City of Pittsburg, Kansas
Commission Meeting Agenda
Tuesday, August 25, 2026
5:30 p.m.

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CITY OF PITTSBURG, KANSAS
COMMISSION AGENDA
Tuesday, August 25, 2026
5:30 PM

CALL TO ORDER BY THE MAYOR:

a. Flag Salute Led by the Mayor
b. Public Input

CONSENT AGENDA (ROLL CALL VOTE):

a. Approval of the August 11th, 2026, City Commission Meeting minutes.

b. Approval of staff request to purchase 793 poly carts from Elliott Equipment Co., in the amount of $51,107.50.

c. Approval of the appointment of Ron Seglie, Daron Hall, Jay Byers and Tammy Nagel to serve as voting delegates to represent the City of Pittsburg at the League of Kansas Municipalities Annual Meeting scheduled for October 8th through 10th, 2026, in Wichita, Kansas.

d. Approval of the Appropriation Ordinance for the period ending August 25th, 2026, subject to the release of HUD expenditures when funds are received.

SPECIAL PRESENTATION:

a. SUMMER READING PROGRAM SUMMARY - Pittsburg Public Library Director Bev Clarkson will provide a summary of the summer reading program. **Receive for file.**

CONSIDER THE FOLLOWING:

a. ORDINANCE NO. S-1119 – Consider Ordinance No. S-1119, authorizing the City of Pittsburg, Kansas to issue its Taxable Industrial Revenue Bonds, Series 2026 (Progressive Products Project) for the purpose of constructing an addition to an existing manufacturing facility; and authorizing other related documents and actions. **Approve or disapprove Ordinance No. S-1119 and, if approved, authorize the Mayor to sign the Ordinance on behalf of the City.**

b. WISESIGHT PARKING TECHNOLOGY AGREEMENT – Consider staff recommendation to approve an agreement with WiseSight for parking control and enforcement support services, with the funding for the agreement, to be the greater of $42,420 annually or $5 per detection, to come from the Public Safety Sales Tax. **Approve or disapprove the recommendation.**

c. 2027 BUDGET – Review and discuss the proposed 2027 Budget. **Take that action deemed appropriate.**

NON-AGENDA REPORTS AND REQUESTS:

ADJOURNMENT

OFFICIAL MINUTES
OF THE MEETING OF THE
GOVERNING BODY OF THE
CITY OF PITTSBURG, KANSAS
August 11, 2026

A Regular Session of the Board of Commissioners was held at 5:30 p.m. on Tuesday, August 11, 2026, in the City Commission Room, located in the Law Enforcement Center, 201 North Pine, with Mayor Chuck Munsell presiding and the following members present: Cheryl Brooks, Stu Hite, D.J. Perry and Ron Seglie, M.D.

FLAG SALUTE - Mayor Munsell led the flag salute.

INVOCATION – Reverend Mark Chambers, on behalf of the First United Methodist Church, provided an invocation.

PUBLIC INPUT –

PROPOSED 2027 BUDGET - Roger Lomshek, 1147 South 220th Street, asked questions in regard to the proposed 2027 Budget.

PROPOSED 2027 BUDGET - Kristi Bitner, 1508 Bitner Court, asked questions in regard to the proposed 2027 Budget.

APPROVAL OF MINUTES – On motion of Hite, seconded by Brooks, the Governing Body approved the July 28th, 2026, City Commission Meeting minutes as presented. Motion carried.

APPROPRIATION ORDINANCE – On motion of Hite, seconded by Brooks, the Governing Body approved the Appropriation Ordinance for the period ending August 11th, 2026, subject to the release of HUD expenditures when funds are received with the following roll call vote: Yea: Brooks, Hite, Munsell, Perry and Seglie. Motion carried.

AWARD OF BID - TREE REMOVAL PROJECT – On motion of Hite, seconded by Seglie, the Governing Body awarded the bid for the Tree Removal Project to Wichita Tree Service, of Wichita, Kansas, in the amount of $89,415.00, and authorized the Mayor and City Clerk to sign the contract documents once prepared. Motion carried.

ATKINSON AND FREE KING HIGHWAY INTERSECTION PROJECT – On motion of Perry, seconded by Brooks, the Governing Body awarded the Pre-Construction Engineering and Project Management Contract for the Free King Highway and Atkinson Intersection Project to OWN Engineering, of Pittsburg, Kansas, and authorized the Mayor and City Clerk to execute the contract documents once prepared. Motion carried.

QUINCY AND FREE KING HIGHWAY INTERSECTION PROJECT – On motion of Perry, seconded by Brooks, the Governing Body awarded the Pre-Construction Engineering and Project Management Contract for the Free King Highway and Quincy Intersection Project to CFS Engineering, of Topeka, Kansas, and authorized the Mayor and City Clerk to execute the contract documents once prepared. Motion carried.

RESOLUTION NO. 1305 – On motion of Hite, seconded by Brooks, the Governing Body approved Resolution No. 1305, authorizing the redemption and defeasance of the outstanding taxable General Obligation Bonds, Series 2025-A of The City of Pittsburg, Kansas; and authorizing certain actions to be taken in conjunction therewith, and authorized the Mayor to sign the Resolution on behalf of the City. Motion carried.

VARIANCE – RADELL UNDERGROUND, INC. – 1200 WEST 4th STREET – On motion of Brooks, seconded by Perry, the Governing Body approved the recommendation of the Planning Commission/Board of Zoning Appeals to grant the request submitted by Radell Underground, Inc., for a floodway variance at 1200 West 4th Street to allow the construction of a storage building, as well as a future building expansion. Motion carried.

FIRE DEPARTMENT SOFTWARE PURCHASE - On motion of Brooks, seconded by Perry, the Governing Body approved staff recommendation to waive the competitive bidding process and to purchase and implement the First Due Records Management System, for use by the Pittsburg Fire Department, at a first-year cost of $32,300.05, to be funded through the Public Safety Sales Tax. Motion carried.

RADIO SYSTEMS - Discussion was held regarding the radio systems utilized by area emergency responders.

PROPOSED 2027 BUDGET – Governing Body members reviewed and discussed the proposed 2027 Budget.

Proposed changes will be discussed during the August 25, 2026, City Commission meeting.

NON-AGENDA REPORTS & REQUESTS:

STREETLIGHT ENHANCEMENT – On motion of Hite, seconded by Brooks, the Governing Body approved an agreement with Rival Time Products, in the amount of $66,770.76 for the purchase of 84 light fixtures to be installed downtown. Motion carried.

LITTLE BALKANS CELEBRATION – Commissioner Seglie inquired about the 2026 Little Balkans Celebration. Director of Community Development and Housing Kim Froman provided an overview of Little Balkans events that are scheduled over the Labor Day weekend planned by the Pitt150 Celebration Committee and other community members.

EXTREME WEATHER – City Manager Daron Hall reminded citizens to check on their neighbors and pets during the extreme heat. City Commissioners thanked City employees for their work during the heat.

PEDESTRIAN TRAFFIC – Director of Public Works and Public Utilities Matt Bacon reminded citizens to use caution when driving, as with school starting soon, there will be an increase in pedestrian traffic.

TRAFFIC SIGNAL – 3rd AND BROADWAY – Director of Public Works and Public Utilities Matt Bacon announced that the traffic signal at 3rd and Broadway is fully operational.

