

American National Leasing Company

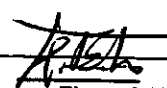
GOVERNMENT LEASE PURCHASE AGREEMENT NO. 48752C

LESSOR: **AMERICAN NATIONAL LEASING COMPANY**
2732 Midwestern Parkway
Wichita Falls, TX 76308

LESSEE: **Clay County**
214 N. Main
Henrietta, TX. 76365

VENDORS: **Warren CAT**
1909 Jacksboro Hwy
Wichita Falls, TX 76301

<u>Model Number</u>	<u>Serial #</u>	<u>EQUIPMENT INFORMATION</u> Item/Description:	<u>Qty</u>	<u>Price</u>
140M2	#M9D01763	2014 CAT MOTOR GRADER	1	\$257,000.00
	pa-	TRADE IN: 2011 CAT 140MQ MOTOR GRADER S/N#0B9D03005	1	(\$225,000.00)
		WARREN CAT TOTAL:		\$32,000.00
		PAYOFF TO CATERPILLAR FINANCIAL		\$114,729.49
		EQUIPMENT TOTAL:		\$136,779.62
		LESS DOWN PAYMENT:		(\$0.00)
		Document Fees:		\$65.00
		TOTAL CAPITALIZED COST:		\$136,844.62


 Lessee: Please Initial

SCHEDULE OF LEASE PAYMENTS DURING THE BASE TERM:

No. of Years:	5	Base Lease Payment:	\$7,500.00
No. of Lease Payments:	6	Sales Tax:	EXEMPT
For Business Use Inside:	Clay County	Property Tax:	EMEMPT
		Total Payment:	\$7,500.00
		Lease End Date:	JANUARY 28,2019

[END OF LEASE PURCHASE OPTION]

If the Lessee makes all the Lease payments on Schedule A for the entire stated term, Lessee may buy the Equipment for \$1.00.

TERMS AND CONDITIONS

1.) **LEASE:** Lessor leases to Lessee, and Lessee leases from Lessor the Equipment listed in "Equipment Information" (the "Equipment"). Said Equipment will be located at the above address of the Lessee and will not be moved to a new location without written permission first given by Lessor. Lessor acknowledges receipt of the first Lease payment referred to above from Lessee. Any amounts received by the Lessor from Lessee, at or prior to the date of this Lease, in excess of the first Lease payment as shown above, shall be held as security for the performance of the terms of this Lease. If Lessee is not in default hereunder, or under any other Lease between the parties hereto, said security shall be applied toward the payment of Lease at the end of the term of this Lease, or (at Lessor's option) returned to Lessee.

2.) **COMPLETE AGREEMENT:** This document (referred to as the "Lease" or the "Agreement") constitutes the entire agreement between Lessor and Lessee regarding the Equipment. No verbal representation or statement made by any representative of the Lessor or Lessee shall be binding unless expressly stated herein. Whenever the word Lessor is used herein, it shall include both the original Lessor and all assignees of Lessor.


3.) **ACCEPTANCE; DELIVERY:** Lessee agrees that it has selected the Equipment, and the Lessor shall not be liable for specific performance or for damages, if any, if for any reason the vendor delays or fails to fill the Equipment order. Lessee shall accept such Equipment delivered in good condition and authorizes Lessor to insert the serial number and any additional descriptive matter in "Equipment Information" in connection with the Equipment.

4.) **MAINTENANCE:** Lessee agrees that all maintenance, service, and Equipment warranties, are the sole obligation of the vendor or supplier of the Equipment. Lessor authorizes the Lessee to enforce in Lessee's own name any warranty, agreement or representation, if any, which may be made regarding the Equipment by the vendor or supplier BUT LESSOR ITSELF MAKES NO EXPRESS OR IMPLIED WARRANTIES AS TO THE EQUIPMENT WHATSOEVER. Lessee has selected the Equipment to be financed by this Lease and Lessor is merely providing financing for such Equipment. Lessor is not the vendor of the Equipment, and Lessor makes no warranties in regard to the Equipment. All warranties regarding the Equipment, including but not limited to the warranties of MERCHANTABILITY and FITNESS FOR A PARTICULAR PURPOSE are expressly disclaimed by Lessor.

The disclaimers or limitations in this Section 4 do not apply to any warranties made by the vendor or supplier of the Equipment, all of which may be enforced by Lessee.

5.) **LEASE PAYMENTS:** The total Lease payments for lease of the Equipment are shown on Exhibit A. Lessee promises and agrees to pay all specified Lease payments in advance on or before the date designated for the payments in Exhibit A without demand. Said Lease payments shall be payable at the office of Lessor, or to such other person and/or at such other place as Lessor may from time to time designate to Lessee in writing.

In the event this Lease is not "bank qualified" under Section 265(b)(3) of the Internal Revenue Code (meaning Lessee or its subordinate entities issue more than \$10,000,000 in tax exempt debt during the same calendar year this Lease is funded), or if the interest portion of the Lease payments is not excluded from federal income taxation, the Lease payments shall be recalculated using a "Gross Up Rate" (meaning a new interest rate on the amount funded by Lessor) of N.Y. Prime +4% per annum.


 Lessee: Please Initial

6.) LEASE TERM: This Lease shall have a term commencing on the Date of Acceptance by Lessee (shown in the "Lessee's Acceptance") until the Lease End Date shown on page 2, unless this Lease is earlier terminated by reason of default (Section 12) or non-appropriation (Section 14).

7.) OWNERSHIP; RETURN; PERSONAL PROPERTY: Subject to all rights granted to or retained by Lessor under this Agreement (including Lessee's unconditional obligation to return possession and title to the Equipment to Lessor at the end of the term of this Lease regardless of the reason for termination) title to the Equipment shall be in the name of the Lessee. Upon the termination of this Lease for any reason, Lessee will immediately return said Equipment and all additions to the Equipment to Lessor in as good condition as received, normal wear and tear excepted, or Lessee may purchase the Equipment for the Purchase Option Price then in effect. Any profit or loss from disposition of the Equipment after it is returned to Lessor will be the responsibility of, and belong to, the Lessor. The Equipment shall always remain and be deemed personal property even though attached to realty. All replacements, Equipment repairs or accessories made to or placed in or upon said Equipment shall become a component part thereof, and title thereto shall be immediately vested in Lessee; and shall be included under the terms hereof. All advances made by Lessor to preserve said Equipment or to pay insurance premiums for insurance thereon or to discharge and pay any taxes, liens or encumbrances thereon shall be added to the unpaid balance of Lease Payments due hereunder and shall be repayable by Lessee to Lessor immediately together with interest thereon at the rate of twelve (12%) per cent annum until paid.

If ownership of the Equipment is evidenced by a certificate of title (for example, a motor vehicle), such title shall be endorsed to show Lessee as a lienholder. Lessee further covenants to Lessor's filing a UCC-1 Financing Statement to reflect Lessor's interest in the Equipment. Lessee shall return the title, endorsed to Lessor, at the same time Lessee returns the Equipment. Should Lessee fail to return the title endorsed to Lessor, Lessee hereby designates Lessor as having full legal power and authority (including a limited irrevocable power of attorney) either to apply for a new title in Lessor's name, or to endorse the current title to Lessor's name.

8.) PURCHASE OPTION: If no Event of Default has occurred and is continuing, Lessee shall have the option at any time to purchase all (but not less than all) the Equipment at the price stated in Exhibit A, plus any applicable sales taxes and fees (all being the "Purchase Option Price"). Lessee must give Lessor irrevocable written notice at least 30 days before the purchase date that it will purchase the Equipment unless the purchase is being made at the end of the term of this Agreement and the Purchase Option Price is \$1.00. The Purchase Option Price as defined in Exhibit A shall be used for any purchase of the Equipment by the Lessee prior to the end of the scheduled term. Upon payment by Lessee of the Purchase Option Price, Lessor shall transfer all of Lessor's rights in the Equipment to Lessee AS-IS WHERE-IS WITH ALL FAULTS without any representation or warranty whatsoever, and this Agreement shall terminate.

9.) ASSIGNMENT: Lessor may assign this Lease and its assignee may reassign the same, without the consent of Lessee. All rights of Lessor hereunder shall be succeeded to by any assignee hereof and said assignee's title to this Lease, to the Lease payments or other amounts due hereunder, and in and to the Equipment shall be free from all defenses, setoffs or counterclaims of any kind or character which Lessee may be entitled to assert against the original Lessor; it being understood and agreed that any assignee of Lessor does not assume any obligations of the original Lessor herein named. It is further understood and agreed, however, that Lessee may separately claim against the original Lessor as to any matters that Lessee may be entitled to assert against the original Lessor.

Neither this Lease nor any interest herein is assignable or transferable by operation of law, or otherwise, by Lessee.

10.) LOSS; DAMAGE; INSURANCE: As between Lessor and Lessee, Lessee assumes the entire risk of loss from all use and operation of the Equipment and no such loss shall relieve Lessee of its obligations hereunder. Lessee agrees to and does hereby indemnify and hold Lessor harmless, from and against all claims, costs, expenses, damages and liabilities, including reasonable attorney fees resulting from or pertaining to the use or operation of the Equipment during the term of this Agreement, or while said Equipment is otherwise in possession of the Lessee. Lessee agrees to keep the Equipment insured (i.e., property insurance) to protect all interests of Lessee and Lessor, at Lessee's expense, against all risks of loss or damage from every cause whatsoever for not less than the unpaid balance of the Lease payments due hereunder to maturity or 80% of the then current value of said Equipment, whichever is higher. Lessee shall further maintain commercial general liability insurance regarding injury, damage or death resulting out of the operation of the Equipment during the term hereof or while the Equipment is in the possession of Lessee, and including any liability of Lessor for public liability and property damage. Lessor may, but shall not be obligated to, insure said Equipment at the expense of Lessee. The proceeds from such insurance policies shall be paid to Lessor as its interests may appear and Lessor shall be named as an additional insured and loss payee in all said policies. The proceeds of such insurance, whether resulting from loss or damage or return premium or otherwise, shall be applied toward the replacement or repair of the said Equipment, or the payment of obligations of Lessee hereunder, at the option of Lessor. Lessee hereby appoints Lessor as Lessee's attorney-in-fact to make claims for, receive payment of and execute or endorse all documents, checks or drafts for loss or damage or return premium under any insurance policy issued in regard to said Equipment.


Lessee: Please Initial

Lessor and Lessee acknowledge that Lessor is only financing the Equipment, and Lessor does not hold title to, use, operate, control or maintain the Equipment, all of which shall be done by Lessee during the term hereof.

11.) USE; TAXES; INSPECTION AND CONDITION: Lessee agrees to use, operate and maintain said Equipment in accordance with all applicable laws; to pay all licensing or registrations fees for said Equipment and to keep the same free of liens, liens and encumbrances; to file all personal property tax returns (if any are due on the Equipment), to pay all taxes, assessments, fees and penalties which may be levied or assessed on or in respect to said Equipment or its use or any interest therein, or upon the Lease payments (provided Lessor shall pay its own income taxes on the Lease payments), including but not limited to, all federal, state and local taxes, however designated, levied or assessed upon the Lessee and Lessor or either of them in regard to said Equipment, or upon the use or operation thereof. Lessee shall permit Lessor to inspect said Equipment at any time; and to keep it in first class condition and repair at Lessee's expense and house the same in suitable shelter; and not to sell or otherwise dispose of Lessee's interest therein or in any additions or accessories attached thereto during the term of this Lease.

12.) EVENTS OF DEFAULT; REMEDIES; LATE CHARGES; EXPENSES OF ENFORCEMENT:

(a) Events of Default. In the event Lessee shall default in the payment of any Lease payment due, or any other sums due hereunder for a period of fifteen (15) days or more, or in the event of any default or breach of the terms and conditions of this Lease, or any other lease between the parties hereto, or if any execution or other writ or process shall be issued in any action or proceeding, against the Lessee, whereby the said Equipment may be taken or distrained, or if a proceeding in bankruptcy, receivership or insolvency shall be instituted by or against the Lessee or its property, or if the Lessee shall enter into any agreement or composition with its creditors, breach any of the terms of any loan or credit agreement, or default thereunder, or if the condition of the Lessee's affairs shall so change as to, in the Lessor's opinion, impair the Lessor's security or increase the credit risk involved, then and in that event Lessee shall return the Equipment as provided in Section 7 and Section 12(b). If Lessee fails to do so, the Lessor shall have the right to retake immediate possession of the Equipment, and for such purpose, the Lessor may enter upon any premises where said Equipment may be and may remove the same therefrom with or without notice of its intention to do same, without being liable to any suit or action or other proceeding by the Lessee.

(b) Remedies. If this Lease terminates by reason of event of default (Section 12), non-appropriation (Section 14) or otherwise prior to the end of the entire Lease term shown on Exhibit A, and if Lessee has not paid the applicable Purchase Option Price Lessor's remedies shall be the following:

- (i) Lessee shall return the Equipment to Lessor as provided in Section 7.
- (ii) Lessor may retain all Lease payments previously paid by Lessee.
- (iii) Upon return of the Equipment full legal title thereto shall be automatically vested in Lessor, and Lessee will deliver title as provided in Section 7.
- (iv) Lessor may, at its option, sell the Equipment at public or private sale for cash or on credit and may become the purchaser at such sale. Any gain or loss on such sale shall accrue and belong to Lessor.

(c) Late Charges. Whenever any payment is more than ten (10) days late, the Lessee promises to pay to the Lessor or its assigns, not later than one month thereafter, an amount calculated at the rate of five cents per one dollar of each such delayed payment and to make such payments as liquidated damages occasioned by such delay, if allowed by law.

(d) Expense of Enforcement. Upon default under any provision of this Lease, the Lessee shall be liable for arrears of lease payments, during any period for which Lessee has made appropriation under Section 14, if any. Further, if Lessee fails to return the Equipment (and title, if any) to Lessor, Lessee shall be liable for (i) the expense of retaking possession and the removal of the Equipment, (ii) court costs, and (iii) Lessor's reasonable attorney's fees.

13.) NON-WAIVER: The omission by the Lessor at any time to enforce any default or right reserved to it, or to require performance of any of the terms, covenants or provisions hereof by the Lessee at any time designated, shall not be a waiver of any such default or right to which the Lessor is entitled, nor shall it in any way affect the right of the Lessor to enforce such provisions thereafter. The Lessor may exercise all remedies simultaneously, pursuant to the terms hereof, and any such action shall not operate to release the Lessee until the full amount of the Lease Payments due and to become due and all other sums to be paid hereunder have been paid in cash.

14.) SPECIAL PROVISIONS: FISCAL FUNDING: The Lessee warrants that it has funds available to pay the Lease payments payable pursuant to this Agreement until the end of its current appropriation period and warrants that it


Lessee: Please Initial

presently intends to make payments in each appropriation period from now until the end of the Lease term. The officer of the Lessee responsible for preparation of Lessee's annual budget shall request from its legislative body funding to be paid to Lessor under this Agreement. If notwithstanding the making in good faith of such request in accordance with appropriate procedures and with the exercise of reasonable care and diligence, such legislative body over funding authority does not appropriate funds to be paid to Lessor then at the end of the fiscal year for which Lessee has made appropriation Lessee shall be released of its obligation to make Lease payments to Lessor due after the end of the period for which appropriation was made, provided the Equipment (and any related title documents) are returned to Lessor by Lessee and at Lessee's expense, in good condition, normal wear and tear excepted. In addition to return of the Equipment pursuant to the terms of this Agreement, Lessor shall retain all sums paid by Lessee and for which appropriation was made. To the extent permitted by law, Lessee may not terminate the Lease in order to purchase, rent or lease property performing functions similar to those performed by the Equipment, and agrees not to permit functions similar to those performed through the use of the Equipment to be performed by its own employees or by any agency or entity affiliated with or hired by the Lessee.

15.) SEVERABILITY: The provisions of this Lease are severable, and if any one of such provisions are determined to be illegal or unenforceable, the same shall not impair the effectiveness of the remaining provisions hereof.


Lessee: Please Initial

THIS LEASE IS SUBJECT TO THE TERMS AND CONDITIONS PRINTED ABOVE WHICH ARE MADE A PART HEREOF AND WHICH LESSEE ACKNOWLEDGES THAT IT HAS READ. LESSEE REPRESENTS THAT ALL ACTION TO AUTHORIZE THE EXECUTION OF THIS AGREEMENT ON BEHALF OF THE LESSEE BY THE FOLLOWING SIGNATORIES HAS BEEN TAKEN.

Date of Acceptance: January 28, 2014

Lessor: American National Leasing Company

By: Mike Cuba
Mike Cuba
President

Lessee(s): Clay County
214 N. Main
Henrietta, TX. 76365
Federal Tax ID# 75-6000861

By: Kenneth Liggett
Kenneth Liggett
Clay County Judge

LESSEE'S ACCEPTANCE

TO VENDOR (WARREN CAT) ACCEPTANCE MUST BE SIGNED BY LESSEE AND RETURNED TO US BEFORE YOUR INVOICE CAN BE PROCESSED FOR PAYMENT.

We as Lessee agree the above listed Equipment is satisfactory in every way, accepted by us and we as Lessee have approved payment of the Total Capitalized Cost by Lessor to Vendor. We, as Lessee, hereby agree that we have fully inspected the Equipment leased hereunder and acknowledged it to be in good condition to our complete satisfaction. We understand that you, as Lessor, make no warranties, either expressed or implied, as to the condition of the Equipment, or its fitness for any particular purpose. We understand that this installation is not made on a trial basis.

Lessee(s): Clay County
214 N. Main
Henrietta, TX. 76365
Federal Tax ID# 75-6000861

Date of Acceptance: January 28, 2014

By: Kenneth Liggett
Kenneth Liggett
Clay County Judge

KEH
Lessee: Please Initial

Purchase Price 251,000.
 Purchase date Jan 14
 IO # 1763 TAG 2100
 140MA 2014 Cat Motor Grader Exhibit A

Lease payments

<u>Payment Date</u>	<u>Lease Payment</u>	
1/28/14	\$0.00	136,844.62
3/15/14	\$7,500.00 ✓	
3/15/15	\$7,500.00 ✓	
3/15/16	\$7,500.00	
3/15/17	\$7,500.00	
3/15/18	\$7,500.00	
1/28/19	\$112,966.49	

Buy Back

136,477 - 3 years Buy Back - 190,000
 127,519 - 5 years Buy Back - 175,000

Exhibit A

150446.49
 [Signature]
 Lessee: Please Initial

Exhibit A

Purchase Option Price

If Lessee has made all the Lease payments shown on Exhibit A for the entire stated term of the Lease, Lessee may buy the Equipment free and clear of all rights of the Lessor for \$1.00.

Lessee may also buy the Equipment at any time prior to the end of the full stated Lease term by paying to Lessor:

(a) the remaining unpaid balance of the principal payments due for the entire stated term of the Lease shown on Exhibit A (the Lease payments have both a principal and interest component like any loan), plus

(b) accrued but unpaid interest on such principal amount as of such purchase date.

The Lessor will calculate such payments and furnish them to Lessee as requested.

**Warranty Acknowledgment and Customer Service Agreement for Travel, Mileage and
Scheduled Oil Sampling (S.O.S./M.D.W.) Expense**

Jan 20, 2014

CLAY COUNTY 2
214 NORTH MAIN ST
HENRIETTA, TX 76365-2800

Account#: 9973192

Machine Model: 140M2

Machine Serial Number: M9D01763

Attached please find Warren CAT/Caterpillar Warranty Statements on the above referenced machine. Listed below are the applicable coverages:

- 12 Month/Unlimited Hour Warranty, beginning ON DELIVERY
- Extended Power Train Coverage _____
- Extended Power Train + Hydraulics Coverage _____
- Extended Full Machine Warranty 5 YR/5000 HOURS
- Battery Limited Warranty
- Tire Limited Warranty

Field Service travel time and mileage expense and scheduled oil sampling (SOS) are covered expenses for TRAVEL TIME 3YR/3000 HRS/SOS WARRANTY PERIOD

Travel time and mileage expense is not covered for skid steer loaders, multi terrain loaders, mini excavators or compact wheel loaders.

Scheduled Oil Sampling (SOS) expense during the extended warranty period is a covered expense.

Please acknowledge receipt of the warranty statements and customer service agreement by signing this form below.

Acknowledgement and acceptance of terms:

Signature

Date

OTHER TERMS AND CONDITIONS

MENT AND SECURITY INTEREST:

As otherwise indicated above, payment shall be made in full on or before Purchaser takes possession of Equipment. If full payment is not made prior to possession, then Purchaser grants to Seller a security interest in the Equipment and all proceeds thereof to secure payment of the Purchase Price and any and all liabilities and obligations of Purchaser to Seller. Seller may file Financing Statements, Continuation Statements, or any other such documents all without Purchaser's signature and at the expense of Purchaser. Any delinquent payment shall bear interest from the date it is due until paid at the highest interest rate permitted under applicable law.

WHERE AND WHOM TO MAKE PAYMENTS:

If the Equipment is purchased from one of Seller's locations in the state of Texas, all payments shall be sent to P.O. Box 842116, Dallas, TX 75284. If the Equipment was purchased from one of Seller's locations in the state of Oklahoma, all payments shall be sent to Dept. 1944, Tulsa, OK 74182. Seller may designate in writing to Purchaser such other place(s) for payment. All checks shall be made payable to Warren Cat.

DEFINITION OF WARREN CAT AND SELLER:

Warren Cat and Seller are defined as Warren Power & Machinery, Inc.

DELIVERY AND INSPECTION OF EQUIPMENT:

The Equipment shall be shipped to the location on the date stated in this Agreement. Shipping Date stated above is an estimate only, and if Equipment is not available or ready on that date it will be made available as reasonably soon thereafter as possible. PURCHASER SHALL INSPECT THE EQUIPMENT PRIOR TO SHIPMENT AND ONCE PURCHASER HAS AGREED TO AND AUTHORIZED THE SHIPMENT OF THE EQUIPMENT, IT SHALL BE CONCLUSIVELY PRESUMED THAT PURCHASER HAS FULLY INSPECTED AND ACCEPTED THE EQUIPMENT AS BEING IN GOOD CONDITION AND IN CONFORMITY WITH THIS AGREEMENT. Purchaser shall pay (to Seller or to third parties) all transportation costs in advance for delivery of the Equipment including but not limited to: loading, unloading, installing, dismantling, hauling, demurrage, freight and switching charges.

RISK OF LOSS AND INSURANCE.

Purchaser assumes all risks of loss and full responsibility for all loss or damage to Equipment from the date of this Agreement. Purchaser shall immediately provide and maintain in full force and effect the following policies of insurance: (a) fire, theft, and other hazards in sufficient amounts to cover the full replacement value of the Equipment; (b) comprehensive policy of public liability for each item of Equipment with the following minimum limits: (i) bodily injury - \$1,000,000; and (ii) property damage - \$1,000,000. In each policy, Seller shall be named as an additional insured and/or loss payee. Purchaser shall promptly furnish to Seller certificates or copies of each policy of insurance. Each policy shall provide for twenty (20) days written notice to Seller of the cancellation or material modification of the policy.

