, EXPRESS OR IMPLIED, WITH RESPECT TO THIS LEASE OR TO ANY UNIT. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, EACH UNIT IS LEASED "AS IS, WHERE IS." WE MAKE NO WARRANTIES AS TO THE QUALITY OF MATERIALS OR WORKMANSHIP OR THAT THE MATERIALS OR WORKMANSHIP COMPLY WITH THE TERMS OF ANY PURCHASE ORDER OR AGREEMENT. WE EXPRESSLY DISCLAIM, AND YOU WAIVE ALL OTHER WARRANTIES AND CLAIMS EXPRESS OR IMPLIED, ARISING BY LAW OR OTHERWISE, WITH RESPECT TO ANY UNIT OR THIS LEASE, INCLUDING WITHOUT LIMITATION: (A) ANY IMPLIED WARRANTY THAT ANY UNIT IS MERCHANTABILITY; (B) ANY IMPLIED WARRANTY THAT ANY UNIT IS FIT FOR A PARTICULAR PURPOSE; (C) ANY IMPLIED WARRANTY ARISING FROM COURSE OF PERFORMANCE, COURSE OF DEALING, OR USAGE OF TRADE; (D) ANY OBLIGATION, LIABILITY, RIGHT, CLAIM, OR

REMEDY IN TORT; AND (E) ANY OBLIGATION, LIABILITY, RIGHT, CLAIM, OR REMEDY FOR LOSS OF OR DAMAGE TO ANY UNIT, FOR LOSS OF USE, REVENUE, OR PROFIT WITH RESPECT TO ANY UNIT, FOR ANY LIABILITY TO ANY THIRD PARTY, OR FOR ANY OTHER INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES, INCLUDING STRICT OR ABSOLUTE LIABILITY IN TORT. Nothing in this Lease takes away any rights you may have against any other parties (such as the Supplier or the manufacturer of any Unit). You agree to pursue only these third parties for any and all claims concerning any Unit except as to ownership and title. You are entitled to all the promises and warranties made by the Supplier to us with respect to the Units, and you may contact the Supplier in order to receive a description of those promises and warranties.

7. Possession, Use, and Maintenance (a) At your own expense, you will use and keep the Units in good operating order and condition and at least in accordance with Supplier's and manufacturer's recommendations and all maintenance and operating manuals and service agreements, and in accordance with all applicable laws and regulations, including the rules or limits on idling, fleet average or site based exhaust emissions, or operational limitations, for which you have sole responsibility for compliance. (b) You will not abandon a Unit. (c) You will not sublease a Unit or permit the use of a Unit by anyone other than you. (d) You will not change the use of a Unit from that specified in the Application Survey, without our prior written consent. (e) You will not change the Location of a Unit from that specified above without providing us with prompt written notice of such change. (f) You will not remove a Unit from the United States. (g) You will not sell, assign, transfer, create or allow to exist a lien, claim, security interest, or encumbrance on any of your rights under this Lease or with respect to a Unit. Each Unit is and will remain personal property regardless of its use or manner of attachment to realty. We have the right (but not the obligation) to inspect each Unit and its maintenance records. We also have the right to observe the use of each Unit and determine its hours of usage. You will not alter a Unit or affix any accessory or equipment to a Unit if doing so will impair its originally intended function or use or reduce its value. You will not make any "non-severable" addition (as defined for federal income tax purposes) to a Unit without our prior written consent. If added to a Unit, the following will immediately become our property: (i) replacement parts; (ii) parts essential to the operation of the Unit; and (iii) parts that cannot be detached from the Unit without interfering with the operation of the Unit or adversely affecting the value or utility the Unit would have had without the addition. All such parts will be deemed incorporated in the Unit and will be subject to the terms of this Lease as if originally leased under this Lease. If an Event of Default has occurred and is continuing, all parts, accessories, and equipment affixed to a Unit will become our property.

8. Taxes Rent includes all taxes arising from, or due in connection with, this Lease or the Units. You will pay when due, or promptly reimburse us for payment of, all taxes (other than our federal, state, or local net income taxes) imposed on a Unit, or the Rent. You will also pay or reimburse us for all (i) license and registration fees, (ii) fines, penalties, interest, or additions to any tax, (iii) charges similar to those stated in clauses (i) and (ii) that are imposed in connection with the ownership, possession, use, or lease of a Unit from the time we purchase the Unit until it is returned to us or purchased by you. You will remain responsible for the payment, or reimbursement of, any such charges, regardless of when we receive notice of the charge. You will prepare and file, in a manner satisfactory to us, all reports or returns required with respect to a Unit. You will reimburse us in full for any amounts that we pay or advance without regard to early payment discounts. We may estimate the amount of, and bill you periodically in advance for, any charge. You will be responsible, however, for any difference between the estimated amount and the actual amount. Except as provided in this section, you agree that we are entitled to receive any and all federal, state, or local tax credits and benefits, if any, applicable to a Unit. We are entitled to income tax depreciation deduction for each Unit based on the use as described in the Application Survey.