ADJOURNMENT - On motion of Perry, seconded by Hite, the Governing Body adjourned the meeting at 8:12 p.m. Motion carried.

____
Chuck Munsell, Mayor

ATTEST:

____
Tammy Nagel, City Clerk

DEPARTMENT OF PROPERTY & SANITATION

201 West 4th Street · Pittsburg KS 66762

(620) 231-4170

www.pittks.org

Interoffice Memorandum

TO: Daron Hall

FROM: Dexter Neisler, Director of Property and Sanitation

DATE: August 11, 2026

Subject: Approval of purchase of refuse containers

I am writing this to request approval from the commission to authorize $51,107.50 for the purchase of poly carts.

I kindly request that this matter be included on the agenda for the upcoming August 25th, 2026, commission meeting. The actions to be considered include waiving of the City's formal bid process and approving future purchases of refuse containers.

Dexter Neisler
Director of Property and Sanitation
City of Pittsburg, KS 66762
620-230-5517
Dexter.neisler@pittks.org

EQUIPMENT CO.

3100 West 76th Street
Davenport, IA 52806
Ph: 563-391-4840

Elliott Sanitation Equip. Co.
1245 Dawes Avenue
Lincoln, NE 68521
Ph: 402-474-4840

4000 SE Beisser Drive
Grimes, IA 50111
Ph: 515-986-4840
Fx: 515-986-9530

14219 Norby Road
Grandview, MO 64030
Ph: 816-761-4840

4400 E 60th Ave
Commerce City, CO 80022
Ph: 303-853-4840

Quote

Date	Quote #
8/11/2026	25343

Proposed Shipping Date
Approx. 6 weeks
Terms
Net 30
Rep
DMH

City of Pittsburg
201 West 4th St.
PO Box 688
Pittsburg, KS 66762

Here is our quotation on the goods named, subject to the conditions noted:

CONDITIONS: The prices and terms on this quotation are not subject to verbal changes or other agreements unless approved in writing by the Home Office of the Seller. Prices are based on costs and conditions existing on date of quotation and are subject to change by the Seller before final acceptance. All quotations and agreements are contingent upon strikes, accidents, fires, availability of materials and all other causes beyond our control.
Typographical and stenographic errors subject to correction. Purchaser agrees to accept either overage or shortage not in excess of ten percent to be charged for pro-rata. Purchaser assumes liability for patent and copyright infringement when goods are made to Purchaser's specifications. When quotation specifies material to be furnished by the purchaser, ample allowance must be made for reasonable spoilage and material must be of suitable quality to facilitate efficient production.Quoted Prices are good for 60 days.

Conditions not specifically stated herein shall be governed by established trade customs. Terms inconsistent with those stated herein which may appear on Purchaser's formal order will not be binding on the Seller.

TERMS: Equipment is due on receipt. Carts, Containers, Parts & service are Net 30 unless otherwise noted on your account. Balances over 30 days from the date of invoice are subject to finance charges up to 1.5% per month.

Qty	Item	Description	Price	Total
793	USD95Q.Charcoa...	Schaefer Model USD95Q 95 gallon bar cart with 10" plastic wheels, charcoal gray in color with black lid. Hot stamp on file.	59.50	47,183.50T
1	Freight	Freight	3,924.00	3,924.00
		Customers Exempt From Sales Tax	0.00%	0.00

Total	$51,107.50

TO CONFIRM ORDER, SIGN AND RETURN

X______________________________

Interoffice Memorandum

TO: Daron Hall, City Manager

FROM: Tammy Nagel, City Clerk

DATE: August 14th, 2026

SUBJECT: Agenda Item – August 25th, 2026
Selection of League Voting Delegates

The City of Pittsburg has received notification from the League of Kansas Municipalities that we must again provide the names of our voting delegates and alternate delegates for the 2026 League of Kansas Municipalities Conference scheduled for October 8th – 10th, 2026. The conference this year will take place in Wichita, Kansas. The voting delegates will represent the City of Pittsburg at the Business Meeting and Convention of Voting Delegates on Saturday, October 10th, 2026.

Based on those members of the City Commission and staff that have indicated they plan to attend this year's meeting, I am recommending the following:

Voting Delegates	**Alternates**
1. Ron Seglie	1.
2. Daron Hall	2.
3. Jay Byers	3.
4. Tammy Nagel	4.

Please place this item on the August 25th, 2026, City Commission Meeting agenda. Action requested is the appointment of a maximum of four voting delegates and a maximum of four alternate delegates to represent the City during the 2026 League of Kansas Municipalities Conference.

VENDOR SET: 99 City of Pittsburg, KS
BANK: * ALL BANKS
DATE RANGE: 8/03/2026 THRU 8/17/2026

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
C-CHECK	VOID CHECK	V	8/06/2026			200696		
C-CHECK	VOID CHECK	V	8/06/2026			200697		
C-CHECK	VOID CHECK	V	8/06/2026			200700		

* * T O T A L S * *	NO			INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
REGULAR CHECKS:	0			0.00	0.00	0.00
HAND CHECKS:	0			0.00	0.00	0.00
DRAFTS:	0			0.00	0.00	0.00
EFT:	0			0.00	0.00	0.00
NON CHECKS:	0			0.00	0.00	0.00
VOID CHECKS:	3	VOID DEBITS	0.00			
		VOID CREDITS	0.00	0.00	0.00	

TOTAL ERRORS: 0

	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
VENDOR SET: 99 BANK: * TOTALS:	3	0.00	0.00	0.00
BANK: * TOTALS:	3	0.00	0.00	0.00

VENDOR SET: 99 City of Pittsburg, KS
BANK: 9901 GNBANK
DATE RANGE: 8/03/2026 THRU 8/17/2026

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
3570	AMERICAN EXPRESS, INC	D	8/04/2026			000000		326.92
4520	ETS CORPORATION	D	8/03/2026			000000		20,884.20
7279	CLAYTON HOLDINGS, LLC	D	8/05/2026			000000		80,835.02
8704	CYBERSOURCE CORPORATION	D	8/03/2026			000000		54.70
8704	CYBERSOURCE CORPORATION	D	8/04/2026			000000		30.00
1478	KANSASLAND TIRE #1828	E	8/07/2026			030632		467.90
6495	CIVICPLUS, LLC	E	8/07/2026			030633		4,479.99
7567	MERIDIAN OIL & EQUIPMENT LLC	E	8/07/2026			030634		180.57
8708	NOTCH 8, LLC	E	8/07/2026			030635		21,759.86
8860	ITR AMERICA LLC	E	8/07/2026			030636		810.00
9013	STEBBINS, TIMOTHY D.	E	8/07/2026			030637		1,000.00
9153	THE LAW OFFICE OF JOHN A. VILL	E	8/07/2026			030638		1,300.00
9249	RENTAL SUPPLY DISTRICT 1, LLC	E	8/07/2026			030639		14,500.00
9257	FINCHER LANDSCAPE LLC	E	8/07/2026			030640		487.50
9262	CREATIVE BOOKING AGENCY, INC	E	8/07/2026			030641		9,500.00
0044	CRESTWOOD COUNTRY CLUB	E	8/07/2026			030642		828.30
0046	ETTINGERS OFFICE SUPPLY	E	8/07/2026			030643		83.15
0054	JOPLIN SUPPLY COMPANY	E	8/07/2026			030644		3,784.75
0112	MARRONES INC	E	8/07/2026			030645		208.60
0207	PEPSI-COLA BOTTLING CO OF PITT	E	8/07/2026			030646		124.50
0276	JOE SMITH COMPANY, INC.	E	8/07/2026			030647		520.18
0292	UNIFIRST CORPORATION	E	8/07/2026			030648		55.16

