

BILL NO: 1387

ORDINANCE NO. 1351

AN ORDINANCE AUTHORIZING THE EXECUTION OF VEHICLE LEASE AGREEMENT FOR ONE (1) 2023 CHEVROLET TAHOE FOR THE POLICE DEPARTMENT

WHEREAS, the **City of Troy, Missouri** (the “City”) is a duly organized municipality and body corporate and politic of the State of Missouri under the Constitution and laws of the State of Missouri; and

WHEREAS, it is hereby determined that a true and real need exists for one (1) Chevrolet Tahoe vehicle to provide police protection for the residents of the City; and

WHEREAS, it is necessary and desirable and in the best interests of the City, as Lessee, to enter into a Vehicle Lease Agreement, dated as of October 17, 2023 (the “Agreement”), attached hereto as **EXHIBIT A** which is incorporated herein by reference, with **Peoples Bank & Trust Co.**, as Lessor, for the purposes described therein, including the leasing of the Vehicle as defined therein.

NOW THEREFORE, BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF TROY, MISSOURI, AS FOLLOWS:

SECTION 1: Approval of Execution: The Agreement, in substantially the same form attached hereto as **EXHIBIT A**, and the terms and performance thereof hereby are approved in accordance with its terms, and the Mayor or City Clerk of the City hereby are authorized to execute and deliver the Agreement on behalf of the City, with such changes therein as shall be approved by such officers, such approval to be conclusively evidenced by their execution thereof.

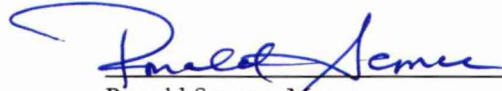
SECTION 2: Authorization: The City shall, and the officers, agents and employees of the City hereby are authorized and directed to, take such further action and execution of such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance, and to carry out, comply with and perform the duties of the City with respect to the Agreement.

SECTION 3: Conflicts: All ordinances or parts of ordinances in conflict herewith are hereby repealed, but shall otherwise remain in full force and effect.

SECTION 4: Severability Clause: If any term, condition, or provision of this Ordinance shall, to any extent, be held to be invalid or unenforceable, the remainder hereof shall be valid in all other respects and continue to be effective and each and every remaining provision hereof shall be valid and shall be enforced to the fullest extent permitted by law, it being the intent of the Board of Aldermen that it would have enacted this Ordinance without the invalid or unenforceable provisions. In the event of a subsequent change in applicable law so that the provision which had been held invalid is no longer invalid, said provision shall thereupon return to full force and effect without further action by the City and shall thereafter be binding.

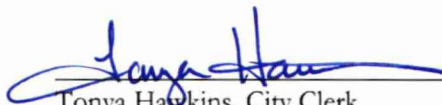
SECTION 5: Effective Date: This Ordinance shall take effect and be in full force immediately after its passage and approval as provided by law.

PASSED AND APPROVED on this 16th day of October, 2023.



Ronald Sconce, Mayor

Attest:



Tonya Hawkins, City Clerk

VEHICLE LEASE AGREEMENT

THIS AGREEMENT made and entered into on October 17, 2023, by and between **Peoples Bank & Trust Co.**, a Missouri Trust Company, (hereinafter referred to as the "Lessor"); and **the City of Troy, Missouri**, a political subdivision of the State of Missouri (hereinafter referred to as the "Lessee").

WITNESSETH:

WHEREAS, the Lessor desires to lease the Vehicle (as hereinafter defined) to the Lessee and the Lessee desires to lease the Vehicle from the Lessor subject to the terms and conditions of, and for the purposes hereinafter set forth; and

WHEREAS, the Lessee is authorized under the Constitution and laws of the State of Missouri to enter into this Agreement for the purposes hereinafter set forth.

NOW, THEREFORE, for and in consideration of the premises and of the mutual covenants and agreements hereinafter set forth, the parties hereto do agree and bind themselves as follows:

ARTICLE I **COVENANTS OF THE LESSEE**

The Lessee represents, covenants and warrants for the benefit of the Lessor and its assignee or assignees as follows:

(a) The Lessee is a political subdivision and public body corporate and politic duly organized and existing under the Constitution and laws of the State of Missouri.