9. Tax Indemnity This Lease is entered into on the basis that we are entitled to claim certain depreciation deductions on the Units in accordance with Section 168(a) of the Internal Revenue Code of 1986, as amended, (the "Code") based upon the applicable depreciation method and recovery period specified in Code Sections 168(b) and (c), and to similar state and local income tax deductions (collectively, the "Tax Benefits"). Our classification of a Unit under Code Section 168(e), our determination of the applicable depreciation method and recovery

period, and our claim for an entitlement to the Tax Benefits are based solely upon your representations in Section 7 and the applicable Application Survey. If we do not receive nor retain all of the Tax Benefits anticipated with respect to any Unit (a "Tax Loss"), because (a) of a change in the US federal income tax rate, (b) you move any Unit outside the United States, or (c) you use any Unit for a different purpose than stated in the applicable Application Survey; you will pay us, within thirty (30) days after we provide you written notice of such Tax Loss, an amount which, in our opinion, will cause our net after-tax rate of return over the Lease Term in respect to the Unit to equal the net after-tax rate of return we would have realized if such Tax Loss had not occurred. For purposes of this section, we may be included in any affiliated group (within the meaning of Section 1504 of the Code) of which we are a member for any year in which a consolidated or combined income tax return is filed for the affiliated group.

10. Loss or Damage (a) You bear the risk of loss or damage to a Unit from the time we purchase the Unit (or from the beginning of the Lease Term, if earlier) until the Unit is returned to us or purchased by you in accordance with this Lease. Should any loss or damage occur, you will not be released from your obligations under the Lease or any other Lease Document. (b) You will provide prompt, written notice to us of any Total Loss (as defined below) or any material damage to any Unit. Any such notice will include any damage reports provided to any governmental authority, an insurer, or the Supplier, and any documents pertaining to the repair of such damage, including copies of work orders and all invoices for related charges. (c) Without limiting any other term in this Lease, you will promptly repair all damage that does not constitute a Total Loss, to restore the Unit to the condition required by this Lease. (d) A Unit has incurred a "Total Loss" upon: (i) the disappearance, theft or destruction or any other total loss of such Unit; (ii) damage to the Unit that is uneconomical to repair; or (iii) the condemnation, confiscation, or other taking of title to or use of a Unit or the imposition of any lien on such Unit by any governmental authority. On the next Rent due date following a Total Loss (a "Loss Payment Date"), you will pay us the Monthly Rent due on that date plus the Casualty Loss Value of the Unit with respect to which the Total Loss has occurred (the "Lost Units"), together with any Other Payments due with respect to the Lost Units. Until such payment is made, you will continue to pay us the Monthly Rent on the due dates set forth in Section 4. Upon making the full payment required on the Loss Payment Date, your obligation to pay future Monthly Rent on the Lost Units will terminate, but you will remain liable for all Monthly Rent and all Other Payments on any remaining Units. Furthermore, upon receipt of the full payment required on the Loss Payment Date, we convey to you all of our right, title, and interest in the Lost Units, "AS IS WHERE IS", but subject to the requirements of any third party insurance carrier in order to settle an insurance claim. "Residual Value" means the future fair market value of a Unit at the end of the Lease Term (determined at Lease inception). "Casualty Loss Value" means the sum of: (i) the discounted present value of all unpaid future Rent for the Lost Units; (ii) the discounted present value of the Lost Unit's Residual Value as determined by us; and (iii) all other amounts then due under this Lease with respect to the Lost Units (including all Other Payments then owing and unpaid). If the Total Loss occurs after the final Rent due date of the Lease Term, the Casualty Loss Value will be determined as of the last Monthly Rent due date during the Lease Term. (e) We are not required to pursue any claim against any person in connection with a Total Loss or other loss or damage. (f) If we receive a payment under an insurance policy required under this Lease in connection with any Total Loss or other loss or damage to a Unit, and such payment is both unconditional and indefeasible, then provided you have complied with the applicable provisions of this section, we will either (i) if the payment results from a Total Loss, send you proceeds up to an amount equal to the Casualty Loss Value you previously paid us, or credit the proceeds against any amounts you owe us or (ii) if the payment results from repairs made pursuant to Section 10(c), send you proceeds up to an amount equal to the amount of your actually incurred costs of repair.

11. Waiver and Indemnity You release and agree to indemnify, defend, and keep harmless, us (including any assignee of ours) and our directors, officers, agents and employees (each, an "Indemnitee"), from and against any and all Claims (defined below) (other than those directly resulting from the actual gross negligence or willful misconduct of the Indemnitee). To meet this obligation, you will pay, on a net after-tax basis, or otherwise discharge such Claims, when and as they become due. We will give you prompt notice of a Claim. You are entitled to control the defense of or to settle a Claim, so long as: (a) no Event of Default has occurred and is then continuing; (b) you are financially capable of satisfying your obligations under this section; and (c) we

