



LEASING and FLEET SOLUTIONS

VEHICLE LEASE

THIS MOTOR VEHICLE LEASE, made this 1st day of July, 2024 between Nelson's Bus Service, Inc., hereinafter referred to as "Nelson's", and Meridian Community Unit School District #223 also known as Meridian C.U.S.D. #223 of 207 W. Main Street, Stillman Valley, IL 61084, hereinafter referred to as "Lessee".

1. **Lease of Vehicle(s).** Nelson's hereby leases to Lessee and Lessee leases from Nelson's the vehicle(s) described on Rider 1 hereto together with such options, improvements and additions as described on said rider (the "Vehicle(s)").

2. **Lease Term and Rental Provisions.**

2.1 This Lease shall become effective upon the date that the Vehicle(s) is delivered to Lessee and shall run for a period of Thirty Six (36) months thereafter. Delivery shall be evidenced by a certificate of delivery that shall be delivered to Lessee by Nelson's on the date said Vehicle(s) is made available to Lessee and shall specify said date.

2.2 Lessee shall pay to Nelson's on such date and on the same day of each of the following years during the term of this Lease the sum of Two Hundred Thirty Four Thousand Seven Hundred Sixty Five Dollars and Twenty Two Cents (\$234,765.22) as rental for the Vehicles.

2.3 Lessee agrees that the annual vehicle lease payment for each Vehicle will be paid on the 15th of the month of which this Lease is dated. Lessee shall pay to Nelson's on such date and on the same day of each of the following years during the entire term of this Lease.

2.4 Lessee shall use the vehicle(s) for Student Transportation and for no other purposes and shall at all times use and maintain the vehicle(s) in accordance with the Vehicle(s) manufacturer's specifications, the applicable terms of casualty and liability insurance covering the Vehicle(s), all governing laws, and the reasonable rules and regulations of Nelson's from time to time in effect, after thirty (30) days prior written notice to Lessee. Lessee represents that it will not use the Vehicle(s) primarily for personal, family or household use.

2.5 If Lessee shall be more than 15 days in arrears for any lease payment required hereunder Nelson's may charge, and Lessee agrees to pay, in addition to the lease payment then due, a late payment charge of one and one-half percent (1½) per month of the amount in arrears.



2.6 In addition to the rental specified by Paragraph 2.2 above, Lessee shall pay as additional rental to Nelson's the sum of \$.79 for each mile in excess of 15,000 miles annually ("base miles allowed") that the Vehicle(s) is driven during the term of this Lease. Such excess mileage charge shall be due upon the return of the Vehicle(s) to Nelson's at the expiration of this Lease. If the Vehicle(s) is returned before the expiration of the Lease term the excess mileage charge shall be computed by prorating the base miles allowed over the actual term of the Lease.

3. **Security Deposit.** Lessee has deposited with Nelson's the sum of Zero Dollars and Zero Cents (\$0.00) for each vehicle, as security for the performance by Lessee of the terms and conditions of this Lease.

4. **Title.**

4.1 Title to the Vehicle(s) shall be registered in the name of Nelson's Bus Service, Inc. and any and all expenses with respect to annual registration and licensing of the Vehicle(s) and any other taxes or fees resulting from the operation or possession of the Vehicle(s) during the term hereof shall be paid by Lessee or, if paid by Nelson's, reimbursed by Lessee within ten (10) business days of invoice therefore by Nelson's.

4.2 This Lease has been assigned to one or more secured parties and the purchase or assignment of this Lease would violate the rights of the secured parties.

Lessee Initial: 
Nelson's Initial: 



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5. Maintenance, Repairs and Additions.

5.1 Lessee shall be responsible for all maintenance and repairs to the Vehicle(s) and to maintain the Vehicle(s) in good working order and condition at Lessee's sole expense. Maintenance will be according to the manufacturer's recommended maintenance schedule in addition to all other items of maintenance as may be called for from time to time. Maintenance schedules will be adequate to keep in force all manufacturer's warranties and Lessee shall maintain a record, together with copies of repair orders, with respect to each and every maintenance item performed on the Vehicle(s) which record shall be evidenced to Nelson's upon request and delivered to Nelson's at the termination of the Lease.

