



"Lessee": Legal Name, Street Address, State, and Zip Code of Municipality

HOPKINS COUNTY
109 JEFFERSON ST
SULPHUR SPRINGS, TX 75483

"Lessor": Legal Name and Address of Dealer

ASSOCIATED SUPPLY COMPANY, INC.
2602 EAST FRONT STREET
TYLER, TX 75702

This Addendum is made as of the 29 day of June, 2020, to that certain Finance Lease Agreement of even date herewith made by and between Lessee and Lessor (the "Agreement").

The Agreement as amended hereby is intended to be an obligation of a state or political subdivision with the interest portion of any Lease Payment to be excluded from the gross income of Lessor and its assigns for federal income tax purposes ("Tax-Exempt"). Any provision in the Agreement to the contrary shall be interpreted as to allow such interest component to be Tax-Exempt. If there is any conflict between the terms of the Agreement and this Addendum, the terms of this Addendum shall prevail. The parties hereby amend the Agreement by adding the following:

BOOK REGISTRY, TITLE AND GOVERNING LAW

Lessor, Assignee or their designee will maintain the book registry of the owner of record of the Lease Payments due under the Agreement, and will fulfill the obligations with respect to maintaining such registry pursuant to section 149(a) of the Internal Revenue Code of 1986, as amended (the "Code"), as Lessee's agent until otherwise notified. Notwithstanding sections 18 and 19 of the Agreement, Lessee is intended to be the owner of the Equipment for federal income tax purposes. In addition, title in the Equipment shall vest with Lessee until the occurrence of a default or a Nonappropriation (as defined below), at which time title shall automatically revert to Lessor without any further action by the parties. To the extent permitted by law, Lessee grants Lessor a security interest in the Equipment, replacements thereof, substitutions thereof and all proceeds of the foregoing. Notwithstanding section 10 of the Agreement, the Agreement shall be governed by the laws of the state in which Lessee is located (the "State").

NONAPPROPRIATION

Upon the occurrence of a Nonappropriation (as defined below), Lessee may terminate the Agreement upon the expiration of the then current fiscal period for which funds have been appropriated and promptly return the Equipment as provided in the Agreement and this Addendum. Lessee agrees to provide CNH Industrial Capital America LLC with immediate notice of Lessee's intention to so terminate the Agreement. Lessee shall do all things within its power to obtain funds to enable it to continue to pay the Lease Payments and other amounts due under the Agreement. "Nonappropriation" means the failure of Lessee's governing body to appropriate money for any fiscal period of Lessee sufficient for the continued performance by Lessee of all of Lessee's obligations under the Agreement, as evidenced by the passage of a bill, ordinance or resolution specifically prohibiting Lessee from performing any of its obligations under the Agreement and from using any moneys to pay any Lease Payments due under the Agreement for a designated fiscal period. Lessee presently intends to continue the Agreement for its entire term and to pay all payments thereunder. Lessor and Lessee acknowledge that appropriation for Lease Payments and other amounts due under the Agreement is a governmental function which Lessee cannot contractually commit itself in advance to perform and the Agreement does not constitute such a commitment. However, Lessee reasonably believes that moneys in an amount sufficient to make all Lease Payments and other amounts due under the Agreement can and will lawfully be appropriated and made available to permit Lessee to make such payments under the Agreement.

TERMINATION AND REMEDIES

- (a) **By Lessee.** Lessee shall have no right to terminate the Agreement except upon the occurrence of a Nonappropriation.
- (b) **By Lessor.** If Lessee is in default under the Agreement, Lessor may exercise its remedies under the Agreement or by law. Any termination of the Agreement by Lessor shall not terminate Lessee's obligations to pay all the Lease Payments and other payments specified in the Agreement for which funds have been appropriated. In no event shall Lessee be obligated to make any Lease Payment or pay any other amounts after a default under the Agreement except to the extent that that funds have been appropriated therefor. The amount of any sales proceeds and/or insurance proceeds (after first deducting the costs of retaking, holding, preparing for sale and selling the Equipment permitted by law, including (without limitation) attorney's fees and legal expenses) (the "Net Proceeds") received by Lessor shall be credited against the Termination Value as of the date of the sale, theft or total destruction of the Equipment in such order as Lessor may determine. Any surplus Net Proceeds in excess of the Termination Value shall be paid to Lessee.

REPRESENTATIONS, WARRANTIES AND COVENANTS OF LESSEE.

LESSEE REPRESENTS WARRANTIES AND COVENANTS THAT:

- (a) Lessee is a state or a political subdivision of the State within the meaning of Section 103(c) of the Code, duly created and existing under the laws of the State and possessing all requisite power and authority to enter into the Agreement and this Addendum. The execution and delivery of the Agreement and this Addendum by Lessee has been duly authorized by appropriate official action and such action is in compliance with all public bidding and other State and federal laws applicable to the Agreement and the Addendum and the acquisition and financing of the Equipment. The obligations of Lessee, including the obligation to make Lease Payments, shall constitute a current expense of Lessee for each fiscal period and shall not constitute an indebtedness of Lessee within the meaning of the constitution and laws of the State. Nothing herein shall constitute a pledge by Lessee of any taxes or other moneys to secure the payment of any payment or other amount coming due under the Agreement.
- (b) Lessee will not use, nor permit any other person to use, the Equipment in any way that would cause the Agreement to be a private activity bond within the meaning of Section 141 of the Code.
- (c) Lessee will not do or cause to be done any act which would cause, or fail to do or cause to be done anything which by its omission would permit, the Agreement to be an arbitrage bond within the meaning of Section 148 of the Code or a hedge bond within the meaning of Section 149(g) of the Code.
- (d) Lessee will promptly report and pay, to the extent of available funds, any amount required to be rebated to the United States pursuant to Code Section 148(f) of the Code.
- (e) Lessee will not do or cause to be done any act that would cause, or fail to do or cause to be done anything which by its omission would permit, the Agreement to be federally guaranteed under Section 149(b) of the Code.
- (f) Lessee will comply with the information reporting requirements of Section 149(e) of the Code, including (without limitation) the execution and filing of any and all information statements, including Forms 8038-G or 8038-GC (or successor forms), as appropriate.
- (g) Lessee will not do or cause to be done any act that would cause, or fail to do or cause to be done anything which by its omission would permit, the interest portion of any Lease Payment to be included in the gross income of Lessor or its assigns for federal income tax purposes. Lessee has taken all actions necessary to allow the interest portion of any Lease Payment to be and remain Tax-Exempt.
- (h) If the interest portion of any Lease Payment is includable in the gross income of Lessor for any reason, Lessee will immediately upon demand of Lessor make (i) a payment to Lessor sufficient to supplement prior Lease Payments to the Gross-Up Rate (as defined below) and (ii) future Lease Payments calculated at the Gross-Up Rate. "Gross-Up Rate" means, with respect to any Lease Payment, the interest rate necessary to calculate a total Lease Payment in an amount sufficient such that the sum of the Lease Payment plus an additional payment would, after being reduced by any federal, state or local income tax (including interest and penalties) imposed thereon, equal the amount of the Lease Payment prior to such imposition.
- (i) The undersigned is duly authorized to execute the Agreement on behalf of the Lessee.

Agreed, as of the date first written above

By: [Signature]
Lessee/Lessee's Representative

By: _____
Lessor's Representative

06-29-2020 HOPKINS COUNTY County Judge
Date Print Name Title (if applicable)

06-29-2020 ASSOCIATED SUPPLY COMPANY, INC
Date Print Name Title (if applicable)



061269 / 2598200

"Lessee(s)" Legal Name(s) Address City St Zip
 HOPKINS COUNTY 109 JEFFERSON ST SULPHUR SPRINGS TX 75483

"Lessor" Legal Name Address City St Zip
 ASSOCIATED SUPPLY COMPANY, INC. 2602 EAST FRONT STREET TYLER TX 75702

The undersigned Lessee(s) (collectively called "Lessee") hereby leases from Lessor and Lessor hereby leases to Lessee, the following goods (the "Equipment") under the terms set forth herein. The Equipment is leased for commercial business use agricultural use

NEW*/USED	EQUIPMENT DESCRIPTION	MODEL	SERIAL#/PIN	HOURS	"MAX ANN USE"	"EXCESS USE"	LEASE SALE PRICE
NEW	Case Tractor Loader Backhoe	580SN	JJGN58SNJLC772026	1 0	600 0 Hrs	\$20 00 /Hr	\$110,025 00
NEW	Allied Thumb	Thumb	N/A	0 0	600 0 Hrs	N/A	\$1,800 00
NEW	Allied _Construction Attachment	24 inch bucket	N/A	0 0	1200 0 Hrs	N/A	\$925 00

*New Equipment is unused equipment, a rental unit or a demonstrator, not previously sold, for which the manufacturer will supply all or a portion of a new equipment warranty; this Equipment may have been manufactured in a year prior to the year of this lease.

