

# Mike Albert, Ltd

Automobile and Truck Leasing and Rental Nationwide

CLERK DEPARTMENT

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## COMMERCIAL MOTOR VEHICLE MASTER LEASE AGREEMENT (CLOSED-END)

This MASTER VEHICLE LEASE AGREEMENT #105638 (as amended, modified or supplemented from time to time, this "Agreement") made as of January 16, 2013 (the "Effective Date"), between Mike Albert, Ltd, a Delaware statutory trust (the "Lessor"), with offices at 10340 Evendale Drive, Cincinnati, Ohio 45241, and the undersigned (the "Lessee"). If more than one party executes this Agreement as Lessee, each shall be jointly and severally liable hereunder.

### 1. LEASE TERMS

- A. Lessor agrees to lease to Lessee and Lessee agrees to lease from Lessor certain motor vehicles for use in its business (together with its equipment, parts, replacements, additions, accessories, repairs and accessions, each, a "Vehicle" and all such motor vehicles subject to this Agreement, the "Vehicles") in accordance with the terms and conditions of this Agreement. Lessor and Lessee expressly understand and agree that this Agreement is a lease only and that Lessee acquires no right, title or interest in or to any Vehicle except as a Lessee. Lessee agrees that it shall, at its expense, protect and defend the title of Lessor in the Vehicles against creditors of or claiming through Lessee. This Agreement is both a true lease and a statutory "finance lease" (as defined in Ohio Revised Code, Title XIII Commercial Transactions, Section 1310.01). If, despite the intention of the parties that this Agreement be a lease, a judicial determination is made that the transactions contemplated hereunder constitute a loan by Lessor to Lessee, then Lessee shall be deemed to have granted (and Lessee hereby grants) Lessor a security interest in the Vehicles and all proceeds, accessions, documents, instruments, accounts, chattel paper, equipment and general intangibles related thereto to secure all obligations of Lessee to Lessor under this Agreement. Lessee hereby authorizes Lessor to file, at the expense of the Lessee, any financing or continuation statements related to the foregoing. Lessee shall place such tags or registration on any Vehicle leased hereunder as Lessor may request which indicates the ownership interest of the Lessor in such Vehicle, and Lessee acknowledges and agrees that Lessor will be listed as owner and/or lienholder on the certificate of title for each Vehicle.
- B. From time to time, Lessee may request that Lessor provide a written proposal in the form attached as Exhibit I hereto (a "Vehicle Quotation" or "VQ") with respect to a proposed new Vehicle or group of Vehicles to be leased hereunder. Each VQ shall specify, to the extent applicable, the lease term, programs, financing and servicing procedures and characteristics, year, make and model, equipment, accessories and other details with respect to such Vehicle(s). Lessee shall order Vehicles for lease by placing a Valid Order with respect to each Vehicle (as defined in Section 10.I. below) (each, a "Vehicle Lease Order" or "VLO") on a Vehicle lease order form in a form approved by Lessor; provided, that such VLO shall become noncancelable as of the date Lessor has placed a noncancelable order with a manufacturer or dealer with respect to such Vehicle; provided further, that if Lessee fails to use an approved lease order form, Lessee is responsible for any and all errors or omissions caused by the failure to use a form approved by Lessor. If Lessee cancels a VLO after such VLO becomes noncancelable in accordance with the foregoing sentence, then Lessee shall reimburse Lessor for any loss incurred by Lessor as a result of such cancellation (including all costs and expenses) and shall pay Lessor's then current cancellation fee with respect to such cancellation. Each VLO will incorporate (explicitly or by reference) the information set forth in the related VQ and will also specify the order date, requested delivery date, color choice, driver information and location in which the applicable Vehicle will be garaged. Lessor may, in its sole discretion, elect to accept or reject any VLO or all VLOs. In the event that Lessor elects to reject any VLO delivered by Lessee, Lessor will use reasonable efforts to notify Lessee of such rejection.
- C. Notwithstanding anything in this Agreement to the contrary, Lessor shall not be required to deliver to Lessee any Vehicle related to a VLO accepted by Lessor (and Lessor shall not be in breach of this Agreement for not delivering such Vehicle) unless all of the following conditions shall be satisfied (as determined in the reasonable discretion of Lessor): (1) no material adverse change in the financial condition of Lessee shall have occurred; (2) no suits or proceedings shall have been filed or instituted (or, to the knowledge of Lessee, threatened) against or affecting Lessee which, if adversely determined, would have a material adverse effect on the business or financial condition of Lessee; (3) Lessee shall have provided Lessor with all writings or documentation that Lessor deems necessary or desirable to assist Lessor in evaluating Lessee's

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creditworthiness or to otherwise accomplish the purpose of this Agreement; (4) no party executing this Agreement as Lessee shall have denied or revoked its obligations hereunder; and (5) no event shall have occurred or be continuing which, with notice or lapse of time or both, would constitute an "event of default" by Lessee under this Agreement or under any other agreement between Lessee and Lessor or its affiliate.