TRANSFER OF EQUIPMENT AND WARRANTY OF TITLE:

For value received, Seller does hereby sell, convey, assign, and transfer the Equipment to Purchaser to be effective only after full payment of the Purchase Price. Seller warrants and delivers title unto Purchaser free and clear of any and all liens, security agreements, and encumbrances. The Seller hereby binds Seller, and its successors and assigns, to warrant and defend the title of the property described herein to Purchaser, and Purchaser's successors and assigns, forever against every person whomsoever lawfully claiming or to claim such Equipment or any part thereof.

WARRANTY, CLAIMS, AND DAMAGES:

The warranties on the Equipment shall be the manufacturer's warranties, if any, and only if in writing. There are no warranties from Seller. Purchaser shall look to the manufacturer for the description of the warranty and for any warranty claims. Purchaser acknowledges and agrees that the Equipment is of a size, design, and manufacture selected by Purchaser and is suitable for Purchaser's purposes and contains all safety features deemed necessary to Purchaser. No affirmation, representation, or warranty made by an employee or agent of Seller shall be enforceable unless it is specifically included in this Agreement. SELLER MAKES NO EXPRESS OR IMPLIED REPRESENTATION, COVENANT, OR WARRANTY AS TO THE EQUIPMENT INCLUDING MERCHANTABILITY, QUALITY, CONDITION, DURABILITY, SUITABILITY, FITNESS FOR USE, FITNESS FOR ANY PARTICULAR PURPOSE OR ANY OTHER WARRANTY WHATSOEVER. THE EQUIPMENT IS SOLD "AS IS, WHERE IS" AND SUBJECT TO ALL FAULTS. SELLER SHALL NOT BE LIABLE FOR LOSS OR TIME, INCONVENIENCE, COMMERCIAL LOSS, OR CONSEQUENTIAL DAMAGES. Seller shall not be liable to Purchaser, for any failure of the Equipment to operate, or for any delay, loss, or expense caused thereby or for any interruption of service or use of the Equipment while such equipment is undergoing servicing or repair. Seller shall not be required to furnish replacement Equipment or to grant any credit because of such loss of use of the Equipment while going repairs or because of inclement weather.

TRADE-IN PROPERTY:

In consideration for the credit against the Purchase Price and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Purchaser does hereby irrevocably sell, assign, transfer and convey unto Seller, its successors and assigns, the Trade-in Property described above. Purchaser represents and warrants that Purchaser is the sole owner of the Trade-in Property, that Purchaser has full power and authority to sell the Trade-in Property, and that there are no liens, claims, debts, mortgages or encumbrances of any kind, nature, or description against the Trade-in Property, of record or otherwise. The Purchaser hereby binds Purchaser, and its successors and assigns, to warrant and defend the title of the property described herein to Seller, and Seller's successors and assigns, forever against every person whomsoever lawfully claiming or to claim such Trade-in-Property or any part thereof. Purchaser represents and warrants that the Trade-in Property is in good working condition, that there are no defects (latent or patent), and that there are no undisclosed conditions or defects.

JURISDICTION AND VENUE:

If the Equipment was sold from one of Seller's locations in the State of Texas, jurisdiction and venue of any dispute arising from or related to this Agreement shall be in Midland County, Texas and the laws of the State of Texas shall govern the dispute. If the Equipment was sold from one of Seller's locations in the State of Oklahoma, jurisdiction and venue of any dispute arising from or related to this Agreement shall be in Oklahoma County, Oklahoma, and the laws of the State of Oklahoma shall govern the dispute.

ARBITRATION:

Any claim by Purchaser against Seller arising out of or related to this Agreement or to the Equipment, Trade-in-Property, repairs, warranties, etc. shall, at the option of Seller, be settled and decided by binding arbitration conducted in Midland County, Texas, in accordance with the Commercial Arbitration Rules of the American Arbitration Association. The judgment by the arbitrator(s) shall be final, and judgment upon the decision rendered may be entered in any court having jurisdiction thereof.

MISCELLANEOUS PROVISIONS:

This Agreement is the entire agreement between the parties hereto containing all agreed upon terms and conditions, and it supersedes and cancels any and all prior agreements and negotiations, whether written or oral. Time is of the essence in the performance of this Sale. Seller is not in any way or for any purpose a partner of or joint venture with Purchaser. If any one or more provisions of this Agreement shall be found to be illegal or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. Purchaser and Seller will execute and deliver all other documents as may be reasonably needed to effectuate and complete the transaction(s) the subject of this Agreement. Both parties hereby represent and warrant that the person executing this Agreement has the proper authority from their respective entities to bind the entities to this Agreement. This Agreement may be executed by facsimile or electronically which shall have the same effect as an original signature.

INDEMNITY:

PURCHASER SHALL PROTECT, INDEMNIFY, AND SAVE SELLER AND ITS ASSIGNS HARMLESS AGAINST ANY AND ALL CLAIMS, DEMANDS, AND CAUSES OF ACTION OF EVERY KIND AND CHARACTER WHATSOEVER, INCLUDING ATTORNEYS FEES, ARISING IN FAVOR OF ANY PERSON, INCLUDING EMPLOYEES OF PURCHASER, ON ACCOUNT OF PERSONAL INJURIES OR DAMAGES TO PROPERTY OCCURRING, GROWING OUT OF, INCIDENT TO, OR RESULTING DIRECTLY OR INDIRECTLY FROM THE SELECTION, PURCHASE, OWNERSHIP, DELIVERY, USE, OPERATION, MAINTENANCE, REPAIR, OR RETURN OF THE EQUIPMENT WHETHER SUCH LOSS, DAMAGE, OR INJURY OR LIABILITY ARISES FROM OR IS CONTRIBUTED TO BY THE NEGLIGENCE OF THE SELLER OR ITS EMPLOYEES, AND WHETHER DUE OR CONTRIBUTED TO BY IMPERFECTIONS OR DEFECTS OF THE EQUIPMENT, WHETHER LATENT OR PATENT, OR FROM OTHER CAUSES WHATSOEVER.

WAIVER OF DTPA RIGHTS:

PURCHASER WAIVES ITS RIGHTS UNDER THE DECEPTIVE TRADE PRACTICES-CONSUMER PROTECTION ACT, SECTION 17.41 ET SEQ., TEXAS BUSINESS COMMERCE CODE, A LAW THAT GIVES CONSUMERS SPECIAL RIGHTS AND PROTECTIONS. AFTER CONSULTATION WITH AN ATTORNEY OF PURCHASER'S OWN SELECTION, PURCHASER VOLUNTARILY CONSENTS TO THIS WAIVER.

OTHER PROVISIONS:



SALES AGREEMENT

DATE Jan 20, 2014

WARREN CAT, PO BOX 60662, MIDLAND, TX 79711-0622 Phone:(432) 571-4200

PURCHASER	CLAY COUNTY 2		
STREET ADDRESS	214 NORTH MAIN ST		
CITY/STATE	HENRIETTA, TX	COUNTY	CLAY (077)
POSTAL CODE	76365-2800	PHONE NO.	940 767 5707
CUSTOMER CONTACT:	EQUIPMENT	JOHNNY GEE	
	PRODUCT SUPPORT	JOHNNY GEE	
INDUSTRY CODE:	GOVT ROAD CONST & MAINT(207R)	PRINCIPAL WORK CODE	F.O.B. AT: DEAN

CUSTOMER NUMBER	9973192	Sales Tax Exemption # (if applicable)	TAX/EX GOVT/TX	CUSTOMER PO NUMBER	J GEE
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PAYMENT TERMS: (All terms and payments are subject to Finance Company - OAC approval)					
NET PAYMENT ON RECEIPT OF INVOICE	<input checked="" type="checkbox"/>	NET ON DELIVERY	<input type="checkbox"/>	FINANCIAL SERVICES	<input type="checkbox"/>
CASH WITH ORDER	\$0.00	BALANCE TO FINANCE	\$0.00	CONTRACT INTEREST RATE	0%
PAYMENT PERIOD		PAYMENT AMOUNT	\$0.00	NUMBER OF PAYMENTS	0
				OPTIONAL BUY-OUT	

DESCRIPTION OF EQUIPMENT ORDERED / PURCHASED			
MAKE CATERPILLAR	MODEL: 140M2	YEAR: 2014	
STOCK NUMBER: C59817	SERIAL NUMBER: M9D01763		
140M2 MOTOR GRADER	353-2919	MIRRORS, OUTSIDE MOUNTED	233-3295
MOLDBOARD, 14 FT, PLUS	349-3048	GUARD, TRANSMISSION	366-2459
RIPPER-SCARIFIER, REAR	324-0889	PUSH PLATE	367-6842
WEATHER, COLD	353-3317	SHANKS/TEETH FOR SCARIFIER	4K-3330
BASE & 1 (RIP)	354-4112		
LIGHTS, FRONT HEADLIGHTS, HIGH	309-9881		
STARTER, ELECTRIC, HEAVY DUTY	325-6336		
CAB, PLUS (STANDARD GLASS)	389-7322		
PRODUCT LINK, SATELLITE PL321	373-6739		
TIRES, 14.0R24 MX XGLA2 1* MP	252-0679		
GUARD GP, HITCH	323-6970		
ANTIFREEZE WINDSHIELD WASHER	0P-1939		
COMFORT PACKAGE	391-8968		
TOOLS, WORKING, PLUS	353-3320		
CAMERA, REAR VISION	391-2914		

YEAR	TRADE-IN EQUIPMENT	SERIAL NO.	Sell Price
2011	140MQ BR - CATERPILLAR (AA)	0B9D03005	\$257,000.00
			Ext Warranty Included
			Less Gross Trade Allowance (\$225,000.00)
			After Tax Balance \$32,000.00

ALL TRADE-INS ARE SUBJECT TO EQUIPMENT BEING IN "AS INSPECTED CONDITION" BY VENDOR AT TIME OF DELIVERY OF REPLACEMENT MACHINE PURCHASE ABOVE.

GROSS TRADE ALLOWANCE _____

PAYOUT TO _____ AMOUNT OWING _____

CUSTOMER TO PAYOUT WARREN CAT TO PAY OUT

PURCHASER HEREBY SELLS THE TRADE-IN EQUIPMENT DESCRIBED ABOVE TO THE VENDOR AND WARRANTS IT TO BE FREE AND CLEAR OF ALL CLAIMS, LIENS, MORTGAGES AND SECURITY INTEREST EXCEPT AS SHOWN ABOVE.

<input checked="" type="checkbox"/> CATERPILLAR EQUIPMENT WARRANTY	INITIAL _____	<input type="checkbox"/> USED EQUIPMENT WARRANTY	INITIAL _____
<p>The customer acknowledges that he has received a copy of the Warren CAT/Caterpillar Warranty and has read and understood said warranty. Scheduled oil sampling (S.O.S.) is mandatory with this warranty. The customer is responsible for taking oil samples at designated intervals from all power train components and failure to do so may result in voiding the warranty.</p> <p>Standard 12 Month Unlimited Hour Full Machine Coverage</p> <p>GOVT New Machine 5 Years / 5000 Hours PREMIER</p>		<p>All used equipment is sold as is where is and no warranty is offered or implied except as specified here:</p> <p>Warranty applicable:</p>	

CSA: _____

NOTES: REPURCHASE: 5YR/5000 HRS \$175,000 3YR/3000 HRS \$190,000

THIS AGREEMENT IS SUBJECT TO THE TERMS AND CONDITIONS ON THE REVERSE

Notice is hereby given that Warren Power & Machinery, Inc. has assigned to Warren Exchange LLC its rights (but not its obligations) to sell certain equipment held for rental purposes.

ORDER RECEIVED BY	<u>Phil Denny</u>	WARREN CAT	APPROVED AND ACCEPTED ON	_____	PURCHASER
			REPRESENTATIVE	<u>CLAY COUNTY 2</u>	
			BY	_____	SIGNATURE
				_____	TITLE

CUSTOMER ORIGINAL INVOICE



Remit To: Warren CAT
 P.O. Box 842116
 Dallas, Texas 75284-2116
 Toll Free (866) 2WARREN
 (432) 571-4242

SOLD TO

CLAY COUNTY 2
 BOARD OF COUNTY COMMISSIONERS
 214 NORTH MAIN ST
 HENRIETTA, TX 76365-2800

SHIP TO

CLAY COUNTY 2
 SHIP DATE 1/21/14
 SHIPPED FROM WICHITA FALLS
 FOB WICHITA FALLS
 SHIPPED TO CLAY COUNTY 2

INVOICE NUMBER	INVOICE DATE	CUSTOMER NUMBER	CUSTOMER ORDER NUMBER	STORE	DIV.	SALESMAN	TERMS	PAGE
S8742501	01-23-14	9973192		08	G	217	2	1
PSO/NO NUMBER	DOC. DATE	PC	LC	MC	SHIP VIA			
S87425	01-21-14			10				
MAKE	MODEL	SERIAL NUMBER		EQUIPMENT NUMBER	METER READING		MACH. I.D. NUMBER	
AA	140M2	M9D01763			.0		C59817	
QUANTITY	ITEM	N/R	DESCRIPTION	UNIT PRICE	EXTENSION			

CUSTOMER CONTACT: JOHNNY GEE
 TAX EXEMPTION LICENSE TAX/EX GOVT/TX

EQUIPMENT SALE
 CATERPILLAR
 MOTOR GRADER

MODEL 140M2

1.0 ID NO: C59817 SERIAL NO: M9D01763 32000.00

PIN: *CAT0140MCM9D01763*

REF: 353-2919

- 1.0 REF: 0P-9002 LANE 2 ORDER
- 1.0 363-3910 GLOBAL ARRANGEMENT, LOW AMBIENT
- 1.0 349-3048 MOLDBOARD, 14' PLUS
- 1.0 324-0889 RIPPER-SCARIFIER, REAR
- 1.0 353-3317 WEATHER, COLD
- 1.0 305-2927 LINES, STANDARD W/O ACCUMULATOR
- 1.0 356-8649 PRECLEANER
- 1.0 358-9337 INSTALLATION AR- BOX FRAME
- 1.0 354-4112 BASE & 1 (RIP)
- 1.0 309-9881 LIGHTS, FRONT HEADLIGHTS, HIGH
- 1.0 325-6336 STARTER, ELECTRIC, HEAVY DUTY
- 1.0 389-7322 CAB, PLUS (STANDARD GLASS)
- 1.0 373-6739 PRODUCT LINK, SATELLITE PL321
- 1.0 362-5222 NO ACCUGRADE
- 1.0 252-0679 TIRES, 14.0R24 MX XGLA2 1* MP
- 1.0 323-6970 GUARD GP, HITCH
- 1.0 310-0725 LANGUAGE, ENGLISH
- 1.0 0P-1939 ANTIFREEZE WINDSHIELD WASHER
- 1.0 391-8968 COMFORT PACKAGE
- 1.0 353-3320 LIGHTS, WORKING, PLUS
- 1.0 391-2914 CAMERA, REAR VISION

TERMS OF PAYMENT: Unless specific terms of payment are stated above, which shall then be governing terms hereof, this invoice shall otherwise be due and payable in full 30 days from date of invoice. Performance under this invoice along with jurisdiction and venue shall be in Clay County, Texas. TITLE TO EQUIPMENT LISTED ON THIS INVOICE SHALL REMAIN IN WARREN CAT UNTIL PURCHASE PRICE IS PAID IN FULL.

Thank You!

PLEASE PAY THIS AMOUNT

AMOUNT CREDITED

Claims for damages and shortages will not be considered unless made within fifteen days after receipt of shipment. Our responsibility ceases upon obtaining receipt from transportation company.

ARLENE, TX 3601 So. Treadway (328) 892-1800 AMARILLO, TX 140 AT F.M. 1912 (806) 338-1811 DALHART, TX 1901 E. 18TH (806) 248-8772 LUBBOCK, TX 702 Nolan Road East (806) 745-4496 MIDLAND, TX 3809 S. FM 1788 (432) 671-4242 ODESSA, TX 2301 Production (432) 332-1861 SAN ANGELO, TX 6702 LINK ROAD (328) 668-1100 WICHITA FALLS, TX 1909 Jackboro Hwy. (840) 767-4384



Remit To: Warren CAT
 P.O. Box 842116
 Dallas, Texas 75284-2116
 Toll Free (866) 2WARREN
 (432) 571-4242

SOLD TO
 CLAY COUNTY 2
 BOARD OF COUNTY COMMISSIONERS
 214 NORTH MAIN ST
 HENRIETTA, TX 76365-2800

SHIP TO
 CLAY COUNTY 2
 SHIP DATE 1/21/14
 SHIPPED FROM WICHITA FALLS
 FOB WICHITA FALLS
 SHIPPED TO CLAY COUNTY 2

INVOICE NUMBER	INVOICE DATE	CUSTOMER NUMBER	CUSTOMER ORDER NUMBER	STORE	DRY	SALESMAN	TERMS	PAGE
S8742501	01-23-14	9973192		08	G	217	2	2
PSO/NO NUMBER	DOC DATE	PC	LC	MC	SHIP VIA			
S87425	01-21-14			10				
MAKE	MODEL	SERIAL NUMBER		EQUIPMENT NUMBER	METER READING	MACH. I.D. NUMBER		
AA	140M2	M9D01763			.0	C59817		
QUANTITY	ITEM	N/R	DESCRIPTION	UNIT	PRICE	EXTENSION		

1.0	233-3295	MIRRORS, OUTSIDE MOUNTED
1.0	366-2459	GUARD, TRANSMISSION
1.0	367-6842	PUSH PLATE
1.0	4K-3330	SHANKS/TEETH FOR SCARIFIER
1.0	0P-2265	ROLL ON-ROLL OFF

EQUIPMENT TRADE IN
 MODEL: 140M

SERIAL NO: B9D03005
 PIN: *CAT0140MLB9D03005*

1.0 *
 1.0 *
 1.0 *
 1.0 *
 1.0 *

PAYMENT DUE UPON RECEIPT OF INVOICE.
 PLEASE VERIFY THAT PAYMENT HAS BEEN MADE
 ***** THANK YOU FOR YOUR BUSINESS *****

COUNTY TREASURER
 CLAY COUNTY
 REGISTERED

JAN 29 2014

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Thank You!

PLEASE PAY THIS AMOUNT 32000.00

AMOUNT CREDITED

Claims for damages and shortages will not be considered unless made within fifteen days after receipt of shipment. Our responsibility ceases upon obtaining receipt from transportation company.

ARLENE, TX 3801 So. Treadway (325) 892-1600 AMARILLO, TX 140 AT F.M. 1912 (806) 335-1511 DALHART, TX 1901 E. 19TH (806) 249-8772 LUBBOCK, TX 702 Slaton Road East (806) 745-4495 MIDLAND, TX 3809 S. FM 1788 (432) 571-4242 ODESSA, TX 2301 Production (432) 332-1881 SAN ANGELO, TX 5102 LINK ROAD (325) 855-1100 WICHITA FALLS, TX 1909 Jackboro Hwy. (940) 767-4384

Warranty Acknowledgment and Customer Service Agreement for Travel, Mileage and Scheduled Oil Sampling (S.O.S./M.D.W.) Expense

Jan 20, 2014

CLAY COUNTY 2
214 NORTH MAIN ST
HENRIETTA,, TX 76365-2800

Account#: 9973192

Machine Model: 140M2

Machine Serial Number: M9D01763

Attached please find Warren CAT/Caterpillar Warranty Statements on the above referenced machine. Listed below are the applicable coverages:

- 12 Month/Unlimited Hour Warranty, beginning ON DELIVERY
- Extended Power Train Coverage _____
- Extended Power Train + Hydraulics Coverage _____
- Extended Full Machine Warranty 5 YR/5000 HOURS
- Battery Limited Warranty
- Tire Limited Warranty

Field Service travel time and mileage expense and scheduled oil sampling (SOS) are covered expenses for TRAVEL TIME 3YR/3000 HRS/SOS WARRANTY PERIOD

Travel time and mileage expense is not covered for skid steer loaders, multi terrain loaders, mini excavators or compact wheel loaders.

Scheduled Oil Sampling (SOS) expense during the extended warranty period is a covered expense.

Please acknowledge receipt of the warranty statements and customer service agreement by signing this form below.

Acknowledgement and acceptance of terms:

Signature

Date



Trade Inv

Remit To: Warren CAT
 P.O. Box 842116
 Dallas, Texas 75284-2116
 Toll Free (866) 2WARREN
 (432) 571-4242

SOLD TO

CLAY COUNTY 2
 BOARD OF COUNTY COMMISSIONERS
 214 NORTH MAIN ST
 HENRIETTA, TX 76365-2800

SHIP TO

CLAY COUNTY #2
 SHIP DATE: 01/21/11
 SHIPPED FROM: WICHITA FALLS
 FOB: CLAY #2
 SHIPPED TO: DEAN, TX

INVOICE NUMBER	INVOICE DATE	CUSTOMER NUMBER	CUSTOMER ORDER NUMBER	STORE	DIV.	SALESMAN	TERMS	PAGE
S6784501	02-07-11	9973192	GEE	08	G	217	2	1
PSO/WO NUMBER	DOC. DATE	PC	LC	MC	SHIP VIA			
S67845	09-21-10			10				
MAKE	MODEL	SERIAL NUMBER		EQUIPMENT NUMBER	METER READING		MACH. I.D. NUMBER	
AA	140M	B9D03005			.0		C42774	
QUANTITY	ITEM	N/R	DESCRIPTION	UNIT PRICE	EXTENSION			

CUSTOMER CONTACT: JOHNNY GEE
 TAX EXEMPTION LICENSE TAX/EX GOVT/TX

EQUIPMENT SALE
 CATERPILLAR
 MOTOR GRADER

MODEL 140M

1.0 ID NO: C42774 SERIAL NO: B9D03005 36000.00
 PIN: *CAT0140MLB9D03005*
 REF: 349-2551

Unit Price 126,768

1.0 REF: 0P-9002 LANE 2 ORDER
 1.0 352-2104 GLOBAL ARRANGEMENT
 1.0 349-3048 MOLDBOARD, 14 FT, PLUS
 1.0 349-3052 WEATHER, COLD
 1.0 231-1516 LINES, STANDARD W/O ACCUMULATOR
 1.0 246-6711 FILM, ENGINE, VHP PLUS
 1.0 261-0610 COMPRESSOR/TANK, AIR
 1.0 349-3054 BASE & 1 (RIP)
 1.0 298-7465 LIGHTS, FRONT HEADLIGHTS, HIGH
 1.0 253-2724 ALTERNATOR, 150 AMP (AC)
 1.0 349-3050 CAB, PLUS
 1.0 235-6188 PRODUCT LINK, PL321
 1.0 302-8669 LANGUAGE, ENGLISH
 1.0 349-3067 COMFORT PACKAGE - 1
 1.0 349-3069 LIGHTS, WORKING, PLUS
 1.0 233-3295 MIRRORS, OUTSIDE MOUNTED
 1.0 285-8739 GUARD, TRANSMISSION
 1.0 332-1543 HEATER, ENGINE COOLANT, 120V
 1.0 0P-6690 ROLL ON-ROLL OFF
 1.0 252-0679 TIRES, 14.0R24 MX XGLA2 1* MP
 1.0 248-1322 RIPPER-SCARIFIER, REAR

TERMS OF PAYMENT: Unless specific terms of payment are stated above, which shall then be the governing terms hereof, this invoice shall otherwise be due and payable in full 30 days from invoice date. Performance under this invoice along with jurisdiction and venue shall be in Tarrant County, Texas. TITLE TO EQUIPMENT LISTED ON THIS INVOICE SHALL REMAIN IN WARREN CAT UNTIL PURCHASE PRICE IS PAID IN FULL.

