

ATCHISON COUNTY RESOLUTION 2023- 1515

RE: Agreement dated January 17, 2023 between Exchange Bank & Trust (Lessor) and County of Atchison, Kansas (Lessee)

At a duly called meeting of the Governing Body of the Lessee (as defined in the Agreement) held on January 17, 2023 the following resolution was introduced and adopted:

BE IT RESOLVED by the Governing Body of Lessee as follows:

1. **Determination of Need.** The Governing Body of Lessee has determined that a true and very real need exists for the acquisition of the Project described on Exhibit A of the Agreement dated as of January 17, 2023, between County of Atchison, Kansas (Lessee) and Exchange Bank & Trust (Lessor).

2. **Approval and Authorization.** The Governing Body of Lessee has determined that the Agreement, substantially in the form presented to this meeting, is in the best interests of the Lessee for the acquisition of such Project, and the Governing Body hereby approves the entering into of the Agreement by the Lessee and hereby designates and authorizes the following person(s) to execute and deliver the Agreement on Lessee's behalf with such changes thereto as such person(s) deem(s) appropriate, and any related documents, including any Escrow Agreement, necessary to the consummation of the transaction contemplated by the Agreement.

Authorized individual(s): Casey Quinn, Chairman of the Board of County Commissioners

3. **Adoption of Resolution.** The signatures below from the designated individuals from the Governing Body of the Lessee evidence the adoption by the Governing Body of this Resolution.

Signature: Casey Quinn
Casey Quinn, Chairwoman

Signature: Eric Noll
Eric Noll, Commissioner

Signature: Allen Reavis
Allen Reavis, Commissioner

Attested By: Michelle Phillips
Michelle Phillips, County Clerk

LEASE WITH OPTION TO PURCHASE AGREEMENT

Lessee
COUNTY OF ATCHISON,
KANSAS
423 N. 5TH St.
Atchison, KS 66002

Lessor
EXCHANGE BANK & TRUST
600 COMMERCIAL ST.
ATCHISON, KANSAS 66002

Dated as of January 17, 2023

This Lease with Option to Purchase Agreement (hereinafter "Agreement") dated as of the date listed above is between Lessor and Lessee listed directly above. Lessor desires to finance the purchase of the Project described in Exhibit "A" to Lessee and Lessee desires to finance the purchase of the Project from Lessor subject to the terms and conditions of this Agreement which are set forth below.

I. Definitions:

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

"Additional Schedule" refers to the proper execution of additional Schedules to Exhibit A, Exhibit B, Exhibit C and Exhibit D as well as other exhibits or documents that may be required by the Lessor all of which relate to a lease of additional Project, now or later.

"Budget Year" means the Lessee's fiscal year.

"Commencement Date" is the date when Lessee's obligation to pay Lease Payments begins.

"Agreement" means this Lease with Option to Purchase Agreement and all Exhibits attached hereto.

"Lease Payments" means the payments Lessee is required to make under this Agreement as set forth on Exhibit "B".

"Lease Term" means the Original Term and all Renewal Terms.

"Project" means all of the items of Project listed on Exhibit "A" and all replacements, restorations, modifications and improvements.

"Lessor" means the entity originally listed above as Lessor or any of its assignees.

"Lessee" means the entity listed above as Lessee and which is financing the Project from Lessor under the provisions of this Agreement.

"Original Term" means the period from the Commencement Date until the end of the Budget Year of Lessee.

"Renewal Term" means the annual term which begins at the end of the Original Term and which is simultaneous with Lessee's Budget Year.

"State" means the state in which Lessee is located.