(b) The Lessee will do or cause to be done all things necessary to preserve and keep in full force and effect its existence as a political subdivision and body corporate and politic.

(c) The Lessee is authorized under the Constitution and laws of the State of Missouri to enter into this Agreement and the transaction contemplated herein and to perform all of its obligations hereunder.

(d) The Lessee has been duly authorized to execute and deliver this Agreement under the terms and provisions of an Ordinance of its governing body, or by other appropriate official authorization, 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 the Lessee has complied with all open meeting laws

and with such other federal and state laws and public bidding requirements as may be applicable to this Agreement and the acquisition by the Lessee of the Vehicle hereunder.

(e) Neither the execution and delivery of this Agreement, nor the fulfillment of or compliance with the terms and conditions hereof, nor the consummation of the transactions contemplated hereby, conflicts with or results in a breach of the terms, conditions or provisions of any order, rule or regulation of any court or governmental body applicable to the Lessee or any of its property or any restriction, agreement or instrument to which the Lessee is now a party or by which the Lessee or any of its property is bound, constitutes a default under any of the foregoing, or results in the creation or imposition of any lien, charge or encumbrance whatsoever upon any of the property or assets of the Lessee.

(f) There is no litigation, action, suit or proceeding pending or threatened before or by any court, administrative agency, arbitrator or governmental body, that challenges the organization or existence of the Lessee; the authority of its officers; the proper authorization, approval and execution of this Agreement and other documents contemplated hereby; the appropriation of moneys to make Rental Payments under this Agreement for the Lessee's current fiscal year; or the ability of the Lessee otherwise to perform its obligations under this Agreement and the transactions contemplated hereby.

(g) During the term of this Agreement, the Vehicle will be used by the Lessee only for the purpose of performing one or more governmental or proprietary functions of the Lessee consistent with the permissible scope of Lessee's authority.

(h) During the period this Agreement is in force, the Lessee will annually provide the Lessor with current financial statements, budgets, proof of appropriation for the ensuing fiscal year and such other financial information relating to the ability of the Lessee to continue this Agreement as may be requested by the Lessor or its assignee or assignees.

(i) For purposes of Section 148 of the Code, (i) the Lessee is a political subdivision of the State of Missouri, with general taxing powers, (ii) none of the obligations of the Lessee hereunder is a "private activity bond" within the meaning of the Code, (iii) at least 95% of the net proceeds of the obligations of the Lessee hereunder is to be used for local governmental activities of the Lessee and (iv) the aggregate face amount of all tax-exempt bonds (other than private activity bonds) issued by the Lessee (and any issuers aggregated with Lessee pursuant to the Code) during the current calendar year is not reasonably expected to exceed \$5,000,000.

(j) For purposes of Section 265(b)(3) of the Code, the Lessee hereby designates this Agreement as a "qualified tax-exempt obligation" and represents that (i) not more than \$10,000,000 of obligations (including this Agreement) issued by or on behalf of the Lessee and all subordinate entities thereof have been designated as such "qualified tax-exempt obligations" during the current calendar year and (ii) it reasonably expects that not more than \$10,000,000 of tax-exempt obligations (including this Agreement) will be issued by or on behalf of the Lessee and all subordinate entities thereof during the current calendar year.

ARTICLE II
DEFINITIONS

The following terms will have the meanings indicated below unless the context clearly requires otherwise:

“Agreement” means this Vehicle Lease Agreement including the Exhibits attached hereto.

“Commencement Date” means the date when the term of this Agreement begins and the Lessee’s obligation to pay rent accrues, which date shall be the date on which this Agreement is executed and delivered by the Lessee.

“Lease Term” means the Original Term and all Renewal Terms provided for in Article IV of this Agreement.

“Lessee” means the entity which is described in the first paragraph of this Agreement and which is leasing the Vehicle from the Lessor under the provisions of this Agreement.

“Lessor” means (i) Peoples Bank & Trust Co. acting as the Lessor hereunder, and (ii) except where the context requires otherwise, any assignee of the Lessor.

“Original Term” means the period from the Commencement Date until the end of the fiscal year of the Lessee in effect at the Commencement Date.

“Purchase Price” means the amount which the Lessee may, in its discretion, pay to the Lessor in order to purchase the Vehicle, as set forth in Exhibit “B” hereto.