- D. By placing a VLO, Lessee creates an obligation to accept delivery of the Vehicle(s) described therein at the location specified in such VLO, and Lessee hereby agrees to accept the related Vehicle(s) for lease. At the request of Lessee, delivery of a Vehicle may be to a location other than the location specified in the applicable VLO; provided, that Lessee shall pay the additional costs related to delivery to such alternate location. Upon delivery of each Vehicle, Lessor shall provide to Lessee a schedule in the form attached as Exhibit 3 hereto (each, a "Schedule A") identifying the Vehicle, setting forth the monthly rental payments with respect thereto, the in-service date and other appropriate information related to the lease. Upon delivery of a Vehicle to or at the direction of the Lessee and upon the request of the Lessor, the Lessee (or its designee, including any designated driver) shall execute and deliver a "receipt of delivery" in a form provided by Lessor. (However, Lessor is not required to obtain an executed "receipt of delivery" indicating acceptance of such Vehicle in order to establish delivery and acceptance of a Vehicle). **By accepting delivery of a Vehicle, Lessee acknowledges that such Vehicle is in good repair and satisfactory condition, and that Lessee accepts such Vehicle in the condition received.**
- E. Each VLO and related Schedule A together shall be deemed to be a separate lease agreement with respect to the Vehicle described therein and each VLO and related Schedule A shall be deemed to incorporate by reference the terms of this Agreement and the related VQ. The invalidity, fulfillment, waiver, termination or other disposition of any rights or obligations of either Lessee or Lessor (or both) in connection with any VLO and related Schedule A shall not affect the rights or obligations of Lessee or Lessor arising under any other VLO and related Schedule A except to the extent set forth in Section 7. Any Schedule A delivered by Lessor to Lessee shall be binding upon Lessor and Lessee from the earlier of acceptance of the Vehicle by Lessee or the date the Schedule A was received by Lessee, subject to Lessee's and Lessor's rights to correct any errors therein.
- F. Except as set forth in the next sentence, Lessor is not responsible for any delay in the delivery of any Vehicle to Lessee and Lessee has no right to revoke a VLO or attempt to terminate this Agreement or any Schedule A because of any such delay. Notwithstanding the foregoing, if Lessor is grossly negligent and such negligence causes a material delay in the delivery of any Vehicle to Lessee, then Lessee may revoke the VLO related to such Vehicle (it being agreed that Lessee may not revoke the VLO related to any other Vehicle or terminate this Agreement or any Schedule A because of any such delay). By accepting delivery of a Vehicle, Lessee acknowledges that such Vehicle was delivered to Lessee in accordance with this Agreement. If Lessee has delivered a VLO but refuses to accept the related Vehicle for delivery, then Lessee shall reimburse Lessor for any loss incurred by Lessor as a result of Lessee's failure to accept delivery of such Vehicle (including all costs and expenses) and shall pay Lessor's then current cancellation fee with respect to such failure to accept delivery.
- G. The lease term for each Vehicle will be specified in the applicable Schedule A. Lessee's minimum noncancelable lease term for each Vehicle (including any damaged Vehicle deemed a total loss or any lost or stolen Vehicle) shall be calculated in accordance with clause iv of Section 7.C. Lessee may request an extension of the lease term and Lessor may grant such request in its sole discretion upon the terms and conditions specified by the Lessor. The terms and conditions of this Agreement shall continue in full force and effect and shall be binding upon the Lessee until the later of (a) the surrender of all Vehicles to Lessor or its designee and (b) the fulfillment by Lessee of all of its obligations under this Agreement.
- H. Lessee represents, warrants, and covenants to Lessor on the date hereof and as of the date of each Schedule A that (1) Lessee has full power and authority to execute, deliver and perform as Lessee the terms and provisions of this Agreement in compliance with all applicable laws, judgments and orders binding upon Lessee or its properties and (2) there are no pending or threatened investigations, actions or proceedings before any court or administrative agency which, if adversely determined, would materially affect the rights of the Lessor under this Agreement or with respect to the Vehicles.

## 2. RENTAL CHARGES; PAYMENT TERMS

- A. Lessee agrees to pay to Lessor at its office in Cincinnati, Ohio (or other designated location as provided in writing), the monthly rental for the use and operation of each Vehicle leased hereunder at the monthly rent specified on Schedule A for such Vehicle, together with all additional charges provided for in this Agreement. **ALL RENT AND ADDITIONAL CHARGES SHALL BE PAID WHEN DUE WITHOUT ABATEMENT, OFFSET OR COUNTERCLAIM ARISING OUT OF ANY CIRCUMSTANCES WHATSOEVER.**

- B. The monthly rental payment for a leased Vehicle is based on the cost of such Vehicle and interest rates in effect at the time the Vehicle is placed in service, as described in more detail on the VQ. Rental payment obligations shall begin on the first day of the calendar month following delivery. Rental payments are due monthly in advance. Lessee agrees that, from the time of delivery of the Vehicle to Lessee to the time when such rental charges are payable, Lessee will pay interim rental promptly when invoiced by Lessor in an amount equal to the monthly rental charge pro-rated on a daily basis based on the actual number of days in the month. Rental payment obligations end on the last day of the month prior to the surrender date. Lessee agrees to pay interim rent for the month of surrender until the date of surrender in an amount equal to the monthly rental charge pro-rated on a daily basis based on the actual number of days in the month. For the avoidance of doubt, a Vehicle shall be deemed to be delivered for purposes of calculating rent and the commencement of the lease term hereunder on the earlier to occur of (a) the day on which such Vehicle is delivered to Lessee's driver, employee or agent at the location listed on the VLO (or at a location which may be otherwise mutually agreed upon) or (b) forty-eight (48) hours after the time Lessor or its delivering agent notifies Lessee, its agent or its designee (including the driver designated in the related VLO) that such Vehicle is available for delivery.
- C. Notwithstanding Section 2.B. above, if Lessee surrenders a Vehicle to Lessor prior to the end of the lease term for such Vehicle and in return accepts delivery of a replacement Vehicle prior to the scheduled start date of the lease term for such Vehicle, then monthly rent for such replacement Vehicle during the Replacement Vehicle Transition Period shall be based on the monthly rent for the surrendered Vehicle rather than the monthly rent specified on the VLO for such replacement Vehicle. On and after the scheduled start date of the lease term for the replacement Vehicle, monthly rent shall be based on the cost of such Vehicle and interest rates in effect at the time the Vehicle is placed in service, as described in more detail on the related VQ and as specified on the related Schedule A. As used in this section, the "Replacement Vehicle Transition Period" shall mean the period of time beginning on the date that Lessee accepts delivery of the replacement Vehicle and shall end on the scheduled start date of the lease term for such Vehicle.
- D. Notwithstanding Sections 2.B. and 2.C. above, if any Vehicle shall be incomplete when delivered to Lessor by reason of special modifications to be made at Lessee's request and it shall be necessary for Lessor to advance funds for payment for such incomplete Vehicle prior to delivery to Lessee, Lessee agrees to pay to Lessor, at the time of delivery of the complete unit, the cost of financing such payment from the time of payment until delivery. The method for calculating the cost of such interim financing shall be specified by Lessor separately in writing; provided, that if the Lessor has not specified such method, then the cost of interim financing shall equal, for any calendar month or portion thereof, the product of (i) the capitalized cost of the Vehicle, (ii) the rate per annum identified as the "prime rate" in The Wall Street Journal as of the first business day of such calendar month plus 1.00% and (iii) the number of days in such calendar month or portion thereof divided by 360.
- E. Payments received more than ten (10) days late shall accrue interest at a rate equal to the lesser of one and one-half percent (1½%) per month and the maximum legally permissible amount on the outstanding balance. It is the intent of Lessor that it not receive any amount in excess of that amount which may be legally paid, and any excess charges will be credited or refunded to Lessee at the Lessee's option.
- F. Lessee agrees to carefully review each invoice or other statement provided by Lessor. If Lessee identifies a billing or other error, Lessee will advise Lessor promptly in writing and in such event, Lessor's sole liability and Lessee's exclusive remedy shall be appropriate adjustment to Lessee's account. No deductions are permitted from invoices without the approval of Lessor.
- G. In the event of a security deposit with respect to a Vehicle leased hereunder, the amount will be shown on the related Schedule A. Such deposit shall be per Vehicle as security for the Lessee's full performance of all the terms and conditions of this Agreement with respect to each Vehicle. Lessor shall have the right to apply the security deposit to Lessee's account if Lessee has not fully performed all of the terms and conditions of this Agreement or any other prior or then existing Agreement between Lessee and Lessor, but in no event in the case of a default shall this be construed as the measure of liquidated damages. Lessor shall not be subject to any restrictions or limitations with respect to its use of any security deposit nor shall Lessor be obligated to pay any interest on any security deposit other than to the extent required by law.
- H. Lessee's responsibility for payment of all charges due under the terms of this Agreement shall continue and there shall be no abatement of such charges during the time a Vehicle is stolen, converted, destroyed, damaged by accident or otherwise, or during the time required for any repair, adjustment or servicing of such Vehicle. Lessee agrees to immediately reimburse Lessor for any and all costs, losses or damages resulting from confiscation of any Vehicle or damages resulting from impoundment, attachment or confiscation of any Vehicle.