TRADE-IN EQUIPMENT	MODEL	SERIAL NUMBER/PIN	ALLOWANCE	AMT. OWED	NET TRADE-IN	OWED TO (Address details Page 5)
Case Tractor Loader Backhoe	580SL	JJCC268758	\$5,000 00	N/A	\$5,000 00	

Location of Equipment Address (if other than Lessee address) City St Zip

The beginning date of this agreement (the "Agreement" or this "Lease") is 06-29-2020 ("Beginning Date") and the termination date of the Agreement is 07-01-2023 ("Termination Date"). There shall be a security deposit of \$ N/A ("Security Deposit") and a purchase option price of \$ 50,345.14 ("Purchase Option Price").

STATEMENT OF TRANSACTION

1. Lease Sale Price	1. \$	112,750.00
2. Cash Down Payment	\$	N/A
Net Trade-in Allowance	\$	5,000.00
Manufacturer's Rebate	\$	N/A
Total Down Payment	2. \$	5,000.00
3. Unpaid Balance of Lease Sale Price (1 minus 2)	3. \$	107,750.00
4. Other Charges		
(a) Taxes (Not in Lease Price)	\$	N/A
(b) Official Fees (Filing and Termination)	\$	10.00
(c) UCC Service Fee (Filing and Termination)	\$	22.00
(d) Administrative Fee	\$	500.00
(e) Physical Damage Insurance	\$	N/A
(f) Credit Life Insurance	\$	N/A
(g) Credit Accident & Health Insurance	\$	N/A
(h) Purchased Protection Plan	\$	N/A
(i) (Other)	\$	N/A
Total Other Charges	4. \$	532.00
5. Unpaid Balance (Total Subject to Lease) (3+4)	5. \$	108,282.00
6. FINANCE CHARGE (Lease Charges)	6. \$	17,129.45
7. Total of Payments (Total Lease Payments) (5 + 6)	7. \$	125,411.45
8. Total Lease Price (Total Sale Price) (1 + 4 + 6)	8. \$	130,411.45
9. The Unpaid Balance (Amount Financed) shall bear a Finance Charge computed at a per annum rate [the ANNUAL PERCENTAGE RATE (APR)] equal to <u>7.10</u> % (this is a FIXED RATE contract).		
10. Date APR begins accruing:		<u>06-29-2020</u>

LEASE PAYMENTS. Advance Payment of \$ N/A followed by payments in accordance with the following schedule.

NO OF PAYMENTS	PERIOD OF PAYMENTS	AMOUNT OF EACH PAYMENT	BEGINNING MM/DD/YYYY
34	1 MONTHS	\$ 2,144.75	08/01/2020
1	1 MONTHS	\$ 2,144.81	06/01/2023

The payments have been calculated to pay in full principal and interest over the term of this Agreement using the APR in effect on the date of this Agreement, and assuming that all required payments are made in full on the scheduled due dates. The final payment due hereunder shall be recalculated to pay the Obligations in full.

Lessee hereby conveys to Lessor all right, title and interest in the Trade-in Equipment free and clear of all encumbrances except as noted above.

If checked, Lessor represents and warrants that the above Amt. Owed has been paid.

Lessee agrees to the terms of the Agreement. Lessee has received and examined the Equipment, which is in good operating order and condition and is as described above. Lessee acknowledges receipt of a copy of this Agreement. Lessee agrees to lease the Equipment described above and based on the terms of this Agreement.

NOTICE TO THE LESSEE:

- DO NOT SIGN THIS BEFORE YOU READ THE TERMS ON THE FIVE AGREEMENT PAGES (PLUS ANY ADDENDUMS), EVEN IF OTHERWISE ADVISED.
- DO NOT SIGN THIS IF IT CONTAINS ANY BLANK SPACES
- YOU ARE ENTITLED TO AN EXACT COPY OF ANY AGREEMENT YOU SIGN. KEEP IT TO PROTECT YOUR LEGAL RIGHTS
- LESSEE REPRESENTS THAT THE EQUIPMENT IS NOT BEING LEASED FOR FAMILY, HOUSEHOLD OR PERSONAL USE.

ADDITIONAL PROVISIONS CONCERNING RIGHTS AND DUTIES OF THE PARTIES ON THE ADDITIONAL PAGES OF THIS AGREEMENT ARE A PART OF THIS AGREEMENT.

X [Signature] HOPKINS COUNTY County Judge 06-29-2020
 Signature of Lessee/Lessee's Representative Printed Name Title (not for an individual Lessee) Date

X _____
 Signature of Lessee/Lessee's Representative Printed Name Title (not for an individual Lessee) Date

Dealer (herein "Assignor" or "Lessor") hereby assigns all of its rights, title and interest in and to this Agreement and the Equipment to CNH Industrial Capital America LLC (hereinafter "Assignee" or "CNH Capital"), under terms also described in the Retail Finance Agreement, Program Procedures, Dealer Handbook or other related documents (collectively hereinafter the "RFA") executed by the Assignor and Assignee. Lessor has obtained a signed credit application for this Agreement. The Equipment has been paid in full to Dealer or will be paid in full with Agreement proceeds pursuant to the terms of the RFA. Assignor waives notice of acceptance of this Assignment and notice of non-payment and non-performance of this Agreement and any other notices required by law and waives any and all setoffs and counterclaims. The Assignment shall become effective upon delivery of this Agreement to Assignee or upon Assignee's payment of the lease price thereof, whichever occurs first.

Basis of Acceptance Nonrecourse Repurchase Full Recourse Other

Other explanation

X _____ 06-29-2020
 Signature of Lessor's Representative Printed Lessor Name Date



Agreement Provisions

1. NO WARRANTY. THE EQUIPMENT IS LEASED AS IS AND WITH ALL FAULTS, SUBJECT TO ANY APPLICABLE MANUFACTURER'S EXPRESS, WRITTEN WARRANTY. NEITHER LESSOR NOR MANUFACTURER MAKE ANY OTHER REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AND SPECIFICALLY DISCLAIM THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR PARTICULAR PURPOSES.* NEITHER LESSOR NOR MANUFACTURER WILL BE LIABLE FOR ANY SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES RESULTING FROM A BREACH OF THE EXPRESS WARRANTY OR ANY IMPLIED WARRANTY IMPOSED BY LAW.*

*Some states do not allow these limitations and exclusions, and they shall not apply to the extent such limitations or exclusions are not allowed by applicable state law.

2. Assignment. Lessor hereby assigns this Agreement, and any guarantee(s) ("Guarantee") hereof (together, "Assignment") to Assignee. Lessee acknowledges that Lessor has the right to assign this Agreement and such Guarantee, that all rights and benefits but no obligations (if any) of Lessor under this Agreement may be exercised by Assignee and that no obligations (if any) of Lessor pass to Assignee. Lessee shall make all payments due under this Agreement directly to Assignee. This Agreement shall be binding on and inure to the benefit of Lessee, Lessor and Assignee and their respective heirs, personal representatives, successors and assigns, provided however, that Lessee may not assign its interest in the Collateral, rights, nor obligations under this Agreement to any person without Assignee's prior written consent.

3. Title. This Agreement is a lease only. Lessee does not have any right, title or interest in the Equipment, except, so long as no event of default has occurred and is continuing hereunder, the right to use it during the term hereof and, if so indicated, the option to purchase it as provided under this Agreement.

4. Security Interests/Cross Collateralization. Lessee hereby grants to Lessor and its successors and assigns (including Assignee) a first priority purchase money security interest in the Equipment, and in all improvements, parts and accessories belonging to the Equipment, and all substitutions, replacements, products, proceeds (including any insurance proceeds) thereof and premium refunds, refunds of any other charges hereunder and all accessions related to the Equipment (the Equipment and such items are collectively referred to herein as the "Collateral"), to secure payment and performance of all existing and future obligations of Lessee under this Agreement or any other agreement between Lessee and Lessor, between Lessee and Assignee or any affiliate of Assignee, or where Lessee, under another agreement in favor of Lessor or Assignee, is a guarantor or obligor (the "Obligations"). Loss of or damage to the Equipment shall not release Lessee from any of the Obligations. Upon request, Lessee shall take any action reasonably deemed necessary by Assignee to protect and enforce Assignee's interest in the Collateral or rights under this Agreement, including, without limitation, executing and delivering to Assignee any documents Assignee may request to establish and/or preserve Lessor's and Assignee's security interest in the Collateral. Assignee or Lessor is authorized to examine the Collateral wherever located at any reasonable time or times. Lessee authorizes Assignee to insert in this Agreement, or amend any financing statement or title registration documentation to reflect the serial/PIN and/or model numbers of the Equipment if unknown at the time this Agreement is executed and to correct any errors in such numbers or any other errors in the description of the Equipment.

