

MEMORANDUM

TO: Programs, Projects, and Operations Subcommittee

FROM: Zach Nelson, Project Manager

SUBJECT: Review and Recommendation of Nebraska Machinery Company – CAT Financial Governmental Lease-Purchase Agreement

DATE: 4/4/2019

Per the Interlocal Agreement between the District and Nebraska Department of Game and Parks, The District is required to provide a multi-terrain loader (skid steer) at Kramper Lake to be used by Game and Park's Staff for maintenance. When Kramper Lake became operational in 2014, the District began to utilize a Governmental Lease – Purchase Program offered by Nebraska Machinery, thru CAT Financial. Under the agreement, the District is allowed to lease the piece of equipment for one year and put 250 hours on it. The net cost to the District is \$5,500 per piece of equipment. The program has been very successful in helping to keep equipment maintenance costs minimal. Currently, there is an ongoing need by District staff for a multi-terrain loader and mini excavator to perform maintenance on structures in the northern half of the District as well as repair rural water mains. This program has been more cost effective than traditional monthly rental programs.

Staff proposes to utilize this program for the following pieces of equipment:

- **CAT 257D – Multi Terrain Loader** – to be used exclusively at Kramper Lake – Annual lease net cost: \$5,500
- **CAT 257D– Multi Terrain Loader** – to be used on various northern structures in the District and to be used for rural water main repairs – Annual lease net cost: \$5,500
- **CAT 305E2CR – Hydraulic Excavator** – to be used on various northern structures in the District and to be used for rural water main repairs – Annual lease net cost: \$5,500

Staff recommends that the Subcommittee recommend to the Board that the General Manager be authorized to execute an agreement with Nebraska Machinery Company – CAT Financial Governmental Lease-Purchase Program for the annual lease of two CAT 257D Multi Terrain Loaders and one CAT 305 E2CR Hydraulic Excavator, for a total of \$16,500, subject to changes deemed necessary by the General Manager and approval as to form by District Legal Counsel.

REPURCHASE AGREEMENT

This Repurchase Agreement applies to:

PURCHASER: PADIG - MISSOURI NRO
MAKE/MODEL: CAT /257D, 2570, 305E2CA
SERIAL NUMBER: E2W02726, E2W02727, HSM0377X
DELIVERY DATE: 3/27/2019
WARRANTY: 2/2000 PREMIUM
DELIVERY HOUR 4
METER READING: 4

Repurchase amount: \$147,308.92 based upon a maximum of 250 service meter hours

1. Subject to the terms and conditions herein, Nebraska Machinery Company ("NMC") agrees to repurchase the machine listed above (the "Equipment") at any time prior to the first to occur of:

(1) 250 service meter hours, or (2) 12 months, **whichever occurs first.**

2. To maintain the Repurchase Agreement, the Purchaser agrees to the following conditions and limitations:

- a. The Equipment must be maintained in accordance with the manufacturer's recommended maintenance schedule as per the manufacturer's manual(s) provided with the Equipment. Purchaser agrees to maintain adequate maintenance records, and to allow access to those records to NMC upon request.
- b. Purchaser must submit to NMC oil samples from all power train components at designated intervals per manufacturer's requirements.
- c. The Equipment must be in a normal physical and operating condition. At the time of repurchase, the Equipment must:
 - i. have all glass intact and without cracks;
 - ii. have no missing parts or sheet metal;
 - iii. have no significant sheet metal damage or any structural damage to frame;
 - iv. have no damage or modification done to the Rollover Protective Structure (ROPS) that voids certification;
 - v. have all machine functions in working order, including, but not limited to, power train systems, hydraulic systems, and electrical systems;
 - vi. have all hinges, doors, grills, steps, attachments, buckets, blades and grab irons in good, workable condition;
 - vii. if applicable, have 50% remaining tire wear, as determined by a generally accepted measuring device, with no cords showing from cuts to the sidewalls or tread of the tire; recaps not acceptable; all tires must be of the same size, make and configuration as originally supplied;