- I. The termination of this Agreement either by the expiration thereof or for any other reasons shall not relieve Lessee of its obligation to pay to Lessor any rental or other charges then due or to become due under the terms of this Agreement.
- J. Lessee may elect, at its option and with the prior approval of Lessor (which may be granted or withheld in the sole discretion of Lessor), to finance License Costs, Recap Costs and/or Sales Tax (each, a "Specified Cost" and collectively, "Specified Costs") for any Vehicle leased under this Agreement. As used in this Agreement:
- i. "License Costs" means, with respect to any leased Vehicle, all fees and costs related to obtaining the initial license plate for such Vehicle, including without limitation all fees, expenses, assessments or charges imposed by any city, county, state or federal government other than sales, personal use or property taxes.
  - ii. "Recap Costs" means, with respect to any leased Vehicle, any of the following: (1) any Early Termination Charge related to such Vehicle; (2) any excess mileage charges or abnormal wear and tear charges assessed with respect to such Vehicle, (3) any costs and expenses due Lessor in connection with damages to such Vehicle; or (4) any other amounts due Lessor in connection with or related to such Vehicle.
  - iii. "Sales Tax" means, with respect to any leased Vehicle, all sales, personal use or property taxes imposed by any city, county, state or federal government in connection with the acquisition and/or leasing of such Vehicle.
- K. If Lessee has elected to finance Specified Costs for any Vehicle, then Lessee shall identify in writing which Vehicle currently leased under this Agreement will be related to such Specified Costs (such Vehicle, the "Identified Vehicle") in the related VLO or any amendment thereto. Lessee shall pay such Specified Costs in equal monthly installments over the initial Lease Term for the Identified Vehicle and shall pay interest at the rate specified by Lessor on the outstanding amount of Specified Costs financed by Lessor. The foregoing monthly installments and interest on the outstanding Specified Costs shall be due and payable on each monthly rental payment date under this Agreement. Late payments of any installment of Specified Costs or interest thereon shall accrue interest at the rate set forth in Section 2.E.
- L. In the event that any lease under the Agreement is terminated prior to the anticipated lease end date, then Lessee shall immediately pay Lessor (1) all Specified Costs unpaid as of the date of such termination and (2) all accrued and unpaid interest thereon.

### 3. SERVICE

- A. This Agreement is a "net lease". Lessee covenants that it will pay all costs, expenses, fees, charges, fines, penalties and taxes (other than federal, state, or local taxes levied on the net income of Lessor) assessed or incurred at any time in connection with (but not limited to) each Vehicle's titling, registration, emissions testing, governmental inspections, delivery, purchase, sale, rental or modification, or arising from the operation or use of the Vehicle during its lease term (including, without limitation, any costs, expenses, fees, charges, fines, penalties and taxes arising from or related to any violations of any statute, law, ordinance, rule or regulation or arising from or relating to any change in the jurisdiction in which the Vehicle is garaged). If Lessee alleges that it is not liable for any tax, then at the request of Lessor, Lessee shall deliver to Lessor certificates of exemption acceptable to Lessor with respect to such tax issued by the appropriate taxing authority. Lessee agrees to perform and pay for, or cause to be paid for, all Vehicle service and maintenance (it being understood that such service and maintenance may be covered by a manufacturer's warranty). Furthermore, Lessee will comply with the conditions set forth in the manufacturer's written instructions in the owner's manual, warranty instructions, service instructions or maintenance provisions required and/or recommended. All repairs to the Vehicle shall be completed with parts and finishes at least comparable in quality to the parts and finishes being repaired or replaced, and title to all replacement parts and finishes shall vest in Lessor. Lessee agrees to take at its own expense all actions required by law with respect to the operation, registration or maintenance of each Vehicle, including without limitation, installing any accessories or equipment and performing any emissions tests or other inspections with respect to any Vehicle leased hereunder. If Lessor pays any of the foregoing amounts under this paragraph (including any operating or maintenance expenses paid by Lessor in order to obtain the release of a Vehicle from any lien or claim), Lessee shall promptly reimburse Lessor and pay Lessor's then current administrative charge.

- B. Lessee agrees to keep or cause to be kept, and agrees to make available at Lessor's place of business upon three (3) business days' notice by Lessor any and all necessary records relating to the use of the Vehicle and/or pertaining to aforesaid fees, taxes, assessments and charges.
- C. Equipment not included on the VQ and/or VLO and all Lessee requested equipment shall be installed at Lessee's expense and with Lessor's and Lessee's prior approval (which, in the case of Lessor, shall not be unreasonably withheld) and if such equipment is removed prior to the time the Vehicle is returned to Lessor, Lessee shall pay the cost of all repairs required to restore the Vehicle to its original condition (ordinary wear and tear excepted).
- D. Federal law (and, in certain cases, State law) requires that Lessee as lessee disclose, and Lessee shall disclose, the mileage of each Vehicle to Lessor in connection with the transfer of ownership of each Vehicle. Failure to complete an odometer disclosure statement or making a false statement may result in fines and/or imprisonment. Lessee hereby agrees to sign such disclosure statements as may be required by Lessor to properly evidence the mileage on the odometer of each returned Vehicle, and Lessee hereby authorizes its drivers, agents and employees to sign said disclosure statement on Lessee's behalf. Lessee (including its drivers, agents and employees) shall not tamper with or permit the tampering, repair, replacement or adjustment of the odometer of any Vehicle to reflect an odometer reading different than the mileage the Vehicle has actually been driven, and Lessee agrees to indemnify and hold harmless Lessor from and against any and all actions, claims, suits, damages, costs and expenses, including reasonable attorneys' fees, caused by or arising from a violation by Lessee, its drivers, agents or employees, or any one directed by them, of the odometer tampering or disclosure laws of any city, county, state, country, jurisdiction, including without limitation the United States Federal Law, Title IV- Odometer Requirements of Public Law 92-513, as amended from time to time. Should any Vehicle's odometer require service (including replacement), Lessee shall notify Lessor in writing before having such service performed.