5. Lease Intended for Security; Tax Characterization. This Agreement is a lease intended for security during the term hereof. Lessor shall retain all right, title and interest in the Equipment, subject to Lessee's right to use the Equipment during such term. This Agreement is not intended to be treated as a lease for tax purposes. Neither Lessor nor Lessee makes any representation to the other concerning the proper treatment of this Agreement for tax purposes by either party.

6. Authorization to Execute and File Financing Statements and Lien Documents. Lessee hereby authorizes Assignee or its designee to execute and file financing statements, and any motor vehicle title, registration and lien notification documentation, and any amendments thereto, on behalf and in the name of Lessee to evidence the security interest in the Collateral granted pursuant to this Agreement. Lessee hereby irrevocably appoints Assignee or its designee as Lessee's agent and attorney-in-fact to sign such instruments on Lessee's behalf and to file them.

7. Conditions to Lease. Lessor has no obligation to lease the Equipment to Lessee until Lessor receives: (a) a fully executed Agreement; (b) evidence of insurance that complies with the requirements hereof; (c) such precautionary financing statements, or other documents, as Lessor deems necessary or appropriate to evidence and/or perfect Lessor's interest in the Equipment in accordance with the applicable Uniform Commercial Code or other appropriate law; and (d) such other documents as Lessor may reasonably request.

8. Prepayments. Lessee may make a partial prepayment of the Obligations at any time, but any partial prepayments will not change or defer Lessee's next scheduled payments. If Lessee prepays the full unpaid Obligations on construction equipment for commercial business use, Lessee shall pay a prepayment fee of up to \$150, unless such fee is prohibited by applicable law.

9. Late Charges/Default Rate/Returned Checks. Lessee shall pay a late charge on each payment not paid within 10 days after the due date at the highest amount, both as permitted by applicable law. Lessee shall pay interest on the unpaid balance after maturity (as scheduled, by acceleration or otherwise) at the highest rate, as permitted by applicable law. If a check is returned for any reason, Assignee may charge Lessee a returned check processing fee as established by Assignee from time to time not to exceed the maximum permitted under applicable law. Assignee may apply any payment or proceed received toward the Obligations, in its sole discretion regardless of how requested or directed.

10. Fees. All parties to this Agreement acknowledge and agree that some fees and charges scheduled under section 4 in the Statement of Transaction may be shared between the Lessor and CNH Capital as permitted by law and may result in profit for the Lessor and CNH Capital. The parties further agree that any Administrative or Other Fees charged are reasonable consideration for credit determination, handling, review, and approval of the transaction, and are not a document preparation fee nor an official fee. CNH Capital may make UCC related filings and/or termination statements pursuant to this Agreement. CNH Capital reserves its right to assess additional fees and other charges to the Obligations including but not limited to, if fees and other charges increase or other actions are needed to protect its lien upon the Equipment. If any fees and/or other charges scheduled and/or assessed under any part of this Agreement exceed the maximum permitted by applicable law, any excess shall be applied toward a reduction of the principal balance and that shall be the sole and satisfactory remedy under this Agreement.

11. Extensions and Refinancing. If Assignee extends, defers or refinances any payments due under this Agreement, Assignee may, at its option, increase the APR or Time Price Differential Rate (herein collectively referred to as APR).

12. Notification of Change in Residence, Principal Office, or Organizational Form. If Lessee changes (as applicable): (a) its state of principal residence; or (b) the state in which its chief executive office is located; or (c) the state in which it is organized; or (d) its form of organization (such as from an individual to a corporation); or (e) its name, as printed on a State filed registration document or individual name, as printed on a valid driver's license, then Lessee will notify Assignee in writing promptly, but in no event more than 30 days after such change.

13. Waiver of Defenses Against Assignee; Indemnification. Lessee will not assert against Assignee any claim or defense which Lessee may have against Lessor, the manufacturer of the Equipment, or any other person. Lessee agrees that its obligation to remit payments will not be subject to, and it will not make any claim against Assignee for breach of any representation, warranty or condition with respect to the Equipment and that its obligation to pay Assignee all amounts under this Agreement is absolute and unconditional without abatement, reduction, set-off, counterclaim or interruption for any reason whatsoever, including any dispute which now or hereafter arises between Lessee and Lessor or any other person. Time is of the essence. Lessee shall indemnify and hold harmless Lessor, Assignee and their respective officers, directors, employees and agents from and against any damage, loss, theft or destruction of the Equipment or any part thereof, and from and against any and all loss, damages, injuries, claims, demands, costs and expenses (including without limitation reasonable attorneys' fees and expenses) of any kind and nature, arising out of or connected with this Agreement or the use, condition (including without limitation, all defects whether or not discoverable by Lessee, Lessor or Assignee) or operation of the Equipment or any part thereof. Lessee shall promptly notify Lessor and Assignee in writing of any loss, damage, theft, destruction, injury, claim, demand, cost or expense related to this Agreement or the Equipment of which Lessee has knowledge.

14. Lessee's Covenants. Lessee shall: (a) keep the Equipment at the Equipment Location listed on page 1 of this Agreement and not remove the Equipment from such location, except temporarily in connection with its ordinary use or repair, unless Assignee consents in writing; (b) maintain the Equipment in good condition and repair and not permit its intended function or value to be impaired; (c) keep the Collateral free of all liens, encumbrances and security interests of all persons other than Lessor and Assignee; (d) defend the Collateral against all claims and legal proceedings by persons other than Assignee; (e) pay and discharge when due all taxes, fees, levies and other charges upon the Collateral (including all personal property and ad valorem taxes); (f) pay when due all taxes arising from the purchase of the Equipment under this Agreement, excluding any taxes based upon Lessor's net income; (g) use the Equipment solely in the conduct of Lessee's business; (h) ensure the Equipment will be used solely within the intended uses of the manufacturer and that manufacturer warranty remains valid; (i) not sell, lease or otherwise dispose of the Equipment nor permit the Equipment to become an accession to other goods or a fixture;



Agreement Provisions

(j) not permit the Equipment to be used in violation of any law, regulation or policy of insurance; (k) strictly follow the terms on page 1 of this Agreement; (l) perform (at Lessee's expense) all maintenance and repairs necessary to keep the Equipment in as good a condition as when delivered to Lessee, reasonable wear excepted; and (m) not permit the Equipment to be used by, or to be in the possession of, anyone other than Lessee or Lessee's employees; and (n) timely pay the nonrefundable Obligations from the Beginning Date through the term on the Lease, as set forth on page 1. Lessee represents and warrants that (i) each individual executing this Agreement authorized by or on behalf of Lessee has the requisite power and authority to execute this Agreement and all related documents; (ii) Lessee is fully authorized to perform its obligations and consummate the transactions contemplated under this Agreement and related documents; (iii) the execution and delivery of this Agreement and all related documents and the consummation of the transactions under this Agreement have been duly authorized by Lessee; and (iv) this Agreement and all related documents constitute valid and legally binding obligations of Lessee, enforceable against Lessee in accordance with their respective terms.

15. Insurance. Lessee shall keep Assignee's interests in the Equipment insured against fire, theft, physical damage and other hazards under policies listing Assignee as Lender's loss payee with such provisions, for such amounts (but not less than the unpaid balance outstanding under this Agreement) and by such insurers and terms as shall be satisfactory to Assignee from time to time, and shall furnish to Assignee evidence of such insurance satisfactory to Assignee. Such insurance shall provide at least 30 days' written notice of cancellation, lapse or expiration to Assignee. Lessee assigns (and directs any insurer to pay) to Assignee Lessee's interest in the proceeds of any and all insurance related to the Equipment and any premium refund, and Assignee may, at its option, apply such proceeds and refunds to any unpaid balance of the Obligations, whether or not due, and/or to repair or restore the Equipment. Lessee must make all payments due under this Agreement whether or not the Equipment is insured or underinsured. Assignee is authorized, in the name of Lessee or otherwise, to make, adjust and/or settle claims under any insurance on the Equipment, or cancel the same after the occurrence of an event of default, or set off amounts owed Assignee against any rebates, credits or refunds due Lessee and/or any guarantor. If Lessee purchased physical damage insurance that is financed under this Agreement, Lessee hereby requests and authorizes Lessor (provided Lessor is properly licensed to do so) or its designee: (a) to arrange physical damage insurance for the benefit of Lessor or Assignee and Lessee that covers physical damage to the Equipment; (b) to replace or otherwise modify such insurance as Lessor deems appropriate; and (c) to be Lessee's attorney-in-fact to make claim for, receive payment of and execute, endorse and negotiate all documents, checks or drafts received in payment of loss, damage or premium refunds under any insurance. This Agreement includes and hereby incorporates by reference any Insurance Addendum signed in connection with this Agreement.

