

# LEASE AGREEMENT

This agreement is made this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_

## BETWEEN

**Greenbush Middle River School District #2683, PO Box 70, 401 Park Ave West, Greenbush, MN 56726** [Hereinafter referred to as the "Lessor" which article shall wherever the context so admits include its assigns and successor in title];

## AND

**Badger Public School District #676, 110 Carpenter Ave, PO Box 68, Badger, MN 56714** [Hereinafter referred to as the "Lessee" which article shall wherever the context so admits include its assigns and successor in title];

## RECITALS

1. Whereas the Lessor is the owner of a vehicle of the following description:

<b>Make</b>	<u>Dodge</u>
<b>Model</b>	<u>Caravan</u>
<b>Year</b>	<u>2019</u>
<b>VIN</b>	<u>2C4RDGCG9KR695097</u>

[hereinafter known as the Vehicle].

2. Whereas the Lessor is desirous of leasing and the Lessee has agreed to lease this Vehicle on the terms and conditions herein contained.

## NOW THEREFORE THE PARTIES AGREE AS FOLLOWS:

### 1. RENTAL

The Vehicle is hereby leased for a flat fee of \$1.00 (one dollar USD) payable as of the date of the final signature on this agreement.

### 2. EFFECTIVE DATE & DURATION

The agreement shall endure for a period commencing on July 1, 2024 and ending at such time as Lessee surrenders the Vehicle back to Lessor, but in no event shall Vehicle be surrendered any later than June 30, 2025 unless agreed in writing by both Parties to extend the duration.

### 3. THE LESSOR'S OBLIGATIONS

The Lessor hereby agrees:

- 3.1 To grant the Lessee exclusive use and possession of the Vehicle during the duration of this agreement for the purposes of Behind-the-Wheel Driver's Education, save as is provided for by the agreement;
- 3.2 To grant the Lessee quiet possession of the Vehicle for the purposes of Behind-the-Wheel Driver's Education;
- 3.3 To provide the Lessee with a copy of the registration book of the Vehicle;

### 4. THE LESSEE'S OBLIGATIONS

The Lessee hereby agrees:

- 4.1 To ensure that the Vehicle is used in a skillful and proper manner and only driven by persons that bear a valid driving license appropriate for the make and model, or by persons engaging in Behind-the-Wheel Driver's Education while accompanied by authorized Driver's Education instructor;
- 4.2 To ensure that no alterations are made to the Vehicle or any component removed unless it is immediately replaced by the same component or by one of the same like, make, and model or an improved or advanced version;
- 4.3 To report to the nearest Police and inform the Lessor within **48 (forty-eight) hours of any damage to or loss of the Vehicle;**
- 4.4 To be responsible to pay \$0.67 per mile (i.e. current IRS mileage reimbursement rate) for each correctly charted/documented Behind-the-Wheel mile for Badger Drivers' Education program participants.
- 4.5 To keep the Vehicle comprehensively insured with an insurance company acceptable to the Lessor throughout the duration of this agreement in amounts no less than \$1,000,000.00 (one million dollars) for liability and including physical damage coverage for no less than actual cash value of the Vehicle;
- 4.6 To endorse any policies of insurance such that Lessor is covered as an additional insured and loss payee, as applicable, on Lessee's policies, including primary and noncontributory coverage in favor of Lessor;
- 4.7 To ensure that the Vehicle is only used within United States;

4.8 To yield the Vehicle to the Lessor in good mechanical condition on the expiration of the contract, save for normal wear and tear of the same.

## **5. TERMINATION OF THE AGREEMENT**

5.1 The Lessee shall have the right to terminate this Agreement, upon it giving the Lessor one (1) month's notice in writing.

5.2 The Lessor shall have the option to terminate this Agreement upon giving the Lessee one (1) month's notice in writing and upon the Lessor refunding any rental fees paid in advance, given the fact that rent is payable 1 year in advance, over and above the notice period.

## **6. NOTICES**

Any notice to the Lessor shall be sufficiently served if sent by registered post to the first address specified above or directly served on Lessor or on any known agent authorized by Lessor and notified to the Lessee as authorized to receive notices on Lessor's behalf.

Any notice to the Lessee shall be sufficiently served if sent by registered post to the first address specified above or directly served on Lessee or on any known agent authorized by Lessee and notified to the Lessor as authorized to receive notices on Lessee's behalf.

## **7. FORCE MAJEURE**

Neither party to this Agreement shall be liable for failure to perform any of its obligations hereunder if prevented from doing so by reason of force majeure.

## **8. ENTIRE AGREEMENT**

This Agreement together with the schedules and annexes hereto constitutes the entire agreement and understanding between the Parties and supersedes all previous agreements, understandings and/or representations between the Parties.

## **9. WAIVER OF REMEDIES**

No forbearance, delay, or indulgence by either Party in enforcing the provisions of this Agreement shall prejudice or restrict the rights of either Party nor shall any waiver of its rights operate as a waiver of any subsequent breach and no right, power or remedy herein conferred upon or reserved for the Party is exclusive of any other, power or remedy available to the Party and each such right, power or remedy shall be cumulative.

**10. ASSIGNMENT & CHANGE IN OWNERSHIP/MANAGEMENT**

10.1 The Lessor shall not assign or transfer its obligations and or rights under this Agreement to any third party, whether an associated entity or not, whether in whole or in part without the prior written consent of the Lessee.

10.2 The Lessor shall immediately notify Lessee of any change of ownership or management of the Lessee's business or organization.

**11. GOVERNING LAW**

This Agreement shall in all respects be governed and construed in accordance with the Laws of Minnesota.

**12. RESOLUTION OF DISPUTES**

Any dispute arising between the Parties shall be determined by a court of competent jurisdiction in Minnesota and may upon agreement between the Parties be submitted for arbitration.

**IN WITNESS WHEREOF** the Parties hereto have caused this Agreement to be executed by its duly authorized representatives as of the day and year first above written.

**LESSOR**

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
DATE

\_\_\_\_\_  
NAME (PRINTED OR TYPED)

\_\_\_\_\_  
POSITION OR TITLE

**LESSEE**

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
DATE

\_\_\_\_\_  
NAME (PRINTED OR TYPED)

\_\_\_\_\_  
POSITION OR TITLE