II. Lessee Warranties

2.01. Lessee represents warrants and covenants as follows for the benefit of Lessor or its assignees:

- (a) Lessee is an "issuer of tax exempt obligations" because Lessee is the State or a political subdivision of the State within the meaning of Section 103(a) of the Internal Revenue Code of 1986, as amended, (the "Code") or because Lessee is a constituted authority or district authorized to issue obligations on behalf of the State or political subdivision of the State within the meaning of Treasury Regulation 1.103-1(b).
- (b) Lessee is authorized under the Constitution and laws of the State to enter into this Agreement, and has used such authority to properly execute and deliver this Agreement. Lessee has followed all proper procedures of its governing body in executing this Agreement. The Officer of Lessee executing this Agreement has the authority to execute and deliver this Agreement. This Agreement constitutes a legal, valid, binding and enforceable obligation of the Lessee in accordance with its terms.
- (c) Lessee has complied with all statutory laws and regulations that may be applicable to the execution of this Agreement.
- (d) Lessee shall use the Project only for essential, traditional government purposes.
- (e) Should the IRS disallow the tax-exempt status of the Interest Portion of the Lease Payments as a result of the failure of the Lessee to use the Project for governmental purposes, then Lessee shall be required to pay additional sums to the Lessor or its assignees so as to bring the after tax yield to the same level as the Lessor or its assignees would attain if the transaction continued to be tax-exempt.
- (f) Should the Lessee cease to be an issuer of tax exempt obligations or if the obligation of Lessee created under this Agreement ceases to be a tax exempt obligation for any reason, then Lessee shall be required to pay additional sums to the Lessor or its assignees so as to bring the after tax yield on this Agreement to the same level as the Lessor or its assignees would attain if the transaction continued to be tax-exempt.
- (g) Lessee has never non-appropriated funds under an Agreement similar to this Agreement.
- (h) Lessee will submit to the Secretary of the Treasury an information reporting statement as required by the Code.
- (i) Upon request by Lessor, Lessee will provide Lessor with current financial statements, reports, budgets or other relevant fiscal information.
- (j) Lessee shall retain the Project free of any hazardous substances as defined in the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. 9601 ET. Seq. as amended and supplemented.
- (k) Lessee presently intends to continue this Agreement for the Original Term and all Renewal Terms as set forth on Exhibit "B" hereto. The official of Lessee responsible for budget preparation will include in the budget request for each Budget Year the Lease Payments to become due in such Budget Year, and will use all reasonable and lawful means

available to secure the appropriation of money for such Budget Year sufficient to pay the Lease Payments coming due therein. Lessee reasonably believes that moneys can and will lawfully be appropriated and made available for this purpose.

(l) Lessee warrants there are no pending or threatened lawsuits or administrative or other proceedings, to its knowledge, including other proceedings contesting the authority for, authorization or performance of or expenditure of funds pursuant to this agreement.

2.02. Escrow Agreement. In the event both Lessor and Lessee mutually agree to utilize an Escrow Account, then immediately following the execution and delivery of this Agreement, Lessor and Lessee agree to execute and deliver and to cause Escrow Agent to execute and deliver the Escrow Agreement. This Agreement shall take effect only upon execution and delivery of the Escrow Agreement by the parties thereto. Lessor shall deposit or cause to be deposited with the Escrow agent for credit to the Project Acquisition Fund the sum of \$NA, which shall be held, invested and disbursed in accordance with the Escrow Agreement.

III. Acquisition of Project, Lease Payments and the Purchase Option Price

3.01. Acquisition and Acceptance. Lessee shall be solely responsible for the ordering of the Project and for the delivery and installation of the Project. Execution of the Acceptance Certificate by an employee, official or agent of the Lessee having managerial, supervisory or procurement authority with respect to the Project shall constitute acceptance of the Project on behalf of the Lessee.

3.02. Lease Payments. Lessee shall pay Lease Payments exclusively to Lessor or its assignees in lawful, legally available money of the United States of America. The Lease Payments shall be sent to the location specified by the Lessor or its assignees. The Lease Payments shall constitute a current expense of the Lessee and shall not constitute an indebtedness of the Lessee. The Lease Payments are due as set forth on Exhibit B. Lessor shall have the option to charge interest at the highest lawful rate on any Lease Payment received later than the due date for the number of days that the Lease Payment(s) were late, plus any additional accrual on the outstanding balance for the number of days that the Lease Payment(s) were late. Lessor shall also have the option, on monthly payments only, to charge a late fee of up to 10% of the monthly Lease Payment that is past due. The Lease Payments will be payable without notice or demand.

3.03. Lease Payments Unconditional. Except as provided under Section 4.01, THE OBLIGATIONS OF LESSEE TO MAKE LEASE PAYMENTS AND TO PERFORM AND OBSERVE THE OTHER COVENANTS CONTAINED IN THIS AGREEMENT SHALL BE ABSOLUTE AND UNCONDITIONAL IN ALL EVENTS WITHOUT ABATEMENT, DIMINUTION, DEDUCTION, SET-OFF OR DEFENSE.