#### 4. USE OF VEHICLE

- A. Lessee represents and warrants that each Vehicle leased to it pursuant to the terms of this Agreement will be used by such Lessee primarily for commercial use in the United States, Canada and Puerto Rico. Notwithstanding the foregoing, a Vehicle (1) may not be used in Canada or Puerto Rico unless (i) this Agreement would be a contract enforceable in the United States with respect to the lease of any such Vehicle used in Canada or Puerto Rico, respectively, and (ii) such use is permitted by (and covered by) the insurance required to be maintained under Sections 5.A. and 5.B., and (2) may be used for incidental use in Mexico so long as (i) such use is permitted by (and covered by) the insurance required to be maintained under Sections 5.A. and 5.B., (ii) such Vehicle would not be garaged in Mexico and (iii) no titling or registration of such Vehicle under any Mexican law would be required as a result of such use. For the avoidance of doubt, it is understood that all amounts to be paid by Lessee under this Agreement shall be paid in U.S. dollars in the United States.
- B. Use of any Vehicle leased hereunder is restricted to Lessee's drivers, agents and employees and their designees in primary pursuit of Lessee's business. Minors are not permitted to operate any Vehicle leased hereunder. No driver of any Vehicle shall have authority to act for or on behalf of Lessor, or be deemed to be the agent or employee of Lessor, except to the extent (and only for the limited purposes) explicitly authorized in writing by Lessor. Lessee shall not allow any person to operate any Vehicle leased herein unless such person holds a valid driver's license permitting said person to legally operate such Vehicle.
- C. Each Vehicle shall be used only for lawful purposes and shall be operated in accordance with applicable federal, state and local law governing Vehicle use, operation, maintenance or alteration. Lessee shall not use any Vehicle negligently or in any way that is prohibited by any insurance policy covering such Vehicle and shall not permit any Vehicle to become subject to any lien, charge, encumbrance or forfeiture. Lessee shall immediately notify Lessor if any Vehicle becomes subject to any lien, charge, encumbrance or forfeiture in violation of the foregoing, or if any Vehicle becomes subject to or involved in any judicial process.
- D. Lessee shall not, without prior approval of Lessor (which shall not be unreasonably withheld) place advertising signs, lettering, insignia, or other devices in or upon any Vehicle, paint any Vehicle or change, modify or remove the equipment of any Vehicle. If Lessee takes any of the foregoing actions with respect to any Vehicle, Lessee shall repaint, repair or refurbish such Vehicle as shall be necessary to restore such Vehicle to its original condition (ordinary wear and tear excepted).
- E. In the event of unauthorized use of any Vehicle, Lessee assumes sole responsibility and shall indemnify and hold Lessor harmless from any and all expenses, claims, liability and costs of every nature associated with

such use (except for expenses, claims, liabilities or costs caused by the gross negligence or willful misconduct of the Lessor).

- F. Lessee shall immediately notify Lessor in writing of any change of place of permanent garaging of any Vehicle. Unless Lessee advises Lessor otherwise in writing, the place of initial permanent garaging of each Vehicle shall be the address of Lessee's driver noted on the VLO relating to such Vehicle.
- G. Vehicles leased hereunder may not be used for any illegal purpose. **No Vehicle leased hereunder may be used for transporting hazardous substances or for hire for transporting persons unless explicitly authorized in writing by Lessor.** Any damage of any nature arising from the use of a Vehicle shall be the sole expense of Lessee, regardless whether Lessor permitted such use. Lessor authorizes Vehicles leased hereunder to be used for towing so long as such Vehicles are equipped with appropriate towing equipment to safely and legally handle items to be towed and that installation and use of such towing equipment will not void the manufacturer's warranty.

## 5. INSURANCE AND INDEMNIFICATION

- A. During the term of this Agreement and in connection with the use and operation of any Vehicle leased hereunder, Lessee at its sole cost and expense shall provide and maintain standard automobile liability insurance, which complies with applicable law and which coverage shall be primary and which shall not include any self-insured retention or deductible in excess of \$3,000.00, protecting Lessor against any and all liability, with minimum limits equal to the greater of (1) the minimum limits required by law; and (2) \$500,000.00 per person per occurrence with respect to bodily injury, \$500,000.00 for all persons per occurrence with respect to bodily injury and \$100,000.00 for damage to property per occurrence.
- B. During the term of this Agreement and in connection with the use and operation of any Vehicle leased hereunder, Lessee at its sole cost and expense shall provide full collision and comprehensive automobile physical damage insurance on each leased Vehicle which complies with applicable law with deductibles in amounts satisfactory to Lessor, covering loss from fire, theft, windstorm and other comprehensive hazards as well as collision protection. Notwithstanding Section 5.A. above, Lessor reserves the right to adjust coverage requirements prior to delivery of the Vehicle.
- C. Other Requirements.
  - i. For the avoidance of doubt, it is understood that the insurance described in Sections 5.A. and 5.B. shall cover a Vehicle from the time of delivery to Lessee as determined in accordance with Section 2.B. until the time of surrender of such Vehicle to Lessor. Lessee must provide Lessor with acceptable evidence of insurance for such coverages as referred to above concurrently with the placement of a VLO and prior to delivery of any Vehicle, which evidence of insurance shall name Lessor as an additional insured and loss payee. In support of the foregoing, Lessee hereby irrevocably grants to Lessor Lessee's limited power of attorney to make claims for, receive payments of and execute and endorse all documents, checks or drafts received in payment for loss or damage under any insurance policy required by Sections 5.A. and 5.B. Any notice of cancellation, expiration or material change in said insurance coverage to be provided hereunder shall be given to Lessor in writing at least thirty (30) days in advance of such event. All insurance policies must provide that no action, inaction or misrepresentation by Lessee or anyone other than Lessor shall affect Lessor's right to recovery thereunder. At the request of Lessor, Lessee shall deliver a full and complete copy of all insurance policies maintained in accordance with this Section 5. Lessor shall be under no duty to examine such policies or any other evidence of insurance nor to advise Lessee if the insurance coverage fails to comply with the requirements of Section 5 of this Agreement.
  - ii. Lessee shall cooperate fully with Lessor or any insurer providing insurance hereunder in the investigation, prosecution or defense of all accidents, claims, and suits arising out of or in connection with the use or operation of any Vehicle. Without limiting the foregoing, Lessee shall promptly notify Lessor of any such investigation, prosecution or defense and shall forward to Lessor a copy of every demand, notice, summons or other process or correspondence received in connection therewith.
  - iii. As between Lessee and Lessor, Lessee shall bear all risk of loss, damage or destruction to each Vehicle leased hereunder (which may exceed the actual cash value of such Vehicle) and all liability, costs, claims or expenses (including any expenses of Lessor in connection with making claims under any insurance policy) arising in connection with such Vehicle, however caused,

including without limitation, collision, fire, theft, flood, confiscation, destruction or conversion, abandonment or unauthorized sale or concealment by agents or employees of Lessee, or any other cause or combination of causes which may occur, from the time of delivery until surrender of such Vehicle to Lessor. The existence of liability insurance or collision or comprehensive insurance obtained by Lessee as required by this Section 5 shall not limit Lessee's liability to Lessor hereunder (it being understood that Lessor shall not be entitled to receive any double recovery hereunder).

