

STATE OF OHIO
DEPARTMENT OF ADMINISTRATIVE SERVICES
MASTER LEASING AGREEMENT

THIS AGREEMENT (the "Master Leasing Agreement") is between **Volvo Construction Equipment North America LLC** ("Lessor") and the State of Ohio, by the Department of Administrative Services for its various agencies, boards, commissions, and other entities ("Lessee").

Background. Lessor has a State Term Schedule ("STS") with the State of Ohio. The STS establishes terms and conditions under which Ohio state agencies (including any board, commission, department, institution, instrumentality, or other political body) and Ohio political subdivisions may buy Lessor's property and other personal property listed in that STS. But the STS only permits such; it in no manner obligates Lessee to do so. Also, the STS contemplates only purchases of Lessor's property, but Lessee may from time to time want to lease the property instead, whereby the Lessee will have the use of the property, but shall not acquire any ownership interest in the property or acquire the property at the end of a lease term, except as provided in Section 22. This Master Leasing Agreement is designed to permit the leasing of Lessor's property by entities that may use the STS to buy Lessor's property.

1. **Lease Agreement.** From time to time, at the request of Lessee and during the term of this Master Leasing Agreement, Lessor agrees to lease to Lessee items of the property available for purchase from Lessor's current STS. When Lessee wants to lease property available under Lessor's STS from Lessor, Lessee may do so by issuing a purchase order referencing this Master Leasing Agreement and Lessor's STS and listing the individual items of the property that Lessee wants to lease under the particular purchase order. Subject to Lessor's acceptance of Lessee's purchase order, the property will be leased under the terms of this Master Leasing Agreement. Property leased in this manner is referred to as the "Property" throughout this Master Leasing Agreement. Lessee may not use, and Lessor will not accept, orders under this Master Leasing Agreement to lease anything other than the Property that is listed on Lessor's STS at the time an order is placed.
2. **Exhibits and Definitions.** When Lessee leases any Property, Lessee will execute copies of all appropriate Exhibits as well as issue a purchase order.
 - 2.1 Exhibit "A" – "Lease Schedule(s)." Referred to herein as a "Lease Schedule."
 - 2.2 Exhibit "B" – "Certificate of Acceptance"
 - 2.3 Exhibit "C" – "Essential Use Letter" (for use with Lease Schedules with the State of Ohio only)
 - 2.4 Exhibit "D" – "Opinion of Lessee's Counsel" (for use with Lease Schedules with Political Subdivisions only)
 - 2.5 Exhibit "E" – "Lessee's Certificate" (for use with Lease Schedules with Political Subdivisions only)
 - 2.6 Exhibit "F" - "Insurance Requirements"

These exhibits in the form approved by the State of Ohio's Department of Administrative Services are the only documents any entity using this Master Leasing Agreement may execute to evidence a transaction under this Master Leasing Agreement, other than an entity's standard purchase order. Where the Lessee is an entity other than the State of Ohio, (i) an Opinion of Lessee's Counsel and (ii) Lessee's Certificate in forms similar to those set forth in Exhibit D and Exhibit E as agreed upon by Lessor and such political subdivision lessee and (iii) UCC –1 financing statements in accordance with the Uniform Commercial Code as adopted by the State of Ohio in Title 13 of the Ohio Revised Code shall also be required. None of these exhibits or the purchase order may contain additional terms and conditions unless specifically approved in writing by Department of Administrative Services. The Lessee's purchase order may contain pre-printed terms and conditions, but they will not apply to the transaction, except for information regarding invoicing, notice address, and such other information as is necessary to complete the transaction.

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

"Appraisal Procedure" shall mean the following procedure for obtaining an appraisal of the Fair Market Sales Value. Lessor shall provide Lessee with the names of three independent Appraisers. Within ten (10) business days thereafter, Lessee shall select one of such Appraisers to perform the appraisal. The selected Appraiser shall be instructed to perform its appraisal based upon the assumptions specified in the definition of Fair Market Sales Value, and shall complete its appraisal within twenty (20) business days after such selection. Any such appraisal shall be final, binding and conclusive on Lessee and Lessor and shall have the legal effect of an arbitration award. Lessee shall pay the fees and expenses of the selected Appraiser.

"Appraiser" shall mean a person engaged in the business of appraising property who has at least ten (10) years' experience in appraising property similar to the Property.

