

**VEHICLES LEASE AGREEMENT**

LESSOR: Midwest Bus Sales, Inc.  
23889 W 40<sup>th</sup> St, Shawnee, KS 66226

LESSEE: Usd 434 Santa Fe Trail  
104 Burlingame Ave, Scranton, KS 66537

**PROPERTY LEASED.** Subject to the terms of this Commercial Vehicles Lease Agreement (this "Agreement"), Lessor agrees to lease to Lessee and Lessee agrees to lease from Lessor all of the personal property (each, a "Vehicle" and, collectively, the "Vehicles") described on Exhibit I attached hereto and made a part hereof. Any modifications to or deletions from Exhibit I when agreed to by both parties, or any agreed variation in models or types of Vehicles, shall be evidenced by a supplement to this Agreement. Lessee shall inspect the Vehicles at delivery and report any defects to Lessor in writing within 48 hours of delivery. Failure to report any defects within such time period shall constitute Lessee's acceptance of the Vehicles in their delivered condition. Lessee agrees that all equipment, accessories, replacements, additions or substitutions now or hereafter added to the Vehicles shall immediately, by accession, become integral parts of the Vehicles. This Agreement shall constitute the master lease with respect to the Vehicles and shall be deemed to comprise as many individual leases as there are Vehicles that may be delivered to Lessee.

**OWNERSHIP OF VEHICLES.** This is an agreement to lease only and shall not be construed as a contract for the sale of Vehicles. Lessee acknowledges that Lessor is the owner of all Vehicles leased hereunder. Lessee further agrees that it does not acquire any legal or equitable interest in the Vehicles, but merely shall have the possessory right to use and operate the Vehicles in accordance with the terms of this Agreement, which possessory right shall be forfeited upon the termination, cancellation or expiration of this Agreement as herein provided.

**LEASE PAYMENTS.** Lessee shall pay to Lessor a lease payment in the amount set forth for each Vehicle on **Exhibit I**. Lessee shall remit lease payments to Lessor at Midwest Bus Leasing, LLC, P.O. Box 844725, Kansas City, MO 64184-4725, or as otherwise directed in writing by Lessor. The lease payment obligation begins with respect to each Vehicle on the delivery of such Vehicle. Any down payment deposit Lessor may require with respect to any Vehicle shall be paid upon start of the lease for such Vehicle. Lessee shall have no right of deduction, setoff or counterclaim, all of which Lessee hereby waives. If Lessee fails to make any lease payment required by this Agreement within ten (10) days of the due date therefor, Lessee shall pay to Lessor a service charge of 5% of such unpaid amount; provided that in no event shall such service charge exceed any maximum amount established by applicable law, and any payment of such service charge shall not operate to cure or waive any Event of Default arising from such failure to pay.

**LEASE TERM.** The lease term for the Vehicles shall be from 7/1/2022, to 6/30/2023.

**PAYMENT OF PERSONAL PROPERTY TAXES AND REGISTRATION.** Lessee shall pay all federal, state and local sales, use, excise, personal property, and other taxes and all other governmental assessments, fees and charges imposed on or in connection with any Vehicle, or on the lease, use, ownership or possession thereof, and any registration charges related to the Vehicles. Lessee shall file any necessary returns connected with the above taxes and charges, and shall furnish adequate proof of payment to Lessor. Lessor may advance payment for these expenses and invoice Lessee for same. Payment of such invoiced amounts shall be due within ten (10) days of invoice date.

**REGISTRATION AND LICENSES.** Lessee shall title, register and license the Vehicles in the name or names directed by Lessor (including any lienholder designations directed by Lessor). Lessee shall promptly forward such title and/or certificate of registration to Lessor. Lessee shall also have the Vehicles inspected and pay for same as required by any governmental authority.

**INSURANCE.**

a) Lessee, at its own expense, shall provide and maintain for each Vehicle insurance of the types and amounts set forth below:

1. Fire, theft and comprehensive insurance with deductible amounts not to exceed \$2,500.00 per Vehicle. Lessee shall maintain at all times at such party's expense collision insurance with deductible amounts not to exceed \$2,500.00 per Vehicle.
2. Physical damage including comprehensive and collision for actual cash value of each Vehicle and be evidenced on the applicable certificate of insurance.
3. Bodily injury and property damage liability insurance to cover accidents arising out of the ownership, maintenance, operation or use of each Vehicle and with a minimum of a \$1,000,000.00 combined single limit bodily injury and property damage.

b) Lessee agrees to indemnify Lessor and hold Lessor harmless from any loss or damage caused by Lessee's failure to maintain said insurance coverage (whether as a result of the expiration, cancellation, revocation or other termination of any insurance coverage or otherwise).