STATEMENT TO LESSEE: THE PHYSICAL DAMAGE INSURANCE PURCHASED UNDER THE TERMS OF THIS AGREEMENT COVERS ONLY LOSS OF OR DAMAGE TO THE EQUIPMENT. LIABILITY INSURANCE COVERAGE FOR BODILY INJURY AND PROPERTY DAMAGE CAUSED TO OTHERS IS NOT INCLUDED AS PART OF THE PHYSICAL DAMAGE INSURANCE. LESSEE UNDERSTANDS THAT IF INSURANCE IS FINANCED UNDER THIS AGREEMENT, PREPAYMENT OF LESSEE'S OBLIGATIONS OR TERMINATION OF THIS AGREEMENT WILL RESULT IN CANCELLATION OF INSURANCE COVERAGE, UNLESS OTHERWISE EXPLICITLY AGREED TO IN WRITING BY ASSIGNEE

16. Liability Insurance. Assignee may require Lessee to obtain liability insurance from a carrier acceptable to Assignee in such form and subject to such limits as Assignee may reasonably require protecting the interests of Lessor, Assignee and Lessee against claims for damages or injuries to persons or property caused by the use, condition, holding or operation of the Equipment.

17. Taxes. Lessee agrees to pay all taxes (or reimburse Lessor for any taxes) imposed by any government, political subdivision or taxing authority upon or with respect to: (a) the purchase, ownership, possession, acceptance, relocation, repair, lease, return, sale or use of the Equipment; (b) the lease payments or any other payment required under this Agreement; or (c) any of the transactions contemplated by this Agreement. The term "taxes" shall mean any and all fees (including, without limitation, license, documentation, recording and registration fees), taxes (including, without limitation, gross receipts, sales, rental, use, value added, goods and services, property [tangible and intangible], excise and stamp taxes), licenses, levies, duties, assessments or withholdings of any nature whatsoever (together with any and all penalties, fines, additions to tax and interest thereon), except all taxes on or measured by Lessor's net income in Vermont, any comparison of the total amount of payments that would be due under an agricultural finance lease with the total amount of payment that would be due under a loan to purchase the property does not account for the relative tax advantages to the lessee of lease and loan transactions.

18. Authority of Assignee to Perform for Lessee. If Lessee fails to perform any of Lessee's duties set forth in this Agreement (including, without limitation, the purchase of insurance), Assignee may at its option, in Lessee's name or otherwise, take any such action, including, without limitation, signing Lessee's name or paying any amount so required, and all costs and expenses incurred by Assignee in connection therewith shall form part of the Obligations and shall be payable by Lessee upon demand with interest from the date of payment by Assignee at the highest rate permitted by applicable law.

19. Modifications and Waivers. This Agreement sets forth the entire understanding among Lessor, Assignee and Lessee. No modification, amendment or extension of this Agreement and no waiver of any provision of this Agreement shall be valid unless in writing and signed by the parties and a waiver of any default hereunder by Assignee shall not constitute a waiver of any other prior or subsequent default, except that Lessee authorizes Assignee to insert in this Agreement the serial number/PIN and/or model number of any Equipment if this information is unknown when this Agreement is executed or to correct any errors in such numbers or any other patent errors in the description of the Equipment.

20. Default/Cross Default. Lessee shall be in default under this Agreement, and any other agreement with or assigned to Assignee, if any of the following occurs (each, an "event of default"): (a) Lessee fails to pay when due any of the Obligations, or to perform any covenant or other obligation of Lessee under this Agreement or any other agreement with or assigned to Assignee; (b) Lessee or any guarantor dies, ceases to exist, becomes insolvent or the subject of bankruptcy, insolvency or liquidation proceedings, attempts to or does assign this Agreement or attempts to or does remove, sell, transfer, further encumber, part with possession of or sublet any Equipment; (c) any warranty or representation made by Lessee or any guarantor to induce Lessor or Assignee to extend credit to Lessee, under this Agreement or otherwise, is false in any material respect when made; (d) Lessee fails to maintain insurance required hereunder or fails to comply with the requirements of any such insurance; (e) any other event occurs that causes Assignee, in good faith, to consider that payment or performance of the Obligations is impaired or that the Equipment is at risk; (f) the Equipment is impounded or seized by any federal, state, local governmental authority, or third party; (g) Lessee fails to produce Collateral for inspection within 10 days, upon demand; or (h) Lessee breaches any of the other terms of this Agreement or any other agreement with or assigned to Assignee.

21. APR Calculation. For all Agreements the APR shall never be less than 0%. APR shall be calculated using a daily rate determined by dividing the annual rate by 365. Lessee shall make all payments in lawful money of the United States of America.

22. Expenses. To the extent not prohibited by law, Lessee shall reimburse Lessor or Assignee for any expense incurred by Lessor or Assignee in protecting, defending or enforcing their rights under this Agreement, including, without limitation, reasonable attorneys' fees and legal expenses and all expenses of taking possession, transporting, holding, repairing, refurbishing, preparing for disposition and disposing of the Collateral, and all expenses and costs incurred in collecting the Obligations, including collection agency fees based on a maximum of 25% of the Obligations, and all shall be part of the Obligations.

23. Remedies. Upon the occurrence of any event of default, Lessor or Assignee shall have all rights and remedies provided by the Uniform Commercial Code or any other applicable law and Lessor or Assignee may except where prohibited by law, at its option: (i) declare all Obligations immediately due and payable without notice or demand; (ii) enter onto any premises where the Collateral may be located, take possession of all Collateral, without notice or hearing, and, Lessee or any guarantor also expressly waives any right to notice or a prior hearing or to require Assignee to post any bond; (iii) render the Equipment unusable; (iv) require Lessee to assemble all Collateral and make it available to Assignee at any convenient place designated by Assignee within 10 days after notice from Assignee; (v) sell (including at wholesale) or otherwise dispose of all Collateral at public or private sale for cash or on credit terms, without notice, and if notice is required by law, ten (10) days' notice to Lessee shall be deemed reasonable notice, and/or (vi) obtain a consumer credit bureau upon any Lessee or any guarantor. All rights and remedies may be exercised by Lessor or Assignee either separately or in combination and any action taken by Lessor or Assignee to recover payment from Lessee of the Obligations shall not limit Lessor's or Assignee's rights with respect to all Collateral. Assignee may apply all proceeds of realization of the Collateral to such part or parts of the Obligations as Assignee may decide. If there is a deficiency, Lessee will pay the amount of the deficiency upon demand. Lessee waives notice of dishonor, presentment and demand as to this Agreement.