3.04. Purchase Option Price. Upon thirty (30) days written notice, Lessee shall have the option to pay, in addition to the Lease Payment, the corresponding Purchase Option Price which is listed on the same line on Exhibit B. This option is only available to the Lessee on the Lease Payment date and no partial prepayments are allowed. If Lessee chooses this option and pays the Purchase Option Price to Lessor then Lessor will transfer any and all of its rights, title and interest in the Project to Lessee.

3.05. Agreement Term. The Agreement Term of the Agreement shall be the Original Term and all Renewal Terms until all the Lease Payments are paid as set forth on Exhibit B except as provided under Section 4.01 and Section 9.01 below. If, after the end of the budgeting process which occurs at the end of the Original Term or any Renewal Term, Lessee has not non-appropriated as provided for in this Agreement then the Agreement Term shall be extended into the next Renewal Term and the Lessee shall be obligated to make all the Lease Payments that come due during such Renewal Term.

3.06. Disclaimer of Warranties. LESSOR MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY, AND FITNESS FOR PARTICULAR PURPOSE OR ANY OTHER WARRANTY WITH RESPECT TO THE PROJECT. LESSOR SHALL NOT BE LIABLE FOR ANY INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGE ARISING OUT OF THE INSTALLATION, OPERATION, POSSESSION, STORAGE OR USE OF THE PROJECT BY LESSEE.

IV. Non-Appropriation

4.01. Non-Appropriation. If insufficient funds are available in Lessee's budget for the next Budget Year to make the Lease Payments for the next Renewal Term and the funds to make such Lease Payments are otherwise unavailable by any lawful means whatsoever, then Lessee shall have the option to non-- appropriate the funds to pay the Lease Payments for the next Renewal Term. Lack of a sufficient appropriation shall be evidenced by the passage of an ordinance or resolution by the governing body of Lessee specifically prohibiting Lessee from performing its obligations under this Agreement and from using any moneys to pay the Lease Payments due under this Agreement for a designated Budget Year and all subsequent Budget Years. If Lessee chooses this option, then all obligations of the Lessee under this Agreement regarding Lease Payments for all remaining Renewal Terms shall be terminated at the end of the then current Original Term or Renewal Term without penalty or liability to the Lessee of any kind provided that if Lessee has not delivered possession of the Project to Lessor as provided herein and conveyed to Lessor or released its interest in the Project by the end of the last Budget Year for which Lease Payments were paid, the termination shall nevertheless be effective but Lessee shall be responsible for the payment of damages in an amount equal to the amount of the Lease Payments thereafter coming due under Exhibit "B" which are attributable to the number of days after such Budget Year during which Lessee fails to take such actions and for any other loss suffered by Lessor as a result of Lessee's failure to take such actions as required. Lessee shall immediately notify the Lessor as soon as the decision to non-appropriate is made. If such non-- appropriation occurs, then Lessee shall deliver the Project to Lessor as provided below in Section 9.04. Lessee shall be liable for all damage to the Project other than normal wear and tear. If Lessee fails to deliver the Project to Lessor, then Lessor may enter the premises where the Project is located and take possession of the Project and charge Lessee for costs incurred.

V. Insurance, Damage, Insufficiency of Proceeds

5.01. Insurance. Lessee shall maintain both casualty insurance and liability insurance at its own expense with respect to the Project. Lessee shall be solely responsible for selecting the insurer(s) and for making all premium payments and ensuring that all policies are continuously kept in effect during the period when Lessee is required to make Lease Payments. Lessee shall provide Lessor with a Certificate of Insurance which lists the Lessor and/or assigns as a loss payee and an additional insured on the policies with respect to the Project.

(a) Lessee shall insure the Project against any loss or damage by fire and all other risks covered by the standard extended coverage endorsement then in use in the State and any other risks reasonably required by Lessor in an amount at least equal to the then applicable Purchase Option Price of the Project. Alternatively, Lessee may insure the Project under a blanket insurance policy or policies.

(b) The liability insurance shall insure Lessor from liability and property damage in any form and amount satisfactory to Lessor.

(c) Lessee may self-insure against the casualty risks and liability risks described above. If Lessee chooses this option, Lessee must furnish Lessor with a certificate and/or other documents which evidence such coverage.