c) All policies of insurance required under this Agreement must by appropriate endorsement or otherwise name each of Daimler Truck FinServUSALLC , 14372 Heritage Parkway Suite 400, Fort Worth, Texas, 76177, and Midwest Bus Leasing LLC, 23889 W 40<sup>th</sup> St, Shawnee, KS 66226, as an additional insured and as a loss payee, in each case as their interests may appear. Further, each such insurance policy must provide (1) that the same may not be canceled, changed or modified until after the insurer has given Lessor at least 30 days prior written notice of such proposed cancellation, change or modification, (2) full breach of warranty protection and (3) that the coverage is "primary coverage" for the protection of Lessee and Lessor notwithstanding any other coverage carried by Lessee or Lessor protecting against similar risks. Lessee shall furnish Lessor original certificates evidencing such coverage and endorsements, and a copy of each policy, together with proof of payment of premium at least 30 days prior to the delivery of any Vehicle under this Agreement and annually prior to expiration of the current policy. Lessee hereby appoints Lessor as Lessee's attorney-in-fact to adjust, receive payment of, to endorse all checks and other documents and to take any other actions necessary to pursue insurance claims and recover payments if Lessee fails to do so. Lessee will bear any expense Lessor incurs in adjusting or collecting insurance, and shall pay such amounts within ten (10) days of Lessor's demand therefor.

d) Lessee agrees to cooperate fully with Lessor and the insurance carriers insuring the hazards enumerated in this Agreement in the investigation, defense and prosecution of any and all claims or suits arising from the use or operation of any Vehicle. If any claim is made or action commenced for death, personal injury or property damage resulting from the ownership, maintenance, use or operation of any Vehicle, Lessee agrees to promptly notify Lessor of such claim or action in writing and to forward to Lessor a copy of every demand, notice, summons or other process received in connection therewith. Lessee hereby appoints Lessor as Lessee's authorized agent for the limited purpose of certifying that Lessee has and will maintain financial responsibility with respect to each Vehicle.

e) The Certificate of Title for each Vehicle will be in the name of Lessee, with Daimler Truck FinServUSALLC, named as the first lienholder unless otherwise agreed by the parties and Midwest Bus Leasing LLC named as the second lienholder.

If Lessee fails to comply in any respect with the foregoing provisions, then Lessor may procure and keep in force any insurance required hereunder that Lessee has failed to maintain and charge the cost thereof to Lessee, payable within ten (10) days after Lessor's demand therefor.

**NET LEASE.** This is a "net lease." Lessor shall not be required to provide any services or do any act in connection with the Vehicles except as specifically provided in this Agreement. The lease payment obligations and any other charges shall be paid to Lessor without any claim on the part of Lessee for diminution or abatement, except as provided in this Agreement, and the fact that Lessee's use of the Vehicles may be disturbed or prevented for any cause whatsoever, except Lessor's willful actions, shall

not in any way suspend, abate or reduce the lease payments and other charges to be paid by Lessee per this Agreement.

**LOSS OR DAMAGE.** Lessee shall bear the entire risk of loss, theft, damage or destruction of the Vehicles from any cause whatsoever. No loss, theft, damage or destruction of any Vehicle shall relieve Lessee of the obligation to make lease payments or to comply with any other obligation under this Agreement. In the event of damage to any Vehicle, Lessee shall immediately place the same in good repair at Lessee's expense. If Lessor determines that a Vehicle is lost, stolen, destroyed or damaged beyond repair, the lease shall terminate with respect to that Vehicle. Such a termination shall be effective thirty (30) days from the date of notice by Lessee of loss, theft, or damage. If a Vehicle is lost, stolen or so damaged, or disappears or is destroyed, under this section, Lessee is not relieved of the obligation to pay under this Agreement, notwithstanding any termination of the lease with respect to such Vehicle. In addition, Lessor reserves the option to offer a replacement or substitute Vehicle, which Vehicle shall be subject to the terms of this Agreement, or Lessor and Lessee may execute a new Lease Agreement. If Lessor exercises its option to provide a replacement or substitute Vehicle, Lessee agrees to pay Lessor any additional rental costs for the substituted or replacement Vehicle that exceed the original lease rental costs.

**USE OF VEHICLES.** Lessee hereby warrants and represents that the Vehicles will be used for business purposes only or, if Lessee is a school district, for the purposes of transportation of students, faculty, staff and others normally transported in vehicles similar to the Vehicles in the course of Lessee's normal operations, and not for consumer, personal, family or household purposes. Lessee shall not permit any Vehicle to be used in violation of any federal, state or municipal statutes, laws, ordinances, rules or regulations, or contrary to the provisions of any applicable insurance policy. Lessee shall indemnify and hold Lessor harmless from any and all fines, forfeitures, damages or penalties resulting from violation of any such statutes, laws, ordinances, rules or regulations. Except with the written consent of Lessor, the use of all Vehicles shall be limited to the continental limits of the United States.