Agreement Provisions

24. Excessive Wear and Tear. All warranty and product improvement programs are to be completed prior to the Termination Date of the lease relating to the Equipment. For purposes of this Agreement, excessive wear and tear shall mean and include any of the following: (a) Cab/Operator Platform (a 1) Heavy interior soil or strong odor. (a 2) Unclean condition of the cab. (a 3) Holes, tears or burns on the dash, floor covers, seats, headliners, upholstery or interior (a 4) Hour Meter: If the hour meter or dash has been tampered with, Assignee has the right to estimate excess hours plus any additional penalties deemed appropriate. (a 5) Seat and/or seat belts broken. (b) Exterior. (b 1) Dents larger than 2" in diameter or excessive number of dents. (b 2) Scratches - Any excess scratches to the paint or any one individual scratch that exceeds 8" in length. (b 3) Chips - Any single chip the size of a quarter or larger or multiple smaller chips within 1 square foot. (b 4) Paint - Substandard paint, such as peeling, bubbling or mismatched shades that evidence poor condition in comparison with original paint. (b 5) Rust - Rust holes in the body metal or any rust spots. (b 6) Glass Damage - Any glass that must be replaced due to cracks or missing glass and any windshield damages. (b 7) Frame Damage - All frame damage and substandard frame repairs in addition to modifications made to the frame. (b 8) Blades, Buckets and Other Attachments - Any broken or cracked teeth on any attachments included with the Equipment. (b 9) Tires/Tracks - Any tires/tracks on returned Equipment that have any of the following: are in an unsafe condition, are not matching, non compatible and/or have excessive cuts/cracks/missing chunks or missing/damaged drive lugs, excessive stubble damage, have broken side walls, are not original casings, have improper ballasting, have less than 50% of original tread remaining, or are not of the same size, type, grade or manufacturer (or equivalent-quality manufacturer) as were originally included on the Equipment, then Lessee will be required to pay for the cost of a new tire/track if the above conditions are not met. (b 10) Unclean exterior requiring but not limited to steam cleaning. (b 11) Broken or inoperable lights. (b 12) Any Mirror damage. (b 13) Bent or broken steps. (b 14) Dented or bent wheel rims. (c.) Mechanical. (c 1) Mechanical - Mechanical components that are missing, broken or unsafe or that do not operate normally. The battery will need to be replaced if the battery is dead upon the delivery of the unit at lease end. (c 2) Equipment - Computer and precision farming/guidance systems or safety or emission control equipment not in proper working order. (c 3) Brakes - Brake drums that are cracked or exceed manufacturer's recommended wear limits, brake linings showing less than 50% remaining wear, or brakes that leak oil or fluid. (c 4) Power Train - Wear on power train assembly that exceeds manufacturer's then-current standards for normal wear (as shown by oil sample analysis). (c 5) Undercarriage - Leaky lubrication seals, improperly tightened/aligned track tension, cracked or broken track shoes or fasteners or drive/idler/roller/bogie wheels, less than 50% of original life remaining on any parts, or any undercarriage components not being of the original size, type, grade or manufacturer. (c 6) Combine threshing components - with less than 50% of original life remaining on any parts. (c 7) Hydraulic System - Any pumps, motors, valves or cylinders not in good operating condition or that fail to meet manufacturer's rated specifications, or hydraulic system exceeds manufacturer's then-current contaminant standards (as shown by oil sample analysis). (c 8) Air Filters - Any filters not within manufacturer's specifications. (c 9) Electrical System - Any gauges or fluid indicators that are damaged or do not function, an alternator that fails to operate properly, a battery that fails to hold a charge, or any wire harnesses that are not tied down and kept secure, dry, clean and dust-free. (c 10) Leaks - Any general lubricant, engine coolant, water or A/C leaks that cost in excess of \$100 to repair including labor. (c 11) Mufflers/Exhaust Pipes burnt out. (c 12) Damaged or inoperable horn. (d.) General; Other. (d 1) General - Failure to operate and maintain the Equipment in accordance with the manufacturer's specifications, or use of components, fuels or fluids on or in connection with the Equipment that do not meet manufacturer's standards. (d 2) Other - Any other damage or repair including but not limited to unlawful or unsafe operating conditions, or that make the Equipment either unlawful or unsafe to operate. (d 3) Any missing accessories or attachments. Upon any return of the Equipment, we shall, in our sole discretion, determine the existence of any Excessive Wear and Tear. All repair estimates will be based upon applicable Lessor rates or, if Lessor is unable to estimate and repair such excessive wear and tear, then at rates applicable to another outlet as reasonably selected by Lessor. Your failure to pay the invoiced wear and tear charges and/or to instead, make the required repair at an authorized dealer within 10 days of demand, shall constitute a default under the Agreement.

25. Alterations/Repairs. Lessee will not, without Assignee's prior written consent, affix or install any accessories or attachments to the Equipment nor change it so that it cannot be used by similarly situated lessees. Any improvements, replacements, additions, accessories, or repair parts to the Equipment shall become Assignee's property, free of all liens and encumbrances, and shall be deemed part of the Equipment. The Equipment is, and shall be personal property, even if it or any part of it becomes affixed or attached to real property or any improvement to real property.

26. Security Deposit. The Security Deposit may be applied to any amounts that Lessee fails to pay under this Agreement, including but not limited to damages to the Equipment in excess of normal wear and tear. Lessee will not earn interest on the excess of Security Deposit.

27. Risk of Loss. All risk of loss, theft or damage to the Equipment is assumed by the Lessee, until the Equipment is returned to the Lessor. If the Equipment can be repaired for a cost less than its fair market value, Lessee will repair the Equipment at Lessee's sole expense but damage to the Equipment shall not release Lessee from the Obligations. If the Equipment cannot be so repaired, or is lost, stolen or destroyed, Lessee shall at Assignee's option and written consent either: (a) replace the Equipment at Lessee's sole expense with equivalent equipment of equal or greater value, as determined in the sole discretion of and with the consent of the Assignee and transfer clear title to such replacement equipment to Assignee, whereupon such replacement equipment shall be deemed the Equipment for all purposes of this Agreement; or (b) pay Assignee the Termination Value. Upon payment of the requisite Termination Value, Lessee shall be entitled to retain possession of the affected unit(s) of Equipment. Assignee may, at Assignee's sole option, apply proceeds of insurance, in whole or in part, to repair or comparably replace the Equipment or to satisfy such Termination Value or any of Lessee's Obligations pursuant to this Agreement. The "Termination Value" shall be an amount equal to: (a) any past due, unpaid Lease Payments and any late charges related thereto; plus (b) all remaining Lease Payments hereunder, less any future interest payments embedded therein; plus (c) (i) the Purchase Option Price, or (ii) if no purchase option is granted, the estimated residual value used to calculate the Lease Payments by Assignee; plus (d) any other costs to Lessor and/or Assignee arising from the loss, theft, wear and tear, or damage to the Equipment or from the collection of any amounts due under this Lease. In no event shall the Termination Value exceed the maximum amount permitted by applicable law.

28. Purchase Option. Lessee has an option to purchase the Equipment, so long as no default exists under this Lease and it has not been earlier terminated. Lessee may on the Termination Date, upon at least 90 days, but not more than 180 days, prior written notice to Assignee, purchase all (but not less than all) of the Equipment: (a) if stated dollar amount is provided as the Purchase Option Price, then for that amount together with all applicable taxes and other charges due in connection with such sale and all other amounts due and unpaid under this Lease; or (b) if no Purchase Option Price is identified, then at the fair market value, as determined at Assignee's sole discretion, at the time the Purchase Option is exercised, together with all applicable taxes and other charges due in connection with such sale and all other amounts due and unpaid under this Lease. Lessee's purchase of the Equipment shall be on an AS-IS, WHERE-IS BASIS.

29. Return. If Lessee does not exercise the purchase option (if any) as provided in this Lease, Lessee shall on the Termination Date or such earlier date of termination of this Lease: (a) at its expense, deliver the Equipment to a location designated by Assignee; (b) pay \$400.00 per serial numbered unit to the Lessor as a return fee, and (c) pay all charges incurred by Lessor to repair any excessive wear and tear and for any hours in excess of the Maximum Annual Usage at the Excess Usage Rate. The risk of loss of the Equipment shall remain with Lessee until Assignee accepts the Equipment by executing a written acceptance. Unless and until all the Equipment is returned and accepted, or is otherwise disposed of by written agreement between Lessor, Assignee and Lessee, and until all other terms and conditions have been met, the term of the Lease with respect to such Equipment shall continue. This fee is in addition to the other Obligations owed by the Lessee to the Assignee.

30. Failure to Return Equipment. If Lessee does not exercise its option, if any, to purchase the Equipment in accordance with this Agreement and fails to return the Equipment at the termination of this Agreement, due to default or otherwise, then, in addition to any other amounts that may be due to Assignee under this Agreement or under applicable law, Lessee will be liable for a daily amount computed on the basis of the scheduled Lease payment, if unequal, the highest lease payment will be used.

31. Conflict with Law. Any provision of this Agreement prohibited by applicable law shall be ineffective to the extent of the prohibition without invalidating the remaining portions of this Agreement. The validity, construction and enforcement of this Agreement shall be governed by the laws of the State of the Lessor (without regard to conflict of law principles of such State). All terms not otherwise defined have the meanings assigned to them by the applicable Uniform Commercial Code.

32. Miscellaneous. In the event that this contract is determined by a court of competent jurisdiction to be characterized as a loan or forbearance agreement, and not a lease, despite the terms and conditions found in this contract, then all parties agree that any interest charges computed and assessed in this contract that are in excess of the maximum allowed interest charges allowed by law shall be applied as a reduction to the principal balance owed on this contract only, and this shall be the agreed upon and satisfactory remedy to all parties. By providing any address, email address or telephone number, including a mobile phone number, either now or in the future to Lessor, Assignee, any of Assignee's affiliates or any debt collectors retained by Assignee, Lessee agrees that any of the above may contact Lessee using that address or number, including contact through calls or texts using an automatic dialing and announcing device and prerecorded calls, and that such calls are not "unsolicited" under state or federal law. Any attempted revocation of this consent to contact, if allowable by law, must be made in writing. Lessee acknowledges and agrees that CNH Capital and its third party service providers can access and use telematics data and other information regarding location, maintenance and operation of the Equipment for any lawful purpose, including without limitation, to locate and repossess the Equipment. See https://www.cnhindustrialcapital.com/en_us/Pages/Privacy.aspx for additional details. If a court finds that any part of this Agreement to be invalid or unenforceable, the remainder of this Agreement will remain in effect. All of Assignee's rights shall remain in effect after the expiration or termination of this Agreement. If more than one Lessee is named in the Agreement, the liability of each shall be joint and several. All notices required or permitted hereunder shall be in writing and shall be deemed adequate if sent to the first Lessee on the Lease and at its address noted herein or to such other address as such party may have specified in writing by notice as prescribed in this Agreement. The captions and headings of the sections of this Agreement are for convenience only and are not to be used to interpret or define the provisions hereof. Restrictive endorsements on checks or other forms of payment that Lessee sends to Assignee will not change or reduce Lessee's obligations to Assignee. Assignee will not lose any rights if Assignee accepts late or partial payments or delays enforcing its rights under this Agreement. For combine leases, the hours used will be based on separator hours rather than engine hours.