“Renewal Terms” means the optional renewal terms of this Agreement, each having a duration of one (1) year and a term coextensive with the Lessee’s fiscal year, as provided for in Article IV of this Agreement.

“Rental Payments” means the basic rental payments payable by the Lessee pursuant to the provision of this Agreement during the Lease Term payable in consideration of the right of the Lessee to use the Vehicle during the then current portion of the Lease Term. Rental Payments shall be payable by the Lessee to the Lessor or its assignee in the amounts and at the time during the Lease Term set forth in Exhibit B of this Lease.

“Vehicle” means the property described in Exhibit A, together with any and all repair and replacement parts, additions, substitutions, improvements, accessories and the like now or hereafter incorporated therein, and which is the subject of this Agreement.

ARTICLE III
LEASE OF VEHICLE, ACCEPTANCE BY LESSEE

The Lessor hereby demises, leases and lets to the Lessee, and the Lessee rents, leases and hires from the Lessor, the Vehicle in accordance with the provisions of this Agreement, to have and to hold for the Lease Term. The parties agree that the Vehicle constitutes personal property.

Upon delivery of the Vehicle to the Lessee, the Lessee shall promptly inspect the same and, if satisfied, accept the same. Usage by the Lessee of the Vehicle for its intended purpose shall constitute acceptance hereunder.

ARTICLE IV
LEASE TERM

4.01. Commencement of Lease Term. The Original Term of this Agreement shall commence on the Commencement Date and shall terminate on the last day of the Lessee's current fiscal year. The Lease Term may be continued, solely at the option of the Lessee, at the end of the Original Term or any Renewal Term for an additional one (1) year, up to a maximum Lease Term of three (3) years, upon delivery by the Lessee of written notice to the Lessor given not less than thirty (30) days prior to the end of the Original Term or Renewal Term then in effect. Failure to provide the thirty-day notice will not waive the right of the Lessee to continue this Agreement nor will the Lessee be in default, provided the Lessee has included the obligation to make the payment set forth in Exhibit B in its budget for the applicable fiscal period. The terms and conditions during any Renewal Term shall be the same as the terms and conditions during the Original Term.

4.02 Termination of Lease Term. The Lease Term will terminate upon the earliest of any of the following events:

(a) The expiration of the Original Term or any Renewal Term of this Agreement and the non-renewal of this Agreement in the event of non-appropriation of funds pursuant to Section 6.06;

(b) The purchase of the Vehicle by the Lessee upon the exercise by the Lessee of the option to purchase the Vehicle granted under the provisions of Article IX or XI of this Agreement;

(c) Upon a default by the Lessee, and the Lessor's election to terminate this Agreement under Article XIII; or

(d) The payment by the Lessee of all Rental Payments required to be paid by the Lessee hereunder.

ARTICLE V
ENJOYMENT OF VEHICLE

The Lessor hereby covenants to provide the Lessee during the Lease Term with quiet use and enjoyment of the Vehicle and the Lessee shall, during the Lease Term peaceably and quietly have and hold and enjoy the Vehicle, without suit, trouble or hindrance from the Lessor, except as expressly set forth in this Agreement.

The Lessor shall have the right at all reasonable times during business hours to enter into and upon the property of the Lessee for the purpose of inspecting the Vehicle.

ARTICLE VI
RENTAL PAYMENTS

6.01 Rental Payments to Constitute a Current Expense of Lessee. The Lessor and Lessee understand and intend that the obligation of the Lessee to pay Rental Payments hereunder shall constitute a current expense of the Lessee and shall not in any way be construed to be a debt of the Lessee in contravention of any applicable constitutional or statutory limitation or requirements concerning the creation of indebtedness by the Lessee, nor shall anything contained herein constitute a pledge of the general tax revenues, funds, or moneys of the Lessee.

6.02 Payment of Rental Payments. The Lessee shall pay the Rental Payments, exclusively from legally available funds, in lawful money of the United States of America to the Lessor or, in the event of the assignment by the Lessor, to its assignee or assignees, in the amounts and on the dates set forth in Exhibit B hereto.

6.03 Interest Component. A portion of each Rental Payment is paid as and represents payment of interest; Exhibit B hereto sets forth the interest component of each Rental Payment during the Lease Term.

