

Exhibit F

AGENDA ITEM STAFF ANALYSIS

Project/Issue Name: Resolution #17-R-36 A Resolution of the City Council of the City of Republic, Missouri, Authorizing the Execution of a Municipal Lease Purchase Agreement to Finance an Aerial Fire Truck.

Submitted by: Duane Compton, Fire Chief
Debbie Parks, Director of Finance

Date: May 2, 2017

Issue Statement

Accepting a proposal for financing the purchase of a new aerial fire truck

Discussion and/or Analysis

On March 14th, 2016, Council passed Resolution #16-R-26, approving the purchase of the Rosenbauer Aerial Truck in an amount not to exceed \$1,020,000.00. The actual purchase price was \$1,013,080.00 with a contingency fund of \$6,920.00. The truck should be delivered to the City the last week of May or the first week of June. Request for Proposals (RFP) was developed and delivered to each financial institution in the city, as well as, advertised publicly for financing options. The RFP consists of seven, eight, nine and ten years rate requests with no early pay off penalty at a fixed interest rate. I have attached a spreadsheet with the proposals from the responding lending institutions showing their interest rates ranked from lowest to highest.

Fire Sales Tax Revenue for the past three years has averaged \$269,103.00 annually. With the current debt remaining on the two 2013 model fire engines that will not expire until 2020, other expenses, and fire apparatus that need replaced; a nine year term was selected for this lease purchase. The lowest lending institution was Mid Missouri Bank at a fixed rate of 2.29%. The lease amount will not exceed \$720,000.00 with the City paying a \$300,000.00 down payment. The City will make one payment in the amount of \$44,558.98 late this year and two payments annually in the same amount until 2026 when the debt is retired. If the annual fire sale tax income generated is greater than the three year average and the budget allows, then the City may elect to pay the eight year term payment rate of \$49,346.00 every six months thus shorting the overall length of the obligation with no penalty.

Recommended Action

The Fire Chief Duane Compton recommends passage and adoption of Resolution #17-R-36, accepting the TELP proposal from Mid Missouri Bank and authorizing the execution of the agreement.

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REPUBLIC, MISSOURI,
AUTHORIZING THE EXECUTION OF A MUNICIPAL LEASE PURCHASE AGREEMENT
TO FINANCE THE ACQUISITION OF AERIAL FIRE TRUCK**

WHEREAS, the City of Republic, Missouri, (herein called the “City”) is a municipal corporation and Charter City located in Greene County, Missouri, being duly created, organized and existing under the laws of the State of Missouri; and

WHEREAS, on March 14, 2016, Council passed Resolution #16-R-26, approving the purchase of a Rosenbauer aerial truck in an amount not to exceed \$1,020,000.00; and

WHEREAS, the governing body of Lessee (City) has taken the necessary steps, including any legal bidding requirements, under applicable law to arrange for the acquisition of such equipment; and,

WHEREAS, sealed request for proposals were received from ten financial institutions for a, fixed rate Tax Exempt Lease Purchase (TELP); and

WHEREAS, the governing body of Lessee has determined that a true and very real need exists for the acquisition of the equipment described in the Equipment Lease with Option to Purchase presented to this meeting; and

WHEREAS, Mid Missouri Bank has the best proposal at a fixed rate of 2.29% for nine year period; and

WHEREAS, this will require a budget amendment to the Fire Sales Tax budget this year allowing for this year’s lease payment to be made; and

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF REPUBLIC, MISSOURI, AS FOLLOWS:

- Section 1. Lessee finds that the terms of said Equipment Lease with Option to Purchase are in the best interests of Lessee for the acquisition of such equipment, and the governing body of Lessee designates and confirms and authorizes the City Administrator, David Cameron, to execute and deliver and to witness (or attest), respectively, the Tax Exempt Lease Purchase Agreement for a Rosenbauer aerial truck together with the Equipment Lease with Option to Purchase and any related documents necessary to the consummation of the transaction contemplated by the Equipment Lease with Option to Purchase. Said agreement to be substantially of the form and terms set out in the Mid Missouri Bank proposal documentation attached hereto and incorporated herein.

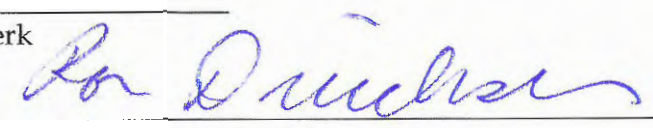
PASSED AND APPROVED at a regular meeting of the City Council of the City of Republic, Missouri, this 2nd day of May 2017.

Jeff Ussery, Mayor

RESOLUTION NO. 17-R-36

Attest:

Brenda L. Jackson, City Clerk

Approved as to Form: , City Attorney

Final Passage and Vote: _____

AMORTIZATION SCHEDULE

Principal \$720,000.00	Loan Date 04-10-2017	Maturity 04-10-2026	Loan No	Call / Coll	Account	Officer	Initials
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "*****" has been omitted due to text length limitations.							

Borrower: CITY OF REPUBLIC
213 N MAIN
REPUBLIC, MO 65738

Lender: MID-MISSOURI BANK
REPUBLIC
806 E HINES STREET
REPUBLIC, MO 65738

Disbursement Date: April 10, 2017
Interest Rate: 2.290

Repayment Schedule: Installment
Calculation Method: 365/360 U.S. Rule

Payment Number	Payment Date	Payment Amount	Interest Paid	Principal Paid	Remaining Balance
1	10-10-2017	44,558.98	8,381.40	36,177.58	683,822.42
2017 TOTALS:		44,558.98	8,381.40	36,177.58	
2	04-10-2018	44,558.98	7,916.76	36,642.22	647,180.20
3	10-10-2018	44,558.98	7,533.72	37,025.26	610,154.94
2018 TOTALS:		89,117.96	15,450.48	73,667.48	
4	04-10-2019	44,558.98	7,063.90	37,495.08	572,659.86
5	10-10-2019	44,558.98	6,666.24	37,892.74	534,767.12
2019 TOTALS:		89,117.96	13,730.14	75,387.82	
6	04-10-2020	44,558.98	6,225.13	38,333.85	496,433.27
7	10-10-2020	44,558.98	5,778.90	38,780.08	457,653.19
2020 TOTALS:		89,117.96	12,004.03	77,113.93	
8	04-10-2021	44,558.98	5,298.35	39,260.63	418,392.56
9	10-10-2021	44,558.98	4,870.44	39,688.54	378,704.02
2021 TOTALS:		89,117.96	10,168.79	78,949.17	
10	04-10-2022	44,558.98	4,384.34	40,174.64	338,529.38
11	10-10-2022	44,558.98	3,940.76	40,618.22	297,911.16
2022 TOTALS:		89,117.96	8,325.10	80,792.86	
12	04-10-2023	44,558.98	3,448.98	41,110.00	256,801.16
13	10-10-2023	44,558.98	2,989.38	41,569.60	215,231.56
2023 TOTALS:		89,117.96	6,438.36	82,679.60	
14	04-10-2024	44,558.98	2,505.47	42,053.51	173,178.05
15	10-10-2024	44,558.98	2,015.94	42,543.04	130,635.01
2024 TOTALS:		89,117.96	4,521.41	84,596.55	
16	04-10-2025	44,558.98	1,512.39	43,046.59	87,588.42
17	10-10-2025	44,558.98	1,019.60	43,539.38	44,049.04
2025 TOTALS:		89,117.96	2,531.99	86,585.97	
18	04-10-2026	44,558.98	509.94	44,049.04	0.00
2026 TOTALS:		44,558.98	509.94	44,049.04	
TOTALS:		802,061.64	82,061.64	720,000.00	

NOTICE: This is an estimated loan amortization schedule. Actual amounts may vary if payments are made on different dates or in different amounts.

	1/8 Cent Fire Sales Tax	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	Totals
1	Revenue	\$56,674.57	\$255,929.48	\$269,131.41	\$296,798.56	\$292,704.00	\$292,704.00	\$292,704.00	\$292,704.00	\$292,704.00	\$292,704.00	\$292,704.00	\$292,704.00	\$292,704.00	\$292,704.00	\$292,704.00	\$219,528.00	\$4,317,806.02
2	Fund Balance from Previous Budget Year		\$11,095.14	\$129,693.28	\$219,224.27	\$383,333.65	\$167,844.79	\$178,370.73	\$213,896.67	\$295,002.04	\$421,686.84	\$203,736.05	\$109,285.61	\$124,812.31	\$140,339.01	\$93,653.49	\$184,693.75	
3	Total		\$267,024.62	\$398,824.69	\$516,022.83	\$676,037.65	\$460,548.79	\$471,074.73	\$506,600.67	\$587,706.04	\$714,390.84	\$496,440.05	\$401,989.61	\$417,516.31	\$433,043.01	\$386,357.49	\$404,221.75	
Expenses																		
4	Debt payment on two, Fire Engines	-\$45,579.43	-\$91,158.86	-\$91,158.86	-\$91,158.86	-\$91,158.86	-\$91,158.86	-\$91,158.86	-\$45,579.43									
5	Capital equipment replacement		-\$46,172.48	-\$88,441.56	-\$41,530.32	-\$72,476.00	-\$35,000.00	-\$35,000.00	-\$35,000.00	-\$35,000.00	-\$35,000.00	-\$35,000.00	-\$35,000.00	-\$35,000.00	-\$35,000.00	-\$35,000.00	-\$35,000.00	-\$35,000.00
6	2017 aerial down payment					-\$300,000.00												
7	Debt payment on 2017 aerial					-\$44,558.00	-\$89,118.00	-\$89,118.00	-\$89,118.00	-\$89,118.00	-\$89,118.00	-\$89,118.00	-\$89,118.00	-\$89,118.00	-\$44,558.00			
8	Rescue down payment to replace 1991 model						-\$25,000.00											
9	Replacement of 1991 Rescue. Used \$250,000 new \$350 to \$375,000.00						-\$41,901.20	-\$41,901.20	-\$41,901.20	-\$41,901.20	-\$41,901.20	-\$41,901.20						
10	Aerial down payment to replace 1991 model										-\$300,000.00							
11	Replacement of 1991 Aerial. Estimated price \$850,000.00, lease amount \$550,00.00										-\$44,635.59	-\$89,271.18	-\$89,271.18	-\$89,271.18	-\$89,271.18	-\$89,271.18	-\$44,635.59	
12	Water Tender down payment. Replacement of 1991 model											-\$100,000.00						
13	Replacement 1 of 2 1994 WT's Estimated price \$280,000.00. Lease amount \$180,000.00											-\$31,864.06	-\$63,788.12	-\$63,788.12	-\$31,864.06			
14	Water Tender down payment. Replacement of 1991 model														-\$100,000.00			
15	Replacement of 2nd 1994 WT's Estimated price \$285,000.00. Lease amount \$185,000.00														-\$38,696.28	-\$77,392.56	-\$77,392.56	
16	Seed money for Fire Station 3																	\$247,193.60
17	Fund Balance to Roll Over	\$ 11,095.14	\$ 129,693.28	\$ 219,224.27	\$ 383,333.65	\$ 167,844.79	\$ 178,370.73	\$ 213,896.67	\$ 295,002.04	\$ 421,686.84	\$ 203,736.05	\$ 109,285.61	\$ 124,812.31	\$ 140,339.01	\$ 93,653.49	\$ 184,693.75	\$ 247,193.60	

2017 to 2028 revenue projections are based off the 2017 budget projections as of April 2017 (0% Growth Illustrated).

All interest rates from 2018 to 2028 were figured at 3.5% (current prime rate).

Replacement for the 1991 Rescue was a used price based off a truck that will come on the market this fall.

2018 to 2028 Capital is only a projection. This will vary through out the years.

2028 Fire Sales Tax retirement date is the end of the 3rd quarter.

Fire Sales Tax will need renewed by residents in April 2028.

The seed money for Fire Station 3 will vary based on actual cost of fire apparatus and capital needs and the total amount of sales tax collected.

EQUIPMENT LEASE WITH OPTION TO PURCHASE

THIS EQUIPMENT LEASE WITH OPTION TO PURCHASE (this "Lease") by and between **Mid-Missouri Bank** ("Lessor") of 806 E. Hines, Republic, Missouri 65738, leases to **City of Republic, Missouri** ("Lessee") of 213 N. Main Avenue, Republic, Missouri 65738. Lessee hires and takes from Lessor all property described on Exhibit A attached hereto. THIS LEASE IS SUBJECT TO THE TERMS AND CONDITIONS PRINTED ON THIS AND ON THE FOLLOWING PAGES, ALL OF WHICH ARE MADE A PART OF THIS AGREEMENT AND WHICH LESSEE ACKNOWLEDGES HAVING READ. PLEASE READ CAREFULLY BEFORE SIGNING. THIS LEASE, WHICH CONSISTS OF 12 PAGES, IS NOT BINDING UNTIL ACCEPTED BY LESSOR.