- viii. if applicable, have 50% remaining undercarriage wear, as determined by a generally accepted measuring device; undercarriage must be of the same make as originally supplied;
 - ix. be returned with all attachments, accessories or upgrades originally sold with equipment;
 - x. be delivered to the nearest NMC location;
 - xi. be free and clear of all liens.
- d. Purchaser agrees not to alter or modify the Equipment in any manner without NMC's prior written consent.
- e. All repairs to the Equipment shall be made utilizing only original manufacturer's parts.
3. Should the Purchaser choose to exercise the repurchase option, Purchaser shall give NMC at least sixty (60) days prior written notice of its intent. The condition of the Equipment shall be determined by an inspection report completed by NMC prior to its return, which determination shall be conclusive. NMC shall provide a copy of the inspection report to Purchaser.
4. In the event the Equipment is not in the condition required by this Repurchase Agreement, Purchaser shall have three (3) options:
- a. have NMC repair and/or restore the Equipment to an acceptable condition at purchaser's expense;
 - b. have the estimated cost of repairs deducted from repurchase amount.
 - c. In the event of an overage in service meter hours, have the repurchase amount reduced by \$ 20.00 per service meter hours above 250 service meter hours.
 - d. keep the Equipment.
5. This Repurchase Agreement is not transferable unless otherwise agreed upon, in writing, by NMC.

NEBRASKA MACHINERY COMPANY

PURCHASER:

(Signature)

X_____
(Signature)

Rusty Rogers
(Name Printed)

(Name Printed)

Regional Sales manager used equipment
(Title)

(Title)

(Date)

(Date)

**Governmental Equipment Lease-Purchase Agreement
Transaction Number 3663298**



1. PARTIES

LESSOR ("we", "us", or "our"):
CATERPILLAR FINANCIAL SERVICES CORPORATION
2120 West End Avenue
Nashville, TN 37203

LESSEE ("you" or "your"):
PAPIO-MISSOURI RIVER NATURAL RESOURCE DISTRICT
8901 SOUTH 154TH STREET
OMAHA, NE 68138

In reliance on your selection of the equipment described below (each a "Unit"), we have agreed to acquire and lease the Units to you, subject to the terms of this Lease. **Until this Lease has been signed by our duly authorized representative, it will constitute an offer by you to enter into this Lease with us on the terms stated herein.**

2. DESCRIPTION OF THE UNITS

DESCRIPTION OF UNITS Whether the Unit is new or used, the model number, the manufacturer, and the model name.	SERIAL/VIN Unique ID number for this Unit.	MONTHLY LEASE PAYMENT This is due per period, as stated below in section 3.	FINAL LEASE PAYMENT	DELIVERY DATE Enter date machine was delivered to you
(1) New 257D Caterpillar Multi Terrain Loader	EZW02726	See Attached	\$46,451.47	_____
(1) New 257D Caterpillar Multi Terrain Loader	EZW02727	See Attached	\$46,189.46	_____
(1) New 305E2CR Caterpillar Hydraulic Excavator	H5M08775	See Attached	\$54,667.99	_____

TERMS AND CONDITIONS

3. Lease Payments; Current Expense You will pay us the lease payments, including the final lease payment set forth above (collectively, the "Lease Payments"). Lease Payments will be paid by you to us according to the attached payment schedule; provided that all amounts owing hereunder will be due by the final lease payment date. A portion of each Lease Payment constitutes interest and the balance of each Lease Payment is payment of principal. The Lease Payments will be due without demand. You will pay the Lease Payments to us at Caterpillar Financial Services Corporation; P.O. Box 100647; Pasadena, CA 91189-0647 or such other location that we designate in writing. Your obligations, including your obligation to pay the Lease Payments due in any fiscal year, will constitute a current expense of yours for such fiscal year and will not constitute an indebtedness of yours within the meaning of the constitution and laws of the State in which you are located (the "State"). Nothing in this Agreement will constitute a pledge by you of any taxes or other moneys, other than moneys lawfully appropriated from time to time for the payment of the "Payments" (as defined in the last sentence of this Section) owing under this Agreement. **You agree that, except as provided in Section 7, your duties and liabilities under this Agreement and any associated documents are absolute and unconditional. Your payment and performance obligations are not subject to cancellation, reduction, or setoff for any reason. You agree to settle all claims, defenses, setoffs, counterclaims and other disputes you may have with the Supplier, the manufacturer of the Unit, or any other third party directly with the Supplier, the manufacturer or the third party, as the case may be. You will not assert, allege or make any such claim, defense, setoff, counterclaim or other dispute against us or with respect to the payments due us under this Agreement. As used in this Agreement, "Payments" will mean the Lease Payments and any other amounts required to be paid by you.**

The portion of the Lease Payments constituting principal will bear interest (computed on the basis of actual days elapsed in a 360 day year) at the rate of 4.70% per annum.