**MILEAGE AND ODOMETER.** The total mileage allowance with respect to each Vehicle is set forth on Exhibit I. Lessor reserves the right to audit the Vehicle mileage at any time during the lease term.

**MAINTENANCE.** Lessee, at its own expense, shall: (a) maintain each Vehicle according to the manufacturer's required maintenance schedule for warranty validation and in substantially the same mechanical condition as the date of delivery of such Vehicle, ordinary wear and tear excepted; (b) lubricate Vehicles as frequently as specified by the manufacturer; and (c) furnish gas, oil, wash, tires, and pay any storage charges for Vehicles. Lessee shall be responsible for any depreciation, loss or any reduction to Vehicles that Lessor, in its reasonable judgment, shall determine was caused by Lessee's failure to comply with the requirements set forth in the preceding sentence. Lessor will inspect each Vehicle upon return and, if Lessor identifies any unperformed maintenance or damage other than normal wear and tear, then Lessee will reimburse Lessor, within ten (10) days after Lessor's demand therefor, for repair of such damage and performance of such maintenance at Lessor's labor rate and parts cost plus 35%.

**DRIVERS OF VEHICLES.** Lessee shall permit only properly licensed and qualified drivers to operate the Vehicles. All drivers will be instructed periodically in all practices which will insure the greatest amount of safety and protection for the party being transported by Lessee. Lessee shall ensure that each driver operates the Vehicles in a safe manner and in accordance with the laws of the State of operation and the ordinances of any city in which such Vehicle operates. In no event shall any Vehicle be operated by any person under the influence of alcohol or narcotics. Lessor shall have the right to demand that any person operating any Vehicle in violation of the foregoing be forbidden to drive any Vehicle, and Lessee shall immediately comply with any such demand.

**NOTICE OF ACCIDENT.** Lessee shall, within twenty-four (24) hours after it receives notice of the occurrence of any Vehicle mishap, accident or traffic violation, notify Lessor in writing of such occurrence. Such notification shall contain a full and complete statement of all relevant facts. Lessee shall keep Lessor and the applicable insurer fully informed of all claims, suits or proceedings arising out of any accident involving a Vehicle. Lessee shall forward to insurer and Lessor a copy of every demand,

notice, summons, or other process received in connection with any and all claims, suits or other legal proceedings resulting from an accident involving a Vehicle.

**RIGHT TO INSPECT.** Lessor reserves the right at any time to inspect the Vehicles and all maintenance records, driver logs and other records relating to the operation or maintenance of the Vehicles (collectively, "Records"), and from time to time make such requests as may be necessary to assure compliance with the terms and provisions of this Agreement and applicable law. If Lessee fails or refuses to return any Vehicle to Lessor upon demand by Lessor and in violation of this Agreement, said failure or refusal to return such Vehicle may be considered as a conversion and treated as a theft of such Vehicle and Lessor shall have the right to notify and request the police authorities to recover same as a stolen Vehicle, in addition to all other rights and remedies of Lessor hereunder and under applicable law. During any such holdover period, Lessee shall continue to comply with all of the terms and conditions of this Agreement, and shall pay 120% of the prorated applicable daily rent for each day from such due date until the date on which Lessee returns the applicable Vehicles to Lessor in the manner required under this Agreement. Upon the return of a Vehicle, Lessee shall deliver or cause to be delivered to Lessor all Records maintained by Lessee with respect to such Vehicle.

**INDEMNIFICATION.** Lessee shall defend, indemnify and hold harmless Lessor, its parent, subsidiary and affiliated companies and their directors, officers, employees, agents and other representatives from and against any and all damages, loss, theft, or destruction of any Vehicle, and against all losses, liabilities, damages, injuries, claims, demands, costs, and expenses of every kind and nature, including legal fees and disbursements arising out of and in connection with the use, condition or operation of Vehicles.