Thank You!

PLEASE PAY THIS AMOUNT	
AMOUNT CREDITED	

Claims for damages and shortages will not be considered unless made within fifteen days after receipt of shipment. Our responsibility ceases upon obtaining receipt from transportation company.

ARLENE, TX 3901 So. Broadway (325) 692-1800 AMARILLO, TX 140 AT F.M. 1912 (806) 338-1811 DALHART, TX 1901 E. 18TH (806) 249-8772 LUBBOCK, TX 702 Blanton Road East (806) 748-4495 MIDLAND, TX 3809 S. FM 1789 (432) 571-4242 ODessa, TX 2301 Production (432) 532-1651 SAN ANGELO, TX 8102 LINK ROAD (325) 685-1100 WICHITA FALLS, TX 1809 Jackbore Hwy. (840) 787-4384

NOTICE TO CUSTOMERS: PLEASE READ THE REVERSE SIDE FOR IMPORTANT INFORMATION

CATERPILLAR CAT and are trademarks of Caterpillar, Inc.

WARREN**CAT**

Remit To: _____

Warren CATP.O. Box 842116
Dallas, Texas 75284-2116
Toll Free (866) 2WARREN
(432) 571-4242

SOLD TO

CLAY COUNTY 2
BOARD OF COUNTY COMMISSIONERS
214 NORTH MAIN ST
HENRIETTA, TX 76365-2800

SHIP TO

CLAY COUNTY #2
SHIP DATE: 01/21/11
SHIPPED FROM: WICHITA FALLS
FOB: CLAY #2
SHIPPED TO: DEAN, TX

INVOICE NUMBER	INVOICE DATE	CUSTOMER NUMBER	CUSTOMER ORDER NUMBER	STORE	DIV.	SALESMAN	TERMS	PAGE
S6784501	02-07-11	9973192	GEE	08	G	217	2	2
PSO/WO NUMBER	DOC. DATE	PC	LC	MC	SHIP VIA			
S67845	09-21-10			10				
MAKE	MODEL	SERIAL NUMBER		EQUIPMENT NUMBER	METER READING	MACH. I.D. NUMBER		
AA	140M	B9D03005			.0	C42774		
QUANTITY	ITEM	N/R	DESCRIPTION	UNIT PRICE	EXTENSION			

1.0	4K-3330		SHANKS/TEETH FOR SCARIFIER		
1.0	250-3071		PUSH PLATE, COUNTERWEIGHT		
	EQUIPMENT TRADE IN				
	MODEL: 140H		SERIAL NO: CCA03259		
			PIN: *CAT0140HLCCA03259*		
1.0	*				
1.0	*				
1.0	*				
1.0	SIT <3000#	EXMPT			
1.0	DES	EXEMPT			

TAX EXEMPT

GUARANTEED MINIMUM REPURCHASE OF \$165000.00 AFTER
YEARS OR 3000 HOURS, WHICHEVER COMES FIRST

GUARANTEED MINIMUM REPURCHASE OF \$150000.00 AFTER
YEARS OR 5000 HOURS, WHICHEVER COMES FIRST

***** TO BE FINANCED BY CAT FINANCIAL *****
THANK YOU FOR YOUR BUSINESS

TERMS OF PAYMENT: Unless specific terms of payment are stated above, which shall then be the governing terms hereof, this invoice shall otherwise be due and payable in full 30 days from invoice date. Performance under this invoice along with jurisdiction and venue shall be in and County, Texas. TITLE TO EQUIPMENT LISTED ON THIS INVOICE SHALL REMAIN IN WARREN CAT UNTIL PURCHASE PRICE IS PAID IN FULL.

*Thank You!*PLEASE PAY
THIS AMOUNT

36000.00

AMOUNT
CREDITED

Claims for damages and shortages will not be considered unless made within fifteen days after receipt of shipment.
Our responsibility ceases upon obtaining receipt from transportation company.

ARLINS, TX
3801 So. Broadway
(325) 682-1800

AMARILLO, TX
140 AT F.M. 1812
(806) 336-1511

DALLAS, TX
1801 E. 18TH
(806) 248-8772

LUBBOCK, TX
702 Barton Road East
(806) 745-4485

MIDLAND, TX
3808 S. FM 1788
(432) 571-4242

ODESSA, TX
2301 Production
(432) 332-1681

SAN ANGELO, TX
5102 LINK ROAD
(325) 685-1100

WICHITA FALLS, TX
1908 Jackaborn Hwy.
(840) 767-4384

NOTICE TO CUSTOMERS: PLEASE READ THE REVERSE SIDE FOR IMPORTANT INFORMATION

CATERPILLAR® CAT and  are trademarks of Caterpillar, Inc.

Lease / Purchase

Purchase date March 14
Purchase price 97365.00

American National Leasing Company

GOVERNMENT LEASE PURCHASE AGREEMENT NO. 48764C

LESSOR:

AMERICAN NATIONAL LEASING COMPANY
2732 Midwestern Parkway
Wichita Falls, TX 76308

Start date
3/31/14

87430.00 Capitalization cost

LESSEE:

Clay County
214 N. Main
Henrietta, TX. 76365

payment 15,000.00
~~2/18/~~

VENDORS:

Warren CAT
1909 Jacksboro Hwy
Wichita Falls, TX 76301

<u>Model Number</u>	<u>Serial #</u>	<u>EQUIPMENT INFORMATION</u> Item/Description:	<u>Qty</u>	<u>Price</u>
914G	#KNP00445	2014 CAT WHEEL LOADER	1	\$97,365.00
		WARREN CAT TOTAL:		\$97,365.00
		EQUIPMENT TOTAL:		\$97,365.00
		LESS DOWN PAYMENT:		(\$10,000.00)
		Document Fees:		\$65.00
		TOTAL CAPITALIZED COST:		\$87,430.00

KEL
Lessee: Please Initial

WORKSHEET FOR LEASE-PURCHASE EQUIPMENT LEASE
 FILE: EquipQuote
 LESSEE: Clay County Pct#2

Date: 3-31-2014
 LEASE NO: ANLC # 48764C
 ACCEPTANCE DATE:

American National Leasing Co.
 QUOTED BY: M.Cuba

CONTACT: Johnny Gee
 940-636-0140

EQUIPMENT:

914G2 Wheel Loader
 New Serial #C60900

SOURCE: Warren CAT # **KNP0044S**
 (5) Five Yr. Lease/Purchase w/ Guaranteed Buyback

\$97,365.00
 \$0.00
 \$0.00
 \$0.00
 \$0.00
 \$0.00
 \$0.00
 \$97,365.00
 -\$10,000.00
 \$65.00
 \$0.00
\$87,430.00

FREIGHT/HANDLING:
 TOTAL PURCHASE PRICE
 Down Payment
 UCC-1 Filing Fee
 Trade Allowance
 Net Capitalized Cost

Date	Lease Payment	Days Accrual	Accr. Interest	Principal	Note Balance
03/31/14	0.00	0	0.00	0.00	87,430.00
03/15/15	15,000.00	349	1,880.94	13,119.06	74,310.94
03/15/16	15,000.00	366	1,676.58	13,323.42	60,987.52
03/15/17	15,000.00	365	1,372.22	13,627.78	47,359.74
03/15/18	15,000.00	365	1,065.59	13,934.41	33,425.33
03/15/19	15,000.00	365	752.07	14,247.93	19,177.40
03/31/19	19,195.32	16	18.91	19,176.41	1.00

Net Capitalized Cost
 Interest Rate
 Residual Value
 Rounding Adjustment
 Adjusted Res. Value

87,430.00
 2.2500%
\$1.00
 0.00
\$1.00

1810

\$6,766.32

5 Yr. CAT Guaranteed Buy Back \$50,000.00

47400 - 5 year:
 19200 - 5 year Buy Back
 50,000.8



SALES AGREEMENT

DATE Mar 24, 2014

WARREN CAT, PO BOX 60662, MIDLAND, TX 79711-0622 Phone:(432) 571-4200

PURCHASER	CLAY COUNTY 2			
STREET ADDRESS	214 NORTH MAIN ST			<SAME>
CITY/STATE	HENRIETTA, TX	COUNTY	CLAY (077)	
POSTAL CODE	76365-2800	PHONE NO.	940 767 5707	
CUSTOMER CONTACT:	EQUIPMENT	JOHNNY GEE		
	PRODUCT SUPPORT	JOHNNY GEE		
INDUSTRY CODE:	GOVT ROAD CONST & MAINT (207R)	PRINCIPAL WORK CODE		F.O.B. AT: Wichita Falls

CUSTOMER NUMBER	9973192	Sales Tax Exemption # (if applicable) TAX/EX GOVT/TX	CUSTOMER PO NUMBER	GEE
-----------------	---------	---	--------------------	-----

PAYMENT TERMS:					(All terms and payments are subject to Finance Company - OAC approval)
NET PAYMENT ON RECEIPT OF INVOICE	<input checked="" type="checkbox"/>	NET ON DELIVERY	<input type="checkbox"/>	FINANCIAL SERVICES	<input type="checkbox"/> CSC <input type="checkbox"/> LEASE
CASH WITH ORDER	\$0.00	BALANCE TO FINANCE	\$0.00	CONTRACT INTEREST RATE	0%
PAYMENT PERIOD		PAYMENT AMOUNT	\$0.00	NUMBER OF PAYMENTS	0
				OPTIONAL BUY-OUT	

DESCRIPTION OF EQUIPMENT ORDERED / PURCHASED			
MAKE: CATERPILLAR	MODEL: 914G	YEAR: 2014	
STOCK NUMBER: C60900	SERIAL NUMBER: KNP00445		
914G2 WHEEL LOADER EOC2	398-0914	DIFFERENTIAL, STANDARD, REAR	383-4230
914G2 WHEEL LOADER HRC	367-5791	TIRES, 17.5-R25 XTLA * L2	385-5822
FENDERS, STANDARD	107-4705	HEATER, ENGINE COOLANT, 120V	234-5118
SPEED CONTROL, STANDARD	107-4841	LIGHTS, FLOOD	115-1558
LIGHTS, DIRECTIONAL	177-2035	SPEEDOMETER	107-6132
STEERING, STANDARD	237-9935	INSTALLATION GROUP, RADIO 12V	251-1579
VALVE, DRAIN, STANDARD	239-2228	SUN VISOR, FRONT	107-4641
SEAT, COMFORT, AIR SUSPENSION	239-5814	GUARD, BOTTOM	120-3352
HYDRAULICS, 2 VALVE	241-9258	MIRRORS, OUTSIDE MOUNTED	107-4642
ALARM, BACK-UP	242-9456	AIR CLEANER, STANDARD	121-3015
CAB GLASS	367-5886	ENGINE, TIER 3, ELECTRONIC	446-9267
HEAVY DUTY AIR CONDITIONER	367-5969	1.80 CYD BUCKET W BOCE	112 1257
ROLLER, TRANSMISSION, FNR	150-3716		
DOOR LOCK, STANDARD	372-0389		
DIFFERENTIAL, STANDARD, FRONT	383-4228		

YEAR	TRADE-IN EQUIPMENT	SERIAL NO.	Sell Price	
			\$97,365.00	
			Ext Warranty	Included
			After Tax Balance	\$97,365.00

ALL TRADE-INS ARE SUBJECT TO EQUIPMENT BEING IN "AS INSPECTED CONDITION" BY VENDOR AT TIME OF DELIVERY OF REPLACEMENT MACHINE PURCHASE ABOVE.

GROSS TRADE ALLOWANCE _____

PAYOUT TO _____ AMOUNT OWING _____

CUSTOMER TO PAYOUT WARREN CAT TO PAY OUT

PURCHASER HEREBY SELLS THE TRADE-IN EQUIPMENT DESCRIBED ABOVE TO THE VENDOR AND WARRANTS IT TO BE FREE AND CLEAR OF ALL CLAIMS, LIENS, MORTGAGES AND SECURITY INTEREST EXCEPT AS SHOWN ABOVE.

<input checked="" type="checkbox"/> CATERPILLAR EQUIPMENT WARRANTY	INITIAL _____	<input type="checkbox"/> USED EQUIPMENT WARRANTY	INITIAL _____
The customer acknowledges that he has received a copy of the Warren CAT/Caterpillar Warranty and has read and understood said warranty. Scheduled oil sampling (S.O.S.) is mandatory with this warranty. The customer is responsible for taking oil samples at designated intervals from all power train components and failure to do so may result in voiding the warranty. Standard 12 Month Unlimited Hour Full Machine Coverage		All used equipment is sold as is where is and no warranty is offered or implied except as specified here: Warranty applicable: _____	
5 YR/3000 HOUR POWERTRAIN WARRANTY			

CSA: _____

NOTES: REPURCHASE: 5YRS/1500 HOURS \$50,000

THIS AGREEMENT IS SUBJECT TO THE TERMS AND CONDITIONS ON THE REVERSE

Notice is hereby given that Warren Power & Machinery, Inc. has assigned to Warren Exchange LLC its rights (but not its obligations) to sell certain equipment held for rental purposes.

ORDER RECEIVED BY	<u>Phil Denny</u>	APPROVED AND ACCEPTED ON	_____	PURCHASER
	WARREN CAT	REPRESENTATIVE	CLAY COUNTY 2	
		BY	_____	PURCHASER
			SIGNATURE	
				TITLE

OTHER TERMS AND CONDITIONS

PAYMENT AND SECURITY INTEREST:

Unless otherwise indicated above, payment shall be made in full on or before Purchaser takes possession of Equipment. If full payment is not made prior to possession, then Purchaser grants to Seller a security interest in the Equipment and all proceeds thereof to secure payment of the Purchase Price and any and all liabilities and obligations of Purchaser to Seller. Seller may file Financing Statements, Continuation Statements, or any other such documents all without Purchaser's signature and at the expense of Purchaser. Any delinquent payments shall bear interest from the date it is due until paid at the highest interest rate permitted under applicable law.

WHERE AND WHOM TO MAKE PAYMENTS:

If the Equipment is purchased from one of Seller's locations in the state of Texas, all payments shall be sent to P.O.Box 842116, Dallas, TX 75284. If the Equipment was purchased from one of Seller's locations in the state of Oklahoma, all payments shall be sent to Dept.1944, Tulsa, OK 74182. Seller may designate in writing to Purchaser such other place(s) for payment. All checks shall be made payable to Warren Cat.

DEFINITION OF WARREN CAT AND SELLER:

Warren Cat and Seller are defined as Warren Power & Machinery, Inc.

DELIVERY AND INSPECTION OF EQUIPMENT:

The Equipment shall be shipped to the location on the date stated in this Agreement. Shipping Date stated above is an estimate only, and if Equipment is not available or ready on that date it will be made available as reasonably soon thereafter as possible. PURCHASER SHALL INSPECT THE EQUIPMENT PRIOR TO SHIPMENT AND ONCE PURCHASER HAS AGREED TO AND AUTHORIZED THE SHIPMENT OF THE EQUIPMENT, IT SHALL BE CONCLUSIVELY PRESUMED THAT PURCHASER HAS FULLY INSPECTED AND ACCEPTED THE EQUIPMENT AS BEING IN GOOD CONDITION AND IN CONFORMITY WITH THIS AGREEMENT. Purchaser shall pay (to Seller or to third parties) all transportation costs in advance for delivery of the Equipment including but not limited to: loading, unloading, installing, dismantling, hauling, demurrage, freight and switching charges.

RISK OF LOSS AND INSURANCE.

Purchaser assumes all risks of loss and full responsibility for all loss or damage to Equipment from the date of this Agreement. Purchasers shall immediately provide and maintain in full force and effect the following policies of insurance: (a) fire, theft, and other hazards in sufficient amounts to cover the full replacement value of the Equipment; (b) comprehensive policy of public liability for each item of Equipment with the following minimum limits: (i) bodily injury - \$1,000,000; and (ii) property damage - \$1,000,000. In each policy, Seller shall be named as an additional insured and/or loss payee. Purchaser shall promptly furnish to Seller certificates or copies of each policy of insurance. Each policy shall provide for twenty (20) days written notice to Seller of the cancellation or material modification of the policy.

TRANSFER OF EQUIPMENT AND WARRANTY OF TITLE:

For value received, Seller does hereby sell, convey, assign, and transfer the Equipment to Purchaser to be effective only after full payment of the Purchase Price. Seller warrants and delivers title unto Purchaser free and clear of any and all liens, security agreements, and encumbrances. The Seller hereby binds Seller, and its successors and assigns, to warrant and defend the title of the property described herein to Purchaser, and Purchaser's successors and assigns, forever against every person whomsoever lawfully claiming or to claim such Equipment or any part thereof.

WARRANTY, CLAIMS, AND DAMAGES:

The warranties on the Equipment shall be the manufacturer's warranties, if any, and only if in writing. There are no warranties from Seller. Purchaser shall look to the manufacturer for the description of the warranty and for any warranty claims. Purchaser acknowledges and agrees that the Equipment is of a size, design, and manufacture selected by Purchaser and is suitable for Purchaser's purposes and contains all safety features deemed necessary to Purchaser. No affirmation, representation, or warranty made by an employee or agent of Seller shall be enforceable unless it is specifically included in this Agreement. SELLER MAKES NO EXPRESS OR IMPLIED REPRESENTATION, COVENANT, OR WARRANTY AS TO THE EQUIPMENT INCLUDING MERCHANTABILITY, QUALITY, CONDITION, DURABILITY, SUITABILITY, FITNESS FOR USE, FITNESS FOR ANY PARTICULAR PURPOSE OR ANY OTHER WARRANTY WHATSOEVER. THE EQUIPMENT IS SOLD "AS IS, WHERE IS" AND SUBJECT TO ALL FAULTS. SELLER SHALL NOT BE LIABLE FOR LOSS OR TIME, INCONVENIENCE, COMMERCIAL LOSS, OR CONSEQUENTIAL DAMAGES. Seller shall not be liable to Purchaser, for any failure of the Equipment to operate, or for any delay, loss, or expense caused thereby or for any interruption of service or use of the Equipment while such Equipment is undergoing servicing or repair. Seller shall not be required to furnish replacement Equipment or to grant any credit because of such loss of use of the Equipment while undergoing repairs or because of inclement weather.

TRADE-IN PROPERTY:

In consideration for the credit against the Purchase Price and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Purchaser does hereby irrevocably sell, assign, transfer and convey unto Seller, its successors and assigns, the Trade-in Property described above. Purchaser represents and warrants that Purchaser is the sole owner of the Trade-in Property, that Purchaser has full power and authority to sell the Trade-in Property, and that there are no liens, claims, debts, mortgages or encumbrances of any kind, nature, or description against the Trade-in Property, of record or otherwise. The Purchaser hereby binds Purchaser, and its successors and assigns, to warrant and defend the title of the property described herein to Seller, and Seller's successors and assigns, forever against every person whomsoever lawfully claiming or to claim such Trade-in-Property or any part thereof. Purchaser represents and warrants that the Trade-in Property is in good working condition, that there are no defects (latent or patent), and that there are no undisclosed conditions or defects.

JURISDICTION AND VENUE:

If the Equipment was sold from one of Seller's locations in the State of Texas, jurisdiction and venue of any dispute arising from or related to this Agreement shall be in Midland County, Texas and the laws of the State of Texas shall govern the dispute. If the Equipment was sold from one of Seller's locations in the State of Oklahoma, jurisdiction and venue of any dispute arising from or related to this Agreement shall be in Oklahoma County, Oklahoma, and the laws of the State of Oklahoma shall govern the dispute.

ARBITRATION:

Any claim by Purchaser against Seller arising out of or related to this Agreement or to the Equipment, Trade-in-Property, repairs, warranties, etc. shall, at the option of Seller, be settled and decided by binding arbitration conducted in Midland County, Texas, in accordance with the Commercial Arbitration Rules of the American Arbitration Association. The judgment by the arbitrator(s) shall be final, and judgment upon the decision rendered may be entered in any court having jurisdiction thereof.

MISCELLANEOUS PROVISIONS:

This Agreement is the entire agreement between the parties hereto containing all agreed upon terms and conditions, and it supersedes and cancels any and all prior agreements and negotiations, whether written or oral. Time is of the essence in the performance of this Sale. Seller is not in any way or for any purpose a partner of or joint venture with Purchaser. If any one or more provisions of this Agreement shall be found to be illegal or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. Purchaser and Seller will execute and deliver all other documents as may be reasonably needed to effectuate and complete the transaction(s) the subject of this Agreement. Both parties hereby represent and warrant that the person executing this Agreement has the proper authority from their respective entities to bind the entities to this Agreement. This Agreement may be executed by facsimile or electronically which shall have the same effect as an original signature.

INDEMNITY:

PURCHASER SHALL PROTECT, INDEMNIFY, AND SAVE SELLER AND ITS ASSIGNS HARMLESS AGAINST ANY AND ALL CLAIMS, DEMANDS, AND CAUSES OF ACTION OF EVERY KIND AND CHARACTER WHATSOEVER, INCLUDING ATTORNEYS FEES, ARISING IN FAVOR OF ANY PERSON, INCLUDING EMPLOYEES OF PURCHASER, ON ACCOUNT OF PERSONAL INJURIES OR DAMAGES TO PROPERTY OCCURRING, GROWING OUT OF, INCIDENT TO, OR RESULTING DIRECTLY OR INDIRECTLY FROM THE SELECTION, PURCHASE, OWNERSHIP, DELIVERY, USE, OPERATION, MAINTENANCE, REPAIR, OR RETURN OF THE EQUIPMENT WHETHER SUCH LOSS, DAMAGE, OR INJURY OR LIABILITY ARISES FROM OR IS CONTRIBUTED TO BY THE NEGLIGENCE OF THE SELLER OR ITS EMPLOYEES, AND WHETHER DUE OR CONTRIBUTED TO BY IMPERFECTIONS OR DEFECTS OF THE EQUIPMENT, WHETHER LATENT OR PATENT, OR FROM OTHER CAUSES WHATSOEVER.

WAIVER OF DTPA RIGHTS:

PURCHASER WAIVES ITS RIGHTS UNDER THE DECEPTIVE TRADE PRACTICES-CONSUMER PROTECTION ACT, SECTION 17.41 ET SEQ., TEXAS BUSINESS COMMERCE CODE, A LAW THAT GIVES CONSUMERS SPECIAL RIGHTS AND PROTECTIONS. AFTER CONSULTATION WITH AN ATTORNEY OF PURCHASER'S OWN SECTION, PURCHASER VOLUNTARILY CONSENTS TO THIS WAIVER.