4. Late Charges If we do not receive a Payment on the date it is due, you will

pay to us, on demand, a late payment charge equal to the lesser of five percent (5%) of such Payment or the highest charge allowed by law.

5. Security Interest To secure your obligations under this Agreement, you grant us a continuing first priority security interest in each Unit (including any Additional Collateral), including all attachments, accessories and optional features (whether or not installed on such Units) and all substitutions, replacements, additions, and accessions, and the proceeds of all the foregoing, including, but not limited to, proceeds in the form of chattel paper. You authorize the filing of such financing statements and will, at your expense, do any act and execute, acknowledge, deliver, file, register and record any document, which we deem desirable to protect our security interest in each Unit and our rights and benefits under this Agreement. You, at your expense, will protect and defend our security interest in the Units and will keep the Units free and clear of any and all claims, liens, encumbrances and legal processes however and whenever arising.

6. Disclaimer of Warranties WE HAVE NOT MADE AND DO NOT MAKE ANY WARRANTY, REPRESENTATION OR COVENANT OF ANY KIND, EXPRESS OR IMPLIED, AS TO THE UNITS. AS TO US, YOUR LEASE AND PURCHASE OF THE UNITS WILL BE ON AN "AS IS" AND "WHERE IS" BASIS AND "WITH ALL FAULTS". **Nothing in this Agreement is intended to limit, waive, abridge or otherwise modify any rights, claims, or causes of action that you may have against any person or entity other than us.**

7. Non-Appropriation You have an immediate need for, and expect to make immediate use of, the Units. This need is not temporary or expected to diminish during the term of this Agreement. To that end, you agree, to the extent permitted by law, to include in your budget for the current and each successive fiscal year during the term of this Agreement, a sufficient amount to permit you to discharge your obligations under this Agreement. Notwithstanding any provision of this Agreement to the contrary, we and you agree that, in the event that prior to the commencement of any of your fiscal years you do not have sufficient funds appropriated to make the Payments due under this Agreement for such fiscal year, you will have the option of terminating this Agreement as of the date of the commencement of such fiscal year by giving us sixty (60) days prior written notice of your intent to terminate. No later than the last day of the last fiscal year for which appropriations were made for the Payments (the "Return Date"), you will



return to us all of the Units, at your sole expense, in accordance with Section 14, and this Agreement will terminate on the Return Date without penalty or expense to you and you will not be obligated to pay the Lease Payments beyond such fiscal year; provided, that you will pay all Payments for which moneys have been appropriated or are otherwise available; and provided further, that you will pay month to-month rent at the rate set by us for each month or part of any month that you fail to return the Units.