**DISCLAIMER OF WARRANTIES. LESSEE ACKNOWLEDGES AND AGREES THAT LESSOR HAS NOT MADE, DOES NOT MAKE, AND HEREBY EXPRESSLY DISCLAIM ANY REPRESENTATION, WARRANTY OR COVENANT, EXPRESSED OR IMPLIED WITH RESPECT TO THE MERCHANTABILITY, CONDITION, QUALITY, DURABILITY, TITLE, DESIGN, OPERATION, FITNESS FOR USE, FITNESS FOR A PARTICULAR PURPOSE, OR SUITABILITY OF THE VEHICLES OR ANY COMPONENT THEREOF 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 AND CHARACTER, EXPRESSED OR IMPLIED, WITH RESPECT THERETO. LESSEE IS ACCEPTING THE VEHICLES "AS IS AND WITH ALL FAULTS" AND LESSOR SHALL NOT BE LIABLE FOR ANY ACTUAL, INCIDENTAL, CONSEQUENTIAL OR OTHER DAMAGES OF OR TO LESSEE OR ANY OTHER PERSON WHATSOEVER.**

In no case shall Lessor be liable for any special, incidental, or consequential damages based upon breach of warranty, breach of contract, negligence, strict tort, or any other legal theory. Such damages include, but are not limited to, loss of profits, loss of savings or revenue, loss of use of the leased Vehicles or any associated equipment, loss of capital, loss of substitute equipment, facilities or services, down time, the claims of third parties and injury to property, and Lessee hereby releases Lessor from same. This limitation does not apply to damages caused by breach of warranty of title. Some states do not allow limitations on warranties, or on remedies for breach in certain transactions. In such states, the limits in this paragraph and in the preceding paragraph may not apply. Lessor assumes no liability or responsibility for any acts or omissions of Lessee or of Lessee's agents, servants or employees, or any other person, or for property that is damaged, lost or stolen in or from the Vehicles, and Lessee hereby releases Lessor from same.

**ASSIGNMENT AND LIENS.** Lessee shall not assign or transfer its interest in this Agreement or the Vehicles, and shall not grant or permit a security interest or other lien against the Vehicles, without the written consent of Lessor. Lessor may assign this Agreement in whole or in part and/or encumber the Vehicles without notice to Lessee, and its assignee or lienholder may reassign this Agreement and/or such encumbrance, without notice to Lessee, and each such assignee and/or lienholder shall have all of the rights but none of the obligations of Lessor under this Agreement. Lessee shall recognize each such assignment and/or encumbrance, and shall not assert against the assignee and/or lienholder any claim, defense, counterclaim, or set off that Lessee may have against Lessor.

Lessee acknowledges that any assignment of Lessor's interest would neither materially change Lessee's duty nor materially increase the burden or risk imposed on Lessee under this Agreement. Lessee acknowledges that any assignment by Lessor will be permitted even if the assignment would be deemed to materially affect Lessee's interest.

Lessee shall notify Lessor immediately in writing of any charges or liens of any kind whatsoever imposed upon the Vehicles, and at its option, Lessor may discharge the same on behalf of Lessee and all such advances by Lessor shall be added to the unpaid balance of the rentals due hereunder, and shall be repayable by Lessee to Lessor on demand, together with interest thereon at the highest legal contract rate until paid or such advances may be deducted from any security deposit held by Lessor.

**BINDING ON HEIRS.** This Agreement inures to the benefit of and is binding upon the heirs, legatees, devisees, personal representative, survivors, successors in interest and assigns, if any, of the parties.

**WRITTEN NOTIFICATION.** Whenever written notification is required by this Agreement, such written notice shall be sent to the applicable party by certified mail, return receipt requested, at the addresses shown above. If either party hereto changes its mailing address during the term of this Agreement, it shall immediately notify the other party of such change.

**WAIVER; AMENDMENT.** No waiver under this Agreement is effective unless it is in writing and signed by an authorized representative of the party waiving its right. The waiver by Lessor of any default on the part of Lessee shall not be a waiver of any subsequent default. No amendment to or rescission, termination or discharge of, this Agreement shall be effective unless it is in writing and signed by an authorized representative of each party to this Agreement.

**FINANCE LEASE.** Lessee and Lessor intend that: (a) each lease under this Agreement constitutes a true "lease" that is a "finance lease" as such terms are defined in Article 2A of the Uniform Commercial Code (the "UCC") and does not create a "security interest" as defined in the UCC; (b) Lessor is and shall remain the owner of the Vehicles (unless sold by Lessor); (c) Lessee shall not acquire any right, title, equity or interest in or to such Vehicles other than the right to possess and use the Vehicles in accordance with Lessee's leasehold interest under this Agreement. If, notwithstanding the intention of the parties and the economic realities of this Agreement, any lease is deemed to create a security interest, Lessee shall be deemed to have granted to Lessor as security for Lessee's obligations hereunder, a first priority security interest in the Vehicles and all proceeds thereof. Lessee hereby authorizes Lessor to file one or more UCC financing statements (including without limitation "precautionary filings") naming Lessee as "debtor", and such amendments and continuations thereof, in each case as Lessor in its sole discretion may deem necessary or advisable. Until Lessee's obligations with respect to all Vehicles are satisfied in full, if requested by Lessor or if required by applicable law, Lessee shall at Lessee's sole cost and expense permanently affix and maintain on any or all Vehicles, as determined by Lessor or as required by applicable law, a sign, legend, plate, plaque, tag or other identifying label in a prominent place that discloses Lessor's ownership or that such Vehicles are leased from Lessor under this Agreement.