"Fair Market Sale Value" or **"FMSV"** shall mean the value of each Item of Property for sale, unless otherwise specified herein as determined between Lessor and Lessee, or, if Lessor and Lessee are unable to agree, pursuant to the Appraisal Procedure, which would be obtained in an arms-length transaction between an informed and willing seller (under no compulsion to sell) and an informed and willing buyer (under no compulsion to purchase). In determining the Fair Market

Sale Value of the Property, such Fair Market Sale Value shall be calculated on the assumption that the Property is in the condition and repair required by Section 20.4 hereof. In calculating FMSV, FMSV shall only be determined in the event Lessee decides to exercise its option to purchase the Property under Section 22 hereof.

"Lease Term" means, with respect to a Lease Schedule, the term for such Lease Schedule executed hereunder, which shall be set forth in the Lease Schedule.

3. Effective Date, Term, Acceptance, Cancellation.

3.1 When Lessor accepts an order, Lessor will lease to Lessee, and Lessee will lease from Lessor, the Property described on the order for a period starting on the date in the copy of Exhibit B that is executed with or soon after issuance of the purchase order. The term of the leasing for the order will end on the earlier of the date the last payment listed on Exhibit A is actually made or the date that Lessee's current appropriation period ends. At its option, Lessee may renew the particular order for successive terms, but no successive term may extend beyond the end of Lessee's then-current appropriation period. The current appropriation period for the State of Ohio is a biennium established as a two-year period commencing on July 1 of an odd-numbered year and concluding on June 30 of an odd-numbered year.

3.2 Once Lessee has issued a purchase order and executed the applicable Exhibits, Lessee will be bound to perform under this Master Leasing Agreement with respect to the applicable Property covered by the order, subject only to Lessee's acceptance of the Property once it meets the requirements for acceptance in the STS and Lessee's right to terminate the leasing under this Master Leasing Agreement.

3.3 Acceptance of the Property means that the Property has been delivered and accepted by Lessee for all purposes of this Master Leasing Agreement. Date of such acceptance shall be evidenced by the Certificate of Acceptance and shall constitute the Effective Date. Lessee cannot limit or revoke its acceptance at any later date. The Lease Term will begin upon Lessee's acceptance, which will be evidenced by Lessee's issuance of a purchase order and execution of all the attached Exhibits. After Lessee's acceptance of the Property, Lessee may not cancel the accepted order during the Lease Term except as expressly provided in this Master Leasing Agreement.

4. Leasing, Term and Payment. Subject to the express exceptions in this Master Leasing Agreement, Lessee agrees to make the periodic lease payments to Lessor on the applicable copy of Exhibit "A".

5. Interest on Overdue Payments. Section 126.30 of the Ohio Revised Code (the "Code") applies to this Master Leasing Agreement and requires payment of interest on overdue payments for all proper invoices in accordance with its provisions.

6. Payment Due Date.

Payments under this Master Leasing Agreement will be due on the 30th calendar day after the later of:

- (1) The date of actual receipt of a proper invoice in the office designated to receive the invoice,
- (2) Or the last day of the month of service listed on the applicable copy of Exhibit A.

7. Invoice Requirements.

7.1 Invoices must be submitted in an original and three (3) copies to the office designated in the purchase order "bill to address" to receive invoices. A proper invoice must include the following information:

- (1) Name and address of Lessor, or a proper assignee, as designated in this Master Leasing Agreement.
- (2) Federal Tax Identification Number of Lessor, or a proper assignee, as designated in this Master Leasing Agreement.
- (3) Invoice remittance address as designated in this Master Leasing Agreement.
- (4) The purchase order number authorizing the delivery of the Property.
- (5) Description, including time period, serial number, when applicable, unit price, quantity and total price of Property actually delivered and specified in the purchase order. The lease payment numbers (e.g., 1 of 36), must also be indicated.

7.2 The parties may mutually agree to electronic invoicing and the process and procedures for such electronic invoicing; provided that if the State of Ohio implements a mandatory system of electronic invoicing for all vendors, then such invoicing for the State of Ohio shall be in accordance with the process and procedures for such mandatory invoicing system.

8. Improper Invoices.

8.1 If an invoice contains a defect or impropriety and/or it is not a proper invoice as defined above, the Lessee will give Lessor written notice along with the improper invoice. The Lessee will mail the notice to the Lessor's address designated for receipt of purchase orders within fifteen (15) calendar days after receipt of the defective invoice. The notice will contain a description of the defect or impropriety and any additional information necessary to correct the invoice. Once the notice has been sent, the required payment date will be thirty (30) days after receipt of a proper invoice or the last day of the month of service contained in the applicable copy of Exhibit A.

8.2 Lessor will apply each payment Lessee makes only to the applicable order covered by the invoice being paid and only to the payment to which the invoice pertains.