8. **Tax Warranty** You will, at all times, do and perform all acts and things necessary and within your control to ensure that the interest component of the Lease Payments will, for the purposes of Federal income taxation, be excluded from our gross income. You will not permit or cause your obligations under this Agreement to be guaranteed by the Federal Government or any branch or instrumentality of the Federal Government. You will use the Units for the purpose of performing one or more of your governmental functions consistent with the scope of your authority and not in any trade or business carried on by a person other than you. You will report this Agreement to the Internal Revenue Service by filing Form 8038G, 8038GC or 8038, as applicable. Failure to do so will cause this Agreement to lose its tax exempt status. You agree that if the appropriate form is not filed, the interest rate payable under this Agreement will be raised to the equivalent taxable interest rate. If the use, possession or acquisition of the Units is determined to be subject to taxation, you will pay when due all taxes and governmental charges assessed or levied against or with respect to the Units.
9. **Assignment** You may not, without our prior written consent, by operation of law or otherwise, assign, transfer, pledge, hypothecate or otherwise dispose of your right, title and interest in and to this Agreement and/or the Units and/or grant or assign a security interest in this Agreement and/or the Units, in whole or in part. We may not transfer, sell, assign, pledge, hypothecate, or otherwise dispose of our right, title and interest in and to this Agreement and/or the Units and/or grant or assign a security interest in this Agreement and/or the Units, in whole or in part.
10. **Indemnity** To the extent permitted by law, you assume liability for, agree to and do indemnify, protect and hold harmless us and our employees, officers, directors and agents from and against any and all liabilities, obligations, losses, damages, injuries, claims, demands, penalties, actions, costs and expenses (including reasonable attorney's fees), of whatsoever kind and nature, arising out of the use, condition (including, but not limited to, latent and other defects and whether or not discoverable by you or us), operation, ownership, selection, delivery, storage, leasing or return of any item of Units, regardless of where, how and by whom operated, or any failure on your part to accept the Units or otherwise to perform or comply with any conditions of this Agreement.
11. **Insurance; Loss and Damage** You bear the entire risk of loss, theft, destruction or damage to the Units from any cause whatsoever. No loss, theft, destruction or damage of the Units will relieve you of the obligation to make Lease Payments or to perform any obligation owing under this Agreement. You agree to keep the Units insured to protect all of our interests, at your expense, for such risks, in such amounts, in such forms and with such companies as we may require, including but not limited to fire and extended coverage insurance, explosion and collision coverage, and personal liability and property damage liability insurance. Any insurance policies relating to loss or damage to the Units will name us as loss payee as our interests may appear and the proceeds may be applied toward the replacement or repair of the Units or the satisfaction of the Payments due under this Agreement. You agree to use, operate and maintain the Units in accordance with all laws, regulations and ordinances and in accordance with the provision of any policies of insurance covering the Units, and will not rent the Units or permit the Units to be used by anyone other than you. You agree to keep the Units in good repair, working order and condition and house the Units in suitable shelter, and to permit us or our assigns to inspect the Units at any time and to otherwise protect our interests in the Units. If any Unit is customarily covered by a maintenance agreement, you will furnish us with a maintenance agreement by a party acceptable to us.
12. **Default; Remedies** An "Event of Default" will occur if (a) you fail to pay any

Payment when due and such failure continues for ten (10) days after the due date for such Payment or (b) you fail to perform or observe any other covenant, condition, or agreement to be performed or observed by you under this Agreement and such failure is not cured within twenty (20) days after written notice of such failure from us. Upon an Event of Default, we will have all rights and remedies available under applicable law. In addition, we may declare all Lease Payments due or to become due during the fiscal year in which the Event of Default occurs to be immediately due and payable by you and/or we may repossess the Units by giving you written notice to deliver the Units to us in the manner provided in Section 14, or in the event you fail to do so within ten (10) days after receipt of such notice, and subject to all applicable laws, we may enter upon your premises and take possession of the Units. Further, if we financed your obligations under any extended warranty agreement such as an Equipment Protection Plan, Extended Service Contract, Extended Warranty, Customer Service Agreement, Total Maintenance and Repair Agreement or similar agreement, we may cancel such extended warranty agreement on your behalf and receive the refund of the extended warranty agreement fees that we financed but had not received from you as of the date of the Event of Default.