- iv. Lessee shall immediately notify Lessor by telephone of any accident or incident potentially giving rise to any damage or liability claim involving any Vehicle and confirm such notice in writing within three (3) business days of the accident or incident. Further, in connection with any accident or incident potentially giving rise to any damage or liability claim involving any Vehicle, Lessee (1) shall permit Lessor to inspect such Vehicle, (2) shall notify Lessor and the appropriate insurance carrier(s) of all claims and demands in connection therewith, (3) shall cause its drivers, agents and employees to cooperate fully with Lessor and any insurance carrier(s) in the investigation, defense and prosecution of any claims or suits arising from the operation or use of such Vehicle and (4) shall forward to Lessor a copy of every demand, notice, summons or other process or communication received in connection with such claim.

D. If Lessee fails to provide and maintain insurance coverages as required by this Section 5, or fails to furnish Lessor with required evidence of such insurance coverage, Lessee shall be in default of this Agreement. Lessor may, at its option, immediately terminate Lessee's rights under this Agreement or obtain such required insurance on behalf of Lessee and Lessee agrees to reimburse Lessor for the premium for any such acquired insurance. It is understood that any insurance acquired by Lessor may not name Lessee as an insured or loss payee and may be more expensive than insurance that Lessee could obtain independently.

E. Indemnification.

- i. Lessee agrees to indemnify, defend and hold harmless Lessor, its affiliates, agents, successors and assigns from all costs, losses, claims, expenses, damages, suits, or liabilities, including reasonable attorneys' fees and expenses relating to the enforcement of Lessor's rights under this Agreement, of whatever kind and nature, unless prohibited by applicable law, arising out of or in connection with the breach by Lessee of this Agreement, an event of default under this Agreement or the use (whether authorized or unauthorized), misuse, condition, repair, storage, return or operation (including, but not limited to, latent and other defects, whether or not discovered by Lessee) of any Vehicle (collectively, "Indemnified Losses"), except to the extent attributable to the gross negligence or willful misconduct of Lessor.
- ii. Lessor shall not be liable for the loss of or damage to any property or goods left in or upon any Vehicle. Lessee agrees to indemnify Lessor for any damages or liability resulting from Lessee's property or goods or any property or goods in Lessee's care or custody while said goods are in or upon such Vehicle, which property or goods are not included in the related VLO and/or Schedule A.
- iii. The indemnity set forth in this paragraph E is absolute and unconditional and includes Indemnified Losses arising from, without limitation, negligence, strict liability, breach of contract (including claims by Lessor against Lessee), vicarious liability, defects in manufacture or maintenance and breach of warranty, but does not extend to claims or liability arising from the gross negligence or willful misconduct of Lessor, and shall continue in full force and effect regardless of where, how or by whom any Vehicle is operated, and notwithstanding any insurance coverage or other indemnity obtained by or in favor of Lessee or Lessor. **This indemnity shall survive the termination of this Agreement.**

F. If any Vehicle shall be lost, destroyed or stolen, then (subject to the provisions of clause iv of Section 7.C. with respect to the minimum noncancelable lease term) Lessee shall not be responsible for the rental payments after acceptable settlement is received by Lessor from Lessee and/or Lessee's insurance provider although Lessee will remain responsible for any excess mileage charge or previously unrepaired damage applicable to such Vehicle.

G. LESSOR SHALL NOT BE LIABLE TO LESSEE, ITS EMPLOYEES, AGENTS OR TO ANY PERSON, FIRM OR CORPORATION, FOR BUSINESS LOSS OR ANY LOSS OR INTERRUPTION OF OR DAMAGE TO BUSINESS OR PROFITS, OR FOR OTHER DAMAGES OF ANY KIND OR NATURE WHATSOEVER, INCLUDING (WITHOUT LIMITATION) ANY LOSS OR DAMAGE CAUSED BY

REASON OF THE THEFT, CONVERSION, DESTRUCTION, LOSS, REPAIRS, ADJUSTMENTS, SERVICING, REPLACEMENT, OR ANY INTERRUPTION IN THE SERVICE OR AVAILABILITY FOR ANY REASON OF ANY VEHICLE, WHETHER ORIGINAL OR SUBSTITUTED, PROVIDED UNDER THIS AGREEMENT.