(d) All insurance policies issued or affected by this Section shall be so written or endorsed such that the Lessor and its assignees are named additional insureds and loss payees and that all losses are payable to Lessee and Lessor or its assignees as their interests may appear. Each policy issued or affected by this Section shall contain a provision that the insurance company shall not cancel or

materially modify the policy without first giving thirty (30) days advance notice to Lessor or its assignees. Lessee shall furnish to Lessor certificates evidencing such coverage throughout the Agreement Term.

5.02. Damage to or Destruction of Project. Lessee assumes the risk of loss or damage to the Project. If the Project or any portion thereof is lost, stolen, damaged, or destroyed by fire or other casualty, Lessee will immediately report all such losses to all possible insurers and take the proper procedures to attain all insurance proceeds. At the option of Lessor, Lessee shall either (1) apply the Net Proceeds to replace, repair or restore the Project or (2) apply the Net Proceeds to the applicable Purchase Option Price. For purposes of this Section and Section 5.03, the term Net Proceeds shall mean the amount of insurance proceeds collected from all applicable insurance policies after deducting all expenses incurred in the collection thereof.

5.03. Insufficiency of Net Proceeds. If there are no Net Proceeds for whatever reason or if the Net Proceeds are insufficient to pay in full the cost of any replacement, repair, restoration, modification or improvement of the Project, then Lessee shall, at the option of Lessor, either (1) complete such replacement, repair, restoration, modification or improvement and pay any costs thereof in excess of the amount of the Net Proceeds or (2) apply the Net Proceeds to the Purchase Option Price and pay the deficiency, if any, to the Lessor.

5.04. Lessee Negligence. Lessee assumes all risks and liabilities, whether or not covered by insurance, for loss or damage to the Project and for injury to or death of any person or damage to any property whether such injury or death be with respect to agents or employees of Lessee or of third parties, and whether such property damage be to Lessee's property or the property of others (including, without limitation, liabilities for loss or damage related to the release or threatened release of hazardous substances under the Comprehensive Environmental Response, Compensation and Liability Act, the Resource Conservation and Recovery Act or similar or successor law or any State or local equivalent now existing or hereinafter enacted which in any manner arise out of or are incident to any possession, use, operation, condition or storage of any Project by Lessee) which is proximately caused by the negligent conduct of Lessee, its officers, employees and agents. Lessee hereby assumes responsibility for and agrees to reimburse Lessor for all liabilities, obligations, losses, damages, penalties, claims, actions, costs and expenses (including reasonable attorneys' fees) of whatsoever kind and nature, imposed on, incurred by or asserted against Lessor that in any way relate to or arise out of a claim, suit or proceeding, based in whole or in part upon the negligent conduct of Lessee, its officers, employees and agents, to the maximum extent permitted by law.

VI. Title and Security Interest

6.01. Title. Title to the Project shall vest in Lessee when Lessee acquires and accepts the Project. Title to the Project will automatically transfer to the Lessor in the event Lessee non-appropriates under Section 4.01 or in the event Lessee defaults under Section 9.01. In either of such events, Lessee shall execute and deliver to Lessor such documents as Lessor may request to evidence the passage of legal title to the Project to Lessor.

6.02. Security Interest. To secure the payment of all Lessee's obligations under this Agreement, as well as all other obligations, debts and liabilities, whether now existing or subsequently created, Lessee hereby grants to Lessor a security interest under the Uniform Commercial Code constituting a first lien on the Project described more fully on Exhibit "A". Furthermore, Lessee agrees that any and all Project listed on any other Exhibit A, whether prior to or subsequent hereto, secures all obligations, debts and liabilities of every kind and character, plus interest thereon, whether now existing or hereafter arising. Lessee agrees that any Project listed on Exhibit "A" will remain personal property and will not become a fixture even if attached to real property. The security interest established by this section includes not only additions, attachments, repairs and replacements, to the Project but also all proceeds therefrom. Lessee authorizes Lessor to prepare and record any Financing Statement required under the Uniform Commercial Code to perfect the security interest created hereunder.