13. **Miscellaneous** This Agreement may not be modified, amended, altered or changed except by a written agreement signed by you and us. In the event any provision of this Agreement is found invalid or unenforceable, the remaining provisions will remain in full force and effect. This Agreement, together with exhibits, constitutes the entire agreement between you and us and supersedes all prior and contemporaneous writings, understandings, agreements, solicitations, documents and representations, expressed or implied. Any terms and conditions of any purchase order or other documents submitted by you in connection with this Agreement which are in addition to or inconsistent with the terms and conditions of this Agreement will not be binding on us and will not apply to this Agreement. You agree that we may correct patent errors in this Agreement and fill in blanks including, for example, correcting or filling in serial numbers, VIN numbers, and dates. Any notices required to be given under this Agreement will be given to the parties in writing and by certified mail at the address provided in this Agreement, or to such other addresses as each party may substitute by notice to the other, which notice will be effective upon its receipt.
14. **Title; Return of Units** Notwithstanding our designation as "Lessor", we do not own the Units. Legal title to the Units will be in you so long as an Event of Default has not occurred and you have not exercised your right of non-appropriation. If an Event of Default occurs or if you non-appropriate, full and unencumbered title to the Units will pass to us without the necessity of further action by the parties, and you will have no further interest in the Units. If we are entitled to obtain possession of any Units or if you are obligated at any time to return any Units, then (a) title to the Units will vest in us immediately, and (b) you will, at your expense, promptly deliver the Unit to us properly protected and in the condition required by Section 11. You will deliver the Unit, at our option, (i) to the nearest Caterpillar dealer selling equipment of the same type as the Unit; or (ii) on board a carrier named by us and shipping the Unit, freight collect, to a destination designated by us. If the Unit is not in the condition required by Section 11, you must pay us, on demand, all costs and expenses incurred by us to bring the Unit into the required condition. Until the Units are returned as required above, all terms of this Agreement will remain in full force and effect including, without limitation, your obligation to pay Lease Payments and to insure the Units.
15. **Other Documents** In connection with the execution of this Agreement, you will cause to be delivered to us (i) either (A) a certified copy of your authorizing resolution substantially in the form attached as Attachment B and a copy of the minutes of the relevant meeting or (B) an opinion of your counsel substantially in the form attached as Attachment C; (ii) a Verification of Insurance substantially in the form attached to this Agreement; (iii) a copy of the signed Form filed with the Internal Revenue Service required in Section 8 above as Attachment D; and (iv) any other documents or items required by us.
16. **Applicable Law** This Agreement will be governed by the laws, excluding the laws relating to the choice of law, of the State in which you are located.

SIGNATURES

LESSOR
CATERPILLAR FINANCIAL SERVICES CORPORATION

Signature _____
Name (print) _____
Title _____
Date _____

LESSEE
PAPIO-MISSOURI RIVER NATURAL RESOURCE DISTRICT

Signature  _____
Name (print) _____
Title _____
Date _____



Verification of Insurance

Lessee:

LESSOR (we):

LESSEE (you):

CATERPILLAR FINANCIAL SERVICES CORPORATION
2120 West End Avenue
Nashville, TN 37203-0001

PAPIO-MISSOURI RIVER NATURAL RESOURCE DISTRICT
8901 SOUTH 154TH STREET
OMAHA, NE 68138

Subject: Insurance Coverage Requirements

1. The above-named Lessor and Lessee have entered into Governmental Equipment Lease-Purchase Agreement Transaction Number 3663298 (the "Agreement"). In accordance with the Agreement, Lessee has instructed the insurance agent named below:

X Company: _____

Address: _____

Phone No: _____

Agent's Name: _____

to issue:

a. All Risk Physical Damage Insurance on the Equipment (as defined in the Agreement) evidenced by a Certificate of Insurance and Long Form Loss Payable Clause naming the Lessor and/or its Assignee, as loss payee.

The Coverage Required: the aggregate purchase price for the Equipment.

b. Public Liability Insurance evidenced by a Certificate of Insurance, naming the Lessor and/or its Assignee as Additional Insured, with a minimum of \$1,000,000 per occurrence is required.

2. Proof of insurance coverage will be provided to Lessor or its Assignee prior to the time the Equipment is delivered to Lessee.

Model #	Equipment Description	Serial #	VIN #	Value Including Tax
1. 257D	Caterpillar Multi Terrain Loader	EZW02726		\$49,530.00
2. 257D	Caterpillar Multi Terrain Loader	EZW02727		\$49,530.00
3. 305E2CR	Caterpillar Hydraulic Excavator	H5M08775		\$57,620.00

SIGNATURES

LESSEE

PAPIO-MISSOURI RIVER NATURAL RESOURCE DISTRICT

X Signature _____

Name (print) _____

Title _____

Date _____





CATERPILLAR INSURANCE COMPANY (CIC) SELECTION FORM

Before financing your equipment, you must arrange physical damage insurance on the equipment identified below. The insurance may be provided through an insurance agent or insurance company of your choice, provided the insurance company satisfies minimum financial requirements.

As an alternative to obtaining your own insurance, you may elect to have your equipment insured under coverage arranged by Caterpillar Insurance Services Corporation, that has been designed specifically for the purchasers of Cat® equipment.

Please complete this form if you elect to insure your equipment with Caterpillar Insurance Company (CIC).