OTHER PROVISIONS:

Warranty Acknowledgment and Customer Service Agreement for Travel, Mileage and Scheduled Oil Sampling (S.O.S./M.D.W.) Expense

4 3/5

Mar 24, 2014

CLAY COUNTY 2
214 NORTH MAIN ST
HENRIETTA,, TX 76365-2800

Account#: 9973192

Machine Model: 914G

Machine Serial Number: KNP00445

Attached please find Warren CAT/Caterpillar Warranty Statements on the above referenced machine. Listed below are the applicable coverages:

- 12 Month/Unlimited Hour Warranty, beginning ON DELIVERY
- Extended Power Train Coverage 5 YR/3000 HOURS
- Extended Power Train + Hydraulics Coverage _____
- Extended Full Machine Warranty _____
- Battery Limited Warranty
- Tire Limited Warranty

Field Service travel time and mileage expense and scheduled oil sampling (SOS) are covered expenses for TRAVEL TIME FOR 1 YR

Travel time and mileage expense is not covered for skid steer loaders, multi terrain loaders, mini excavators or compact wheel loaders.

Scheduled Oil Sampling (SOS) expense during the extended warranty period is a covered expense.

Please acknowledge receipt of the warranty statements and customer service agreement by signing this form below.

Acknowledgement and acceptance of terms:

Signature

Date

Lease 64505
Mack Haul Truck
#1278

CONTRACT (LEASE) NO. 64505

FIRST NATIONAL BANK DBA FIRST NATIONAL BANK LEASING
3801 FAIRWAY BLVD.
WICHITA FALLS, TEXAS 76310

EQUIPMENT LEASE BY MUNICIPALITY

PARTIES:

Lessor: FIRST NATIONAL BANK DBA FIRST NATIONAL BANK LEASING
3801 FAIRWAY BLVD.
WICHITA FALLS, TEXAS 76310

Lessee: CLAY COUNTY
214 N. MAIN ST.
HENRIETTA, TX. 76365
TAX ID # 75-6000861

TERMS AND CONDITIONS:

1.) **LEASE:** Lessor leases to Lessee, and Lessee leases from Lessor the Equipment listed in "Equipment Information" (the "Equipment"). Said Equipment will be located inside CLAY County and will not be moved to another location without written permission first given by Lessor. Lessor acknowledges receipt of the first Lease payment referred to on Exhibit 1 from Lessee. Any amounts received by the Lessor from Lessee, at or prior to the date of this Lease, in excess of the first Lease payment as shown on Exhibit 1, shall be held as security for the performance of the terms of this Lease. If Lessee is not in default hereunder, or under any other lease between the parties hereto, said security shall be applied toward the payment of Lease at the end of the term of this Lease, or (at Lessor's option) returned to Lessee.

2.) **ACCEPTANCE; DELIVERY:** Lessee agrees that it has selected the Equipment, and the Lessor shall not be liable for specific performance or for damages, if any, if for any reason the vendor delays or fails to fill the Equipment order. Lessee shall accept such Equipment as delivered by Lessor and authorizes Lessor to insert the serial number and any additional descriptive matter in "Equipment Information" in connection with the Equipment. Lessee represents that it has acquired the Equipment in accordance with applicable Texas bid or procurement law.

3.) **WARRANTIES AND REPRESENTATIONS:** Lessee agrees that all maintenance, service, and Equipment warranties, are the sole obligation of the vendor or supplier of the Equipment and not Lessor. Lessor authorizes the Lessee to enforce in Lessee's own name any warranty, agreement or representation, if any, which may be made regarding the Equipment by the vendor or supplier BUT LESSOR ITSELF MAKES NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, AS TO THE CONDITION OF THE EQUIPMENT AT TIME OF LEASE. Lessor specifically disclaims any representation or warrant with regard to merchantability or fitness for a particular use or purpose. Lessee has inspected the Equipment and has selected the Equipment to be financed by this Lease. Lessor is merely providing financing for such Equipment. Lessor is not the vendor of the Equipment, and Lessor makes no warranties in regard to the Equipment. All warranties regarding the Equipment, including but not limited to the warranties of MERCHANTABILITY and FITNESS FOR A PARTICULAR USE OR PURPOSE are expressly disclaimed by Lessor.

The disclaimers or limitations in this Section 3 do not apply to any warranties made by the vendor or supplier of the Equipment, all of which may be enforced by Lessee. Lessor retains all rights to make warranty claims and settle all warranty disputes on the Equipment in either Lessor's or Lessee's name and for Lessor's benefit without notice to, or consent from, Lessee.

4.) **LEASE PAYMENTS:** The total Lease payments for lease of the Equipment are shown on Exhibit 2. Lessee promises and agrees to pay all specified Lease payments in advance on or before the date designated for the payments in Exhibit 2 without demand. Said Lease payments shall be payable at the office of Lessor, or to such other person and/or at such other place as Lessor may from time to time designate to Lessee in writing.

In the event this Lease is not "bank qualified" under Section 265(b)(3) of the Internal Revenue Code or if the interest portion of the Lease payments is not excluded from federal income taxation, the Lease payments shall be recalculated using a "Gross Up Rate" (meaning a new interest rate on the amount funded by Lessor) of the *Wall Street Journal* Prime Rate +4% per annum, as in effect for the entire period of non-bank qualified status, or taxability.

5.) **LEASE TERM:** This Lease shall have a term commencing on the Date of Acceptance by Lessee (shown in the "Lessee's Acceptance") until the Lease End Date as set forth on Exhibit 1.

6.) **OWNERSHIP; RETURN; PERSONAL PROPERTY:** Subject to all rights granted to or retained by Lessor under this Agreement (including Lessee's unconditional obligation to return possession and title to the Equipment to Lessor at the end of the term of this Lease regardless of the reason for termination unless Lessee pays the Purchase Option Price in full) title to the Equipment shall be in the name of the Lessee. Upon the termination of this Lease for any reason, Lessee will immediately return said Equipment and all additions to the Equipment to Lessor in as good condition as received, normal wear and tear excepted, or Lessee may purchase the Equipment for the Purchase Option Price then in effect. Any profit or loss from disposition of the Equipment after it is returned to Lessor will be the sole property of Lessor. The Equipment shall always remain and be deemed personal property even though attached to realty. All replacements, Equipment repairs or accessories made to or placed in or upon said Equipment shall become a component part thereof; and title thereto shall be immediately vested in Lessor; and shall be included under the terms hereof. All advances made by Lessor to preserve said Equipment or to pay insurance premiums for insurance thereon or to discharge and pay any taxes, liens or encumbrances thereon shall be added to the unpaid balance of Lease Payments due hereunder and shall be repayable by Lessee to Lessor immediately together with interest thereon at the rate of the maximum rate allowed by law.

Lessee hereby grants to Lessor and Lessor's assigns a consensual security interest in and lien against the equipment as fully described in Exhibit 1 attachment. If ownership of the Equipment is evidenced by a certificate of title (for example, a motor vehicle), such title shall be endorsed to show Lessor or Lessor's assigns as a lienholder. Lessee further consents to Lessor filing a UCC-1 Financing Statement to reflect Lessor's security interest in the Equipment. Lessee shall return the title, endorsed to Lessor or Lessor's assigns, at the same time Lessee returns the Equipment. Should Lessee fail to return the title endorsed to Lessor, Lessee hereby designates Lessor or Lessor's assigns as having full legal power and authority (including a limited irrevocable power of attorney coupled with an interest) either to apply for a new title in Lessor's name, or to endorse the current title to Lessor's name. At the end of the Term or other termination of this Agreement, if Lessee has not exercised its rights to purchase the Equipment, and paid the Purchase Option Price in full, the Equipment shall be returned to Lessor as provided above, and such return shall not be deemed a forced sale under Texas law.

7.) **PURCHASE OPTION:** If no Event of Default has occurred and is continuing, Lessee shall have the option at any time to purchase all (but not less than all) the Equipment at the price stated in Exhibit 1, plus any applicable sales taxes and fees (all being the "Purchase Option Price"), it being understood no taxes are due under current Texas law. Lessee must give Lessor irrevocable written notice at least 30 days before the purchase date that it will purchase the Equipment unless the purchase is being made at the end of the term of this Agreement and the Purchase Option Price is \$1.00. The Purchase Option Price as defined in Exhibit 1 shall be used for any purchase of the Equipment by the Lessee prior to the end of the scheduled term. Upon payment by Lessee of the Purchase Option Price, Lessor shall transfer all of Lessor's rights in the Equipment to Lessee AS-IS, WHERE-IS AND WITH ALL FAULTS without any representation or warranty whatsoever.

Lessee may also buy the Equipment at any time prior to the end of the full stated Lease term by paying to Lessor:

- (a) the remaining unpaid balance of the principal payments due for the entire stated term of the Lease shown on Exhibit 2 (the Lease payments have both a principal and interest component like any loan); plus
- (b) accrued but unpaid interest on such principal amount as of such purchase date.

The Lessor will calculate such payments and furnish them to Lessee as requested.

8.) **ASSIGNMENT:** Lessor may assign this Lease and its assignee may reassign the same, without the consent of Lessee. All rights of Lessor hereunder shall be succeeded to by any assignee hereof and said assignee's title to this Lease, to the Lease payments or other amounts due hereunder, and in and to the Equipment shall be free from all defenses, setoffs or counterclaims of any kind or character which Lessee may be entitled to assert against the original Lessor; it being understood and agreed that any assignee of Lessor does not assume any obligations of the original Lessor herein named.

Neither this Lease nor any interest herein is assignable or transferable by operation of law, or otherwise, by Lessee.

9.) **LOSS; DAMAGE; INSURANCE:** As between Lessor and Lessee, Lessee assumes the entire risk of loss from all use and operation of the Equipment and no such loss shall relieve Lessee of its obligations hereunder. To the full extent permitted by law, Lessee agrees to and does hereby release, indemnify and hold Lessor harmless, from and against all claims, costs, expenses, damages and liabilities, court costs including reasonable attorney fees resulting from or pertaining to the ownership, use or operation of the Equipment during the term of this Agreement subsequent to the termination or expiration of this Agreement or while said Equipment is otherwise in possession of the Lessee. Lessee agrees to keep the Equipment insured (i.e., property insurance) to protect all interests of Lessee and Lessor, at Lessee's expense, against all risks of loss or damage from every cause whatsoever for not less than the unpaid balance of the Lease payments due hereunder to maturity or 80% of the then current value of said Equipment, whichever is higher. Lessee shall further maintain commercial general liability insurance regarding injury, damage to the Equipment, injury or damages to third parties or death resulting out of the operation of the Equipment during the term hereof or while the Equipment is in the possession of Lessee, and including any liability of Lessor for public liability and property damage. Lessor may, but shall not be obligated to, insure said Equipment at the expense of Lessee for any purpose for which insurance may be purchased. The proceeds from such insurance policies shall be paid to Lessor as its interests may appear and Lessor shall be named as lien holder and loss payee in all said policies. The proceeds of such insurance, whether resulting from loss or damage or return premium or otherwise, shall be applied toward the replacement or repair of the said Equipment or the payment of obligations of Lessee hereunder, at the option of Lessor or Lessor's assigns. Lessee hereby appoints Lessor and Lessor's assigns as Lessee's attorney-in-fact to make claims for, compromise and settle, receive payment of and execute or endorse all documents, checks or drafts for loss or damage or return premium under any insurance policy issued in regard to said Equipment.

Lessor and Lessee acknowledge that Lessor is only leasing the Equipment, and Lessor does not hold title to, use, operate, control or maintain the Equipment, all of which shall be done by Lessee during the term hereof.

10.) **USE; TAXES; INSPECTION AND CONDITION:** Lessee agrees to use, operate and maintain said Equipment in accordance with all applicable laws; to pay all licensing or registrations fees for said Equipment and to keep the same free of levies, liens and encumbrances; to file all personal property tax returns (if any are due on the Equipment), to pay all taxes, assessments, fees and penalties which may be levied or assessed on or in respect to said Equipment or its use or any interest therein, or upon the Lease payments (provided Lessor shall pay its own income taxes on the Lease payments), including but not limited to, all federal, state and local taxes, however designated, levied or assessed upon the Lessee and Lessor or either of them in regard to said Equipment, or upon the use or operation thereof. Lessee shall permit Lessor to inspect said Equipment at any time; and to keep it in first class condition and repair at Lessee's expense and house the same in suitable shelter; and not to sell or otherwise dispose of Lessee's interest therein or in any additions or accessories attached thereto during the term of this Lease.

11.) EVENTS OF DEFAULT; REMEDIES; LATE CHARGES; EXPENSES OF ENFORCEMENT:

(a) Events of Default. In the event Lessee shall default in the payment of any Lease payment due, or any other sums due hereunder for a period of fifteen (15) days or more, or in the event of any default or breach of the terms and conditions of this Lease, or any other lease between the parties hereto, or if any execution or other writ or process shall be issued in any action or proceeding, against the Lessee, whereby the said Equipment may be taken or distrained, or if a proceeding in bankruptcy, receivership or insolvency shall be instituted by or against the Lessee or its property, or if the Lessee shall enter into any agreement or composition with its creditors, breach any of the terms of any loan or credit agreement, or default thereunder, or if the condition of the Lessee's affairs shall so change as to, in the Lessor's opinion, impair the Lessor's security or increase the credit risk involved, then and in that event Lessee shall return the Equipment as provided in Section 6 and Section 11(b). If Lessee fails to do so, the Lessor shall have the right to retake immediate possession of the Equipment, and for such purpose, the Lessor may enter upon any

premises where said Equipment may be and may remove the same therefrom with or without notice of its intention to do same, without being liable to any suit or action or other proceeding by the Lessee.

(b) **Remedies.** If this Lease terminates by reason of event of default (Section 11), non-appropriation (Section 14) or otherwise prior to the end of the entire Lease term shown on Exhibit 1, and if Lessee has not paid the applicable Purchase Option Price Lessor's remedies shall be the following:

- (i) Lessee shall return the Equipment to Lessor as provided in Section 6.
- (ii) Lessor may retain all Lease payments previously paid by Lessee.
- (iii) Upon return of the Equipment full legal title thereto shall be automatically vested in Lessor, and Lessee will deliver evidence of title as provided in Section 6.
- (iv) After return of the Equipment, Lessor may, at its option, sell the Equipment at public or private sale for cash or on credit and may become the purchaser at such sale. Any gain or loss on such sale shall accrue and belong to Lessor.
- (v) Lessor may enforce its rights hereunder by writ of mandamus.

(c) **Late Charges.** Whenever any payment is more than ten (10) days late, the Lessee promises to pay to the Lessor or its assigns, not later than one month thereafter, an amount calculated at the rate of the lesser of (i) five cents per one dollar of each such delayed payment and to make such payments as liquidated damages occasioned by such delay, if allowed by law, or (ii) the maximum rate allowed by law.

(d) **Expense of Enforcement.** Upon default under any provision of this Lease, the Lessee shall be liable for arrears of lease payments, during any period for which Lessee has made appropriation under Section 14, if any. Further, if Lessee fails to return the Equipment (and title, if any) to Lessor, Lessee shall be liable for (i) the expense of re-taking possession and the removal of the Equipment, (ii) court costs, and (iii) Lessor's reasonable attorney fees.

12.) **NON-WAIVER:** The omission by the Lessor at any time to enforce any default or right reserved to it, or to require performance of any of the terms, covenants or provisions hereof by the Lessee at any time designated, shall not be a waiver of any such default or right to which the Lessor is entitled, nor shall it in any way affect the right of the Lessor to enforce such provisions thereafter. The Lessor may exercise all remedies simultaneously, pursuant to the terms hereof, and any such action shall not operate to release the Lessee until the full amount of the Lease Payments due and to become due and all other sums to be paid hereunder have been paid in cash.

13.) **SEVERABILITY:** The provisions of this Lease are severable, and if any one of such provisions are determined to be illegal or unenforceable, the same shall not impair the effectiveness of the remaining provisions hereof.

14.) **SPECIAL PROVISIONS: FISCAL FUNDING:** The Lessee warrants that it has funds available to pay the Lease payments payable pursuant to this Agreement until the end of its current appropriation period and warrants that it presently intends to make payments in each appropriation period from now until the end of the Lease term. The officer of the Lessee responsible for preparation of Lessee's annual budget shall request from its legislative body funding to be paid to Lessor under this Agreement. If notwithstanding the making in good faith of such request in accordance with appropriate procedures and with the exercise of reasonable care and diligence, such legislative body over funding authority does not appropriate funds to be paid to Lessor then at the end of the fiscal year for which Lessee has made appropriation, Lessee shall be released of its obligation to make Lease payments to Lessor due after the end of the period for which appropriation was made, provided the Equipment (and any related title documents) are returned to Lessor by Lessee and at Lessee's expense, in good condition, normal wear and tear excepted. In addition to return of the Equipment pursuant to the terms of this Agreement, Lessor shall retain all sums paid by Lessee and for which appropriation was made. All obligations and payments required of Lessee herein shall be subject to appropriation by Lessee of sufficient funds.

To the extent permitted by law, (i) Lessee may not terminate the Lease in order to purchase, rent or lease property performing functions similar to those performed by the Equipment through the stated maturity date of the Lease, and (ii) Lessee agrees

not to permit functions similar to those performed through the use of the Equipment to be performed by its own employees or by any agency or entity affiliated with or hired by the Lessee.

THIS LEASE IS SUBJECT TO THE TERMS AND CONDITIONS PRINTED ABOVE WHICH ARE MADE A PART HEREOF AND WHICH LESSEE ACKNOWLEDGES THAT IT HAS READ. LESSEE REPRESENTS THAT ALL ACTION TO AUTHORIZE THE EXECUTION OF THIS AGREEMENT ON BEHALF OF THE LESSEE BY THE FOLLOWING SIGNATORIES HAS BEEN TAKEN.

THERE ARE NO ORAL AGREEMENTS BETWEEN THE LESSOR AND LESSEE.

DATE OF ACCEPTANCE: SEPTEMBER 28, 2015

LESSOR: FIRST NATIONAL BANK d/b/a FIRST NATIONAL BANK LEASING

By: 
STEWART COBB
SENIOR VICE PRESIDENT

LESSEE: CLAY COUNTY
214 N. MAIN ST.
HENRIETTA, TX. 76365
TAX ID # 75-6000861


By: 
KENNETH LIGGETT
COUNTY JUDGE - CLAY COUNTY

LESSEE'S ACCEPTANCE

TO VENDOR: ACCEPTANCE MUST BE SIGNED BY LESSEE AND RETURNED TO US BEFORE YOUR INVOICE CAN BE PROCESSED FOR PAYMENT.

We as Lessee agree the above listed Equipment has been inspected by Lessee, is satisfactory in every way, accepted by Lessee and we as Lessee have approved payment of the Total Capitalized Cost by Lessor to Vendor. We, as Lessee, hereby agree that we have fully inspected the Equipment leased hereunder and acknowledged it to be in good condition to our complete satisfaction. We understand that you, as Lessor, make no warranties, either expressed or implied, as to the condition of the Equipment, or its fitness for any particular purpose. We understand that this installation is not made on a trial basis.

LESSEE: CLAY COUNTY
214 N. MAIN ST.
HENRIETTA, TX. 76365
TAX ID # 75-6000861

By: 
KENNETH LIGGETT
COUNTY JUDGE - CLAY COUNTY

DATE OF ACCEPTANCE: SEPTEMBER 28, 2015

TAX AND GENERAL CERTIFICATE

This certificate is given in regard to Lease Purchase Agreement Number 64505 (the "Lease") between FIRST NATIONAL BANK DBA FIRST NATIONAL BANK LEASING and CLAY COUNTY (the "Governmental Entity"). The Lease payments in the Agreement contain both a principal component (for repayment to FIRST NATIONAL BANK DBA FIRST NATIONAL BANK LEASING for the principal amount it financed) and an interest component (as interest to FIRST NATIONAL BANK DBA FIRST NATIONAL BANK LEASING for making the financing available). The interest component is priced at a tax exempt interest rate.

The Governmental Entity hereby states for the benefit of FIRST NATIONAL BANK DBA FIRST NATIONAL BANK LEASING as follows:

1. The Governmental Entity has not and will not fund any other tax exempt debt transaction within 15 days of the funding of the Lease.
2. The Governmental Entity will own and operate the property financed by the Lease.
3. The Governmental Entity will spend all of the money advanced by FIRST NATIONAL BANK DBA FIRST NATIONAL BANK LEASING within no more than two weeks of the date the Lease is funded. None of these funds will be invested.
4. The Lease is not federally guaranteed.
5. The Lease is a privately placed bank loan and is not offered to the general public or a "public security" under Texas law.
6. There is no reserve fund or other specific fund established for payment of the Lease.
7. The proceeds of the Lease are not being used to reimburse the governmental Entity for any previous expenditure made by it. The proceeds of the Lease will be paid immediately to the vendor of the property.
8. The Lease is hereby designated by the Governmental Entity as a "qualified tax exempt obligation" under Section 265(b)(3) of the Internal Revenue Code. The reasonably anticipated amount of tax exempt obligations to be issued by the Governmental Entity during the same calendar year in which the Lease is funded will not exceed \$10,000,000. Additionally, in calculating the \$10,000,000 the Governmental Entity is including all tax exempt debt issued by local development corporations or other entities issuing "on behalf of" the Governmental Entity except private activity bonds other than Section 501(c)(3) bonds.
9. The weighted average maturity of the Lease (meaning when it is approximately one-half paid off) does not exceed 120% of the useful life of the property being financed.

General Provisions

1. The Lease has been duly authorized by the governing body of the Governmental Entity at a meeting which the open meeting notice was posted regarding the Lease transaction, and at which a quorum was present.
2. There is no litigation pending regarding the Lease, or to the best of the knowledge of the Governmental Entity threatened in regard to the Lease.
3. Entering the Lease does not constitute an event of default or contravene any other agreement to which the Governmental Entity is a party.
4. The Governmental Entity has the ability to pay the Lease provided the duty to pay the Lease is subject to annual appropriation as set forth in the Lease documents.
5. The property being financed is personal property for which bids were taken in the manner required by law.
6. The Governmental Entity will use the property for one of its essential purposes.