VII. Assignment

7.01. Assignment by Lessor. All of Lessor's rights, title and/or interest in and to this Agreement may be assigned and reassigned in whole or in part to one or more assignees or sub-assignees (including a Registered Owner for Participation Certificates) by Lessor at any time without the consent of Lessee. No such assignment shall be effective as against Lessee until the assignor shall have filed with Lessee written notice of assignment identifying the assignee. Lessee shall pay all Lease Payments due hereunder relating to such Project to or at the direction of Lessor or the assignee named in the notice of assignment. Lessee shall keep a complete and accurate record of all such assignments.

7.02. Assignment by Lessee. None of Lessee's right, title and interest under this Agreement and in the Project may be assigned by Lessee unless Lessor approves of such assignment in writing before such assignment occurs and only after Lessee first obtains an opinion from nationally recognized counsel stating that such assignment will not jeopardize the tax-exempt status of the obligation.

VIII. Maintenance of Project

8.01. Lessee shall keep the Project in good repair and working order. Lessor shall have no obligation to inspect, test, service, maintain, repair or make improvements or additions to the Project under any circumstances. Lessee will be liable for all damage to the Project, other than normal wear and tear, caused by Lessee, its employees or its agents. Lessee shall pay for and obtain all permits, licenses and taxes necessary for the installation, operation, possession, storage or use of the Project. If the Project includes any titled vehicle(s), then Lessee is responsible for obtaining such title(s) from the State and also for ensuring that Lessor is listed as First Lienholder on all of the title(s). Lessee shall not incur or assume any levies, liens or encumbrances of any kind with respect to the Project except those created by this Agreement. Lessee agrees that Lessor or its Assignee may execute any additional documents including financing statements, affidavits, notices, and similar instruments, for and on behalf of Lessee which Lessor deems necessary or appropriate to protect Lessor's interest in the Project and in this Agreement. The Project is and shall at all times be and remain personal property. Lessee shall allow Lessor to examine and inspect the Project at all reasonable times.

IX. Default

9.01. Events of Default defined. The following events shall constitute an "Event of Default" under this Agreement:

- (a) Failure by Lessee to pay any Lease Payment listed on Exhibit "B" for fifteen (15) days after such payment is due according to the Payment Date listed on Exhibit "B".
- (b) Failure to pay any other payment required to be paid under this Agreement at the time specified herein and a continuation of said failure for a period of fifteen (15) days after written notice by Lessor that such payment must be made. If Lessee continues to fail to pay any payment after such period, then Lessor may, but will not be obligated to, make such payments and charge Lessee for all costs incurred plus interest at the highest lawful rate.
- (c) Failure by Lessee to observe and perform any warranty, covenant, condition, promise or duty under this Agreement for a period of thirty (30) days after written notice specifying such failure is given to Lessee by Lessor, unless Lessor agrees in writing to an extension of time. Lessor will not unreasonably withhold its consent to an extension of time if corrective action is instituted by Lessee. Subsection (c) does not apply to Lease Payments and other payments discussed above.
- (d) Any statement, material omission, representation or warranty made by Lessee in or pursuant to this Agreement which proves to be false, incorrect or misleading on the date when made regardless of Lessee's intent and which materially adversely affects the rights or security of Lessor under this Agreement.

(e) Any provision of this Agreement which ceases to be valid for whatever reason and the loss of such provision would materially adversely affect the rights or security of Lessor.

(f) Lessee admits in writing its inability to pay its obligations. Lessee defaults on one or more of its other obligations. Lessee applies or consents to the appointment of a receiver or a custodian to manage its affairs. Lessee makes a general assignment for the benefit of creditors.

9.02. Remedies on Default. Whenever any Event of Default exists, Lessor shall have the right to take one or any combination of the following remedial steps:

(g) With or without terminating this Agreement, Lessor may declare all Lease Payments and other amounts payable by Lessee hereunder to the end of the then current Budget Year to be immediately due and payable.

(h) With or without terminating this Agreement, Lessor may require Lessee at Lessee's expense to redeliver any or the entire Project to Lessor as provided below in Section 9.04. Such delivery shall take place within fifteen (15) days after the event of default occurs. If Lessee fails to deliver the Project, Lessor may enter the premises where the Project is located and take possession of the Project and charge Lessee for cost incurred. Notwithstanding that Lessor has taken possession of the Project, Lessee shall still be obligated to pay the remaining Lease Payments due up until the end of the then current Original Term or Renewal Term. Lessee will be liable for any damage to the Project caused by Lessee or its employees or agents.