9. Expense, Non-Appropriation and OBM Certification.

9.1 THE OBLIGATION OF LESSEE TO PAY UNDER THIS MASTER LEASING AGREEMENT WILL CONSTITUTE AN EXPENSE OF LESSEE AND WILL NOT BE A DEBT OF LESSEE IN CONTRAVENTION OF ANY CONSTITUTIONAL OR STATUTORY LIMITATIONS ON THE CREATION OF INDEBTEDNESS BY LESSEE, AND NOTHING IN THIS MASTER LEASING AGREEMENT CONSTITUTES A PLEDGE OF LESSEE'S GENERAL TAX REVENUES, FUNDS, OR PROPERTY.

9.2 Lessee's funds are contingent on the availability of lawful appropriations by the Ohio General Assembly, or in the case where Lessee is an entity other than the State of Ohio, Lessee's legislative body or funding authority. If the Ohio General Assembly or, in the case where Lessee is an entity other than the State of Ohio, Lessee's legislative body or funding authority fails to continue funding for any payments under this Master Leasing Agreement, Lessee's payment obligation will terminate with respect to the unfunded Property as of the date that the funding expires and Lessee shall return such Property to Lessor. (See Section 20.4)

10. OBM Certification. This Master Leasing Agreement is subject to Section 126.07 of the Code, which provides, in part, that orders under this Master Leasing Agreement will not be valid or enforceable until the Director of the Office of Budget and Management, or equivalent in the case where Lessee is an entity other than the State of Ohio, certifies that there are proper funds available to pay the obligation.

11. Taxes. Lessee shall keep the Property free of all levies, liens and encumbrances, except for the interest of Lessor under the Master Leasing Agreement. Lessee shall pay when due all, to the extent applicable by law, taxes, fees, withholdings, levies, imposts, duties, assessments and charges of any kind and nature arising out of or related to the Master Leasing Agreement (together with interest and penalties thereon and including, without limitation, sales, use, gross receipts, personal property, real property, real estate excise, ad valorem, business and occupational, franchise, value added, leasing, leasing use, documentary, stamp or other taxes) imposed upon or against Lessor, any assignee of Lessor, Lessee or any Property by any governmental authority with respect to any Property or the manufacturing, ordering, sale, purchase, shipment, delivery, acceptance or rejection, ownership, titling, registration, leasing, subleasing, possession, use, operation, removal, return or other dispossession thereof or upon the rents, receipts or earnings arising therefrom or upon or with respect to the Master Leasing Agreement, excepting only all Federal, state and local taxes on or measured by Lessor's, or its assigns, net income (other than income tax resulting from making any alterations, improvements, modifications, additions, upgrades, attachments, replacements or substitutions by Lessee). Whenever the Lease Term terminates as to any Property, Lessee shall, upon written request by Lessor, advance to Lessor the amount estimated by Lessor to be the personal property or other taxes on said item which are not yet payable, but for which Lessee is responsible. Lessor shall, at Lessee's request, provide Lessee with Lessor's method of computation of any estimated taxes. Lessee shall pay such taxes or charges as the same may become due; provided that, with respect to any such taxes or charges that may lawfully be paid in installments over a period of years, Lessee shall be obligated to pay only such installments as accrue during the then current fiscal year of the Lease Term for such Property. Unless otherwise directed in writing by Lessor or required by applicable law, Lessee will not list itself as owner of any Property for property tax purposes. Upon receipt by Lessee of any property tax bill pertaining to such Property from the appropriate taxing authority, Lessee will promptly forward such property tax bill to Lessor. Upon receipt by Lessor of any such property tax bill (whether from Lessee or directly from the taxing authority), Lessor will pay such tax and will invoice Lessee for the expense. Upon receipt of such invoice, Lessee will promptly reimburse Lessor for such expense. Lessee shall be obligated to only pay such tax or charge actually incurred and Lessor shall provide all copies of statements and bills reasonably required by Lessee to substantiate such tax or charge.

12. Use. Lessee will give Lessor reasonable access to the location of the Property so that Lessor can check its existence, condition and proper maintenance. Lessee will also use the Property so that Lessor can check its existence, condition and proper maintenance. And Lessee will use the Property only for lawful purposes, in the manner for which it was intended, and as required by all applicable manuals and instructions. Additionally, Lessee will keep the Property in good repair, condition, and working order, ordinary wear and tear excepted, and will not alter or modify the Property in any way that would impair its value or originally intended use.