approve your proposed defense counsel. "Claims" means all claims, allegations, judgments, settlements, suits, actions, damages (whether incidental, consequential or direct), demands (for compensation, indemnification, reimbursement or otherwise), losses, penalties, fines, liabilities (including strict liability), and charges that we incur or for which we are or may be responsible, in the nature of interest, liens, and costs (including attorneys' fees and disbursements and any other legal or non-legal expenses of investigation or defense of any Claim, whether or not the Claim is ultimately defeated, or enforcing the rights, remedies, or indemnities provided for hereunder, or otherwise available at law or in equity to us), of whatever kind or nature, contingent or otherwise, matured or unmatured, foreseeable or unforeseeable, by or against any person. Claims include any of the foregoing arising from: (i) a Lease Document; (ii) a Unit, including the contents and any regulated or hazardous substances at any time contained in a Unit or emitted from a Unit, (iii) the premises at which any Unit may be located from time to time; (iv) the ordering, acquisition, delivery, installation, or rejection of a Unit; (v) the possession of a Unit or any property to which the Unit may be attached from time to time; (vi) the maintenance, use, condition, ownership or operation of any Unit, during the Lease Term; (vii) the existence of a latent or other defect (whether or not discoverable by you or us) with respect to a Unit; (viii) any Claim in tort for negligence or strict liability in relation to a Unit; (ix) any Claim for patent, trademark or copyright infringement in relation to a Unit; (x) the Total Loss or damage, return, surrender, sale, or other disposition of any Unit or any part thereof; or (xi) any Claim involving or alleging environmental damage, or any criminal or terrorist act, relating in any way to a Unit. To the extent necessary under law or regulation, in order to eliminate liability for us, we transfer and you accept the transfer from us of any and all liability associated with exhaust emissions in connection with the Units. If any Claim is made against you or an Indemnitee, the party receiving notice of the Claim will promptly notify the other. If the party receiving notice of the Claim fails to notify the other, however, your obligations are still in effect. You agree to be responsible for all costs and expenses, including reasonable attorneys' fees, incurred by us or our directors, officers, employees, agents, or assigns in defending such claims or in enforcing this section. Under no condition or cause of action will we be liable for any loss of actual or anticipated business or profits or any special, indirect, or consequential damages.

12. **Insurance** You, at your expense, must keep each Unit insured with a commercial insurance policy for our benefit. This insurance must include physical damage insurance that will protect each Unit against all risks for an amount at least equal to the then-applicable Casualty Loss Value. You will also maintain commercial general liability insurance (including product and broad form contractual liability) covering each Unit for at least \$1,000,000 combined coverage for bodily injury and property damage per occurrence. All insurance must be in a form and with companies approved by us. The physical damage insurance shall specify you as named insured and us as loss payee, and the general liability policy shall specify you as named insured and us as additional insured. The insurance shall be primary, without the right of contribution from any insurance carried by us. You must promptly notify us of any occurrence that may become the basis of a claim. You must also provide us with all requested pertinent data. Upon demand, you must promptly deliver to us evidence of insurance coverage.
13. **Events of Default** Each of the following is an event of default ("Event of Default"): (a) You fail to make a payment when due. (b) A representation or warranty made to us in connection with this Lease is incorrect or misleading. (c) You fail to observe or perform a covenant, agreement, or warranty and the failure continues for ten days after written notice to you. (d) A default occurs under any other agreement between you or a Guarantor of this Lease (each a "Guarantor") and us or an affiliate of ours. (e) You, or a Guarantor, cease to do business, die, become insolvent, make an assignment for the benefit of creditors or file a petition or action under a bankruptcy, reorganization, insolvency or moratorium law, or a law for the relief of, or relating to, debtors. (f) Any filing of an involuntary petition under a bankruptcy statute against you or a Guarantor, or appointment of a receiver, trustee, custodian or similar official to take possession of your properties or those of a Guarantor, unless the petition or appointment ceases to be in effect within thirty days after filing or appointment. (g) There is a material adverse change in your, or a Guarantor's, financial condition, business operations or prospects. (h) There is a termination, breach, or repudiation of a Guarantor's guaranty.
14. **Remedies** (a) If an Event of Default occurs, we will have the rights and remedies provided by this Lease and under the Uniform Commercial

Code ("UCC") and any other law. Among these rights and remedies are to: (i) proceed at law or in equity, to enforce specifically your performance or to recover damages; (ii) declare this Lease in default, and cancel this Lease or otherwise terminate your right to use any Unit and your other rights, but not your obligations, (iii) require you to assemble Units and make them available to us at a place we designate; (iv) enter premises where a Unit may be located and take immediate possession of such Unit and remove (or disable in place) such Unit (and any unattached parts) without notice, liability, or legal process; (v) use your premises for storage without liability; (vi) sell or lease any of the Units, whether or not in our possession, at public or private sale, with or without notice to you, and apply or retain the net proceeds of such disposition in accordance with this Lease; (vii) enforce any or all of the preceding remedies with respect to any related collateral, and apply any deposit or other cash collateral, or any proceeds of any such collateral, at any time to reduce any amounts you owe us; (viii) demand and recover from you all Liquidated Damages (as defined below) and all Other Payments whenever they are due; and (ix) if we financed your obligations under a warranty agreement such as an Equipment Protection Plan, Customer Service Agreement, or similar agreement, we may cancel the agreement on your behalf and receive the refund of the fees that we financed but had not received from you as of the date of the Event of Default. As used herein, "Liquidated Damages" means the liquidated damages (all of which, you hereby acknowledge, are damages to be paid in lieu of future Monthly Rent and expected Residual Values and are reasonable in light of the anticipated harm arising by reason of an Event of Default, and are not a penalty) described in the first sentence of parts (i) or (ii) of Section 14(b) below, depending upon the recovery and disposition of the Units.