**6. RETURN OF VEHICLE**

- A. It is expressly understood and agreed that each Vehicle leased hereunder shall be returned to Lessor at the end of the Vehicle lease term or any extension thereof, in a condition as good as when first received, ordinary wear and tear excepted. "Ordinary wear and tear", as used in this Agreement, shall include, without limitation: minor paint chips not through to metal or on the trailing edge of doors and fenders, minor nicks or scratches not having depth, normal wear of carpeting, mats and upholstery. Upon the return or repossession of any Vehicle, Lessee shall be obligated to surrender possession of such Vehicle together with all license plates, registration certificates, documents of title or similar documents, Lessor's maintenance instruments and certification regarding the accurateness of the odometer reading of such Vehicle as required by Section 3 above.
- B. The Lessee agrees that upon expiration, cancellation or termination of the lease with respect to any Vehicle, Lessee shall return such Vehicle to Lessor at Lessee's expense to a place mutually agreed between the parties hereto. Lessee will pay any and all reasonable and necessary expenses incurred by Lessor as a result of a breach of this clause.
- C. Lessee shall give Lessor at least thirty (30) days written notice prior to returning any Vehicle. Each Vehicle shall be returned to the custody of Lessor no later than the end of the thirty (30) day notice period. Lessee's obligation for monthly charges shall continue through the end of the thirty (30) day notice period or until the end of the lease term for such Vehicle, whichever is later. If a Vehicle is kept in service past the initial lease term and is not extended for a specific term, the terms of the original lease (as modified by any addenda) shall continue on a month-to-month basis.
- D. Lessee agrees to maintain all tires, including the spare tire, in safe driving condition. Upon termination for any reason of a lease with respect to a Vehicle, there shall be a tire tread depth of at least 5/32 of one inch on each of the five (5) tires. If there is not tread depth of 5/32 of one inch remaining or if any tire(s) have breaks or cracks, Lessee agrees to pay Lessor the cost of satisfactory replacement tire(s).
- E. If any Vehicle is not in satisfactory operating condition at the time such Vehicle is returned to Lessor, Lessee agrees to pay Lessor the cost of putting such Vehicle in satisfactory operating condition (as determined in the reasonable judgment of Lessor).
- F. A report prepared by Lessor or its agent or representative (a "Vehicle Condition Report") will be used as the basis for billing damage charges, if any, to the Lessee with respect to abnormal wear and tear. "Abnormal wear and tear" includes, without limitation, the following: accident or related physical damage; advertising signs, lettering or other devices or other modifications described in Section 4.D. above; scratches or depressions through the color coat of paint requiring metal work; storm damage; any glass damage including breaks, cracks, stone chips or scratches; any sand damage; holes or tears in the interior fabrics as well as any unusual soiling or spotting; burn holes; holes in the dashboard, floor or elsewhere resulting from auxiliary equipment installation; damage requiring straightening, refinishing or replacement; or the existence of mismatched paint or tires. Notwithstanding such Vehicle Condition Report, Lessee may hire a nationally recognized independent appraiser at Lessee's expense to determine the cost, if any, of restoring, repairing and servicing the related Vehicle to place it in the return condition required by this Agreement. A copy of the inspection report will be furnished to the Lessee upon request. Such appraisal and/or Vehicle Condition Report will be the basis for billing abnormal wear and tear charges to Lessee. Lessee agrees to pay any costs indicated by Lessor upon receipt of the invoice for such, and such obligation by Lessee shall not be mitigated even if Lessor elects to sell or re-lease the related Vehicle without actually restoring, repairing or servicing the related Vehicle to place it in the applicable return condition.
- G. Mileage shall be apportioned monthly from the date of delivery of the Vehicle. Lessee will pay Lessor in addition to the monthly rental charges, a cents per mile charge as stated on the Schedule A for all mileage (as disclosed on the Vehicle's odometer) in excess of the mileage allowed. Lessor will bill Lessee for the full amount of the excess mileage at the termination of the Vehicle's lease. In the event that a Vehicle lease is not formally extended but remains in service on a month-to-month basis beyond the initial lease term, Lessee shall incur mileage charges with respect to the related Vehicle based on the stated monthly-apportioned mileage. Lessee hereby agrees that the mileage indicated on the Vehicle's odometer shall be the basis for such assessment.



- H. Lessor is not required to notify Lessee that the lease term for any Vehicle is about to expire. However, Lessor shall have the right to demand the return of the Vehicle so specified on the lease end date and at any time thereafter. Lessee agrees to comply with such demand.

## 7. DEFAULT OF LESSEE

- A. The following shall constitute "events of default" under this Agreement: (1) Lessee shall be in default of the payments required to be made by Lessee hereunder and such default continues unremedied for a period of five (5) business days after written notice of such failure is delivered by Lessor to Lessee, or Lessee shall breach any other material representation, warranty, covenant, term or condition of this Agreement or any other agreement between Lessee and Lessor or any of its affiliates to be kept or performed by Lessee, (2) Lessee shall file a petition in bankruptcy or shall make an assignment for the benefit of creditors, (3) proceedings in bankruptcy shall be instituted against Lessee, (4) Lessee shall be adjudicated a bankrupt or if a receiver shall be appointed for Lessee's property or business, (5) Lessee shall permit or suffer any material distress, attachment, levy or execution against any or all of its property or on any Vehicle, (6) Lessee ceases doing business or transfers a major part in value of its assets, (7) any financial or credit-related information provided to Lessor or any of its affiliates by or on behalf of Lessee was materially incorrect or misleading when provided to Lessor or such affiliate, and (8) an event shall have occurred which, in the reasonable judgment of Lessor, is likely to result in a material adverse change in the business, assets, operations or financial condition of Lessee.
- B. If Lessee abandons, attempts to return or returns any Vehicle prior to the end of the minimum noncancelable lease term other than in connection with a damaged Vehicle deemed a total loss or a lost or stolen Vehicle, Lessor may declare Lessee in default with respect to any Vehicle so abandoned or returned in which event Lessee shall pay Lessor all amounts due with respect to such Vehicle and the lease terms related thereto. The remedy set forth in this paragraph shall not limit Lessor from pursuing any further remedies it might have as more clearly defined in Section 7.C. Notwithstanding the foregoing, a surrender of a Vehicle in return for accepting delivery of a replacement Vehicle in accordance with Section 2.C. above shall not constitute a default hereunder.
- C. Remedies for Default by Lessee.
- i. In the event of a default by Lessee as to one or more Vehicles leased under this Agreement or under any other master lease agreement between Lessee and Lessor, Lessor has the option to retain possession, repossess or terminate this Agreement as to all leased Vehicles as collateral security for the payment of all amounts due and owing Lessor. Lessee authorizes Lessor to apply to the payment of any sums due Lessor hereunder as rent or otherwise, any sum of money belonging to Lessee, which may come into Lessor's possession.
- ii. Lessee agrees that Lessor shall have the right, at its option, to set-off and apply any amounts due Lessor against any of Lessee's funds held by Lessor and to charge any such amounts to other Vehicles leased pursuant to this Agreement. If an event of default by Lessee as to one or more Vehicles leased under this Agreement or under any other master lease agreement between Lessee and Lessor has occurred and if Lessor deems it necessary for its protection, Lessor may repossess all Vehicles wherever found or retain possession of Vehicles in possession of Lessor (and Lessee hereby authorizes Lessor and its agents to conduct such repossession, including by entering any premises where any Vehicle may be and removing such Vehicle therefrom). Repossession shall not terminate Lessee's obligations under the terms of this Agreement and shall be without prejudice to all other remedies available to Lessor for collection of all sums due from Lessee. Lessee shall pay all costs associated with repossession.
- iii. Upon an event of default by Lessee, Lessor may (a) declare all sums owing hereunder and/or all monthly rental payments immediately due and payable as liquidated damages and not as penalty, (b) terminate this Agreement by notice in writing to Lessee, and (c) proceed by any appropriate legal or equitable action to enforce performance by Lessee of this Agreement, and to make collection of all of said rentals and amounts of money due, and to recover damages, together with costs of such proceedings, (including reasonable attorneys' fees and expenses). Upon termination of this Agreement, all rights (but not all obligations) of Lessee to Vehicles and under this Agreement shall cease.
- iv. Lessee's minimum noncancelable lease term shall be twelve (12) months. In the event that any lease under this Agreement is terminated prior to the anticipated lease end date, then Lessee shall immediately pay Lessor (1) all payments due and unpaid as of the date of such termination, (2) all