VENDOR SET: 99 City of Pittsburg, KS
BANK: 9901 GNBANK
DATE RANGE: 8/03/2026 THRU 8/17/2026

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
0328	KANSAS ONE-CALL SYSTEM, INC	E	8/07/2026			030649		368.41
0335	CUSTOM AWARDS, LLC	E	8/07/2026			030650		105.00
0525	3M	E	8/07/2026			030651		400.50
0534	TYLER TECHNOLOGIES INC	E	8/07/2026			030652		5,580.00
0583	DICKINSON INDUSTRIES INC	E	8/07/2026			030653		792.00
0709	PURVIS INDUSTRIES LLC	E	8/07/2026			030654		48.80
0711	HAYNES EQUIPMENT CO INC	E	8/07/2026			030655		962.94
0746	CDL ELECTRIC COMPANY INC	E	8/07/2026			030656		1,649.00
0779	PITTSBURG COMMUNITY THEATRE	E	8/07/2026			030657		15,718.60
0866	AVFUEL CORPORATION	E	8/07/2026			030658		36,616.51
1075	COASTAL ENERGY CORP	E	8/07/2026			030659		3,075.00
2186	PRODUCERS COOPERATIVE ASSOCIAT	E	8/07/2026			030660		4,295.62
2921	DATAPROSE LLC	E	8/07/2026			030661		6,740.05
2994	COMMERCIAL AQUATIC SERVICE INC	E	8/07/2026			030662		472.25
4307	HENRY KRAFT, INC.	E	8/07/2026			030663		203.07
5014	MID-AMERICA SANITATION INC.	E	8/07/2026			030664		425.00
5275	US LIME COMPANY-ST CLAIR	E	8/07/2026			030665		8,020.27
5855	STERICYCLE, INC.	E	8/07/2026			030666		813.04
6846	GREENWAY ELECTRIC, INC.	E	8/07/2026			030667		465.14
6936	HAWKINS INC	E	8/07/2026			030668		8,570.78
7038	SIGNET COFFEE ROASTERS	E	8/07/2026			030669		71.00
7100	FIRST UNITED METHODIST CHURCH	E	8/07/2026			030670		7,505.00

VENDOR SET: 99 City of Pittsburg, KS
BANK: 9901 GNBANK
DATE RANGE: 8/03/2026 THRU 8/17/2026

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
7240	JAY HATFIELD CERTIFIED USED CA	E	8/07/2026			030671		952.00
7407	LIMELIGHT MARKETING LLC	E	8/07/2026			030672		19,910.00
7427	OLSSON INC	E	8/07/2026			030673		99,313.24
7793	QUEENB TELEVISION OF KANSAS/MI	E	8/07/2026			030674		1,500.00
7852	TRIA HEALTH, LLC	E	8/07/2026			030675		1,653.10
7930	SANDERSON PIPE CORPORATION	E	8/07/2026			030676		2,932.00
8046	CONVERGEONE, INC.	E	8/07/2026			030677		29,946.43
8200	PLUNKETT'S PEST CONTROL INC	E	8/07/2026			030678		757.02
8604	PDQ INTERMEDIATE INC	E	8/07/2026			030679		8,415.00
9145	LEE, CLIFFORD	E	8/07/2026			030680		1,300.00
9264	CROCKETT, MORGAN	E	8/10/2026			030681		8,236.00
0516	AMERICAN CONCRETE CO INC	R	8/06/2026			200690		2,699.13
5480	BITNER MOTORS	R	8/06/2026			200691		89.00
5966	BERRY COMPANIES, INC.	R	8/06/2026			200692		1,990.00
6545	CENTER POINT INC	R	8/06/2026			200693		27.92
8664	CLEAR CREEK GOLF CAR & VEHICLE	R	8/06/2026			200694		4,999.99
5759	COMMUNITY HEALTH CENTER OF SEK	R	8/06/2026			200695		1,674.00
4263	COX COMMUNICATIONS KANSAS LLC	R	8/06/2026			200698		62.98
7517	CRAW-KAN TELEPHONE COOPERATIVE	R	8/06/2026			200699		2,389.94
9072	CRYSTAL L THOMPSON	R	8/06/2026			200701		280.00
7629	EARLES ENGINEERING & INSPECTIO	R	8/06/2026			200702		1,000.00
7493	EMERY SAPP & SONS INC	R	8/06/2026			200703		808,808.26

VENDOR SET: 99 City of Pittsburg, KS
BANK: 9901 GNBANK
DATE RANGE: 8/03/2026 THRU 8/17/2026

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
1108	EVERGY KANSAS CENTRAL INC	R	8/06/2026			200704		25,912.28
1	GILBRETH, STEPHEN	R	8/06/2026			200705		75.00
1	HAMBLIN, THERESA	R	8/06/2026			200706		100.00
6923	HUGO'S INDUSTRIAL SUPPLY INC	R	8/06/2026			200707		632.70
1	KS STATE COUNCIL OF SHRM	R	8/06/2026			200708		525.00
8784	LABETTE BANK	R	8/06/2026			200709		207,354.43
7945	LUCKY-BUT LAWN CARE, LLC	R	8/06/2026			200710		1,285.82
4738	PIONEER MANUFACTURING COMPANY	R	8/06/2026			200711		89.88
1	SNEED, MONTEE	R	8/06/2026			200712		100.00
5589	CELLCO PARTNERSHIP	R	8/06/2026			200713		97.98
1	WATTS, JEN	R	8/06/2026			200714		100.00
1	KNOLL, JT	R	8/06/2026			200715		50.00
9200	LONG, TARA	R	8/07/2026			200747		3,175.00

* * T O T A L S * *	NO			INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
REGULAR CHECKS:	24			1,063,519.31	0.00	1,063,519.31
HAND CHECKS:	0			0.00	0.00	0.00
DRAFTS:	5			102,130.84	0.00	102,130.84
EFT:	50			337,903.23	0.00	337,903.23
NON CHECKS:	0			0.00	0.00	0.00
VOID CHECKS:	0	VOID DEBITS	0.00			
		VOID CREDITS	0.00	0.00	0.00	

TOTAL ERRORS: 0

	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
VENDOR SET: 99 BANK: 9901 TOTALS:	79	1,503,553.38	0.00	1,503,553.38
BANK: 9901 TOTALS:	79	1,503,553.38	0.00	1,503,553.38

VENDOR SET: 99 City of Pittsburg, KS
BANK: EHVGN GNBANK
DATE RANGE: 8/03/2026 THRU 8/17/2026

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
8812	DYNAMIC ASSETS RE	E	8/04/2026			030615		1,186.00
5957	PASTEUR PROPERTIES	E	8/04/2026			030616		592.00
6916	STILWELL HERITAGE & EDUCATIONA	E	8/04/2026			030617		215.00

* * T O T A L S * *	NO			INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
REGULAR CHECKS:	0			0.00	0.00	0.00
HAND CHECKS:	0			0.00	0.00	0.00
DRAFTS:	0			0.00	0.00	0.00
EFT:	3			1,993.00	0.00	1,993.00
NON CHECKS:	0			0.00	0.00	0.00
VOID CHECKS:	0	VOID DEBITS	0.00			
		VOID CREDITS	0.00	0.00	0.00	

TOTAL ERRORS: 0

	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
VENDOR SET: 99 BANK: EHVGNTOTALS:	3	1,993.00	0.00	1,993.00
BANK: EHVGN TOTALS:	3	1,993.00	0.00	1,993.00

VENDOR SET: 99 City of Pittsburg, KS
BANK: FYIGN GNBANK
DATE RANGE: 8/03/2026 THRU 8/17/2026

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
8969	TOKEN RENTAL LLC	E	8/04/2026			030627		1,415.00
9037	PITT 1902 BROADWAY LLC	E	8/04/2026			030628		123.00
3241	CHARLES P SIMPSON	E	8/04/2026			030629		326.00
6298	L. KEVAN SCHUPBACH	E	8/04/2026			030630		853.00
6464	PRO X PROPERTY SOLUTIONS, LLC	E	8/04/2026			030631		462.00
4636	EVERGY KANSAS CENTRAL INC. (HA	R	8/03/2026			200689		93.00

* * T O T A L S * *	NO			INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
REGULAR CHECKS:	1			93.00	0.00	93.00
HAND CHECKS:	0			0.00	0.00	0.00
DRAFTS:	0			0.00	0.00	0.00
EFT:	5			3,179.00	0.00	3,179.00
NON CHECKS:	0			0.00	0.00	0.00
VOID CHECKS:	0	VOID DEBITS	0.00			
		VOID CREDITS	0.00	0.00	0.00	

TOTAL ERRORS: 0

	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
VENDOR SET: 99 BANK: FYIGNTOTALS:	6	3,272.00	0.00	3,272.00
BANK: FYIGN TOTALS:	6	3,272.00	0.00	3,272.00

VENDOR SET: 99 City of Pittsburg, KS
BANK: HAPGN GNBANK
DATE RANGE: 8/03/2026 THRU 8/17/2026

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
5906	JOHN HINRICHS	E	8/04/2026			030547		147.00
5961	LAWRENCE A VANBECELAERE	E	8/04/2026			030548		106.00
7581	REX LINVILLE	E	8/04/2026			030549		310.00
7837	MARJI RENTALS, LLC	E	8/04/2026			030550		416.00
8580	GARY MORRISON REAL ESTATE, INC	E	8/04/2026			030551		878.00
8582	GARY K CONNER	E	8/04/2026			030552		461.00
8798	TIMOTHY G DURKIN	E	8/04/2026			030553		1,661.00
8812	DYNAMIC ASSETS RE	E	8/04/2026			030554		2,684.00
8955	TODD MERANDO	E	8/04/2026			030555		260.00
8965	ANGELA FORCE	E	8/04/2026			030556		1,032.00
8980	WWAD, LLC	E	8/04/2026			030557		1,164.00
9004	HOUSING AUTHORITY OF THE CITY	E	8/04/2026			030558		997.74
9006	FOURSTATES PROPERTIES LLC	E	8/04/2026			030559		710.00
9037	PITT 1902 BROADWAY LLC	E	8/04/2026			030560		539.00
9126	ROSEWICK HOMES, LLC	E	8/04/2026			030561		7,760.50
9214	CITY OF ST PETERSBURG HOUSING	E	8/04/2026			030562		2,369.01
1008	BENJAMIN M BEASLEY	E	8/04/2026			030563		1,264.00
3114	PATRICIA BURLESON	E	8/04/2026			030564		1,127.00
3218	CHERYL L BROOKS	E	8/04/2026			030565		114.00
3272	DUNCAN HOUSING LLC	E	8/04/2026			030566		1,693.00
3273	RICHARD F THENIKL	E	8/04/2026			030567		357.00
3294	JOHN R SMITH	E	8/04/2026			030568		410.00

VENDOR SET: 99 City of Pittsburg, KS
BANK: HAPGN GNBANK
DATE RANGE: 8/03/2026 THRU 8/17/2026

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
3668	MID AMERICA PROPERTIES OF PITT	E	8/04/2026			030569		8,937.00
4054	MICHAEL A SMITH	E	8/04/2026			030570		800.00
4492	PITTSBURG SENIORS LP	E	8/04/2026			030571		2,350.00
5393	ANGELES PROPERTIES LLC - HAP	E	8/04/2026			030572		1,805.00
5658	DEANNA J HIGGINS	E	8/04/2026			030573		1,405.00
5834	DENNIS TROUT	E	8/04/2026			030574		224.00
5957	PASTEUR PROPERTIES	E	8/04/2026			030575		3,889.00
6090	RANDAL BENNEFELD	E	8/04/2026			030576		283.00
6269	EDWARD SWOR	E	8/04/2026			030577		227.00
6298	L. KEVAN SCHUPBACH	E	8/04/2026			030578		14,135.00
6322	R JAMES BISHOP	E	8/04/2026			030579		850.00
6394	HALL, KEVIN R.	E	8/04/2026			030580		1,407.00
6441	HEATHER MASON WHITE	E	8/04/2026			030581		835.00
6464	PRO X PROPERTY SOLUTIONS, LLC	E	8/04/2026			030582		12,380.00
6916	STILWELL HERITAGE & EDUCATIONA	E	8/04/2026			030583		2,508.00
6926	MARTIN KYLE SAYRE	E	8/04/2026			030584		471.00
7083	PITTSBURG HEIGHTS, LP	E	8/04/2026			030585		5,495.00
7112	RANDY VILELA BODY REPAIR, TRU	E	8/04/2026			030586		232.00
7294	AMMP PROPERTIES, LLC	E	8/04/2026			030587		849.00
7319	LASHAWNDRA LAWSON	E	8/04/2026			030588		445.00
7326	RANDY ALLEE	E	8/04/2026			030589		1,184.00
7554	RIDGWAY, TRAVIS R	E	8/04/2026			030590		333.00

VENDOR SET: 99 City of Pittsburg, KS
BANK: HAPGN GNBANK
DATE RANGE: 8/03/2026 THRU 8/17/2026

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
7587	DAVID RUA	E	8/04/2026			030591		614.00
7645	SEWARD RENTALS, LLC	E	8/04/2026			030592		591.00
7654	A & R RENTALS, LLC	E	8/04/2026			030593		824.00
7669	CHARLES GILMORE	E	8/04/2026			030594		548.00
7741	SUSAN E ADAMS	E	8/04/2026			030595		146.00
7864	CB HOMES LLC	E	8/04/2026			030596		710.00
8329	CHARLES P. SIMPSON	E	8/04/2026			030597		588.00
8360	DUSTIN TROUT	E	8/04/2026			030598		700.00
8502	JON BARTLOW	E	8/04/2026			030599		453.00
8634	WAYNE L STORM	E	8/04/2026			030600		412.00
8643	JEANNE ELLIOTT	E	8/04/2026			030601		418.00
8717	WAYNE YAKEL	E	8/04/2026			030602		130.00
8787	SIMONCIC, ANTHONY	E	8/04/2026			030603		511.00
8883	RONALD E CLOSE	E	8/04/2026			030604		696.00
8904	GLENNA LOVELL	E	8/04/2026			030605		770.00
8960	STIFFLER, JOSHUA	E	8/04/2026			030606		951.00
8963	HOUSING AUTHORITY OF CITY OF D	E	8/04/2026			030607		2,940.84
8970	COBB, ROBERT	E	8/04/2026			030608		341.00
8989	WORRELL, KERI	E	8/04/2026			030609		1,390.00
9053	OKEKE, LUTANN CHRISTOPHER	E	8/04/2026			030610		226.00
9087	HANDSHY, LARRY & MARY	E	8/04/2026			030611		636.00
9100	BITNER, PHYLLIS J	E	8/04/2026			030612		356.00

VENDOR SET: 99 City of Pittsburg, KS
BANK: HAPGN GNBANK
DATE RANGE: 8/03/2026 THRU 8/17/2026

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
9128	STOTTS, IRENE	E	8/04/2026			030613		111.00
9213	WILLIAMS, RYAN MARK	E	8/04/2026			030614		1,461.00
4636	EVERGY KANSAS CENTRAL INC. (HA	R	8/03/2026			200683		796.00
9250	JOPLIN HOUSING AUTHORITY	R	8/03/2026			200684		2,909.11
9220	PITTSBURG HIGHLANDS, LP	R	8/03/2026			200685		1,498.00
8427	RENT-MOORE LLC	R	8/03/2026			200686		1,726.00
0472	LARRY SPRESSER	R	8/03/2026			200687		434.00

* * T O T A L S * *	NO			INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
REGULAR CHECKS:	5			7,363.11	0.00	7,363.11
HAND CHECKS:	0			0.00	0.00	0.00
DRAFTS:	0			0.00	0.00	0.00
EFT:	68			104,028.09	0.00	104,028.09
NON CHECKS:	0			0.00	0.00	0.00
VOID CHECKS:	0	VOID DEBITS	0.00			
		VOID CREDITS	0.00	0.00	0.00	

TOTAL ERRORS: 0

	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
VENDOR SET: 99 BANK: HAPGNTOTALS:	73	111,391.20	0.00	111,391.20
BANK: HAPGN TOTALS:	73	111,391.20	0.00	111,391.20

VENDOR SET: 99 City of Pittsburg, KS
BANK: SVGN GNBANK
DATE RANGE: 8/03/2026 THRU 8/17/2026

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
8969	TOKEN RENTAL LLC	E	8/04/2026			030618		453.00
6150	JAMES L COX RENTALS	E	8/04/2026			030619		966.00
6298	L. KEVAN SCHUPBACH	E	8/04/2026			030620		845.00
6464	PRO X PROPERTY SOLUTIONS, LLC	E	8/04/2026			030621		665.00
4636	EVERGY KANSAS CENTRAL INC. (HA	R	8/03/2026			200688		119.00

* * T O T A L S * *	NO			INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
REGULAR CHECKS:	1			119.00	0.00	119.00
HAND CHECKS:	0			0.00	0.00	0.00
DRAFTS:	0			0.00	0.00	0.00
EFT:	4			2,929.00	0.00	2,929.00
NON CHECKS:	0			0.00	0.00	0.00
VOID CHECKS:	0	VOID DEBITS	0.00			
		VOID CREDITS	0.00	0.00	0.00	

TOTAL ERRORS: 0

	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
VENDOR SET: 99 BANK: SVGN TOTALS:	5	3,048.00	0.00	3,048.00
BANK: SVGN TOTALS:	5	3,048.00	0.00	3,048.00

VENDOR SET: 99 City of Pittsburg, KS
BANK: TBRAG GNBANK
DATE RANGE: 8/03/2026 THRU 8/17/2026

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
8812	DYNAMIC ASSETS RE	E	8/04/2026			030622		800.00
9118	RIVERSTONE SYCAMORE VILLAGE LP	E	8/04/2026			030623		201.00
9126	ROSEWICK HOMES, LLC	E	8/04/2026			030624		650.00
6464	PRO X PROPERTY SOLUTIONS, LLC	E	8/04/2026			030625		475.00
9183	PITTSBURG SENIOR HOUSING LLC	E	8/04/2026			030626		578.00

* * T O T A L S * *	NO			INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
REGULAR CHECKS:	0			0.00	0.00	0.00
HAND CHECKS:	0			0.00	0.00	0.00
DRAFTS:	0			0.00	0.00	0.00
EFT:	5			2,704.00	0.00	2,704.00
NON CHECKS:	0			0.00	0.00	0.00
VOID CHECKS:	0	VOID DEBITS	0.00			
		VOID CREDITS	0.00	0.00	0.00	

TOTAL ERRORS: 0

	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
VENDOR SET: 99 BANK: TBRAG TOTALS:	5	2,704.00	0.00	2,704.00
BANK: TBRAG TOTALS:	5	2,704.00	0.00	2,704.00
REPORT TOTALS:	171	1,625,961.58	0.00	1,625,961.58

Passed and Approved this 25th day of August, 2026.

Chuck Munsell, Mayor

ATTEST:

Jacob Bennett, Deputy City Clerk

ORDINANCE NO. S-1119

**OF THE
CITY OF PITTSBURG, KANSAS**

**AUTHORIZING THE ISSUANCE OF
NOT TO EXCEED $1,700,000
TAXABLE INDUSTRIAL REVENUE BONDS
SERIES 2026
(PROGRESSIVE PRODUCTS PROJECT)**

(Published in *The Morning Sun*, August 28, 2026)

ORDINANCE NO. S-1119

AN ORDINANCE AUTHORIZING THE CITY OF PITTSBURG, KANSAS TO ISSUE ITS TAXABLE INDUSTRIAL REVENUE BONDS, SERIES 2026 (PROGRESSIVE PRODUCTS PROJECT) FOR THE PURPOSE OF CONSTRUCTING AN ADDITION TO AN EXISTING MANUFACTURING FACILITY; AND AUTHORIZING OTHER RELATED DOCUMENTS AND ACTIONS.

THE GOVERNING BODY OF THE CITY OF PITTSBURG, KANSAS HAS FOUND AND DETERMINED:

A. The City of Pittsburg, Kansas (the "Issuer") is authorized by K.S.A. 12-1740 *et seq*., as amended (the "Act"), to acquire, construct, improve and equip facilities (as defined in the Act) for commercial, industrial and manufacturing purposes, to enter into leases and lease-purchase agreements with any person, firm or corporation for the facilities, and to issue revenue bonds for the purpose of paying the costs of the facilities.

B. The Issuer's governing body has determined that it is desirable in order to promote, stimulate and develop the general economic welfare and prosperity of the Issuer and the State of Kansas that the Issuer issue its Taxable Industrial Revenue Bonds, Series 2026 (Progressive Products Project) in the aggregate principal amount of not to exceed $1,700,000 (the "Series 2026 Bonds"), for the purpose of paying the costs of constructing an addition to an existing manufacturing facility (the "Project") as more fully described in the Indenture and in the Lease authorized in this Ordinance, for lease to RALLISON LP, a Kansas limited partnership (the "Tenant").

C. The Issuer's governing body finds that it is necessary and desirable in connection with the issuance of the Series 2026 Bonds to execute and deliver the following documents (collectively, the "Bond Documents"):

(i) a Trust Indenture (the "Indenture"), with BOKF, N.A., Kansas City, Missouri, as Trustee (the "Trustee"), prescribing the terms and conditions of issuing and securing the Series 2026 Bonds;

(ii) a Site Lease (the "Site Lease") with the Tenant under which the Tenant will lease an interest in the Real Property to the Issuer;

(iii) a Project Lease (the "Project Lease") with the Tenant, under which the Issuer will acquire, construct and equip the Project and lease it to the Tenant in consideration of Basic Rent and other payments; and

(iv) a Bond Purchase Agreement (the "Bond Purchase Agreement") providing for the sale of the Series 2026 Bonds by the Issuer to RALLISON LP, Pittsburg, Kansas (the "Purchaser").

D. The Issuer's governing body has found that under the provisions of K.S.A. 79-201a *Twenty-Fourth*, the Project purchased or constructed with the proceeds of the Series 2026 Bonds is eligible for exemption from ad valorem property taxes for up to 10 years, commencing in the calendar year following the calendar year in which the Bonds are issued, if proper application is made, provided no exemption may be granted from the ad valorem property tax levied by a school district pursuant to the provisions of K.S.A. 72-53,113, and amendments thereto. The Issuer's governing body has further found that the Project should be exempt from ad valorem property taxes for a period of six (6) years Prior to making this determination, the governing body of the Issuer has conducted the public hearing and reviewed the analysis of costs and benefits of the exemption required by K.S.A. 12-1749d.

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF PITTSBURG, KANSAS:

Section 1. **Definition of Terms**. All terms and phrases not otherwise defined in this Ordinance will have the meanings set forth in the Indenture and the Project Lease.

Section 2. **Authority to Cause the Project to Be Purchased and Constructed**. The Issuer is authorized to lease the Real Property and cause the Project to be acquired, constructed and equipped in the manner described in the Indenture, the Site Lease and the Project Lease.

Section 3. **Authorization of and Security for the Bonds**. The Issuer is authorized and directed to issue the Series 2026 Bonds, to be designated "City of Pittsburg, Kansas Taxable Industrial Revenue Bonds, Series 2026 (Progressive Products Project)" in the aggregate principal amount of not to exceed $1,700,000, for the purpose of providing funds to pay the costs of the constructing an addition to an existing of the Project. The Series 2026 Bonds will be in the principal amount, will be dated and bear interest, will mature and be payable at the times, will be in the forms, will be subject to redemption and payment prior to maturity, and will be issued according to the provisions, covenants and agreements in the Indenture. The Series 2026 Bonds will be special limited obligations of the Issuer payable solely from the Trust Estate under the Indenture, including revenues derived from the Project Lease. The Series 2026 Bonds will not be general obligations of the Issuer, nor constitute a pledge of the faith and credit of the Issuer and will not be payable in any manner by taxation.

Section 4. **Authorization of Indenture**. The Issuer is authorized to enter into the Indenture with the Trustee in the form approved in this Ordinance. The Issuer will pledge the Trust Estate described in the Indenture to the Trustee for the benefit of the owners of the Series 2026 Bonds on the terms and conditions in the Indenture.

Section 5. **Lease of the Project**. The Issuer will lease an interest in the Real Property and acquire, construct and equip the Project and lease it to the Tenant according to the provisions of the Site Lease and Project Lease in the form approved in this Ordinance.

Section 6. **Authorization of Bond Purchase Agreement**. The Issuer is authorized to sell the Series 2026 Bonds to the Purchaser, according to the terms and provisions of the Bond Purchase Agreement, in the form approved in this Ordinance.

Section 7. **Execution of Bonds and Bond Documents**. The Mayor of the Issuer is authorized and directed to execute the Series 2026 Bonds and deliver them to the Trustee for authentication on behalf of the Issuer in the manner provided by the Act and in the Indenture. The Mayor, or member of the Issuer's governing body authorized by law to exercise the powers and duties of the Mayor in the Mayor's absence, is further authorized and directed to execute and deliver the Bond Documents on behalf of the Issuer in substantially the forms presented for review prior to passage of this Ordinance, with the corrections or amendments as the Mayor or other person lawfully acting in the absence of the Mayor may approve, which approval shall be evidenced by his or her signature. The authorized signatory may sign and deliver all other documents, certificates or instruments as may be necessary or desirable to carry out the purposes and intent of this Ordinance and the Bond Documents. The City Clerk or the Deputy City Clerk of the Issuer is hereby authorized and directed to attest the execution of the Series 2026 Bonds, the Bond Documents and the other documents, certificates and instruments as may be necessary or desirable to carry out the intent of this Ordinance under the Issuer's corporate seal.

Section 8. **Property Tax Exemption**. The Project will be exempt from ad valorem property taxes for six (6) years, commencing in the calendar year after the calendar year in which the Series 2026 Bonds are issued, provided no exemption may be granted from the ad valorem property tax levied by a school district pursuant to the provisions of K.S.A. 72-53,113, and amendments thereto. The Tenant will prepare the application for exemption and submit it to the Issuer for its review. After its review, the Issuer will submit the application for exemption to the State Board of Tax Appeals.

Section 9. **Pledge of the Project and Net Lease Rentals**. The Issuer hereby pledges the Project and the net rentals generated under the Project Lease to the payment of the Series 2026 Bonds in accordance with K.S.A. 12-1744. The lien created by the pledge will be discharged when all of the Series 2026 Bonds are paid or deemed to have been paid under the Indenture.

Section 10. **Authority To Correct Errors and Omissions**. The Mayor or member of the Issuer's governing body authorized to exercise the powers and duties of the Mayor in the Mayor's absence, the City Clerk and any Deputy City Clerk are hereby authorized and directed to make any alterations, changes or additions in the instruments herein approved, authorized and confirmed which may be necessary to correct errors or omissions therein or to conform the same to the other provisions of the instruments or to the provisions of this Ordinance.

Section 11. **Further Authority**. The officials, officers, agents and employees of the Issuer are authorized and directed to take whatever action and execute whatever other documents or certificates as may be necessary or desirable to carry out the provisions of this Ordinance and to carry out and perform the duties of the Issuer with respect to the Series 2026 Bonds and the Bond Documents.

Section 12. **Effective Date**. This Ordinance shall take effect after its passage by the governing body of the Issuer, signature by the Mayor and publication once in the Issuer's official newspaper.

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PASSED by the governing body of the Issuer on August 25, 2026 and **SIGNED** by the Mayor.

(SEAL)

____
Mayor

ATTEST:

____
Deputy City Clerk

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GILMORE & BELL, P.C.
07/17/2026

CITY OF PITTSBURG, KANSAS

AS ISSUER

AND

BOKF, N.A.
KANSAS CITY, MISSOURI

AS TRUSTEE

TRUST INDENTURE

DATED AS OF SEPTEMBER 1, 2026

NOT TO EXCEED $1,700,000
TAXABLE INDUSTRIAL REVENUE BONDS
SERIES 2026
(PROGRESSIVE PRODUCTS PROJECT)

TRUST INDENTURE

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ARTICLE VIII GENERAL COVENANTS AND PROVISIONS

ARTICLE IX REMEDIES ON DEFAULT

ARTICLE X THE TRUSTEE

TRUST INDENTURE

THIS TRUST INDENTURE, dated as of September 1, 2026 (the "Indenture"), between the City of Pittsburg, Kansas (the "Issuer"), and BOKF, N.A., Kansas City, Missouri, as Trustee (the "Trustee");

WITNESSETH:

WHEREAS, the Issuer is authorized by K.S.A. 12-1740 *et seq*. (the "Act"), to acquire, construct, improve and equip facilities (as defined in the Act) for commercial, industrial and manufacturing purposes, and to enter into leases and lease-purchase agreements with any person, firm or corporation for the facilities, and to issue revenue bonds for the purpose of paying the cost of any such facilities; and

WHEREAS, pursuant to such authorization, the Issuer's governing body has passed an ordinance authorizing the Issuer to issue its Taxable Industrial Revenue Bonds, Series 2026 (Progressive Products Project), in the principal amount of not to exceed $1,700,000 (the "Series 2026 Bonds"), for the purpose of providing funds for the constructing an addition to an existing manufacturing of a manufacturing facility (the "Project" as hereinafter more fully described), and authorizing the Issuer to lease the Project to RALLISON LP, a Kansas limited partnership (the "Tenant"); and

WHEREAS, pursuant to such ordinance, the Issuer is authorized (i) to execute and deliver this Indenture for the purpose of issuing and securing the Series 2026 Bonds and any Additional Bonds (collectively the "Bonds"), as hereinafter provided, (ii) to enter into a Site Lease of even date herewith (the "Site Lease"), between the Issuer and the Tenant under which the Issuer will receive a leasehold interest in the Real Property, and (iii) to enter into a Project Lease of even date herewith (the "Project Lease"), between the Issuer and the Tenant, pursuant to which Issuer shall lease the Project to the Tenant, in consideration of rentals which are intended to be sufficient to provide for the payment of the principal of, premium, if any, and interest on the Series 2026 Bonds as the same become due; and

WHEREAS, all things necessary to make the Series 2026 Bonds, when authenticated by the Trustee and issued as provided in this Indenture, the valid and legally binding limited obligations of the Issuer, and to make this Indenture a valid and legally binding pledge and assignment of the Trust Estate herein made for the security of the payment of the principal of, premium, if any, and interest on the Bonds issued hereunder, have been done and performed, and the execution and delivery of this Indenture and the execution and issuance of the Series 2026 Bonds, subject to the terms hereof, have in all respects been duly authorized;

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

GRANTING CLAUSES

That the Issuer, in consideration of the premises, the acceptance by the Trustee of the trusts hereby created, the purchase and acceptance of the Series 2026 Bonds by the Original Purchaser thereof, and of other good and valuable consideration, the receipt of which is hereby acknowledged, and in order to secure the payment of the principal of, premium, if any, and interest on all of the Bonds issued and Outstanding under this Indenture from time to time according to their tenor and effect, and to secure the performance and observance by the Issuer of all the covenants, agreements and conditions herein and in the Bonds contained, does hereby pledge and assign unto the Trustee and its successors and assigns, and grant to the Trustee and its successors and assigns a security interest in the property described in paragraphs (a) and (b) below (the property being herein referred to as the "Trust Estate"), to wit:

(a) All right, title and interest of the Issuer in, to and under the Site Lease and Project Lease (including, but not limited to, the right to enforce any of the terms thereof but excluding the Unassigned Issuer's Rights), and all rents, revenues and receipts derived by the Issuer from the Project including, without limitation, all Basic Rent derived by the Issuer under and pursuant to and subject to the provisions of the Site Lease and Project Lease;

(b) All moneys and securities from time to time held by the Trustee under the terms of this Indenture, and any and all other real or personal property of every kind and nature from time to time hereafter, by delivery or by writing of any kind, pledged, assigned or transferred as and for additional security hereunder by the Issuer, by the Tenant or by anyone in their behalf, or with their written consent, to the Trustee, which is hereby authorized to receive any and all such property at any and all times and to hold and apply the same subject to the terms hereof.

TO HAVE AND TO HOLD, all and singular, the Trust Estate with all rights and privileges hereby pledged and assigned, or agreed or intended so to be, to the Trustee and its successors in trust and assigns;

IN TRUST NEVERTHELESS, upon the terms and subject to the conditions herein set forth, for the equal and proportionate benefit, protection and security of the Series 2026 Bonds and any Additional Bonds issued and Outstanding under this Indenture, without preference, priority or distinction as to lien or otherwise of any of the Bonds over any other of the Bonds except as expressly provided in or permitted by this Indenture;

PROVIDED, HOWEVER, if the Issuer shall pay, or cause to be paid, the principal of, premium, if any, and interest on all the Bonds, at the times and in the manner mentioned in the Bonds according to the true intent and meaning thereof, or shall provide for the payment thereof (as provided in *Article XII* hereof), and shall pay or cause to be paid to the Trustee all other sums of money due or to become due to it in accordance with the terms and provisions hereof, then upon such final payments this Indenture and the rights hereby granted shall cease, determine and be void; otherwise, this Indenture shall be and remain in full force and effect.

THIS INDENTURE FURTHER WITNESSETH, and it is hereby expressly declared, covenanted and agreed by and between the parties hereto, that all Bonds issued and secured hereunder are to be issued, authenticated and delivered and that all the Trust Estate is to be held and applied under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as hereinafter expressed, and the Issuer does hereby agree and covenant with the Trustee and with the respective Owners from time to time of the Bonds, as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Definitions of Words and Terms. In addition to the words and terms defined elsewhere in this Indenture, Site Lease and the Project Lease, the following words and terms as used in this Indenture shall have the following meanings, unless some other meaning is plainly intended:

"Act" means K.S.A. 12-1740 *et seq*.

"Additional Bonds" means any Bonds issued in addition to the Series 2026 Bonds pursuant to *Section 2.09* of this Indenture.

"Authorized Denomination" means $1,000 or any integral multiple thereof.

"Authorized Tenant Representative" means the Todd Allison of the Tenant, or such other person as is designated to act on behalf of the Tenant as evidenced by written certificate furnished to the Trustee, containing the specimen signature of such person and signed on behalf of the Tenant by its Authorized Tenant Representative or any of the Tenant. Such certificate may designate an alternate or alternates, each of whom shall be entitled to perform all duties of the Authorized Tenant Representative.

"Bond" or **"Bonds"** means the Series 2026 Bonds and any Additional Bonds.

"Bond Counsel" means the firm of Gilmore & Bell, P.C. or any other attorney or firm of attorneys whose expertise in matters relating to the issuance of obligations by states and their political subdivisions is nationally recognized and acceptable to Issuer and Tenant.

"Bond Purchase Agreement" means the Bond Purchase Agreement dated September 1, 2026, between the Issuer and the Original Purchaser.

"Bond Registrar" means the Trustee**.**

"Business Day" means a day which is not a Saturday, Sunday or any day designated as a holiday by the Congress of the United States or by the legislature of the State and on which banks in the State are not authorized to be closed.