Agreement Provisions

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- 33. Notice to Montana Residents:** Under the law, you have the right to pay off in advance the full amount due and to obtain a partial refund of the finance charge.
- 34. WAIVER OF JURY TRIAL.** EXCEPT IN GEORGIA OR CALIFORNIA OR WHERE OTHERWISE PROHIBITED BY LAW, EACH LESSEE, LESSOR AND CNH CAPITAL WAIVE ANY AND ALL RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING RELATING TO THE OBLIGATIONS, THIS AGREEMENT, OR ANY OTHER DOCUMENT CONNECTED HEREWITH, OR ANY TRANSACTION ARISING FROM OR CONNECTED TO ANY OF THE FOREGOING. EACH LESSEE, LESSOR AND CNH CAPITAL REPRESENT THAT THIS WAIVER IS KNOWINGLY, WILLINGLY AND VOLUNTARILY GIVEN.
- 35. Electronic Contracting, Signature Acknowledgment, Future Notices.** Lessee agrees that (i) this Agreement is an electronic agreement executed by Lessee using Lessee's electronic signature or that Assignee may convert this Agreement into an electronic agreement; (ii) Lessee's electronic signature signifies Lessee's intent to enter into this Agreement and that this Agreement shall be a legally valid and enforceable Agreement in accordance with its terms to the same extent as if Lessee had executed this Agreement using Lessee's written signature and (iii) the authoritative copy of this Agreement ("Authoritative Copy") shall be that electronic copy that resides in a document management system designated by Assignee for the storage and authoritative copies of electronic records, which shall be deemed held by us in the ordinary course of business. Notwithstanding the forgoing, if the Authoritative Copy is converted by printing a paper copy which is marked by Assignee as the original (the "Paper Copy", then Lessee acknowledges and agrees that (1) your signing of this Agreement with your electronic signature also constitutes issuance and delivery of such Paper Contract, (2) your electronic signature associated with this Agreement, when affixed to the Paper Contract, constitutes your legally valid and binding signature on the Paper Contract and (3) subsequent to such conversion, Lessee's duties and Obligations will be evidenced by the Paper Contract alone. By providing your e-mail address and electing to execute this Agreement electronically, Lessee agrees that all future notices, statements and communications relating to this Agreement shall be delivered to the Lessee via e-mail transmission to the e-mail address provided to Assignee by the Lessee. It is the Lessee's duty to provide any changes to Lessee's e-mail address to Assignee so that future communications can reach Lessee in a timely manner.
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TERMS, LIENS, AND CONDITIONS

Customer agrees to the following terms and conditions in regard to the purchase of the equipment, parts or repairs described on the front of this agreement (these terms and conditions include the information on the front of this agreement and the terms and conditions stated within the Customer's credit application and rental agreement, if any, all of which are part of this agreement):

Inspections; Acceptance of Parts and/ or Equipment. Customer represents and acknowledges that it has inspected the goods, services and equipment purchased by Customer from Associated Supply Company, Inc. ("ASCO"), finds the same to be in satisfactory condition, properly operating and fit for the use or purpose intended by Customer. Customer acknowledges that the equipment or parts purchased have been selected solely by Customer for the purpose such equipment or parts are to be used and without reliance on ASCO or its employees, and that ASCO (i) has not selected the equipment or parts purchased, and (ii) is not responsible for the suitability of the equipment for the use Customer intends. **Customer agrees that except as expressly set forth in this agreement, ASCO is not liable for and makes no warranties, either express, implied, or by operation of law, as to any matter whatsoever including, without limitation, the condition of the equipment or parts, its merchantability, or its fitness for any particular purpose, and Customer releases ASCO to the fullest extent allowed by law from any warranties, express, implied or arising by operation of law. There are no warranties which extend beyond the description of the equipment or parts on the front of this agreement.**

Lien and Security Interest Related to Repair Work. Customer hereby authorizes all repair work to be done along with materials therefore and other repairs and materials incidental thereto. ASCO's employees may operate the above vehicles for purposes of testing, inspection or delivery at Customer's risk. An express possessory lien under Chapter 7D, Subchapter A of the *Texas Property Code*, and a Security Interest under Title 1, Chapter 9 of the *Texas Business and Commerce Code (Uniform Commercial Code - Secured Transactions)* is granted to ASCO upon the machines, equipment and vehicles being repaired to secure all charges for labor, materials, and related expenses. Possession of the machines, equipment and vehicles may remain with ASCO until all charges are paid or arrangements satisfactory to ASCO are made. ASCO will not be held responsible for loss or damage to machines, equipment, or vehicles or articles left therein in case of fire, theft, accident or any other cause beyond ASCO'S control. Repairs are warranted for 90 days after the date of the repair, however, no warranty will apply if the invoice for such repairs is unpaid.

NOTICE OF RIGHT TO TAKE POSSESSION OF EQUIPMENT FOR UNPAID REPAIRS. As indicated by its signature on the front of this agreement, Customer agrees that the equipment repaired by ASCO is subject to repossession in accordance with Section 9.609 of the Texas Business and Commerce Code if payment of a check, money order, or a credit card transaction is stopped, is dishonored because of insufficient funds, no funds on deposit, or because the drawer or maker of the check, money order or the credit card holder has no account or the account has been closed.

Security Interest. Title to the goods, services and equipment will remain with ASCO until the total purchase price of goods, services and equipment has been paid in full. Customer grants to ASCO an express security interest under Title 1, Chapter 9 of the *Texas Business and Commerce Code* in the goods, services, and equipment to secure all charges therefore. In event of default in payment for the goods, services and equipment described herein, no further charges or purchases will be allowed. Purchaser further agrees to pay all costs of collection or enforcement hereof, including reasonable attorney's fees, for charges not paid that are more than 30 days past due. **Exclusive jurisdiction and venue for any litigation between Customer and ASCO is in any district court or county court of law of Lubbock County, Texas. CUSTOMER HEREBY UNCONDITIONALLY WAIVES ITS RIGHTS TO A JURY TRIAL.**

Parts Policies:

- Back ordered items will be shipped as soon as available
- Electrical parts are non-returnable
- Special order parts and parts "made as ordered" are non-refundable
- Cores must be returned for credit within 10 days of purchase
- Returned parts must be accompanied by a packing list or invoice and are subject to a 15% restocking charge
- Claims for shortages or damages must be received within 5 days of sale.

Limitation of Purchaser's Remedies. The Customer's remedies, in the event of any claim made by the Customer against ASCO with respect to the goods, services and equipment sold here, shall be limited to return of such goods and equipment and repayment of the purchase price therefore or to repair and replace nonconforming goods, services and equipment. No consequential damages are permitted against ASCO in connection with the sale or the use of the goods, services and equipment sold here.

Indemnification. **To the fullest extent permitted by law, Customer agrees to indemnify and hold harmless ASCO from and against any and all liability, suits, claims, demands and actions, and costs and expenses, including reasonable attorney's fees, loss of profit, business interruption or other special or consequential damages, damages relating to property damage, bodily injury, or damages relating to wrongful death, claimed against ASCO, and any of ASCO's officers, directors, agents, or employees, arising out of or related to the services, parts, equipment, supplies, goods and services furnished here, whether caused in whole or in part by the negligence of ASCO; however, this paragraph is not intended to indemnify ASCO for the replacement costs thereof as set forth above or parts, services or equipment supplied by ASCO which has been expressly warranted in writing.**

Service Charge. All accounts past due 30 days will be charged a service charge at the periodic rate of 1 ¼% per month, which is an annual percentage rate of 18%.

Like Kind Exchange. Notice is hereby given that ASCO may assign its rights under this agreement to ASCO Exchange, LLC (or other entity) to sell the rental equipment described herein and, if applicable, to purchase trade-in property described herein.