**SUBORDINATION.** This Agreement and any Vehicle hereunder will be subject to any rights and interests in and to the Vehicles under any respective contract or contracts or security interest granted by Lessor to any person, firm or entity.

**SALES TAX.** Lessor shall invoice and remit to appropriate state, sales tax as charged on each Invoice. Lessee is responsible for any and all other applicable taxes.

**WARRANTY.** Warranty shall be original manufacturer's warranty period with all terms and conditions set forth by such manufacturer. Any Vehicles that are received by Lessee that do not contain a manufacturer's warranty shall be the responsibility of Lessor until new Vehicles are provided.

**REPRESENTATIONS AND WARRANTIES OF LESSEE.** Lessee is duly organized, validly existing and in good standing under the laws of its jurisdiction of organization and has full power and authority to

own, operate or lease the properties and assets now owned, operated or leased by it (including the Vehicles) and to carry on its business as currently conducted. Lessee has full power and authority to execute and deliver this Agreement, to perform its obligations hereunder and to consummate the transactions contemplated hereby. The execution and delivery by Lessee of this Agreement, the performance by Lessee of its obligations hereunder, and the consummation by Lessee of the transactions contemplated hereby have been duly authorized by all requisite action on the part of Lessee. This Agreement has been duly executed and delivered by Lessee, and constitutes a legal, valid and binding obligation of Lessee enforceable against Lessee in accordance with its terms, except to the extent that the enforcement of remedies may be limited under applicable bankruptcy and insolvency laws.

**EVENTS OF DEFAULT.** Each of the following events shall constitute an Event of Default under this Agreement: (a) if Lessee fails to pay in full any installment of rent, any loss payment or any other monetary obligation under this Agreement when due and payable, whether by acceleration or otherwise; (b) if Lessee fails to observe or perform any obligation under this Agreement; (c) if any representation or warranty made by Lessee in this Agreement or in any other written statement furnished to Lessor shall prove to have been untrue or incorrect in any material respect when made; (d) if Lessee is in material default under any other agreement with Lessor; (e) if this Agreement shall at any time for any reason cease to be in full force and effect or shall be declared to be null and void by a court of competent jurisdiction, or if the validity or enforceability of this Agreement shall be contested or denied by Lessee, or if Lessee shall deny that it has any further liability or obligation under this Agreement; (f) if Lessee's interest in this Agreement, the Vehicles or any portion thereof devolves on or passes to any person or entity, whether by operation of law or otherwise; (g) if Lessee (i) does not, or is unable to, or admits in writing its inability to, pay its debts as they become due; (ii) commences or institutes any case, proceeding or other action seeking relief on its behalf as debtor, or to adjudicate it a bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding up, liquidation, dissolution, composition or other relief with respect to it or its debts under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization or relief of debtors; (iii) commences or institutes any case, proceeding or other action seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or any substantial part of its property; or (iv) makes a general assignment for the benefit of creditors; or (h) if a receiver, trustee, custodian or other similar official is appointed for any substantial part of the assets of Lessee, which appointment is not vacated or stayed within 30 days.