(i) Lessor may take whatever action at law or in equity that may appear necessary or desirable to enforce its rights. Lessee shall be responsible to Lessor for all costs incurred by Lessor in the enforcement of its rights under this Agreement including, but not limited to, reasonable attorney fees.

9.03. No Remedy Exclusive. No remedy herein conferred upon or reserved to Lessor is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or shall be construed to be a waiver thereof.

9.04. Return of Project and Storage.

(j) **Surrender:** The Lessee shall, at its own expense, surrender the Project to the Lessor in the event of a default or a non-appropriation by delivering the Project to the Lessor to a location accessible by common carrier and designated by Lessor. In the case that any of the Projects consists of software, Lessee shall destroy all intangible items constituting such software and shall deliver to Lessor all tangible items constituting such software. At Lessors request, Lessee shall also certify in a form acceptable to Lessor that Lessee has complied with the above software return provisions and that they will immediately cease using the software and that they shall permit Lessor and/or the vendor of the software to inspect Lessee's locations to verify compliance with the terms hereto.

(k) **Delivery:** The Project shall be delivered to the location designated by the Lessor by a common carrier unless the Lessor agrees in writing that a common carrier is not needed. When the Project is delivered into the custody of a common carrier, the Lessee shall arrange for the shipping of the item and its insurance in transit in accordance with the Lessor's instructions and at the Lessee's sole expense. Lessee at its expense shall completely sever and disconnect the Project or its component parts from the Lessee's property all without liability to the Lessor. Lessee shall pack or crate the Project and all of the component parts of the Project carefully and in accordance with any recommendations

of the manufacturer. The Lessee shall deliver to the Lessor the plans, specifications operation manuals or other warranties and documents furnished by the manufacturer or vendor on the Project and such other documents in the Lessee's possession relating to the maintenance and methods of operation of such Project.

(l) **Condition:** When the Project is surrendered to the Lessor it shall be in the condition and repair required to be maintained under this Agreement. It will also meet all legal regulatory conditions necessary for the Lessor to sell or lease it to a third party and be free of all liens. If Lessor reasonably determines that the Project or an item of the Project, once it is returned, is not in the condition required hereby, Lessor may cause the repair, service, upgrade, modification or overhaul of the Project or an item of the Project to achieve such condition and upon demand, Lessee shall promptly reimburse Lessor for all amounts reasonably expended in connection with the foregoing.

Storage: Upon written request by the Lessor, the Lessee shall provide free storage for the Project or any item of the Project for a period not to exceed 60 days after the expiration of the Lease Term before returning it to the Lessor. The Lessee shall arrange for the insurance described to continue in **full** force and effect with respect to such item during its storage period and the Lessor shall reimburse the Lessee on demand for the incremental premium cost of providing such insurance.

X. Miscellaneous

10.01 Notices. All notices shall be sufficiently given and shall be deemed given when delivered or mailed by registered mail, postage prepaid, to the parties at their respective places of business as first set forth herein or as the parties shall designate hereafter in writing.

10.02 Binding Effect. Lessee acknowledges this Agreement is not binding upon the Lessor or its assignees unless the Conditions to Funding listed on the Documentation Instructions have been met to Lessor's satisfaction, and Lessor has executed the Agreement. Thereafter, this Agreement shall inure to the benefit of and shall be binding upon Lessor and Lessee and their respective successors and assigns.

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

10.04 Amendments, Addenda, Changes or Modifications. This Agreement may be amended, added to, changed, or modified only by written addendums or modifications duly executed by Lessor and Lessee. Furthermore, Lessor reserves the right to charge Lessee a fee, to be determined at that time, as compensation to Lessor for the additional administrative expense resulting from such amendment, addenda, change or modification.

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

10.06 Captions. The captions or headings in this Agreement do not define, limit or describe the scope or intent of any provisions or sections of this Agreement.

10.07 Master Agreement. This Agreement can be utilized as a Master Agreement. This means that the Lessor and the Lessee may agree additional Project under this Agreement at some point in the future by executing one or more Additional Schedules to Exhibit A, Exhibit B, Exhibit C and Exhibit D as well as other exhibits or documents that may be required by Lessor. Additional Schedules will be consecutively numbered on each of the exhibits which make up the Additional Schedule and all the terms and conditions of the Agreement shall govern each Additional Schedule.