ASSOCIATED SUPPLY COMPANY, INC. - SALES CONTRACT FOR NEW EQUIPMENT

1. **Sale of New Equipment (No Trade-In):** Associated Supply Company, Inc., a Texas corporation ("ASCO" or "Seller") agrees to sell, and _____ ("Buyer"), agrees to buy, subject to the terms and conditions stated in this Sales Contract (the "Contract"), the following described equipment (the "Equipment"):

Quantity	Make/ Model/ Description	Serial No./ ID No.	Price Per Item
1	Case 580SN Backhoe	EQ0115388	112,750
1	24" Bucket		included
OTHER CHARGES:			
TOTAL SALES PRICE:			112,750
SALES TAX:			Exempt
LESS, CASH DOWN PAYMENT:			
CASH DUE ON DELIVERY:			

2. **Trade-In Equipment:** Buyer hereby bargains, sells and conveys to Seller the following described "Trade-In Equipment" and warrants and certifies to Seller that Buyer is the owner of the Trade-In Equipment and that the Trade-In Equipment is free and clear of all liens, encumbrances, and security interests, except as shown below:

First Year Used	Make/ Model/ Description/ Serial Number	Trade Allowance	Name of Lienholder & Amount Owed	Net Trade Allowance
1999	Case 580SL	5000		5000

3. **Sale of New Equipment with Trade-In (Summary):** If Buyer is trading in equipment as described in Paragraph 2 of this Contract, the Total Sales Price of the Equipment is described as follows:

Quantity	Make/ Model/ Description	Serial No./ ID No.	Price Per Item	(LESS) Trade Allowance	Net Price
1	Case 580SN	EQ011388	112750	5000	107750
OTHER CHARGES:					
TOTAL SALES PRICE:					112750
LESS, TRADE ALLOWANCE:					5000
LESS, CASH DOWN PAYMENT:					
TOTAL SALES PRICE (LESS TRADE ALLOWANCE AND CASH DOWN PAYMENT):					107750
SALES TAX:					Exempt
CASH DUE ON DELIVERY:					

DISCLAIMER OF WARRANTIES ON EQUIPMENT

Buyer understands that ASCO is not the manufacturer of the Equipment and the only warranties offered in regard to the Equipment are those of the Manufacturer, not ASCO. Warranty remedies offered by the Manufacturer of the Equipment are Buyer's exclusive remedies. ASCO HEREBY EXPRESSLY DISCLAIMS ALL WARRANTIES EITHER EXPRESSED OR IMPLIED, RELATED TO THE EQUIPMENT, INCLUDING, BUT NOT LIMITED TO ANY WARRANTY OF TITLE, MECHANABILITY, CONDITIONS OF MERCHANTABILITY, MERCHANTABILITY, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE. THERE ARE NO WARRANTIES WHICH EXTEND BEYOND THE DESCRIPTION ON THE FACE HEREOF. THE DISCLAIMER OF WARRANTIES CONTAINED IN THIS PARAGRAPH DOES NOT AFFECT THE TERMS OF ANY MANUFACTURER'S WARRANTY. Buyer expressly waives any claim that it may have against ASCO based on any manufacturer product liability arising out of or related to the Equipment. This Contract is dated to be effective on the latest date shown below the signature of each party.

NOTICE TO BUYER:

THE ADDITIONAL TERMS AND CONDITIONS SET FORTH ON THE REVERSE SIDE OF THIS CONTRACT ARE A PART OF THIS CONTRACT AND ARE INCORPORATED IN THIS CONTRACT BY REFERENCE. DO NOT SIGN THIS CONTRACT BEFORE YOU THOROUGHLY READ BOTH SIDES OF THIS CONTRACT. YOU MAY CONSULT YOUR OWN ATTORNEY OR LEGAL ADVISOR BEFORE SIGNING THIS CONTRACT. THIS CONTRACT IS SUBJECT TO SELLER'S ACCEPTANCE AS SHOWN BELOW.

Accepted by (Seller): [Signature]
Date: 6-29-20

Buyer: [Signature]
Print Name: Robert Newsom Date: 6-29-2020
Title: Hopkins County Judge

ADDITIONAL TERMS AND CONDITIONS

[REFERRED TO ON THE REVERSE SIDE OF THIS SALES CONTRACT FOR NEW EQUIPMENT]

1. Buyer agrees to pay ASCO the Total Sales Price for the Equipment as shown on the Reverse Side of this Contract, to be paid as follows: Upon signing this Contract, Buyer is paying to ASCO the "Cash Down Payment" (as stated on the Reverse Side of this Contract) by check or wire transfer of funds (the Cash Down Payment must be received by ASCO by no later than three (3) business days after the date of the Contract; otherwise, this Contract is void at the option of Seller. The balance of the Sales Price (being the "Cash Due on Delivery" as shown on the Reverse side of this Contract) will be paid by check or wire transfer of funds immediately preceding the delivery of the Equipment, and upon Buyer being notified by ASCO that the Equipment is available for delivery. The Cash Down Payment is non-refundable to Buyer due to Buyer's inability to obtain financing, or for any other reason resulting from Buyer's inability or unwillingness to purchase the Equipment; however, Buyer will be entitled to a refund of the Cash Down Payment upon ASCO'S failure to perform its obligations under this Contract or should the manufacturer fail to fulfill the order within a reasonable period of time. Although Buyer is entitled to obtain financing for the purchase of the Equipment from a third party lender, this Contract is not contingent upon Buyer obtaining third party financing, and Buyer is encouraged to secure such financing prior to signing this Contract.
2. Any taxes related to the sale of the Equipment will be paid by Buyer at the time that such taxes become due.
3. If the Trade-in Equipment is not being delivered to Seller until after the effective date of this Contract, Buyer represents and warrants to Seller that there will not be a material increase in the hours of use on the Trade-in Equipment or a material change in the condition of the Trade-in Equipment; and, if Seller determines in its sole opinion that such a material change has occurred, Seller will be entitled to reappraise the Trade-in Equipment at the time of receipt of such equipment and to adjust the Trade Allowance and Net Trade Allowance as shown on the Reverse Side of this Contract. If Seller reappraises the Trade-in Equipment at an amount which is less than the original Trade Allowance by more than five percent (5%), Buyer may terminate this Contract provided that such termination is made prior to the delivery of the Equipment, and provided further that Buyer will forfeit its Cash Down Payment upon such termination.
4. Seller will be excused from performance under the terms of this Contract if delivery is delayed, or rendered impractical or impossible by work stoppages, strikes, delays in transportation, inability to obtain labor or materials, and by any other cause or reason beyond the reasonable control of Seller, including but not limited to acts of God, disease, weather, and civil unrest or insurrection; and if Seller is unable to perform for the reasons stated in this paragraph, Buyer's sole remedy will be the return of its Cash Down Payment.
5. Should Buyer default under the terms of this Contract, ASCO may terminate this Contract and retain the Cash Down Payment as liquidated damages; or, ASCO may seek such other relief as provided by law or in equity. Upon ASCO's failure to deliver the Equipment (other than its failure to timely deliver the Equipment due to the fault of Manufacturer or any third party, which shall not be a default by ASCO), Buyer may, as its sole remedies, terminate this Contract and receive a refund of the Cash Down Payment; or, Buyer may enforce specific performance of ASCO'S obligations under this Contract, provided that the Equipment can be obtained by ASCO from the Manufacturer within a reasonable period of time. An action for specific performance by either party must be initiated, if at all, within 90 days after the alleged breach of this Contract. Until Buyer has fully paid for the Equipment, ASCO retains a lien on the Equipment in accordance with the *Texas Business and Commerce Code* and Buyer authorizes ASCO to perfect such lien by filing a financing statement with any governmental filing offices as required for perfecting such lien. *Under no circumstances will ASCO be liable to Buyer for any consequential, special, indirect, incidental, exemplary, or punitive damages, including without limitation, loss of profits, loss of business opportunity, or loss of prospective revenue, arising out of this Contract or the Equipment to be provided under this Contract. The prevailing party in any litigation shall be entitled to recover reasonable attorney's fees and court costs.*
6. This Contract constitutes the entire agreement between the parties, and any modification or amendment must be in writing and signed by authorized representatives of both Buyer and Seller.
7. This Contract shall be construed and enforced in all respects in accordance with the laws of the State of Texas and the laws of the United States applicable to transactions in Texas, and venue for any lawsuits or legal proceedings related to this Contract or the Equipment will be in Lubbock County, Texas.
8. **Delivery:** The Equipment will be delivered to Buyer in accordance with one of the following, and the risk of loss will pass to Buyer immediately upon the Equipment being delivered (Select One):

Picked up by Customer at ASCO's Location:	Delivered by ASCO to Customer's Location:
	5516 Hwy 19 S
	Sulphur Springs, Tx

The delivery of the Equipment as described above is subject to performance and delivery by the manufacturer of the Equipment (the "Manufacturer"), which the Seller and Buyer agree may cause the actual delivery date to vary, and which is beyond the control of Seller. If the Seller has provided the Buyer with an "estimated lead time" for delivery of the Equipment, Buyer agrees that the lead time has been provided by the Manufacturer of the Equipment and Buyer is given notice that such time may vary depending on circumstances which are beyond the control of Seller. Seller's delivery of the Equipment to Buyer by any date stated in the Contract, if any, is subject to Manufacturer's delivery of the Equipment to Seller in accordance with the lead time provided solely by the Manufacturer.