Signed as of this Sept 28, 2015

(CLAY COUNTY)

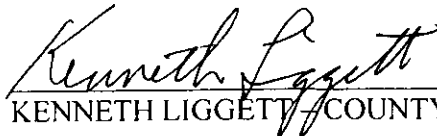

KENNETH LIGGETT, COUNTY JUDGE

Exhibit 1

<u>Model Number</u>	<u>Serial #</u>	<u>EQUIPMENT INFORMATION</u> <u>Item/Description:</u>	<u>Qty</u>	<u>Price</u>
CHU613	1M1AN07YXGM021278	2016 MACK TRUCK From Bruckner's Wichita Falls	1	\$113,185.00
		SUB TOTAL:		\$113,185.00
		TOTAL:		\$113,185.00
		LESS DOWN PAYMENT:		<i>(\$)10,000.00</i>
		Document Fees:		\$65.00
		TOTAL CAPITALIZED COST:		\$103,250.00

SCHEDULE OF LEASE PAYMENTS DURING THE BASE TERM:

No. of Years:	3	Base Lease Payment:	\$10,000.00
No. of Lease Payments:	4	Sales Tax:	N/A
For Business Use Inside: CLAY COUNTY		Property Tax:	N/A
		Total Payment:	\$10,000.00
		Lease End Date:	September 28, 2018

Exhibit 2

Lease payments:

<u>Payment Date</u>	<u>Lease Payment</u>
09/28/15	\$0.00
02/15/16	\$10,000.00 ✓
02/15/17	\$10,000.00
02/15/18	\$10,000.00
09/28/18	\$10,000.00
09/28/18	\$69,284.69
3 Year FMV from Bruckner's \$85,000.00	

Information Return for Tax-Exempt Governmental Obligations

► Under Internal Revenue Code section 149(e)
 ► See separate instructions.
 Caution: If the issue price is under \$100,000, use Form 8038-GC.

OMB No. 1545-0720

Part I Reporting Authority		If Amended Return, check here <input type="checkbox"/>
1 Issuer's name CLAY COUNTY, TEXAS		2 Issuer's employer identification number (EIN) 75-6000861
3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions) STEWART COBB		3b Telephone number of other person shown on 3a 940-687-3112
4 Number and street (or P.O. box if mail is not delivered to street address) 3801 FAIRWAY BLVD.	Room/suite	5 Report number (For IRS Use Only) 3
6 City, town, or post office, state, and ZIP code WICHITA FALLS, TX 76310		7 Date of issue 09-29-2015
8 Name of issue GOVERNMENT LEASE PURCHASE AGREEMENT		9 CUSIP number NONE
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information (see instructions) KENNETH LIGGETT - COUNTY JUDGE		10b Telephone number of officer or other employee shown on 10a 940-538-4651

Part II Type of Issue (enter the issue price). See the instructions and attach schedule.

11 Education	11		
12 Health and hospital	12		
13 Transportation	13	103,250	00
14 Public safety	14		
15 Environment (including sewage bonds)	15		
16 Housing	16		
17 Utilities	17		
18 Other. Describe ►	18		
19 If obligations are TANs or RANs, check only box 19a <input type="checkbox"/>			
If obligations are BANs, check only box 19b <input type="checkbox"/>			
20 If obligations are in the form of a lease or installment sale, check box <input type="checkbox"/>			

Part III Description of Obligations. Complete for the entire issue for which this form is being filed.

	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	09-28-18	\$ 103,250.00	\$ 103,250.00	2.9 years	2.25 %

Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)

22 Proceeds used for accrued interest	22		
23 Issue price of entire issue (enter amount from line 21, column (b))	23	103,250	00
24 Proceeds used for bond issuance costs (including underwriters' discount)	24	65	00
25 Proceeds used for credit enhancement	25		
26 Proceeds allocated to reasonably required reserve or replacement fund	26		
27 Proceeds used to currently refund prior issues	27		
28 Proceeds used to advance refund prior issues	28		
29 Total (add lines 24 through 28)	29	65	00
30 Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	30	103,185	00

Part V Description of Refunded Bonds. Complete this part only for refunding bonds.

31 Enter the remaining weighted average maturity of the bonds to be currently refunded	►	N/A	years
32 Enter the remaining weighted average maturity of the bonds to be advance refunded	►	N/A	years
33 Enter the last date on which the refunded bonds will be called (MM/DD/YYYY)	►	N/A	
34 Enter the date(s) the refunded bonds were issued (MM/DD/YYYY)	►	N/A	

Part VI Miscellaneous

35 Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)	35	0	00
36a Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC) (see instructions)	36a	N/A	
b Enter the final maturity date of the GIC ▶ _____			
c Enter the name of the GIC provider ▶ _____			
37 Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units	37	0	00
38a If this issue is a loan made from the proceeds of another tax-exempt issue, check box ▶ <input type="checkbox"/> and enter the following information:			
b Enter the date of the master pool obligation ▶ _____			
c Enter the EIN of the issuer of the master pool obligation ▶ _____			
d Enter the name of the issuer of the master pool obligation ▶ _____			
39 If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box ▶			<input checked="" type="checkbox"/>
40 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box ▶			<input type="checkbox"/>
41a If the issuer has identified a hedge, check here ▶ <input type="checkbox"/> and enter the following information:			
b Name of hedge provider ▶ _____			
c Type of hedge ▶ _____			
d Term of hedge ▶ _____			
42 If the issuer has superintegrated the hedge, check box ▶			<input type="checkbox"/>
43 If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box ▶			<input type="checkbox"/>
44 If the issuer has established written procedures to monitor the requirements of section 148, check box ▶			<input type="checkbox"/>
45a If some portion of the proceeds was used to reimburse expenditures, check here ▶ <input type="checkbox"/> and enter the amount of reimbursement ▶ _____			
b Enter the date the official intent was adopted ▶ _____			

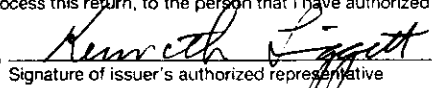
Signature and Consent	Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.			
	 Signature of issuer's authorized representative	9-28-2015 Date	KENNETH LIGGETT - COUNTY JUDGE Type or print name and title	
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed
	Firm's name ▶	Firm's EIN ▶		PTIN
	Firm's address ▶	Phone no.		

Exhibit 1

Model Number	Serial #	EQUIPMENT INFORMATION Item/Description:	Qty	Price
CHU613	IM1AN07YXGM021278	2016 MACK TRUCK From Bruckner's Wichita Falls	1	\$113,185.00
		SUB TOTAL:		\$113,185.00
		TOTAL:		\$113,185.00
		LESS DOWN PAYMENT:		(\$10,000.00)
		Document Fees:		\$65.00
		TOTAL CAPITALIZED COST:		\$103,250.00

SCHEDULE OF LEASE PAYMENTS DURING THE BASE TERM:

No. of Years: 3
 No. of Lease Payments: 4
 For Business Use Inside: CLAY COUNTY

Base Lease Payment: \$10,000.00
 Sales Tax: N/A
 Property Tax: N/A
 Total Payment: \$10,000.00
 Lease End Date: September 28, 2018

9/28/15 103250.00 Balance
 2/15/16 10,000.00 due pd
 2/15/17 10,000.00
 9/28/18 10,000.00

3yr FMV from Bruckners 85,000.00

American National Leasing Company

GOVERNMENT LEASE PURCHASE AGREEMENT NO. 48751C

1/20/2014

PC# 2

LESSOR: **AMERICAN NATIONAL LEASING COMPANY**
2732 Midwestern Parkway
Wichita Falls, TX 76308

LESSEE: **Clay County**
214 N. Main
Henrietta, TX. 76365

VENDORS: **Warren CAT**
1909 Jacksboro Hwy
Wichita Falls, TX 76301

<u>Model Number</u>	<u>Serial #</u>	<u>EQUIPMENT INFORMATION</u> Item/Description:	<u>Qty</u>	<u>Price</u>
140M2	#M9D01756	2014 CAT MOTOR GRADER	1	\$257,000.00
	<i>PC2</i>	TRADE IN: 2011 CAT 140MQ MOTOR GRADER S/N#0B9D03004	1	(\$220,000.00)
		WARREN CAT TOTAL:		\$37,000.00
		PAYOFF TO CATERPILLAR FINANCIAL		\$114,729.49
		EQUIPMENT TOTAL:		\$151,729.49
		LESS DOWN PAYMENT:		(\$0.00)
		Document Fees:		\$65.00
		TOTAL CAPITALIZED COST:		\$151,794.49

Kenneth Lynn
 Lessee: Please Initial

SCHEDULE OF LEASE PAYMENTS DURING THE BASE TERM:

No. of Years:	5	Base Lease Payment:	\$7,500.00
No. of Lease Payments:	6	Sales Tax:	EXEMPT
For Business Use Inside:	Clay County	Property Tax:	EMEMPT
		Total Payment:	\$7,500.00
		Lease End Date:	JANUARY 28,2019

[END OF LEASE PURCHASE OPTION]

If the Lessee makes all the Lease payments on Schedule A for the entire stated term, Lessee may buy the Equipment for \$1.00.

TERMS AND CONDITIONS

1.) **LEASE:** Lessor leases to Lessee, and Lessee leases from Lessor the Equipment listed in "Equipment Information" (the "Equipment"). Said Equipment will be located at the above address of the Lessee and will not be moved to a new location without written permission first given by Lessor. Lessor acknowledges receipt of the first Lease payment referred to above from Lessee. Any amounts received by the Lessor from Lessee, at or prior to the date of this Lease, in excess of the first Lease payment as shown above, shall be held as security for the performance of the terms of this Lease. If Lessee is not in default hereunder, or under any other Lease between the parties hereto, said security shall be applied toward the payment of Lease at the end of the term of this Lease, or (at Lessor's option) returned to Lessee.

2.) **COMPLETE AGREEMENT:** This document (referred to as the "Lease" or the "Agreement") constitutes the entire agreement between Lessor and Lessee regarding the Equipment. No verbal representation or statement made by any representative of the Lessor or Lessee shall be binding unless expressly stated herein. Whenever the word Lessor is used herein, it shall include both the original Lessor and all assignees of Lessor.

3.) **ACCEPTANCE; DELIVERY:** Lessee agrees that it has selected the Equipment, and the Lessor shall not be liable for specific performance or for damages, if any, if for any reason the vendor delays or fails to fill the Equipment order. Lessee shall accept such Equipment delivered in good condition and authorizes Lessor to insert the serial number and any additional descriptive matter in "Equipment Information" in connection with the Equipment.

4.) **MAINTENANCE:** Lessee agrees that all maintenance, service, and Equipment warranties, are the sole obligation of the vendor or supplier of the Equipment. Lessor authorizes the Lessee to enforce in Lessee's own name any warranty, agreement or representation, if any, which may be made regarding the Equipment by the vendor or supplier BUT LESSOR ITSELF MAKES NO EXPRESS OR IMPLIED WARRANTIES AS TO THE EQUIPMENT WHATSOEVER. Lessee has selected the Equipment to be financed by this Lease and Lessor is merely providing financing for such Equipment. Lessor is not the vendor of the Equipment, and Lessor makes no warranties in regard to the Equipment. All warranties regarding the Equipment, including but not limited to the warranties of MERCHANTABILITY and FITNESS FOR A PARTICULAR PURPOSE are expressly disclaimed by Lessor.

The disclaimers or limitations in this Section 4 do not apply to any warranties made by the vendor or supplier of the Equipment, all of which may be enforced by Lessee.

5.) **LEASE PAYMENTS:** The total Lease payments for lease of the Equipment are shown on Exhibit A. Lessee promises and agrees to pay all specified Lease payments in advance on or before the date designated for the payments in Exhibit A without demand. Said Lease payments shall be payable at the office of Lessor, or to such other person and/or at such other place as Lessor may from time to time designate to Lessee in writing.

In the event this Lease is not "bank qualified" under Section 265(b)(3) of the Internal Revenue Code (meaning Lessee or its subordinate entities issue more than \$10,000,000 in tax exempt debt during the same calendar year this Lease is funded), or if the interest portion of the Lease payments is not excluded from federal income taxation, the Lease payments shall be recalculated using a "Gross Up Rate" (meaning a new interest rate on the amount funded by Lessor) of N.Y. Prime +4% per annum.


Lessee: Please Initial

presently intends to make payments in each appropriation period from now until the end of the Lease term. The officer of the Lessee responsible for preparation of Lessee's annual budget shall request from its legislative body funding to be paid to Lessor under this Agreement. If notwithstanding the making in good faith of such request in accordance with appropriate procedures and with the exercise of reasonable care and diligence, such legislative body over funding authority does not appropriate funds to be paid to Lessor then at the end of the fiscal year for which Lessee has made appropriation Lessee shall be released of its obligation to make Lease payments to Lessor due after the end of the period for which appropriation was made, provided the Equipment (and any related title documents) are returned to Lessor by Lessee and at Lessee's expense, in good condition, normal wear and tear excepted. In addition to return of the Equipment pursuant to the terms of this Agreement, Lessor shall retain all sums paid by Lessee and for which appropriation was made. To the extent permitted by law, Lessee may not terminate the Lease in order to purchase, rent or lease property performing functions similar to those performed by the Equipment, and agrees not to permit functions similar to those performed through the use of the Equipment to be performed by its own employees or by any agency or entity affiliated with or hired by the Lessee.

15.) **SEVERABILITY:** The provisions of this Lease are severable, and if any one of such provisions are determined to be illegal or unenforceable, the same shall not impair the effectiveness of the remaining provisions hereof.


Lessee: Please Initial

THIS LEASE IS SUBJECT TO THE TERMS AND CONDITIONS PRINTED ABOVE WHICH ARE MADE A PART HEREOF AND WHICH LESSEE ACKNOWLEDGES THAT IT HAS READ. LESSEE REPRESENTS THAT ALL ACTION TO AUTHORIZE THE EXECUTION OF THIS AGREEMENT ON BEHALF OF THE LESSEE BY THE FOLLOWING SIGNATORIES HAS BEEN TAKEN.

Date of Acceptance: January 28, 2014

Lessor: American National Leasing Company

By: Mike Cuba
Mike Cuba
President

Lessee(s): Clay County
214 N. Main
Henrietta, TX. 76365
Federal Tax ID# 75-6000861

By: Kenneth Liggett
Kenneth Liggett
Clay County Judge

LESSEE'S ACCEPTANCE

TO VENDOR (WARREN CAT) ACCEPTANCE MUST BE SIGNED BY LESSEE AND RETURNED TO US BEFORE YOUR INVOICE CAN BE PROCESSED FOR PAYMENT.

We as Lessee agree the above listed Equipment is satisfactory in every way, accepted by us and we as Lessee have approved payment of the Total Capitalized Cost by Lessor to Vendor. We, as Lessee, hereby agree that we have fully inspected the Equipment leased hereunder and acknowledged it to be in good condition to our complete satisfaction. We understand that you, as Lessor, make no warranties, either expressed or implied, as to the condition of the Equipment, or its fitness for any particular purpose. We understand that this installation is not made on a trial basis.

Lessee(s): Clay County
214 N. Main
Henrietta, TX. 76365
Federal Tax ID# 75-6000861

Date of Acceptance: January 28, 2014

By: Kenneth Liggett
Kenneth Liggett
Clay County Judge

WEL
Lessee: Please Initial

Purchase Price 257,000.00
Purchase date Jan 14
#1756
140M 2014 Motor Grader Exhibit A

Lease payments

<u>Payment Date</u>	<u>Lease Payment</u>
1/28/14	\$0.00 151,794.49
3/15/14	\$7,500.00
3/15/15	\$7,500.00
3/15/16	\$7,500.00
3/15/17	\$7,500.00
3/15/18	\$7,500.00
1/28/19	\$129,677.55

Buy BACK
120802 - 3 YEAR 190,000
111,131 - 5 YEAR 175,000

Exhibit A

167,177.55


Lessee: Please Initial

Exhibit A

Purchase Option Price

If Lessee has made all the Lease payments shown on Exhibit A for the entire stated term of the Lease, Lessee may buy the Equipment free and clear of all rights of the Lessor for \$1.00.

Lessee may also buy the Equipment at any time prior to the end of the full stated Lease term by paying to Lessor:

- (a) the remaining unpaid balance of the principal payments due for the entire stated term of the Lease shown on Exhibit A (the Lease payments have both a principal and interest component like any loan), plus
- (b) accrued but unpaid interest on such principal amount as of such purchase date.

The Lessor will calculate such payments and furnish them to Lessee as requested.

CAT

SALES AGREEMENT

DATE CALLS/1/15 1/20/14 Jan 20, 2014

WARREN CAT, PO BOX 80662, MIDLAND, TX 79711-0622 Phone: (432) 671-4200

PURCHASER: CLAY COUNTY 2
 STREET ADDRESS: 214 NORTH MAIN ST
 CITY/STATE: HEBERTTIA, TX
 POSTAL CODE: 76365-2800 COUNTY: CLAY (077)
 EQUIPMENT: JOHNNY GEE PHONE NO.: 940 767 5707
 PRODUCT SUPPORT: JOHNNY GEE
 INDUSTRY CODE: GOVT ROAD CONST & MAINT (207R) PRINCIPAL WORK CODE: _____ F.O.B. AT: DEAN

CUSTOMER NUMBER: 9973192 Sales Tax Exemption # (if applicable): TAX/EX GOVT/TX CUSTOMER PO NUMBER: J GEE
 PAYMENT TERMS: NET PAYMENT ON RECEIPT OF INVOICE NET ON DELIVERY FINANCIAL SERVICES CBO LEASE
 CASH WITH ORDER: \$0.00 BALANCE TO FINANCE: \$0.00 CONTRACT INTEREST RATE: 0%
 PAYMENT PERIOD: _____ PAYMENT AMOUNT: \$0.00 NUMBER OF PAYMENTS: 0 OPTIONAL BUY-OUT: _____

DESCRIPTION OF EQUIPMENT ORDERED / PURCHASED			
MAKE: CATERPILLAR	MODEL: 140M2	YEAR: 2014	
STOCK NUMBER: CS9816	SERIAL NUMBER: M9D01756		
140M2 MOTOR GRADER	353-2919	MIRRORS, OUTSIDE MOUNTED	
MOLDBOARD, 14 FT, FLAT	349-3048	GUARD, TRANSMISSION	233-3295
RIPPER-SCARIFIER, REAR	324-0889	PUSH PLATE	366-2459
WEATHER, COLD	353-3317	SHANKS/TEETH FOR SCARIFIER	367-6842
BASE & 1 (RIP)	354-4112		4K-3330
LIGHTS, FRONT HEADLIGHTS, HIGH	309-9881		
STARTER, ELECTRIC, HEAVY DUTY	325-6336		
CAB, PLUS (STANDARD GLASS)	389-7322		
PRODUCT LINK, SATELLITE PL321	373-6739		
TIRES, 14.0R24 MX XGLA2 1" MP	252-0679		
GUARD GP, HITCH	323-6970		
ANTIFREEZE WINDSHIELD WASHER	0P-1939		
COMFORT PACKAGE	391-8968		
LIGHTS, WORKING, PLUS	353-3320		
A, REAR VISION	391-2914		

TRADE-IN EQUIPMENT	SERIAL NO.	Sell Price	Ext Warranty
2011 140M2 ER - CATERPILLAR (AA)	089D03004	\$257,000.00	Included
			Less Gross Trade Allowance
			(\$220,000.00)
			After Tax Balance
			\$37,000.00

ALL TRADE-INS ARE SUBJECT TO EQUIPMENT BEING IN "AS INSPECTED CONDITION" BY VENDOR AT TIME OF DELIVERY OF REPLACEMENT MACHINE PURCHASE ABOVE.
 GROSS TRADE ALLOWANCE: _____
 PAYOUT TO: _____ AMOUNT OWING: _____
 CUSTOMER TO PAYOUT WARREN CAT TO PAY OUT

UNPURCHASER HEREBY SELLS THE TRADE-IN EQUIPMENT DESCRIBED ABOVE TO THE VENDOR AND WARRANTS IT TO BE FREE AND CLEAR OF ALL CLAIMS, LENS, MORTGAGES AND SECURITY INTEREST EXCEPT AS SHOWN ABOVE.
 CATERPILLAR EQUIPMENT WARRANTY INITIAL: _____
 USED EQUIPMENT WARRANTY INITIAL: _____
 The customer acknowledges that he has received a copy of the Warren CAT/Caterpillar Warranty and has read and understood said warranty. Scheduled oil sampling (S.O.S.) is mandatory with this warranty. The customer is responsible for taking oil samples at designated intervals from all power train components and failure to do so may result in voiding the warranty.
 Standard 12 Month Unlimited Hour Full Machine Coverage
 GOVT New Machine 5 Years / 5000 Hours PREMIER

NET PURCHASE: \$ YR/5000 HRS \$175,000 3YR/3000 HRS \$190,000
THIS AGREEMENT IS SUBJECT TO THE TERMS AND CONDITIONS ON THE REVERSE

Notice is hereby given that Warren Power & Machinery, Inc. has assigned to Warren Exchange LLC its rights (but not its obligations) to sell certain equipment held for rental purposes.

RECEIVED BY: Phil Denny APPROVED AND ACCEPTED ON: _____ PURCHASER
 REPRESENTATIVE: CLAY COUNTY 2 BY: _____ SIGNATURE
 TITLE: _____

OTHER TERMS AND CONDITIONS

PAYMENT AND SECURITY INTEREST:

Unless otherwise indicated above, payment shall be made in full on or before Purchaser takes possession of Equipment. If full payment is not made prior to possession, then Purchaser grants to Seller a security interest in the Equipment and all proceeds thereof to secure payment of the Purchase Price and any and all liabilities and obligations of Purchaser to Seller. Seller may file Financing Statements, Continuation Statements, or any other such documents all without Purchaser's signature and at the expense of Purchaser. Any delinquent payment shall bear interest from the date it is due until paid at the highest interest rate permitted under applicable law.

HERE AND WHOM TO MAKE PAYMENTS:

If the Equipment is purchased from one of Seller's locations in the state of Texas, all payments shall be sent to P.O. Box 842116, Dallas, TX 75284. If the Equipment was purchased from one of Seller's locations in the state of Oklahoma, all payments shall be sent to Dept. 1944, Tulsa, OK 74182. Seller may designate in writing to Purchaser such other place(s) for payment. All checks shall be made payable to Warren Cat.

DEFINITION OF WARREN CAT AND SELLER:

Warren Cat and Seller are defined as Warren Power & Machinery, Inc.

DELIVERY AND INSPECTION OF EQUIPMENT:

The Equipment shall be shipped to the location on the date stated in this Agreement. Shipping Date stated above is an estimate only, and if Equipment is not available or ready on that date it will be made available as reasonably soon thereafter as possible. PURCHASER SHALL INSPECT THE EQUIPMENT PRIOR TO SHIPMENT AND ONCE PURCHASER HAS AGREED TO AND AUTHORIZED THE SHIPMENT OF THE EQUIPMENT, IT SHALL BE CONCLUSIVELY PRESUMED THAT PURCHASER HAS FULLY INSPECTED AND ACCEPTED THE EQUIPMENT AS BEING IN GOOD CONDITION AND IN CONFORMITY WITH THIS AGREEMENT. Purchaser shall pay (to Seller or to third parties) all transportation costs in advance for delivery of the Equipment including but not limited to: loading, unloading, installing, dismantling, hauling, demurrage, freight and switching charges.

RISK OF LOSS AND INSURANCE.