5.2 At the request of Nelson's, but not more than two times during any calendar year during the term hereof, Lessee shall at a time mutually agreeable between the parties return the Vehicle(s) to Nelson's or allow Nelson's to go on premises of Lessee, in order to allow Nelson's to inspect the Vehicle(s) at Nelson's sole expense. As a result of such inspection, Nelson's may indicate reasonable items of maintenance that must be performed on the Vehicle(s) by Lessee within time periods as then specified by Nelson's. Such specified items shall be performed at Lessee's sole expense within the time specified.



5.3 During such time as the Vehicle(s) is out of service by reason of inspection or for service, the rent provided hereunder shall not abate or be reduced in any manner and Nelson's shall not be responsible to Lessee for providing an alternate or substitute vehicle(s).

5.4 Lessee shall be responsible for maintaining seat upholstery covers. Glue or tape repair will not be an acceptable repair for torn seat covers.

5.5 Lessee may at its sole expense add additional accessories to the Vehicle(s) upon prior written notice to and approval of Nelson's. All such modifications or accessories shall be done at Lessee's sole expense and shall become the property of Nelson's unless later removed by Lessee pursuant to this section. Lessee may remove such modification or accessory so long as it is not in default under this Lease if Lessee restores the Vehicle(s) to its original configuration and condition as though such modification or accessory addition had not been made. Nelson's may demand, in any event, that any modification or accessory made by Lessee be removed at Lessee's expense at the time of termination of this Lease and the Vehicle(s) restored to its original configuration and condition as though such modification or accessory addition had not been made.

6. Insurance; Risk of Loss. Lessee shall bear the entire risk of loss by theft, casualty or otherwise with respect to the vehicle(s). Lessee agrees to maintain insurance against all liability for death or injury to person or property arising out of the operation or possession of the Vehicle(s) during the term of this Lease and to maintain property damage insurance with respect to the Vehicle(s) itself. Limits for liability with respect to such insurance shall be not less than \$2,000,000.00 Combined Single Limit plus physical damage coverage for the Vehicle(s) with deductibles not to exceed \$2,500.00 for collision and \$2,500.00 for comprehensive. Nelson's shall be named as an additional insured with respect to such insurance and shall be promptly notified in writing by Lessee with respect to any accident, claim, loss or liability involving the Vehicle(s). Nelson's financing lender shall be named additional insured and lender loss payee. Upon request, copies of insurance policies satisfying this provision shall be provided to Nelson's. Other than may arise solely out of the negligence of Nelson's, Lessee, to the extent permitted by law, agrees to indemnify and save Nelson's harmless against any liability, loss, claim or expense, including reasonable attorney fees, arising out of the operation or possession of the Vehicle(s) during the term of this Lease.

7. Damage, Destruction, Out of Service. In the event that the Vehicle(s) is lost, damaged, destroyed or out of service for any reason, Lessee shall continue to be responsible for the full amount of the Lease payments provided hereunder. Application of proceeds of all insurance payable with respect to the Vehicle(s) shall be first applied to the satisfaction of all liabilities under this Lease and excess, if any shall be paid to Nelson's.