13. **Maintenance, Waiver of Claims, Respecting Maintenance.** At its own expense, Lessee will keep the Property in good condition, ordinary wear and tear excepted, and will have the Property serviced as the manufacturer recommends. All replacement parts will be free and clear of liens, encumbrances, and claims of others, and will become part of the Property and subject to this Master Leasing Agreement and any order under this Master Leasing Agreement. Lessee waives all claims of setoff against, and defenses to, the enforcement of this Master Leasing Agreement, provided only that such does not arise from a breach of this Master Leasing Agreement by Lessor. Lessee will pursue any claims it has against Lessor regarding the Property directly with Lessor under the STS, or as otherwise permitted by law, rather than through or under this Master Leasing Agreement.
14. **Alterations.** Lessee may, at its own expense, install any property or accessories that may be necessary or convenient for its use of the Property provided that such property or accessories do not impair the value or utility of the Property. All such property and accessories may be removed by Lessee if Lessor is entitled to possession of the Property under this Master Leasing Agreement, provided that any resulting damage will be repaired at Lessee's expense. Any such property or accessories not removed will be part of the Property.
15. **Liens.** Neither party will allow any third-party to have an interest or claim on the Property, and Lessor warrants that it owns the Property free and clear of third-party interests. This Section shall not be construed as to restrict Lessor's ability to assign its rights under Section 24.
16. **Damage to or Destruction of Property.**
 - 16.1 If all or any part of the Property is lost or damaged beyond repair ("Casualty"), Lessee will, within ninety (90) days replace the affected Property with similar or better property ("Replacement Property"). All Replacement Property will be subject to this Master Leasing Agreement as Property. Insurance proceeds, if any, received by Lessor, with respect to any Casualty, will be paid to Lessee once Lessee acquires appropriate Replacement Property.
 - 16.2 If any of the Property under an order is the subject of a Casualty and Lessee fails to properly repair it or acquire proper Replacement Property, Lessor may, at its option, terminate this Master Leasing Agreement as to the Property affected by the Casualty, and Lessee will be obligated to pay Lessor the Fair Market Sale Value for the affected Property as of the last payment made, plus any accrued Lease Payment from the date the last Lease Payment was made through the date of payment under this section. But Lessee will be entitled to a credit against this amount for any insurance proceeds that Lessor receives or is entitled to from the Casualty.
 - 16.3 If any of the Property under an order is the subject of a Casualty, the periodic rental payments due under this Master Leasing Agreement will not abate because of that casualty, and Lessee will still have to meet all its obligations under this Master Leasing Agreement.
17. **Excusable Delays.** The parties to this Master Leasing Agreement will not be responsible for failure to perform due to causes beyond their reasonable control, but a party that is unable to perform due to circumstances beyond its control will immediately notify the other party and take all commercially reasonable steps to perform its obligations as soon as reasonably possible. Lessee's inability to make payments, regardless of the cause, does not fall within this section's scope.
18. **Insurance.** Upon Lessor's reasonable request, Lessee shall, self fund the replacement of property in the event of damage or loss to the property, or, Lessee shall, at its own expense, during each Finance Term maintain (a) property insurance insuring the Property against loss or damage by fire and all other risks covered by the standard extended coverage endorsement in use in the State, and any other risks reasonably required and covered by insurance by Lessor, in an amount at least equal to the then applicable replacement value of the Property, and b) workers' compensation coverage as required by the laws of the State. Lessee shall furnish to Lessor evidence of such insurance coverage or self-funding throughout each Finance Term. All such insurance shall be with insurers that are authorized to issue such insurance in the State. All such property insurance shall name Lessor as loss payee. All such insurance shall contain a provision to the effect that such insurance shall not be canceled or modified without first giving written notice thereof to Lessor and Lessee at least thirty (30) days in advance of such cancellation or modification. Such changes shall not become effective without Lessor's prior written consent. (See Exhibit F)
19. **Disclaimers of Warranties.**
 - 19.1 LESSOR MAKES NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, DIRECTLY OR INDIRECTLY, REGARDING THE FITNESS, CONDITION, OR QUALITY OF THE PROPERTY UNDER THIS MASTER LEASING AGREEMENT. ALL REPRESENTATIONS AND WARRANTIES ARE CONTAINED IN THE STS, AND LESSEE WILL BE ENTITLED TO PURSUE THOSE RIGHTS AND REMEDIES UNDER THE STS WITH LESSOR, BUT NOT BY WAY OF NON-PAYMENT OR SETOFF UNDER THIS MASTER LEASING AGREEMENT AND NOT AGAINST ANY ENTITY TO WHOM LESSOR HAS ASSIGNED ITS RIGHTS UNDER THIS MASTER LEASING AGREEMENT.
 - 19.2 NEITHER PARTY WILL BE LIABLE TO THE OTHER OR TO ANY OTHER PERSON OR ORGANIZATION, FOR ANY INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES ARISING OUT OF THIS MASTER LEASING AGREEMENT.