CIC Physical Damage Insurance Policy Summary

Please note: This is only a brief description of the CIC Physical Damage Insurance Program. Contractual provisions contained in the policy will govern.

Coverage

CIC Physical Damage Insurance protects your equipment against physical damage losses, including collision, fire, theft, vandalism, upset or overturn, floods, sinking, earthquakes and other unfortunate acts of nature. The protection has been designed for owners of heavy equipment and provides superior benefits you most likely would not find in other plans.

The CIC Physical Damage Insurance does include normal exclusions. Some important exclusions are wear and tear, rust, loss of income, war, nuclear damage, and mechanical breakdown, automobiles, watercraft, waterborne shipments, tires or tubes or mobile track belts damaged by blow-out, puncture, and road damage.

Repairs

When a covered loss occurs, this plan will pay for Cat® replacement parts on all your new or used Caterpillar equipment. On all equipment from other manufacturers, the plan will pay for comparable replacement parts.

Transportation

Your CIC plan will pay for round-trip transportation of covered damaged equipment to and from your Cat dealer's repair facility, up to \$2,500 limit.

Rental Reimbursement

The plan allows for rental costs up to \$2,500 that you incur to rent similar equipment following a covered loss. You are automatically protected with up to \$100,000 of coverage for damage to the similar equipment you rent.

Claims

In the event of a total loss, the policy will pay the greatest of the following:

- The payoff value of the loan on the damaged parts or equipment as of the date of loss or
- The actual cash value of that covered property; or
- The cost of replacing that property with property of like kind and quality

The policy will pay 10% of scheduled loss, up to a \$10,000 maximum for debris removal.

The policy will pay fire department service fees up to \$5,000.

Deductible

\$1,000 Construction and Agricultural Equipment Deductibles:

\$5,000 deductible all logging Equipment

Customer Service

If you have any questions or need additional details, see your Authorized Cat Dealer or call CIC toll free at **1-800-248-4228**.

You may also e-mail CIC at physicaldamage@cat.com

POLICYHOLDER DISCLOSURE

NOTICE OF TERRORISM RISK INSURANCE ACT OF 2002

(as extended by the Terrorism Risk Insurance Extension Act of 2005, and as amended in 2007)

You are hereby notified that under the Terrorism Risk Insurance Act, as amended in 2007, the definition of act of terrorism has changed. As defined in Section 102(1) of the Act: The term "act of terrorism" means any act that is certified by the Secretary of the Treasury - in concurrence with the Secretary of State, and the Attorney General of the United States - to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

Under your coverage, any losses resulting from certified acts of terrorism may be partially reimbursed by the United States Government under a formula established by the Terrorism Risk Insurance Act, as amended in 2007. However, your policy may contain other exclusions, which might affect your coverage, such as an exclusion for nuclear events. Under the formula, the United States Government generally reimburses 85% of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The Terrorism Risk Insurance Act, as amended, contains a \$100 billion cap that limits U.S. Government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses exceeds \$100 billion in any one calendar year. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced. The portion of your premium that is attributable to coverage for terrorist acts certified under the Act is: \$0.00



APPLICATION FOR CIC PHYSICAL DAMAGE INSURANCE

Model #	Equipment Description	Serial #	VIN	Value Including Total Tax	Pymt Method-3 Total Premium	Pymt Method-1 Finance Pymt
1. 257D	Caterpillar Multi Terrain Loader	EZW02726		\$49,530.00	\$773.00	\$781.85
2. 257D	Caterpillar Multi Terrain Loader	EZW02727		\$49,530.00	\$773.00	\$781.85
3. 305E2CR	Caterpillar Hydraulic Excavator	H5M08775		\$57,620.00	\$899.00	\$909.29

Marsha Blaisdell

Marsha Blaisdell, Authorized Insurance Producer

Arranged by Caterpillar Insurance Services Corporation

I understand that the total insurance premium for 12 months will be \$2,445.00, which is \$203.75 per month based upon the total equipment value of \$156,680.00.

Method 1 I will finance the insurance premium, including finance charges, of \$2,472.99 per scheduled equipment payment. The finance charge is calculated at **4.95%** per annum on the total insurance premium covering the full term of the finance agreement. By choosing Method 1 and signing this document you are agreeing to finance the insurance along with the equipment payments with Caterpillar Financial Services Corporation.