1. ENTIRE AGREEMENT. This Lease constitutes the entire agreement between Lessor and Lessee. No oral agreement, guaranty, promise, condition, representation or warranty shall be binding on Lessor. All prior conversations, agreements or representations related to this agreement and/or to the equipment are integrated in this agreement. No modification of the agreement shall be binding unless in writing signed by Lessor.

2. REPRESENTATIONS. Lessee acknowledges that no salesman or agent of the supplier of the equipment is authorized to waive or alter any term or condition of this Lease and no representation as to the equipment or any matter by the supplier shall in any way affect the Lessee's duty to pay the lease payments and perform its other obligations as set forth in this Lease.

3. STATUTORY FINANCE LEASE. Lessee agrees and acknowledges that it is the intent of both parties to this Lease that it qualify as a statutory finance lease under Article 2A of the Uniform Commercial Code. Lessee acknowledges and agrees that Lessee has selected both: (1) the equipment; and (2) the supplier from whom Lessor is to purchase the equipment. Lessee acknowledges that Lessor has not participated in any way in Lessee's selection of the equipment or of the supplier, and Lessor has not selected, manufactured, or supplied the equipment. LESSEE IS ADVISED THAT IT MAY HAVE RIGHTS UNDER THE CONTRACT EVIDENCING THE LESSOR'S PURCHASE OF THE EQUIPMENT FROM THE SUPPLIER CHOSEN BY LESSEE AND THAT LESSEE SHOULD CONTACT THE SUPPLIER OF THE EQUIPMENT FOR A DESCRIPTION OF ANY SUCH RIGHTS.

4. ASSIGNMENT. ASSIGNMENT BY LESSEE PROHIBITED WITHOUT LESSOR'S PRIOR WRITTEN CONSENT. LESSEE SHALL NOT ASSIGN THIS LEASE OR SUBLEASE THE EQUIPMENT OR ANY INTEREST IN THE EQUIPMENT, OR TRANSFER THIS LEASE, OR OTHERWISE DISPOSE OF THE EQUIPMENT COVERED BY THIS LEASE.

5. WARRANTIES. Lessee has selected both the equipment and the supplier of this Lease. Lessor, not being the manufacturer of the equipment, nor manufacturer's agent, MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE FITNESS FOR A PARTICULAR USE OR OTHERWISE, QUALITY, DESIGN, CONDITION, CAPACITY, SUITABILITY, MERCHANTABILITY OR PERFORMANCE OF THE EQUIPMENT OR OF THE MATERIAL OR WORKMANSHIP OF THE EQUIPMENT, IT BEING AGREED THAT THE EQUIPMENT IS LEASED "AS IS" AND THAT ALL SUCH RISKS, AS BETWEEN THE LESSOR AND THE LESSEE, ARE TO BE BORNE BY THE LESSEE AT ITS SOLE RISK AND EXPENSE. Lessee accordingly agrees not to assert any claim against the Lessor based on the equipment. In addition, Lessee waives any and all rights and remedies conferred by U.C.C. §§ 2A-508 to 2A-522, including, but not limited to, the Lessee's right to (a) reject or revoke acceptance of the leased property; (b) deduct from rental payments all or any part of any claimed damages resulting from the Lessor's default under this Lease; and (c) recover from the Lessor any general special, incidental, or consequential damages, for any reason. Lessee further waives any and all rights, now or in the future conferred by statute or otherwise,

that may require the Lessor to sell, release, or otherwise use or dispose of the leased property in mitigation of the Lessor's damages or that may otherwise limit or modify any of the Lessor's rights or remedies under this Lease.

6. CHOICE OF LAW; VENUE. ALL MATTERS INVOLVING THE CONSTRUCTION, VALIDITY, PERFORMANCE, OR ENFORCEMENT OF THIS LEASE SHALL BE GOVERNED BY THE LAWS OF MISSOURI. THE LESSEE FURTHER AGREES THAT THE COURTS OF MISSOURI SHALL HAVE EXCLUSIVE JURISDICTION OVER ALL DISPUTES, SUITS, OR ACTIONS ARISING OUT OF OR IN ANY WAY CONNECTED TO THIS LEASE. AT THE LESSOR'S OPTION, VENUE OF ANY SUCH ACTION SHALL LIE IN GREENE COUNTY, MISSOURI.

7. TERM OF AGREEMENT. The initial term of this Lease shall commence on the earlier of: (a) the date Lessee requests Lessor to make payment to the supplier; or (b) the acceptance date of the equipment and shall terminate one (1) year from the date of the commencement date. Lessee is hereby granted eight (8) options to renew this Agreement for an additional term of one (1) year. Said option shall be exercisable by Lessee delivering written notice thereof to Lessor on or before ninety (90) days prior to the expiration of the then-current term of this Lease, provided that Lessee is not in material default of this Lease at the time it exercises such option. The semi-annual rent for such renewal term shall be the same as the rental herein.

8. RENT. The lease payments for the equipment leased shall be in the amount designated in the schedule of payments attached hereto and shall commence on the indicated payment due date immediately following the equipment acceptance date. Lessee shall pay Lessor the lease payments on or before the due date and at the office of Lessor or to such other person or place as Lessor may designate in writing.

9. LATE AND COLLECTION CHARGES. A late charge of 5.00% of the unpaid total semi-annual lease payment, whichever is greater, will be assessed when a payment is not received within fifteen (15) days of the due date. An additional late charge will be assessed for each month a payment remains unpaid. If Lessee's delinquency requires additional collection efforts, a charge will be assessed in accordance with Lessor's collection charge schedule.

10. LOCATION AND USE OF LEASED PROPERTY. Lessee shall keep the equipment at the location designated in this Lease, unless Lessor in writing permits its removal. The equipment shall be used solely in the conduct of Lessee's business and Lessee warrants that property leased is for commercial or business purposes and not for consumer, personal, home or family purposes.

11. ARBITRATION. Any controversy or claim arising out of this Lease or the breach of this Lease may, at the option of the Lessor, be settled by arbitration in accordance with the laws of Missouri and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction of the controversy or claim. Arbitration shall be held in Republic, Missouri.

12. RETURN OF LEASED PROPERTY. Subject to Section Twenty-Seven of this Lease, at the expiration of this Lease, or on demand by Lessor pursuant to Section Nineteen of this Lease, Lessee at its expense shall return the equipment in proper working order, condition and repair by delivering it packed and ready for shipment to such place or on board such carrier as Lessor may specify. **WARNING: FAILURE TO PROMPTLY RETURN THE LEASED PROPERTY MAY RESULT IN CRIMINAL PROSECUTION.**

13. NOTICES. Services of all notices under this agreement shall be sufficient if given personally or mailed to Lessor at 806 E. Hines, Republic, Missouri 65738, or to Lessee at Lessee's last known address or at such other address as a party may provide in writing from time to time. Any such notice mailed to such address shall be effective when deposited in the United States mail duly addressed and postage prepaid.

14. LIABILITY AND INDEMNITY—LOSS AND DAMAGE. Lessee shall indemnify and hold Lessor harmless from any and all injury to or loss of the equipment from whatever cause, and from all liability arising out of the manufacture, selection, operation, use, maintenance, or delivery of the equipment, including attorney's fees. In the event of loss or damage of any kind to the equipment, or to any part of the equipment, Lessee, at the option of the Lessor, shall: (a) place the same in good condition, repair and working order; or (b) replace the same, with like property of the same or greater value: provided, however, at Lessee's option, the remaining obligation of this Lease can be satisfied by the payment of the remaining unpaid lease payments and the estimated value of the equipment at the expiration of this Lease, and other amounts due under this Lease, less the net amount of the recovery, if any, actually received by the Lessor from insurance or otherwise for such loss or damage. Lessor shall not be obligated to undertake by litigation or otherwise the collection of any claim against any person for loss or damage of the equipment. Except as expressly provided in this paragraph, total or partial destruction of any equipment or total or partial loss of use or possession of the equipment to Lessee shall not release or relieve Lessee from the duty to pay the lease payments provided in this Lease.

15. INSURANCE. Lessee, at its own expense, shall keep the equipment insured for the full term of this Lease and any renewals or extensions of this Lease, for the full insurable value of the equipment against all risks of loss or damage, and against such other risks in such amounts as Lessor may specify, including liability insurance, with limits not less than Two Million Dollars (\$2,000,000.00) (bodily injury and property damage) combined single limit. Provided, however, in those instances where Lessee is leasing equipment defined by Lessor as "mobile equipment," Lessee shall procure and maintain, for the full lease term, all risk physical damage insurance as opposed to insurance against fire and theft, with extended or combined coverage. All insurance policies must provide that no cancellation shall be effective without thirty (30) days prior written notice to Lessor. Lessee shall deliver to Lessor the policies or evidence of insurance with a standard form of endorsement attached to the policies showing Lessor to be named as an additional insured, together with receipts for the premiums under the policies. Lessee shall, at the request of Lessor, name as loss payee such party who may have a security interest in the equipment.

16. LESSEE'S FAILURE TO MAINTAIN INSURANCE OR PAY TAXES. Lessor shall have the right, but not the obligation, without notice to or demand on Lessee and without releasing Lessee from any obligation under this Lease, to make or do the same and to pay, purchase, contest, or compromise any encumbrance, charge or lien which in the judgment of Lessor appears to effect the equipment, and in exercising such rights, incur any liability and expend whatever amounts in its absolute discretion it may deem necessary therefore. Should Lessee fail to provide Lessor the policies or evidence of insurance described in this Lease, Lessee shall be assessed as to Lessor's purchase of insurance and also agrees that a charge for the insurance purchase will be paid by the Lessee. All sums so incurred or expended by Lessor shall be without demand immediately due and payable by Lessee and shall bear interest at five percent (5.00%) per annum if not prohibited by law, otherwise at the highest lawful contract rate.

17. OWNERSHIP. The equipment is and shall be at all times the sole and exclusive property of Lessor. This Lease and the equipment described in this Lease may be subject to a preexisting security agreement in favor of a bank or another financial institution.

18. AUTHORITY TO SIGN. The person signing this Lease on behalf of Lessee warrants that he has full authority from Lessee to sign this Lease and obligate Lessee.

19. DEFAULT. An event of default shall occur if:

- (1) Lessee fails to pay any lease installment;
- (2) Lessee fails to perform or observe any covenant, condition or obligation to be performed or observed by it under this Lease and such failure continues uncured for ten (10) days;
- (3) Lessee becomes insolvent or makes an assignment for the benefit of creditors;
- (4) Lessee applies for or consents to the appointment of a receiver, trustee or liquidator of Lessee, or of all or a substantial part of the assets of Lessee, or if such receiver, trustee or liquidator is appointed without the application or consent of Lessee, or to the extent permitted by law, if a petition is filed by or against the Lessee under the bankruptcy act, or any amendment to the act (including without limitation a petition for reorganization, arrangement or extension) or under any other insolvency law or law providing for relief of debtors; or
- (5) Lessee attempts to remove, sell, transfer, encumber, part with possession or sublet the equipment or any item of the equipment. Lessee agrees it will not replace or substitute the equipment described in this Lease for any reason without first obtaining Lessor's consent. Failure to obtain Lessor's consent will constitute a default on part of the Lessee. Further, the term "equipment" shall include any and all replacement or substituted equipment, whether or not such replacement or substitution occurred with Lessor's consent.