20. **True Lease Provisions.**

20.1 **Tax Benefits:** Lessee acknowledges that unless otherwise agreed by Lessor, Lessor intends to claim all available tax benefits of ownership with respect to the Property (the "Tax Benefits"). Notwithstanding anything herein to the contrary, if Lessor shall not be entitled to, or shall be subject to recapture of, the Tax Benefits, as a result of any act, omission or misrepresentation of Lessee, Lessee shall pay to Lessor damages in an amount or amounts sufficient to reimburse Lessor for such loss, together with any related interest and penalties, based on the highest marginal corporate income tax rate prevailing during the Lease Term, regardless of whether Lessor or any member of a consolidated group of which Lessor is also a member is then subject to any increase in tax.

If a Lease Schedule pursuant to the Master Leasing Agreement is deemed to be a secured transaction disguised as a lease, Lessee grants to Lessor a first priority security interest in the Property and any additions, attachments, upgrades, accessions, repairs, modifications, replacements thereto and proceeds thereof, including insurance proceeds, to secure Lessee's payment of the Lease Payments and all other payment obligations when due, and Lessee's performance of all of the terms and conditions of Lease Schedule and the Master Leasing Agreement. In such an event, a Lessee, which is a Political Subdivision, shall execute and deliver to Lessor financing statements, as well as amendments and continuations, reasonably required by Lessor to perfect and maintain such security interest. If any part of the Lease Payments are determined to be imputed interest, finance charges or time-price differential ("Interest"), the parties agree that the Lease Payments shall be deemed to be level payments of principal and Interest, with such Interest accruing on principal amounts outstanding from time to time. The rate of such Interest is not intended to exceed the maximum amount of interest permitted by applicable law. If the Interest exceeds such maximum, then at Lessor's option, if permitted by law, the Interest payable will be reduced to the legally permitted maximum amount of interest, and any excessive Interest will be used to reduce the principal amount of Lessee's obligation or refunded.

20.2 **Advances.** In the event Lessee shall fail to either maintain the insurance required by the Master Leasing Agreement or keep the Property in good repair and working order, Lessor may, but shall be under no obligation to, purchase the required insurance and pay the cost of the premiums thereof or maintain and repair the Property and pay the cost thereof. All amounts so advanced by Lessor shall constitute additional rent for the Lease Term for the Lease Schedule for which the Property is under and shall be due and payable on the next payment date for a Lease Payment and Lessee covenants and agrees to pay such amounts so advanced by Lessor with interest thereon from the date such amounts are advanced until paid at the rate of 12% per annum or the maximum amount permitted by law, whichever is less.

20.3 **Nature of Transaction; True Lease.** It is the express intent of the parties that all Lease Schedules entered into under the Master Leasing Agreement constitute true leases and not sales of Property. Title to the Property shall at all times remain in Lessor, and Lessee shall acquire no ownership, title, property, right, equity, or interest in the Property other than its leasehold interest solely as Lessee subject to all the terms and conditions hereof. To the extent that Article 2A ("Article 2A") of the Uniform Commercial Code ("UCC") applies to the characterization of a Lease Schedule, the parties hereby agree that the Lease Schedule is a "Finance Lease" as defined therein.

20.4 **Return of Property.** Upon the expiration of the Lease Term or earlier termination of the Lease Term due to an event of non-appropriation under Subsection 9.2, Lessee, at its sole expense, shall assemble and return the Property to Lessor by delivering such Property F.A.S. or F.O.B. to such location or such carrier (packed for shipping) as Lessor shall specify. Lessee agrees that the Property, when returned, shall be in the condition required for it to be maintained under Section 13 hereof. All components of the Property shall have been properly serviced, following the manufacturer's written operating and servicing procedures, such that the Property is eligible for a manufacturer's standard, full service maintenance contract without Lessor's incurring any expense to repair or rehabilitate the Property. If, in the opinion of Lessor, any Property fails to meet the standards set forth above, Lessee agrees to pay on demand all costs and expenses incurred in connection with repairing such Property and restoring it so as to meet such standards. If Lessee fails to return any Property as required hereunder, then all of Lessee's obligations under the Master Leasing Agreement and the applicable Lease Schedule (including, without limitation, Lessee's obligation to pay Lease Payments for such Property in the amounts then applicable under the Lease Schedule, which shall be paid as damages to Lessor) shall continue in full force and effect until such Property shall have been returned in the condition required hereunder.

21. **Non-Abatement.** Lessee agrees that it will make all payments due under this Master Leasing Agreement and not make or claim any offset against such payments. Except as otherwise expressly provided in this Master Leasing Agreement, Lessee agrees that there will be no abatement of payments due under this Master Leasing Agreement because of any claim regarding the Property. Lessee agrees that its remedies in any such case will be against Lessor under the STS, or otherwise at law or in equity, and not under this Master Leasing Agreement or against any assignee of Lessor under this Master Leasing Agreement.