6.04 Rental Payments to be Unconditional. The obligations of the Lessee to make payment of the Rental Payments required under this Article VI and other sections hereof and to perform and observe the other covenants and agreements contained herein shall be absolute and unconditional in all events except as otherwise expressly provided in this Agreement. Notwithstanding any dispute between Lessee and the Lessor or any other person, the Lessee shall make all payments of Rental Payments when due and shall not withhold any Rental Payments pending final resolution of such dispute nor shall the Lessee assert any right of set-off against its obligation to make such payments required under this Agreement. The Lessee's obligation to make Rental Payments during the Original Term and the then current Renewal Term shall not be abated through accident or unforeseen circumstances.

6.05 Continuation of Lease Term by Lessee. The Lessee intends, subject to the provisions of Section 6.06, to continue the Lease Term throughout the Original Term and

all Renewal Terms and to pay all Rental Payments hereunder. The Lessee reasonably believes that legally available funds of an amount sufficient to make all Rental Payments during the Original Term and each of the Renewal Terms can be obtained. The Lessee further intends to do all things lawfully within its power to obtain and maintain funds from which the Rental Payments may be made, including making provision for such payments to the extent necessary in each of its budgets submitted for adoption in accordance with applicable provisions of state law, to have such portion of the budget approved, and to exhaust all available reviews and appeals in the event such portion of the budget is not approved.

6.06 Non-appropriation. In the event sufficient funds shall not be appropriated for the payment of the Rental Payment required to be paid in the next occurring Renewal Term under Exhibit B to continue the leasing of the Vehicle and if the Lessee has no funds legally available for Rental Payments from other sources, the Lessee may terminate this Agreement at the end of the then current Original Term or Renewal Term and the Lessee shall not be obligated to make payment of the Rental Payments provided for in this Agreement beyond the then current Original or Renewal Term. The Lessee agrees to deliver notice to the Lessor of such termination at least ninety (90) days prior to the end of the then current Original or Renewal Term, but failure to give notice shall not extend the Lease Term beyond such Original Term or Renewal Term. If this Agreement is terminated under this Section 6.06, the Lessee agrees peaceably to deliver the Vehicle to the Lessor at the location specified by the Lessor.

ARTICLE VII **TITLE TO VEHICLE; SECURITY INTEREST**

7.01 Title to the Vehicle. During the term of this Lease, and so long as the Lessee is not in default under Article XIII, legal title to the Vehicle and any and all repairs, replacements, substitutions and modifications thereto shall be in the Lessee. The Lessor and the Lessee acknowledge that the use and possession of the Vehicle is leased to the Lessee under this Lease independently of the registration of legal title to the Vehicle in the Lessee. Upon termination of this Lease for the reasons specified in either clause (a) or (c) of Section 4.02, full and unencumbered legal title to the Vehicle then subject to this Lease shall pass to the Lessor. In either of such events the Lessee shall execute and deliver to the Lessor such documents as the Lessor may request to evidence the passage of legal title to the Vehicle to the Lessor and the termination of the Lessee's interest therein, and upon request by the Lessor shall peaceably surrender and deliver possession of the Vehicle to the Lessor. Upon termination of this Lease with respect to the Vehicle for the reasons specified in either clause (b) or (d) of Section 4.02, the Lessor's security or other interest therein shall terminate, and the Lessor shall execute and deliver to the Lessee such documents as the Lessee may request to evidence the termination of the Lessor's security or other interest in the Vehicle.

7.02 Security Interest. The Lessor shall have and retain a security interest in the Vehicle subject to this Lease, the proceeds thereof and all repairs, replacements,

substitutions and modifications thereto or thereof, in order to secure the Lessee's payment of all Rental Payments due during the term of this Lease with respect thereto, and the performance of all other obligations required to be performed by the Lessee. The Lessor shall have the authority to file one or more Notices of Lien with the Missouri Department of Revenue giving notice of Lessor's security interest in the Vehicle and causing Lessor's lien to be noted on the face of the Certificates of Title to the Vehicle. The Lessee will join with the Lessor in executing such documents and will perform such acts as the Lessor may request to establish and maintain a valid security interest in the Vehicle.