20. REMEDIES. On the occurrence of an event of default, Lessor shall have the right to exercise any one or more of the following remedies:

- (1) To declare the entire unpaid lease payments and other sums payable by Lessee under this Lease to be immediately due and payable.
- (2) Cause Lessee, at Lessee's expense, to promptly return any or all of the equipment to Lessor, all without demand or legal process, and to allow Lessor to enter into the premises where the equipment may be found and take possession of or remove the equipment, whereupon all rights of the Lessee in the equipment shall terminate absolutely; and
 - (i) Retain the equipment and all lease payments made under this Lease, or
 - (ii) Retain all prior lease payments and sell the equipment at public or private sale, with or without notice to Lessee. The sale price, less ten percent (10%) for selling costs, will be credited against the remaining unpaid lease payments, unpaid late charges, estimated value of equipment at the expiration of this Lease, charges for retaking, storage, repairing and reselling the equipment, reasonable attorney's fees incurred by the Lessor and other amounts due under this Lease. The Lessee shall remain liable for the deficiency and any surplus remaining after such application of proceeds of sale shall be paid to the Lessee, or to whomever may be lawfully entitled to receive the same; or

(iii) Retain the equipment and all prior payments, with the Lessee remaining liable for the unpaid lease payments, unpaid late charges, charges for retaking and restoring equipment to proper order and working condition, reasonable attorney's fees incurred by Lessor, together with other amounts due under this Lease; or

(iv) Lease the equipment, or any portion of the equipment, for such period, rental, and to such persons as Lessor shall select, and credit Lessee with an amount equal to Lessor's capital cost of this new lease less ten percent (10%) after declaring all costs and expenses incurred in connection with the recovery, repair, storage and leasing of the equipment in payment of the lease and other obligations due from Lessee to Lessor under this Lease, Lessee remaining responsible for any deficiency. It is agreed that the amounts to be retained by the Lessor and the balance to be paid by the Lessee under this paragraph (2) shall not be a penalty but shall be as and for liquidated damages for the breach of this Lease and as a reasonable return for the use of the equipment and for the depreciation of the equipment.

(3) Lessor may pursue any other remedy at law or in equity.

(4) No remedy conferred upon or reserved to Lessor in this Lease is intended to be exclusive of any other remedy in this Lease or by law provided, but shall be cumulative and in addition to every other remedy available to Lessor.

21. ATTORNEY'S FEES AND EXPENSE. In the event the Lessor is required to retain an attorney to assist in the enforcement of its rights under this Lease agreement, it shall be entitled to a reasonable attorney's fee, in addition to costs and necessary disbursements, whether or not suit becomes necessary.

22. MAINTENANCE AND REPAIR. Lessor shall not be obligated to install, erect, test, adjust, service or make repairs or replacements to the equipment. Lessee shall not incur for Lessor's account or liability any expense therefore without Lessor's prior written consent. Lessee shall bear all the expense of all necessary repairs, maintenance, operation, and replacements to be made to maintain the equipment in proper working condition, reasonable wear and tear excepted.

23. OPERATION OF EQUIPMENT. Lessee shall cause the equipment to be operated by competent employees only, and shall pay all expenses of operation. Lessee shall comply with all laws and regulations relating to ownership, possession, operation, use and maintenance of the equipment. Lessee shall hold Lessor harmless from any and all actual or asserted violations of the above-mentioned covenant.

24. TAXES. Lessee shall pay and discharge all sales, use, property and other tax or taxes now or in the future imposed by any state, federal or local government on the equipment based on the ownership, leasing, renting, sale, possession or use of the equipment, whether the same be assessed to Lessor or Lessee, together with any penalties or interest in connection therewith, and will, from time to time on request of Lessor, submit written evidence of the payment of all the governmental obligations mentioned in this paragraph. The Lessor will, on any property tax returns required to be filed by it, include the property covered by this Lease or any substitution or additions to this Lease as property in the possession of Lessee for purposes of tax assessments.

25. LESSOR'S ASSIGNMENT. Lessee may assign this Lease payments reserved in this Lease or all or any of Lessor's other rights under this Lease. After such assignment, Lessee waives any right Lessee may have to claim or assert any defenses, setoffs or counterclaims against assignee of the

Lessor. Lessee will settle all claims arising out of alleged breach of warranties, defenses, setoffs and counterclaims it may have against Lessor directly with Lessor and not set up any such against Lessor's assignee. An assignee of Lessor shall not be obligated to perform any of Lessor's obligations under this Lease. Lessee, on receiving notice of any such assignment, shall abide by the assignment and make payment as may be directed in the assignment. Following such assignment, solely for the purpose of determining assignee's rights under the assignment, the term Lessor shall be deemed to include or refer to Lessor's assignee. Lessee acknowledges that the equipment may be subject to a security interest which is prior to Lessee's interest in the equipment.

26. PERSONAL PROPERTY. The equipment is, and shall at all times be and remain, personal property notwithstanding that the equipment or any part of the equipment may now be, or in the future become, in any manner affixed or attached to, or imbedded in, or permanently resting upon, real property or any building on the real property, or attached in any manner to what is permanent as by means of cement, plaster, nails, bolts, screws or otherwise. Lessee shall obtain the necessary permission from the owner of any real property where the equipment is to be affixed to the realty or be deemed a fixture in order that the leased property shall at all times be severable and removable from the real property by the Lessor, free of any right, title, claim or interest of the property owner and of the Lessee except as provided in this Lease. The equipment shall at all times remain the property of Lessor.

27. TRANSFER OF TITLE. At the end of the term if this Lease, Lessee shall have the option, upon notice to Lessor prior to the expiration of the eighth option term or within sixty (60) days thereafter, for no additional compensation, to require Lessor to transfer title to the equipment to Lessee, and upon such transfer, the equipment shall become the sole property of Lessee; provided, however, such option may be exercised only upon Lessee's satisfaction of the following conditions of this Lease:

(1) Lessee shall have timely paid the total of all rents as specified in Section 8 of this Lease;

(2) Lessee has exercised each of the eight options to renew as specified in Section 7 of this Lease;

(3) Lessee shall have paid all other amounts that Lessee has agreed to pay under the terms of this Lease (whether to Lessor or to any third party), including, without limitation, all insurance, taxes, costs of maintenance, repair, and replacement of or associated with the equipment, and the costs associated with its acquisition, lease, use, or ownership;

(4) Lessee shall have paid all costs associated with the transfer of the equipment to Lessee;

(5) Lessee shall have reimbursed Lessor for all costs and expenses of Lessor as a result of Lessee's breach of any term of this Lease, including reasonable attorneys' fees that it may incur as a direct or indirect result of Lessee's breach of this Lease; and

(6) Lessee shall have reimbursed Lessor for all other costs and expenses, of whatsoever nature, that Lessor has reasonably incurred in connection with the equipment, or the purchase, lease, or ownership thereof, including attorneys' fees and fees of other third party consultants, incurred in administering this Lease or performing hereunder.

28. LESSOR'S ENCUMBRANCES. In the event Lessor defaults in the payment of any sum to be paid pursuant to any conditional sales contract, chattel mortgage or purchase money security

agreement, Lessee may pay the lease payment to the holder of the encumbrance after notice of default, and to the extent thereof such payment shall constitute payment of the lease payment to Lessor.

29. FINANCIAL STATEMENTS. The Lessor may require from time to time, and Lessee agrees to furnish, statements setting forth the current financial condition and operations of Lessee.

30. MISCELLANEOUS. Lessee will not change or remove any insignia or lettering on the equipment, without prior written consent from Lessor, and shall conspicuously identify each item of the leased equipment by suitable lettering to the equipment to indicate Lessor's ownership. All transportation charges shall be borne by Lessee. Lessee waves all rights under all exemption laws. Lessee admits the receipt of a true copy of this Lease. This Lease is irrevocable for the full term of this Lease and for the aggregate lease payments reserved in this Lease, and the lease payments shall not abate by reason of termination of Lessee's right of possession and/or the taking of possession by Lessor or for any other reason. Delinquent lease installments and other sums due under this Lease shall bear interest at five percent (5.00%) per annum if not prohibited by law, otherwise at the highest lawful contract rate. Lessor at its option is authorized by Lessee to file a U.C.C. financing statement for this Lease. Lessee grants to Lessor a specific power of attorney for Lessor to use to file any document Lessor deems necessary to perfect or protect Lessor's interest in the equipment or pursuant to the U.C.C. If Lessor is required by law to discount any unpaid base payment or other sums payable by Lessee under this Lease, then the parties to this Lease agree that the discount rate used shall be five percent (5.00%) annually. If any provision of this Lease is held to be contrary to law, such provision shall be disregarded and the remainder of this agreement shall be enforceable according to its terms.

31. RESOLUTION OF LESSEE. Lessee has been duly authorized to execute and deliver this Agreement under the terms and provisions of the resolution of its governing body, in the form attached hereto as Exhibit B or by other necessary or appropriate official approval, and further represents, covenants and warrants that all requirements have been met and procedures have occurred, in order to ensure the enforceability of this Agreement, and Lessee has complied with such public bidding requirements as may be applicable to this Agreement and the acquisition by Lessee of the equipment hereunder.

32. OPINION OF LESSEE'S COUNSEL. Lessee shall cause to be executed an opinion of its counsel substantially in the form attached hereto as Exhibit C.

33. NO WAIVER. Lessor's failure at any time to require strict performance by Lessee of the provisions hereof shall not waive or diminish Lessor's right thereafter to demand strict compliance therewith or with any other provision. Waiver of any default shall not waive any other default then or thereafter occurring.

34. HEADINGS. The headings contained in this Lease shall be deemed to be for the convenience of the parties only and shall not be considered in construing this Lease.

35. CONSTRUCTION OF AGREEMENT. This Lease shall be deemed to have been mutually drafted by the parties after consultation with their respective counsel. No canon of construction resolving ambiguities in favor of one party over the other shall be applicable hereto.

36. COUNTERPARTS. This Lease may be executed in several counterparts, each of which shall be an original and all of which shall constitute one and the same agreement or document. Facsimile transmissions of the signatures of the parties to this Lease may be relied upon, and shall have the same legal and binding effect as the originals of such signatures.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals the day and year first above written.

LESSOR:
MID-MISSOURI BANK

By: _____
Name: Todd Wojciechowski
Title: Community President

Date: _____

LESSEE:
CITY OF REPUBLIC, MISSOURI

By: _____
Name: Daniel Harter
Title: Mayor

By: _____
Name: Brenda Jackson
Title: City Clerk

Date: _____

PAYMENT SCHEDULE

Semi-annual payments in the amount of Forty-four Thousand Five Hundred Fifty-eight and 98/100 Dollars (\$44,558.98) with the initial payment due six (6) months of the commencement of this Lease and continuing in the same amount on the same date every six months thereafter until the term of this lease agreement, subject to Section 7 hereof.

The capital cost required to purchase the equipment for cash is Seven Hundred Twenty Thousand Dollars (\$720,000.00) and the annual effective fixed interest rate is two and twenty-nine hundredths percent (2.29%).

EXHIBIT A

LIST OF EQUIPMENT

2017 Rosenbauer Firetruck VIN 54F3DF612GWM11673

EXHIBIT B

RESOLUTION OF GOVERNING BODY EXTRACT OF MINUTES

Lessee: City of Republic, Missouri

Date of Agreement: April __, 2017

At a duly called meeting of the governing body of Lessee (as defined in the Agreement) held on the ___ day of April, 2017, the following resolution was introduced and adopted:

RESOLVED, whereas the governing body of Lessee has determined that a true and very real need exists for the acquisition of the equipment described in the Equipment Lease with Option to Purchase presented to this meeting; and

RESOLVED, the governing body of Lessee has taken the necessary steps, including any legal bidding requirements, under applicable law to arrange for the acquisition of such equipment.

BE IT RESOLVED, by the governing body of Lessee that the terms of said Equipment Lease with Option to Purchase are in the best interests of Lessee for the acquisition of such equipment, and the governing body of Lessee designates and confirms the following persons to execute and deliver and to witness (or attest), respectively, the Equipment Lease with Option to Purchase and any related documents necessary to the consummation of the transaction contemplated by the Equipment Lease with Option to Purchase.

Name: _____
Title: _____

Name: _____
Title: _____

The undersigned further certifies that the above resolution has not been repealed or amended and remains in full force and effect and further certifies that the above and foregoing Equipment Lease with Option to Purchase is the same as presented at said meeting of the governing body of Lessee.