22. **Option Terms.** So long as no Default or Event of Default shall have occurred and be continuing and Lessee shall have given Lessor at least ninety (90) days but not more than one hundred eighty (180) days prior written notice (the "Option Notice"), Lessee shall have the following purchase and extension options at the expiration of the Lease Term, or any

extension of the Lease Term (an "Extension Term"), to: (i) renew the Lease Term on the same frequency of Lease Payments under the Lease Schedules at the same Lease Payment payable at the expiration of the Lease Term; (ii) purchase all, but not less than all, Property under a Lease Schedules for a purchase price (the "Purchase Option Price") equal to the then Fair Market Sale Value thereof; or (iii) return such Property to Lessor pursuant to, and in the condition required by, the Master Leasing Agreement. If Lessee fails to give Lessor the Option Notice, Lessee shall be deemed to have chosen option (i) above, subject to the limitations set forth in Section 3.1 of this Agreement..

Payment of the Purchase Option Price, applicable sales taxes, together with all other amounts due and owing by Lessee under the Master Leasing Agreement (including, without limitation, Lease Payments) during such Lease Term shall be made on the last day of the Lease Term in immediately available funds against delivery of a bill of sale transferring to Lessee all right, title and interest of Lessor in and to the Property ON AN "AS IS" "WHERE IS" BASIS, WITHOUT ANY WARRANTIES, EXPRESS OR IMPLIED, AS TO ANY MATTER WHATSOEVER, INCLUDING WITHOUT LIMITATION, THE CONDITION OF THE PRODUCT, ITS MERCHANTABILITY OR ITS FITNESS FOR ANY PARTICULAR PURPOSE. LESSOR MAY SPECIFICALLY DISCLAIM ANY SUCH REPRESENTATIONS AND WARRANTIES.

23. Defaults and Remedies.

23.1 Each of the following is an "Event of Default" by Lessee:

- (a) Lessee fails to make payment when due under this Master Leasing Agreement.
- (b) Lessee attempts to or does assign, transfer, or otherwise dispose of or abandon the Property, or any part of the Property.
- (c) Lessee fails to comply with any covenant or condition of this Master Leasing Agreement for thirty (30) days after notice thereof.
- (d) Lessee becomes insolvent or admits, in writing, to its inability to pay its debts as they mature.
- (e) A trustee or receiver is appointed for Lessee or a substantial part of its property.
- (f) Bankruptcy, reorganization, a debt arrangement, moratorium, or any proceeding under any bankruptcy or insolvency law, or any dissolution or liquidation proceeding is entered into by or against Lessee.

23.2 On any Event of Default, Lessor may exercise any combination of the following remedies:

- (a) Accelerate the periodic rental payment schedule and demand immediate payment in full of the aggregate sum of such periodic payments for the affected Lease Schedule for the current appropriation period of the applicable Lessee, together with all amounts due or outstanding under this Master Leasing Agreement relating to the affected orders.
- (b) Enforce this Master Leasing Agreement by appropriate action to collect amounts due or require the defaulting party to perform its obligations under this Master Leasing Agreement.
- (c) Thirty (30) days following written notice, take possession of the affected Property without court order or any process of law.
- (d) Following thirty (30) days written notice, sell or release the affected Property, or any portion, for Lessor's account at public or private sale, on cash or credit.
- (e) Terminate any affected Lease Schedules under this Master Leasing Agreement and terminate this Master Leasing Agreement, subject of the last paragraph of this section, below.
- (f) Pursue and exercise any other remedy available at law or in equity.

23.3 To the extent the disposition of the Property provides insufficient proceeds to pay the sum of (a) the costs of repossession and sale and (b) the remaining total Lease Payments for the remaining Lease Term as the date of the last Lease Payment by the Lessee, no deficiency shall be allowed against Lessee. Notwithstanding the foregoing, Lessee shall remain obligated to pay the item set forth in Subsection 23.2(a) from funds of the Lessee irrespective of any disposition of the Property. Proceeds from the disposition of the Property shall be applied to such item set forth in Subsection 23.2(a) only to the extent that the proceeds from the disposition of the Property are sufficient to pay items (a) and (b) in this Subsection 23.3.

23.4 An Event of Default with respect to one order under this Master Leasing Agreement will not affect the rights or obligations of the parties with respect to other orders that are unaffected by the Event of Default. Any termination of this Master Leasing Agreement will leave all orders currently in place unaffected, and they will continue in place under this Master Leasing Agreement. If the termination is due to an Event of Default under this Master Leasing Agreement, any order that is affected by the Event of Default may also be terminated, but no others.