(b) If an Event of Default occurs and:

(i) we recover a Unit and dispose of it by a lease or elect not to dispose of the Unit after recovery, you will pay us on demand an amount equal to the *sum* of (A) any accrued and unpaid Rent as of the date we recover the Unit, *plus* (B) the present value as of such date of the total Monthly Rent for the then remaining Lease Term, *minus* (C) either (1) the present value, as of the commencement date of any substantially similar re-lease of the Unit, of the re-lease rent payable to us for the period, commencing on such commencement date, which is comparable to the then remaining Lease Term or (2) the present value of the "market rent" for such Unit (as computed pursuant to Article 2A of the UCC ("Article 2A")) in the continental United States as of the date on which we have a reasonable opportunity to remarket the Unit for the period, commencing on such date, which is comparable to the then remaining Lease Term, as applicable; provided, however, you acknowledge that if we are unable after a reasonable effort to dispose of the Unit at a reasonable price and pursuant to other reasonable terms, or the circumstances reasonably indicate that such an effort will be unavailing, the "market rent" in such event will be deemed to be \$0.00, but in the event that we do eventually re-lease or otherwise dispose of the Unit, we will apply the net proceeds of such disposition, to the extent received in good and indefeasible funds, as a credit or reimbursement, as applicable, in a manner consistent with the terms of this Lease and the applicable provisions of Article 2A. Any amounts discounted to present value, shall be discounted at the rate of three percent (3%) per annum, compounded annually;

(ii) you fail to return a Unit in the manner and condition required by this Lease, or we recover and sell the Unit, you will pay to us on demand an amount calculated as the Casualty Loss Value of the Unit (determined as of the next Monthly Rent payment date after the date of the Event of Default), together with all costs and expenses (as defined below), less a credit for any disposition proceeds, if applicable pursuant to the application provisions in the next sentence. If we demand the Liquidated Damages under this part (ii) and recover and sell the Unit, we will apply any proceeds received in good and indefeasible funds: first, to pay all costs and expenses not already paid; second, to pay us an amount equal to any unpaid Rent due and payable, together with the Liquidated Damage amounts specified in this part (ii), to the extent not previously paid; third, to pay us any interest accruing on the amounts covered by the preceding clauses, plus late charges, from and after the date the same becomes due, through the date of payment; fourth, to pay us an amount equal to any remaining obligations that you owe us under this Lease.

The remedies provided to us are cumulative and in addition to all other remedies at law or in equity. You will remain liable for any deficiency and we will retain any excess after our exercise of these remedies. To the extent you are entitled to a refund from us, you agree we have the right to offset any obligation that you have with us or our affiliates with such refund.

15. **Return of Unit** On expiration of the Lease Term or if we demand possession of a Unit pursuant to the terms of the Lease, you will, at your expense, promptly deliver the Unit to us properly protected and in the condition required by Section 7 and the applicable Application Survey. You will deliver the Unit, at our option, (a) to the nearest Caterpillar dealer selling equipment of the same type as the Unit; or (b) on board a carrier named by us and shipping the Unit, freight collect, to a destination designated by us. If the Unit is not in the condition required by Section 7 and the applicable Application Survey, you must pay us, on demand, all costs and expenses incurred by us to bring the Unit into the required condition. You are obligated to pay holdover rent (on a monthly basis) in the amount equal to 1/30th of the Monthly Rent plus any other costs and expenses for each day following the end of the Lease Term on any Unit that is not returned or purchased pursuant to the terms of this Lease.

16. **Purchase Option** At the expiration of the Lease, if no Event of Default has occurred and is continuing, you may choose to purchase any Unit for the Option Purchase Price set forth on the front of this Lease if this Lease includes an Option Purchase Price. If the Option Purchase Price states Fair Market Value, upon request, we will inform you of the price, which will be the fair market value of a Unit as determined by us. In order to exercise a purchase option, you must send written notice to us at least sixty (60) days prior to the end of the Lease Term. Upon receipt of the Option Purchase Price and all other amounts owing under the Lease, plus any taxes or our other costs and expenses arising from the sale of the Unit or the delivery of the bill of sale, we will deliver to you, upon request, a bill of sale without warranties except that the Unit is free of all encumbrances of any person claiming through us. You agree to purchase the Unit **"AS IS, WHERE IS, WITH ALL FAULTS."** Any applicable purchase option must be exercised as of the last day of the Lease Term and it is not available during any holdover period.

17. **Your Assurances and Representations** Each of us intends that: (i) this Lease constitutes a true "lease" and a "finance lease" as such terms are defined in Article 2A and not a sale or retention of a security interest; (ii) you have selected the "Supplier" (as defined in Article 2A) and have directed us to purchase each Unit (excluding any Additional Collateral) from this Supplier; (iii) you were informed, before your execution of this Lease and are hereby informed in writing that you are entitled under Article 2A to the promises and warranties, including those of any third party, provided to us by the Supplier in connection with or as part of the purchase of the Units, and that you may communicate directly with the Supplier and receive an accurate and complete statement of those promises and warranties, including any disclaimers and limitations on remedies relating thereto; and (iv) we are and shall remain the owner of each Unit (unless sold by us pursuant to any Lease Document), and you shall not acquire any right, title or interest in or to such Unit except the right to use it in accordance with the terms hereof.