Lessee Initial: 
Nelson's Initial: 



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8. **Termination.** At the termination of this Lease, whether by default or expiration of the term, the Vehicle(s) shall be returned to Nelson's in good operating condition, reasonable wear and tear excepted, and with all maintenance performed. The Vehicle(s) shall be returned without graphics, excluding school identification required by law, and painted to the original color, all at Lessee's expense. Upon return, the Vehicle(s) shall have a matched set of tires with a minimum 50% tread life remaining of original equipment size and type. Lessee shall be responsible, at lease termination, to return the vehicle with:

- (a) Exterior, i.e. paint and body (without dents, scratches and chips), glass (without cracks, scratches, chips or broken), trim parts, mirrors, hub caps, bumpers, and grills in original condition;
- (b) Interior, i.e. upholstery, dash, radio and stereo equipment, door panels, carpeting, ornamentation, and headlining in original condition;
- (c) Mechanical, i.e. power accessories, mechanical parts and items, headlights, and taillights in original condition.
- (d) Illinois DOT Inspection, i.e. Vehicle(s) shall have a current Illinois Department of Transportation Inspection Sticker for the year in which the Vehicle(s) is returned.



If the Vehicle(s) has suffered frame damage or other substantial damage or had an inoperative or tampered odometer, the Lessee shall be responsible for the difference between the value of the returned leased vehicle and an identical vehicle which has not suffered frame damage or substantial other damage. In the event that any of the provisions of this Lease are not complied with, Nelson's may fulfill Lessee's obligations hereunder and Lessee shall promptly pay the cost thereof upon receipt of invoice from Nelson's. Nelson's may apply a part or all of the security deposit provided, hereunder toward such obligations and invoice the excess, if any.

9. **Warranties.** Nelson's hereby passes on to Lessee any and all such warranties as may be provided by the manufacturer of the Vehicle(s), including any and all extended warranties purchased by Lessee. Lessee acknowledges that Nelson's has not manufactured the Vehicle(s), however, and is simply providing financing for Vehicle(s) through this lease arrangement and that Nelson's MAKES NO ADDITIONAL WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO THE Vehicle(s), INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE.

10. **Sublease; Assignment.** This Lease may not be assigned by Lessee and Lessee may not sublet the Vehicle(s) to any person under any terms without the prior written consent of Nelson's. Nelson's may assign its interest in this Lease at any time without notice to or consent of Lessee. Lessee grants Nelson's a security interest in the Vehicle, all attachments, accessories, substitutions and replacements, and all proceeds. Upon occurrence of any default by Lessee in payment or performance of this Lease, Nelson's shall have all the rights and remedies of a secured creditor under the Uniform Commercial Code as then in effect in the State of Wisconsin.

11. **Default.** In the event that Lessee fails to make any payment when due hereunder or, in the event that five (5) business days after written notice to Lessee of its failure to perform any other obligations under this Lease and such obligation has not been performed, then Lessee shall be in default hereunder and Nelson's may without further notice or demand declare this Lease to be in default and Nelson's may pursue one or more of the following as its remedies as a result thereof:

- (a) Terminate this Lease and take possession of the vehicle(s).
- (b) Sue Lessee for the remaining obligations due hereunder.

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- (c) Continue the Lease in effect once all defaults have been cured and demand a deposit to protect against further breach by Lessee in an amount not less than one (1) years' payments hereunder.
- (d) From time to time take whatever action at law or in equity as may appear necessary or desirable and that may be permitted with respect to such breach. No remedy provided above is intended to be exclusive of any other available remedy or remedies by each shall be cumulative and no delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time as often as may be deemed expedient. Lessee shall be responsible for all of Nelson's expenses, including actual attorneys' fees, incurred in any action to enforce its rights under this Lease.
- (e) The assignee shall succeed to all rights of Nelson's and obligations of Lessee to Nelson's under this Lease, to the rentals and other amounts to be paid under this Lease, and in and to the Vehicle. Lessee waives as to the assignee all defenses, setoffs, counterclaims and rights of recoupment of any kind which Lessee may be entitled to assert against Nelson's, it being understood and agreed that any assignee of Nelson's does not assume any obligations of the Nelson's under this lease. Lessee may, however, separately claim against Nelson's as any matters which Lessee may be entitled to assert against Nelson's.

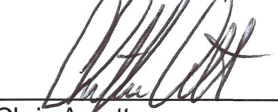
12. **Entire Agreement.** This Lease contains the entire agreement between the parties and there are no other agreements between them, written and oral. No amendment to this Lease will be binding upon the parties unless in writing signed by both parties.