Purchaser assumes all risks of loss and full responsibility for all loss or damage to Equipment from the date of this Agreement. Purchaser shall immediately provide and maintain in full force and effect the following policies of insurance: (a) fire, theft, and other hazards in sufficient amounts to cover the full replacement value of the Equipment; (b) comprehensive policy of public liability for each item of Equipment with the following minimum limits: (i) bodily injury - \$1,000,000; and (ii) property damage - \$1,000,000. In each policy, Seller shall be named as an additional insured and/or loss payee. Purchaser shall promptly furnish to Seller certificates or copies of each policy of insurance. Each policy shall provide for twenty (20) days written notice to Seller of the cancellation or material modification of the policy.

TRANSFER OF EQUIPMENT AND WARRANTY OF TITLE:

For value received, Seller does hereby sell, convey, assign, and transfer the Equipment to Purchaser to be effective only after full payment of the Purchase Price. Seller warrants and delivers title unto Purchaser free and clear of any and all liens, security agreements, and encumbrances. The Seller hereby binds Seller, and its successors and assigns, to warrant and defend the title of the property described herein to Purchaser, and Purchaser's successors and assigns, forever against every person whomsoever lawfully claiming or to claim such Equipment or any part thereof.

WARRANTY, CLAIMS, AND DAMAGES:

The warranties on the Equipment shall be the manufacturer's warranties, if any, and only if in writing. There are no warranties from Seller. Purchaser shall look to the manufacturer for the description of the warranty and for any warranty claims. Purchaser acknowledges and agrees that the Equipment is of a size, design, and manufacture selected by Purchaser and is suitable for Purchaser's purposes and contains all safety features deemed necessary to Purchaser. No affirmation, representation, or warranty made by an employee or agent of Seller shall be enforceable unless it is specifically included in this Agreement. SELLER MAKES NO EXPRESS OR IMPLIED REPRESENTATION, COVENANT, OR WARRANTY AS TO THE EQUIPMENT INCLUDING MERCHANTABILITY, QUALITY, CONDITION, DURABILITY, SUITABILITY, FITNESS FOR USE, FITNESS FOR ANY PARTICULAR PURPOSE OR ANY OTHER WARRANTY WHATSOEVER. THE EQUIPMENT IS SOLD "AS IS, WHERE IS" AND SUBJECT TO ALL FAULTS. SELLER SHALL NOT BE LIABLE FOR LOSS OR TIME, INCONVENIENCE, COMMERCIAL LOSS, OR CONSEQUENTIAL DAMAGES. Seller shall not be liable to Purchaser, for any failure of the Equipment to operate, or for any delay, loss, or expense caused thereby or for any interruption of service or use of the Equipment while such Equipment is undergoing servicing or repair. Seller shall not be required to furnish replacement Equipment or to grant any credit because of such loss of use of the Equipment while undergoing repairs or because of inclement weather.

TRADE-IN PROPERTY:

Purchaser's designation for the credit against the Purchase Price and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Purchaser does irrevocably sell, assign, transfer and convey unto Seller, its successors and assigns, the Trade-in Property described above. Purchaser represents and warrants that Purchaser is the sole owner of the Trade-in Property, that Purchaser has full power and authority to sell the Trade-in Property, and that there are no liens, claims, debts, mortgages or encumbrances of any kind, nature, or description against the Trade-in Property, of record or otherwise. The Purchaser hereby binds Purchaser, and its successors and assigns, to warrant and defend the title of the property described herein to Seller, and Seller's successors and assigns, forever against every person whomsoever lawfully claiming or to claim such Trade-in-Property or any part thereof. Purchaser represents and warrants that the Trade-in Property is in good working condition, that there are no defects (latent or patent), and that there are no undisclosed conditions or defects.

JURISDICTION AND VENUE:

If the Equipment was sold from one of Seller's locations in the State of Texas, jurisdiction and venue of any dispute arising from or related to this Agreement shall be in Midland County, Texas and the laws of the State of Texas shall govern the dispute. If the Equipment was sold from one of Seller's locations in the State of Oklahoma, jurisdiction and venue of any dispute arising from or related to this Agreement shall be in Oklahoma County, Oklahoma, and the laws of the State of Oklahoma shall govern the dispute.

ARBITRATION:

Any claim by Purchaser against Seller arising out of or related to this Agreement or to the Equipment, Trade-in-Property, repairs, warranties, etc. shall, at the option of Seller, be tried and decided by binding arbitration conducted in Midland County, Texas, in accordance with the Commercial Arbitration Rules of the American Arbitration Association. The judgment by the arbitrator(s) shall be final, and judgment upon the decision rendered may be entered in any court having jurisdiction thereof.

MISCELLANEOUS PROVISIONS:

This Agreement is the entire agreement between the parties hereto containing all agreed upon terms and conditions, and it supersedes and cancels any and all prior agreements and negotiations, whether written or oral. Time is of the essence in the performance of this Sale. Seller is not in any way or for any purpose a partner of or joint venture with Purchaser. If any one or more provisions of this Agreement shall be found to be illegal or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. Purchaser and Seller will execute and deliver all other documents as may be reasonably needed to effectuate and complete the transaction(s) the subject of this Agreement. Both parties hereby represent and warrant that the person executing this Agreement has the proper authority from their respective entities to bind the entities to this Agreement. This Agreement may be executed by facsimile or electronically which shall have the same effect as an original signature.

WARRANTY:

PURCHASER SHALL PROTECT, INDEMNIFY, AND SAVE SELLER AND ITS ASSIGNS HARMLESS AGAINST ANY AND ALL CLAIMS, DEMANDS, AND CAUSES OF ACTION OF EVERY KIND AND CHARACTER WHATSOEVER, INCLUDING ATTORNEYS FEES, ARISING IN FAVOR OF ANY PERSON, INCLUDING EMPLOYEES OF PURCHASER, ON ACCOUNT OF PERSONAL INJURIES OR DAMAGES TO PROPERTY OCCURRING, GROWING OUT OF, INCIDENT TO, OR RESULTING DIRECTLY OR INDIRECTLY FROM THE SELECTION, PURCHASE, OWNERSHIP, DELIVERY, USE, OPERATION, MAINTENANCE, REPAIR, OR RETURN OF THE EQUIPMENT WHETHER SUCH LOSS, DAMAGE, OR INJURY OR LIABILITY ARISES FROM OR IS CONTRIBUTED TO BY THE NEGLIGENCE OF THE SELLER OR EMPLOYEES, AND WHETHER DUE OR CONTRIBUTED TO BY IMPERFECTIONS OR DEFECTS OF THE EQUIPMENT, WHETHER LATENT OR PATENT, OR ANY OTHER CAUSES WHATSOEVER.

WAIVER OF DTPA RIGHTS:

PURCHASER WAIVES ITS RIGHTS UNDER THE DECEPTIVE TRADE PRACTICES-CONSUMER PROTECTION ACT, SECTION 17.41 ET SEQ., TEXAS BUSINESS AND COMMERCE CODE, A LAW THAT GIVES CONSUMERS SPECIAL RIGHTS AND PROTECTIONS. AFTER CONSULTATION WITH AN ATTORNEY OF PURCHASER'S CHOICE, PURCHASER VOLUNTARILY CONSENTS TO THIS WAIVER.

OTHER PROVISIONS:

CUSTOMER ORIGINAL INVOICE



Remit To: Warren CAT
 P.O. Box 842116
 Dallas, Texas 75284-2116
 Toll Free (866) 2WARREN
 (432) 571-4242

SOLD TO
 CLAY COUNTY 2
 BOARD OF COUNTY COMMISSIONERS
 214 NORTH MAIN ST
 HENRIETTA, TX 76365-2800

SHIP TO
 CLAY COUNTY 2
 SHIP DATE 1/24/14
 SHIPPED FROM WICHITA FALLS
 FOB CLAY COUNTY 2
 SHIPPED TO CLAY COUNTY 2

INVOICE NUMBER	INVOICE DATE	CUSTOMER NUMBER	CUSTOMER ORDER NUMBER	STORE	DRY	SALESMAN	TERMS	PAGE
S8742401	01-27-14	9973192		08	G	217	2	1
PROJNO NUMBER	DOC DATE	PC	LC	MC	SHIP VIA			
S87424	08-27-13			10				
MAKE	MODEL	SERIAL NUMBER	EQUIPMENT NUMBER	METER READING	MACH. I.D. NUMBER			
AA	140M2	M9D01756		.0	C59816			
QUANTITY	ITEM	N/R	DESCRIPTION	UNIT PRICE	EXTENSION			

CUSTOMER CONTACT: JOHNNY GEE
 TAX EXEMPTION LICENSE TAX/EX GOVT/TX

EQUIPMENT SALE
 CATERPILLAR MODEL 140M2
 MOTOR GRADER

1.0	ID NO: C59816	SERIAL NO: M9D01756	37000.00
	REF: 353-2919	PIN: *CAT0140MAM9D01756*	
1.0	REF: 0P-9002	LANE 2, ORDER	
1.0	363-3910	GLOBAL ARRANGEMENT, LOW AMBIENT	
1.0	349-3048	MOLDBOARD, 14' PLUS	
1.0	324-0889	RIPPER-SCARIFIER, REAR	
1.0	353-3317	WEATHER, COLD	
1.0	305-2927	LINES, STANDARD W/O ACCUMULATOR	
1.0	356-8649	PRECLEANER	
1.0	358-9337	INSTALLATION AR- BOX FRAME	
1.0	354-4112	BASE & 1 (RIP)	
1.0	309-9881	LIGHTS, FRONT HEADLIGHTS, HIGH	
1.0	325-6336	STARTER, ELECTRIC, HEAVY DUTY	
1.0	389-7322	CAB, PLUS (STANDARD GLASS)	
1.0	373-6739	PRODUCT LINK, SATELLITE PL321	
1.0	362-5222	NO ACCUGRADE	
1.0	252-0679	TIRES, 14.0R24 MX XGLA2 1* MP	
1.0	323-6970	GUARD GP, HITCH	
1.0	310-0725	LANGUAGE, ENGLISH	
1.0	0P-1939	ANTIFREEZE WINDSHIELD WASHER	
1.0	391-8968	COMFORT PACKAGE	
1.0	353-3320	LIGHTS, WORKING, PLUS	
1.0	391-2914	CAMERA, REAR VISION	

TERMS OF PAYMENT: Unless specific terms of payment are stated above, which shall then be the governing terms hereof, this invoice shall otherwise be due and payable in full 30 days from invoice date. Performance under this invoice along with jurisdiction and venue shall be in County, Texas. TITLE TO EQUIPMENT LISTED ON THIS INVOICE SHALL REMAIN IN WARREN CAT UNTIL PURCHASE PRICE IS PAID IN FULL.

Thank You!

PLEASE PAY THIS AMOUNT	
AMOUNT CREDITED	

Claims for damages and shortages will not be considered unless made within fifteen days after receipt of shipment. Our responsibility ceases upon obtaining receipt from transportation company.

- ARLICK, TX
3801 So. Treadway
(325) 692-1600
- AMARILLO, TX
140 AT F.M. 1912
(806) 335-1511
- DALLART, TX
1801 E. 16TH
(806) 248-8772
- LURBOCK, TX
702 Blanton Road East
(806) 748-4485
- MIDLAND, TX
3809 S. FM 1788
(432) 571-4242
- ODESSA, TX
2301 Production
(432) 332-1681
- SAN ANGELO, TX
5102 LINK ROAD
(325) 856-1100
- WICHITA FALLS, TX
1808 Jacksboro Hwy.
(840) 767-4384

Warranty Acknowledgment and Customer Service Agreement for Travel, Mileage and Scheduled Oil Sampling (S.O.S./M.D.W.) Expense

Jan 20, 2014

CLAY COUNTY 2
214 NORTH MAIN ST
HENRIETTA,, TX 76365-2800

Account#: 9973192

Machine Model: 140M2

Machine Serial Number: M9D01756

Attached please find Warren CAT/Caterpillar Warranty Statements on the above referenced machine. Listed below are the applicable coverages:

- 12 Month/Unlimited Hour Warranty, beginning ON DELIVERY
- Extended Power Train Coverage _____
- Extended Power Train + Hydraulics Coverage _____
- Extended Full Machine Warranty 5 YR/5000 HOURS
- Battery Limited Warranty
- Tire Limited Warranty

Field Service travel time and mileage expense and scheduled oil sampling (SOS) are covered expenses for TRAVEL TIME 3YR/3000 HRS/SOS WARRANTY PERIOD

Travel time and mileage expense is not covered for skid steer loaders, multi terrain loaders, mini excavators or compact wheel loaders.

Scheduled Oil Sampling (SOS) expense during the extended warranty period is a covered expense.

Please acknowledge receipt of the warranty statements and customer service agreement by signing this form below.

Acknowledgement and acceptance of terms:

Signature

Date



Remit To: Warren CAT
 P.O. Box 842116
 Dallas, Texas 75284-2116
 Toll Free (866) 2WARREN
 (432) 571-4242

SOLD TO

CLAY COUNTY 2
 BOARD OF COUNTY COMMISSIONERS
 214 NORTH MAIN ST
 HENRIETTA, TX 76365-2800

SHIP TO

CLAY COUNTY #2
 SHIP DATE: 02/14/11
 SHIPPED FROM: WICHITA FALLS
 FOB: CALY #2
 SHIPPED TO: CLAY COUNTY

INVOICE NUMBER	INVOICE DATE	CUSTOMER NUMBER	CUSTOMER ORDER NUMBER	STORE	DIV.	SALESMAN	TERMS	PAGE
S6784401	02-18-11	9973192	GEE	08	G	217	2	1
PSO/NO NUMBER	DOC. DATE	PC	LC	MC	SHIP VIA			
S67844	09-21-10			10				
MAKE	MODEL	SERIAL NUMBER		EQUIPMENT NUMBER	METER READING		MACH. I.D. NUMBER	
AA	140M	B9D03004			.0		C42773	
QUANTITY	ITEM	N/R	DESCRIPTION		UNIT PRICE	EXTENSION		

CUSTOMER CONTACT: JOHNNY GEE
 TAX EXEMPTION LICENSE TAX/EX GOVT/TX

EQUIPMENT SALE
 CATERPILLAR
 MOTOR GRADER

MODEL 140M

Teaded in

1.0 ID NO: C42773 SERIAL NO: B9D03004 45000.00
 PIN: *CAT0140MAB9D03004*

REF: 349-2551

List Price 137,457

- 1.0 REF: 0P-9002 LANE 2 ORDER
- 1.0 352-2104 GLOBAL ARRANGEMENT
- 1.0 349-3048 MOLDBOARD, 14 FT, PLUS
- 1.0 349-3052 WEATHER, COLD
- 1.0 231-1516 LINES, STANDARD W/O ACCUMULATOR
- 1.0 246-6711 FILM, ENGINE, VHP PLUS
- 1.0 261-0610 COMPRESSOR/TANK, AIR
- 1.0 349-3054 BASE & 1 (RIP)
- 1.0 298-7465 LIGHTS, FRONT HEADLIGHTS, HIGH
- 1.0 253-2724 ALTERNATOR, 150 AMP (AC)
- 1.0 349-3050 CAB, PLUS
- 1.0 235-6188 PRODUCT LINK, PL321
- 1.0 302-8669 LANGUAGE, ENGLISH
- 1.0 349-3067 COMFORT PACKAGE - 1
- 1.0 349-3069 LIGHTS, WORKING, PLUS
- 1.0 233-3295 MIRRORS, OUTSIDE MOUNTED
- 1.0 285-8739 GUARD, TRANSMISSION
- 1.0 332-1543 HEATER, ENGINE COOLANT, 120V
- 1.0 0P-6690 ROLL ON-ROLL OFF
- 1.0 252-0679 TIRES, 14.0R24 MX XGLA2 1* MP
- 1.0 248-1322 RIPPER-SCARIFIER, REAR

TERMS OF PAYMENT: Unless specific terms of payment are stated above, which shall then be the governing terms hereof, this invoice shall otherwise be due and payable in full 30 days from the invoice date. Performance under this invoice along with jurisdiction and venue shall be in the County, Texas. TITLE TO EQUIPMENT LISTED ON THIS INVOICE SHALL REMAIN IN CAT UNTIL PURCHASE PRICE IS PAID IN FULL.

Thank You!

PLEASE PA THIS AMOU
 AMOUNT CREDITED

Claims for damages and shortages will not be considered unless made within fifteen days after receipt of shipment. Our responsibility ceases upon obtaining receipt from transportation company.

ARLENE, TX 3801 So. Treadway (325) 692-1800
 AMARILLO, TX 140 AT F.M. 1912 (806) 335-1811
 DALLHART, TX 1901 E. 16TH (806) 248-8772
 LUBBOCK, TX 702 Station Road East (806) 748-4495
 MIDLAND, TX 3808 S. FM 1788 (432) 871-4242
 ODESSA, TX 2301 Production (432) 332-1881
 SAN ANGELO 5102 LIN (325) 65

NOTICE TO CUSTOMERS: PLEASE READ THE REVERSE SIDE FOR IMPORTANT INFORMATION

CATERPILLAR

*High Price 2 authorized to grade 2 motor grader
 and #6 authorized to
 254,505
 3.5.11*



Remit To: Warren CAT
 P.O. Box 842116
 Dallas, Texas 75284-2116
 Toll Free (866) 2WARREN
 (432) 571-4242

SOLD TO

CLAY COUNTY 2
 BOARD OF COUNTY COMMISSIONERS
 214 NORTH MAIN ST
 HENRIETTA, TX 76365-2800

SHIP TO

CLAY COUNTY #2
 SHIP DATE: 02/14/11
 SHIPPED FROM: WICHITA FALLS
 FOB: CALY #2
 SHIPPED TO: CLAY COUNTY

INVOICE NUMBER	INVOICE DATE	CUSTOMER NUMBER	CUSTOMER ORDER NUMBER	STORE	DIV.	SALESMAN	TERMS	PAGE
S6784401	02-18-11	9973192	GEE	08	G	217	2	2
PEO/WO NUMBER	DOC. DATE	PC	LC	MC	SHIP VIA			
S67844	09-21-10			10				
MAKE	MODEL	SERIAL NUMBER		EQUIPMENT NUMBER	METER READING	MACH. I.D. NUMBER		
AA	140M	B9D03004			.0	C42773		
QUANTITY	ITEM	N/R	DESCRIPTION	UNIT PRICE	EXTENSION			

1.0	4K-3330		SHANKS/TEETH FOR SCARIFIER		
1.0	250-3071		PUSH PLATE, COUNTERWEIGHT		
	EQUIPMENT TRADE IN				
	MODEL: 140H		SERIAL NO: CCA03260		
			PIN: *CAT0140HVCCA03260*		
1.0	*				
1.0	*				
1.0	*				
1.0	SIT <3000#	EXMPT			
1.0	DES	EXMPT			

TAX EXEMPT

GUARANTEED MINIMUM REPURCHASE OF \$165,000 AFTER 3 YEARS OR 3000 HOURS, WHICHEVER COMES FIRST

GUARANTEED MINIMUM REPURCHASE OF \$150,000 AFTER 5 YEARS OR 5000 HOURS, WHICHEVER COMES FIRST

***** TO BE FINANCED BY CAT FINANCIAL *****
 THANK YOU FOR YOUR BUSINESS

TERMS OF PAYMENT: Unless specific terms of payment are stated above, which shall then be the governing terms hereof, this invoice shall otherwise be due and payable in full 30 days from invoice date. Performance under this invoice along with jurisdiction and venue shall be in Clay County, Texas. TITLE TO EQUIPMENT LISTED ON THIS INVOICE SHALL REMAIN IN WARREN CAT UNTIL PURCHASE PRICE IS PAID IN FULL.

Thank You!

PLEASE PAY THIS AMOUNT	45000.00
AMOUNT CREDITED	

Claims for damages and shortages will not be considered unless made within fifteen days after receipt of shipment. Our responsibility ceases upon obtaining receipt from transportation company.

ARLENE, TX 3801 So. Freeway (325) 882-1800 AMARILLO, TX 140 AT F.M. 1812 (806) 335-1811 DALHART, TX 1801 E. 18TH (806) 248-8772 LIVEROCK, TX 702 Milton Road East (806) 746-4496 MIDLAND, TX 3808 S. FM 1788 (432) 571-4242 ODESSA, TX 2301 Production (432) 332-1881 SAN ANGELO, TX 8102 LINK ROAD (325) 856-1100 WICHITA FALLS, TX 1808 Jackaborn Hwy. (840) 767-4384

Aug 6, 15

CONTRACT (LEASE) NO. _____ 64406 _____

FIRST NATIONAL BANK DBA FIRST NATIONAL BANK LEASING
3801 FAIRWAY BLVD.
WICHITA FALLS, TEXAS 76310

EQUIPMENT LEASE BY MUNICIPALITY

PARTIES:

Lessor: FIRST NATIONAL BANK DBA FIRST NATIONAL BANK LEASING
3801 FAIRWAY BLVD.
WICHITA FALLS, TEXAS 76310

Lessee: CLAY COUNTY
214 N. MAIN ST.
HENRIETTA, TX. 76365
TAX ID # 75-6000861

TERMS AND CONDITIONS:

1.) **LEASE:** Lessor leases to Lessee, and Lessee leases from Lessor the Equipment listed in "Equipment Information" (the "Equipment"). Said Equipment will be located inside _____ CLAY _____ County and will not be moved to another location without written permission first given by Lessor. Lessor acknowledges receipt of the first Lease payment referred to on Exhibit 1 from Lessee. Any amounts received by the Lessor from Lessee, at or prior to the date of this Lease, in excess of the first Lease payment as shown on Exhibit 1, shall be held as security for the performance of the terms of this Lease. If Lessee is not in default hereunder, or under any other lease between the parties hereto, said security shall be applied toward the payment of Lease at the end of the term of this Lease, or (at Lessor's option) returned to Lessee.

2.) **ACCEPTANCE; DELIVERY:** Lessee agrees that it has selected the Equipment, and the Lessor shall not be liable for specific performance or for damages, if any, if for any reason the vendor delays or fails to fill the Equipment order. Lessee shall accept such Equipment as delivered by Lessor and authorizes Lessor to insert the serial number and any additional descriptive matter in "Equipment Information" in connection with the Equipment. Lessee represents that it has acquired the Equipment in accordance with applicable Texas bid or procurement law.

3.) **WARRANTIES AND REPRESENTATIONS:** Lessee agrees that all maintenance, service, and Equipment warranties, are the sole obligation of the vendor or supplier of the Equipment and not Lessor. Lessor authorizes the Lessee to enforce in Lessee's own name any warranty, agreement or representation, if any, which may be made regarding the Equipment by the vendor or supplier BUT LESSOR ITSELF MAKES NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, AS TO THE CONDITION OF THE EQUIPMENT AT TIME OF LEASE. Lessor specifically disclaims any representation or warrant with regard to merchantability or fitness for a particular use or purpose. Lessee has inspected the Equipment and has selected the Equipment to be financed by this Lease. Lessor is merely providing financing for such Equipment. Lessor is not the vendor of the Equipment, and Lessor makes no warranties in regard to the Equipment. All warranties regarding the Equipment, including but not limited to the warranties of MERCHANTABILITY and FITNESS FOR A PARTICULAR USE OR PURPOSE are expressly disclaimed by Lessor.