24. Assignment.

24.1 Without the prior written consent of Lessor, Lessee will not (a) assign, transfer, pledge, hypothecate, or otherwise dispose of its rights or obligations under this Master Leasing Agreement or the Property, (b) sublet the Property, or (c) permit the Property to be used for any purpose not permitted by this Master Leasing Agreement.

24.2 Except as provided in this section, Lessor will not assign any of its rights or obligations under this Master Leasing Agreement without the prior written consent of Lessee, which Lessee will not be obligated to give.

24.3 Subject to Lessee's approval, such approval not to be unreasonably withheld, Lessor may assign, sell or encumber all or any part of this Master Leasing Agreement, any Lease Schedule, the Property and the Payments and other amounts due hereunder. In the event of any such assignment and written direction by Lessor to Lessee, Lessee shall pay directly to any such assignee without abatement, deduction or set-off all Payments and other sums under this Master Leasing Agreement. ANY SUCH ASSIGNEE SHALL HAVE ALL OF THE RIGHTS, BUT NONE OF THE OBLIGATIONS, OF LESSOR UNDER THIS MASTER LEASING AGREEMENT, AND LESSEE SHALL NOT ASSERT AGAINST ANY SUCH ASSIGNEE ANY DEFENSE, COUNTERCLAIMS OR SET-OFF WHICH LESSEE MAY HAVE AGAINST LESSOR. Any such assignment (a) shall be subject to Lessee's right to possess and use the Property and (b) shall not release any of Lessor's obligations hereunder or any claim which Lessee has against Lessor. In the event Lessor assigns it right, title and interest in a Lease Schedule and the Property thereunder in accordance with this Section to an assignee ("Assignee"), as between the Assignee and Lessee the following shall be applicable: (a) TO THE EXTENT PERMITTED BY APPLICABLE LAW AND, IN ACCORDANCE WITH SECTION 1310.49 OF THE OHIO REVISED CODE, THE RIGHTS AND REMEDIES OF ASSGNEE AND LESSEE SET FORTH IN THIS MASTER LEASING AGREEMENT IN THE EVENT OF A DEFAULT OR BREACH BY EITHER LESSOR OR LESSEE SHALL BE THE EXCLUSIVE REMEDIES FOR SUCH DEFAULT OR BREACH UNDER THE MASTER LEASING AGREEMENT AND ANY LEASE SCHEDULE. (b) ASSIGNEE HAS NOT MADE, AND HEREBY DISCLAIMS ANY ADVICE, REPRESENTATIONS, WARRANTIES AND COVENANTS, EITHER EXPRESSED OR IMPLIED, WITH RESPECT TO ANY LEGAL, ECONOMIC, ACCOUNTING, TAX OR OTHER EFFECTS OF THE LEASE SCHEDULE AND MASTER LEASING AGREEMENT AND THE TRANSACTION(S) CONTEMPLATED THEREBY, AND LESSEE HEREBY DISCLAIMS ANY RELIANCE ON ANY SUCH WARRANTIES, STATEMENTS OR REPRESENTATIONS MADE BY ASSIGNEE WITH RESPECT THERETO. (c) ASSIGNEE MAKES NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, DIRECTLY OR INDIRECTLY, REGARDING THE FITNESS, CONDITION, OR QUALITY OF THE PROPERTY UNDER THIS MASTER LEASING AGREEMENT.

Any such assignment shall be for financing purposes only. Except for the invoicing requirements of Section 7, Lessee shall not assert any claim of performance against Assignee. As between Lessee and Assignee, Lessee shall be responsible for any and all claims, liability, loss, cost, damage or expense of whatsoever kind and nature, arising out of the use, condition, operation, possession, control, selection, delivery or return of any item of Property, regardless of where, how, and by whom operated or any failure by Lessee to comply with this Master Leasing Agreement.

- 24.4 An assignment of Lessor's rights will be effective on Lessee's approval, and the expiration of the 60 days advance written notice to Lessee disclosing the name, address, and Federal tax identification number of the assignee. Lessee may require the Assignee's written agreement to comply with the terms and conditions of this Master Leasing Agreement for its approval of the assignment. Lessee shall keep a record of all such assignments.
- 24.5 Lessee agrees, in the event of an assignment, that it will execute any and all documents reasonably required by the Assignee to show evidence of the assignment, but no such document may in any manner alter or amend the terms and conditions of this Master Leasing Agreement.
- 24.6 During the Lease Term, in the event Lessor assigns its right, title and interest in a Lease Schedule and the Property thereunder, such Assignee hereby assigns to Lessee all rights that Assignee may have to assert from time to time whatever claims and rights (including without limitation warranties) related to the Property against the Lessor and any original vendor of the Property (collectively, the "Supplier"). Lessee's sole remedy for the breach of such warranty, indemnification or representation shall be against the Supplier of the Property, and not against any Assignee, nor shall such matter have any effect whatsoever on the rights and obligations of any Assignee with respect to the Lease Schedule and the Master Leasing Agreement, including the right to receive full and timely payments hereunder. Lessee expressly acknowledges that any Assignee makes, and has made, no representations or warranties whatsoever as to the existence or the availability of such warranties of the Supplier of the Property.