Method 2 I desire coverage for an initial 12 month term. I will pay the \$2,445.00 premium and return the payment with the signed equipment documents. Please make check payable to CIC.

Method 3 I will pay the total premium and return the payment with the signed equipment documents. Please make check payable to CIC.

Method 4 I decline Caterpillar Insurance. I elect to obtain my own commercial insurance on the equipment shown from an agent or insurance company of my choice.

I understand that the quote I receive is not a binder of insurance. If I elect to obtain coverage from CIC, coverage will be effective in accordance with the terms and conditions of the issued Policy and that I may terminate the coverage at any time with advance written notice.

I acknowledge that I have been notified that, under the TERRORISM RISK INSURANCE ACT of 2002 (as extended by the Terrorism Risk Insurance Extension Act of 2005), any losses caused by certified acts of terrorism under my policy will result in coverage under my policy that will be partially reimbursed by the United States as outlined in the attached policyholder disclosure notification.

I also acknowledge I have been advised that, if I accept this insurance, an appointed licensed insurance producer will receive commission compensation.

Customer Name: PAPIO-MISSOURI RIVER NATURAL RESOURCE DISTRICT

Dealer Name: NEBRASKA MACHINERY COMPANY

Please note: If you would like a no obligation quote on your additional equipment, call 1-800-248-4228 extension 5754.

Accepted By: _____

Name (PRINT): _____

Title: _____

Date: _____



Fraud Warning:

Applicable in AL, AR, DC, LA, MD, NM, RI and WV: Any person who knowingly (or willfully)* presents a false or fraudulent claim for payment of a loss or benefit or knowingly (or willfully)* presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison. *Applies in MD Only.

Applicable in CO: It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.

Applicable in FL and OK: Any person who knowingly and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a felony (of the third degree)*. *Applies in FL Only.

Applicable in KS: Any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer, broker or any agent thereof, any written statement as part of, or in support of, an application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for commercial or personal insurance which such person knows to contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act.

Applicable in KY, NY, OH and PA: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties (not to exceed five thousand dollars and the stated value of the claim for each such violation)*. *Applies in NY Only.

Applicable in ME, TN, VA and WA: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties (may)* include imprisonment, fines and denial of insurance benefits. *Applies in ME Only.

Applicable in NJ: Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

Applicable in OR: Any person who knowingly and with intent to defraud or solicit another to defraud the insurer by submitting an application containing a false statement as to any material fact may be violating state law.

Applicable in PR: Any person who knowingly and with the intention of defrauding presents false information in an insurance application, or presents, helps, or causes the presentation of a fraudulent claim for the payment of a loss or any other benefit, or presents more than one claim for the same damage or loss, shall incur a felony and, upon conviction, shall be sanctioned for each violation by a fine of not less than five thousand dollars (\$5,000) and not more than ten thousand dollars (\$10,000), or a fixed term of imprisonment for three (3) years, or both penalties. Should aggravating circumstances [be] present, the penalty thus established may be increased to a maximum of five (5) years, if extenuating circumstances are present, it may be reduced to a minimum of two (2) years.





This Purchase Agreement is between **NEBRASKA MACHINERY COMPANY** ("Vendor") and **Caterpillar Financial Services Corporation** ("Cat Financial"). Vendor agrees to sell to Cat Financial and Cat Financial agrees to buy from Vendor the equipment described below (the "Unit(s)"), subject to the terms and conditions set forth below and on the reverse side hereof.

<u>Description of Unit(s)</u>	<u>Serial#</u>	<u>VIN #</u>	<u>Freight</u>	<u>Total Price</u>
(1) 257D New Caterpillar Multi Terrain Loader	EZW02726		\$0.00	\$49,530.00
(1) 257D New Caterpillar Multi Terrain Loader	EZW02727		\$0.00	\$49,530.00
(1) 305E2CR New Caterpillar Hydraulic Excavator	H5M08775		\$0.00	\$57,620.00

Lessee:	Subtotal	\$156,680.00
PAPIO-MISSOURI RIVER NATURAL RESOURCE DISTRICT	Federal Excise Tax	0.00
8901 SOUTH 154TH STREET	Other Tax	0.00
OMAHA NE 68138	Total Purchase Price	\$156,680.00
	Unit(s) Delivery Point:	
	8901 S 154TH ST,	
	OMAHA, NE 68138, DOUGLAS	

See next page for additional terms and conditions.