You represent and warrant to us that: (a) You will use each Unit for business purposes only and not for personal, family or household use. (b) You will provide all financial information and reporting as we may reasonably require. (c) All credit, financial and other information submitted by you or on your behalf to us in connection with this Lease is and shall be true, correct and complete. (d) You will not change your name, principal place of business or primary residence and, if you are a business entity, your state of formation or form of business organization (including by merger, consolidation, reincorporation or restructure) without prior written notice to us. (e) We may share any of your information provided by you, or gathered by us, with any affiliate of ours that has or may extend credit to you. (f) You will not assign this Lease or any right or obligation under it without our prior written consent.

You agree, at your expense, to do any act and execute, acknowledge, authorize, deliver, file, register, and record any documents that we deem desirable in our reasonable discretion to protect our title or rights in a Unit and our rights and benefits under this Lease. You hereby irrevocably appoint us as your attorney-in-fact for the signing and filing of such documents and authorize us to delegate these limited powers.

You will not remove, disable, or impair any Unit monitoring system such as Cat® Product Link, if the Unit is equipped with such system. You

agree to permit Caterpillar Inc. or its subsidiaries or affiliates, including us (collectively "Caterpillar") and Caterpillar dealers to access data concerning the Unit, its condition, and its operation transmitted from the monitoring system. The information may be used: (1) to administer, implement, and enforce the terms of this Lease, (2) to recover the Unit if necessary, and (3) to improve Caterpillar's products and services. You agree that information transmitted may include, among other things, the serial number, VIN, location, and operational and other data, including but not limited to fault codes, emissions data, fuel usage, service meter hours, software and hardware version numbers, and installed attachments.

18. **Assignment; Counterparts** We may assign, sell or encumber all or any part of this Lease, the Rent, and the Units with or without notice to you. THE RIGHTS OF ANY SUCH ASSIGNEE WILL NOT BE SUBJECT TO ANY DEFENSE, COUNTERCLAIM OR SET OFF WHICH YOU MAY HAVE AGAINST US. If requested by us, you will assist us in the assignment of any of our rights under this Lease. If requested by us, you will also sign a notice of assignment in a form approved by us. If notified by us, you will make all payments due under this Lease to the party designated in the notice without offset or deduction. In connection with any potential or actual assignment, you consent to the sharing of your credit file information, including personal information relating to your principals, with any potential assignee. Upon any assignment by us of our rights under this Lease, and except as may otherwise be provided herein, all references in this Lease to "Lessor", "we", "us", and "our" will mean the assignee. This Lease is for the benefit of, and is binding upon, your and our respective successors and assigns. Though multiple counterparts of this document may be signed, only the counterpart accepted, acknowledged, and certified by us on the signature page as the original will constitute original chattel paper. A photocopy or facsimile of this Lease will be legally admissible under the "best evidence rule." A signed copy of this Lease and any related document sent electronically will be treated as an original document and will be admissible as evidence thereof, and all signatures thereon will be binding as if manual signatures were personally delivered. You are hereby notified that we may assign our rights (but not our obligations) under this Lease and in the Units to CF Exchange, LLC, a qualified intermediary, as part of a 1031 exchange.

19. **Effect of Waiver; Entire Agreement; Notices; Applicable Law** Our delay or omission in exercising any right or remedy will not impair such right or remedy. A delay or omission by us will not be construed as a waiver of any Event of Default. Any waiver or consent by us must be in writing. This Lease and the Lease Documents completely state our and your rights and supersedes all prior agreements with respect to a Unit. All notices must be in writing, addressed to the other party at the address stated on the front of this Lease or at such other address as may be furnished in writing. This Lease is governed by and construed under the laws of the State of Tennessee, without giving effect to the conflict-of-laws principles. You consent to the jurisdiction of any state or federal court located within the State of Tennessee. **THE PARTIES WAIVE THE RIGHT TO TRIAL BY JURY IN ANY ACTION ARISING OUT OF OR RELATED TO THIS LEASE, THE OBLIGATIONS, OR THE UNITS.**

20. **No Agency; Modification of Lease; Miscellaneous** No person or entity, including, without limitation, the supplier or the manufacturer of the Units, is authorized to act as our agent regarding this Lease. No waiver, modification, or change in this Lease will bind us unless provided by us in writing. Oral agreements are not binding. You agree that we may correct patent errors in this Lease and the Lease Documents and fill in blanks including for example correcting or filling in serial numbers, VIN numbers, and dates. Headings in this Lease are inserted for convenience only. Headings do not affect the meaning or interpretation of this Lease. If a provision of this Lease is invalid under any law, it shall be deemed omitted. Any such omission will not invalidate the remaining provisions. To the extent any payment due us under this Lease is deemed to be usurious, the payment obligation shall be amended and limited to the maximum lawful amount. All obligations under this Lease survive the expiration or termination of the Lease if necessary to give full effect to the terms of this Lease.

By signing this Lease, you certify that you have read this Lease and all the other Lease Documents, including each Application Survey.

SIGNATURES

IN WITNESS WHEREOF, the Parties have hereunto executed this Lease Agreement in triplicate the day and year of the last signatory noted below.