By: _____
City of Republic, Missouri
Name: _____
Title: _____

Dated: April __, 2017

EXHIBIT C

OPINION OF LESSEE'S COUNSEL

April __, 2017

Todd Wojciechowski
Community President
Mid-Missouri Bank
806 E. Hines
Republic, Missouri 65738

**RE: Lessee – City of Republic, Missouri
Date of Agreement – April __, 2017**

Dear Mr. Wojciechowski:

As Counsel for the City of Republic, Missouri (“Lessee”), I have examined the duly executed originals of the Equipment Lease with Option to Purchase (the “Agreement”) dated April __, 2017 between Lessee and Mid-Missouri Bank (“Lessor”) and based upon such other examination as I have deemed necessary, I am the opinion that:

1. Lessee is a political subdivision, legally existing under the laws of the State of Missouri.
2. The Agreement has been duly authorized, executed and delivered by the Lessee pursuant to its statutory authority, and as the Lessee retains all other powers incidental, necessary, convenient or desirable to effectuate its express powers and therefore the Resolution thereon is valid and binding.
3. The Agreement is a valid and binding obligation of Lessee under 432.070 RSMo. (political subdivision contracts), enforceable in accordance with its terms, and therefore in the event Lessor should obtain a judgment against the Lessee in money damages as a result of an event of default under the Agreement, Lessee will be obligated to pay such judgment.
4. All applicable public bidding requirements have been complied with.
5. To the best of my knowledge, no litigation is pending or threatened in any court or tribunal, state or federal, in any way questioning the validity of the Resolution of Lessee’s Governing Body or of the Agreement.
6. To the best of the officers of Lessee which appear on the Agreement are true and genuine. I know said officers and know them to hold the offices set forth below their respective names.

Respectfully submitted,

Ron Dirickson

806 East Hines • P.O. Box 490 • Republic, MO 65738
Phone: 417-732-4800 • midmobank.com

April 6, 2017

Brenda Jackson
City Clerk
City of Republic
213 N. Main St.
Republic, MO 65738

RE: TELP, 2017 Rosenbauer aerial platform fire truck

Dear Ms. Jackson,

On behalf of Mid-Missouri Bank, I would like to thank you for the opportunity to review your request for tax exempt lease purchase financing on a 2017 firetruck for the City of Republic. Please accept this letter as Mid-Missouri Bank's commitment to provide lease purchase financing of \$720,000, subject to the terms and conditions disclosed on the proposal letter which is made part of this document.

Mid-Missouri Bank is a state chartered bank, locally owned, and established in 1872. We have fourteen locations in ten communities throughout Southwest Missouri. The bank has \$592 million in assets, a very strong capital base, fully funded reserves, and good earnings. As of 12/31/16, the bank has \$55.9 million in equity capital, \$7.8 million in additional reserves, and 2016 year end profitability of \$5.2 million. Our community bank model is focused on the needs of the communities we represent, and we are proud to serve Republic's many businesses and families for both their loan and deposit needs.

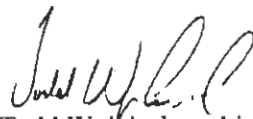
The proposed lease purchase transaction will be managed directly by me and Todd Wojciechowski. I am a commercial lender and Todd is the Community President of Mid-Missouri Bank in Republic. Both of our families live in Republic, our children go to Republic schools, and we are actively involved in the community. We have over 20 years of commercial banking experience, including governmental lease financing. Todd Wojciechowski was the originating officer on the City's certificate of participation financing that currently exists on fire station #2.

If you have any questions, please feel free to contact myself or Todd. We appreciate the opportunity to be a part of the continued growth of the City of Republic.

Sincerely,



Melanie Wasson
Commercial Loan Officer



Todd Wojciechowski
Community President

806 East Hines • P.O. Box 490 • Republic, MO 65738
Phone: 417-732-4800 • midmobank.com

Lease Purchase Financing Proposal for
The City of Republic, MO
TELP, 2017 Fire Truck

April 6, 2017

To Whom It May Concern:

We appreciate the opportunity to submit a bid for the lease purchase financing of a 2017 fire truck for the City of Republic. Your request has been approved, with the following terms and conditions:

1. Fixed rate of interest options on lease payments:
 - 2.05% fixed for seven (7) years.
 - 2.18% fixed for eight (8) years
 - 2.29% fixed for nine (9) years
 - 2.47% fixed for ten (10) years

*Subject to participation in the MoLink deposit program
2. Repayment terms: Equal semi-annual payments of principal & interest, with the first payment due 6 months from closing.
3. Issuance costs: There shall be no fee payable at the origination of the lease purchase agreement.
4. Purchase options during lease: Lessee may pre-pay this lease purchase contract at any time by paying all principal and accrued interest to the date of pay off. There shall be no pre-payment penalty applied by the bank if the City chooses to pay this lease in full prior to maturity.
5. Upon acceptance of this proposal and notification from the City of Republic, Mid-Missouri Bank's legal counsel will draft the lease purchase contract, to be reviewed and approved by the City's representative(s). A draft template of the lease purchase contract has been included in this packet for your review.
6. Timetable: The lease financing and the terms included in this proposal have already been approved by Mid-Missouri Bank. There will be no further paperwork required from the City. Funding can occur as soon as the lease purchase contract is drafted and signed.

This commitment for financing shall expire 45 days from the date of this letter. If you have any questions, or need clarification to any information listed within this proposal, please feel free to contact myself or Todd Wojciechowski.

Sincerely,



Melanie Wasson
Commercial Loan Officer



Todd Wojciechowski
Community President

EQUIPMENT LEASE WITH OPTION TO PURCHASE

THIS EQUIPMENT LEASE WITH OPTION TO PURCHASE (this "Lease") by and between [Lender] ("Lessor") of [Address of Lender], leases to [Borrower] ("Lessee") of [Address of Borrower]. Lessee hires and takes from Lessor all property described on Exhibit A attached hereto. THIS LEASE IS SUBJECT TO THE TERMS AND CONDITIONS PRINTED ON THIS AND ON THE FOLLOWING PAGES, ALL OF WHICH ARE MADE A PART OF THIS AGREEMENT AND WHICH LESSEE ACKNOWLEDGES HAVING READ. PLEASE READ CAREFULLY BEFORE SIGNING. THIS LEASE, WHICH CONSISTS OF 12 PAGES, IS NOT BINDING UNTIL ACCEPTED BY LESSOR.

1. ENTIRE AGREEMENT. This Lease constitutes the entire agreement between Lessor and Lessee. No oral agreement, guaranty, promise, condition, representation or warranty shall be binding on Lessor. All prior conversations, agreements or representations related to this agreement and/or to the equipment are integrated in this agreement. No modification of the agreement shall be binding unless in writing signed by Lessor.

2. REPRESENTATIONS. Lessee acknowledges that no salesman or agent of the supplier of the equipment is authorized to waive or alter any term or condition of this Lease and no representation as to the equipment or any matter by the supplier shall in any way affect the Lessee's duty to pay the lease payments and perform its other obligations as set forth in this Lease.

3. STATUTORY FINANCE LEASE. Lessee agrees and acknowledges that it is the intent of both parties to this Lease that it qualify as a statutory finance lease under Article 2A of the Uniform Commercial Code. Lessee acknowledges and agrees that Lessee has selected both: (1) the equipment; and (2) the supplier from whom Lessor is to purchase the equipment. Lessee acknowledges that Lessor has not participated in any way in Lessee's selection of the equipment or of the supplier, and Lessor has not selected, manufactured, or supplied the equipment. LESSEE IS ADVISED THAT IT MAY HAVE RIGHTS UNDER THE CONTRACT EVIDENCING THE LESSOR'S PURCHASE OF THE EQUIPMENT FROM THE SUPPLIER CHOSEN BY LESSEE AND THAT LESSEE SHOULD CONTACT THE SUPPLIER OF THE EQUIPMENT FOR A DESCRIPTION OF ANY SUCH RIGHTS.

4. ASSIGNMENT. ASSIGNMENT BY LESSEE PROHIBITED WITHOUT LESSOR'S PRIOR WRITTEN CONSENT. LESSEE SHALL NOT ASSIGN THIS LEASE OR SUBLEASE THE EQUIPMENT OR ANY INTEREST IN THE EQUIPMENT, OR TRANSFER THIS LEASE, OR OTHERWISE DISPOSE OF THE EQUIPMENT COVERED BY THIS LEASE.

5. WARRANTIES. Lessee has selected both the equipment and the supplier of this Lease. Lessor, not being the manufacturer of the equipment, nor manufacturer's agent, MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE FITNESS FOR A PARTICULAR USE OR OTHERWISE, QUALITY, DESIGN, CONDITION, CAPACITY, SUITABILITY, MERCHANTABILITY OR PERFORMANCE OF THE EQUIPMENT OR OF THE MATERIAL OR WORKMANSHIP OF THE EQUIPMENT, IT BEING AGREED THAT THE EQUIPMENT IS LEASED "AS IS" AND THAT ALL SUCH RISKS, AS BETWEEN THE LESSOR AND THE LESSEE, ARE TO BE BORNE BY THE LESSEE AT ITS SOLE RISK AND EXPENSE. Lessee accordingly agrees not to assert any claim against the Lessor based on the equipment. In addition, Lessee waives any and all rights and remedies conferred by U.C.C. §§ 2A-508 to 2A-522, including, but not limited to, the Lessee's right to (a) reject or revoke acceptance of the leased property; (b) deduct from rental payments all or any part of any claimed damages resulting from the Lessor's default under this Lease; and (c) recover from the Lessor any general special, incidental, or consequential damages, for any reason. Lessee further waives any and all rights, now or in the future conferred by statute or otherwise,

that may require the Lessor to sell, release, or otherwise use or dispose of the leased property in mitigation of the Lessor's damages or that may otherwise limit or modify any of the Lessor's rights or remedies under this Lease.

6. CHOICE OF LAW; VENUE. ALL MATTERS INVOLVING THE CONSTRUCTION, VALIDITY, PERFORMANCE, OR ENFORCEMENT OF THIS LEASE SHALL BE GOVERNED BY THE LAWS OF MISSOURI. THE LESSEE FURTHER AGREES THAT THE COURTS OF MISSOURI SHALL HAVE EXCLUSIVE JURISDICTION OVER ALL DISPUTES, SUITS, OR ACTIONS ARISING OUT OF OR IN ANY WAY CONNECTED TO THIS LEASE. AT THE LESSOR'S OPTION, VENUE OF ANY SUCH ACTION SHALL LIE IN [COUNTY OF LENDER] COUNTY, MISSOURI.

7. TERM OF AGREEMENT. The initial term of this Lease shall commence on the earlier of: (a) the date Lessee requests Lessor to make payment to the supplier; or (b) the acceptance date of the equipment and shall terminate one (1) year from the date of the commencement date. Lessee is hereby granted four (4) options to renew this Agreement for an additional term of one (1) year. Said option shall be exercisable by Lessee delivering written notice thereof to Lessor on or before ninety (90) days prior to the expiration of the then-current term of this Lease, provided that Lessee is not in material default of this Lease at the time it exercises such option. The monthly rent for such renewal term shall be the same as the rental herein.

8. RENT. The lease payments for the equipment leased shall be in the amount designated in the schedule of payments attached hereto and shall commence on the indicated payment due date immediately following the equipment acceptance date. Lessee shall pay Lessor the lease payments on or before the due date and at the office of Lessor or to such other person or place as Lessor may designate in writing.

9. LATE AND COLLECTION CHARGES. A late charge of 5.00% of the unpaid total monthly lease payment, whichever is greater, will be assessed when a payment is not received within fifteen (15) days of the due date. An additional late charge will be assessed for each month a payment remains unpaid. If Lessee's delinquency requires additional collection efforts, a charge will be assessed in accordance with Lessor's collection charge schedule.

10. LOCATION AND USE OF LEASED PROPERTY. Lessee shall keep the equipment at the location designated in this Lease, unless Lessor in writing permits its removal. The equipment shall be used solely in the conduct of Lessee's business and Lessee warrants that property leased is for commercial or business purposes and not for consumer, personal, home or family purposes.

11. ARBITRATION. Any controversy or claim arising out of this Lease or the breach of this Lease may, at the option of the Lessor, be settled by arbitration in accordance with the laws of Missouri and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction of the controversy or claim. Arbitration shall be held in [City of Lender], Missouri.

12. RETURN OF LEASED PROPERTY. Subject to Section Twenty-Seven of this Lease, at the expiration of this Lease, or on demand by Lessor pursuant to Section Nineteen of this Lease, Lessee at its expense shall return the equipment in proper working order, condition and repair by delivering it packed and ready for shipment to such place or on board such carrier as Lessor may specify. **WARNING: FAILURE TO PROMPTLY RETURN THE LEASED PROPERTY MAY RESULT IN CRIMINAL PROSECUTION.**

13. NOTICES. Services of all notices under this agreement shall be sufficient if given personally or mailed to Lessor at [Address of Lender], or to Lessee at Lessee's last known address or at such other address as a party may provide in writing from time to time. Any such notice mailed to such address shall be effective when deposited in the United States mail duly addressed and postage prepaid.