monthly rental payments (including sales tax) remaining through the end of the minimum noncancelable lease term, (3) the Early Termination Charge for such lease and (4) excess mileage charges (calculated by pro-rating the mileage allowed to the date of termination) and abnormal wear and tear charges in accordance with Section 6. The "Early Termination Charge" for any lease is an amount equal to the *lesser of* (a) the *product of* (i) the amount of a monthly rental payment (including sales tax) and (ii) ten and (b) the *product of* (i) the sum of the remaining monthly rental payments (including sales tax) scheduled to occur between the end of the minimum noncancelable lease term and the end of the anticipated lease end date and (ii) fifty percent (50%); *provided, however*, that if any lease is terminated at a time when there are six or fewer monthly rental payments remaining through the end of the anticipated lease end date, then the "Early Termination Charge" for such lease is an amount equal to the *lesser of* (x) the sum of the remaining monthly rental payments (including sales tax) and (y) the *product of* the amount of a monthly rental payment (including sales tax) and three. Lessee shall also, at the time of termination, pay Lessor for all other sums due and payable under the terms and conditions of this Agreement. Payments made to Lessor under the provisions of this paragraph shall not be in lieu of remaining obligations of Lessee, including but not limited to other charges specified in Section 6.

- v. The remedies provided to Lessor under this Section 7.C. and the other provisions of this Agreement shall not be deemed to be exclusive, but shall be cumulative and shall be in addition to all other remedies in Lessor's favor existing in law, in equity or in bankruptcy. No failure on the part of Lessor to exercise, and no delay on the part of Lessor in exercising, any right or remedy hereunder shall operate as a waiver thereof.

## 8. DISCLAIMER OF WARRANTY

- A. EXCEPT AS OTHERWISE EXPRESSLY PROVIDED BY THIS AGREEMENT, LESSOR MAKES NO EXPRESS OR IMPLIED WARRANTY AS TO ANY MATTER WHATSOEVER, INCLUDING, WITHOUT LIMITATION, THE CONDITION OF EQUIPMENT, ITS MERCHANTABILITY OR ITS FITNESS FOR ANY PARTICULAR PURPOSE, AND LESSEE SPECIFICALLY WAIVES ALL RIGHTS TO MAKE CLAIMS AGAINST LESSOR WITH RESPECT TO ANY OF THE FOREGOING. NO DEFECT OR UNFITNESS OF THE EQUIPMENT SHALL RELIEVE LESSEE OF ITS OBLIGATION FOR PAYMENT AND OTHER CHARGES TO LESSOR PROVIDED FOR HEREIN OR OF ANY OTHER OBLIGATION UNDER THIS AGREEMENT. ANY WARRANTY COVERAGE PROVIDED TO LESSOR FROM THE MANUFACTURER(S) OF THE VEHICLE LEASED UNDER THIS AGREEMENT SHALL BE PASSED THROUGH TO THE LESSEE FOR THE TERM OF THE LEASE TO THE EXTENT PERMITTED BY MANUFACTURER. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, LESSOR SHALL NOT BE LIABLE TO LESSEE, ITS CUSTOMERS OR THIRD PARTIES FOR ANY DEFECTS, EITHER LATENT OR PATENT, IN ANY VEHICLE, OR FOR ANY DIRECT, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES OF ANY KIND OR NATURE DIRECTLY OR INDIRECTLY ARISING OUT OF THIS LEASE OR ANY VEHICLE, OR FOR ANY DAMAGES BASED ON STRICT OR ABSOLUTE LIABILITY IN TORT OR NEGLIGENCE, OR FOR LOSS OF ANY VEHICLE, OR FOR ANY INTERRUPTION IN LESSEE'S BUSINESS BY ITS INABILITY TO USE ANY VEHICLE FOR ANY REASON WHATSOEVER. LESSOR MAKES NO REPRESENTATION AS TO THE TREATMENT BY LESSEE OF THIS LEASE FOR FINANCIAL STATEMENT OR TAX PURPOSES. LESSEE IS LEASING ALL VEHICLES FROM LESSOR ON AN "AS IS" BASIS. IN NO EVENT SHALL LESSOR BE LIABLE FOR SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, WHATSOEVER OR HOWSOEVER CAUSED.
- B. It is understood and agreed by the parties hereto that no automobile dealer, employee or agent of any dealer or employee or agent of Lessor has authority to make any representation or warranty to Lessee on Lessor's behalf regarding the performance, merchantability or serviceability of any Vehicle, or to make any estimates regarding the salvage value of any Vehicle, or any modification or amendment to any term of this Agreement other than in accordance with Section 10.B.

## 9. ASSIGNMENT

- A. Lessee shall not assign, transfer, encumber or convey any interest in this Agreement or any interest in any Vehicle leased hereunder without the prior written consent of Lessor (which consent will not be unreasonably withheld). Any such consent shall not relieve the Lessee of its obligations and liabilities hereunder without the express written consent of the Lessor (which consent shall be in the sole discretion of the Lessor). In no event may Lessee sublet any interest in this Agreement or any interest in any Vehicle leased hereunder. Any purported assignment, transfer, encumbrance or conveyance without Lessor's prior written consent shall be void. Any person (i) into which Lessee may be merged or consolidated, (ii) resulting from any merger or consolidation to which Lessee shall be a party, (iii) that acquires by conveyance, transfer or lease

substantially all of the assets of Lessee or (iv) succeeding to the business of Lessee, must (x) execute an agreement of assumption to perform every obligation of Lessee under this Agreement and (y) provide financial information reasonably requested by Lessor, in each case within ten (10) business days of such event.

- B. Subject to Section 9.C. below, Lessor may assign, and Lessee hereby consents to such assignment of, all or any portion of the Vehicle(s) and/or any rights of the Lessor under this Agreement, including (without limitation) all or any rentals due or to become due hereunder. Lessor may also grant a security interest in any Vehicle leased hereunder or any of Lessor's rights under this Agreement. No assignment or execution of a security interest by Lessor shall alter Lessee's primary responsibilities with respect to the Lease or relieve Lessee from any liability hereunder. Lessee agrees that any such security interest and the lien thereof heretofore and hereafter placed by Lessor shall be superior to this Agreement and that Lessee will not assert against any assignee or secured party any claim, defense or set-off it may have against Lessor. Lessor also shall have the right to transfer ownership of Vehicles now or hereafter covered by this Agreement. Lessee shall recognize any such assignment. Lessor may designate other entities (each, a "Lessor Designee") to lease Vehicles to Lessee on the terms set forth in this Agreement and the Addenda. Each Lessor Designee will have the same rights as Lessor under this Agreement, and either Lessor or the Lessor Designee may directly enforce such rights against Lessee. For any rights with respect to any Vehicle leased to Lessee by a Lessor Designee, references in this Agreement to Lessor will be deemed to be references to the Lessor Designee. Lessee agrees that Lessor or any Lessor Designee may appoint one or more agents to act on its behalf and that such agents have the power and right to administer and enforce this Agreement. If Lessor causes the certificate of title or other evidence of ownership of any Vehicle to be issued in the name of any other entity as owner, Lessor shall be deemed to have designated the titled owner as the Lessor Designee with respect to such Vehicle. Lessee agrees to cooperate with Lessor to comply with the requirements of any applicable law in connection with the titling, registration and plating of any Vehicle following any assignment of this Agreement by Lessor or any transfer of ownership by Lessor in any Vehicle to a third party.
- C. This Agreement shall be binding on the respective parties, their successors, legal representatives and assigns. So long as Lessee is in compliance with the terms of the lease, Lessee will be entitled to continue quiet enjoyment of Vehicles leased under this Agreement in the event that a third party assumes title to the Vehicles or any other rights of Lessor hereunder.