ARTICLE VIII
MAINTENANCE; MODIFICATION; TAXES;
INSURANCE; AND OTHER CHARGES

8.01 Maintenance of Vehicle by Lessee. The Lessee agrees that at all times during the Lease Term, the Lessee will, at Lessee's own cost and expense, maintain, preserve and keep the Vehicle and each part and parcel thereof, in good repair, working order and condition and that the Lessee will from time to time make or cause to be made all necessary and proper repairs, replacements and renewals. The Lessor shall have no responsibility in any of these matters or for the making of improvements or additions to the Vehicle.

8.02 Taxes, Other Governmental Charges and Utility Charges. The parties to this Agreement contemplate that the Vehicle will be used for a governmental or proprietary purpose of the Lessee; therefore, the Vehicle will be exempt from all taxes presently assessed and levied with respect to personal property. In the event that the use, possession or acquisition of the Vehicle are found to be subject to taxation in any form (except for income taxes of the Lessor), the Lessee will pay during the Lease Term, as the same respectively become due, all taxes and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the Vehicle and any Vehicle or other property acquired by the Lessee in substitution for, as a renewal or replacement of, or a modification, improvement or addition to the Vehicle as well as all charges incurred in the operation, maintenance, use, occupancy and upkeep of the Vehicle; provided, however, with respect to any governmental charges that may lawfully be paid in installments over a period of years, the Lessee shall be obligated to pay only such installments as are accrued during such time as this Agreement is in effect.

8.03 Provisions Regarding Insurance. At its own expense, the Lessee shall cause casualty and property damage insurance to be carried and maintained with respect to the Vehicle, sufficient to protect the Full Insurable Value, as that term is hereinafter defined, of the Vehicle and to protect the Lessor from liability in all events. In addition, the Lessee shall, for the term of this Agreement, at its own expense, maintain a comprehensive liability policy in a minimum amount of \$1,000,000 insuring against all liability, losses, damages, penalties, claims, actions, costs and expenses (including but not limited to reasonable attorney's fees) of whatsoever kind or nature which in any way relate to or arise out of this Agreement or the ownership, rental, possession, operation, condition, sale or return of the

Vehicle. All insurance proceeds from casualty losses shall be payable as hereinafter provided in this Agreement. The Lessee shall furnish to the Lessor certificates evidencing such coverage throughout the Lease Term. Alternatively, the Lessee may insure the Vehicle under a blanket insurance policy or policies, which cover not only the Vehicle but also other property.

The Lessee shall carry workers' compensation insurance covering all employees working on, in, near or about the Vehicle, or demonstrate to the satisfaction of the Lessor that adequate self-insurance is provided and shall require any other person or entity working on, in, near or about the Vehicle to carry such coverage, and will furnish to the Lessor certificates evidencing such coverage throughout the Lease Term.

The term "Full Insurable Value" as used herein shall mean the total amount of all Rental Payments provided herein.

Any insurance policy issued pursuant to this Section 8.03 shall be so written or endorsed as to make losses, if any, payable to the Lessee and the Lessor as their respective interests may appear. The Net Proceeds (as defined in Section 9.01) of the insurance required in this Section 8.03 shall be applied as provided in Section 9.02 hereof. Each insurance policy provided for in this Section 8.03 shall contain a provision to the effect that the insurance company shall not cancel the policy or modify it materially and adversely to the interest of the Lessor without first giving written notice thereof to the Lessor at least thirty (30) days in advance of such cancellation.

8.04 Advances. In the event the Lessee shall fail to maintain the full insurance coverage required by this Agreement or fail to keep the Vehicle in good repair and operating condition, the Lessor may (but shall be under no obligation to) purchase the required policies of insurance and pay the premiums on the same or may make such repairs or replacements as are necessary and provide for payment thereof; and all amounts so advanced therefor by the Lessor shall become additional rent for the then current Original Term or Renewal Term, which amounts, together with interest thereon, the Lessee agrees to pay.