14. LIABILITY AND INDEMNITY—LOSS AND DAMAGE. Lessee shall indemnify and hold Lessor harmless from any and all injury to or loss of the equipment from whatever cause, and from all liability arising out of the manufacture, selection, operation, use, maintenance, or delivery of the equipment, including attorney's fees. In the event of loss or damage of any kind to the equipment, or to any part of the equipment, Lessee, at the option of the Lessor, shall: (a) place the same in good condition, repair and working order; or (b) replace the same, with like property of the same or greater value: provided, however, at Lessee's option, the remaining obligation of this Lease can be satisfied by the payment of the remaining unpaid lease payments and the estimated value of the equipment at the expiration of this Lease, and other amounts due under this Lease, less the net amount of the recovery, if any, actually received by the Lessor from insurance or otherwise for such loss or damage. Lessor shall not be obligated to undertake by litigation or otherwise the collection of any claim against any person for loss or damage of the equipment. Except as expressly provided in this paragraph, total or partial destruction of any equipment or total or partial loss of use or possession of the equipment to Lessee shall not release or relieve Lessee from the duty to pay the lease payments provided in this Lease.

15. INSURANCE. Lessee, at its own expense, shall keep the equipment insured for the full term of this Lease and any renewals or extensions of this Lease, for the full insurable value of the equipment against all risks of loss or damage, and against such other risks in such amounts as Lessor may specify, including liability insurance, with limits not less than Two Million Dollars (\$2,000,000.00) (bodily injury and property damage) combined single limit. Provided, however, in those instances where Lessee is leasing equipment defined by Lessor as "mobile equipment," Lessee shall procure and maintain, for the full lease term, all risk physical damage insurance as opposed to insurance against fire and theft, with extended or combined coverage. All insurance policies must provide that no cancellation shall be effective without thirty (30) days prior written notice to Lessor. Lessee shall deliver to Lessor the policies or evidence of insurance with a standard form of endorsement attached to the policies showing Lessor to be named as an additional insured, together with receipts for the premiums under the policies. Lessee shall, at the request of Lessor, name as loss payee such party who may have a security interest in the equipment.

16. LESSEE'S FAILURE TO MAINTAIN INSURANCE OR PAY TAXES. Lessor shall have the right, but not the obligation, without notice to or demand on Lessee and without releasing Lessee from any obligation under this Lease, to make or do the same and to pay, purchase, contest, or compromise any encumbrance, charge or lien which in the judgment of Lessor appears to effect the equipment, and in exercising such rights, incur any liability and expend whatever amounts in its absolute discretion it may deem necessary therefore. Should Lessee fail to provide Lessor the policies or evidence of insurance described in this Lease, Lessee shall be assessed as to Lessor's purchase of insurance and also agrees that a charge for the insurance purchase will be paid by the Lessee. All sums so incurred or expended by Lessor shall be without demand immediately due and payable by Lessee and shall bear interest at five percent (5.00%) per annum if not prohibited by law, otherwise at the highest lawful contract rate.

17. OWNERSHIP. The equipment is and shall be at all times the sole and exclusive property of Lessor. This Lease and the equipment described in this Lease may be subject to a preexisting security agreement in favor of a bank or another financial institution.

18. AUTHORITY TO SIGN. The person signing this Lease on behalf of Lessee warrants that he has full authority from Lessee to sign this Lease and obligate Lessee.

19. DEFAULT. An event of default shall occur if:

(1) Lessee fails to pay any lease installment and such failure continues for a period of five (5) days;

(2) Lessee fails to perform or observe any covenant, condition or obligation to be performed or observed by it under this Lease and such failure continues uncured for ten (10) days;

(3) Lessee becomes insolvent or makes an assignment for the benefit of creditors;

(4) Lessee applies for or consents to the appointment of a receiver, trustee or liquidator of Lessee, or of all or a substantial part of the assets of Lessee, or if such receiver, trustee or liquidator is appointed without the application or consent of Lessee, or to the extent permitted by law, if a petition is filed by or against the Lessee under the bankruptcy act, or any amendment to the act (including without limitation a petition for reorganization, arrangement or extension) or under any other insolvency law or law providing for relief of debtors; or

(5) Lessee attempts to remove, sell, transfer, encumber, part with possession or sublet the equipment or any item of the equipment. Lessee agrees it will not replace or substitute the equipment described in this Lease for any reason without first obtaining Lessor's consent. Failure to obtain Lessor's consent will constitute a default on part of the Lessee. Further, the term "equipment" shall include any and all replacement or substituted equipment, whether or not such replacement or substitution occurred with Lessor's consent.

20. REMEDIES. On the occurrence of an event of default, Lessor shall have the right to exercise any one or more of the following remedies:

(1) To declare the entire unpaid lease payments and other sums payable by Lessee under this Lease to be immediately due and payable.

(2) Cause Lessee, at Lessee's expense, to promptly return any or all of the equipment to Lessor, all without demand or legal process, and to allow Lessor to enter into the premises where the equipment may be found and take possession of or remove the equipment, whereupon all rights of the Lessee in the equipment shall terminate absolutely; and

(i) Retain the equipment and all lease payments made under this Lease, or

(ii) Retain all prior lease payments and sell the equipment at public or private sale, with or without notice to Lessee. The sale price, less ten percent (10%) for selling costs, will be credited against the remaining unpaid lease payments, unpaid late charges, estimated value of equipment at the expiration of this Lease, charges for retaking, storage, repairing and reselling the equipment, reasonable attorney's fees incurred by the Lessor and other amounts due under this Lease. The Lessee shall remain liable for the deficiency and any surplus remaining after such application of proceeds of sale shall be paid to the Lessee, or to whomever may be lawfully entitled to receive the same; or

(iii) Retain the equipment and all prior payments, with the Lessee remaining liable for the unpaid lease payments, unpaid late charges, charges for retaking and restoring equipment to proper order and working condition, reasonable attorney's fees incurred by Lessor, together with other amounts due under this Lease; or

(iv) Lease the equipment, or any portion of the equipment, for such period, rental, and to such persons as Lessor shall select, and credit Lessee with an amount equal to Lessor's capital cost of this new lease less ten percent (10%) after declaring all costs and expenses incurred in connection with the recovery, repair, storage and leasing of the equipment in payment of the lease and other obligations due from Lessee to Lessor under this Lease, Lessee remaining responsible for any deficiency. It is agreed that the amounts to be retained by the Lessor and the balance to be paid by the Lessee under this paragraph (2) shall not be a penalty but shall be as and for liquidated damages for the breach of this Lease and as a reasonable return for the use of the equipment and for the depreciation of the equipment.

(3) Lessor may pursue any other remedy at law or in equity.

(4) No remedy conferred upon or reserved to Lessor in this Lease is intended to be exclusive of any other remedy in this Lease or by law provided, but shall be cumulative and in addition to every other remedy available to Lessor.

21. ATTORNEY'S FEES AND EXPENSE. In the event the Lessor is required to retain an attorney to assist in the enforcement of its rights under this Lease agreement, it shall be entitled to a reasonable attorney's fee, in addition to costs and necessary disbursements, whether or not suit becomes necessary.

22. MAINTENANCE AND REPAIR. Lessor shall not be obligated to install, erect, test, adjust, service or make repairs or replacements to the equipment. Lessee shall not incur for Lessor's account or liability any expense therefore without Lessor's prior written consent. Lessee shall bear all the expense of all necessary repairs, maintenance, operation, and replacements to be made to maintain the equipment in proper working condition, reasonable wear and tear excepted.

23. OPERATION OF EQUIPMENT. Lessee shall cause the equipment to be operated by competent employees only, and shall pay all expenses of operation. Lessee shall comply with all laws and regulations relating to ownership, possession, operation, use and maintenance of the equipment. Lessee shall hold Lessor harmless from any and all actual or asserted violations of the above mentioned covenant.

24. TAXES. Lessee shall pay and discharge all sales, use, property and other tax or taxes now or in the future imposed by any state, federal or local government on the equipment based on the ownership, leasing, renting, sale, possession or use of the equipment, whether the same be assessed to Lessor or Lessee, together with any penalties or interest in connection therewith, and will, from time to time on request of Lessor, submit written evidence of the payment of all the governmental obligations mentioned in this paragraph. The Lessor will, on any property tax returns required to be filed by it, include the property covered by this Lease or any substitution or additions to this Lease as property in the possession of Lessee for purposes of tax assessments.

25. LESSOR'S ASSIGNMENT. Lessee may assign this Lease payments reserved in this Lease or all or any of Lessor's other rights under this Lease. After such assignment, Lessee waives any right Lessee may have to claim or assert any defenses, setoffs or counterclaims against assignee of the

Lessor. Lessee will settle all claims arising out of alleged breach of warranties, defenses, setoffs and counterclaims it may have against Lessor directly with Lessor and not set up any such against Lessor's assignee. An assignee of Lessor shall not be obligated to perform any of Lessor's obligations under this Lease. Lessee, on receiving notice of any such assignment, shall abide by the assignment and make payment as may be directed in the assignment. Following such assignment, solely for the purpose of determining assignee's rights under the assignment, the term Lessor shall be deemed to include or refer to Lessor's assignee. Lessee acknowledges that the equipment may be subject to a security interest which is prior to Lessee's interest in the equipment.

26. PERSONAL PROPERTY. The equipment is, and shall at all times be and remain, personal property notwithstanding that the equipment or any part of the equipment may now be, or in the future become, in any manner affixed or attached to, or imbedded in, or permanently resting upon, real property or any building on the real property, or attached in any manner to what is permanent as by means of cement, plaster, nails, bolts, screws or otherwise. Lessee shall obtain the necessary permission from the owner of any real property where the equipment is to be affixed to the realty or be deemed a fixture in order that the leased property shall at all times be severable and removable from the real property by the Lessor, free of any right, title, claim or interest of the property owner and of the Lessee except as provided in this Lease. The equipment shall at all times remain the property of Lessor.

27. TRANSFER OF TITLE. At the end of the term if this Lease, Lessee shall have the option, upon notice to Lessor prior to the expiration of the fourth option term or within sixty (60) days thereafter, for no additional compensation, to require Lessor to transfer title to the equipment to Lessee, and upon such transfer, the equipment shall become the sole property of Lessee; provided, however, such option may be exercised only upon Lessee's satisfaction of the following conditions of this Lease:

(1) Lessee shall have timely paid the total of all rents as specified in Section 8 of this Lease;

(2) Lessee has exercised each of the four options to renew as specified in Section 7 of this Lease;

(3) Lessee shall have paid all other amounts that Lessee has agreed to pay under the terms of this Lease (whether to Lessor or to any third party), including, without limitation, all insurance, taxes, costs of maintenance, repair, and replacement of or associated with the equipment, and the costs associated with its acquisition, lease, use, or ownership;

(4) Lessee shall have paid all costs associated with the transfer of the equipment to Lessee;

(5) Lessee shall have reimbursed Lessor for all costs and expenses of Lessor as a result of Lessee's breach of any term of this Lease, including reasonable attorneys' fees that it may incur as a direct or indirect result of Lessee's breach of this Lease; and

(6) Lessee shall have reimbursed Lessor for all other costs and expenses, of whatsoever nature, that Lessor has reasonably incurred in connection with the equipment, or the purchase, lease, or ownership thereof, including attorneys' fees and fees of other third party consultants, incurred in administering this Lease or performing hereunder.

28. LESSOR'S ENCUMBRANCES. In the event Lessor defaults in the payment of any sum to be paid pursuant to any conditional sales contract, chattel mortgage or purchase money security

agreement, Lessee may pay the lease payment to the holder of the encumbrance after notice of default, and to the extent thereof such payment shall constitute payment of the lease payment to Lessor.

29. FINANCIAL STATEMENTS. The Lessor may require from time to time, and Lessee agrees to furnish, statements setting forth the current financial condition and operations of Lessee.

30. MISCELLANEOUS. Lessee will not change or remove any insignia or lettering on the equipment, without prior written consent from Lessor, and shall conspicuously identify each item of the leased equipment by suitable lettering to the equipment to indicate Lessor's ownership. All transportation charges shall be borne by Lessee. Lessee waves all rights under all exemption laws. Lessee admits the receipt of a true copy of this Lease. This Lease is irrevocable for the full term of this Lease and for the aggregate lease payments reserved in this Lease, and the lease payments shall not abate by reason of termination of Lessee's right of possession and/or the taking of possession by Lessor or for any other reason. Delinquent lease installments and other sums due under this Lease shall bear interest at five percent (5.00%) per annum if not prohibited by law, otherwise at the highest lawful contract rate. Lessor at its option is authorized by Lessee to file a U.C.C. financing statement for this Lease. Lessee grants to Lessor a specific power of attorney for Lessor to use to file any document Lessor deems necessary to perfect or protect Lessor's interest in the equipment or pursuant to the U.C.C. If Lessor is required by law to discount any unpaid base payment or other sums payable by Lessee under this Lease, then the parties to this Lease agree that the discount rate used shall be five percent (5.00%) annually. If any provision of this Lease is held to be contrary to law, such provision shall be disregarded and the remainder of this agreement shall be enforceable according to its terms.