## 10. GENERAL

- A. This Agreement (including all related amendments, modifications and supplements) constitutes the entire Agreement between the parties with respect to any Vehicle subject to a VLO with respect to a closed-end lease placed by Lessee on or after the Effective Date. For the avoidance of doubt, no Vehicle ordered by Lessee for lease or leased by Lessee from Lessor prior to the Effective Date shall be subject to the terms and conditions of this Agreement unless Lessee and Lessor explicitly agree in writing that this Agreement shall apply to such Vehicles, and in no event will a Vehicle ordered by Lessee for lease or leased by Lessee with respect to an open-end lease be subject to the terms and conditions of this Agreement.
- B. Any amendment, modification or supplement to this Agreement (other than any Schedule A) must be in writing signed by Lessor and Lessee. Delivery of an executed counterpart of a signature page to any amendment, modification or supplement to this Agreement (including without limitation, any VLO or VQ) by facsimile or electronic delivery shall be as effective as delivery of a manually executed counterpart of such amendment, modification or supplement. Each Schedule A shall be effective as a supplement to this Agreement upon delivery of such Schedule A to the Lessee in accordance with Section 1.D. above. Notwithstanding the foregoing, any amendment, modification or supplement to this Agreement generated by Lessor that revises specific terms and conditions applicable only to an identified Vehicle and related lease (or an identified group of Vehicles and related leases) shall be effective as a modification to this Agreement with respect to such identified Vehicle(s) and related lease(s) upon delivery to Lessor of such amendment, modification or supplement executed by Lessee.
- C. The titles of the various paragraphs in this Agreement are intended to facilitate reference to the Agreement only and shall not be employed in construction of any provision of this Agreement. The terms contained in this Agreement are applicable to the singular and plural forms of such terms and to the masculine, feminine and neuter genders of such terms.
- D. Neither the failure of Lessor to insist upon the performance of any term or condition of this Agreement or to exercise any right or privilege conferred by this Agreement nor the waiver by Lessor of any such term or condition shall be construed as thereafter waiving any such term, condition, right or privilege. No waiver of any provision of this Agreement shall be valid unless the same is in writing and signed by Lessor. No

waiver of any provision of this Agreement at such time will be deemed a waiver of such provision at any other time.

- E. **This Agreement shall be interpreted and applied in accordance with the substantive law of the State of Ohio without giving effect to its conflicts of laws rules. Lessee and Lessor agree that this Agreement is an agreement deemed made in Ohio. Lessee and Lessor hereby submit to the non-exclusive jurisdiction of the district court of the United States for the Southern District of Ohio and of any other court of applicable jurisdiction located in Cincinnati, Ohio. To the extent permitted by law, both parties to this Agreement hereby waive any and all right to any trial by jury in any action or proceedings directly or indirectly hereunder, and whether arising in law or equity.**
- F. Any default notice to be given by either party herein to the other shall be in writing and shall be deemed given when deposited in the United States mail, postage prepaid and sent by either Certified or Registered Mail, to the other party at its address as the same appears herein or at an address of which such other party may have notified the first party in writing. Notices not relating to the default by a party to this Agreement may be given by either party herein to the other via facsimile, electronic mail or any other mutually agreeable form of communication, provided that such notice shall be deemed to not have been delivered until the sending party receives verbal or written confirmation from the other party that such notice has been received.
- G. The creditworthiness of Lessee and any guarantor is a material condition to this Agreement. Lessee shall provide Lessor with financial information reasonably requested by and satisfactory to Lessor during the term of this Agreement. Nothing herein shall be construed to require Lessor to accept any VLO.
- H. Should any part, term or provision of the contract be by the courts decided illegal or in conflict with any applicable law, the validity of the remaining portions or provisions shall not be affected thereby.
- I. A "Valid Order", as used in this Agreement, will mean each of the following:
- i. An order in writing for a Vehicle signed by a Permitted Signer in the form attached as Exhibit 2 hereto (or in any other form acceptable to Lessor in its sole discretion).
  - ii. An order submitted electronically through Lessor's "Customer Access System" or similar internet application.
  - iii. An order sent by a Permitted Signer to Lessor via electronic mail which includes the information specified in Exhibit 2 hereto.
- J. A "Permitted Signer", as used in this Agreement, will mean each of the following:
- i. Any officer or director of Lessee or an Authorized Affiliate.
  - ii. Any person identified on a list provided by Lessee or an Authorized Affiliate to Lessor, as such list may be revised from time to time.
  - iii. If Lessor has not received a list of persons authorized to be "Permitted Signers" from the Lessee or an Authorized Affiliate, then any person whom the Lessor reasonably believes is authorized to act on behalf of Lessee or an Authorized Affiliate.
- K. An "Authorized Affiliate", as used in this Agreement, will mean any corporation, limited liability company, partnership, trust or other person designated by Lessee in writing to Lessor as an "Authorized Affiliate" of Lessee or otherwise designated as a person to whom Lessee has granted authority to submit a VLO in connection with this Agreement, as reasonably determined by Lessor.

IN WITNESS WHEREOF, the parties hereto have caused this Commercial Motor Vehicle Lease Agreement to be executed this 7<sup>th</sup> day of March, 20 13.

[Remainder of Page Left Intentionally Blank]

Lessee: Town of Los Gatos

By: [Signature]

Name: Greg Larson

Title: Town Manager

Witness: [Signature]

Lessor: Mike Albert, Ltd

By: [Signature]

Name: Keith R. Miller

Title: Treasurer

Witness: [Signature]

Address of Lessee: 110 E. Main St., Los Gatos, CA 95030

Tel: (408) 354-6834

Fax: (408) 399-5786

Approved AS TO FORM:

[Signature]  
Town Attorney