25. **Personal Property.** The Property is and will remain personal property.

26. **Notices.** All notices under this Master Leasing Agreement will be in writing and mailed, postage prepaid, by first class, certified mail, return receipt requested, unless otherwise proceeded in this Master Leasing Agreement. A notice will be effective upon receipt. Unless Lessee receives notice to the contrary, in accordance with this section, Lessee agrees to send its written notices to;

Dealer:
Rudd Equipment Company
Attn: Gary Harshberg
2512 Jackson Pike
Columbus OH 43223

Unless Lessor receives notice to the contrary, in accordance with this section, Lessor agrees to send its written notices to the "bill to" address in the applicable Lease Schedule covering each Lease Schedule affected by the notice. Each notice in which Lessee is the State of Ohio will also be sent to:

Department of Administrative Services
Office of State Purchasing
4200 Surface Road
Columbus, Ohio 43228

27. **Political Subdivisions.** This Master Leasing Agreement may be relied on by counties, townships, municipalities and other political subdivisions of Ohio (collectively "Political Subdivisions"). Whenever a Political Subdivision relies on this Master Leasing Agreement to issue a purchase order, the Political Subdivision will step into the shoes of the Lessee under this Master Leasing Agreement, and, as to the Political Subdivision's order and Lease Schedule, this Master Leasing Agreement will be between the Lessor and the Political Subdivision. The Lessor will look solely to the Political Subdivision for performance, including payment, and each Political Subdivision Lessee will hold the State of Ohio harmless with regard to such orders and the Political Subdivision's performance. Nothing in this Master Leasing Agreement requires the Lessor to accept an order from a Political Subdivision.

28. **Termination for Convenience.** Either party, on thirty (30) days notice to the other party, may terminate this Master Leasing Agreement for its convenience. A termination for convenience will not affect any orders placed before the termination, but no more orders may be placed or accepted under this Master Leasing Agreement after its termination under this section or under any other section. This Master Leasing Agreement will also terminate for the State's convenience on expiration or termination of the STS. Again, such a termination will not affect any pre-existing orders.

29. **Multiple Orders.** This Master Leasing Agreement contemplates multiple orders, and every order under this Master Leasing Agreement will be subject to this Master Leasing Agreement's terms and conditions. But each order will be treated as if a separate agreement has been entered into between Lessor and Lessee with respect to that order. Any termination of an order for cause or otherwise will not affect any other order under this Master Leasing Agreement.

30. **Miscellaneous.** At any reasonable time, Lessor may inspect the Property and the books and records of Lessee related to the Property or this Agreement. No obligations of either party may be waived without the written consent of the other party. No waiver of any obligation will be a waiver as to any other event related to that obligation. This Master Leasing Agreement will be governed by Ohio law and constitutes the entire agreement between the parties. This Master Leasing Agreement may not be modified, except in writing, and any provision of this Master Leasing Agreement that is unenforceable will be ineffective without invalidating the remainder of this Master Leasing Agreement. No entity other than Lessee's Department of Administrative Services, through a duly authorized representative, may agree to change the provisions of this Master Leasing Agreement on behalf of Lessee. Lessor will have the right at any time, by written notice to Lessee, to designate or appoint any person or entity to act as agent or trustee for Lessor. It will be Lessor's responsibility to maintain accurate and current records of Lessor's invoices and Lessee's payments for such invoices. Lessor will be responsible for all damages associated with its failure to comply with this provision, including without limitation, damages associated with expenditure of time by Lessee's personnel. This Master Leasing Agreement's captions are for convenience only and will not affect the interpretation of any part of this Master Leasing Agreement.

IN WITNESS WHEREOF, the parties have executed this Master Leasing Agreement as of this 26 day of August 2013.

Lessor: Volvo Construction Equipment North America LLC
Address: 312 Volvo Way Shippensburg, PA 17257
By: 
Title: Vice President, Finance

For the Lessee: State of Ohio, Department of Administrative Services
Address: 30 E. Broad St. Columbus, OH 43215
By: Robert Blair / JAH 9.25.13
Title: Director, DAS