ARTICLE IX
DAMAGE, DESTRUCTION, AND CONDEMNATION:
USE OF NET PROCEEDS

9.01. Damage, Destruction, and Condemnation. Unless the Lessee shall have exercised its option to purchase the Vehicle by making payment of the Purchase Price as provided herein, if prior to the termination of the Lease Term (a) the Vehicle or any portion thereof is destroyed (in whole or in part or is damaged by fire or other casualty or (b) title to, or the temporary use of, the Vehicle or any part thereof or the interest of the Lessee or the Lessor in the Vehicle or any part thereof shall be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm or corporation acting under governmental authority, the Lessee and the Lessor will cause the Net Proceeds of any insurance claim or condemnation award to be applied to the prompt repair, restoration,

modification or improvement of the Vehicle. Any balance of the Net Proceeds remaining after such work has been completed shall be paid to the Lessee.

For purposes of Section 8.03 and this Article IX, the term "Net Proceeds" shall mean the amount remaining from the gross proceeds of any insurance claim or condemnation award after deducting all expenses (including attorney's fees) incurred in the collection of such claim or award.

9.02. Insufficiency of Net Proceeds. If the Net Proceeds are insufficient to pay in full the cost of any repair, restoration, modification or improvement referred to in Section 9.01 hereof, the Lessee shall either (a) complete the work and pay any cost in excess of the amount of the Net Proceeds and the Lessee agrees that, if by reason of any such insufficiency of the Net Proceeds, the Lessee shall make any payments pursuant to the provisions of this Section 9.02, the Lessee shall not be entitled to any reimbursement therefor from the Lessor nor shall the Lessee be entitled to any diminution of the amounts payable under Article VI hereof, or (b) if the Lessee is not in default hereunder, the Lessee shall pay to the Lessor the amount of the then applicable Purchase Price, and, upon payment, the Lease Term shall terminate and title to the Vehicle shall be conveyed by the Lessor to the Lessee as provided in Article XI of this Agreement. The amount of the Net Proceeds in excess of the then applicable Purchase Price, if any, may be retained by the Lessee.

ARTICLE X **NO WARRANTY; USE OF THE VEHICLE**

10.01. No Warranty. **EXCEPT FOR REPRESENTATIONS, WARRANTIES AND SERVICE AGREEMENTS RELATING TO THE PROPERTY MADE OR ENTERED INTO BY THE MANUFACTURERS OR SUPPLIERS OF THE VEHICLE, ALL OF WHICH ARE HEREBY ASSIGNED TO THE LESSEE, THE LESSOR HAS MADE AND MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AND ASSUMES NO OBLIGATION WITH RESPECT TO THE TITLE, MERCHANTABILITY, CONDITION, QUALITY OR FITNESS OF THE VEHICLE FOR ANY PARTICULAR PURPOSE OR THE CONFORMITY OF THE PROPERTY TO SPECIFICATIONS OR PURCHASE ORDER, ITS DESIGN, DELIVERY, INSTALLATION OR OPERATION.** All such risks shall be borne by the Lessee without in any way excusing the Lessee from its obligations under this Agreement and the Lessor shall not be liable to the Lessee for any damages on account of such risks. All claims or actions on any warranty so assigned shall be made or prosecuted by the Lessee, at its sole expense, upon prior written notice to the Lessor. The Lessor may, but shall have no obligation whatsoever to, participate in such claim or action on such warranty, at the Lessor's expense. Any recovery under such a warranty shall be made payable jointly to the Lessee and the Lessor.

10.02. Use of the Vehicle. The Lessee will not install, use, operate or maintain the Vehicle improperly, carelessly, in violation of any applicable law or in a manner contrary

to that contemplated by this Agreement. The Lessee shall provide all permits and licenses, if any, necessary for the installation and operation of the Vehicle. In addition, the Lessee agrees to comply in all respects (including, without limitation, with respect to the use, maintenance and operation of the Vehicle) with all laws of the jurisdictions in which its operations involving the Vehicle may extend and any legislative, executive, administrative or judicial body exercising any power or jurisdiction over the Vehicle or its interest or rights under this Agreement.

ARTICLE XI
OPTION TO PURCHASE

At the request of the Lessee, the Lessor's interest in the Vehicle will be transferred, conveyed and assigned to the Lessee and this Agreement shall terminate:

(a) At the end of the Lease Term (including Renewal Terms) upon payment in full of the Rental Payments due hereunder and the payment of One Dollar (\$1.00); or

(b) At the end of the Original Term or any Renewal Term upon payment by the Lessee in full of the Rental Payment due and of the then applicable Purchase Price; or

(c) If the Lease Term is terminated pursuant to Article IX of this Agreement in the event of total damage, destruction or condemnation of the Vehicle, and, if the Lessee is not, on such date, in default pursuant to any term of this Agreement upon payment of the then applicable Purchase Price to the Lessor.