10.08 Entire Writing. This Agreement constitutes the entire writing between Lessor and Lessee. No waiver, consent, modification or change of terms of this Agreement shall bind either party unless in writing and signed by both parties, and then such waiver, consent, modification or change shall be effective only in the specific instance and for the specific

purpose given. There are no understandings, Agreements, representations, conditions, or warranties express or implied, which are not specified herein regarding this Agreement or the Project financed hereunder. Any terms and conditions of any purchase order or other documents submitted by Lessee in connection with this Agreement which is in addition to or inconsistent with the terms and conditions of this Agreement will not be binding on Lessor and will not apply to this Agreement.

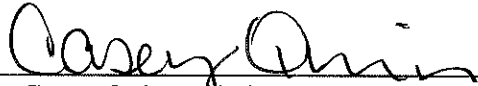
10.09 Cash Basis Law. The amount or capital cost required to purchase the Project if the Lessee paid cash for the Project on the day the Agreement is booked is the amount listed on Exhibit B, plus any down payment made by the Lessee. The annual average effective interest cost is also listed on Exhibit

B. There are NO amounts included in the Rental Payments for services, maintenance, Insurance or other charges.

Lessor and Lessee have caused this Agreement to be executed in their names by their duly authorized representatives listed below.

County of Atchison, Kansas

Exchange Bank & Trust



Casey Quinn, Chairwoman of the Board of
County Commissioners

Daniel J. Raplinger, Vice President

EXHIBIT A

DESCRIPTION OF ASSETS

RE: Agreement dated January 17, 2023, between Exchange Bank & Trust (Lessor) and County of Atchison, Kansas (Lessee)

Below is a detailed description of all the assets including quantity, model number and serial number where applicable:

2022 FORD F350 4WD VIN 1FTRF3B65NEE91247

2022 FORD F350 4WD VIN 1FTRF3B6XNEF86306

PINTLE HITCH HYDRAULIC TILT TRAILER VIN 1LH345JH4P1F34742

Location of stored Asset:
County of Atchison, Atchison, Ks.

EXHIBIT B
PAYMENT SCHEDULE

RE: Agreement dated as of January 17, 2023, between Exchange Bank & Trust (Lessor) and County of Atchison, KS

Date of First Payment: February 15, 2023

Original Balance: \$142,617.32

Semi-Annual Balance Due: \$15,608.25

Total Number of Payments: 10

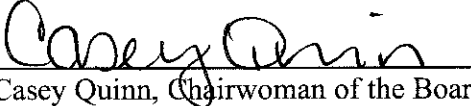
Number of Payments per Year: 2

Effective Rate of Interest: 3.98%

Amount Included in payments for service, insurance & maintenance \$0.00

PLEASE SEE THE ATTACHED AMORTIZATION SCHEDULE FOR THE ENTIRE LEASE PAYMENT SCHEDULE*

County of Atchison, KS



Casey Quinn, Chairwoman of the Board of County Commissioners

**Assumes all Lease Payments due to date are paid*

EXHIBIT C

CERTIFICATE OF ACCEPTANCE

RE: Agreement dated as January 17, 2023, between Exchange Bank & Trust (Lessor) and County of Atchison, KS (Lessee)

I, the undersigned, hereby certify that I am a duly qualified representative of Lessee and that I have been given the authority by the Governing Body of Lessee to sign this Certificate of Acceptance with respect to the above referenced Agreement. I hereby certify that:

1. The Project described on Exhibit A has been delivered and installed in accordance with Lessee's specifications.
2. Lessee has conducted such inspection and/or testing of the Project as it deems necessary and appropriate and hereby acknowledges that it accepts the Project for all purposes.
3. Lessee has appropriated and/or taken other lawful actions necessary to provide moneys sufficient to pay all Lease Payments required to be paid under the Agreement during the current Budget Year of Lessee, and such moneys will be applied in payment of all Lease Payments due and payable during such current Budget Year.
4. Lessee has obtained insurance coverage as required under the Agreement from an insurer qualified to do business in the State.
5. No event or condition that constitutes or would constitute an Event of Default exists as of the date hereof.
6. The governing body of Lessee has approved the authorization, execution and delivery of this Agreement on its behalf by the authorized representative of Lessee who signed the Agreement.
7. Please list the Source of Funds (Fund Item in Budget) for the Lease Payments that come due under Exhibit B of this Agreement.