LESSEE: CITY OF COLUMBIA, MISSOURI

By: _____
Mike Matthes, City Manager

Date: _____

ATTEST:

Sheela Amin, City Clerk

APPROVED AS TO FORM:

Nancy Thompson, City Counselor

LESSOR: CATERPILLAR FINANCIAL SERVICES CORPORATION

By: _____

Name & Title: _____

Date: _____

ATTEST:

Name & Title: _____

This Amendment (the "Amendment"), dated _____, 2017 (the "Effective Date"), to the Tax Lease (the "Lease") for the Transaction Number set out above is by and between the parties identified below.

PARTIES

LESSOR:

CATERPILLAR FINANCIAL SERVICES CORPORATION
2120 West End Avenue
Nashville, TN 37203

LESSEE:

CITY OF COLUMBIA
P.O. Box 6015
Columbia, Missouri 65205

TERMS AND CONDITIONS

- Capitalized terms used but not defined herein shall have the meaning given them in the Lease.
- Except as provided herein, the Lease shall remain unchanged and in full force and effect in accordance with its terms. Any additional modifications are null and void unless approved in writing by you and us. Nothing herein shall be deemed to be a waiver or amendment of any other provision contained in the Lease or any of our rights or remedies under the Lease.
- As of the Effective Date, the Lease is hereby amended as set forth below.

AMENDMENT

- The table in Section 2 of the Lease (headed "Description of Units") is amended as follows:

DESCRIPTION OF UNITS Whether the Unit is new or used, the model number, the manufacturer, and the model name.	SERIAL/VIN Unique ID number for this Unit.	MONTHLY RENT This is due per period, as stated below in Section 4.	OPTION PURCHASE PRICE Payment at end of lease for purchase of Unit (see Section 16).	MAX ANNUAL HOURS/ MILEAGE Maximum annual usage of Unit (see Application Survey).	DELIVERY DATE Enter date machine was delivered to you.
(1) New 745C Caterpillar Articulated Truck	TFK01268	\$10,872.58	None	2500	

- Section 7 of the Lease (headed "Possession, Use and Maintenance") is amended by adding after the final sentence thereof the following two sentences:

"It is understood that for the maintenance of the Unit John Fabick Tractor Company ("Fabick Cat") shall provide services pursuant to a Premier Equipment Protection Plan and a Customer Service Agreement for Preventive Maintenance that Fabick Cat has made available to you. However, none of your obligations or duties with respect to this Lease are conditional or contingent on the provision of such services to you by Fabick Cat."

- Section 9 of the Lease (headed "Tax Indemnity") is amended by restating it in its entirety to provide as follows:

9 "**Federal Income Tax Treatment** Based on the Rent, the Lease Term and other terms and provisions of the Lease, during the Lease Term we will be the owner of the Unit for federal income tax purposes. Accordingly, we will be entitled to claim certain depreciation deductions on the Units in accordance with Section 168(a) of the Internal Revenue Code of 1986, as amended. You will not use the Unit for a different purpose than stated in the Application Survey or take any other action that would hinder or affect our ability to claim such deductions for federal income tax purposes."

- Section 11 of the Lease (headed "Waiver and Indemnity") is amended by restating it in its entirety to provide as follows:

"**No Waiver of Immunities** In no event shall the language of this Lease constitute or be construed as a waiver or limitation of either party's rights or defenses with regard to each party's applicable sovereign, governmental, or official immunities and

protections as provided by federal and state constitutions and laws. This Lease, however, does not negate or affect the statutory waiver of sovereign immunity set forth in Vernon's Annotated Statutes section 537.600 and 537.610."

8. Section 17 of the Lease (headed "Your Assurances and Representations") is amended by deleting the second (2nd) sentence of the third (3rd) paragraph thereof (regarding appointment of us as your attorney-in-fact).
9. Section 18 of the Lease (headed "Assignment; Counterparts") is amended by deleting the ninth (9th), tenth ((10th) and eleventh (11th) sentences thereof and replacing them with the following:

"This Lease will be manually signed by each of us in three (3) counterparts, each of which will constitute an original and one of which will be retained by us (as chattel paper) and two of which will be retained by you. Additionally, a signed copy of this Lease and any related document sent electronically will be admissible as evidence, and all signatures thereon will be binding as if manual signatures were personally delivered."

10. Section 19 of the Lease (headed "Effect of Waiver; Entire Agreement; Notices; Applicable Law") is amended by changing the governing law provision and the jurisdictional provision thereof from the State of Tennessee to the State of Missouri.

SIGNATURES

IN WITNESS WHEREOF, the Parties have hereunto executed this Lease Agreement in triplicate the day and year of the last signatory noted below.

LESSEE: CITY OF COLUMBIA, MISSOURI
By: _____
Mike Matthes, City Manager
Date: _____

ATTEST:

Sheela Amin, City Clerk

APPROVED AS TO FORM:

Nancy Thompson, City Counselor

LESSOR: CATERPILLAR FINANCIAL SERVICES CORPORATION
By: _____
Name & Title: _____
Date: _____

ATTEST:

Name & Title: _____

NON-APPROPRIATIONS ADDENDUM TO TAX LEASE
Transaction Number 3074378



PARTIES

LESSOR ("we", "us" or "our"):

CATERPILLAR FINANCIAL SERVICES CORPORATION
2120 West End Avenue
Nashville, Tennessee 37203

LESSEE ("you" or "your"):

CITY OF COLUMBIA, MO
701 E. Broadway
Columbia, Missouri 65201

We and you agree to add the following paragraph to the Lease:

You represent and warrant to us that you (i) have sufficient appropriations or other funds available to pay all amounts due hereunder for the current fiscal year and (ii) reasonably believe that funds can be obtained sufficient to make all rental payments during the term of the Lease. You hereby covenant that you will do all things reasonably within your power to obtain funds from which the rental payments may be made, including (i) providing for such payments to the extent necessary in each budget submitted for the purpose of obtaining funding and (ii) using your *bona fide* best efforts to have such portion of the budget approved. It is your intent to make rental payments for the full term of this Lease if funds are available therefor, and you represent that the use of the Units is essential to your proper, efficient and economic operation. In the event no funds or insufficient funds are appropriated and budgeted or are otherwise not available in any fiscal year for rental payments due under this Lease, then you will immediately notify us of such occurrence and this Lease will terminate on the last day of the fiscal year for which appropriations were received. You will not incur any penalty or expense as a result of any such termination of this Lease, and you will have no obligation to make rental payments with respect to the remainder of the Lease, but you will be obligated to pay rental payments to the extent funds shall have been appropriated and budgeted or are otherwise available. In the event of such termination, you agree to return the Units to us pursuant to Section 15 of this Lease, and we will have all legal and equitable rights and remedies to take possession of the Units. Notwithstanding the foregoing, you agree that you will not cancel this Lease if any funds are appropriated for the acquisition, retention or operation of the Units or other equipment performing functions similar to the Units.

SIGNATURES

IN WITNESS WHEREOF, the Parties have hereunto executed this Lease Agreement in triplicate the day and year of the last signatory noted below.

LESSEE: CITY OF COLUMBIA, MISSOURI

By: _____
Mike Matthes, City Manager

Date: _____

ATTEST:

Sheela Amin, City Clerk

APPROVED AS TO FORM:

Nancy Thompson, City Counselor

LESSOR: CATERPILLAR FINANCIAL SERVICES CORPORATION

By: _____

Name & Title: _____

Date: _____

ATTEST:

Name & Title: _____



Construction Equipment Application Survey

Customer Name: **City of Columbia, MO**. Location: 5700 Peabody Road, Columbia, MO 65202
Make: Caterpillar Model: 745C Quantity: 1 Serial Number: TFK01268 VIN #:
Monthly Usage: 208.33 Current Hours: 10.00
Dealer: John Fabick Tractor Company Dealer Location: Fenton, MO

******* IMPORTANT INFORMATION *******

RESIDUAL EXCEPTION REQUESTS must be submitted to Lessor for the following applications: landfill, transfer and recycling stations; demolition, scrap yards and steel mills; salt, chemical, and corrosive environments such as feed lots, dairy farms, rendering plants, mushroom farms, fertilizer and lime handling, salt water areas and all hazardous waste handling; dusty or poor underfoot conditions; all mining applications. Any applications requiring unusual attachments, unit modifications or that involve non-traditional use of the unit. Any transaction with ten or more of one model.

MAJOR ATTACHMENTS:

Air Conditioning

BLADES/BUCKETS/RIPPERS:

MARKET CATEGORIES:

Standard Environmental – Site Prep Landfill.

IF "SEVERE" OR "OTHER" DESCRIPTION OF ACTUAL APPLICATION REQUIRED:

MAXIMUM USAGE:

The model listed and equipped as stated above will be operated an estimated total of **208.33 hours per month** over a term of **60 months** for total usage during the lease term of **12,500.00 hours**. This total usage combined with any accumulated hours prior to the Lease inception date, as stated above under current hours, will be the **total allowable machine hours** for the life of the Lease and the basis for any overuse charges.

Total Lease Hours 12,500.00 + Current Hours 10.00 = Total Allowable Machine Hours 12,510.00

OVERUSE CALCULATION:

In addition to Lessor's other rights hereunder and not in lieu thereof, Lessee shall pay Lessor additional rent for each hour in excess of the Total Allowable Machine Hours established for the Lease as stated above. This hourly rate shall be \$74.77 per hour.

Please note: To avoid overuse charges, notify Lessor immediately of any increase in machine usage that will cause the total usage to exceed the "Total Allowable Machine Hours" as stated above. The Lease may be adjusted to reflect the correct hour usage.

REMEDY FOR RETURN CONDITIONS:

Lessee will be invoiced for the parts and labor based on your local Caterpillar dealer's retail prices and retail labor rates to replace tires, undercarriage components, belts and all other non-conforming components as outlined in the **"REMAINING LIFE REQUIREMENTS"** section of the Mandatory Condition of the Unit Upon Return. The invoiced amounts will be based on the following percentages of remaining life and is payable upon receipt of invoice:

Life Remaining	Charge to Lessee
50% or greater	No charge to Lessee
31% to 49%	50% charge to Lessee
0% to 30%	70% charge to Lessee

SEE PAGE TWO FOR ADDITIONAL TERMS AND CONDITIONS WHICH ARE PART OF THIS APPLICATION SURVEY.

LESSOR RETAINS THE RIGHT TO ASK FOR ANY AND ALL REPAIR AND MAINTENANCE RECORDS DURING THE LEASE TERM AND/OR LEASE TERMINATION. A FULL UNIT INSPECTION MAY BE CONDUCTED AT LESSEE'S EXPENSE AT ANY TIME EVIDENCE DEMONSTRATES THAT THE UNIT(S) ARE BEING ABUSED FROM NEGLIGENCE OR MISAPPLICATION.