The disclaimers or limitations in this Section 3 do not apply to any warranties made by the vendor or supplier of the Equipment, all of which may be enforced by Lessee. Lessor retains all rights to make warranty claims and settle all warranty disputes on the Equipment in either Lessor's or Lessee's name and for Lessor's benefit without notice to, or consent from, Lessee.

4.) **LEASE PAYMENTS:** The total Lease payments for lease of the Equipment are shown on Exhibit 2. Lessee promises and agrees to pay all specified Lease payments in advance on or before the date designated for the payments in Exhibit 2 without demand. Said Lease payments shall be payable at the office of Lessor, or to such other person and/or at such other place as Lessor may from time to time designate to Lessee in writing.

In the event this Lease is not "bank qualified" under Section 265(b)(3) of the Internal Revenue Code or if the interest portion of the Lease payments is not excluded from federal income taxation, the Lease payments shall be recalculated using a "Gross Up Rate" (meaning a new interest rate on the amount funded by Lessor) of the *Wall Street Journal* Prime Rate +4% per annum, as in effect for the entire period of non-bank qualified status, or taxability.

5.) **LEASE TERM:** This Lease shall have a term commencing on the Date of Acceptance by Lessee (shown in the "Lessee's Acceptance") until the Lease End Date as set forth on Exhibit 1.

6.) **OWNERSHIP; RETURN; PERSONAL PROPERTY:** Subject to all rights granted to or retained by Lessor under this Agreement (including Lessee's unconditional obligation to return possession and title to the Equipment to Lessor at the end of the term of this Lease regardless of the reason for termination unless Lessee pays the Purchase Option Price in full) title to the Equipment shall be in the name of the Lessee. Upon the termination of this Lease for any reason, Lessee will immediately return said Equipment and all additions to the Equipment to Lessor in as good condition as received, normal wear and tear excepted, or Lessee may purchase the Equipment for the Purchase Option Price then in effect. Any profit or loss from disposition of the Equipment after it is returned to Lessor will be the sole property of Lessor. The Equipment shall always remain and be deemed personal property even though attached to realty. All replacements, Equipment repairs or accessories made to or placed in or upon said Equipment shall become a component part thereof; and title thereto shall be immediately vested in Lessor; and shall be included under the terms hereof. All advances made by Lessor to preserve said Equipment or to pay insurance premiums for insurance thereon or to discharge and pay any taxes, liens or encumbrances thereon shall be added to the unpaid balance of Lease Payments due hereunder and shall be repayable by Lessee to Lessor immediately together with interest thereon at the rate of the maximum rate allowed by law.

Lessee hereby grants to Lessor and Lessor's assigns a consensual security interest in and lien against the equipment as fully described in Exhibit 1 attachment. If ownership of the Equipment is evidenced by a certificate of title (for example, a motor vehicle), such title shall be endorsed to show Lessor or Lessor's assigns as a lienholder. Lessee further consents to Lessor filing a UCC-1 Financing Statement to reflect Lessor's security interest in the Equipment. Lessee shall return the title, endorsed to Lessor or Lessor's assigns, at the same time Lessee returns the Equipment. Should Lessee fail to return the title endorsed to Lessor, Lessee hereby designates Lessor or Lessor's assigns as having full legal power and authority (including a limited irrevocable power of attorney coupled with an interest) either to apply for a new title in Lessor's name, or to endorse the current title to Lessor's name. At the end of the Term or other termination of this Agreement, if Lessee has not exercised its rights to purchase the Equipment, and paid the Purchase Option Price in full, the Equipment shall be returned to Lessor as provided above, and such return shall not be deemed a forced sale under Texas law.

7.) **PURCHASE OPTION:** If no Event of Default has occurred and is continuing, Lessee shall have the option at any time to purchase all (but not less than all) the Equipment at the price stated in Exhibit 1, plus any applicable sales taxes and fees (all being the "Purchase Option Price"), it being understood no taxes are due under current Texas law. Lessee must give Lessor irrevocable written notice at least 30 days before the purchase date that it will purchase the Equipment unless the purchase is being made at the end of the term of this Agreement and the Purchase Option Price is \$1.00. The Purchase Option Price as defined in Exhibit 1 shall be used for any purchase of the Equipment by the Lessee prior to the end of the scheduled term. Upon payment by Lessee of the Purchase Option Price, Lessor shall transfer all of Lessor's rights in the Equipment to Lessee AS-IS, WHERE-IS AND WITH ALL FAULTS without any representation or warranty whatsoever.

Lessee may also buy the Equipment at any time prior to the end of the full stated Lease term by paying to Lessor:

- (a) the remaining unpaid balance of the principal payments due for the entire stated term of the Lease shown on Exhibit 2 (the Lease payments have both a principal and interest component like any loan); plus
- (b) accrued but unpaid interest on such principal amount as of such purchase date.

The Lessor will calculate such payments and furnish them to Lessee as requested.

8.) **ASSIGNMENT:** Lessor may assign this Lease and its assignee may reassign the same, without the consent of Lessee. All rights of Lessor hereunder shall be succeeded to by any assignee hereof and said assignee's title to this Lease, to the Lease payments or other amounts due hereunder, and in and to the Equipment shall be free from all defenses, setoffs or counterclaims of any kind or character which Lessee may be entitled to assert against the original Lessor; it being understood and agreed that any assignee of Lessor does not assume any obligations of the original Lessor herein named.

Neither this Lease nor any interest herein is assignable or transferable by operation of law, or otherwise, by Lessee.

9.) **LOSS; DAMAGE; INSURANCE:** As between Lessor and Lessee, Lessee assumes the entire risk of loss from all use and operation of the Equipment and no such loss shall relieve Lessee of its obligations hereunder. To the full extent permitted by law, Lessee agrees to and does hereby release, indemnify and hold Lessor harmless, from and against all claims, costs, expenses, damages and liabilities, court costs including reasonable attorney fees resulting from or pertaining to the ownership, use or operation of the Equipment during the term of this Agreement subsequent to the termination or expiration of this Agreement or while said Equipment is otherwise in possession of the Lessee. Lessee agrees to keep the Equipment insured (i.e., property insurance) to protect all interests of Lessee and Lessor, at Lessee's expense, against all risks of loss or damage from every cause whatsoever for not less than the unpaid balance of the Lease payments due hereunder to maturity or 80% of the then current value of said Equipment, whichever is higher. Lessee shall further maintain commercial general liability insurance regarding injury, damage to the Equipment, injury or damages to third parties or death resulting out of the operation of the Equipment during the term hereof or while the Equipment is in the possession of Lessee, and including any liability of Lessor for public liability and property damage. Lessor may, but shall not be obligated to, insure said Equipment at the expense of Lessee for any purpose for which insurance may be purchased. The proceeds from such insurance policies shall be paid to Lessor as its interests may appear and Lessor shall be named as lien holder and loss payee in all said policies. The proceeds of such insurance, whether resulting from loss or damage or return premium or otherwise, shall be applied toward the replacement or repair of the said Equipment or the payment of obligations of Lessee hereunder, at the option of Lessor or Lessor's assigns. Lessee hereby appoints Lessor and Lessor's assigns as Lessee's attorney-in-fact to make claims for, compromise and settle, receive payment of and execute or endorse all documents, checks or drafts for loss or damage or return premium under any insurance policy issued in regard to said Equipment.

Lessor and Lessee acknowledge that Lessor is only leasing the Equipment, and Lessor does not hold title to, use, operate, control or maintain the Equipment, all of which shall be done by Lessee during the term hereof.

10.) **USE; TAXES; INSPECTION AND CONDITION:** Lessee agrees to use, operate and maintain said Equipment in accordance with all applicable laws; to pay all licensing or registrations fees for said Equipment and to keep the same free of levies, liens and encumbrances; to file all personal property tax returns (if any are due on the Equipment), to pay all taxes, assessments, fees and penalties which may be levied or assessed on or in respect to said Equipment or its use or any interest therein, or upon the Lease payments (provided Lessor shall pay its own income taxes on the Lease payments), including but not limited to, all federal, state and local taxes, however designated, levied or assessed upon the Lessee and Lessor or either of them in regard to said Equipment, or upon the use or operation thereof. Lessee shall permit Lessor to inspect said Equipment at any time; and to keep it in first class condition and repair at Lessee's expense and house the same in suitable shelter; and not to sell or otherwise dispose of Lessee's interest therein or in any additions or accessories attached thereto during the term of this Lease.

11.) EVENTS OF DEFAULT; REMEDIES; LATE CHARGES; EXPENSES OF ENFORCEMENT:

(a) **Events of Default.** In the event Lessee shall default in the payment of any Lease payment due, or any other sums due hereunder for a period of fifteen (15) days or more, or in the event of any default or breach of the terms and conditions of this Lease, or any other lease between the parties hereto, or if any execution or other writ or process shall be issued in any action or proceeding, against the Lessee, whereby the said Equipment may be taken or distrained, or if a proceeding in bankruptcy, receivership or insolvency shall be instituted by or against the Lessee or its property, or if the Lessee shall enter into any agreement or composition with its creditors, breach any of the terms of any loan or credit agreement, or default thereunder, or if the condition of the Lessee's affairs shall so change as to, in the Lessor's opinion, impair the Lessor's security or increase the credit risk involved, then and in that event Lessee shall return the Equipment as provided in Section 6 and Section 11(b). If Lessee fails to do so, the Lessor shall have the right to retake immediate possession of the Equipment, and for such purpose, the Lessor may enter upon any

premises where said Equipment may be and may remove the same therefrom with or without notice of its intention to do same, without being liable to any suit or action or other proceeding by the Lessee.

(b) **Remedies.** If this Lease terminates by reason of event of default (Section 11), non-appropriation (Section 14) or otherwise prior to the end of the entire Lease term shown on Exhibit 1, and if Lessee has not paid the applicable Purchase Option Price Lessor's remedies shall be the following:

- (i) Lessee shall return the Equipment to Lessor as provided in Section 6.
- (ii) Lessor may retain all Lease payments previously paid by Lessee.
- (iii) Upon return of the Equipment full legal title thereto shall be automatically vested in Lessor, and Lessee will deliver evidence of title as provided in Section 6.
- (iv) After return of the Equipment, Lessor may, at its option, sell the Equipment at public or private sale for cash or on credit and may become the purchaser at such sale. Any gain or loss on such sale shall accrue and belong to Lessor.
- (v) Lessor may enforce its rights hereunder by writ of mandamus.

(c) **Late Charges.** Whenever any payment is more than ten (10) days late, the Lessee promises to pay to the Lessor or its assigns, not later than one month thereafter, an amount calculated at the rate of the lesser of (i) five cents per one dollar of each such delayed payment and to make such payments as liquidated damages occasioned by such delay, if allowed by law, or (ii) the maximum rate allowed by law.

(d) **Expense of Enforcement.** Upon default under any provision of this Lease, the Lessee shall be liable for arrears of lease payments, during any period for which Lessee has made appropriation under Section 14, if any. Further, if Lessee fails to return the Equipment (and title, if any) to Lessor, Lessee shall be liable for (i) the expense of re-taking possession and the removal of the Equipment, (ii) court costs, and (iii) Lessor's reasonable attorney fees.

12.) **NON-WAIVER:** The omission by the Lessor at any time to enforce any default or right reserved to it, or to require performance of any of the terms, covenants or provisions hereof by the Lessee at any time designated, shall not be a waiver of any such default or right to which the Lessor is entitled, nor shall it in any way affect the right of the Lessor to enforce such provisions thereafter. The Lessor may exercise all remedies simultaneously, pursuant to the terms hereof, and any such action shall not operate to release the Lessee until the full amount of the Lease Payments due and to become due and all other sums to be paid hereunder have been paid in cash.

13.) **SEVERABILITY:** The provisions of this Lease are severable, and if any one of such provisions are determined to be illegal or unenforceable, the same shall not impair the effectiveness of the remaining provisions hereof.

14.) **SPECIAL PROVISIONS: FISCAL FUNDING:** The Lessee warrants that it has funds available to pay the Lease payments payable pursuant to this Agreement until the end of its current appropriation period and warrants that it presently intends to make payments in each appropriation period from now until the end of the Lease term. The officer of the Lessee responsible for preparation of Lessee's annual budget shall request from its legislative body funding to be paid to Lessor under this Agreement. If notwithstanding the making in good faith of such request in accordance with appropriate procedures and with the exercise of reasonable care and diligence, such legislative body over funding authority does not appropriate funds to be paid to Lessor then at the end of the fiscal year for which Lessee has made appropriation, Lessee shall be released of its obligation to make Lease payments to Lessor due after the end of the period for which appropriation was made, provided the Equipment (and any related title documents) are returned to Lessor by Lessee and at Lessee's expense, in good condition, normal wear and tear excepted. In addition to return of the Equipment pursuant to the terms of this Agreement, Lessor shall retain all sums paid by Lessee and for which appropriation was made. All obligations and payments required of Lessee herein shall be subject to appropriation by Lessee of sufficient funds.

To the extent permitted by law, (i) Lessee may not terminate the Lease in order to purchase, rent or lease property performing functions similar to those performed by the Equipment through the stated maturity date of the Lease, and (ii) Lessee agrees

not to permit functions similar to those performed through the use of the Equipment to be performed by its own employees or by any agency or entity affiliated with or hired by the Lessee.


THIS LEASE IS SUBJECT TO THE TERMS AND CONDITIONS PRINTED ABOVE WHICH ARE MADE A PART HEREOF AND WHICH LESSEE ACKNOWLEDGES THAT IT HAS READ. LESSEE REPRESENTS THAT ALL ACTION TO AUTHORIZE THE EXECUTION OF THIS AGREEMENT ON BEHALF OF THE LESSEE BY THE FOLLOWING SIGNATORIES HAS BEEN TAKEN.

THERE ARE NO ORAL AGREEMENTS BETWEEN THE LESSOR AND LESSEE.

DATE OF ACCEPTANCE: AUGUST 6, 2015

LESSOR: FIRST NATIONAL BANK d/b/a FIRST NATIONAL BANK LEASING

By:


STEWART COBB
SENIOR VICE PRESIDENT

LESSEE: CLAY COUNTY
214 N. MAIN ST.
HENRIETTA, TX. 76365
TAX ID # 75-6000861

By:


KENNETH LIGGETT
COUNTY JUDGE - CLAY COUNTY

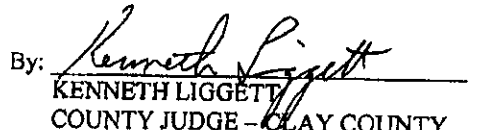
LESSEE'S ACCEPTANCE

TO VENDOR: ACCEPTANCE MUST BE SIGNED BY LESSEE AND RETURNED TO US BEFORE YOUR INVOICE CAN BE PROCESSED FOR PAYMENT.

We as Lessee agree the above listed Equipment has been inspected by Lessee, is satisfactory in every way, accepted by Lessee and we as Lessee have approved payment of the Total Capitalized Cost by Lessor to Vendor. We, as Lessee, hereby agree that we have fully inspected the Equipment leased hereunder and acknowledged it to be in good condition to our complete satisfaction. We understand that you, as Lessor, make no warranties, either expressed or implied, as to the condition of the Equipment, or its fitness for any particular purpose. We understand that this installation is not made on a trial basis.

LESSEE: CLAY COUNTY
214 N. MAIN ST.
HENRIETTA, TX. 76365
TAX ID # 75-6000861

By:


KENNETH LIGGETT
COUNTY JUDGE - CLAY COUNTY

DATE OF ACCEPTANCE: AUGUST 6, 2015

Exhibit 1

<u>Model Number</u>	<u>Serial #</u>	<u>EQUIPMENT INFORMATION</u> Item/Description:	<u>Qty</u>	<u>Price</u>
420F	0SKR04363	2015 CAT BACK HOE	1	\$91,160.00
420E	0PRA00870	CAT BACK HOE	1	\$40,000.00
		SUB TOTAL:		\$51,160.00
		TOTAL:		\$51,160.00
		LESS DOWN PAYMENT:		<i>(\$)0.00</i>
		Document Fees:		\$100.00
		TOTAL CAPITALIZED COST:		\$51,260.00

SCHEDULE OF LEASE PAYMENTS DURING THE BASE TERM:

No. of Years:	3	Base Lease Payment:	\$3,000.00
No. of Lease Payments:	4	Sales Tax:	N/A
For Business Use Inside: CLAY COUNTY		Property Tax:	N/A
		Total Payment:	\$3,000.00
		Lease End Date:	August 5, 2018

Exhibit 2

Lease payments:

<u>Payment Date</u>	<u>Lease Payment</u>
08/05/15	\$0.00
08/26/15	\$3,000.00
08/05/16	\$3,000.00
08/05/17	\$3,000.00
08/05/18	\$3,000.00
08/05/18	\$42,396.02

Fax 767-4411



REMIT TO

WARREN CAT
PO BOX 842116
DALLAS, TX 75284-2116

432.571.4242 (Credit Dept.)
866.2WARREN (Toll Free)

*Please Observe
Stewart Cobb*

CUSTOMER INVOICE

INVOICE NUMBER: **S0191201**
Invoice Date: 08-28-15

Total Due \$51,160.00

Bill To:

CLAY COUNTY 2
BOARD OF COUNTY COMMISSIONERS
214 NORTH MAIN ST
HENRIETTA, TX 76365-2800

Ship To:

CLAY COUNTY 2
SHIP DATE: 8/4/15
SHIP FROM: AMARILLO, TX
FOB: AMARILLO, TX
SHIP TO: DEAN, TX

Make	AA
Model	420F AE4
Serial #	SKR04363
Ship Via	
Machine ID	C66793
Meter Reading	3.0
Agreement #	S01912

Customer #	PO #	Ordered by	Doc Date	Salesman	Division	Store	Terms
9973192	GEE		07-28-15	217	G	08	2

Quantity	Item	Description	Unit Price	Extension
CUSTOMER CONTACT: JOHNNY GEE TAX EXEMPTION LICENSE TAX/EX GOVT/TX				
EQUIPMENT SALE				
CATERPILLAR MODEL 420F AE4				
1.0	BACKHOE LOADER	SERIAL NO: SKR04363		89660.00
	ID NO: C66793	PIN: *CAT0420FJFSKR04363*		
	REF: 340-1678			
1.0	REF: 340-1729	STICK, EXTENDABLE, 14FT		
1.0	340-1712	ENGINE, 74.5KW, C4.4 DITA, T4I		
1.0	373-4251	HYDRAULICS, GP, 6FCN/8BNK, ST		
1.0	373-4212	CAB, DELUXE, AC		
1.0	206-1748	SEAT BELT, 3" SUSPENSION		
1.0	337-9696	COUNTERWEIGHT, 1015 LBS		
1.0	9R-6007	STABILIZER PADS, FLIP-OVER		
1.0	353-1389	GUARD, STABILIZER		
1.0	353-1390	INSTRUCTIONS, ANSI		
1.0	340-1747	RIDE CONTROL		
1.0	377-0022	COLD WEATHER PACKAGE, 120V HRC		
1.0	270-3204	PLATE GROUP - BOOM WEAR		
1.0	374-6824	PT, 4WD, STD SHIFT		
1.0	380-8961	TIRES, 4WD, BIAS, FIRESTONE		
1.0	337-7388	BUCKET-GP, 1.4 CYD		
1.0	9R-5321	CUTTING EDGE, TWO PIECE		
1.0	364-3385	LINES, COMBINED AUX, E-STICK		
1.0	211-4292	BEACON, MAGNETIC MOUNT		
1.0	421-8926	SERIALIZED TECHNICAL MEDIA KIT		
1.0	0P-0210	PACK, DOMESTIC TRUCK		
1.0	0P-2266	SHIPPING/STORAGE PROTECTION		
1.0	0P-9002	LANE 2 ORDER		
1.0	317-5562	HOOK, BLANK		
	ATT: BD J000066998-1	BRADCO		
1.0	ID NO: C71982	BUCKET		
	36049E	BUCKET, 36" SMOOTH EDGE		
	EQUIPMENT TRADE IN			
	MODEL: 420E AE4	SERIAL NO: PRA00870		38500.00-
		PIN: *CAT0420EHPRA00870*		

Go Paperless. Receive statements and invoices online 24/7. Register at www.warrencat.com/gopaperless

WE APPRECIATE YOUR BUSINESS. Your business is important to us and we strive to be your dealership of choice. If we did not meet your expectations, please call .866.2WARREN.

Terms of Payment: Unless specific terms of payment are stated above, which shall be the governing terms hereof, this invoice shall otherwise be due and payable in full 30 days from the invoice date. Performance under this invoice along with jurisdiction and venue shall be in Midland County, Texas. TITLE TO THE EQUIPMENT LISTED ON THIS INVOICE SHALL REMAIN IN WARREN CAT UNTIL PURCHASE PRICE IS PAID IN FULL. Claims for damages and shortages will not be considered unless made within 15 days after receipt of shipment. Our responsibility ceases upon obtaining receipt from transportation company. Notice is hereby given that Warren Power & Machinery, Inc. has assigned its rights (but not its obligations) under this purchase order to CATD Exchange Services, LLC to purchase rental equipment described herein as part of an IRC Section 1031 Exchange. This assignment has no effect on your rights or obligations hereunder. Acceptance of goods or services constitutes acceptance of the Warren Cat Standard Terms and Conditions which are incorporated by reference and available at <http://www.warrencat.com/terms-conditions> or upon request.



REMIT TO

WARREN CAT
 PO BOX 842116
 DALLAS, TX 75284-2116

432.571.4242 (Credit Dept.)
 866.2WARREN (Toll Free)

CUSTOMER INVOICE

INVOICE NUMBER: **S0191201**
 Invoice Date: 08-28-15

Total Due \$51,160.00

Bill To:

CLAY COUNTY 2
 BOARD OF COUNTY COMMISSIONERS
 214 NORTH MAIN ST
 HENRIETTA, TX 76365-2800

Ship To:

CLAY COUNTY 2
 SHIP DATE: 8/4/15
 SHIP FROM: AMARILLO, TX
 FOB: AMARILLO, TX
 SHIP TO: DEAN, TX

Make	AA
Model	420F AE4
Serial #	SKR04363
Ship Via	
Machine ID	C66793
Meter Reading	3.0
Agreement #	S01912

Customer #	PO #	Ordered by	Doc Date	Salesman	Division	Store	Terms
9973192	GEE		07-28-15	217	G	08	2

Quantity	Item	Description	Unit Price	Extension
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1.0	*			
1.0	*			
1.0	*			
1.0	HET POTTER CNTY			

PAYMENT DUE UPON RECEIPT OF INVOICE.
 PLEASE VERIFY THAT PAYMENT HAS BEEN MADE
 ***** THANK YOU FOR YOUR BUSINESS *****

Go Paperless. Receive statements and invoices online 24/7. Register at www.warrencat.com/gopaperless

Subtotal	\$51,160.00
Misc.	\$0.00
Tax	\$0.00
TOTAL	\$51,160.00

WE APPRECIATE YOUR BUSINESS. Your business is important to us and we strive to be your dealership of choice. If we did not meet your expectations, please call 866.2WARREN.