31. RESOLUTION OF LESSEE. Lessee has been duly authorized to execute and deliver this Agreement under the terms and provisions of the resolution of its governing body, in the form attached hereto as Exhibit B or by other necessary or appropriate official approval, and further represents, covenants and warrants that all requirements have been met and procedures have occurred, in order to ensure the enforceability of this Agreement, and Lessee has complied with such public bidding requirements as may be applicable to this Agreement and the acquisition by Lessee of the equipment hereunder.

32. OPINION OF LESSEE'S COUNSEL. Lessee shall cause to be executed an opinion of its counsel substantially in the form attached hereto as Exhibit C.

33. NO WAIVER. Lessor's failure at any time to require strict performance by Lessee of the provisions hereof shall not waive or diminish Lessor's right thereafter to demand strict compliance therewith or with any other provision. Waiver of any default shall not waive any other default then or thereafter occurring.

34. HEADINGS. The headings contained in this Lease shall be deemed to be for the convenience of the parties only and shall not be considered in construing this Lease.

35. CONSTRUCTION OF AGREEMENT. This Lease shall be deemed to have been mutually drafted by the parties after consultation with their respective counsel. No canon of construction resolving ambiguities in favor of one party over the other shall be applicable hereto.

36. COUNTERPARTS. This Lease may be executed in several counterparts, each of which shall be an original and all of which shall constitute one and the same agreement or document. Facsimile transmissions of the signatures of the parties to this Lease may be relied upon, and shall have the same legal and binding effect as the originals of such signatures.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals the day and year first above written.

LESSOR:
[Lender]

By: _____
Name: _____
Title: _____

Date: _____

LESSEE:
[Borrower]

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

Date: _____

PAYMENT SCHEDULE

Semi-annual payments in the amount of _____/100 Dollars (\$_____) with the initial payment due 6 months thereafter until the term of this lease agreement, subject to Section 7 hereof.

The capital cost required to purchase the equipment for cash is _____ Dollars (\$_____) and the annual effective fixed interest rate is _____percent (____%).

EXHIBIT A

LIST OF EQUIPMENT

2017 ROSENBAUER AERIAL PLATFORM TRUCK

EXHIBIT B

RESOLUTION OF GOVERNING BODY EXTRACT OF MINUTES

Lessee: [Borrower]

Date of Agreement: March __, 2017

At a duly called meeting of the governing body of Lessee (as defined in the Agreement) held on the __ day of March, 2017, the following resolution was introduced and adopted:

RESOLVED, whereas the governing body of Lessee has determined that a true and very real need exists for the acquisition of the equipment described in the Equipment Lease with Option to Purchase presented to this meeting; and

RESOLVED, the governing body of Lessee has taken the necessary steps, including any legal bidding requirements, under applicable law to arrange for the acquisition of such equipment.

BE IT RESOLVED, by the governing body of Lessee that the terms of said Equipment Lease with Option to Purchase are in the best interests of Lessee for the acquisition of such equipment, and the governing body of Lessee designates and confirms the following persons to execute and deliver and to witness (or attest), respectively, the Equipment Lease with Option to Purchase and any related documents necessary to the consummation of the transaction contemplated by the Equipment Lease with Option to Purchase.

Name: _____
Title: _____

Name: _____
Title: _____

The undersigned further certifies that the above resolution has not been repealed or amended and remains in full force and effect and further certifies that the above and foregoing Equipment Lease with Option to Purchase is the same as presented at said meeting of the governing body of Lessee.

By: _____
[Borrower]
Name: _____
Title: _____

Dated: March __, 2017

EXHIBIT C

OPINION OF LESSEE'S COUNSEL

March __, 2017

[Name of Loan Officer]

[Title]

[Lender]

[Street Address of Lender]

[City of Lender], MO [Zip of Lender]

RE: Lessee – [Borrower]

Date of Agreement – March __, 2017

As Counsel for the [Borrower] (“Lessee”), I have examined the duly executed originals of the Equipment Lease with Option to Purchase (the “Agreement”) dated March __, 2017 between Lessee and [Lender] (“Lessor”) and based upon such other examination as I have deemed necessary, I am the opinion that:

1. Lessee is a political subdivision, legally existing under the laws of the State of Missouri.
2. The Agreement has been duly authorized, executed and delivered by the Lessee pursuant to its statutory authority, and as the Lessee retains all other powers incidental, necessary, convenient or desirable to effectuate its express powers and therefore the Resolution thereon is valid and binding.
3. The Agreement is a valid and binding obligation of Lessee under 432.070 RSMo. (political subdivision contracts), enforceable in accordance with its terms, and therefore in the event Lessor should obtain a judgment against the Lessee in money damages as a result of an event of default under the Agreement, Lessee will be obligated to pay such judgment.
4. All applicable public bidding requirements have been complied with.
5. To the best of my knowledge, no litigation is pending or threatened in any court or tribunal, state or federal, in any way questioning the validity of the Resolution of Lessee’s Governing Body or of the Agreement.
6. To the best of the officers of Lessee which appear on the Agreement are true and genuine. I know said officers and know them to hold the offices set forth below their respective names.

Respectfully submitted,

[Name of Attorney]

MISSOURI
LINKED DEPOSIT
Loans to Develop Our Future

GOVERNMENTAL ENTITY LOAN APPLICATION

Name/Title of Contact Person: _____

Name of Agency: _____

Tax I.D. #: _____ Number of Borrowers: _____

Mailing Address: _____

City: _____ County: _____ State: _____ Zip: _____

Physical address of Project (if different than mailing address): _____

City: _____ County: _____ State: _____ Zip: _____

Phone #: _____ FAX #: _____

Amount Requested: _____ Total Cost of Project: _____

Use of Loan Proceeds: Capital Improvement Project Equipment/Cap. Outlay Operating Program

Description of Project: See Attachments

Please attach a copy of the governing board's authorization to borrow funds for the above project (e.g., a resolution, ordinance, excerpt of budget document, etc).

DEMOGRAPHIC INFORMATION:

Have you participated in the Missouri Linked Deposit Program Previously? Yes No

If yes, what time period: _____

APPLICANT CERTIFICATION:

In submitting this application, I the undersigned eligible borrower, have read the following and hereby certify and agree that I meet the following eligibility criteria:

- (a) Is a political subdivision as defined by Missouri Revised Statutes (RSMo), i.e. a local governmental agency with taxing authority* True False
- (b) Has received necessary approval from governing board to initiate project True False
- (c) Is legally authorized to enter into a loan with a banking institution for the purposes described above True False
- (d) The proposed project is in compliance with all applicable federal and state laws and regulations and has received approval for all necessary permits True False
- (e) No owner has pleaded guilty to or been found guilty of, or is currently incarcerated, on probation or on parole, for a felony or a crime of moral turpitude; no owner is currently facing charges for a felony or a crime of moral turpitude; and no owner is currently on probation for any crime.* True False



Missouri State Treasurer Eric Schmitt • PO Box 210 • Jefferson City, Missouri 65102
(573)751-2372 • LinkedDeposits@treasurer.mo.gov • <https://www.treasurer.mo.gov/LinkedDeposit>



ERIC SCHMITT
MISSOURI STATE TREASURER

MISSOURI
LINKED DEPOSIT
Lending Program

(f) I have read and verify I am in compliance with all state statutes and policies of the Missouri State Treasurer's office relative to the Missouri Linked Deposit Program. True False

* NOTE: Missouri State Treasurer's office may require documentation to verify compliance with these statements.

I further certify that the reduced rate loan will be used exclusively for the specified project, that I am aware of the Conflict of Interest Policy adopted by the Missouri State Treasurer's office and I comply with that policy. Additionally, I attest that I am in compliance with all state and federal laws. In the event that the loan proceeds are not used for allowable expenses, the remaining loan proceeds will be immediately returned to the lending institution and any loan proceeds already used shall be repaid to the lending institution as soon as practicable. I understand that the Missouri State Treasurer may request additional information during the term of the deposit or for a reasonable period thereafter, and agree to respond immediately to all reasonable requests including preparation of an updated application. I understand that any intentional misrepresentation or misuse of linked deposit loan funds subjects the responsible party to criminal liability.

I understand that by participating in the Missouri Linked Deposit Program I am subject to all Revised Missouri Statutes related to receiving state monies, including chapter 610, the Missouri Sunshine Law. By signing below and accepting the linked deposit, I acknowledge that information related to this linked deposit application may be released in the promotion of the Missouri Linked Deposit Program within the constraints set forth in Chapter 610, RSMo

Name (type or print)

Title (if business)

Signature

Date

BANK CERTIFICATION:

After undertaking appropriate review of this loan application, on behalf of the lending institution I find and certify that this applicant is eligible to participate in the Missouri Linked Deposit Program. If the lending institution receives any information during the deposit period which reasonably causes it to question the continued eligibility of this applicant, the institution will immediately notify the Missouri State Treasurer's office and, if requested, the lending institution will re-examine and re-certify the applicant's eligibility. The lending institution further attests that it has no knowledge of any adverse information which would be material to the Missouri State Treasurer's office in determining whether this applicant is an appropriate participant in the Missouri Linked Deposit Program and agrees to immediately notify the Missouri State Treasurer's office if it becomes aware of any such information during the deposit period or for a reasonable time thereafter. The lending institution also hereby acknowledges and reaffirms the terms and conditions previously certified in the Deposit Application for this program.

I further certify that the bank is maintaining the documentation that proves eligibility of applicant(s) and can provide this information if requested by the Missouri State Treasurer's office. (Resources that may be used to verify certification includes copies of driver's license (age), tax return (address), financial statement (equity of applicant), and the county appraisal (acreage owned in county)).

The interest rate that would normally apply to this loan is ____%

I am requesting a multi-year fixed rate? Yes No If yes, please submit justification and indicate term.

See Attachments

For Lender

Signature (Electronically Signed)

Title

Date

Missouri State Treasurer Eric Schmitt • PO Box 210 • Jefferson City, Missouri 65102
(573)751-2372 • LinkedDeposits@treasurer.mo.gov • <https://www.treasurer.mo.gov/LinkedDeposit>



ERIC SCHMITT
MISSOURI STATE TREASURER

MISSOURI
LINKED  DEPOSIT
Let's Develop Our Future

ATTACHMENTS

Description of Project:

If requesting multi-year fixed rate, attach justification and indicate term.

EQUIPMENT LEASE WITH OPTION TO PURCHASE

THIS EQUIPMENT LEASE WITH OPTION TO PURCHASE (this "Lease") by and between **Mid-Missouri Bank** ("Lessor") of 806 E. Hines, Republic, Missouri 65738, leases to **City of Republic, Missouri** ("Lessee") of 213 N. Main Avenue, Republic, Missouri 65738. Lessee hires and takes from Lessor all property described on Exhibit A attached hereto. THIS LEASE IS SUBJECT TO THE TERMS AND CONDITIONS PRINTED ON THIS AND ON THE FOLLOWING PAGES, ALL OF WHICH ARE MADE A PART OF THIS AGREEMENT AND WHICH LESSEE ACKNOWLEDGES HAVING READ. PLEASE READ CAREFULLY BEFORE SIGNING. THIS LEASE, WHICH CONSISTS OF 12 PAGES, IS NOT BINDING UNTIL ACCEPTED BY LESSOR.

1. ENTIRE AGREEMENT. This Lease constitutes the entire agreement between Lessor and Lessee. No oral agreement, guaranty, promise, condition, representation or warranty shall be binding on Lessor. All prior conversations, agreements or representations related to this agreement and/or to the equipment are integrated in this agreement. No modification of the agreement shall be binding unless in writing signed by Lessor.

2. REPRESENTATIONS. Lessee acknowledges that no salesman or agent of the supplier of the equipment is authorized to waive or alter any term or condition of this Lease and no representation as to the equipment or any matter by the supplier shall in any way affect the Lessee's duty to pay the lease payments and perform its other obligations as set forth in this Lease.

3. STATUTORY FINANCE LEASE. Lessee agrees and acknowledges that it is the intent of both parties to this Lease that it qualify as a statutory finance lease under Article 2A of the Uniform Commercial Code. Lessee acknowledges and agrees that Lessee has selected both: (1) the equipment; and (2) the supplier from whom Lessor is to purchase the equipment. Lessee acknowledges that Lessor has not participated in any way in Lessee's selection of the equipment or of the supplier, and Lessor has not selected, manufactured, or supplied the equipment. LESSEE IS ADVISED THAT IT MAY HAVE RIGHTS UNDER THE CONTRACT EVIDENCING THE LESSOR'S PURCHASE OF THE EQUIPMENT FROM THE SUPPLIER CHOSEN BY LESSEE AND THAT LESSEE SHOULD CONTACT THE SUPPLIER OF THE EQUIPMENT FOR A DESCRIPTION OF ANY SUCH RIGHTS.

4. ASSIGNMENT. ASSIGNMENT BY LESSEE PROHIBITED WITHOUT LESSOR'S PRIOR WRITTEN CONSENT. LESSEE SHALL NOT ASSIGN THIS LEASE OR SUBLEASE THE EQUIPMENT OR ANY INTEREST IN THE EQUIPMENT, OR TRANSFER THIS LEASE, OR OTHERWISE DISPOSE OF THE EQUIPMENT COVERED BY THIS LEASE.

5. WARRANTIES. Lessee has selected both the equipment and the supplier of this Lease. Lessor, not being the manufacturer of the equipment, nor manufacturer's agent, MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE FITNESS FOR A PARTICULAR USE OR OTHERWISE, QUALITY, DESIGN, CONDITION, CAPACITY, SUITABILITY, MERCHANTABILITY OR PERFORMANCE OF THE EQUIPMENT OR OF THE MATERIAL OR WORKMANSHIP OF THE EQUIPMENT, IT BEING AGREED THAT THE EQUIPMENT IS LEASED "AS IS" AND THAT ALL SUCH RISKS, AS BETWEEN THE LESSOR AND THE LESSEE, ARE TO BE BORNE BY THE LESSEE AT ITS SOLE RISK AND EXPENSE. Lessee accordingly agrees not to assert any claim against the Lessor based on the equipment. In addition, Lessee waives any and all rights and remedies conferred by U.C.C. §§ 2A-508 to 2A-522, including, but not limited to, the Lessee's right to (a) reject or revoke acceptance of the leased property; (b) deduct from rental payments all or any part of any claimed damages resulting from the Lessor's default under this Lease; and (c) recover from the Lessor any general special, incidental, or consequential damages, for any reason. Lessee further waives any and all rights, now or in the future conferred by statute or otherwise,

that may require the Lessor to sell, release, or otherwise use or dispose of the leased property in mitigation of the Lessor's damages or that may otherwise limit or modify any of the Lessor's rights or remedies under this Lease.

6. CHOICE OF LAW; VENUE. ALL MATTERS INVOLVING THE CONSTRUCTION, VALIDITY, PERFORMANCE, OR ENFORCEMENT OF THIS LEASE SHALL BE GOVERNED BY THE LAWS OF MISSOURI. THE LESSEE FURTHER AGREES THAT THE COURTS OF MISSOURI SHALL HAVE EXCLUSIVE JURISDICTION OVER ALL DISPUTES, SUITS, OR ACTIONS ARISING OUT OF OR IN ANY WAY CONNECTED TO THIS LEASE. AT THE LESSOR'S OPTION, VENUE OF ANY SUCH ACTION SHALL LIE IN GREENE COUNTY, MISSOURI.

7. TERM OF AGREEMENT. The initial term of this Lease shall commence on the earlier of: (a) the date Lessee requests Lessor to make payment to the supplier; or (b) the acceptance date of the equipment and shall terminate one (1) year from the date of the commencement date. Lessee is hereby granted seven (7) options to renew this Agreement for an additional term of one (1) year. Said option shall be exercisable by Lessee delivering written notice thereof to Lessor on or before ninety (90) days prior to the expiration of the then-current term of this Lease, provided that Lessee is not in material default of this Lease at the time it exercises such option. The semi-annual rent for such renewal term shall be the same as the rental herein.

8. RENT. The lease payments for the equipment leased shall be in the amount designated in the schedule of payments attached hereto and shall commence on the indicated payment due date immediately following the equipment acceptance date. Lessee shall pay Lessor the lease payments on or before the due date and at the office of Lessor or to such other person or place as Lessor may designate in writing.

9. LATE AND COLLECTION CHARGES. A late charge of 5.00% of the unpaid total semi-annual lease payment, whichever is greater, will be assessed when a payment is not received within fifteen (15) days of the due date. An additional late charge will be assessed for each month a payment remains unpaid. If Lessee's delinquency requires additional collection efforts, a charge will be assessed in accordance with Lessor's collection charge schedule.

10. LOCATION AND USE OF LEASED PROPERTY. Lessee shall keep the equipment at the location designated in this Lease, unless Lessor in writing permits its removal. The equipment shall be used solely in the conduct of Lessee's business and Lessee warrants that property leased is for commercial or business purposes and not for consumer, personal, home or family purposes.

11. ARBITRATION. Any controversy or claim arising out of this Lease or the breach of this Lease may, at the option of the Lessor, be settled by arbitration in accordance with the laws of Missouri and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction of the controversy or claim. Arbitration shall be held in Republic, Missouri.

12. RETURN OF LEASED PROPERTY. Subject to Section Twenty-Seven of this Lease, at the expiration of this Lease, or on demand by Lessor pursuant to Section Nineteen of this Lease, Lessee at its expense shall return the equipment in proper working order, condition and repair by delivering it packed and ready for shipment to such place or on board such carrier as Lessor may specify. **WARNING: FAILURE TO PROMPTLY RETURN THE LEASED PROPERTY MAY RESULT IN CRIMINAL PROSECUTION.**

13. NOTICES. Services of all notices under this agreement shall be sufficient if given personally or mailed to Lessor at 806 E. Hines, Republic, Missouri 65738, or to Lessee at Lessee's last known address or at such other address as a party may provide in writing from time to time. Any such notice mailed to such address shall be effective when deposited in the United States mail duly addressed and postage prepaid.

14. LIABILITY AND INDEMNITY—LOSS AND DAMAGE. Lessee shall indemnify and hold Lessor harmless from any and all injury to or loss of the equipment from whatever cause, and from all liability arising out of the manufacture, selection, operation, use, maintenance, or delivery of the equipment, including attorney's fees. In the event of loss or damage of any kind to the equipment, or to any part of the equipment, Lessee, at the option of the Lessor, shall: (a) place the same in good condition, repair and working order; or (b) replace the same, with like property of the same or greater value: provided, however, at Lessee's option, the remaining obligation of this Lease can be satisfied by the payment of the remaining unpaid lease payments and the estimated value of the equipment at the expiration of this Lease, and other amounts due under this Lease, less the net amount of the recovery, if any, actually received by the Lessor from insurance or otherwise for such loss or damage. Lessor shall not be obligated to undertake by litigation or otherwise the collection of any claim against any person for loss or damage of the equipment. Except as expressly provided in this paragraph, total or partial destruction of any equipment or total or partial loss of use or possession of the equipment to Lessee shall not release or relieve Lessee from the duty to pay the lease payments provided in this Lease.

15. INSURANCE. Lessee, at its own expense, shall keep the equipment insured for the full term of this Lease and any renewals or extensions of this Lease, for the full insurable value of the equipment against all risks of loss or damage, and against such other risks in such amounts as Lessor may specify, including liability insurance, with limits not less than Two Million Dollars (\$2,000,000.00) (bodily injury and property damage) combined single limit. Provided, however, in those instances where Lessee is leasing equipment defined by Lessor as "mobile equipment," Lessee shall procure and maintain, for the full lease term, all risk physical damage insurance as opposed to insurance against fire and theft, with extended or combined coverage. All insurance policies must provide that no cancellation shall be effective without thirty (30) days prior written notice to Lessor. Lessee shall deliver to Lessor the policies or evidence of insurance with a standard form of endorsement attached to the policies showing Lessor to be named as an additional insured, together with receipts for the premiums under the policies. Lessee shall, at the request of Lessor, name as loss payee such party who may have a security interest in the equipment.

16. LESSEE'S FAILURE TO MAINTAIN INSURANCE OR PAY TAXES. Lessor shall have the right, but not the obligation, without notice to or demand on Lessee and without releasing Lessee from any obligation under this Lease, to make or do the same and to pay, purchase, contest, or compromise any encumbrance, charge or lien which in the judgment of Lessor appears to effect the equipment, and in exercising such rights, incur any liability and expend whatever amounts in its absolute discretion it may deem necessary therefore. Should Lessee fail to provide Lessor the policies or evidence of insurance described in this Lease, Lessee shall be assessed as to Lessor's purchase of insurance and also agrees that a charge for the insurance purchase will be paid by the Lessee. All sums so incurred or expended by Lessor shall be without demand immediately due and payable by Lessee and shall bear interest at five percent (5.00%) per annum if not prohibited by law, otherwise at the highest lawful contract rate.

17. OWNERSHIP. The equipment is and shall be at all times the sole and exclusive property of Lessor. This Lease and the equipment described in this Lease may be subject to a preexisting security agreement in favor of a bank or another financial institution.

18. AUTHORITY TO SIGN. The person signing this Lease on behalf of Lessee warrants that he has full authority from Lessee to sign this Lease and obligate Lessee.

19. DEFAULT. An event of default shall occur if:

(1) Lessee fails to pay any lease installment;

(2) Lessee fails to perform or observe any covenant, condition or obligation to be performed or observed by it under this Lease and such failure continues uncured for ten (10) days;

(3) Lessee becomes insolvent or makes an assignment for the benefit of creditors;

(4) Lessee applies for or consents to the appointment of a receiver, trustee or liquidator of Lessee, or of all or a substantial part of the assets of Lessee, or if such receiver, trustee or liquidator is appointed without the application or consent of Lessee, or to the extent permitted by law, if a petition is filed by or against the Lessee under the bankruptcy act, or any amendment to the act (including without limitation a petition for reorganization, arrangement or extension) or under any other insolvency law or law providing for relief of debtors; or

(5) Lessee attempts to remove, sell, transfer, encumber, part with possession or sublet the equipment or any item of the equipment. Lessee agrees it will not replace or substitute the equipment described in this Lease for any reason without first obtaining Lessor's consent. Failure to obtain Lessor's consent will constitute a default on part of the Lessee. Further, the term "equipment" shall include any and all replacement or substituted equipment, whether or not such replacement or substitution occurred with Lessor's consent.

20. REMEDIES. On the occurrence of an event of default, Lessor shall have the right to exercise any one or more of the following remedies:

(1) To declare the entire unpaid lease payments and other sums payable by Lessee under this Lease to be immediately due and payable.

(2) Cause Lessee, at Lessee's expense, to promptly return any or all of the equipment to Lessor, all without demand or legal process, and to allow Lessor to enter into the premises where the equipment may be found and take possession of or remove the equipment, whereupon all rights of the Lessee in the equipment shall terminate absolutely; and

(i) Retain the equipment and all lease payments made under this Lease, or

(ii) Retain all prior lease payments and sell the equipment at public or private sale, with or without notice to Lessee. The sale price, less ten percent (10%) for selling costs, will be credited against the remaining unpaid lease payments, unpaid late charges, estimated value of equipment at the expiration of this Lease, charges for retaking, storage, repairing and reselling the equipment, reasonable attorney's fees incurred by the Lessor and other amounts due under this Lease. The Lessee shall remain liable for the deficiency and any surplus remaining after such application of proceeds of sale shall be paid to the Lessee, or to whomever may be lawfully entitled to receive the same; or

(iii) Retain the equipment and all prior payments, with the Lessee remaining liable for the unpaid lease payments, unpaid late charges, charges for retaking and restoring equipment to proper order and working condition, reasonable attorney's fees incurred by Lessor, together with other amounts due under this Lease; or

(iv) Lease the equipment, or any portion of the equipment, for such period, rental, and to such persons as Lessor shall select, and credit Lessee with an amount equal to Lessor's capital cost of this new lease less ten percent (10%) after declaring all costs and expenses incurred in connection with the recovery, repair, storage and leasing of the equipment in payment of the lease and other obligations due from Lessee to Lessor under this Lease, Lessee remaining responsible for any deficiency. It is agreed that the amounts to be retained by the Lessor and the balance to be paid by the Lessee under this paragraph (2) shall not be a penalty but shall be as and for liquidated damages for the breach of this Lease and as a reasonable return for the use of the equipment and for the depreciation of the equipment.

(3) Lessor may pursue any other remedy at law or in equity.

(4) No remedy conferred upon or reserved to Lessor in this Lease is intended to be exclusive of any other remedy in this Lease or by law provided, but shall be cumulative and in addition to every other remedy available to Lessor.

21. ATTORNEY'S FEES AND EXPENSE. In the event the Lessor is required to retain an attorney to assist in the enforcement of its rights under this Lease agreement, it shall be entitled to a reasonable attorney's fee, in addition to costs and necessary disbursements, whether or not suit becomes necessary.

22. MAINTENANCE AND REPAIR. Lessor shall not be obligated to install, erect, test, adjust, service or make repairs or replacements to the equipment. Lessee shall not incur for Lessor's account or liability any expense therefore without Lessor's prior written consent. Lessee shall bear all the expense of all necessary repairs, maintenance, operation, and replacements to be made to maintain the equipment in proper working condition, reasonable wear and tear excepted.

23. OPERATION OF EQUIPMENT. Lessee shall cause the equipment to be operated by competent employees only, and shall pay all expenses of operation. Lessee shall comply with all laws and regulations relating to ownership, possession, operation, use and maintenance of the equipment. Lessee shall hold Lessor harmless from any and all actual or asserted violations of the above-mentioned covenant.

24. TAXES. Lessee shall pay and discharge all sales, use, property and other tax or taxes now or in the future imposed by any state, federal or local government on the equipment based on the ownership, leasing, renting, sale, possession or use of the equipment, whether the same be assessed to Lessor or Lessee, together with any penalties or interest in connection therewith, and will, from time to time on request of Lessor, submit written evidence of the payment of all the governmental obligations mentioned in this paragraph. The Lessor will, on any property tax returns required to be filed by it, include the property covered by this Lease or any substitution or additions to this Lease as property in the possession of Lessee for purposes of tax assessments.

25. LESSOR'S ASSIGNMENT. Lessee may assign this Lease payments reserved in this Lease or all or any of Lessor's other rights under this Lease. After such assignment, Lessee waives any right Lessee may have to claim or assert any defenses, setoffs or counterclaims against assignee of the

Lessor. Lessee will settle all claims arising out of alleged breach of warranties, defenses, setoffs and counterclaims it may have against Lessor directly with Lessor and not set up any such against Lessor's assignee. An assignee of Lessor shall not be obligated to perform any of Lessor's obligations under this Lease. Lessee, on receiving notice of any such assignment, shall abide by the assignment and make payment as may be directed in the assignment. Following such assignment, solely for the purpose of determining assignee's rights under the assignment, the term Lessor shall be deemed to include or refer to Lessor's assignee. Lessee acknowledges that the equipment may be subject to a security interest which is prior to Lessee's interest in the equipment.

26. PERSONAL PROPERTY. The equipment is, and shall at all times be and remain, personal property notwithstanding that the equipment or any part of the equipment may now be, or in the future become, in any manner affixed or attached to, or imbedded in, or permanently resting upon, real property or any building on the real property, or attached in any manner to what is permanent as by means of cement, plaster, nails, bolts, screws or otherwise. Lessee shall obtain the necessary permission from the owner of any real property where the equipment is to be affixed to the realty or be deemed a fixture in order that the leased property shall at all times be severable and removable from the real property by the Lessor, free of any right, title, claim or interest of the property owner and of the Lessee except as provided in this Lease. The equipment shall at all times remain the property of Lessor.

27. TRANSFER OF TITLE. At the end of the term if this Lease, Lessee shall have the option, upon notice to Lessor prior to the expiration of the seventh option term or within sixty (60) days thereafter, for no additional compensation, to require Lessor to transfer title to the equipment to Lessee, and upon such transfer, the equipment shall become the sole property of Lessee; provided, however, such option may be exercised only upon Lessee's satisfaction of the following conditions of this Lease:

(1) Lessee shall have timely paid the total of all rents as specified in Section 8 of this Lease;

(2) Lessee has exercised each of the seven options to renew as specified in Section 7 of this Lease;

(3) Lessee shall have paid all other amounts that Lessee has agreed to pay under the terms of this Lease (whether to Lessor or to any third party), including, without limitation, all insurance, taxes, costs of maintenance, repair, and replacement of or associated with the equipment, and the costs associated with its acquisition, lease, use, or ownership;

(4) Lessee shall have paid all costs associated with the transfer of the equipment to Lessee;

(5) Lessee shall have reimbursed Lessor for all costs and expenses of Lessor as a result of Lessee's breach of any term of this Lease, including reasonable attorneys' fees that it may incur as a direct or indirect result of Lessee's breach of this Lease; and

(6) Lessee shall have reimbursed Lessor for all other costs and expenses, of whatsoever nature, that Lessor has reasonably incurred in connection with the equipment, or the purchase, lease, or ownership thereof, including attorneys' fees and fees of other third party consultants, incurred in administering this Lease or performing hereunder.

28. LESSOR'S ENCUMBRANCES. In the event Lessor defaults in the payment of any sum to be paid pursuant to any conditional sales contract, chattel mortgage or purchase money security

agreement, Lessee may pay the lease payment to the holder of the encumbrance after notice of default, and to the extent thereof such payment shall constitute payment of the lease payment to Lessor.

29. FINANCIAL STATEMENTS. The Lessor may require from time to time, and Lessee agrees to furnish, statements setting forth the current financial condition and operations of Lessee.

30. MISCELLANEOUS. Lessee will not change or remove any insignia or lettering on the equipment, without prior written consent from Lessor, and shall conspicuously identify each item of the leased equipment by suitable lettering to the equipment to indicate Lessor's ownership. All transportation charges shall be borne by Lessee. Lessee waives all rights under all exemption laws. Lessee admits the receipt of a true copy of this Lease. This Lease is irrevocable for the full term of this Lease and for the aggregate lease payments reserved in this Lease, and the lease payments shall not abate by reason of termination of Lessee's right of possession and/or the taking of possession by Lessor or for any other reason. Delinquent lease installments and other sums due under this Lease shall bear interest at five percent (5.00%) per annum if not prohibited by law, otherwise at the highest lawful contract rate. Lessor at its option is authorized by Lessee to file a U.C.C. financing statement for this Lease. Lessee grants to Lessor a specific power of attorney for Lessor to use to file any document Lessor deems necessary to perfect or protect Lessor's interest in the equipment or pursuant to the U.C.C. If Lessor is required by law to discount any unpaid base payment or other sums payable by Lessee under this Lease, then the parties to this Lease agree that the discount rate used shall be five percent (5.00%) annually. If any provision of this Lease is held to be contrary to law, such provision shall be disregarded and the remainder of this agreement shall be enforceable according to its terms.

31. RESOLUTION OF LESSEE. Lessee has been duly authorized to execute and deliver this Agreement under the terms and provisions of the resolution of its governing body, in the form attached hereto as Exhibit B or by other necessary or appropriate official approval, and further represents, covenants and warrants that all requirements have been met and procedures have occurred, in order to ensure the enforceability of this Agreement, and Lessee has complied with such public bidding requirements as may be applicable to this Agreement and the acquisition by Lessee of the equipment hereunder.

32. OPINION OF LESSEE'S COUNSEL. Lessee shall cause to be executed an opinion of its counsel substantially in the form attached hereto as Exhibit C.

33. NO WAIVER. Lessor's failure at any time to require strict performance by Lessee of the provisions hereof shall not waive or diminish Lessor's right thereafter to demand strict compliance therewith or with any other provision. Waiver of any default shall not waive any other default then or thereafter occurring.

34. HEADINGS. The headings contained in this Lease shall be deemed to be for the convenience of the parties only and shall not be considered in construing this Lease.

35. CONSTRUCTION OF AGREEMENT. This Lease shall be deemed to have been mutually drafted by the parties after consultation with their respective counsel. No canon of construction resolving ambiguities in favor of one party over the other shall be applicable hereto.

36. COUNTERPARTS. This Lease may be executed in several counterparts, each of which shall be an original and all of which shall constitute one and the same agreement or document. Facsimile transmissions of the signatures of the parties to this Lease may be relied upon, and shall have the same legal and binding effect as the originals of such signatures.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals the day and year first above written.

LESSOR:
MID-MISSOURI BANK

LESSEE:
CITY OF REPUBLIC, MISSOURI

By: _____
Name: Todd Wojciechowski
Title: Community President

By: _____
Name: Daniel Harter
Title: Mayor

Date: _____

By: _____
Name: Brenda Jackson
Title: City Clerk

Date: _____

PAYMENT SCHEDULE

Semi-annual payments in the amount of Forty-nine Thousand Three Hundred Forty-six and 48/100 Dollars (\$49,346.48) with the initial payment due six (6) months of the commencement of this Lease and continuing in the same amount on the same date every six months thereafter until the term of this lease agreement, subject to Section 7 hereof.

The capital cost required to purchase the equipment for cash is Seven Hundred Twenty Thousand Dollars (\$720,000.00) and the annual effective fixed interest rate is two and eighteen hundredths percent (2.18%).

EXHIBIT A

LIST OF EQUIPMENT

2017 Rosenbauer Firetruck VIN 54F3DF612GWM11673

EXHIBIT B

RESOLUTION OF GOVERNING BODY EXTRACT OF MINUTES

Lessee: City of Republic, Missouri

Date of Agreement: April ____, 2017

At a duly called meeting of the governing body of Lessee (as defined in the Agreement) held on the ____ day of April, 2017, the following resolution was introduced and adopted:

RESOLVED, whereas the governing body of Lessee has determined that a true and very real need exists for the acquisition of the equipment described in the Equipment Lease with Option to Purchase presented to this meeting; and

RESOLVED, the governing body of Lessee has taken the necessary steps, including any legal bidding requirements, under applicable law to arrange for the acquisition of such equipment.

BE IT RESOLVED, by the governing body of Lessee that the terms of said Equipment Lease with Option to Purchase are in the best interests of Lessee for the acquisition of such equipment, and the governing body of Lessee designates and confirms the following persons to execute and deliver and to witness (or attest), respectively, the Equipment Lease with Option to Purchase and any related documents necessary to the consummation of the transaction contemplated by the Equipment Lease with Option to Purchase.

Name: _____
Title: _____

Name: _____
Title: _____

The undersigned further certifies that the above resolution has not been repealed or amended and remains in full force and effect and further certifies that the above and foregoing Equipment Lease with Option to Purchase is the same as presented at said meeting of the governing body of Lessee.

By: _____
City of Republic, Missouri
Name: _____
Title: _____

Dated: April ____, 2017

EXHIBIT C

OPINION OF LESSEE'S COUNSEL

April ____, 2017

Todd Wojciechowski
Community President
Mid-Missouri Bank
806 E. Hines
Republic, Missouri 65738

RE: Lessee – City of Republic, Missouri
Date of Agreement – April ____, 2017

Dear Mr. Wojciechowski:

As Counsel for the City of Republic, Missouri (“Lessee”), I have examined the duly executed originals of the Equipment Lease with Option to Purchase (the “Agreement”) dated April __, 2017 between Lessee and Mid-Missouri Bank (“Lessor”) and based upon such other examination as I have deemed necessary, I am the opinion that:

1. Lessee is a political subdivision, legally existing under the laws of the State of Missouri.
2. The Agreement has been duly authorized, executed and delivered by the Lessee pursuant to its statutory authority, and as the Lessee retains all other powers incidental, necessary, convenient or desirable to effectuate its express powers and therefore the Resolution thereon is valid and binding.
3. The Agreement is a valid and binding obligation of Lessee under 432.070 RSMo. (political subdivision contracts), enforceable in accordance with its terms, and therefore in the event Lessor should obtain a judgment against the Lessee in money damages as a result of an event of default under the Agreement, Lessee will be obligated to pay such judgment.
4. All applicable public bidding requirements have been complied with.
5. To the best of my knowledge, no litigation is pending or threatened in any court or tribunal, state or federal, in any way questioning the validity of the Resolution of Lessee’s Governing Body or of the Agreement.
6. To the best of the officers of Lessee which appear on the Agreement are true and genuine. I know said officers and know them to hold the offices set forth below their respective names.

Respectfully submitted,

Ron Dirickson