

# CITY OF GROVES

## **Notice of Special Meeting of the City Council**

**City Council Chamber  
July 31, 2024**

**Groves City Hall  
5:00 p.m.**

### **AGENDA**

- I. Call meeting to order – prayer.**
- II. Roll Call.**
- III. Welcome and recognize guests and news media.**
- IV. Reports/Citizen Comments:**
- V. City Manager:**
  1. Deliberate and act on the following agreements with Enterprise Fleet Management and authorizing the City Manager to negotiate and execute all necessary documents:
    - a. Master Equity Lease Agreement;
    - b. Amendment to Master Equity Lease Agreement;
    - c. Full Maintenance Agreement;
    - d. Maintenance Management and Fleet Rental Agreement;
    - e. Agreement to Sell Customer Vehicles;
    - f. Consignment Auction Agreement.
- VI. Councilmember Comments:**
- VII. Adjourn.**

**City of Groves**  
**Agenda Item Information Form**

Council Meeting Date: 7/31/2024 Department: City Manager Agenda Item No. 5

Title for Item (same as to be placed on Agenda): Deliberate and act on the following agreements with Enterprise Fleet Management and authorizing the City Manager to negotiate and execute all necessary documents: a. Master Equity Lease Agreement; b. Amendment to Master Equity Lease Agreement; c. Full Maintenance Agreement; d. Maintenance Management and Fleet Rental Agreement; e. Agreement to Sell Customer Vehicles; f. Consignment Auction Agreements.

Party(ies) requesting placement of this item on the agenda: City Manager Kevin Carruth

Submitted to City Manager's Office on: Date: 7/26/24 Time: 12:15 p.m. By: C. THIBODEAUX

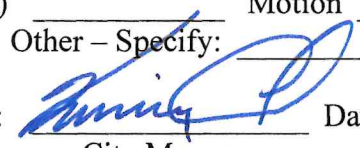
Explanation of Item: The lead time required between ordering vehicles and actual receipt is several months. If the City waits until October 1 or later to execute the agreements with Enterprise Fleet Management, it will be late winter/early spring 2025 before the new vehicles would begin arriving and the expected savings would begin. Execute now and the vehicles are expected in November/December. The City does not pay anything until it receives a vehicle.  
Deadline for Approval: \_\_\_\_\_

Staff Recommendation: Staff recommends City Council approve the following agreements with Enterprise Fleet Management and authorizing the City Manager to negotiate and execute all necessary documents: a. Master Equity Lease Agreement; b. Amendment to Master Equity Lease Agreement; c. Full Maintenance Agreement; d. Maintenance Management and Fleet Rental Agreement; e. Agreement to Sell Customer Vehicles; f. Consignment Auction Agreements.

Alternative (if any) for consideration: Continue with current in-house fleet management.

Identify any attachments to this document: \_\_\_\_\_

Specific Council Action Requested: None (Information item only) \_\_\_\_\_ Motion X  
Ordinance – Number \_\_\_\_\_ Resolution – Number \_\_\_\_\_ Other – Specify: \_\_\_\_\_

Signed: \_\_\_\_\_ Date: \_\_\_\_\_ Approved:  Date: 07/26/24  
Department Head City Manager

**FUNDING (IF APPLICABLE)**

Are sufficient funds specifically designated and currently available for this purpose? YES \_\_\_\_\_ NO   
If yes, specify account no. \_\_\_\_\_ If no, explain and identify intended funding source: \_\_\_\_\_

**PAYMENT REQUEST**

Amount of requested payment \$ \_\_\_\_\_ Cumulative total of payments to date for this project/item (if applicable): \$ \_\_\_\_\_  
Balance due for this project/purchase (if applicable): \$ \_\_\_\_\_

**ACTION TAKEN BY COUNCIL**

APPROVED:  NOT APPROVED:  Any follow-up action required? YES  NO   
If yes, explain \_\_\_\_\_





# FLEET MANAGEMENT

*City of Groves, Texas*



CONFIDENTIAL AND PROPRIETARY

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# AGENDA



**-ENTERPRISE FLEET MANAGEMENT- CURRENT TEXAS PARTNERS**

**-CITY OF GROVES CURRENT STATE OF FLEET**

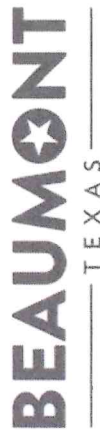
**-CREATING A SUSTAINABLE FLEET PLAN FOR GROVES**

**-BUDGET ANALYSIS FOR SELLING 19 UNITS AND REPLACING 14 UNITS**

**-MAINTENANCE, TECHNOLOGY, AND YEAR 1**



# CURRENT TEXAS PARTNERS



CONFIDENTIAL AND PROPRIETARY

# CITY OF GROVES- OBJECTIVES

## THE OBJECTIVES

Enterprise Fleet Management's proposal is to save Groves resources and budget dollars through a managed vehicle program.

- Utilize an open-end lease\* as a funding mechanism, allowing the city to acquire additional vehicles while avoiding a large capital budget outlay.
- Replace aged vehicles with newer models to increase fuel efficiency and reduce maintenance expense.
- Maintenance/repairs will be strategically outsourced to local businesses to further stimulate economic growth.
- Better fuel efficiency will lower spend.
- Establish a proactive replacement plan that maximizes resale equity, lowers operational expenses, and raises safety.

\*An open-end lease means there are no early termination, mileage, or wear and tear penalties. Leases are written to a residual balance to preserve cash flow. The city receives full benefits of ownership, as well as net equity from sale at time of disposal.



## FLEXIBLE FINANCING OPTIONS



### Open-End Lease Benefits

- Separate line of credit for vehicles
- Optimize cash flow with flexible funding options
- Unlimited mileage, no mileage penalties
- No abnormal wear & tear clauses
- Greater flexibility if requirements change
- Flexibility of term
- Customer retains all rights to equity

# CITY OF GROVES- SITUATION



## THE SITUATION

The City of Groves is looking for a solution to better manage its aging fleet.

- 52% of the current fleet is over 10 years of age.
- Older vehicles have higher fuel and maintenance costs, obsolete safety features, and tend to be unreliable.
- It would take on average 12.27 years to cycle out the entire fleet at current acquisition pace.

## SAFETY

52% of the current fleet is over 10 years old and do not contain the most up to date safety features, such as electronic stability control, airbag standardization and anti-lock brake control.

## THE RESULTS

By partnering with Enterprise Fleet Management, it is estimated that the City of Groves will reduce fuel costs by **25% and significantly reduce maintenance costs by 70%**. Leveraging an open-end lease maximizes cash flow and retains equity from vehicles sold emulating an internal replacement fund. Furthermore, City of Groves will leverage Enterprise Fleet Management's ability to sell vehicles at an average of 15% above Black Book CVI. By shifting from reactively replacing inoperable vehicles to planning vehicle purchases, City of Groves will be able to replace all its vehicles over the course of 5 years. **Over 10 years the City of Groves will save an estimated \$422,901 net cash positive position when compared to today's current spend.**



# City of Groves - Fleet Profile

## Fleet Profile

| Vehicle Type            | # of Type | Average Age (years) | Average Annual Mileage |
|-------------------------|-----------|---------------------|------------------------|
| Full-size Sedan         | 1         | 17.6                | 5,300                  |
| Full-size Sedan-ERV     | 5         | 13.9                | 7,700                  |
| Mid Size SUV 4x4-ERV    | 13        | 5.3                 | 11,800                 |
| Compact Pickup Reg 4x2  | 1         | 16.6                | 6,600                  |
| 1/2 Ton Pickup Reg 4x2  | 6         | 9.8                 | 5,200                  |
| 1/2 Ton Pickup Ext 4x2  | 2         | 15.5                | 7,600                  |
| 1/2 Ton Pickup Quad 4x2 | 3         | 8.4                 | 4,000                  |
| 3/4 Ton Pickup Reg 4x2  | 1         | 22.7                | 2,400                  |
| 3/4 Ton Pickup Quad 4x2 | 1         | 1.3                 | 7,300                  |
| 3/4 Ton Cab Chassis     | 1         | 21.7                | 3,000                  |
| 1 Ton Pickup Ext 4x2    | 3         | 14.2                | 5,400                  |
| 1 Ton Pickup Quad 4x2   | 3         | 8.1                 | 5,000                  |
| 1 Ton Cab Chassis       | 3         | 10.1                | 7,900                  |
| 1 1/2 Ton Cab Chassis   | 1         | 16.6                | 6,400                  |
| Med Duty Cab Chassis    | 2         | 10.0                | 10,300                 |
| <b>Totals/Averages</b>  | <b>46</b> | <b>10.2</b>         | <b>7,800</b>           |

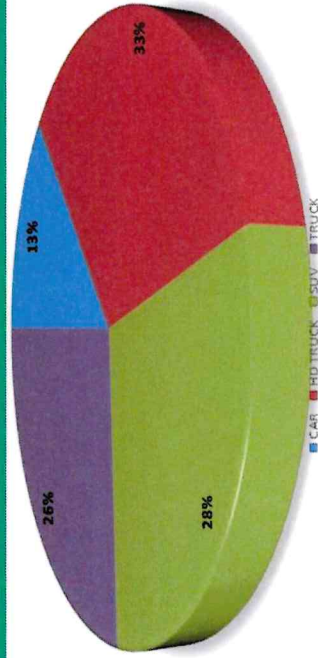
## Fleet Replacement Schedule

| 2023      | 2024     | 2025     | 2026      | 2027     | Under-Utilized |
|-----------|----------|----------|-----------|----------|----------------|
| 1         | 0        | 0        | 0         | 0        | 0              |
| 2         | 1        | 0        | 0         | 0        | 2              |
| 3         | 1        | 2        | 5         | 2        | 0              |
| 1         | 0        | 0        | 0         | 0        | 0              |
| 1         | 2        | 1        | 2         | 0        | 0              |
| 1         | 1        | 0        | 0         | 0        | 0              |
| 0         | 2        | 0        | 0         | 1        | 0              |
| 0         | 0        | 0        | 0         | 0        | 1              |
| 0         | 0        | 0        | 0         | 1        | 0              |
| 0         | 0        | 0        | 0         | 0        | 1              |
| 1         | 0        | 0        | 2         | 0        | 0              |
| 1         | 0        | 1        | 0         | 1        | 0              |
| 1         | 0        | 0        | 0         | 0        | 0              |
| 1         | 0        | 0        | 1         | 0        | 0              |
| <b>14</b> | <b>9</b> | <b>4</b> | <b>10</b> | <b>5</b> | <b>4</b>       |

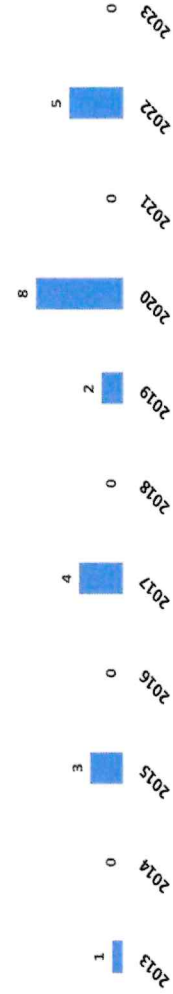
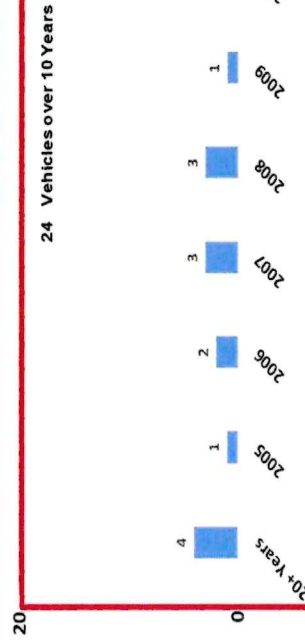
## Replacement Criteria

- \* Fiscal Year 2023 = 16 years old and older, or odometer over 100,000
- \* Fiscal Year 2024 = 9 years old and older, or odometer over 93,500
- \* Fiscal Year 2025 = 6 years old and older, or odometer over 86,600
- \* Fiscal Year 2026 = 3 years old and older, or odometer over 79,900
- \* Fiscal Year 2027 = Remaining Vehicles
- \* Underutilized = Annual Mileage less than 1,000

## Vehicle Types



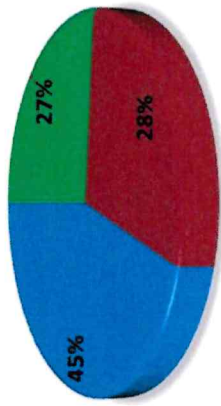
## Model Year Analysis



# City of Groves - Fleet Planning Analysis

|                       |          |              |        |                 |         |
|-----------------------|----------|--------------|--------|-----------------|---------|
| Current Fleet         | 46       | Fleet Growth | -1.99% | Proposed Fleet  | 42      |
| Current Cycle         | 12.27    | Annual Miles | 8,500  | Proposed Cycle  | 5.00    |
| Current Maint.        | \$226.67 | Current MPG  | 10     | Proposed Maint. | \$59.03 |
| Maint. Cents Per Mile | \$0.32   |              |        | Price/Gallon    | \$3.25  |

## Fleet Costs Analysis



| Fiscal Year | Fleet Size | Fleet Mix    |       |        |          | Fleet Cost |                |                 |             | Annual Net Cash        |           |              |
|-------------|------------|--------------|-------|--------|----------|------------|----------------|-----------------|-------------|------------------------|-----------|--------------|
|             |            | Annual Needs | Owned | Leased | Purchase | Lease*     | Equity (Owned) | Equity (Leased) | Maintenance |                        | Fuel      | Fleet Budget |
| Average     | 46         | 3.8          | 46    | 0      | 198,789  | 0          |                |                 | 125,120     | 116,610                | 440,519   | 0            |
| '23         | 42         | 14           | 28    | 14     | 0        | 165,093    | -42,000        |                 | 86,078      | 106,533                | 315,704   | 124,815      |
| '24         | 42         | 9            | 19    | 23     | 0        | 251,330    | -54,000        |                 | 67,973      | 100,054                | 365,357   | 75,161       |
| '25         | 42         | 4            | 15    | 27     | 0        | 300,180    | -36,000        |                 | 59,927      | 97,175                 | 421,281   | 19,237       |
| '26         | 42         | 10           | 5     | 37     | 0        | 423,808    | -120,000       |                 | 39,811      | 89,977                 | 433,595   | 6,923        |
| '27         | 42         | 5            | 0     | 42     | 0        | 483,498    | -75,000        | -273,500        | 29,753      | 86,378                 | 251,129   | 189,389      |
| '28         | 42         | 14           | 0     | 42     | 0        | 483,498    |                | -159,266        | 29,753      | 86,378                 | 440,363   | 155          |
| '29         | 42         | 9            | 0     | 42     | 0        | 483,498    |                | -75,084         | 29,753      | 86,378                 | 524,544   | -84,026      |
| '30         | 42         | 4            | 0     | 42     | 0        | 483,498    |                | -193,180        | 29,753      | 86,378                 | 406,448   | 34,070       |
| '31         | 42         | 10           | 0     | 42     | 0        | 483,498    |                | -101,896        | 29,753      | 86,378                 | 497,733   | -57,214      |
| '32         | 42         | 5            | 0     | 42     | 0        | 483,498    |                | -273,500        | 29,753      | 86,378                 | 326,129   | 114,389      |
|             |            |              |       |        |          |            |                |                 |             | 10 Year Savings        | \$422,901 |              |
|             |            |              |       |        |          |            |                |                 |             | Net Sustainable Impact | \$1,475   |              |

## Current Fleet Equity Analysis

| YEAR                             | 2023     | 2024     | 2025     | 2026      | 2027     | Under-Utilized |
|----------------------------------|----------|----------|----------|-----------|----------|----------------|
| QTY                              | 14       | 9        | 4        | 10        | 5        | 4              |
| Est \$                           | \$3,000  | \$6,000  | \$9,000  | \$12,000  | \$15,000 | \$0            |
| TOTAL                            | \$42,000 | \$54,000 | \$36,000 | \$120,000 | \$75,000 | \$0            |
| Estimated Current Fleet Equity** |          |          |          |           |          | \$327,000      |

\* Lease Rates are conservative estimates  
 \*\*Estimated Current Fleet Equity is based on the current fleet "sight unseen" and can be adjusted after physical inspection  
 Lease Maintenance costs are exclusive of tires unless noted on the lease rate quote.

## KEY OBJECTIVES

- Lower average age of the fleet**  
52% of the current light and medium duty fleet is over 10 years old  
Resale of the aging fleet is significantly reduced
- Reduce operating costs**  
Newer vehicles have a significantly lower maintenance expense  
Newer vehicles have increased fuel efficiency with new technology implementations
- Maintain a manageable vehicle budget**  
Challenged by inconsistent yearly budgets  
Currently vehicle budget is underfunded



**FY2021-2022 Vehicle Lease Payment Analysis**

**Exhibit "A"**

| <b>Future Forecast-14 Units (Including Maintenance)</b> |                     |
|---|---------------------|
| FY24 SPEND  | \$146,611.20        |
| FY25 SPEND  | \$146,611.20        |
| FY26 SPEND  | \$146,611.20        |
| FY27 SPEND  | \$146,611.20        |
| FY28 SPEND  | \$146,611.20        |
| <b>TOTAL 4 YEAR SPEND</b>                               | <b>\$733,056.00</b> |

| <b>COMBINED<br/>FUTURE FORECAST (5 Years)</b>                        |                     |
|--|---------------------|
| <b>Selling 19 Units and Replacing 14 Units INCLUDING MAINTENANCE</b> |                     |
| COMBINED FY24 SPEND<br>(Before Existing Units Sold)                  | \$146,611.20        |
| EXISTING UNITS SOLD FY24   | \$57,712.00         |
| FY24 SPEND<br>(Including Existing Units Sold)                        | \$88,899.20         |
| FY25 SPEND   | \$146,611.20        |
| FY26 SPEND   | \$146,611.20        |
| FY27 SPEND   | \$146,611.20        |
| FY28 SPEND   | \$21,510.21         |
| <b>TOTAL 5 YEAR COMBINED SPEND</b>                                   | <b>\$550,243.01</b> |

**\*Cost to Purchase 14 Units without Maintenance = \$588,355.00**

City of Groves

Equity Lease Menu Pricing

Equity at term using conservative estimates of Fair Market Value will offset the annual cost including maintenance.

| Year | Make | Model          | Trim Level | Quantity | Term | Estimated Annual Mileage | Monthly Lease Payment* | Full Maintenance | Annual Cost Including Maintenance | Annual Cost Including Maintenance (By Quantity) | One Time Aftermarket Cost (By Quantity) | Residual Book | Estimated Resale Value @ Term | Service Charge for Resale | Estimated Equity @ Term (By Quantity) |
|------|------|----------------|------------|----------|------|--------------------------|------------------------|------------------|-----------------------------------|---|---|---------------|-------------------------------|---------------------------|---------------------------------------|
| 2025 | Ram  | Tradesman      | (DT1L98)   | 3        | 60   | 7,000                    | \$882.48               | \$46.31          | \$11,146.48                       | \$33,436.44                                     | \$0.00                                  | \$4,473.00    | \$16,600.00                   | \$400.00                  | \$34,881.00                           |
| 2025 | Ram  | Tradesman      | (DT1L98)   | 1        | 60   | 7,000                    | \$813.16               | \$46.31          | \$10,313.64                       | \$10,313.64                                     | \$0.00                                  | \$4,120.20    | \$16,600.00                   | \$400.00                  | \$11,979.80                           |
| 2024 | Ford | XL             | (F1K)      | 6        | 60   | 7,000                    | \$746.17               | \$46.31          | \$9,497.76                        | \$47,486.80                                     | \$0.00                                  | \$3,868.40    | \$14,000.00                   | \$400.00                  | \$46,668.00                           |
| 2025 | Ford | Interceptor    | (K8A)      | 2        | 60   | 10,000                   | \$1,065.28             | \$0.00           | \$12,663.36                       | \$25,326.72                                     | \$0.00                                  | \$0.00        | \$8,000.00                    | \$400.00                  | \$15,200.00                           |
| 2024 | Ford | XL             | XL (R4B)   | 1        | 60   | 7,000                    | \$675.75               | \$46.31          | \$8,664.72                        | \$8,664.72                                      | \$0.00                                  | \$3,422.00    | \$18,000.00                   | \$400.00                  | \$14,178.00                           |
| 2024 | Ram  | 3500 Tradesman | (D23L92)   | 2        | 60   | 7,000                    | \$842.28               | \$46.59          | \$10,690.44                       | \$21,380.88                                     | \$0.00                                  | \$4,268.60    | \$22,000.00                   | \$400.00                  | \$34,662.80                           |

|   |              |
|---|--------------|
| Total Annual Cost to lease 14 Vehicles (Maintenance Included) | \$146,611.20 |
| One Time After Market Payment                                 | \$0          |
| FY24 Spend to lease 14 Vehicles                               | \$146,611.20 |
| Total Equity at Term for 14 Vehicles                          | \$168,121.41 |

Management Fee (Credit Pending)

| Quote   | Vehicle Type                                   | Year | Make | Model          | Trim Level | Cost        | Aftermarket | Total Per Unit | Quantity | Total Per Unit |
|---------|--|------|------|----------------|------------|-------------|-------------|----------------|----------|----------------|
| 8024261 | Ram 1500 Tradesman 4x2 CrewCab (Camper Top)    | 2025 | Ram  | Tradesman      | (DT1L98)   | \$44,410.00 | \$ 3,525.00 | \$47,935.00    | 3        | \$ 143,805.00  |
| 8024261 | Ram 1500 Tradesman 4x2 CrewCab (No Camper Top) | 2025 | Ram  | Tradesman      | (DT1L98)   | \$40,885.00 | \$ -        | \$40,885.00    | 1        | \$ 40,885.00   |
| 8012831 | Ford F-150 XL 4x2 Regular Cab LWB              | 2024 | Ford | XL             | (F1K)      | \$37,247.00 |             | \$37,247.00    | 5        | \$ 185,235.00  |
| 8011319 | Ford Interceptor                               | 2025 | Ford | Interceptor    | (K8A)      | \$49,624.00 |             | \$49,624.00    | 2        | \$ 98,248.00   |
| 7920647 | Ranger XI 4x2 Super Crew                       | 2024 | Ford | Ranger<br>3500 | XL (R4B)   | \$33,760.00 |             | \$33,760.00    | 1        | \$ 33,760.00   |
| 7920664 | Ram 3500 Tradesman 4x2 Crew Cab                | 2024 | Ram  | Tradesman      | (D23L92)   | \$42,216.00 | \$ -        | \$42,216.00    | 2        | \$ 84,432.00   |
|         |  |      |      |                |            |             |             |                | 14       | \$ 588,355.00  |
|         |  |      |      |                |            |             | Total       |                |          |                |



# City of Groves, Texas Fleet List & Vehicle Strategy

| CURRENT VEHICLE INFORMATION |            |      |           |               |                    |                     |                              |                               |                               | VEHICLE REPLACEMENT STRATEGY |                               |                               | REPLACEMENT VEHICLE NOTES   |
|-----------------------------|------------|------|-----------|---------------|--------------------|---------------------|------------------------------|-------------------------------|-------------------------------|------------------------------|-------------------------------|-------------------------------|---|
| VEH #                       | DEPARTMENT | YEAR | MAKE      | MODEL         | VIN                | LAST KNOWN ODOMETER | Recommended Replacement Year | Est Value at replacement year | Est Value at replacement year | Recommended Replacement Year | Est Value at replacement year | Est Value at replacement year | REPLACEMENT VEHICLE NOTES<br>OPTIONAL<br>AME, SPECS, OPTIONS, SPARE, DEFLEET,<br>ETC. |
| 27PVP2                      | F/M        | 2006 | Chevrolet | Express       | 1GAHG35U661213865  | 161910              | 2024                         | \$                            | 2,325.00                      | 2024                         | \$                            | 2,325.00                      | Sell but do not replace   |
| 27PVPX                      | Police     | 2006 | Mercury   | Grand Marquis | 2MEHM75V46X648082  | 100875              | 2024                         | \$                            | 2,150.00                      | 2024                         | \$                            | 2,150.00                      | Detective Car-1/2 ton 4x2 Crew Cab -<br>Lowest Cost-Ram-                              |
| 27PVPW                      | Police     | 2002 | Lexus     | ES300         | JTHBF30G025006598  | 169211              | 2024                         | \$                            | 1,100.00                      | 2024                         | \$                            | 1,100.00                      | Detective Car-1/2 ton 4x2 Crew Cab -<br>Lowest Cost-Ram                               |
| 27PVNV                      | F/M        | 2006 | Ford      | Expedition    | 1FMPU155X6LA24922  | 107100              | 2024                         | \$                            | 2,300.00                      | 2024                         | \$                            | 2,300.00                      | 1/2 ton 4x2 crew cab with camper  |
| 27PVNZ                      | F/M        | 2005 | Ford      | Expedition    | 1FMPU13545LA85524  | 109562              | 2024                         | \$                            | 1,350.00                      | 2024                         | \$                            | 1,350.00                      | 1/2 ton 4x2 crew cab with camper  |
| 27PVP3                      | F/M        | 2005 | Ford      | Expedition    | 1FMPU155X5LA59149  | 159925              | 2024                         | \$                            | 762.50                        | 2024                         | \$                            | 762.50                        | Sell but do not replace   |
| 27PVNS                      | Meter      | 2007 | Ford      | Ranger        | 1FTYR10D87PA76665  | 119452              | 2024                         | \$                            | 2,625.00                      | 2024                         | \$                            | 2,625.00                      | Meter Reader- Compact Truck 4x2<br>Extended Cab                                       |
| 27PVNR                      | Code/E     | 2001 | Ford      | F-150         | 1FTZF17221KF21620  | 60850               | 2024                         | \$                            | 1,075.00                      | 2024                         | \$                            | 1,075.00                      | 1/2 ton Reg Cab 4x2   |
| 27PVQ3                      | Street     | 2000 | Ford      | F-150         | 1FTZF172YKA66774   | 137334              | 2024                         | \$                            | 800.00                        | 2024                         | \$                            | 800.00                        | Sell but do not replace   |
| 27PVNP                      | Garage     | 2008 | Ford      | F-150         | 1FTRF12WX8KD08998  | 96933               | 2024                         | \$                            | 3,350.00                      | 2024                         | \$                            | 3,350.00                      | 1/2 ton Reg Cab 4x2   |
| 27PVQ8                      | Street     | 2008 | Ford      | F-150         | 1FTRF12W88KD08997  | 36697               | 2024                         | \$                            | 4,150.00                      | 2024                         | \$                            | 4,150.00                      | 1/2 ton Reg Cab 4x2   |
| 27PVQH                      | Utility    | 2009 | Ford      | F-150         | 1FTRF12WX9KA89137  | 73042               | 2024                         | \$                            | 2,625.00                      | 2024                         | \$                            | 2,625.00                      | 1/2 ton Reg Cab 4x2   |
| 27PVP4                      | F/M        | 2005 | Ford      | F-150         | 1FTRX12WX5NA04481  | 158703              | 2024                         | \$                            | 1,112.50                      | 2024                         | \$                            | 1,112.50                      | Sell but do not replace   |
| 27PVPB                      | Utility    | 2006 | Ford      | F-350         | 1FTWW30PX6ED091676 | 83181               | 2024                         | \$                            | 8,987.50                      | 2024                         | \$                            | 8,987.50                      | 1 Ton 4x2 Quad Cab  |
| 27PVNQ                      | Garage     | 2004 | Ford      | F-350         | 1FTSX30L54EB65924  | 75881               | 2024                         | \$                            | 1,837.50                      | 2024                         | \$                            | 1,837.50                      | 1 Ton 4x2 Quad Cab  |
| 27PVNQ                      | F/M        | 2001 | Dodge     | Ram 1500 1/2T | 1B7HC13291J605463  | 123923              | 2024                         | \$                            | 1,000.00                      | 2024                         | \$                            | 1,000.00                      | Sell but do not replace   |
| 27PVNQ                      | Utility    | 2010 | Ford      | F150 1/2T     | 1FTMF1CW7AKE32838  | 121214              | 2024                         | \$                            | 2,125.00                      | 2024                         | \$                            | 2,125.00                      | 1/2 ton Reg Cab 4x2   |
| 27PVNQ                      | Fire       | 2011 | Ford      | F150 1/2T     | 1FTFW1CF8BKD53057  | 54016               | 2024                         | \$                            | 9,212.00                      | 2024                         | \$                            | 9,212.00                      | 1/2 ton 4x2 crew cab with camper  |
| 27PVNQ                      | Fire       | 2012 | Ford      | F150 1/2T     | 1FTEW1CM3CKD70005  | 60113               | 2024                         | \$                            | 8,825.00                      | 2024                         | \$                            | 8,825.00                      | 1/2 ton Crew Cab 4x2 (No Camper)  |
|                             |            |      |           |               |                    |                     |                              |                               |                               |                              | \$                            | 57,712.00                     |   |

# OPERATING EXPENSES *Maintenance*

### Full Maintenance

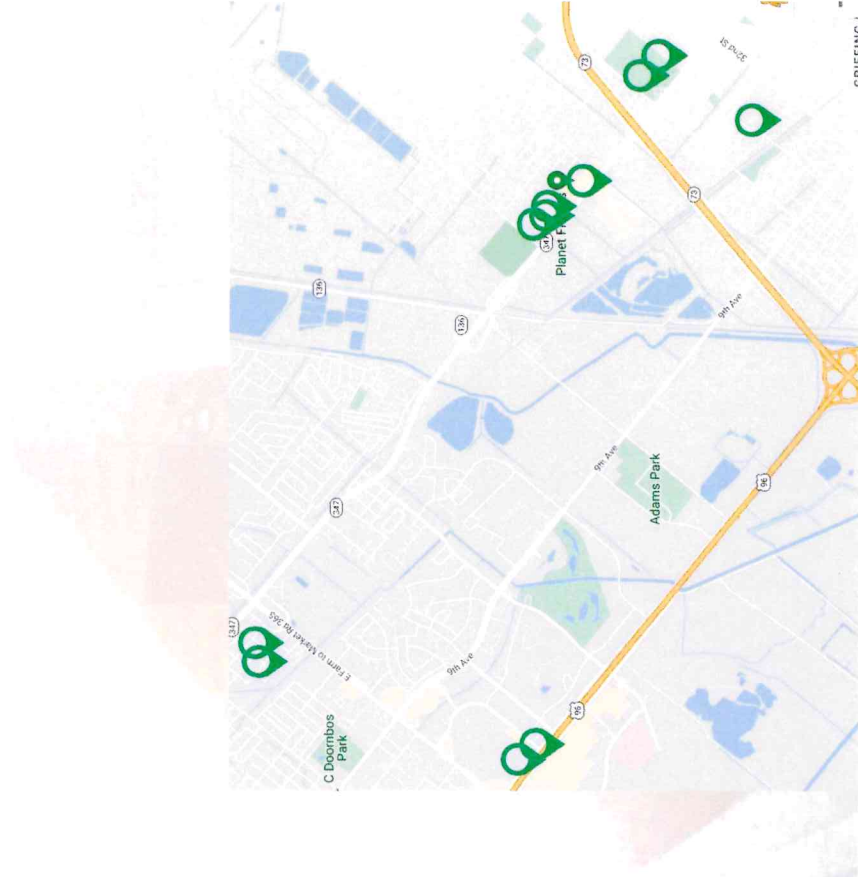
- Fixed monthly rate
- Simple process for all parties
- Includes: 24/7 Roadside, all major and minor repairs

### Maintenance Management

- “Bridge” program for currently owned fleet vehicles
- Seamless experience for field drivers

### Enterprise National Service Department

- 12 Shops within 5 miles of Zip Code (77619)
- 200 Employees with over 1,100 total ASE certifications
- 475,000+ vehicles under management on this program
- \$39.2 million in customer savings in 2022



CONFIDENTIAL AND PROPRIETARY

GRIFFING |



# RESOURCES

# Fleet Administrator Resources

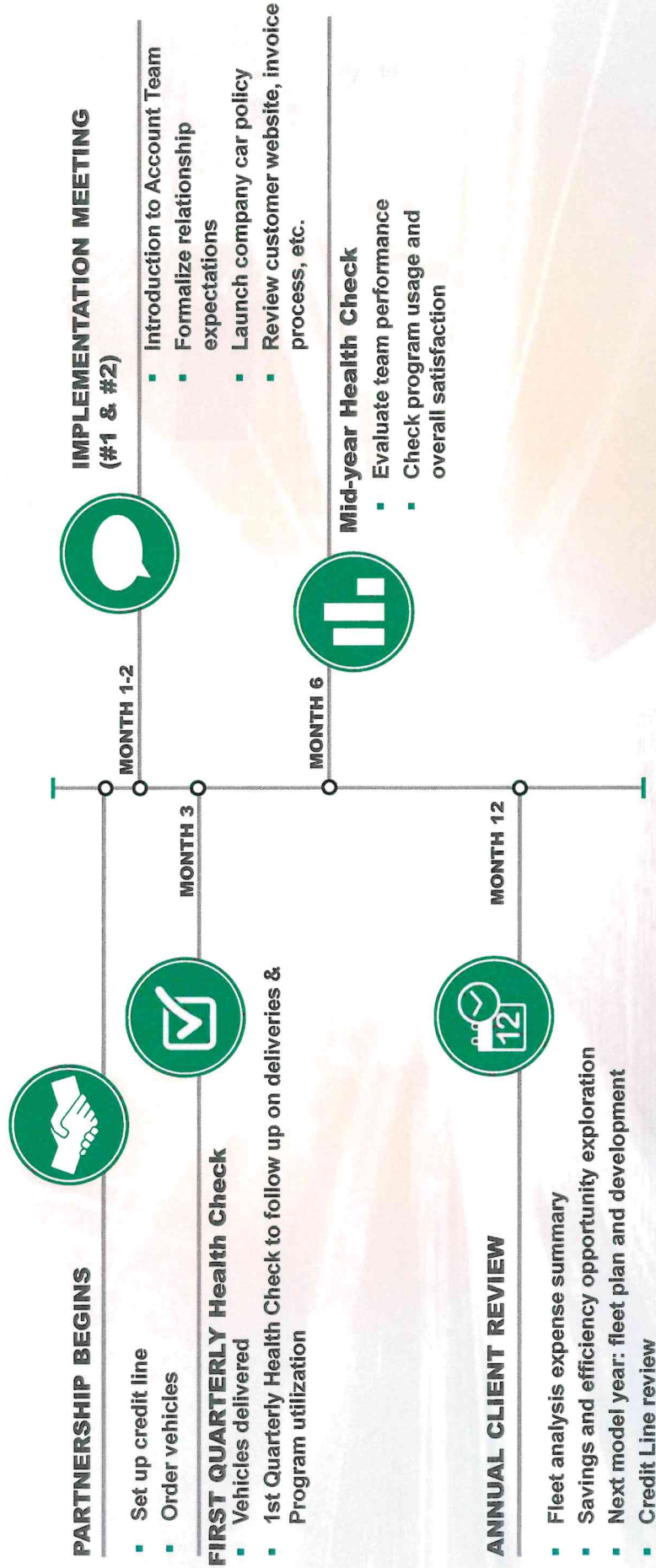


Direct your drivers to the **fastest**, most **efficient** repair shops!

CONFIDENTIAL AND PROPRIETARY

- Customer Website
  - Tracking and information of:
    - Fleet profile
    - Driver assignments
    - Maintenance expenses
    - Fuel consumption
    - Recall information
    - More
- Mobile App
  - Maintenance/fuel Locator
  - Accident Report
  - Order Status
  - Roadside Assistance
  - Reminders
  - Mileage
- Fleet Planning Tool Kit
- Annual Client Review

# WHAT TO EXPECT – FIRST YEAR





# Thank you, Groves!

**MASTER EQUITY LEASE AGREEMENT**

This Master Equity Lease Agreement is entered into this \_\_\_ day of \_\_\_\_\_, 20\_\_\_, by and between Enterprise FM Trust, a Delaware statutory trust ("Lessor"), and the lessee whose name and address is set forth on the signature page below ("Lessee").

**1. LEASE OF VEHICLES:** Lessor hereby leases to Lessee and Lessee hereby leases from Lessor the vehicles (individually, a "Vehicle" and collectively, the "Vehicles") described in the schedules from time to time delivered by Lessor to Lessee as set forth below ("Schedule(s)") for the rentals and on the terms and conditions set forth in this Agreement and in the applicable Schedule. References to this "Agreement" shall include this Master Equity Lease Agreement and the various Schedules and addenda to this Master Equity Lease Agreement, each of which are incorporated herein as part of a single, unitary Agreement. Lessor will, on or about the date of delivery of each Vehicle to Lessee, send Lessee a Schedule covering the Vehicle, which will include, among other things, a description of the Vehicle, the lease term and the monthly rental and other payments due with respect to the Vehicle. The terms contained in each such Schedule will be binding on Lessee unless Lessee objects in writing to such Schedule within ten (10) days after the date of delivery of the Vehicle covered by such Schedule. Lessor is the sole legal owner of each Vehicle. This Agreement is a lease only and Lessee will have no right, title or interest in or to the Vehicles except for the use of the Vehicles as described in this Agreement. This Agreement shall be treated as a true lease for federal and applicable state income tax purposes with Lessor having all benefits of ownership of the Vehicles. It is understood and agreed that Enterprise Fleet Management, Inc. or an affiliate thereof (together with any subservicer, agent, successor or assign as servicer on behalf of Lessor, "Servicer") may administer this Agreement on behalf of Lessor and may perform the service functions herein provided to be performed by Lessor.

**2. TERM:** The term of this Agreement ("Term") for each Vehicle begins on the date such Vehicle is delivered to Lessee (the "Delivery Date") and, unless terminated earlier in accordance with the terms of this Agreement, continues for the "Lease Term" as described in the applicable Schedule.

**3. RENT AND OTHER CHARGES:**

(a) Lessee agrees to pay Lessor monthly rental and other payments according to the Schedules, Open-End (Equity) Lease Rate Quotes, and this Agreement. The monthly payments will be in the amount listed as the "Total Monthly Rental Including Additional Services" on the applicable Schedule (with any portion of such amount identified as a charge for maintenance services under Section 4 of the applicable Schedule being payable to Lessor as agent for Enterprise Fleet Management, Inc.) and will be due and payable in advance on the first day of each month. Lessee agrees to pay Lessor interest charges, in connection with the acquisition of a Vehicle, for the period between the date Lessor issues payment to acquire such Vehicle and the date the Vehicle is delivered to Lessee. Such interest charges shall be included in each Schedule. If a Vehicle is delivered to Lessee on any day other than the first day of a month, monthly rental payments will begin on the first day of the next month. In addition to the monthly rental payments, Lessee agrees to pay Lessor a pro-rated rental charge for the number of days that the Delivery Date precedes the first monthly rental payment date. A portion of each monthly rental payment, being the amount designated as "Depreciation Reserve" on the applicable Schedule, will be considered as a reserve for depreciation and will be credited against the Delivered Price of the Vehicle for purposes of computing the Book Value of the Vehicle under Section 3(c). Lessee agrees to pay Lessor the "Total Initial Charges" set forth in each Schedule on the due date of the first monthly rental payment under such Schedule. Lessee agrees to pay Lessor the "Service Charge Due at Lease Termination" set forth in each Schedule at the end of the applicable Term (whether by reason of expiration, early termination or otherwise).

(b) In the event the Term for any Vehicle ends prior to the last day of the scheduled Term, whether as a result of a default by Lessee, a Casualty Occurrence or any other reason, the rentals and management fees paid by Lessee will be recalculated in accordance with the rule of 78's and the adjusted amount will be payable by Lessee to Lessor on the termination date.

(c) Lessee agrees to pay Lessor within thirty (30) days after the end of the Term for each Vehicle, additional rent equal to the excess, if any, of the Book Value of such Vehicle over the greater of (i) the wholesale value of such Vehicle as determined by Lessor in good faith or (ii) except as provided below, twenty percent (20%) of the Delivered Price of such Vehicle as set forth in the applicable Schedule. If the Book Value of such Vehicle is less than the greater of (i) the wholesale value of such Vehicle as determined by Lessor in good faith or (ii) except as provided below, twenty percent (20%) of the Delivered Price of such Vehicle as set forth in the applicable Schedule, Lessor agrees to pay such deficiency to Lessee as a terminal rental adjustment after the end of the applicable Term (subject to Lessor's right to recoup any amounts Lessor would owe to Lessee under this Section 3(c) against any obligations of Lessee to Lessor under this Agreement). Notwithstanding the foregoing, if (i) the Term for a Vehicle is greater than forty-eight (48) months (including any extension of the Term for such Vehicle), (ii) the mileage on a Vehicle at the end of the Term is greater than 15,000 miles per year on average (prorated on a daily basis) (i.e., if the mileage on a Vehicle with a Term of thirty-six (36) months is greater than 45,000 miles) or (iii) in the sole judgment of Lessor, a Vehicle has been subject to damage or any abnormal or excessive wear and tear, the calculations described in the two immediately preceding sentences shall be made without giving effect to clause (ii) in each such sentence. The "Book Value" of a Vehicle means the sum of (i) the "Delivered Price" of the Vehicle as set forth in the applicable Schedule minus (ii) the total Depreciation Reserve paid by Lessee to Lessor with respect to such Vehicle plus (iii) all accrued and unpaid rent and/or other amounts owed by Lessee with respect to such Vehicle.

(d) Any security deposit of Lessee will be returned to Lessee at the end of the applicable Term, except that the deposit will first be applied to and recouped against any losses and/or damages suffered by Lessor as a result of Lessee's breach of or default under this Agreement and/or to any other amounts then owed by Lessee to Lessor.

(e) Any rental payment or other amount owed by Lessee to Lessor which is not paid within twenty (20) days after its due date will accrue interest, payable on demand of Lessor, from the date due until paid in full at a rate per annum equal to the lesser of (i) Eighteen Percent (18%) per annum or (ii) the highest rate permitted by applicable law (the "Default Rate").



(f) If Lessee fails to pay any amount due under this Agreement or to comply with any of the covenants contained in this Agreement, Lessor, Servicer or any other agent of Lessor may, at its option, pay such amounts or perform such covenants and all sums paid or incurred by Lessor in connection therewith will be repayable by Lessee to Lessor upon demand together with interest thereon at the Default Rate.

(g) Lessee's obligations to make all payments of rent and other amounts under this Agreement are absolute and unconditional and such payments shall be made in immediately available funds without setoff, counterclaim or deduction of any kind. Lessee acknowledges and agrees that neither any Casualty Occurrence to any Vehicle nor any defect, unfitness or lack of governmental approval in, of, or with respect to, any Vehicle regardless of the cause or consequence nor any breach by Enterprise Fleet Management, Inc. of any maintenance agreement between Enterprise Fleet Management, Inc. and Lessee covering any Vehicle regardless of the cause or consequence will relieve Lessee from the performance of any of its obligations under this Agreement, including, without limitation, the payment of rent and other amounts under this Agreement.

(h) In the event Lessor, Servicer or any other agent of Lessor arranges for rental vehicle(s) with a subsidiary or affiliate of Enterprise Holdings, Inc., Lessee shall be fully responsible for all obligations under any applicable rental agreement.

**4. USE AND SURRENDER OF VEHICLES:** Lessee agrees to allow only duly authorized, licensed and insured drivers to use and operate the Vehicles. Lessee agrees to comply with, and cause its drivers to comply with, all laws, statutes, rules, regulations and ordinances (including without limitation such federal, state and local laws, statutes, rules, regulations and ordinances governing autonomous vehicles and automated driving systems and any parts, components and products related thereto) and the provisions of all insurance policies affecting or covering the Vehicles or their use or operation. In connection with autonomous vehicles and automated driving systems and the parts, components and products related thereto, Lessee agrees to comply with all applicable guidance and professional standards issued, released or published by governmental and quasi-governmental agencies, including without limitation the federal guidance for automated vehicles published by the Department of Transportation and the Federal Automated Vehicle Policy issued by the U.S. Department of Transportation and the National Highway Traffic Safety Administration. Lessee agrees to keep the Vehicles free of all liens, charges and encumbrances. Lessee agrees that in no event will any Vehicle be used or operated for transporting hazardous substances or persons for hire, for any illegal purpose or to pull trailers that exceed the manufacturer's trailer towing recommendations. Lessee agrees that no Vehicle is intended to be or will be utilized as a "school bus" as defined in the Code of Federal Regulations or any applicable state or municipal statute or regulation. Lessee agrees not to remove any Vehicle from the continental United States without first obtaining Lessor's written consent. At the expiration or earlier termination of this Agreement with respect to each Vehicle, or upon demand by Lessor made pursuant to Section 14, Lessee at its risk and expense agrees to return such Vehicle to Lessor at such place and by such reasonable means as may be designated by Lessor. If for any reason Lessee fails to return any Vehicle to Lessor as and when required in accordance with this Section, Lessee agrees to pay Lessor additional rent for such Vehicle at twice the normal pro-rated daily rent. Acceptance of such additional rent by Lessor will in no way limit Lessor's remedies with respect to Lessee's failure to return any Vehicle as required hereunder.

**5. COSTS, EXPENSES, FEES AND CHARGES:** Lessee agrees to pay all costs, expenses, fees, charges, fines, tickets, penalties and taxes (other than federal and state income taxes on the income of Lessor) incurred in connection with the titling, licensing, registration, delivery, purchase, sale, rental, and Lessee's use or operation of the Vehicles. If Lessor, Servicer or any other agent of Lessor incurs any such costs or expenses, Lessee agrees to promptly reimburse Lessor for the same.

**6. LICENSE AND CHARGES:** Each Vehicle will be titled, registered and licensed in the name designated by Lessor at Lessee's expense. Certain other charges relating to the acquisition of each Vehicle and paid or satisfied by Lessor have been capitalized in determining the monthly rental, treated as an initial charge or otherwise charged to Lessee. Such charges have been determined without reduction for trade-in, exchange allowance or other credit attributable to any Lessor-owned vehicle.

**7. REGISTRATION PLATES, ETC.:** Lessee agrees, at its expense, to obtain in the name designated by Lessor, all registration plates and other plates, permits, inspections and/or licenses required in connection with the Vehicles, except for the initial registration plates which Lessor will obtain at Lessee's expense. The parties agree to cooperate and to furnish any and all information or documentation, which may be reasonably necessary for compliance with the provisions of this Section or any federal, state or local law, rule, regulation or ordinance. Lessee agrees that it will not permit any Vehicle to be located in a state other than the state in which such Vehicle is then titled for any continuous period of time that would require such Vehicle to become subject to the titling, licensing and/or registration laws of such other state.

**8. MAINTENANCE OF AND IMPROVEMENTS TO VEHICLES:**

(a) Lessee agrees, at its expense, to (i) maintain the Vehicles in good condition, repair, maintenance and running order and in accordance with all manufacturer's instructions and warranty requirements and all legal requirements and (ii) furnish all labor, materials, parts and other essentials required for the proper operation and maintenance of the Vehicles. Lessee will not make (or cause to be made) any alterations, upgrades, upfitting, additions or improvements (collectively, "Alterations") to any Vehicle which (i) could impact or impair the "motor vehicle safety" (as defined the Motor Vehicle Safety Act) of the Vehicle, or (ii) could impact, impair, void or render unenforceable the manufacturer's warranty. Without the prior written consent of Lessor, Lessee will not make (or cause to be made) any Alterations to any Vehicle which (i) detracts, impairs, damages or alters the Vehicle's nature, purpose, economic value, remaining useful life, functionality, utility, software or controls, or (ii) subjects the Vehicle or any part or component of such Vehicle to any lien, charge or encumbrance. Any Alterations of any nature to a Vehicle are made at Lessee's sole cost, risk and liability, including without limitation, any such Alterations approved by, or made with the assistance or at the direction of, Lessor. Any replacement parts added to any Vehicle shall be in at least as good an operating condition as the prior part before the replacement (assuming such part was, at the time of the replacement, in the condition required by the terms of this Agreement). Any Alterations to a Vehicle will become and remain the property of Lessor and will be returned with such Vehicle upon such Vehicle's return pursuant to Section 4 and shall be free of any liens, charges or encumbrances; provided, however, Lessor shall have the right at any time to require Lessee to remove any such Alteration at Lessee's sole cost, expense and liability. In no event or instance shall the value of any Alterations be regarded as rent. Lessee and Lessor acknowledges and agrees that Lessor will not be required to make any repairs, replacements or Alterations of any nature or description with respect to any Vehicle, to maintain or repair any Vehicle or to make any expenditure whatsoever in connection with any such Vehicle(s) or this Agreement.



(b) Lessor and Lessee acknowledge and agree that if Section 4 of a Schedule includes a charge for maintenance, (i) the Vehicle(s) covered by such Schedule are subject to a separate maintenance agreement between Enterprise Fleet Management, Inc. and Lessee and (ii) Lessor shall have no liability or responsibility for any failure of Enterprise Fleet Management, Inc. to perform any of its obligations thereunder or to pay or reimburse Lessee for its payment of any costs and expenses incurred in connection with the maintenance or repair of any such Vehicle(s).

**9. SELECTION OF VEHICLES AND DISCLAIMER OF WARRANTIES:**

(a) LESSEE ACCEPTANCE OF DELIVERY AND USE OF EACH VEHICLE WILL CONCLUSIVELY ESTABLISH THAT SUCH VEHICLE IS OF A SIZE, DESIGN, CAPACITY, TYPE AND MANUFACTURE SELECTED BY LESSEE AND THAT SUCH VEHICLE IS IN GOOD CONDITION AND REPAIR AND IS SATISFACTORY IN ALL RESPECTS AND IS SUITABLE FOR LESSEE'S PURPOSE. LESSEE ACKNOWLEDGES THAT LESSOR IS NOT A MANUFACTURER OF ANY VEHICLE OR AN AGENT OF A MANUFACTURER OF ANY VEHICLE.

(b) LESSOR MAKES NO REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, WITH RESPECT TO ANY VEHICLE, INCLUDING, WITHOUT LIMITATION, ANY REPRESENTATION OR WARRANTY AS TO CONDITION, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, IT BEING AGREED THAT ALL SUCH RISKS ARE TO BE BORNE BY LESSEE. THE VEHICLES ARE LEASED "AS IS," "WITH ALL FAULTS." All warranties made by any supplier, vendor and/or manufacturer of a Vehicle are hereby assigned by Lessor to Lessee for the applicable Term and Lessee's only remedy, if any, is against the supplier, vendor or manufacturer of the Vehicle.

(c) None of Lessor, Servicer or any other agent of Lessor will be liable to Lessee for any liability, claim, loss, damage (direct, incidental or consequential) or expense of any kind or nature, caused directly or indirectly, by any Vehicle or any inadequacy of any Vehicle for any purpose or any defect (latent or patent) in any Vehicle or the use or maintenance of any Vehicle or any repair, servicing or adjustment of or to any Vehicle, or any delay in providing or failure to provide any Vehicle, or any interruption or loss of service or use of any Vehicle, or any loss of business or any damage whatsoever and however caused. In addition, none of Lessor, Servicer or any other agent of Lessor will have any liability to Lessee under this Agreement or under any order authorization form executed by Lessee if Lessor is unable to locate or purchase a Vehicle ordered by Lessee or for any delay in delivery of any Vehicle ordered by Lessee.

(d) In no event shall Lessor, Servicer or any other agent of Lessor or their respective affiliates be liable for consequential, indirect, incidental, special, exemplary, punitive or enhanced damages, lost profits or revenues or diminution in value, arising out of or relating to this Agreement, including, without limitation, any breach or performance of this Agreement, regardless of (i) whether such damages were foreseeable, (ii) whether or not Lessor, Servicer or any other agent of Lessor or their respective affiliates were advised of the possibility of such damages and/or (iii) the legal or equitable theory (contract, tort or otherwise) upon which a claim, action, cause of action, demand, lawsuit, arbitration, inquiry, proceeding or litigation is based, and notwithstanding the failure of any agreed or other remedy of its essential purpose.

**10. RISK OF LOSS:** Lessee assumes and agrees to bear the entire risk of loss of, theft of, damage to or destruction of any Vehicle from any cause whatsoever ("Casualty Occurrence"). In the event of a Casualty Occurrence to a Vehicle, Lessee shall give Lessor prompt notice of the Casualty Occurrence and thereafter will place the applicable Vehicle in good repair, condition and working order; provided, however, that if the applicable Vehicle is determined by Lessor to be lost, stolen, destroyed or damaged beyond repair (a "Totaled Vehicle"), Lessee agrees to pay Lessor no later than the date thirty (30) days after the date of the Casualty Occurrence the amounts owed under Sections 3(b) and 3(c) with respect to such Totaled Vehicle. Upon such payment, this Agreement will terminate with respect to such Totaled Vehicle.

**11. INSURANCE:**

(a) Lessee agrees to purchase and maintain in force during the Term, insurance policies in at least the amounts listed below covering each Vehicle, to be written by an insurance company or companies satisfactory to Lessor, insuring Lessee, Lessor and any other person or entity designated by Lessor against any damage, claim, suit, action or liability, and that Lessor will suffer immediate and irreparable harm if Lessee fails to comply with such obligations:

(i) Commercial Automobile Liability Insurance (including Uninsured/Underinsured Motorist Coverage and No-Fault Protection where required by law) for the limits listed below (Note - \$2,000,000 Combined Single Limit Bodily Injury and Property Damage per accident with No Deductible is required for each Vehicle capable of transporting more than 8 passengers):

| <u>State of Vehicle Registration</u>  | <u>Coverage</u>  |
|---|--|
| Connecticut, Massachusetts, Maine, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont | \$1,000,000 Combined Single Limit Bodily Injury and Property Damage per accident - No Deductible   |
| Florida   | \$500,000 Combined Single Limit Bodily Injury and Property Damage Per Accident or \$100,000 Bodily Injury Per Person Per Accident, \$300,000 Per Accident and \$50,000 Property Damage Per Accident (100/300/50) - No Deductible |
| All Other States  | \$300,000 Combined Single Limit Bodily Injury and Property Damage Per Accident or \$100,000 Bodily Injury Per Person Per Accident, \$300,000 Per Accident and \$50,000 Property Damage Per Accident (100/300/50) - No Deductible |



(ii) Physical Damage Insurance (Collision & Comprehensive): Actual cash value of the applicable Vehicle. Maximum deductible of \$1,000 per accident - Collision and \$1,000 per accident - Comprehensive).

If the requirements of any governmental or regulatory agency exceed the minimums stated in this Agreement, Lessee must obtain and maintain the higher insurance requirements. Lessee agrees that each required policy of insurance will by appropriate endorsement or otherwise name Lessor and any other person or entity designated by Lessor as additional insureds and loss payees, as their respective interests may appear. Further, each such insurance policy must provide the following: (i) that the same may not be cancelled, changed or modified until after the insurer has given to Lessor, Servicer and any other person or entity designated by Lessor at least thirty (30) days prior written notice of such proposed cancellation, change or modification, (ii) that no act or default of Lessee or any other person or entity shall affect the right of Lessor, Servicer, any other agent of Lessor or any of their respective successors or assigns to recover under such policy or policies of insurance in the event of any loss of or damage to any Vehicle and (iii) that the coverage is "primary coverage" for the protection of Lessee, Lessor, Servicer, any other agent of Lessor and their respective successors and assigns notwithstanding any other coverage carried by Lessee, Lessor, Servicer, any other agent of Lessor or any of their respective successors or assigns protecting against similar risks. Original certificates evidencing such coverage and naming Lessor, Servicer, any other agent of Lessor and any other person or entity designated by Lessor as additional insureds and loss payees shall be furnished to Lessor prior to the Delivery Date, and annually thereafter and/or as reasonably requested by Lessor from time to time. In the event of default, Lessee hereby appoints Lessor, Servicer and any other agent of Lessor as Lessee's attorney-in-fact to receive payment of, to endorse all checks and other documents and to take any other actions necessary to pursue insurance claims and recover payments if Lessee fails to do so. Any expense of Lessor, Servicer or any other agent of Lessor in adjusting or collecting insurance shall be borne by Lessee.

Lessee, its drivers, servants and agents agree to cooperate fully with Lessor, Servicer, any other agent of Lessor and any insurance carriers in the investigation, defense and prosecution of all claims or suits arising from the use or operation of any Vehicle. If any claim is made or action commenced for death, personal injury or property damage resulting from the ownership, maintenance, use or operation of any Vehicle, Lessee will promptly notify Lessor of such action or claim and forward to Lessor a copy of every demand, notice, summons or other process received in connection with such claim or action.

(b) Notwithstanding the provisions of Section 11(a) above: (i) if Section 4 of a Schedule includes a charge for physical damage waiver, Lessor agrees that (A) Lessee will not be required to obtain or maintain the minimum physical damage insurance (collision and comprehensive) required under Section 11(a) for the Vehicle(s) covered by such Schedule and (B) Lessor will assume the risk of physical damage (collision and comprehensive) to the Vehicle(s) covered by such Schedule; provided, however, that such physical damage waiver shall not apply to, and Lessee shall be and remain liable and responsible for, damage to a covered Vehicle caused by wear and tear or mechanical breakdown or failure, damage to or loss of any parts, accessories or components added to a covered Vehicle by Lessee without the prior written consent of Lessor and/or damage to or loss of any property and/or personal effects contained in a covered Vehicle. In the event of a Casualty Occurrence to a covered Vehicle, Lessor may, at its option, replace, rather than repair, the damaged Vehicle with an equivalent vehicle, which replacement vehicle will then constitute the "Vehicle" for purposes of this Agreement; and (ii) if Section 4 of a Schedule includes a charge for commercial automobile liability enrollment, Lessor agrees that it will, at its expense, obtain for and on behalf of Lessee, by adding Lessee as an additional insured under a commercial automobile liability insurance policy issued by an insurance company selected by Lessor, commercial automobile liability insurance satisfying the minimum commercial automobile liability insurance required under Section 11(a) for the Vehicle(s) covered by such Schedule. Lessor may at any time during the applicable Term terminate said obligation to provide physical damage waiver and/or commercial automobile liability enrollment and cancel such physical damage waiver and/or commercial automobile liability enrollment upon giving Lessee at least ten (10) days prior written notice. Upon such cancellation, insurance in the minimum amounts as set forth in 11(a) shall be obtained and maintained by Lessee at Lessee's expense. An adjustment will be made in monthly rental charges payable by Lessee to reflect any such change and Lessee agrees to furnish Lessor with satisfactory proof of insurance coverage within ten (10) days after mailing of the notice. In addition, Lessor may change the rates charged by Lessor under this Section 11(b) for physical damage waiver and/or commercial automobile liability enrollment upon giving Lessee at least thirty (30) days prior written notice.

**12. INDEMNITY:** Lessee agrees to defend and indemnify Lessor, Servicer, any other agent of Lessor and their respective successors and assigns from and against any and all losses, damages, liabilities, suits, claims, demands, costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) which Lessor, Servicer, any other agent of Lessor or any of their respective successors or assigns may incur by reason of Lessee's breach or violation of, or failure to observe or perform, any term, provision or covenant of this Agreement, or as a result of any loss, damage, theft or destruction of any Vehicle or related to or arising out of or in connection with the use, operation or condition of any Vehicle. The provisions of this Section 12 shall survive any expiration or termination of this Agreement.

**13. INSPECTION OF VEHICLES; ODOMETER DISCLOSURE; FINANCIAL STATEMENTS:** Lessee agrees to accomplish, at its expense, all inspections of the Vehicles required by any governmental authority during the Term. Lessor, Servicer, any other agent of Lessor and any of their respective successors or assigns will have the right to inspect any Vehicle at any reasonable time(s) during the Term and for this purpose to enter into or upon any building or place where any Vehicle is located. Lessee agrees to comply with all odometer disclosure laws, rules and regulations and to provide such written and signed disclosure information on such forms and in such manner as directed by Lessor. Providing false information or failure to complete the odometer disclosure form as required by law may result in fines and/or imprisonment. Lessee hereby agrees to promptly deliver to Lessor such financial statements and other financial information regarding Lessee as Lessor may from time to time reasonably request.

**14. DEFAULT; REMEDIES:** The following shall constitute events of default ("Events of Default") by Lessee under this Agreement: (a) if Lessee fails to pay when due any rent or other amount due under this Agreement and any such failure shall remain unremedied for ten (10) days; (b) if Lessee fails to perform, keep or observe any term, provision or covenant contained in Section 11 of this Agreement; (c) if Lessee fails to perform, keep or observe any other term, provision or covenant contained in this Agreement and any such failure shall remain unremedied for thirty (30) days after written notice thereof is given by Lessor, Servicer or any other agent of Lessor to Lessee; (d) any seizure or confiscation of any Vehicle or any other act (other than a Casualty Occurrence) otherwise rendering any Vehicle unsuitable for use (as determined by Lessor); (e) if any present or future guaranty in favor of Lessor of all or any portion of the obligations of Lessee under this Agreement shall at any time for any reason cease to be in full force and effect or shall be declared to be null and void by a court of competent jurisdiction, or if the validity or enforceability of any such guaranty shall be contested or denied by any guarantor, or if any guarantor shall deny that it, he or she has any further liability or obligation under any such guaranty or if any guarantor shall fail to comply with or observe any of the terms, provisions or conditions contained in any such guaranty; (f) the occurrence of a



material adverse change in the financial condition, a going concern audit comment of Lessee or any guarantor, or if Lessee admits that it cannot pay its debts as they become due, makes an assignment for the benefit of creditors, is the subject of a voluntary or involuntary petition for bankruptcy, is adjudged insolvent or bankrupt, or a receiver or trustee is appointed for any portion of Lessee's assets or property; (g) if more than one (1) payment by Lessee to Lessor is returned by Lessee's bank for any reason within a twelve (12) month period; or (h) if Lessee or any guarantor is in default under or fails to comply with any other present or future agreement with or in favor of Lessor, Servicer of Lessor, or any direct or indirect subsidiary of Servicer of Lessor, Enterprise Holdings, Inc. or a subsidiary or affiliate of Enterprise Holdings, Inc. For purposes of this Section 14, the term "guarantor" shall mean any present or future guarantor of all or any portion of the obligations of Lessee under this Agreement.

Upon the occurrence of any Event of Default, Lessor, without notice to Lessee, will have the right to exercise concurrently or separately (and without any election of remedies being deemed made), the following remedies: (a) Lessor may demand and receive immediate possession of any or all of the Vehicles from Lessee, without releasing Lessee from its obligations under this Agreement; if Lessee fails to surrender possession of the Vehicles to Lessor on default (or termination or expiration of the Term), Lessor, Servicer, any other agent of Lessor and any of Lessor's independent contractors shall have the right to enter upon any premises where the Vehicles may be located and to remove and repossess the Vehicles; (b) Lessor may enforce performance by Lessee of its obligations under this Agreement; (c) Lessor may recover damages and expenses sustained by Lessor, Servicer, any other agent of Lessor or any of their respective successors or assigns by reason of Lessee's default including, to the extent permitted by applicable law, all costs and expenses, including court costs and reasonable attorneys' fees and expenses, incurred by Lessor, Servicer, any other agent of Lessor or any of their respective successors or assigns in attempting or effecting enforcement of Lessor's rights under this Agreement (whether or not litigation is commenced) and/or in connection with bankruptcy or insolvency proceedings; (d) upon written notice to Lessee, Lessor may terminate Lessee's rights under this Agreement; (e) with respect to each Vehicle, Lessor may recover from Lessee all amounts owed by Lessee under Sections 3(b) and 3(c) of this Agreement (and, if Lessor does not recover possession of a Vehicle, (i) the estimated wholesale value of such Vehicle for purposes of Section 3(c) shall be deemed to be \$0.00 and (ii) the calculations described in the first two sentences of Section 3(c) shall be made without giving effect to clause (ii) in each such sentence); and/or (f) Lessor may exercise any other right or remedy which may be available to Lessor under the Uniform Commercial Code, any other applicable law or in equity. Lessor has an absolute right to recoup any obligations Lessor would owe to Lessee under this Agreement against any obligations of Lessee to Lessor under this Agreement including, without limitation, under Sections 3, 5, 8, 10 and 12 of this Agreement. A termination of this Agreement shall occur only upon written notice by Lessor to Lessee. Any termination shall not affect Lessee's obligation to pay all amounts due for periods prior to the effective date of such termination or Lessee's obligation to pay any indemnities under this Agreement. All remedies of Lessor under this Agreement or at law or in equity are cumulative.

**15. ASSIGNMENTS:** Lessor may from time to time assign, pledge or transfer this Agreement and/or any or all of its rights and obligations under this Agreement to any person or entity. Lessee agrees, upon notice of any such assignment, pledge or transfer of any amounts due or to become due to Lessor under this Agreement to pay all such amounts to such assignee, pledgee or transferee. Any such assignee, pledgee or transferee of any rights or obligations of Lessor under this Agreement will have all of the rights and obligations that have been assigned to it. Lessee's rights and interest in and to the Vehicles are and will continue at all times to be subject and subordinate in all respects to any assignment, pledge or transfer now or hereafter executed by Lessor with or in favor of any such assignee, pledgee or transferee, provided that Lessee shall have the right of quiet enjoyment of the Vehicles so long as no Event of Default under this Agreement has occurred and is continuing. Lessee acknowledges and agrees that the rights of any assignee, pledgee or transferee in and to any amounts payable by the Lessee under any provisions of this Agreement shall be absolute and unconditional and shall not be subject to any abatement whatsoever, or to any defense, setoff, counterclaim or recoupment whatsoever, whether by reason of any damage to or loss or destruction of any Vehicle or by reason of any defect in or failure of title of the Lessor or interruption from whatsoever cause in the use, operation or possession of any Vehicle, or by reason of any indebtedness or liability howsoever and whenever arising of the Lessor or any of its affiliates to the Lessee or to any other person or entity, or for any other reason.

Without the prior written consent of Lessor, Lessee may not assign, sublease, transfer or pledge this Agreement, any Vehicle, or any interest in this Agreement or in and to any Vehicle, or permit its rights under this Agreement or any Vehicle to be subject to any lien, charge or encumbrance. Lessee's interest in this Agreement is not assignable and cannot be assigned or transferred by operation of law. Lessee will not transfer or relinquish possession of any Vehicle (except for the sole purpose of repair or service of such Vehicle) without the prior written consent of Lessor.

**16. MISCELLANEOUS:** This Agreement contains the entire understanding of the parties. This Agreement may only be amended or modified by an instrument in writing executed by both parties. Lessor shall not by any act, delay, omission or otherwise be deemed to have waived any of its rights or remedies under this Agreement and no waiver whatsoever shall be valid unless in writing and signed by Lessor and then only to the extent therein set forth. A waiver by Lessor of any right or remedy under this Agreement on any one occasion shall not be construed as a bar to any right or remedy, which Lessor would otherwise have on any future occasion. If any term or provision of this Agreement or any application of any such term or provision is invalid or unenforceable, the remainder of this Agreement and any other application of such term or provision will not be affected thereby. Without Lessor's prior written consent, Lessee shall not use or include Lessor's, Servicer's, any other agent of Lessor's names or trademarks orally or in writing in any media, customer lists or marketing materials. Giving of all notices under this Agreement will be sufficient if mailed by certified mail to a party at its address set forth below or at such other address as such party may provide in writing from time to time. Any such notice mailed to such address will be effective one (1) day after deposit in the United States mail, duly addressed, with certified mail, postage prepaid. Lessee will promptly notify Lessor of any change in Lessee's address. This Agreement may be executed in multiple counterparts (including facsimile and pdf counterparts), but the counterpart marked "ORIGINAL" by Lessor will be the original lease for purposes of applicable law. All of the representations, warranties, covenants, agreements and obligations of each Lessee under this Agreement (if more than one) are joint and several.

**17. SUCCESSORS AND ASSIGNS; GOVERNING LAW:** Subject to the provisions of Section 15, this Agreement will be binding upon Lessee and its heirs, executors, personal representatives, successors and assigns, and will inure to the benefit of Lessor, Servicer, any other agent of Lessor and their respective successors and assigns. This Agreement will be governed by and construed in accordance with the substantive laws of the State of Missouri (determined without reference to conflict of law principles).

**18. NON-PETITION:** Each party hereto hereby covenants and agrees that, prior to the date which is one year and one day after payment in full of all indebtedness of Lessor, it shall not institute against, or join any other person in instituting against, Lessor any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings or other similar proceeding under the laws of the United States or any state of the United States. The provisions of this Section 18 shall survive termination of this Master Equity Lease Agreement.

IN WITNESS WHEREOF, Lessor and Lessee have duly executed this Master Equity Lease Agreement as of the day and year first above written.

|                           |  |
|---------------------------|--|
| LESSEE: _____             | LESSOR: Enterprise FM Trust                                |
| Signature: _____          | By: Enterprise Fleet Management, Inc. its attorney in fact |
| By: _____                 | Signature: _____   |
| Title: _____              | By: _____  |
| Address: _____            | Title: _____   |
| _____                     | Address: _____   |
| _____                     | _____  |
| Date Signed: _____, _____ | Date Signed: _____, _____                                  |

Initials: EFM \_\_\_\_\_ Customer \_\_\_\_\_



AMENDMENT TO MASTER EQUITY LEASE AGREEMENT

THIS AMENDMENT ("Amendment") dated this \_\_\_\_ day of June, 2024 is attached to, and made a part of, the MASTER EQUITY LEASE AGREEMENT entered into on the \_\_\_\_ day of June, 2024 ("Agreement") by and between Enterprise FM Trust, a Delaware statutory trust ("Lessor") and City of Groves, Texas ("Lessee"). This Amendment is made for good and valuable consideration, the receipt of which is hereby acknowledged by the parties.

Section 12 of the Master Equity Lease Agreement is amended to read as follows:

**INDEMNITY:** As Lessee is a unit of local government of the State of Texas and is subject to, and must comply with, the applicable provisions of the Texas Tort Claims Act, as set out in Civil Practices and Remedies Code, Section 101.001 et. seq. and the remedies authorized therein regarding claims or causes of action that may be asserted by breach of this Agreement. To the extent permitted by Texas law, Lessee agrees to defend and indemnify Lessor, Servicer, any other agent of Lessor and their respective successors and assigns from and against any and all losses, damages, liabilities, suits, claims, demands, costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) which Lessor, Servicer, any other agent of Lessor or any of their respective successors or assigns may incur by reason of Lessee's breach or violation of, or failure to observe or perform, any term, provision or covenant of this Agreement, or as a result of any loss, damage, theft or destruction of any Vehicle or related to or arising out of or in connection with the use, operation or condition of any Vehicle. The provisions of this Section 12 shall survive any expiration or termination of this Agreement. Nothing herein shall be deemed to affect the rights, privileges, and immunities of Lessee and the foregoing indemnity provision is not intended to be a waiver of any sovereign immunity afforded to Lessee pursuant to Texas law.

Section 17 of the Master Equity Lease Agreement is amended to read as follows:

Subject to the provisions of Section 15, this Agreement will be binding upon Lessee and its heirs, executors, personal representatives, successors and assigns, and will inure to the benefit of Lessor, Servicer, any other agent of Lessor and their respective successors and assigns. This Agreement will be governed by and construed in accordance with the substantive laws of the State of Texas (determined without reference to conflict of law principles).

Section 19 of the Master Equity Lease Agreement is amended to read as follows:

**NON-APPROPRIATION:** Lessee's funding of this Agreement shall be on a Fiscal Year basis and is subject to annual appropriations. Lessor acknowledges that Lessee is a municipal Corporation, and being a unit of government, is precluded by the Texas State Constitution and other laws from entering into obligations that financially bind future governing bodies, and that, therefore, nothing in this Agreement shall constitute an obligation of future legislative bodies of the County or State to appropriate funds for purposes of this Agreement. Accordingly, the parties agree that the lease terms within this Agreement or any Schedules relating hereto are contingent upon appropriation of funds by the County or State. The parties further agree that should the County or State fail to appropriate such funds, the Lessor shall be paid all rentals due and owing hereunder up until the actual day of termination. In addition, the parties agree that Lessor may recover the losses incurred by the Lessor for having to sell the vehicles on the open used car market prior to the end of the scheduled term (as determined in Section 3 and Section 14 of this Agreement).

Additional Section 20 is added to the Master Equity Lease Agreement and reads as follows:

**No Boycotting Israel.** As required by Chapter 2271, Texas Government Code, Lessor hereby verifies that it does not boycott Israel and will not boycott Israel through the term of this Agreement. For purposes of this verification, "Boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes.

All references in the Agreement and in the various Schedules and addenda to the Agreement and any other references of similar import shall henceforth mean the Agreement as amended by this Amendment. Except to the extent specifically amended by this Amendment, all of the terms, provisions, conditions, covenants, representations and warranties contained in the Agreement shall be and remain in full force and effect and the same are hereby ratified and confirmed.



IN WITNESS WHEREOF, Lessor and Lessee have executed this Amendment to Master Equity Lease Agreement as of the day and year first above written.

\_\_\_\_\_  
City of Groves, Texas (Lessee)

\_\_\_\_\_  
Enterprise FM Trust (Lessor)  
By: Enterprise Fleet Management, Inc., its attorney in fact

By \_\_\_\_\_

By \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

**FULL MAINTENANCE AGREEMENT**

This Full Maintenance Agreement (this "Agreement") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, by Enterprise Fleet Management, Inc., a Missouri corporation ("EFM"), and \_\_\_\_\_ ("Lessee").

WITNESSETH

**1. LEASE.** Reference is hereby made to that certain Master Lease Agreement dated as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between Enterprise FM Trust, a Delaware statutory trust, as lessor ("Lessor"), and Lessee, as lessee (as the same may from time to time be amended, modified, extended, renewed, supplemented or restated, the "Lease"). All capitalized terms used and not otherwise defined in this Agreement shall have the respective meanings ascribed to them in the Lease.

**2. COVERED VEHICLES.** This Agreement shall only apply to those vehicles leased by Lessor to Lessee pursuant to the Lease to the extent Section 4 of the Schedule for such vehicle includes a charge for maintenance (the "Covered Vehicle(s)").

**3. TERM AND TERMINATION.** The term of this Agreement ("Term") for each Covered Vehicle shall begin on the Delivery Date of such Covered Vehicle and shall continue until the last day of the "Term" (as defined in the Lease) for such Covered Vehicle unless earlier terminated as set forth below. Each of EFM and Lessee shall each have the right to terminate this Agreement effective as of the last day of any calendar month with respect to any or all of the Covered Vehicles upon not less than sixty (60) days prior written notice to the other party. The termination of this Agreement with respect to any or all of the Covered Vehicles shall not affect any rights or obligations under this Agreement which shall have previously accrued or shall thereafter arise with respect to any occurrence prior to termination, and such rights and obligations shall continue to be governed by the terms of this Agreement.

**4. VEHICLE REPAIRS AND SERVICE.** EFM agrees that, during the Term for the applicable Covered Vehicle and subject to the terms and conditions of this Agreement, it will pay for, or reimburse Lessee for its payment of, all costs and expenses incurred in connection with the maintenance or repair of a Covered Vehicle. This Agreement does not cover, and Lessee will remain responsible for and pay for, (a) fuel, (b) oil and other fluids between changes, (c) tire or brake repair and replacement beyond what is allocated within the Lease Schedule, (d) washing, (e) repair of damage due to lack of maintenance or neglect by Lessee between scheduled services (including, without limitation, failure to maintain fluid levels), (f) maintenance or repair of, or damage caused by, any alterations, upgrades, upfitting, additions, improvements (collectively, "Alterations") or unauthorized replacement parts added to a Covered Vehicle or of any after-market components (this Agreement covers maintenance and repair only of the Covered Vehicles themselves and any factory-installed components and does not cover maintenance or repair of chassis alterations, add-on bodies (including, without limitation, step vans), software or other equipment (including, without limitation, lift gates, autonomous or automated vehicle equipment, components, parts or products, and PTO controls) which is installed or modified by a dealer, body shop, upfitter or anyone else other than the manufacturer of the Covered Vehicle, (g) any service and/or damage resulting from, related to or arising out of (1) an accident, a collision, theft, fire, freezing, vandalism, riot, explosion, other Acts of God, an object striking the Covered Vehicle, improper use of the Covered Vehicle (including, without limitation, driving over curbs, overloading, racing or other competition) or (2) Lessee's failure to maintain or use the Covered Vehicle as required by and in compliance with, (A) the Lease, (B) all laws, statutes, rules, regulations and ordinances (including without limitation such applicable federal, state and local laws, statutes, rules, regulations, ordinances, guidance and professional standards governing autonomous vehicles and automated driving systems and any parts, components and products related thereto) and (C) the provisions of all insurance policies affecting or covering the Covered Vehicles or their use or operation, (h) roadside assistance or towing for routine vehicle maintenance purposes unless the vehicle is inoperable, (i) mobile services, (j) the cost of loaner or rental vehicles beyond what is allocated within the Lease Schedule or (k) if the Covered Vehicle is a Vehicle with a manual transmission, such manual transmission clutch adjustment or replacement. Whenever it is necessary to have a Covered Vehicle serviced, Lessee agrees to have the necessary work performed by an authorized dealer of such Covered Vehicle or by a service facility acceptable to EFM. In every case, if the cost of such service will exceed \$125.00, which may change from time to time based on market conditions, Lessee or service provider must notify EFM and obtain EFM's authorization for such service and EFM's instructions as to where such service shall be made and the extent of service to be obtained. Lessee agrees to furnish an invoice for all service to a Covered Vehicle, accompanied by a copy of the shop or service order (odometer mileage must be shown on each shop or service order). EFM will not be obligated to pay for any unauthorized charges or those exceeding \$125.00, which may change from time to time based on market conditions, for one service on any Covered Vehicle unless Lessee has complied with the above terms and conditions. EFM will not have any responsibility to pay for any services in excess of the services recommended by the manufacturer, unless otherwise agreed to by EFM. Notwithstanding any other provision of this Agreement to the contrary, (a) all service performed within one hundred twenty (120) days prior to the last day of the scheduled "Term" (as defined in the Lease) for the applicable Covered Vehicle must be authorized by and have the prior consent and approval of EFM and any service not so authorized will be the responsibility of and be paid for by Lessee and (b) EFM is not required to provide or pay for any service to any Covered Vehicle beyond the contract mileage not to exceed 120,000 miles.

**5. ENTERPRISE CARDS:** EFM may, at its option, provide Lessee with an authorization card (the "EFM Card"), which is an electronic card located on the Efleets mobile app and the efleets.com client website, for use in authorizing the payment of charges incurred in connection with the maintenance of the Covered Vehicles. Lessee agrees to be liable to EFM for, and upon receipt of a monthly or other statement from EFM, Lessee agrees to promptly pay to EFM, all charges made by or for the account of Lessee with the EFM Card (other than any charges which are the responsibility of EFM under the terms of this Agreement). EFM reserves the right to change the terms and conditions for the use of the EFM Card at any time. The EFM Card remains the property of EFM and EFM may revoke Lessee's right to possess or use the EFM Card at any time. Upon the termination of this Agreement or upon the demand of EFM, Lessee shall immediately cease using or accessing the EFM Card. The EFM Card is non-transferable.

Initials: EFM \_\_\_\_\_ Lessee \_\_\_\_\_



**6. PAYMENT TERMS.** The amount of the monthly maintenance fee will be listed on the applicable Schedule and will be due and payable in advance on the first day of each month. If the first day of the Term for a Covered Vehicle is other than the first day of a calendar month, Lessee will pay EFM, on the first day of the Term for such Covered Vehicle, a pro-rated maintenance fee for the number of days that the Delivery Date precedes the first monthly maintenance fee payment date. Any monthly maintenance fee or other amount owed by Lessee to EFM under this Agreement which is not paid within twenty (20) days after its due date will accrue interest, payable upon demand of EFM, from the date due until paid in full at a rate per annum equal to the lesser of (i) Eighteen Percent (18%) per annum or (ii) the highest rate allowed by applicable law. The monthly maintenance fee set forth on each applicable Schedule allows the number of miles per month as set forth in such Schedule. Lessee agrees to pay EFM at the end of the applicable Term (whether by reason of termination of this Agreement or otherwise) an overmileage maintenance fee for any miles in excess of this average amount per month at the rate set forth in the applicable Schedule. EFM may, at its option, permit Lessor, as an agent for EFM, to bill and collect amounts due to EFM under this Agreement from Lessee on behalf of EFM.

**7. NO WARRANTIES.** Lessee acknowledges that EFM does not perform maintenance or repair services on the Covered Vehicles but rather EFM arranges for maintenance and/or repair services on the Covered Vehicles to be performed by third parties. EFM MAKES NO REPRESENTATION OR WARRANTY WHATSOEVER OF ANY KIND, EXPRESS OR IMPLIED, WHETHER ARISING BY COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE OR OTHERWISE WITH RESPECT TO ANY EQUIPMENT, PRODUCTS, REPAIRS OR SERVICES PROVIDED FOR UNDER THIS AGREEMENT BY THIRD PARTIES, INCLUDING, WITHOUT LIMITATION, ANY REPRESENTATION OR WARRANTY AS TO MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, COMPLIANCE WITH SPECIFICATIONS, OPERATION, CONDITION, SUITABILITY, PERFORMANCE OR QUALITY. ANY DEFECT IN THE PERFORMANCE OF ANY PRODUCT, REPAIR OR SERVICE WILL NOT RELIEVE LESSEE OF ITS OBLIGATIONS UNDER THIS AGREEMENT, INCLUDING THE PAYMENT TO EFM OF THE MONTHLY MAINTENANCE FEES AND OTHER CHARGES DUE UNDER THIS AGREEMENT.

In no event shall EFM or its agents or their respective affiliates be liable for consequential, indirect, incidental, special, exemplary, punitive or enhanced damages, lost profits or revenues or diminution in value, arising out of or relating to this agreement, including, without limitation, any breach or performance of this agreement, regardless of (i) whether such damages were foreseeable, (ii) whether or not EFM or its agents or their respective affiliates were advised of the possibility of such damages and/or (iii) the legal or equitable theory (contract, tort or otherwise) upon which a claim, action, cause of action, demand, lawsuit, arbitration, inquiry, proceeding or litigation is based, and notwithstanding the failure of any agreed or other remedy of its essential purpose.

**8. LESSOR NOT A PARTY.** Lessor is not a party to, and shall have no rights, obligations or duties under or in respect of, this Agreement.

**9. NOTICES.** Any notice or other communication under this Agreement shall be in writing and delivered in person, electronic mail or mailed postage prepaid by registered or certified mail or sent by express overnight delivery service with a nationally recognized carrier, to the applicable party at its address set forth on the signature page of this Agreement, or at such other address as any party hereto may designate as its address for communications under this Agreement by notice so given. Any such notice or communication sent by mail will be effective and deemed received three (3) days after deposit in the United States mail, duly addressed to the address for the Party set forth below, with registered or certified mail postage prepaid. Any such notice or communication sent by express overnight delivery service with a nationally recognized carrier will be effective and deemed received one (1) day after deposit with such delivery service, duly addressed, with delivery fees prepaid. The Lessee shall promptly notify EFM of any change in the Lessee's address.

**10. MISCELLANEOUS.** This Agreement embodies the entire Agreement between the parties relating to the subject matter hereof. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective only to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of such provisions in any other jurisdiction. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, except that Lessee may not assign, transfer or delegate any of its rights or obligations under this Agreement without the prior written consent of EFM. This Agreement shall be governed by and construed in accordance with the substantive laws of the State of Missouri (without reference to conflict of law principles).

IN WITNESS WHEREOF, EFM and Lessee have executed this Full Maintenance Agreement as of the day and year first above written.

|                           |  |
|---------------------------|--|
| LESSEE: _____             | EFM: Enterprise Fleet Management, Inc. |
| Signature: _____          | Signature: _____                       |
| By: _____                 | By: _____                              |
| Title: _____              | Title: _____                           |
| Address: _____            | Address: _____                         |
| _____                     | _____                                  |
| _____                     | _____                                  |
| Date Signed: _____, _____ | Date Signed: _____, _____              |

Initials: EFM \_\_\_\_\_ Lessee \_\_\_\_\_



**MAINTENANCE MANAGEMENT AND FLEET RENTAL AGREEMENT**

This Agreement is entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, by and between Enterprise Fleet Management, Inc., a Missouri corporation, doing business as "Enterprise Fleet Management" ("EFM"), and \_\_\_\_\_ (the "Company").

**1. ENTERPRISE CARDS:** EFM will provide the Company with an EFM Card for each vehicle, which EFM Card is an electronic card and is located on the Efleets mobile app and the efleets.com client website, for use in authorizing the payment of charges incurred in connection with the vehicle maintenance program (the "Program") for a vehicle. The Company agrees to be and shall be liable to EFM for all charges made by or for the account of the Company with the EFM Card (other than any charges which are the responsibility of EFM under the terms of this Agreement). EFM will invoice the Company for all such charges, and the Company agrees to and shall pay to EFM all invoiced amounts in accordance with the terms of this Maintenance Management and Fleet Rental Agreement (Agreement). EFM reserves the right, and the Company agrees and acknowledges that EFM shall have the right, to change the terms and conditions as set forth in this Agreement for the use of the EFM Card at any time. The EFM Card is and shall remain at all times the property of EFM, and EFM may revoke the Company's right to possess, access, or use the EFM Card at any time and for any reason. The EFM Card is non-transferable. EFM will provide a driver information packet (the "Packet") outlining the Maintenance Management Program. The Parties agree that the Maintenance Management Program is subject to the terms and conditions of the Packet.

**2. VEHICLE REPAIRS AND SERVICE:** EFM will provide purchase order control by telephone, electronic mail, or in writing authorizing charges for service, maintenance, or repairs exceeding \$125.00, which may change from time to time based on market conditions, or such other amount as may be established by EFM, in its sole discretion, from time to time under the Program. All charges for service, maintenance or repairs will be invoiced to EFM. Invoices will be reviewed by EFM for accuracy, proper application of any applicable manufacturer's warranty, application of potential discounts and unnecessary, unauthorized repairs.

Notwithstanding the above, in the event the repairs and service are the result of damage from an accident or other non-maintenance related cause (including glass claims), these matters will be referred to the Company's Fleet Manager. If the Company prefers that EFM handle the damage repair, the Company agrees to assign the administration of the matter to EFM. EFM will administer such claims in its discretion. The fees for this service will be up to \$125.00 per claim and the Company agrees to reimburse for repairs as outlined in this agreement. If the Company desires the assistance of EFM in recovering damage amounts from at fault third parties, a Vehicle Risk Management Agreement must be on file for the Company.

**3. BILLING AND PAYMENT:** All audited invoices paid by EFM on behalf of the Company will be consolidated and submitted to the Company on a single monthly invoice for the entire Company fleet covered under this Agreement. The Company is liable for, and will pay EFM within twenty (20) days after receipt of an invoice or statement for, all purchases invoiced to the Company by EFM, which were paid by EFM for or on behalf of the Company. EFM will be entitled to retain for its own account, and treat as being paid by EFM for purposes of this Agreement, any discounts it receives from a supplier with respect to such purchases which are based on the overall volume of business EFM provides to such supplier and not solely the Company's business.

**4. RENTAL VEHICLES:** The EFM Card allows the Company the option to arrange for a rental vehicle at a discounted rate with a subsidiary or affiliate of Enterprise Holdings, Inc. ("EHI") for a maximum of two (2) days without prior authorization from EFM. Extensions beyond two (2) days must be approved by EFM. The Company shall be fully responsible for all obligations under any rental agreement with a subsidiary or affiliate of EHI pursuant to this Agreement. All drivers of a rental vehicle must be at least twenty one (21) years of age unless otherwise required by law, hold a valid driver's license, be an employee of the Company and authorized by the Company through established reservation procedures and meet all other applicable requirements of the applicable subsidiary or affiliate of EHI. The Company will be provided a specific telephone number for use in arranging a rental vehicle described in this Section.

**5. NO WARRANTY:** The Company acknowledges that EFM does not perform maintenance or repair services on the Company's vehicles or any rental vehicles and any maintenance or repair services are to be performed by third parties. EFM MAKES NO REPRESENTATION OR WARRANTY WHATSOEVER OF ANY KIND, EXPRESS OR IMPLIED, WHETHER ARISING BY COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE OR OTHERWISE WITH RESPECT TO PRODUCTS, REPAIRS OR SERVICES PROVIDED IN CONNECTION WITH THIS AGREEMENT BY THIRD PARTIES, INCLUDING, WITHOUT LIMITATION, ANY REPRESENTATION OR WARRANTY AS TO MERCHANTABILITY, COMPLIANCE WITH SPECIFICATIONS, OPERATION, CONDITION, SUITABILITY, PERFORMANCE, QUALITY OR FITNESS FOR USE. Any defect in the performance of any product, repair or service will not relieve the Company from its obligations under this Agreement, including without limitation the payment to EFM of monthly invoices.

**6. CANCELLATION:** Either party may cancel any Card under this Agreement or this Agreement in its entirety at any time by giving thirty (30) days written notice to the other party. The cancellation of any Card or termination of this Agreement will not affect any rights or obligations under this Agreement, which shall have previously accrued or shall thereafter arise with respect to any occurrence prior to such cancellation or termination. Upon such cancellation or termination, the Company shall immediately cease using or accessing the EFM Card. Notice to EFM regarding the cancellation of any Card shall specify the Card number and identify the Company's representative. EFM will exercise due care to prevent additional charges from being incurred once the Company has notified EFM of its desire to cancel any outstanding Card under this Agreement.

**7. NOTICES:** Any notice or other communication under this Agreement shall be in writing and delivered in person, electronic mail or mailed postage prepaid by registered or certified mail or sent by express overnight delivery service with a nationally recognized carrier, to the applicable party at its address set forth on the signature page of this Agreement, or at such other address as any party hereto may designate as its address for communications under this Agreement by notice so given. Any such notice or communication sent by mail will be effective and deemed received three (3) days after deposit in the United States mail, duly addressed to the address for the Party set forth below, with registered or certified mail postage prepaid. Any such notice or communication sent by express overnight delivery service with a nationally recognized carrier will be effective and deemed received one (1) day after deposit with such delivery service, duly addressed, with delivery fees prepaid. The Company shall promptly notify EFM of any change in the Company's address.

**8. FEES:** EFM will charge the Company for the service under this Agreement \$\_\_\_\_\_ per month per Card.

**9. MISCELLANEOUS:** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, except that Company may not assign, transfer or delegate any of its rights or obligations under this Agreement without the prior written consent of EFM. This Agreement is governed by the substantive laws of the State of Missouri (determined without reference to conflict of law principles).

IN WITNESS WHEREOF, EFM and the Company have executed this Maintenance Management and Fleet Rental Agreement as of the day and year first above written.

COMPANY: \_\_\_\_\_

EFM: Enterprise Fleet Management, Inc.

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Date Signed: \_\_\_\_\_, \_\_\_\_\_

Date Signed: \_\_\_\_\_, \_\_\_\_\_

Initials: EFM\_\_\_\_\_ Company\_\_\_\_\_



**AGREEMENT TO SELL CUSTOMER VEHICLES**

THIS AGREEMENT is entered into by and among the entities set forth on the attached Schedule 1 (hereinafter each an "Enterprise Entity" and collectively the "Enterprise Entities") and Enterprise Fleet Management, Inc. (hereinafter referred to as "EFM") (the "Enterprise Entities" and "EFM" shall collectively be referred to as "Enterprise") on the one hand and \_\_\_\_\_ (hereinafter referred to as "CUSTOMER"), on the other hand on this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ (hereinafter referred to as the "Execution Date").

**RECITALS**

- A. Enterprise FM Trust and CUSTOMER have entered into an agreement whereby Customer has agreed to lease certain vehicles set forth in the agreement between Customer and Enterprise FM Trust;
- B. EFM is the servicer of the lease agreement between Enterprise FM Trust and Customer;
- C. Enterprise, from time to time, sells vehicles at wholesale auctions and other outlets; and
- D. The CUSTOMER and Enterprise wish to enter into an agreement whereby Enterprise will sell at wholesale, CUSTOMER's vehicles set forth on Exhibit A, attached hereto and incorporated herein, as supplemented from time to time (collectively, the "Vehicles").

NOW, THEREFORE, for and in consideration of the mutual promises and covenants hereinafter set forth, the parties agree as follows:

**TERMS AND CONDITIONS**

- 1. **Right to Sell:** Enterprise shall have the non-exclusive right to sell any Vehicles assigned to Enterprise by CUSTOMER, or under consignment from Customer to Enterprise, as the case may be dependent upon applicable law in the jurisdiction in which the Vehicle is to be sold. For Vehicles to be sold under assignment, Customer shall assign the title to Enterprise and deliver the assigned title to Enterprise with the Vehicle. For Vehicles to be sold under consignment, Customer shall execute a consignment agreement granting Enterprise power in any and all matters pertaining to the transfer of Vehicle titles and any papers necessary thereto on behalf of CUSTOMER.
- 2. **Additional Documentation:** Where necessary, CUSTOMER shall execute any and all additional documentation, required to effectuate the sale of Vehicle(s).
- 3. **Service Fee:** For each Vehicle sold, the CUSTOMER shall pay Enterprise an administrative fee of the lesser of \$<sup>495</sup>\_\_\_\_\_ or the maximum permitted by law ("Service Fee").
- 4. **Sales Process:** Enterprise shall use reasonable efforts in its sole discretion to sell each Vehicle. CUSTOMER may, at its discretion, place a Minimum Bid or Bid to be Approved (BTBA) on any Vehicle by providing prior written notification to Enterprise. Enterprise shall have full discretion to accept any bid at or above the designated minimum bid or BTBA. Absent any such minimum bid or BTBA, Enterprise shall have full discretion to accept any bid on a Vehicle.
- 5. **Time for Payment:**
  - (a) No later than twenty-one (21) business days after the collection of funds by Enterprise for the sale of a Vehicle, Enterprise will remit to the CUSTOMER an amount equal to the Vehicle sale price minus any seller fees, auction fees, Service Fees, towing costs, title service fees, enhancement fees and any expenses incurred by Enterprise while selling Vehicle, regardless of whether the purchaser pays for the Vehicle.
  - (b) Enterprise's obligations pursuant to Section 5(a) shall not apply to Vehicle sales involving mistakes or inadvertences in the sales process where Enterprise reasonably believes in its sole discretion that fairness to the buyer or seller justifies the cancellation or reversal of the sale. If Enterprise has already remitted payment to CUSTOMER pursuant to Section 5(a) prior to the sale being reversed or cancelled, CUSTOMER agrees to reimburse Enterprise said payment in full. Enterprise will then re-list the Vehicle and pay CUSTOMER in accordance with this Section 5. Examples of mistakes or inadvertences include, but are not limited, to Vehicles sold using inaccurate or incomplete vehicle or title descriptions and bids entered erroneously.



6. **Indemnification and Hold Harmless:** Except as otherwise provided herein, CUSTOMER agrees to indemnify, defend and hold EFM and each Enterprise Entity and their parents and affiliated entities, employees and agents harmless to the extent any loss, damage, or liability arises from EFM or any Enterprise Entity's use or operation of a vehicle and for the negligence or willful misconduct of Customer, its agents or employees, and for its breach of any term of this Agreement. The parties' obligations under this section shall survive termination of this Agreement.
7. **Risk of Loss:** Notwithstanding anything to the contrary hereunder, CUSTOMER shall assume all risk of loss for damage to or loss of any Vehicle or any part or accessory regardless of fault or negligence of CUSTOMER, Enterprise, EFM or any other person or entity or act of God.
8. **Liens, Judgments, Titles and Defects:** CUSTOMER represents and warrants it holds full legal title to each such Vehicle, title to each such Vehicle is clean and not subject to being branded for any reason, or requires any form of additional disclosure to a purchaser and that there are no open recalls on each such Vehicle. CUSTOMER shall defend, indemnify and hold Enterprise, EFM, their parents, employees and agents harmless from and against any and all claims, expenses (including reasonable attorney's fees), suits and demands arising out of, based upon, or resulting from any judgments, liens or citations that were placed on the Vehicle, defects in the Vehicle's title, or mechanical or design defects in the Vehicle.
9. **Odometer:** Neither EFM nor Enterprise assume responsibility for the correctness of the odometer reading on any Vehicle and the CUSTOMER shall defend, indemnify and hold EFM, Enterprise, their parents, employees and agents harmless from and against any and all claims, expenses (including reasonable attorney's fees), suits and demands arising out of, based upon or resulting from inaccuracy of the odometer reading on any Vehicle or any odometer statement prepared in connection with the sale of any Vehicle, unless such inaccuracy is caused by EFM, Enterprise, their employees or officers.
10. **Bankruptcy:** Subject to applicable law, in the event of the filing by CUSTOMER of a petition in bankruptcy or an involuntary assignment of its assets for the benefit of creditors, EFM or Enterprise may accumulate sales proceeds from the sale of all Vehicles and deduct seller fees, auction fees, Service Fees, towing costs, title service fees, enhancement fees and any expenses incurred by EFM or Enterprise while selling Vehicle from said funds. EFM or Enterprise will thereafter remit to CUSTOMER the net proceeds of said accumulated sales proceeds, if any.
11. **Compliance with Laws:** EFM, Enterprise and CUSTOMER shall comply with all federal, state, and local laws, regulations, ordinances, and statutes, including those of any state motor vehicle departments, department of insurance, and the Federal Odometer Act.
12. **Insurance:** CUSTOMER shall maintain and provide proof of Automobile Liability Insurance until the later of title transfer to purchaser of Vehicle or transfer of sales proceeds to Customer covering liability arising out of maintenance, use or operation of any Vehicle (owned, hired and non-owned) under this Agreement, with limits of not less than one million dollars (\$1,000,000) per occurrence for bodily injury and property damage. EFM, Enterprise, and their subsidiaries and affiliates are to be named as Additional Insureds. This insurance shall be written as a primary policy and not contributing with any insurance coverage or self-insurance or other means of owner's financial responsibility applicable to EFM or Enterprise. CUSTOMER must waive and must require that its insurer waive its right of subrogation against EFM and Enterprise and their affiliates, employees, successors and permitted assigns on account of any and all claims CUSTOMER may have against EFM or Enterprise with respect to insurance actually carried or required to be carried pursuant to this Agreement.
13. **Term:** This agreement is effective on the Execution Date and shall continue until such time as either party shall notify the other party with thirty (30) days prior written notice to terminate the Agreement with or without cause.
14. **Modification:** No modification, amendment or waiver of this Agreement or any of its provisions shall be binding unless in writing and duly signed by the parties hereto.
15. **Entire Agreement:** This Agreement constitutes the entire Agreement between the parties and supersedes all previous agreements, promises, representations, understandings, and negotiations, whether written or oral, with respect to the subject matter hereto.
16. **Liability Limit:** EXCEPT TO THE EXTENT A PARTY HERETO BECOMES LIABLE FOR ANY DAMAGES OF THE TYPES DESCRIBED BELOW TO A THIRD PARTY AS A RESULT OF A THIRD PARTY CLAIM AND SUCH PARTY IS ENTITLED TO INDEMNIFICATION WITH RESPECT THERETO UNDER THE PROVISIONS OF THIS AGREEMENT, IN NO EVENT SHALL EITHER PARTY HEREUNDER BE LIABLE TO OTHER PARTY FOR ANY SPECIAL, INCIDENTAL, CONSEQUENTIAL, PUNITIVE, EXEMPLARY, OR INDIRECT DAMAGES (INCLUDING WITHOUT LIMITATION, LOSS OF GOODWILL, LOSS OF PROFITS OR REVENUES, LOSS OF SAVINGS AND/OR INTERRUPTIONS OF BUSINESS), EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.
17. **Attorney's Fees:** In the event that a party hereto institutes any action or proceeding to enforce the provisions of this Agreement, the prevailing party shall be entitled to receive from the losing party reasonable attorney's fees and costs for legal services rendered to the prevailing party.

18. Authorization: Each party represents and warrants to the other party that the person signing this Agreement on behalf of such party is duly authorized to bind such party.

19. Independent Contractor: EFM and Enterprise shall perform the services hereunder as an independent contractor of Customer and no term of this Agreement shall be deemed or construed to render CUSTOMER and EFM or Enterprise as joint venturers or partners.

20. Unsold Vehicles: Should such Vehicle not sell, Customer shall pick up Vehicle within five (5) business days of being provided notice that the Vehicle has not been sold and, for Vehicles assigned to Enterprise by Customer, Enterprise shall assign title back to CUSTOMER.

“ENTERPRISE”

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date Signed: \_\_\_\_\_, \_\_\_\_\_

“CUSTOMER”

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date Signed: \_\_\_\_\_, \_\_\_\_\_

Schedule 1

Enterprise Leasing Company of STL, LLC  
Enterprise Leasing Company of Georgia, LLC  
Enterprise Leasing Company of Florida, LLC  
Enterprise Leasing Company of KS LLC  
EAN Holdings, LLC  
Enterprise Leasing Company of Orlando, LLC  
Enterprise Leasing Company of Indianapolis, LLC  
Enterprise Rent-A-Car Company of Boston, LLC  
Enterprise Leasing Company of Denver, LLC  
Enterprise Leasing Company of Chicago, LLC  
Enterprise RAC Company of Maryland, LLC  
Enterprise Leasing Company of Philadelphia, LLC  
Enterprise RAC Company of Baltimore, LLC  
Enterprise Leasing Company of Minnesota, LLC  
Enterprise Leasing Company of Detroit, LLC  
Enterprise Leasing Co of Norfolk/ Richmond, LLC  
Enterprise Rent-A-Car Co of San Francisco, LLC  
ELRAC, LLC  
SNORAC, LLC

Enterprise Rent-A-Car Company of Sacramento, LLC  
Enterprise Rent-A-Car Company of Los Angeles, LLC  
Enterprise RAC Company of Cincinnati, LLC  
CLERAC, LLC  
Enterprise Rent-A-Car Company of Pittsburgh, LLC  
Enterprise Rent-A-Car Company of Wisconsin, LLC  
Enterprise Rent-A-Car Company of UT, LLC  
CAMRAC, LLC  
Enterprise Rent-A-Car Company of Rhode Island, LLC  
Enterprise Leasing Company of Phoenix, LLC  
Enterprise Leasing Company- Southeast, LLC  
Enterprise Leasing Company- West, LLC  
Enterprise Leasing Company- South Central, LLC  
PENRAC, LLC  
Enterprise Rent-A-Car Company of KY, LLC  
Enterprise Rent-A-Car Company - Midwest, LLC  
Enterprise RAC Company of Montana/Wyoming, LLC



**CONSIGNMENT AUCTION AGREEMENT**

THIS AGREEMENT is entered into by and between Enterprise Fleet Management, Inc. a Missouri Corporation (hereinafter referred to as "Enterprise") and \_\_\_\_\_ (hereinafter referred to as "CUSTOMER") on this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ (hereinafter referred to as the "Execution Date").

**RECITALS**

- A. Enterprise is in the business of selling previous leased and rental vehicles at wholesale auctions; and
- B. The CUSTOMER is in the business of \_\_\_\_\_.
- C. The CUSTOMER and Enterprise wish to enter into an agreement whereby Enterprise will sell at wholesale auction, CUSTOMER's vehicles set forth on Exhibit A, attached hereto and incorporated herein, as supplemented from time to time (collectively, the "Vehicles").

NOW, THEREFORE, for and in consideration of the mutual promises and covenants hereinafter set forth, the parties agree as follows:

**TERMS AND CONDITIONS**

1. **Right to Sell:** Enterprise shall have the non-exclusive right to sell any Vehicles consigned to Enterprise by a CUSTOMER within the Geographic Territory.
2. **Power of Attorney:** CUSTOMER appoints Enterprise as its true and lawful attorney-in-fact to sign Vehicle titles on behalf of CUSTOMER for transfer of same and hereby grant it power in any and all matters pertaining to the transfer of Vehicle titles and any papers necessary thereto on behalf of CUSTOMER. The rights, powers and authorities of said attorney-in-fact granted in this instrument shall commence and be in full force and effect on the Execution Date, and such rights, powers and authority shall remain in full force and effect thereafter until terminated as set forth herein.
3. **Assignments:** Vehicle assignments may be issued to Enterprise by phone, fax, or electronically.
4. **Service Fee:** For each Vehicle sold, the CUSTOMER shall pay Enterprise a fee of \$<sup>495</sup>\_\_\_\_\_ ("Service Fee") plus towing at prevailing rates.
5. **Sales Process:** Enterprise shall use reasonable efforts sell each Vehicle. CUSTOMER may, at its discretion, place a Minimum Bid or Bid to be Approved (BTBA) on any Vehicle by providing prior written notification to Enterprise.
6. **Time for Payment:**
  - (a) No later than ten (10) business days after the collection of funds for the sale of a Vehicle, Enterprise will remit to the CUSTOMER an amount equal to the Vehicle sale price minus any seller fees, auction fees, Service Fees, towing costs, title service fees, enhancement fees and any expenses incurred by Enterprise while selling Vehicle, regardless of whether the purchaser pays for the Vehicle.
  - (b) Enterprise's obligations pursuant to Section 6(a) shall not apply to Vehicle sales involving mistakes or inadvertences in the sales process where Enterprise reasonably believes that fairness to the buyer or seller justifies the cancellation or reversal of the sale. If Enterprise has already remitted payment to CUSTOMER pursuant to Section 6(a) prior to the sale being reversed or cancelled, CUSTOMER agrees to reimburse Enterprise said payment in full. Enterprise will then re-list the Vehicle and pay CUSTOMER in accordance with this Section 6. Examples of mistakes or inadvertences include, but are not limited, to Vehicles sold using inaccurate or incomplete vehicle or title descriptions and bids entered erroneously.
7. **Indemnification and Hold Harmless:** Enterprise and CUSTOMER agree to indemnify, defend and hold each other and its parent, employees and agents harmless to the extent any loss, damage, or liability arises from the negligence or willful misconduct of the other, its agents or employees, and for its breach of any term of this Agreement. The parties' obligations under this section shall survive termination of this Agreement.

8. Liens, Judgments, Titles and Defects: CUSTOMER shall defend, indemnify and hold Enterprise its parent, employees and agents harmless from and against any and all claims, expenses (including reasonable attorney's fees), suits and demands arising out of, based upon, or resulting from any judgments, liens or citations that were placed on the Vehicle, defects in the Vehicle's title, or mechanical or design defects in the Vehicle.

9. Odometer: Enterprise assumes no responsibility for the correctness of the odometer reading on any Vehicle and the CUSTOMER shall defend, indemnify and hold Enterprise its parent, employees and agents harmless from and against any and all claims, expenses (including reasonable attorney's fees), suits and demands arising out of, based upon or resulting from inaccuracy of the odometer reading on any Vehicle or any odometer statement prepared in connection with the sale of any Vehicle, unless such inaccuracy is caused by an employee, Enterprise, or officer of Enterprise.

10. Bankruptcy: Subject to applicable law, in the event of the filing by CUSTOMER of a petition in bankruptcy or an involuntary assignment of its assets for the benefit of creditors, Enterprise may accumulate sales proceeds from the sale of all Vehicles and deduct seller fees, auction fees, Service Fees, towing costs, title service fees, enhancement fees and any expenses incurred by Enterprise while selling Vehicle from said funds. Enterprise will thereafter remit to CUSTOMER the net proceeds of said accumulated sales proceeds, if any.

11. Compliance with Laws: Enterprise shall comply with all federal, state, and local laws, regulations, ordinances, and statutes, including those of any state motor vehicle departments, department of insurance, and the Federal Odometer Act.

12. Insurance: CUSTOMER shall obtain and maintain in force at all times during the term of this Agreement and keep in place until each Vehicle is sold and title is transferred on each Vehicle, automobile third party liability of \$1,000,000 per occurrence and physical damage coverage on all Vehicles. This insurance shall be written as a primary policy and not contributing with any insurance coverage or self-insurance applicable to Enterprise.

13. Term: This agreement is effective on the Execution Date and shall continue until such time as either party shall notify the other party with thirty (30) days prior written notice to terminate the Agreement with or without cause.

14. Modification: No modification, amendment or waiver of this Agreement or any of its provisions shall be binding unless in writing and duly signed by the parties hereto.

15. Entire Agreement: This Agreement constitutes the entire Agreement between the parties and supersedes all previous agreements, promises, representations, understandings, and negotiations, whether written or oral, with respect to the subject matter hereto.

16. Liability Limit: In the event Enterprise is responsible for any damage to a Vehicle, Enterprise's liability for damage to a Vehicle in its possession shall be limited to the lesser of: (1) the actual cost to repair the damage to such vehicle suffered while in Enterprise's possession; or (2) the negative impact to the salvage value of such vehicle. Enterprise shall not be liable for any other damages to a Vehicle of any kind, including but not limited to special, incidental, consequential or other damages.

17. Attorney's Fees: In the event that a party hereto institutes any action or proceeding to enforce the provisions of this Agreement, the prevailing party shall be entitled to receive from the losing party reasonable attorney's fees and costs for legal services rendered to the prevailing party.

18. Authorization: Each party represents and warrants to the other party that the person signing this Agreement on behalf of such party is duly authorized to bind such party.

"ENTERPRISE"

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date Signed: \_\_\_\_\_, \_\_\_\_\_

"CUSTOMER"

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date Signed: \_\_\_\_\_, \_\_\_\_\_