**REMEDIES.** If an Event of Default occurs and is continuing, Lessor may, in its sole discretion, exercise one or more of the following remedies: (a) declare this Agreement in default; (b) terminate this Agreement and the leases hereunder in whole or in part, effective immediately upon Lessor's notice of such termination to Lessee; (c) declare the entire amount of rent and other obligations due, and to become due, under this Agreement for the entire term immediately due and payable; (d) immediately take possession of, or render unusable, each Vehicle wherever it may be located, without demand or notice, without any court order or other process of law and without liability to Lessee for any damages occasioned by such action, and no such actions shall constitute a termination of this Agreement and Lessee expressly authorizes Lessor and its agents to enter on any premises where any Vehicle may be found, for the purpose of repossessing or rendering unusable such Vehicle, and expressly waives any further interest in such Vehicle and any right of action arising out of such entry and repossession; (e) require Lessee to deliver the Vehicles to a location designated by Lessor, and for each day that Lessee shall fail to return any Vehicle, Lessor may demand an amount equal to the rent for such Vehicle, prorated on the basis of a thirty-day month, in effect immediately prior to such Event of Default; (f) recover from Lessee, not as a penalty but as liquidated damages, an amount equal to the sum of (i) all accrued and unpaid rent as of the date Lessor obtains possession of a Vehicle following Lessee's default (the "Repossession Date"), plus (ii) the present value of all future rent reserved in this Agreement for such Vehicle and contracted to be paid over the term of the lease, discounted at a discount rate determined by Lessor as of the Repossession Date, plus (iii) all reasonable costs and expenses incurred by Lessor by reason of such Event of Default and Lessor's exercise of its rights and remedies under this Agreement (collectively, "Enforcement Expenses"), including without limitation reasonable legal fees and expenses and expenses incurred in connection with the return, repossession or other recovery of a Vehicle and the sale, re-lease or other disposition thereof, plus (iv) the present value of the estimated residual value of such Vehicle as of the expiration of the lease, discounted at a Discount Rate determined by Lessor as of the Repossession Date, minus (v) any amounts received by Lessor from the sale of re-

lease of such Vehicle; (g) proceed on any collateral or other security given in connection with this Agreement; (h) proceed by court action to enforce performance by Lessee of this Agreement or to recover all damages and expenses incurred by Lessor by reason of any Event of Default; (i) terminate any other agreement that Lessor may have with Lessee; (j) sell the Vehicles at public or private sale, with or without notice to Lessee or advertisement (unless required by law), or otherwise dispose of, hold, use, operate, lease to others, or keep idle the Vehicles, and without any duty to account to Lessee for such action or inaction or for any proceeds with respect thereto (unless required by law), and apply the net proceeds thereof (after deducting all Enforcement Expenses incurred in connection therewith) to the amounts owed to Lessor under this Agreement; provided, however, that Lessee shall remain liable to Lessor for any deficiency that remains after any sale or lease of the Vehicles; and (k) exercise any other right or remedy available to Lessor under this Agreement or at law or in equity, including damages, specific performance, or rights and remedies under the UCC.

All of the foregoing rights and remedies are cumulative and will be in addition to all other rights and remedies available to Lessor under this Agreement. Lessor's failure to strictly enforce any provisions of this Agreement or any other right available to Lessor will not be deemed a waiver thereof and will not excuse Lessee from future performance.

**GOVERNING LAW; WAIVER OF JURY TRIAL; CHOICE OF FORUM.** This Agreement and the rights and obligations of the parties hereto shall be governed and interpreted according to the laws of the State of Kansas (without regard to the conflict of laws principles of such state), including all matters of construction, validity and performance, regardless of the location of the Vehicles. LESSEE AND LESSOR HEREBY IRREVOCABLY WAIVE THE RIGHT TO TRIAL BY JURY OF ANY CAUSE OF ACTION, CLAIM, COUNTERCLAIM OR CROSS-COMPLAINT IN ANY ACTION OR PROCEEDING TO WHICH LESSEE AND/OR LESSOR MAY BE A PARTY ON ANY MATTER WHATSOEVER BASED UPON, ARISING OUT OF, OR IN ANY WAY PERTAINING OR RELATED TO, OR CONNECTED WITH, THIS AGREEMENT OR ANY OTHER AGREEMENT OR INSTRUMENT EXECUTED IN CONNECTION HERewith OR ANY OBLIGATIONS HEREUNDER OR THEREUNDER. This waiver is knowingly, willingly and voluntarily made by Lessee and Lessor, who acknowledge that no representations have been made by any individual to induce this waiver of trial by jury or in any way to modify or nullify its effect. This waiver shall apply to any amendments, renewals, supplements or modifications to this Agreement or such other agreements or instruments. Each party irrevocably and unconditionally agrees that it will not commence any action, litigation or proceeding of any kind whatsoever against the other party in any way arising from or relating to this Agreement, and all other transactions, including, but not limited to, contract, equity, tort, fraud and statutory claims, in any forum other than the United States District Court for the District of Kansas or the courts of the State of Kansas sitting in Shawnee County, and any appellate court from any thereof. Each party irrevocably and unconditionally submits to the exclusive jurisdiction of such courts and agrees to bring any such action, litigation or proceeding only in the such courts. Each party agrees that a final judgment in any such action, litigation or proceeding is conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

**Further Assurances.** Lessee will, and will cause third parties to, from time to time, do and perform any other act and execute, acknowledge, deliver, file and record (and will refile and rerecord whenever required) any and all further instruments required by law or reasonably requested by Lessor in order to carry out the intent and purpose of this Agreement, to establish and protect Lessor's rights and remedies hereunder or under applicable Law, and to perfect Lessor's ownership (including Lessor's tax ownership) of the Vehicles, in each case to Lessor's satisfaction, including such certificates of title as Lessor shall request, and Lessee hereby authorizes Lessor, in Lessee's name and as Lessee's attorney in fact, to do or file any of the foregoing without Lessee's authentication. Lessee hereby authorizes Lessor to correct any manifest errors in this Agreement, and Lessee will execute, or cause third parties to execute, any agreement, instrument or other document reasonably required by Lessor to evidence any such correction.