Terms of Payment: Unless specific terms of payment are stated above, which shall be the governing terms hereof, this invoice shall otherwise be due and payable in full 30 days from the invoice date. Performance under this invoice along with jurisdiction and venue shall be in Midland County, Texas. TITLE TO THE EQUIPMENT LISTED ON THIS INVOICE SHALL REMAIN IN WARREN CAT UNTIL PURCHASE PRICE IS PAID IN FULL. Claims for damages and shortages will not be considered unless made within 15 days after receipt of shipment. Our responsibility ceases upon obtaining receipt from transportation company. Notice is hereby given that Warren Power & Machinery, Inc. has assigned its rights (but not its obligations) under this purchase order to CATD Exchange Services, LLC to purchase rental equipment described herein as part of an IRC Section 1031 Exchange. This assignment has no effect on your rights or obligations hereunder. Acceptance of goods or services constitutes acceptance of the Warren Cat Standard Terms and Conditions which are incorporated by reference and available at <http://www.warrencat.com/terms-conditions> or upon request.

Warren

→ faxed 11/28/11 940 767-4411

Quote 162507-01



Quote 162507-01 July 23, 201 BUYBOARD QUOTE

CLAY COUNTY 2
 214 NORTH MAIN ST
 HENRIETTA, TX 76365
 Attention: JOHNNY GEE

STOCK NUMBER:C66793 **SERIAL NUMBER:**0SKR04363 **YEAR:**2015

420F BHL ST TIER 4I HRC
 STICK, EXTENDABLE, 14FT
 ENGINE, 74.5KW, C4.4 DITA, T4I
 HYDRAULICS, GP, 6FCN/8BNK, ST
 CAB, DELUXE, AC
 COUNTERWEIGHT, 1015 LBS
 STABILIZER PADS, FLIP-OVER
 GUARD, STABILIZER
 RIDE CONTROL
 COLD WEATHER PACKAGE, 120V HRC
 PLATE GROUP - BOOM WEAR
 PT, 4WD, STD SHIFT
 TIRES, 4WD, BIAS, FIRESTONE
 BUCKET-GP, 1.4 CYD WITH CUTTING EDGE, TWO PIECE
 LINES, COMBINED AUX, E-STICK
 36" SMOOTH EDGE BUCKET

Sell Price	\$91,160.00
Ext Warranty	Included
Less Gross Trade Allowance	(\$40,000.00)
After Tax Balance	\$51,160.00

Model	Make	Serial Number	Year	Trade Allowance
420E	CATERPILLAR(AA)	OPRA00870	2009	\$40,000.00

Warren

Quote 162507-01

Warranty:

Standard 12 Month Unlimited Hour Full Machine Coverage with 5 year/2500 hour powertrain warranty

REPURCHASE:

5YR/2000 HOURS \$44,000, 3 YR/1500 HOURS \$50,000 with 50% tires and edges.

Accepted by: County Commissioner Prec 2: Johnny Gee Date:

July 27, 2015

Kenneth Lygett
Signature
Clay County Judge

Phil Denny Machine Sales Representative

Warranty Acknowledgment and Customer Service Agreement for Travel, Mileage and Scheduled Oil Sampling (S.O.S./M.D.W.) Expense

Jul 24, 2015

CLAY COUNTY 2
214 NORTH MAIN ST
HENRIETTA,, TX 76365-2800

Account#: 9973192
Machine Model: 420E AE4
Machine Serial Number: OSKR04363

Attached please find Warren CAT/Caterpillar Warranty Statements on the above referenced machine. Listed below are the applicable coverages:

- 12 Month/Unlimited Hour Warranty, beginning ON DELIVERY
- Extended Power Train Coverage 5 YR/2500 HOURS
- Extended Power Train + Hydraulics Coverage _____
- Extended Full Machine Warranty _____
- Battery Limited Warranty
- Tire Limited Warranty

Field Service travel time and mileage expense and scheduled oil sampling (SOS) are covered expenses for TRAVEL TIME FREE 1 YR FOR WARRANTY REPAIRS

Travel time and mileage expense is not covered for skid steer loaders, multi terrain loaders, mini excavators or compact wheel loaders.

Scheduled Oil Sampling (SOS) expense during the extended warranty period is a covered expense.

Please acknowledge receipt of the warranty statements and customer service agreement by signing this form below.

Acknowledgement and acceptance of terms:

Kenneth L. Foy
Signature *Clay County Judge*

July 27, 2015
Date



Telematics Data Consent Form

WARRENCAT.COM | 886.2WARREI

I agree and acknowledge that to the extent this equipment is equipped with a telematics system (e.g., Product Link), that data concerning this equipment, its condition, and its operation is being collected and transmitted to Caterpillar Inc., its affiliates (collectively, "Caterpillar"), and/or its dealers.

Caterpillar Inc. recognizes and respects customer privacy. The Caterpillar Telematics Data Privacy Statement (the "Privacy Statement") describes the categories of information collected, the purposes of the processing of the information, how the information is shared, how to ask questions about telematics and how to revoke your consent. The Privacy Statement is available online at www.cat.com and attached to this consent form.

I consent, agree to allow, and grant a worldwide, perpetual, fully paid up, non-exclusive, nonrevocable, license to, Caterpillar and/or its dealers to use, access and transfer this information in accordance with this consent form and the Privacy Statement, including for this information to be transferred to jurisdictions that may not offer the same level of data protection as the jurisdiction in which I am located. Furthermore, I acknowledge and agree that to the extent consent of the operator is required that I will have and will obtain their consent prior to allowing them to use the equipment.

In the event that I transfer ownership of the equipment, I agree to notify the next owner about the telematics system, the information being transmitted and the Purposes and this language including the link to the privacy statement. In addition, I will notify my dealer that I have transferred ownership of the equipment.

I have been provided a copy of the Caterpillar Telematics Data Privacy Statement.

I have read and I understand the Caterpillar Telematics Data Privacy Statement.

I freely consent to the data collection and transfers described in this consent form, including the Caterpillar Telematics Data Privacy Statement.

The undersigned company hereby gives its voluntary consent and agreement:

CLAY COUNTY 2
Company Name

Kenneth Liggett
Signature

Kenneth Liggett Clay County Judge
Represented by (Please Print)

July 27, 2015
Date



EMSolutions
WARRENCAT.COM|866.2WARREN



Customer Number	9973192
Customer Name	CLAY COUNTY 2

CUSTOMER CONTACT INFORMATION

Name:		Phone:	
Job Role:		Email:	

SERIAL NUMBER

	Included with new machines delivery for 3 years.
	Included with new machines delivery for 3 years.
	Included with new machines delivery for 3 years.
	Included with new machines delivery for 3 years.
	Included with new machines delivery for 3 years.
	Included with new machines delivery for 3 years.
	Included with new machines delivery for 3 years.

SERIAL NUMBER

OSKR04363	Included with new machines delivery for 3 years.
	Included with new machines delivery for 3 years.
	Included with new machines delivery for 3 years.
	Included with new machines delivery for 3 years.
	Included with new machines delivery for 3 years.
	Included with new machines delivery for 3 years.
	Included with new machines delivery for 3 years.
	Included with new machines delivery for 3 years.
	Included with new machines delivery for 3 years.

I acknowledge and accept the terms and conditions of the data privacy Agreement.

CLAY COUNTY 2	<i>Kenneth Leggett</i>	<i>Clay County Judge</i>	Jul 24, 2015
Customer Signature		Title	Date
WARREN CAT	<i>Phil Perry</i>	<i>Sales Rep</i>	Jul 24, 2015
Dealer Signature		Title	Date



SALES AGREEMENT

DATE Jul 24, 2015

WARREN CAT, PO BOX 60662, MIDLAND, TX 79711-0622 Phone:(432) 571-4200

PURCHASER	CLAY COUNTY 2		
ADDRESS	214 NORTH MAIN ST		
CITY/STATE	HENRIETTA, TX	COUNTY	CLAY (077)
POSTAL CODE	76365-2800	PHONE NO.	940 767 5707
EQUIPMENT	JOHNNY GEE		
PRODUCT SUPPORT	JOHNNY GEE		
INDUSTRY CODE:	GOVT ROAD CONST & MAINT (207R)	PRINCIPAL WORK CODE	
		F.O.B. AT:	DEAN

CUSTOMER NUMBER	9973192	Sales Tax Exemption # (if applicable)	TAX/EX GOVT/TX	CUSTOMER PO NUMBER	GEE
PAYMENT TERMS:					
NET PAYMENT ON RECEIPT OF INVOICE	<input type="checkbox"/>	NET ON DELIVERY	<input checked="" type="checkbox"/>	FINANCIAL SERVICES	<input type="checkbox"/> CSC <input type="checkbox"/> LEASE
CASH WITH ORDER	\$0.00	BALANCE TO FINANCE		CONTRACT INTEREST RATE	
PAYMENT PERIOD		PAYMENT AMOUNT		NUMBER OF PAYMENTS	
				OPTIONAL BUY-OUT	

DESCRIPTION OF EQUIPMENT ORDERED / PURCHASED			
MAKE: CATERPILLAR	MODEL: 420F AE4	YEAR: 2015	
STOCK NUMBER: C66793	SERIAL NUMBER: 0SKR04363		
420F BHL ST TIER 4I HRC	340-1678	CUTTING EDGE, TWO PIECE	9R-5321
STICK, EXTENDABLE, 14FT	340-1729	LINES, COMBINED AUX, E-STICK	364-3385
ENGINE, 74.5KW, C4.4 DITA, T4I	340-1712	BEACON, MAGNETIC MOUNT	211-4292
HYDRAULICS, GP, 6FCN/8BNK. ST	373-4251	36" SMOOTH EDGE BUCKET	
CAB, DELUXE, AC	373-4212		
SEAT BELT, 3" SUSPENSION	206-1748		
COUNTERWEIGHT, 1015 LBS	337-9696		
STABILIZER PADS, FLIP-OVER	9R-6007		
GUARD, STABILIZER	353-1389		
RIDE CONTROL	340-1747		
COLD WEATHER PACKAGE, 120V HRC	377-0022		
PLATE GROUP - BOOM WEAR	270-3204		
PT, 4" STD SHIFT	374-6824		
TIRE 10D, BIAS, FIRESTONE	380-8961		
BUCKET-GP, 1.4 CYD	337-7388		

YEAR	TRADE-IN EQUIPMENT	SERIAL NO.	Sell Price
2009	420E - CATERPILLAR (AA)	0PRA00870	\$91,160.00
			Ext Warranty Included
			Less Gross Trade Allowance (\$40,000.00)
			After Tax Balance \$51,160.00

ALL TRADE-INS ARE SUBJECT TO EQUIPMENT BEING IN "AS INSPECTED CONDITION" BY VENDOR AT TIME OF DELIVERY OF REPLACEMENT MACHINE PURCHASE ABOVE.

GROSS TRADE ALLOWANCE

PAYOUT TO _____ AMOUNT OWING _____

CUSTOMER TO PAYOUT WARREN CAT TO PAY OUT

PURCHASER HEREBY SELLS THE TRADE-IN EQUIPMENT DESCRIBED ABOVE TO THE VENDOR AND WARRANTS IT TO BE FREE AND CLEAR OF ALL CLAIMS, LIENS, MORTGAGES AND SECURITY INTEREST EXCEPT AS SHOWN ABOVE.

<input checked="" type="checkbox"/> CATERPILLAR EQUIPMENT WARRANTY	INITIAL _____	<input type="checkbox"/> USED EQUIPMENT WARRANTY	INITIAL _____
<p>The customer acknowledges that he has received a copy of the Warren CAT/Caterpillar Warranty and has read and understood said warranty. Scheduled oil sampling (S.O.S.) is mandatory with this warranty. The customer is responsible for taking oil samples at designated intervals from all power train components and failure to do so may result in voiding the warranty.</p> <p>Standard 12 Month Unlimited Hour Full Machine Coverage</p> <p>60 MONTHS / 2500 HOURS POWERTRAIN</p>		<p>All used equipment is sold as is where is and no warranty is offered or implied except as specified here:</p> <p>Warranty applicable:</p>	

CSA:

NOTES: REPURCHASE: 5YR/2000 HOURS \$44,000, 3 YR/1500 HOURS \$50,000 with 50% tires and edges and no sheet metal damage

THIS AGREEMENT IS SUBJECT TO THE TERMS AND CONDITIONS ON THE REVERSE

To the extent that the property described herein is used equipment, Buyer is hereby notified that Warren Power & Machinery, Inc. has assigned its rights (but not its obligations) in this agreement to sell such equipment to CATD Exchange Services, LLC, a qualified intermediary, as part of an Internal Revenue Code Section 1031 exchange.

WARREN CAT

ORDERED BY: Phil Denny

APPROVED AND ACCEPTED ON: July 27, 2015

REPRESENTATIVE: _____ PURCHASER: _____

CLAY COUNTY 2

BY: Kenneth F. Smith PURCHASER

CLAY County Judge

OTHER TERMS AND CONDITIONS

PAYMENT AND SECURITY INTEREST:

Unless otherwise indicated above, payment shall be made in full on or before Purchaser takes possession of Equipment. If full payment is not made prior to possession, then Purchaser shall grant to Seller a security interest in the Equipment and all proceeds thereof to secure payment of the Purchase Price and any and all liabilities and obligations of Purchaser. Seller may file Financing Statements, Continuation Statements, or any other such documents all without Purchaser's signature and at the expense of Purchaser. Any delinquent payments shall bear interest from the date it is due until paid at the highest interest rate permitted under applicable law.

WHERE AND WHOM TO MAKE PAYMENTS:

All payments shall be made payable to Warren Cat and sent to PO Box 842116, Dallas, TX 75284" and please underline and bold the address just as before.

DEFINITION OF WARREN CAT AND SELLER:

Warren Cat and Seller are defined as Warren Power & Machinery, Inc.

DELIVERY AND INSPECTION OF EQUIPMENT:

The Equipment shall be shipped to the location on the date stated in this Agreement. Shipping Date stated above is an estimate only, and if Equipment is not available or ready on the date it will be made available as reasonably soon thereafter as possible. PURCHASER SHALL INSPECT THE EQUIPMENT PRIOR TO SHIPMENT AND ONCE PURCHASER HAS AGREED TO AND AUTHORIZED THE SHIPMENT OF THE EQUIPMENT, IT SHALL BE CONCLUSIVELY PRESUMED THAT PURCHASER HAS FULLY INSPECTED AND ACCEPTED THE EQUIPMENT AS BEING IN GOOD CONDITION AND IN CONFORMITY WITH THIS AGREEMENT. Purchaser shall pay (to Seller or third parties) all transportation costs in advance for delivery of the Equipment including but not limited to: loading, unloading, installing, dismantling, hauling, demurrage, freight and switching charges.

RISK OF LOSS AND INSURANCE.

Purchaser assumes all risks of loss and full responsibility for all loss or damage to Equipment from the date of this Agreement. Purchaser shall immediately provide and maintain full force and effect the following policies of insurance: (a) fire, theft, and other hazards in sufficient amounts to cover the full replacement value of the Equipment; (b) comprehensive policy of public liability for each item of Equipment with the following minimum limits: (i) bodily injury - \$1,000,000; and (ii) property damage - \$1,000,000. In each policy, Seller shall be named as an additional insured and/or loss payee. Purchaser shall promptly furnish to Seller certificates or copies of each policy of insurance. Each policy shall provide for twenty (20) days written notice to Seller of the cancellation or material modification of the policy.

TRANSFER OF EQUIPMENT AND WARRANTY OF TITLE:

For value received, Seller does hereby sell, convey, assign, and transfer the Equipment to Purchaser to be effective only after full payment of the Purchase Price. Seller warrants and delivers title unto Purchaser free and clear of any and all liens, security agreements, and encumbrances. The Seller hereby binds Seller, and its successors and assigns, to warrant and defend the title of the property described herein to Purchaser, and Purchaser's successors and assigns, forever against every person whomsoever lawfully claiming or to claim such Equipment or any part thereof.

WARRANTY, CLAIMS, AND DAMAGES:

The warranties on the Equipment shall be the manufacturer's warranties, if any, and only if in writing. There are no warranties from Seller. Purchaser shall look to the manufacturer for the description of the warranty and for any warranty claims. Purchaser acknowledges and agrees that the Equipment is of a size, design, and manufacture selected by Purchaser and is suitable for Purchaser's purposes and contains all safety features deemed necessary to Purchaser. No affirmation, representation, or warranty made by an employee or agent of Seller shall be enforceable unless it is specifically included in this Agreement. SELLER MAKES NO EXPRESS OR IMPLIED REPRESENTATION, COVENANT, OR WARRANTY AS TO THE EQUIPMENT INCLUDING MERCHANTABILITY, QUALITY, CONDITION, DURABILITY, SUITABILITY, FITNESS FOR USE, FITNESS FOR ANY PARTICULAR PURPOSE OR ANY OTHER WARRANTY WHATSOEVER. THE EQUIPMENT IS SOLD "AS IS, WHERE IS" AND SUBJECT TO ALL FAULTS. SELLER SHALL NOT BE LIABLE FOR LOSS OR TIME, INCONVENIENCE, COMMERCIAL LOSS, OR CONSEQUENTIAL DAMAGES. Seller shall not be liable to Purchaser, for any failure of the Equipment to operate, or for any delay, loss, or expense caused thereby or for any interruption of service or use of the Equipment while such Equipment is undergoing servicing or repair. Seller shall not be required to furnish replacement Equipment or to grant any credit because of such loss of use of the Equipment while undergoing repairs or because of inclement weather.

TRADE-IN PROPERTY:

In consideration for the credit against the Purchase Price and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Purchaser does hereby irrevocably sell, assign, transfer and convey unto Seller, its successors and assigns, the Trade-in Property described above. Purchaser represents and warrants that Purchaser is the sole owner of the Trade-in Property, that Purchaser has full power and authority to sell the Trade-in Property, and that there are no liens, claims, debts, mortgages or encumbrances of any kind, nature, or description against the Trade-in Property, of record or otherwise. The Purchaser hereby binds Purchaser, and its successors and assigns, to warrant and defend the title of the property described herein to Seller, and Seller's successors and assigns, forever against every person whomsoever lawfully claiming or to claim such Trade-in-Property or any part thereof. Purchaser represents and warrants that the Trade-in Property is in good working condition, that there are no defects (latent or patent), and that there are no undisclosed conditions or defects.

JURISDICTION AND VENUE:

If the Equipment was sold from one of Seller's locations in the State of Texas, jurisdiction and venue of any dispute arising from or related to this Agreement shall be in Midland County, Texas and the laws of the State of Texas shall govern the dispute. If the Equipment was sold from one of Seller's locations in the State of Oklahoma, jurisdiction and venue of any dispute arising from or related to this Agreement shall be in Oklahoma County, Oklahoma, and the laws of the State of Oklahoma shall govern the dispute.

ARBITRATION:

Any claim by Purchaser against Seller arising out of or related to this Agreement or to the Equipment, Trade-in-Property, repairs, warranties, etc. shall, at the option of Seller, be settled and decided by binding arbitration conducted in Midland County, Texas, in accordance with the Commercial Arbitration Rules of the American Arbitration Association. The judgment by the arbitrator(s) shall be final, and judgment upon the decision rendered may be entered in any court having jurisdiction thereof.

MISCELLANEOUS PROVISIONS:

This Agreement is the entire agreement between the parties hereto containing all agreed upon terms and conditions, and it supersedes and cancels any and all prior agreements and negotiations, whether written or oral. Time is of the essence in the performance of this Sale. Seller is not in any way or for any purpose a partner of or joint venture with Purchaser. If any one or more provisions of this Agreement shall be found to be illegal or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. Purchaser and Seller will execute and deliver all other documents as may be reasonably needed to effectuate and complete the transaction(s) the subject of this Agreement. Both parties hereby represent and warrant that the person executing this Agreement has the proper authority from their respective entities to bind the entities to this Agreement. This Agreement may be executed by facsimile or electronically which shall have the same effect as an original signature.

INDEMNITY:

PURCHASER SHALL PROTECT, INDEMNIFY, AND SAVE SELLER AND ITS ASSIGNS HARMLESS AGAINST ANY AND ALL CLAIMS, DEMANDS, AND CAUSES OF ACTION OF EVERY KIND AND CHARACTER WHATSOEVER, INCLUDING ATTORNEYS FEES, ARISING IN FAVOR OF ANY PERSON, INCLUDING EMPLOYEES OF PURCHASER, ON ACCOUNT OF PERSONAL INJURIES OR DAMAGES TO PROPERTY OCCURRING, GROWING OUT OF, INCIDENT TO, OR RESULTING DIRECTLY OR INDIRECTLY FROM THE SELECTION, PURCHASE, OWNERSHIP, DELIVERY, USE, OPERATION, MAINTENANCE, REPAIR, OR RETURN OF THE EQUIPMENT WHETHER SUCH LOSS, DAMAGE, OR INJURY OR LIABILITY ARISES FROM OR IS CONTRIBUTED TO BY THE NEGLIGENCE OF THE SELLER OR ITS EMPLOYEES, AND WHETHER DUE OR CONTRIBUTED TO BY IMPERFECTIONS OR DEFECTS OF THE EQUIPMENT, WHETHER LATENT OR PATENT, OR FROM OTHER CAUSES WHATSOEVER.

WAIVER OF DTPA RIGHTS:

PURCHASER WAIVES ITS RIGHTS UNDER THE DECEPTIVE TRADE PRACTICES-CONSUMER PROTECTION ACT, SECTION 17.41 ET SEQ., TEXAS BUSINESS COMMERCE CODE, A LAW THAT GIVES CONSUMERS SPECIAL RIGHTS AND PROTECTIONS. AFTER CONSULTATION WITH AN ATTORNEY OF PURCHASER'S OWN SELECTION, PURCHASER VOLUNTARILY CONSENTS TO THIS WAIVER.

WAIVER OF DTPA RIGHTS:

PURCHASER WAIVES ITS RIGHTS UNDER THE DECEPTIVE TRADE PRACTICES-CONSUMER PROTECTION ACT, SECTION 17.41 ET SEQ., TEXAS BUSINESS COMMERCE CODE, A LAW THAT GIVES CONSUMERS SPECIAL RIGHTS AND PROTECTIONS. AFTER CONSULTATION WITH AN ATTORNEY OF PURCHASER'S OWN SELECTION, PURCHASER VOLUNTARILY CONSENTS TO THIS WAIVER.

Acceptance of goods or services constitutes acceptance of the Warren Cat Standard Terms and Conditions which are incorporated by reference and available at <https://warrencat.com/terms-conditions> or upon request.

OTHER PROVISIONS: