

LEASE AGREEMENT

THIS LEASE AGREEMENT ("Lease") is made by and between the **CITY OF LINCOLN, NEBRASKA**, a municipal corporation ("Lessor") and **E.J.C. CORPORATION**, Lincoln, Nebraska, a Nebraska business corporation ("Lessee").

RECITALS

The Leased Property identified herein is owned by Lessor but is not currently utilized for any purpose. Lessee's plant for the manufacture, sale, and servicing of trucks, trailers, and related equipment abuts the Leased Property. Lessee desires to lease from Lessor the Leased Property for limited use in conjunction with its business activities.

THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. Leased Property. Lessor leases to Lessee and Lessee leases from Lessor the following described property:

A tract of land described as Lot 1, approximately 6.42 acres, of M.R. Krupicka's Addition all located in the South Half (SW 1/2) of Section 14, Township 10 North, Range 6 East of the 6th P.M., Lincoln, Lancaster County, Nebraska ("Leased Property").

2. Term. The term of this Lease shall begin February 1, 2012 and continue thereafter for five years until January 31, 2017 ("Lease Term").

3. Rent. Lessee shall pay as cash rent on the 1st day of the February for each year of the Lease Term of \$11,715.32. The stated cash rent includes an "in lieu of tax" payment. Rent shall be paid to Lessor at the address set forth in the Notices paragraph of this Lease or as otherwise directed.

4. Rent Increases. The annual cash rent shall be adjusted effective at the beginning of each five-year period by the factor equal to the change in the Consumer Price Index (published by the U.S. Department of Labor for the region in which Lincoln, Nebraska is located) from the beginning of the last preceding five-year period. Provided, however, the increase in the annual cash rent for any subsequent five-year period shall not exceed 8% of the annual cash rent for the preceding five-year period.

5. Renewal Options. Lessee shall have the option to renew this Lease for three (3) additional five (5) year terms by giving written notice to Lessor of its election to renew not less than sixty (60) days prior to the end of the Lease Term or any renewal term. The terms and provisions of this Lease shall govern all renewal terms.

6. Limited Use. Lessee shall not construct any building or structures on the Leased Property. Lessee will use the Leased Property for parking and for the storage of trucks, trailers, related equipment, and raw materials used in the manufacture of trucks and trailers. Lessee can grade the surface of the Leased Property and place crushed rock thereon so long as not more than twelve inches of the surface are removed or relocated. Lessee can construct fences on the Leased

Property so long as the post holes do not penetrate more than twenty-four inches below the existing surface. Lessee will not use nor permit the Leased Property to be used in violation of any law, ordinance, or regulation of any governmental agency.

7. Taxes. Lessee shall pay any taxes levied upon the Leased Property made by Lessee and which are due during the Lease Term.

8. Insurance.

a. Risk of Loss. Lessee shall keep any property maintained on the Leased Property insured against loss or damage by fire and such other risks throughout the Lease Term. The risk of loss for such property shall belong solely to Lessee.

b. Public Liability and Indemnity. Lessee will protect, indemnify, defend, and save harmless Lessor from and against any and all loss, cost, damages, and expenses occasioned by or arising out of any accident or other occurrence causing or inflicting injury and/or damage to any person or property happening or done in, upon, or about the Leased Property, or due directly or indirectly to the use or occupancy thereof, or any part thereof by Lessee or any person claiming through or under Lessee.

c. Insurance Coverage. Lessee shall maintain comprehensive public liability insurance at its own expense during the Lease Term, naming and protecting City of Lincoln, its officials, employees and volunteers as insured, against claims for damages. The minimum acceptable limits of liability to be provided by such insurance shall be as follows:

1. All Acts or Omissions - \$1,000,000 each Occurrence; \$2,000,000 Aggregate; and
2. Property Damage - \$100,000; and
3. Personal Injury Damage - \$1,000,000 each Occurrence; and
4. Medical Expenses (any one person) - \$10,000; and
5. Fire Damage (any one fire) - \$100,000; and
6. Umbrella or excess coverage - \$1,000,000 each Occurrence.

Lessee further covenants and agrees that it will, at its own expense, procure and maintain this comprehensive public liability insurance in an amount to be determined every five years by the City's Risk Manager but initially not less than \$1,000,000.00 for any one accident, and with limits of \$100,000.00 for property damage, protecting Lessor against such claims, damages, costs, or expenses on account of injury to any person or persons, or to any property belonging to any person or persons by reason of any such casualty, accident or other happening on or about the Leased Property during the Lease Term.

d. Named Insured. The liability insurance shall be issued by a responsible insurance company authorized to do business in the State of Nebraska. The policy shall name Lessor as a co-insured and provide that thirty (30) days advance written notice to Lessor is required before modification or cancellation. Lessee shall provide Lessor with a certificate annually evidencing that the liability insurance is effective.

9. Survey. Lessee will, prior to the commencement of the Lease Term, survey and stake the boundaries of the Leased Property.

10. Site Maintenance. During the Lease Term, Lessee will mow the site regularly and cause the removal of noxious weeds. Lessee will also cooperate with Lessor to locate and plan landscaping around the perimeter of the Leased Property to screen the site.

11. Hazardous Material. Lessor shall continue to be solely responsible for any remedial action required as a result of hazardous material in or under the Leased Property site at the date of possession by Lessee as long as Lessee has not acted in conflict with the provisions of paragraph 6 of this lease. Lessee agrees that it will not use or store hazardous material on the Leased Property. If there is a discharge of hazardous material on the site during the Lease Term caused by Lessee, Lessee will be solely responsible for any remedial action required. If hazardous material is discovered or discharged on the Leased Property at any time during the Lease Term, Lessor will have the option of terminating the lease.

12. Quiet Enjoyment. Lessee, upon paying the cash rent hereby required and performing all of the agreements of Lessee to be performed as provided in this Lease, shall have, hold, and enjoy exclusive possession of the Leased Property for the Lease Term.

13. Assignment and Subletting. Lessee may assign this Lease or sublet the Leased Property only with the prior written consent of Lessor. Notwithstanding any assignment or subletting, Lessee shall continue to be obligated for the performance of the terms of this Lease.

14. Default by Lessee. In the event of any failure of Lessee to pay any cash rent due hereunder when the same shall become due and such default shall continue for fifteen (15) days thereafter or if Lessee shall become bankrupt or insolvent or file any debtor proceedings or take or have taken against Lessee in any court a petition in bankruptcy or insolvency or for reorganization or for the appointment of a receiver and such proceedings shall not be dismissed within sixty (60) days, or if Lessee shall abandon the Leased Property or fails to perform any of the terms, conditions, or covenants of this Lease to be performed by Lessee and such default shall not be cured within thirty (30) days after written notice of such default shall have been given to Lessee, then Lessor shall have the right to terminate this Lease and to take immediate possession of the Leased Property. In addition, Lessor shall be entitled to all of the rights and remedies provided by law or in equity.

15. Purchase Right. If during the Lease Term Lessor elects to sell the Leased Property, Lessee shall have the first right to purchase the Leased Property at the price and on the terms offered by Lessor.

16. Notices. Notices provided for in this Lease shall be given to the respective parties at the addresses shown below:

LESSOR:
City of Lincoln—Law Department
555 South 10th Street, Suite 300
Lincoln, NE 68508

LESSEE:
E.J.C. Corporation
800 Oak Street
Lincoln, NE 68521

Either party may notify the other of a different address. Notice shall be considered given under the terms of this Lease when sent, addressed as above designated, postage prepaid, by registered or certified mail.

17. Provisions Binding on Successors and Permitted Assigns. Each and every covenant and agreement herein contained shall extend to and be binding upon the respective successors and permitted assigns of the parties.

18. Changes to be in Writing. None of the provisions or terms of this Lease shall in any manner be modified, waived, or abandoned except by written instrument duly signed by the parties. This Lease contains the entire agreement of the parties.

19. Applicable Law. This Lease shall be construed and enforced in accordance with the laws of the State of Nebraska.

20. Capacity. The undersigned individuals do hereby agree and represent that he or she is legally capable to sign this Lease and to lawfully bind the respective parties to this Lease.

Executed by Lessor this ____ day of _____, 20__.

ATTEST:

CITY OF LINCOLN, NEBRASKA
A Municipal Corporation

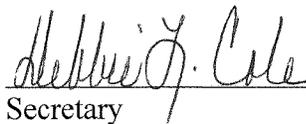
City Clerk

Chris Beutler, Mayor

Executed by Lessee this 13th day of December, 2011.

ATTEST:

E.J.C. CORPORATION
A Nebraska Corporation


Secretary


Rick L. Cole, Chief Financial Officer

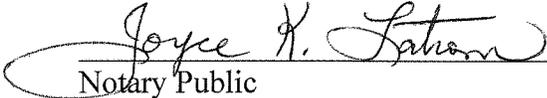
STATE OF NEBRASKA)
) ss.
COUNTY OF LANCASTER)

The foregoing instrument was acknowledged before me this ____ day of _____, 20__ , by Chris Beutler, Mayor of the City of Lincoln, Nebraska, a municipal corporation, on behalf of the City of Lincoln, Nebraska.

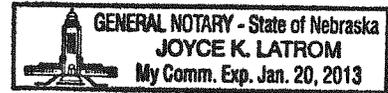
Notary Public

STATE OF NEBRASKA)
) ss.
COUNTY OF LANCASTER)

The foregoing instrument was acknowledged before me this 13th day of December, 2011, by Rick L.Cole, Chief Financial Officer of E.J.C. Corporation, a Nebraska corporation, on behalf of the corporation.



Notary Public





CERTIFICATE OF LIABILITY INSURANCE

DATE(MM/DD/YYYY)
12/12/2011

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must be endorsed. If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Aon Risk Services Central, Inc. Omaha NE Office 11213 Davenport Suite 201 Omaha NE 68154 USA	CONTACT NAME: PHONE (A/C. No. Ext): (402) 697-1400 FAX (A/C. No.): (402) 697-1594	
	E-MAIL ADDRESS:	
INSURED Truck Equipment Service Company 800 Oak Street Lincoln NE 68521 USA	INSURER(S) AFFORDING COVERAGE	
	INSURER A: Charter Oak Fire Ins Co NAIC # 25615	
	INSURER B:	
	INSURER C:	
	INSURER D:	
	INSURER E:	

Holder Identifier :

COVERAGES **CERTIFICATE NUMBER:** 570044660560 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS. **Limits shown are as requested**

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC			P6302024N843TTL11	03/01/2011	03/01/2012	EACH OCCURRENCE	\$1,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	\$300,000
							MED EXP (Any one person)	\$5,000
							PERSONAL & ADV INJURY	\$1,000,000
							GENERAL AGGREGATE	\$2,000,000
							PRODUCTS - COMP/OP AGG	
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident)	
							BODILY INJURY (Per person)	
							BODILY INJURY (Per accident)	
							PROPERTY DAMAGE (Per accident)	
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION						EACH OCCURRENCE	
							AGGREGATE	
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR / PARTNER / EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below						WC STATUTORY LIMITS	OTHER
							E.L. EACH ACCIDENT	
							E.L. DISEASE-EA EMPLOYEE	
							E.L. DISEASE-POLICY LIMIT	

Certificate No : 570044660560

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
 RE: Oak Lake Park, Lincoln Parks and Recreation
 Additional insured in favor of the City of Lincoln with respects to General Liability coverage as required by written contract.

CERTIFICATE HOLDER City of Lincoln 555 S 10th St Suite 300 Lincoln NE 68508 USA	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE <i>Aon Risk Services Central Inc</i>
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