**ENTIRE AGREEMENT.** This written document contains the entire understanding between the parties hereto. No party has relied on any verbal representations from the other before entering into this Agreement.

By execution hereof, the signer hereby certifies that he has read the Lease, including all pages of the Lease and acknowledges receipt of this Agreement.

**LESSEE:**

Usd 434 Santa Fe Trail

By: \_\_\_\_\_

Name:

Title:

**LESSOR:**

Midwest Bus Sales, Inc.

By: \_\_\_\_\_

Name: Robert Newman

Title: Director of Operations



## Vehicle Lease Agreement

### Exhibit I

Year / Make / Model	VIN	Passengers	Lease Start Date	Lease End Date	Mileage
2016 CHEVY MT	1GB6GUBG6G1195652	15+1	7/1/2022	6/30/2023	NA
2018 Thomas C2	4UZABRFD0JCJG5227	65	7/1/2022	6/30/2023	NA
2018 Thomas C2	4UZABRFD2JCJG5228	65	7/1/2022	6/30/2023	NA
2018 Thomas C2	4UZABRFD4JCJG5229	65	7/1/2022	6/30/2023	NA
2018 Thomas C2	4UZABRFD0JCJG3865	71	7/1/2022	6/30/2023	NA
2018 Thomas C2	4UZABRFD2JCJG3866	71	7/1/2022	6/30/2023	NA
2018 Thomas C2	4UZABRFD4JCJG3867	71	7/1/2022	6/30/2023	NA
2018 Thomas C2	4UZABRFD6JCJG3868	71	7/1/2022	6/30/2023	NA
2018 Thomas C2	4UZABRFD8JCJG3869	71	7/1/2022	6/30/2023	NA
2018 Thomas C2	4UZABRFD4JCJG3870	71	7/1/2022	6/30/2023	NA
2018 Thomas C2	4UZABRFD6JCJG3871	71	7/1/2022	6/30/2023	NA
2018 Thomas C2	4UZABRFD8JCJG3872	71	7/1/2022	6/30/2023	NA
2018 Thomas C2	4UZABRFDXJCJG3873	71	7/1/2022	6/30/2023	NA
2018 Thomas C2	4UZABRFD1JCJG3874	71	7/1/2022	6/30/2023	NA
2018 Thomas C2	4UZABRFD5JCJG3876	71	7/1/2022	6/30/2023	NA
2018 Thomas C2	4UZABRFD7JCJG3877	71	7/1/2022	6/30/2023	NA
2018 Thomas C2	4UZABRFD9JCJG3878	71	7/1/2022	6/30/2023	NA
2018 Thomas C2	4UZABRFD0JCJG3879	71	7/1/2022	6/30/2023	NA
2018 Thomas C2	4UZABRFD6LCLV1670	71	7/1/2022	6/30/2023	NA

### Payment Schedule Per Bus

PAYMENT AMOUNT	PAYMENT DATE	NUMBER OF PAYMENTS	PAYMENT FREQUENCY	MAINTENANCE
\$8,500.00	7/1/2022	1	Annually	NA
\$11,800.00	7/1/2022	1	Annually	NA
\$11,900.00	7/1/2022	1	Annually	NA

*\*Lease payment does not include any applicable lease tax. Lease invoice(s) will reflect all amounts owed, including lease taxes. Payment terms will be per the terms outlined above.*

## ASSIGNMENT AND ACKNOWLEDGMENT OF ASSIGNMENT OF LEASE

Lease Date: 7/1/2022

Lessee: Usd 434 Santa Fe Trail  
104 Burlingame Ave, Scranton, KS 66537

Vehicle I.D. # See Exhibit I

THIS ASSIGNMENT AND ACKNOWLEDGMENT OF ASSIGNMENT OF LEASE (*"Assignment and Acknowledgment"*) is entered into as of the 7/1/2022 by and between the above named Lessee and MIDWEST BUS LEASING LLC., a Kansas limited liability company ("Lessor," by assignment from Midwest Bus Sales, Inc.), with regard to DAIMLER TRUCK FINANCIAL SERVICES, USA LLC dba DAIMLER TRUCK FINANCIAL (*"Lender"*). Lessee and Lessor are sometimes collectively referred to herein as the *"Parties."*