General Funds, Operating Funds of Atchison County, Kansas

If the above Source of Funds is solely a grant type fund, then the Lessee, by signing below, hereby authorizes the General Fund of the Lessee as a backup source of funds from which the Lease Payments can be made.

**County of Atchison,
Kansas**



Casey Quinn, Chairwoman of the Board of County Commissioners

EXHIBIT D

LESSEE

RESOLUTION

RE: Agreement dated January 17, 2023 between Exchange Bank & Trust (Lessor) and County of Atchison, Kansas (Lessee)

At a duly called meeting of the Governing Body of the Lessee (as defined in the Agreement) held on January 17, 2023 the following resolution was introduced and adopted:

BE IT RESOLVED by the Governing Body of Lessee as follows:

1. Determination of Need. The Governing Body of Lessee has determined that a true and very real need exists for the acquisition of the Project described on Exhibit A of the Agreement dated as of January 17, 2023, between County of Atchison, Kansas (Lessee) and Exchange Bank & Trust (Lessor).

2. Approval and Authorization. The Governing Body of Lessee has determined that the Agreement, substantially in the form presented to this meeting, is in the best interests of the Lessee for the acquisition of such Project, and the Governing Body hereby approves the entering into of the Agreement by the Lessee and hereby designates and authorizes the following person(s) to execute and deliver the Agreement on Lessee's behalf with such changes thereto as such person(s) deem(s) appropriate, and any related documents, including any Escrow Agreement, necessary to the consummation of the transaction contemplated by the Agreement.

Authorized individual(s): Casey Quinn, Chairwoman of the Board of County Commissioners

3. Adoption of Resolution. The signatures below from the designated individuals from the Governing Body of the Lessee evidence the adoption by the Governing Body of this Resolution.

Signature: Casey Quinn
Casey Quinn, Chairwoman

Signature: Eric Noll

Signature: Eric Noll, Commissioner
Eric Noll, Commissioner

Allen Reavis, Commissioner

Attested By: Michelle Phillips
SIGNATURE

Type Name & Title Michelle Phillips, County Clerk

EXHIBIT E
BANK QUALIFIED CERTIFICATE

RE: Agreement dated as of January 17, 2023, between Exchange Bank & Trust (Lessor) and County of Atchison, Kansas (Lessee)

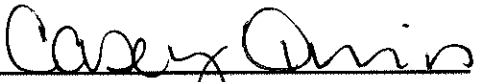
Whereas, Lessee hereby represents that it is a "Bank Qualified" Issuer for the calendar year in which this Agreement is executed by making the following designations with respect to Section 265 of the Internal Revenue Code. (A "Bank Qualified Issuer" is an issuer that issues less than ten million (\$10,000,000) dollars of tax-exempt obligations during the calendar year).

Now, therefor, Lessee hereby designates this Agreement as follows:

(a) Designation as Qualified Tax-Exempt Obligation. Pursuant to Section 265(b)(3)(B)(i) of the Internal Revenue Code of 1986 as amended (the "Code"), the Lessee hereby specifically designates the Agreement as a "qualified tax-exempt obligation" for purposes of Section 265(b)(3) of the Code. In compliance with Section 265(b)(3)(D) of the Code, the Lessee hereby represents that the Lessee will not designate more than \$10,000,000 of obligations issued by the Lessee in the calendar year during which the Agreement is executed and delivered as such "qualified tax-exempt obligations".

(b) Issuance Limitation. In compliance with the requirements of Section 265(b)(3)(C) of the Code, the Lessee hereby represents that the Lessee (including all subordinate entities of the Lessee within the meaning of Section 265(b)(3)(E) of the Code) reasonably anticipates not to issue in the calendar year during which the Agreement is executed and delivered, obligations bearing interest exempt from federal income taxation under Section 103 of the Code (other than "private activity bonds" as defined in Section 141 of the Code) in an amount greater than \$10,000,000.

**County of Atchison,
Kansas**



Casey Quinn, Chairwoman of the Board of County Commissioners