ARTICLE XII
ASSIGNMENT, SUBLEASING, INDEMNIFICATION,
MORTGAGING AND SELLING

12.01. Assignment by Lessor. This Agreement and the obligations of the Lessee to make payments hereunder may be assigned and reassigned, in whole or in part, by the Lessor at any time subsequent to its execution without the necessity of obtaining the consent of the Lessee. The Lessor agrees to give notice of assignment to the Lessee and upon receipt of such notice the Lessee agrees to make all payments to the assignee designated in the assignment, notwithstanding any claim, defense, setoff or counterclaim whatsoever (whether arising from a breach of this Agreement or otherwise) the Lessee may from time to time have against the Lessor or the assignee. The Lessee agrees to execute all documents, including notices of assignment and chattel mortgages, security agreements and financing statements, which may be reasonably requested by the Lessor or its assignee to protect its interest in the Vehicle and in this Agreement.

This agreement and the obligations of the Lessee to make payments hereunder are in registered form pursuant to Section 149(a) of the Code and may be transferred only through an entry in a recording system maintained by the Lessor. During the term of this

Agreement, the Lessor shall keep a complete and accurate record of any assignments hereof in a form necessary to comply with Section 149(a) of the Code.

12.02. Assignment and Subleasing by Lessee. This Agreement and the interest of the Lessee in the Vehicle may not be assigned or encumbered by the Lessee for any reason.

12.03 Release and Indemnification Covenants. To the extent allowed by law the Lessee agrees to the following provisions in this Section 12.03. The Lessee shall indemnify, protect, hold harmless and save the Lessor from and against any and all liability, obligations, losses, claims and damages whatsoever, regardless of the cause thereof, and expenses in connection therewith, including, without limitation, counsel fees and expenses, penalties and interest arising out of or as the result of the entering into of this Agreement, the ownership of any item of the Vehicle, the ordering, acquisition, use, operation, condition, possession, storage or return of any item of the Vehicle resulting in damage to property or injury to or death to any person by use of the Vehicle. The indemnification arising under this paragraph shall continue in full force and effect notwithstanding the full payment of all obligations under this Agreement or the termination of the Lease Term for any reason. The Lessee agrees not to withhold or abate any portion of the payments required pursuant to this Agreement by reason of any defects, malfunctions, breakdowns or infirmities of the Vehicle.

ARTICLE XIII **EVENTS OF DEFAULT AND REMEDIES**

13.01. Events of Default Defined. The following shall be “events of default” under this Agreement and the terms “event of default and “default” shall mean, whenever they are used in this Agreement, the occurrence of any one or more of the following events:

(a) Failure by the Lessee to pay any Rental Payment, or other payment required to be paid hereunder, at the time specified herein and the continuance of such failure for a period of ten (10) days; or

(b) Failure by the Lessee to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in Section 13.01(a), uncured for a period of thirty (30) days after written notice, specifying such failure and requesting that it be remedied, given to the Lessee by the Lessor, unless the Lessor shall agree in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice cannot be corrected within the applicable period, the Lessor will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by the Lessee within the applicable period and diligently pursued until the default is corrected.

(c) The filing by the Lessee of a voluntary petition in bankruptcy, or failure by the Lessee promptly to lift any execution, garnishment or attachment of such consequence as would impair the ability of the Lessee to carry on its governmental function, or adjudication of the Lessee as a bankrupt, or assignment by the Lessee for the benefit of creditors, or the

entry by the Lessee into an agreement of composition with creditors, or the approval by a court of competent jurisdiction of a petition applicable to the Lessee in any proceedings instituted under the provisions of the Federal Bankruptcy Code, as amended, or under any similar acts which may hereafter be enacted.

13.02 Remedies on Default. Whenever any event of default referred to in Section 13.01 hereof shall have happened and be continuing, the Lessor shall have the right, at its sole option without any further demand or notice, or take one or any combination of the following remedial steps:

(a) Terminate this Lease and declare all Rental payments with respect to the Vehicle due or to become due during the Original Term or the Renewal Term in effect when the default occurs to be immediately due and payable by the Lessee, whereupon such Rental Payments shall be immediately due and payable. In the event such Rental Payments are paid within thirty (30) days after they are declared to be due, title to the Vehicle shall be conveyed by the Lessor to the Lessee as provided in Article XI of this Agreement;

(b) With or without terminating this Agreement, retake possession of the Vehicle and sell, lease or sublease the Vehicle for the account of the Lessee, holding the Lessee liable for the difference between (i) the then applicable Purchase Price or Rental Payment and other amounts payable by the Lessee hereunder to the end of the then current Renewal Term and (ii) the purchase price or rent, as the case may be, or other amounts paid by a purchaser, lessee or sublessee of the Vehicle pursuant to such sale, lease or sublease; and

(c) Take whatever action at law or in equity may appear necessary or desirable to enforce its rights as the owner of the Vehicle.

13.03 No Remedy Exclusive. No remedy conferred upon or reserved to the Lessor is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Lease either now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Lessor to exercise any remedy reserved to it in this Article XIII, it shall not be necessary to give any notice, other than such notice as may be required in this Article XIII.

ARTICLE XIV **MISCELLANEOUS**

14.01 Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or mailed by registered or certified mail, postage prepaid, to the parties at their respective addresses set forth below their signatures.

14.02 Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon the Lessor and the Lessee and their respective successors and assigns.

14.03 Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

14.04 Amendments, Changes and Modifications. This Agreement may be amended by the Lessor and the Lessee; provided, however, that no such amendment which affects the rights of any assignee of the Lessor shall be effective unless it shall have been consented to in writing by such assignee.

14.05 Execution in Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

14.06 Applicable Law. This agreement shall be governed by and construed in accordance with the laws of the State of Missouri.

14.06. Captions. The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement.


[Signature page to follow.]

IN WITNESS WHEREOF, the Lessor and Lessee have caused this Agreement to be executed by their duly authorized representatives on the day and year first above written.


LESSOR:

PEOPLES BANK & TRUST CO.
430 E. Wood St., P.O. Box G
Troy, Missouri 63379

Attest:



Suzette Morris, Board Secretary


By: 

Carla Angel, Vice President


LESSEE:

CITY OF TROY, MISSOURI
800 Cap au Gris
Troy, Missouri 63379

Attest:



Tonya Hawkins, City Clerk

By: 

Ronald Sconce, Mayor

Exhibit A

New 2023 Chevrolet Tahoe, VIN 1GNSKLED6PR508759
and all equipment and accessories thereto.

EXHIBIT "B"

Rent for use of vehicle and equipment having an Original Term beginning on the Initial Purchase Date and ending on October 17, 2024, with one (1) Renewal Term of 12 months, and a final renewal term ending on October 17, 2026.

Initial Purchase Price: \$44,746.00
 Initial Purchase Date: 10/17/23

<u>Pymt No</u>	<u>Due Date</u>	<u>Interest Rate</u>	<u>Amount</u>	<u>Interest Component</u>	<u>Principal Component</u>	<u>Purchase Price After Pymt</u>
1	at closing	4.490%	11,186.50	0.00	11,186.50	33,559.50

ORIGINAL TERM:

<u>Pymt No</u>	<u>Due Date</u>	<u>Interest Rate</u>	<u>Amount</u>	<u>Interest Component</u>	<u>Principal Component</u>	<u>Purchase Price After Pymt</u>
2	10/17/24	4.490%	12,205.75	1,506.82	10,698.93	22,860.57

FIRST RENEWAL TERM:

<u>Pymt No</u>	<u>Due Date</u>	<u>Interest Rate</u>	<u>Amount</u>	<u>Interest Component</u>	<u>Principal Component</u>	<u>Purchase Price After Pymt</u>
3	10/17/25	4.490%	12,205.75	1,026.44	11,179.31	11,681.26

FINAL RENEWAL TERM:

<u>Pymt No</u>	<u>Due Date</u>	<u>Interest Rate</u>	<u>Amount</u>	<u>Interest Component</u>	<u>Principal Component</u>	<u>Purchase Price After Pymt</u>
4	10/17/26	4.490%	12,204.75	524.49	11,680.26	1.00