1. Assignment. Lessor hereby collaterally assigns to Lender in accordance with the terms of that certain Security Agreement, Lessor's rights under the Vehicles Lease Agreement dated , between Midwest Bus Sales, Inc. (as lessor) and Lessee (the "Lease"), including without limitation Lessor's ownership interest, lien and other rights in the Vehicle(s) identified above, together with all rights which may have arisen before the date of this Assignment and Acknowledgment. Lessee and Lessor acknowledge and agree that Lender, in its sole discretion, may direct Lessee to make payment directly to Lender.
1. Acknowledgment of Encumbrance. The Parties acknowledge that the Vehicle(s) is encumbered by the lien of Lender, pursuant to that certain Security Agreement between Lessor and Lender; which lien is, and shall be, superior to the rights of Lessor and Lessee under the Lease. Lessee acknowledges and agrees that its rights under the Lease, including, but not limited to, the option to purchase, if any, and its rights in the Vehicle(s) identified above are in all respects subordinate, inferior and subject to the lien of Lender in the Lease and the Vehicle(s). The Parties acknowledge: (i) such lien shall continue to attach to the Vehicle(s) until all sums owed to Lender by Lessor are paid in full, together with all interest thereon; (ii) upon notice from Lender, Lessee will make lease or rental payments directly to Lender; (iii) Lessee will not make more than one rental payment in advance to Lessor; and (iv) Lessee will not hold Lender liable for the performance or non performance of any of Lessor's obligations under the Lease, or otherwise, nor will it withhold lease or rental payments from Lender on account of Lessor's performance or non-performance. Lessee hereby agrees not to sell, lease, sublease or assign any interest in the Vehicle(s) without the prior written consent of Lessor and Lender. The Parties acknowledge and agree that they shall provide notice of Lender's lien to any subsequent purchaser or lessee of the Vehicle, and shall further indemnify Lender from any liabilities or damages which may arise as a result of the failure to provide: (i) notice of Lender's lien; or (ii) notice to Lender of any transaction relating to the Vehicle. It is acknowledged by the Parties that Lender is intended to be a third-party beneficiary of this Assignment and Acknowledgment.
2. Binding Effect. This Assignment and Acknowledgment shall be binding upon the successors and assigns of each of the Parties.

**IN WITNESS WHEREOF, the undersigned have executed this Assignment and Acknowledgment as of the date first hereinabove written.**

**LESSEE:**

Usd 434 Santa Fe Trail

By: \_\_\_\_\_

Name:

Title:

**LESSOR:**

MIDWEST BUS LEASING, LLC, a Kansas  
Limited Liability Company

By: \_\_\_\_\_

Name: Robert Newman

Title: Director of Operations

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**ASSIGNMENT AND ASSUMPTION AGREEMENT**

**THIS ASSIGNMENT AND ASSUMPTION AGREEMENT**

(the "Agreement"), effective as of 7/1/2022 (the "Effective Date"), is by and between MIDWEST BUS SALES, INC., a Kansas corporation ("Assignor"), and MIDWEST BUS LEASING LLC, a Kansas limited liability company ("Assignee").

WHEREAS, Assignor has agreed to assign all of its rights, title and interests in, and Assignee has agreed to assume all of Assignor's duties and obligations under, that certain Vehicles Lease Agreement dated 7/1/2022, by and between Assignor and Usd 434 Santa Fe Trail (the "Assigned Lease").

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Assignment and Assumption. Assignor hereby sells, assigns, grants, conveys and transfers to Assignee all of Assignor's right, title and interest in and to (a) the Assigned Lease and (b) all vehicles described in, or subject to, the Assigned Lease. Assignee hereby accepts such assignment and assumes all of Assignor's duties and obligations under the Assigned Lease and agrees to pay, perform and discharge, as and when due, all of the obligations of Assignor under the Assigned Lease accruing on and after the Effective Date.
2. Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Kansas.
3. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by email or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed version of this Agreement.
4. Further Assurances. Each of the parties hereto shall execute and deliver, at the reasonable request of the other party hereto, such additional documents, instruments, conveyances and assurances and take such further actions as such other party may reasonably request to carry out the provisions hereof and give effect to the transactions contemplated by this Agreement.

**IN WITNESS WHEREOF, the parties have executed this Agreement to be effective as of the Effective Date.**

**MIDWEST BUS SALES, INC.**

By: \_\_\_\_\_

**MIDWEST BUS LEASING LLC**

By: \_\_\_\_\_