13. **Rider 1.** Any contractual agreements on "Rider 1" will take precedence over the Vehicle(s) Lease Agreement.

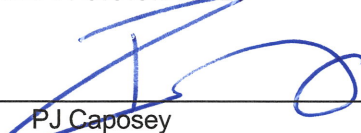
14. **Interpretation.** This Agreement shall be governed by and interpreted in accordance with the laws of the State of Wisconsin.



IN WITNESS WHEREOF, the parties have executed this Lease the day and year first above written.

NELSON'S BUS SERVICE, INC.

By: 
Chris Arnett
Its: President
Date: 4/12/2023

MERIDIAN C.U.S.D. #223

By: 
PJ Caposey
Its: Superintendent
Date: 4/12/23

Lessee Initial: 
Nelson's Initial: 



Lease #2024-1

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RIDER 1 TO VEHICLE LEASE

This rider is intended to be attached to a Vehicle Lease between Nelson's Bus Service, Inc. and Meridian Community Unit School District #223 dated July 1, 2024.

Quantity: 8
Stock No.: NB8658, NB8659, NB8660, NB8661, NB8662, NB8663, NB8664, NB8665
V.I.N.: 4UZABRFD6SCVF5105, 4UZABRFD8SCVF5106, 4UZABRFDXSCVF5107,
4UZABRFD1SCVF5108, 4UZABRFD3SCVF5109, 4UZABRFDXSCVF5110, 4UZABRFD1SCVF5111,
4UZABRFD3SCVF5112

2025 Thomas Saf-T-Liner C2 School Bus
74 Passenger, Model 341TS
Per Attached Specifications

NELSON'S BUS SERVICE, INC.

By: Christopher Arnett
Chris Arnett
Its: President

Date: 9/1/2024

MERIDIAN C.U.S.D. #223

By: Jen Hagemann
Jen Hagemann
Its: Transportation Supervisor

Date: 9/1/2024



Lease #2024-1

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LEASING and FLEET SOLUTIONS

DELIVERY CERTIFICATE

The undersigned acknowledges receipt in satisfactory condition of Vehicle specified by the Lease dated July 1, 2024 between Nelson's Bus Service, Inc. and Meridian C.U.S.D. #223

DELIVERED TO:

Meridian C.U.S.D. #223

207 West Main Street

Stillman Valley, IL 61084

CHASSIS:

Make Thomas **Serial #** 4UZABRFD6SCVF5105

BODY:

Model Saf-T-Liner C2 **Body #** 2465494

Unit # 1 **Stock #** NB8658

Received By:

Frank Rogeman

Date: 9/1/2024

Mileage at Delivery: 967



Lease #2024-1

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LEASING and FLEET SOLUTIONS

DELIVERY CERTIFICATE

The undersigned acknowledges receipt in satisfactory condition of Vehicle specified by the Lease dated July 1, 2024 between Nelson's Bus Service, Inc. and Meridian C.U.S.D. #223

DELIVERED TO:

Meridian C.U.S.D. #223

207 West Main Street

Stillman Valley, IL 61084

CHASSIS:

Make Thomas **Serial #** 4UZABRFD8SCVF5106

BODY:

Model Saf-T-Liner C2 **Body #** 2465550

Unit # 3 **Stock #** NB8659

Received By: 

Date: 9/1/2024

Mileage at Delivery: 965



Lease #2024-1

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LEASING and FLEET SOLUTIONS

DELIVERY CERTIFICATE

The undersigned acknowledges receipt in satisfactory condition of Vehicle specified by the Lease dated July 1, 2024 between Nelson's Bus Service, Inc. and Meridian C.U.S.D. #223

DELIVERED TO:

Meridian C.U.S.D. #223

207 West Main Street

Stillman Valley, IL 61084

CHASSIS:

Make Thomas **Serial #** 4UZABRFDXSCVF5107

BODY:

Model Saf-T-Liner C2 **Body #** 2465598

Unit # 7 **Stock #** NB8660

Received By:

Jesus Hageman

Date: 9/1/2024

Mileage at Delivery: 968



Lease #2024-1

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DELIVERY CERTIFICATE

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DELIVERED TO:

Meridian C.U.S.D. #223

207 West Main Street

Stillman Valley, IL 61084

CHASSIS:

Make Thomas **Serial #** 4UZABRFD1SCVF5108

BODY:

Model Saf-T-Liner C2 **Body #** 2465604

Unit # 9 **Stock #** NB8661

Received By: *Frank Hageman*

Date: 9/1/2024

Mileage at Delivery: 970



Lease #2024-1

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LEASING and FLEET SOLUTIONS

DELIVERY CERTIFICATE

The undersigned acknowledges receipt in satisfactory condition of Vehicle specified by the Lease dated July 1, 2024 between Nelson's Bus Service, Inc. and Meridian C.U.S.D. #223

DELIVERED TO:

Meridian C.U.S.D. #223

207 West Main Street

Stillman Valley, IL 61084

CHASSIS:

Make Thomas **Serial #** 4UZABRFD3SCVF5109

BODY:

Model Saf-T-Liner C2 **Body #** 2465659

Unit # 14 **Stock #** NB8662

Received By:

Jeanette Hageman

Date: 9/1/2024

Mileage at Delivery: 973



Lease #2024-1

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DELIVERY CERTIFICATE

The undersigned acknowledges receipt in satisfactory condition of Vehicle specified by the Lease dated July 1, 2024 between Nelson's Bus Service, Inc. and Meridian C.U.S.D. #223

DELIVERED TO:

Meridian C.U.S.D. #223

207 West Main Street

Stillman Valley, IL 61084

CHASSIS:

Make Thomas **Serial #** 4UZABRFDXSCVF5110

BODY:

Model Saf-T-Liner C2 **Body #** 2465663

Unit # 15 **Stock #** NB8663

Received By:

Jeannette Hageman

Date: 9/1/2024

Mileage at Delivery: 969



Lease #2024-1

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LEASING and FLEET SOLUTIONS

DELIVERY CERTIFICATE

The undersigned acknowledges receipt in satisfactory condition of Vehicle specified by the Lease dated July 1, 2024 between Nelson's Bus Service, Inc. and Meridian C.U.S.D. #223

DELIVERED TO:

Meridian C.U.S.D. #223

207 West Main Street

Stillman Valley, IL 61084

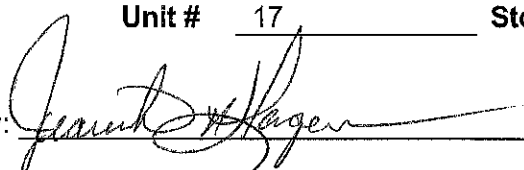
CHASSIS:

Make Thomas **Serial #** 4UZABRFD1SCVF5111

BODY:

Model Saf-T-Liner C2 **Body #** 2465702

Unit # 17 **Stock #** NB8664

Received By: 

Date: 9/1/2024

Mileage at Delivery: 966



Lease #2024-1

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LEASING and FLEET SOLUTIONS

DELIVERY CERTIFICATE

The undersigned acknowledges receipt in satisfactory condition of Vehicle specified by the Lease dated July 1, 2024 between Nelson's Bus Service, Inc. and Meridian C.U.S.D. #223

DELIVERED TO:

Meridian C.U.S.D. #223

207 West Main Street

Stillman Valley, IL 61084

CHASSIS:

Make Thomas **Serial #** 4UZABRFD3SCVF5112

BODY:

Model Saf-T-Liner C2 **Body #** 2465708

Unit # 18 **Stock #** NB8665

Received By: *James H. Kageman*

Date: 9/1/2024

Mileage at Delivery: 971