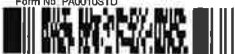
SIGNATURES

CATERPILLAR FINANCIAL SERVICES CORPORATION

NEBRASKA MACHINERY COMPANY

Signature _____
 Name(Print) _____
 Title _____
 Date _____

Signature _____
 Name(Print) _____
 Title _____
 Date _____



1. The lessee named on the front hereof (the "Lessee") has selected the Unit(s), instructed Cat Financial to purchase the Unit(s) from Vendor, and agreed to lease the Unit(s) from Cat Financial.
2. Cat Financial (or its assignee) will have no obligation hereunder (and any sums previously paid by Cat Financial to Vendor with respect to the Unit(s) shall be promptly refunded to Cat Financial) unless (a) all of the conditions set forth in Section 1.3 (if a master lease agreement) or Section 1 (if a non master lease agreement) of the lease with the Lessee covering the Unit(s) have been timely fulfilled and (b) the Lessee has not communicated to Cat Financial (or its assignee), prior to "Delivery" (as hereinafter defined) of the Unit(s), an intent not to lease the Unit(s) from Cat Financial. All conditions specified in this paragraph shall be deemed timely fulfilled unless prior to Delivery of the Unit(s), Cat Financial (or its assignee) shall notify Vendor to the contrary in writing, which shall include fax or email. "Delivery" shall mean the later of the time (a) Cat Financial executes this Purchase Agreement or (b) the Lessee or its agent takes control and/or physical possession of the Unit(s).
3. Upon timely satisfaction of the conditions specified in Paragraph 2 above, ownership, title and risk of loss to the Unit(s) shall transfer to Cat Financial (or its assignee) upon Delivery of the Unit(s).
4. Vendor warrants that (a) upon Delivery of the Unit(s), Cat Financial (or its assignee) will be the owner of and have absolute title to the Unit(s) free and clear of all claims, liens, security interests and encumbrances and the description of the Unit(s) set forth herein is correct and (b) the Unit Transaction Price set forth on the front hereof for each unit of Unit(s) leased under a lease is equal to such Unit(s)'s fair market value.
5. Vendor shall forever warrant and defend the sale of the Unit(s) to Cat Financial (or its assignee), its successors and assigns, against any person claiming an interest in the Unit(s).
6. Provided that no event of default exists under any agreement between Lessee and Cat Financial and upon timely satisfaction of the conditions specified in Paragraph 2 above, and unless otherwise agreed to in this Purchase Agreement, Cat Financial (or its assignee) shall pay Vendor the total Purchase Price set forth on the front hereof for the Unit(s) within three business days following (a) the receipt and approval by Cat Financial of all documentation deemed necessary by Cat Financial in connection with the lease transaction and (b) all credit conditions have been satisfied.
7. Vendor shall deliver the Unit(s) to the Lessee at the delivery point set forth on the front hereof.
8. This Purchase Agreement may be assigned by Cat Financial to a third party. Vendor hereby consents to any such assignment.
9. This Purchase Agreement shall become effective only upon execution by Cat Financial.



1. PARTIES

LESSOR (we):

CATERPILLAR FINANCIAL SERVICES CORPORATION

LESSEE (you):

PAPIO-MISSOURI RIVER NATURAL RESOURCE DISTRICT

2. PAYMENT SCHEDULE

<u>Payment Dates</u>	<u>Payment Numbers</u>	<u>Payment Amounts Due</u>
_____	1	\$0.00
_____	2	\$16,500.00
_____	3 - 12	\$0.00
	FINAL PAYMENT OF	\$147,308.92

SIGNATURES

LESSOR CATERPILLAR FINANCIAL SERVICES CORPORATION

LESSEE PAPIO-MISSOURI RIVER NATURAL RESOURCE DISTRICT

Signature _____
Name (print) _____
Title _____
Date _____

X Signature _____
Name (print) _____
Title _____
Date _____