9. Completion of Blanks. Buyer authorizes Seller to unilaterally insert the serial number(s) and/ or model numbers of the Equipment on the Reverse Side of this Contract for the purpose of identifying the Equipment or correcting errors.

Buyer's Initials: RW



ASCO Sales Delivery Ticket

Customer's Order #: _____

Date: 6/29/20

Name: Hopkins County 1

Address: 5516 Hwy 19 S

City/State: Sulphur Springs, Tx

Qty:	Equipment	Verify	Attachments	Verify
Unit #1	Case 580SN Backhoe		1.) 24" bucket	108287
	EQ# EQ0115388		2.)	EQ#
	SN# JJGN58SNJLC772026		3.)	EQ#
	Hours: 6		4.)	EQ#
Unit #2			1.)	EQ#
	EQ#		2.)	EQ#
	SN#		3.)	EQ#
	Hours:		4.)	EQ#
Unit #3			1.)	EQ#
	EQ#		2.)	EQ#
	SN#		3.)	EQ#
	Hours:		4.)	EQ#
Unit #4			1.)	EQ#
	EQ#		2.)	EQ#
	SN#		3.)	EQ#
	Hours:		4.)	EQ#

Qty	Manuals:	Verify	Manuals:	Verify
1	Manual PN#		Other: PN#	
	Manual PN#		Other: PN#	
	Manual PN#		Other: PN#	
	Manual PN#		Other: PN#	

MB

I have received instructions on the safe operation and use of this equipment by ASCO personnel.

MB

If Applicable; I have received a copy of my Master Parts Schedule and fully understand the terms of my extended warranty.

MB

If Applicable; The capacity plate on the forklift / lift truck and it is intact and complete and I understand the capacity shown on the capacity plate.

Received by: [Signature]

Date: 6-30-20

Salesman: [Signature]

Date: 6-30-20

BuyBoard Quote

ASSOCIATED SUPPLY COMPANY, INC.

THE FOLLOWING DETAILS SHALL BE PROVIDED WITH ANY BUYBOARD PURCHASE ORDER (FAX PURCHASE ORDER TO 800-211-5454)

BuyBoard Vendor: Associated Supply Company, Inc.
2019 Airport Fwy Euless, TX. 76040
Phone: 817-283-2844
Fax: 817-283-7836

Prepared By: David Drummond
Mobile: 903-245-9563
Email: ddrummond@ascoeg.com

Government Agency: Hopkins County Precinct 1

Date Prepared: 6/18/2020

Ship To: Hopkins County Precinct 1
5516 Tx 19
Sulphur Springs, TX 75482

Bill To: PO Box 288
Sulphur Springs
Sulphur Springs, Tx 75483

Contacts' Name: Mickey Barker
Email: comprecone@hopkinscountytexas.org

Phone: 903-438-4010
Fax: 903-438-4099

Product Description: Case 580SN Backhoe

BuyBoard Contract: 597-19

I. Price List Dated: 1/1/2020

Base Price: 135,221.00

II: Base Bid Options (Itemized Below)

Backhoe Quick Pick	\$ (5,000.00)
4WD Powershift S-Type Transmission	\$ 2,370.00
12.5/80x18 10PR Sure Grip Lug Front Tire	\$ 997.00
10.5Lx24, 10PR Std Rear Wheel	Included
Extendahoe Package/No Aux	\$ 6,386.00
Heavy Front CWT, Extendahoe	\$ (750.00)
Pilot Control w/Pwer Lift	\$ 3,308.00
Mechanical Quick Coupler	Included
Flip Over Stabilizer Pads Combo	\$ 816.00
Ride Control/Comfort Steer 3spl Pkg	\$ 3,071.00
SUB-TOTAL:	\$ 11,198.00

82" HD Long Lip w/Cutting Edge	\$ 2,529.00
Cab,LH Door w/Heater/AC	\$ 9,067.00
Premium Air Suspension Heated Seat	\$ 848.00
LED Light Package	\$ 862.00
Cold Start dual Battery	\$ 847.00
4WD Front Axle	Included
Case Site Watch Telematics	Included
3 yr Advanced Telematics Subscription	Included
SUB-TOTAL:	\$ 14,153.00

Options List Price Total: \$ 25,351.00
\$ 160,572.00

III. SUB-TOTAL OF I & II

IV. BuyBoard Discount: 26.00% \$ 41,748.72

BUYBOARD CONTRACT PRICE: \$ 118,823.28

V: NON-BASE OPTIONS

Non-Base Options (%) = 0

24" Bucket	\$ 1,600.00
Mechanical Thumb	\$ 3,500.00
Keep You Going	\$ 1,500.00
SUB-TOTAL:	\$ 6,600.00

3 year 3000 hour premier Warranty	\$ 2,600.00
SUB-TOTAL:	\$ 2,600.00

VI: UNPUBLISHED OPTIONS ADDED TO CONTRACT PRICE (SUBTOTAL OF COL1 & COL 2) \$ 9,200.00

VII: TOTAL IV + VI \$ 128,023.28

VIII: QUANTITY ORDERED UNITS: 1 \$ 128,023.28

IX: TRADE-IN OR OTHER CREDIT(S): \$ 15,273.28 Summer Special \$ 15,273.28

TOTAL: \$ 112,750.00

FAX ALL PURCHASE ORDERS TO BUYBOARD AT 800-211-5454

(800) 687-0008
www.AscoEq.com



REMIT TO
ASCO EQUIPMENT
P.O. BOX 3888
LUBBOCK, TX 79452

ORDER NO ESA008675V1	DATE 06-29-2020
PAYMENT TERMS Net 30	

ASCO EQUIPMENT
2602 EAST FRONT STREET
TYLER TX 75702
(903) 593-0201

CUSTOMER NO BP0025606
CUSTOMER PO CNH Muni Lease

EQUIPMENT SALES AGREEMENT

ASCO EQUIPMENT

CUSTOMER ACCEPTANCE



F%00000232450821212A

CONTRACT DATE: 06-29-2020

Thank you for financing with CNH Industrial Capital America LLC. This letter is to confirm the collateral and payment schedule associated with your recently executed Retail or Lease Agreement. The collateral and payment schedule are outlined below. In the event that you do not receive your statement before your first payment is due, please send the coupon below with your first payment. If you have any questions, please contact our customer service department at 800-501-5711. Again, thank you for your business and contact us if we can help in the future.

COLLATERAL

Make	Type	Model	Serial Number/PIN
Case	Tractor Loader Backh	580SN	JJGN58SNJLC772026
Allied	Thumb	Thumb	N/A
Allied	_Construction Attach	24 inch buck	N/A

PAYMENT SCHEDULE

Payment	Beginning	Frequency	Amount of each Payment (excludes applicable taxes)
34	08-01-2020	1 MONTHS	\$2,144.75
1	06-01-2023	1 MONTHS	\$2,144.81
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THANK YOU FOR YOUR BUSINESS

CUT HERE



CNH Industrial Retail Accounts
P.O. Box 71264
Philadelphia, PA 19176-6264

CREDIT APPLICATION NUMBER: 2598200
CUSTOMER / NOTE NUMBER: 1660848638-61269001
PAYMENT DUE DATE: 08-01-2020
PAYMENT AMOUNT: \$2,144.75
(excludes applicable taxes)

HOPKINS COUNTY
109 JEFFERSON ST
SULPHUR SPRINGS, TX 75483
HOPKINS County

If you do not receive your statement in time to make your first payment, please send this coupon along with your first payment.

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ASCO's Keep You Going Program

The ASCO "Keep You Going" Endorsement expands the manufacturer's warranty plan to include additional coverage:

- ✓ **FREE** loaner machine when your machine is down due to a warranty failure and cannot be returned to operation within 24 hours of diagnosis. (weekends and holidays excluded)
- ✓ **NO Charge** for trucking for covered warranty repairs.
- ✓ **NO charge** for fluids or filters replaced due to warranty failures.
- ✓ **NO charge** for freight associated with parts ordered on warrantable work.
- ✓ **NO charge** for travel time on warrantable service work.

*Program coverage applies while unit is covered under base or extended warranty, up to 3 Years or 3,000 hours, whichever occurs first.
Similar machine will be provided as loaner, no guarantee of special features or size (high flow, 3rd function hydraulics, cab, etc.)*

Endorsement Enrollment

Customer Name: Hopkins County Customer Location: _____
Make: CASE Model: 580SN
Serial Number: J5GN58SNJLC712026 Delivery Date: 6-30-20
Warranty Term: 36 months
Signed: Mickey Barker Signed: [Signature]
Customer Associated Supply Co., Inc. (ASCO)