MANDATORY CONDITION OF EQUIPMENT UPON RETURN:

Notwithstanding the provisions of: Sections 7 and 15 of the Tax Lease

Lessee agrees that each Unit, upon its return, shall:

MAINTENANCE AND GENERAL REQUIREMENTS:

- Give Lessor sixty (60) days' notice prior to the Lease termination date of Lessee's intention to return any and all Units to Lessor.
- Return the Units in the same configuration, with all attachments, as when delivered at lease inception. Lessee is responsible for costs, including but not limited to, fees, taxes and duties associated with tear down, loading, shipping and unloading of Units to a site designated by Lessor.
- Ensure the Units upon return are thoroughly cleaned, steam cleaned if available, and free from all oil, hydraulic and fuel leaks.
- Operate and maintain all Units in accordance with Caterpillar Lubrication and Maintenance and Operators guide books, and insure all maintenance is performed at recommended intervals and only genuine Caterpillar filters and parts are used for all maintenance and repairs. All Units must be in good operating condition and be able to perform all tasks under rated load.
- Enroll all Units in a Caterpillar dealer Scheduled Oil Sampling (SOS) or comparable program, where available, for the entire lease, and insure all fuels, lubricants, additives, and radiator water is clean and complies with Caterpillar recommended standards.
- Ensure all Units are operated only in the applications for which they were designed and manufactured.
- Maintain a working engine hour meter at all times. Keep complete records of all hour meter changes along with major component change outs and routine maintenance and repair records.
- Ensure all service contracts are fully implemented and all maintenance and repairs are made on schedule. Product Improvement Programs (PIP's) must be complete before the Units are returned. **ATTACH A COPY OF ANY AND ALL REPAIR AND MAINTENANCE CONTRACTS AND PLANNED COMPONENT REPLACEMENT PROGRAMS.**
- Provide a secured place to store off-lease Units upon request from the Lessor. Provide access to the Units for purposes of maintenance or demonstration to prospective buyers at Lessor's request.

SPECIFIC TINWARE AND SAFETY REQUIREMENTS:

- Ensure the operator's compartment is clean, and all switches, monitoring systems (EMS, VIMS, VIDS), gages, control levers, pedals, radio, mirrors, seats, insulation and all other contents are complete and in good working order.

- Ensure all window glass is clear, and free from cracks and major pits, all window frames, doors and weather stripping are complete, and all service access compartment covers and doors, fenders, and other flat metal or plastic surfaces are in good working order and free from dents and cracks.
- Ensure all standard Caterpillar and non-Caterpillar safety items are complete and in good working order, including but not limited to, roll over protection (ROPS) and falling object protection (FOPS) systems, seat belts, steps, safety rails, grab irons, cat walks, fire suppression systems, warning alarms, cameras and monitors.
- Ensure all electrical components, including but not limited to, wiring harness, batteries, alternators, drive belts, lighting and air conditioning systems are complete and in good working order.
- Ensure all repairs made to main structures, including but not limited to, main frames, roller frames, car bodies, swing gears, drawbars, circles, component housings, loader arms, booms, sticks, tag links, loader linkages, truck bodies, buckets, rippers, and arches must be accomplished in accordance with factory recommended materials and repair procedures.

REMAINING LIFE REQUIREMENTS:

- Ensure all ground engaging tools, including but not limited to, buckets, dozer blades, base cutting edges, rippers, scarifiers, drums, feet, tines, screeds, elevator flights, forks, and top clamps have good structural integrity and have fifty percent (50%) minimum remaining life.
- Return all track and rubber belted Units with a minimum of fifty percent (50%) remaining life on each and every component, including but not limited to, track shoes, links, pins, bushings, idlers, bogies, sprockets, carrier rollers, and track rollers. Belts cannot have any cuts that extend into the cords and must not be missing guide blocks or grouser bars (lugs). Charges will be assessed for each component not meeting the requirement.
- Return all rubber tire Units with a minimum of fifty percent (50%) remaining life of the original tread life of each tire. Recapped tires are not acceptable substitutes. All tires must be a matched set with the same tread type and pattern and have no significant cuts or chunking of the tread or side walls.

SIGNATURES

This Application Survey is considered to be an integral part of the Lease between Lessor and Lessee. The information obtained from this Application Survey will be of primary importance in the Lease payment schedule. Any change in the location, severity of application, annual hourly usage and/or attachments or configuration must be approved in writing by Lessor.

SEE PAGE ONE FOR ADDITIONAL TERMS AND CONDITIONS WHICH ARE PART OF THIS APPLICATION SURVEY.

IN WITNESS WHEREOF, the Parties have hereunto executed this Lease Agreement in triplicate the day and year of the last signatory noted below.

LESSEE: CITY OF COLUMBIA, MISSOURI

By: _____
Mike Matthes, City Manager

Date: _____

ATTEST:

Sheela Amin, City Clerk

APPROVED AS TO FORM:

Nancy Thompson, City Counselor

LESSOR: CATERPILLAR FINANCIAL SERVICES CORPORATION

By: _____

Name & Title: _____

Date: _____

ATTEST:

Name & Title: _____

CFSC Reviewed by: _____