"Change of Circumstances" means the occurrence of any of the following events:

(a) title to, or the temporary use of, all or any substantial part of the Project shall be condemned by any authority exercising the power of eminent domain;

(b) title to all or any substantial portion of the Real Property is found to be deficient or nonexistent to the extent that the Project is untenantable or the efficient utilization of the Project by the Tenant is substantially impaired;

(c) all or a substantial portion of the Improvements are damaged or destroyed by fire or other casualty; or

(d) as a result of: (i) changes in the constitution of the State; or (ii) any legislative or administrative action by the State or any political subdivision thereof, or by the United States; or (iii) any action instituted in any court, the Site Lease and Project Lease shall become void or unenforceable, or impossible of performance without unreasonable delay, or in any other way by reason of such changes of circumstances, unreasonable burdens or excessive liabilities are imposed upon Issuer or Tenant.

"Construction Period" means the period from the beginning of acquisition or construction of Improvements to their Completion Date.

"Costs of Issuance" means any and all expenses of whatever nature incurred in connection with the issuance and sale of Bonds, including, but not limited to, underwriting fees and expenses, underwriting discount, initial fees of the Trustee, administrative fees or expenses of the Issuer, bond and other printing expenses and legal fees and expenses of Bond Counsel, Issuer's counsel and counsel for the Tenant.

"Costs of Issuance Account" means the "City of Pittsburg, Kansas Costs of Issuance Account (Progressive Products Project)" authorized and established with the Trustee pursuant to the Indenture.

"**Dated Date**" means September 1, 2026.

"Debt Service Fund" means the "City of Pittsburg, Kansas Debt Service Fund (Progressive Products Project)" authorized and established with the Trustee pursuant to the Indenture.

"Default Administration Costs" means the reasonable fees, charges, costs, advances and expenses of the Trustee incurred in anticipation of an Event of Default, or after the occurrence of an Event of Default, including, but not limited to, counsel fees, litigation costs and expenses, the expenses of maintaining and preserving the Project and the expenses of re-letting or selling the Project.

"Event of Default" means one of the following events:

(a) Default in the due and punctual payment of any interest on any Bond;

(b) Default in the due and punctual payment of the principal of or premium, if any, on any Bond on the Stated Maturity or upon proceedings for redemption thereof, or upon the maturity thereof by declaration;

(c) Default in the performance or observance of any other of the covenants, agreements or conditions on the part of the Issuer in this Indenture or in any Bonds contained, and the continuance thereof for a period of 30 days after written notice thereof shall have been given to the Issuer and the Tenant by the Trustee, or to the Trustee, the Issuer and the Tenant by Owner(s) of Bonds owning not less than 25% in aggregate principal amount of Bonds then Outstanding; provided, however, if any default shall be such that it cannot be corrected within such 30-day period, it shall not constitute an Event of Default if corrective action is instituted by the Issuer or the Tenant within such period and diligently pursued until such default is corrected; or

(d) An "Event of Default" as defined in the Project Lease.

"Funds and Accounts" means funds and accounts created pursuant to or referred to in *Section 5.01* hereof.

"Government Securities" means direct obligations of, or obligations the payment of the principal of and interest on which are unconditionally guaranteed by, the United States of America.

"Improvements" means all buildings, building improvements, machinery and equipment purchased in whole or in part from the proceeds of the Bonds.

"Indenture" means this Trust Indenture, as from time to time amended and supplemented by Supplemental Indentures in accordance with the provisions of *Article XI* of this Indenture.

"Interest Payment Date" means any date on which any interest is payable on any Bond. With respect to the Series 2026 Bonds, it means December 31, 2032.

"Investment Contract" means an agreement to deposit all or any portion of the proceeds of the sale of the Bonds with a bank, with the deposits to bear interest at an agreed rate.

"Investment Securities" means any of the following securities, and to the extent the same are at the time permitted for investment of funds held by the Trustee pursuant to this Indenture:

(a) Government Securities;

(b) obligations of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Financing Bank, the Federal Intermediate Credit Corporation, National Bank for Cooperatives, Federal Land Banks, Federal Home Loan Banks, Farmers Home Administration and Federal Home Loan Mortgage Association;

(c) savings or other depository accounts or certificates of deposit, whether negotiable or nonnegotiable, issued by any bank or trust company organized under the laws of any state of the United States of America or any national banking association (including the Trustee and its affiliates), provided that such deposits shall be either of a bank, trust company or national banking association continuously and fully insured by the Federal Deposit Insurance Corporation, or continuously and fully secured by excess deposit insurance purchased through a private insurer, or such securities as are described above in clauses (a) or (b), which shall have a market value (exclusive of accrued interest) at all times at least equal to the principal amount of such deposits and shall be lodged with the Trustee, as custodian, by the bank, trust company or national banking association accepting such deposit or issuing such certificate of deposit;

(d) any Investment Contract or repurchase agreement with any bank or trust company organized under the laws of any state of the United States of America or any national banking association (including the Trustee) or government bond dealer reporting to, trading with, and recognized as a primary dealer by the Federal Reserve Bank of New York, which agreement is secured by any one or more of the securities described in clauses (a) or (b) above;

(e) any investment in shares or units of a money market fund or trust rated "AAAm" or "AAAm-G" or better by S&P Global Ratings (including one offered, managed or otherwise made available through the Trustee or any affiliate);

(f) investments in shares or units of a money market fund or trust, the portfolio of which is comprised entirely of securities described in clauses (a), (b) or (c) above.

"Issue Date" means the date when the Issuer delivers the Bonds to the Original Purchaser in exchange for the Purchase Price.

"Issuer" means the City of Pittsburg, Kansas, a city of the first class organized under the laws of the State, and its successors and assigns.

"Maturity" when used with respect to any Bond means the date on which the principal of such Bond becomes due and payable as therein and herein provided, whether at the Stated Maturity thereof or call for redemption or otherwise.

"Notice Representative" means:

(a) With respect to the Tenant, its chief executive officer at its Notice Address (as defined in the Project Lease).

(b) With respect to the Issuer, its duly acting clerk at its Notice Address (as defined in the Project Lease).

(c) With respect to the Trustee, any corporate trust officer at its Notice Address (as defined in the Project Lease).

"Original Proceeds" means all sale proceeds, including accrued interest, from sale of the Series 2026 Bonds to the Original Purchaser and all investment earnings credited to the Project Fund prior to the Completion Date.

"Original Purchaser" means RALLISON LP, Pittsburg, Kansas.

"Outstanding" means, as of a particular date all Bonds issued, authenticated and delivered under this Indenture (including any Supplemental Indentures), except:

(a) Bonds canceled by the Trustee or delivered to the Trustee for cancellation pursuant to this Indenture;

(b) Bonds for the payment or redemption of which moneys or investments have been deposited in trust with the Trustee and irrevocably pledged to such payment or redemption in accordance with the provisions of *Section 12.02* of this Indenture; and

(c) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered pursuant to this Indenture.

"Owner" or "Owners" means the owner of any Bond as shown on the registration books of the Trustee maintained as provided in this Indenture.

"Paying Agent" means the Trustee.

"Payment Date" means any Interest Payment Date or any Principal Payment Date.

"Person" means any natural person, corporation, partnership, joint venture, association, firm, joint-stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof or other public body.

"Principal Payment Date" means any date on which principal on any Bond is due and payable, whether at the Stated Maturity or earlier required redemption thereof. With respect to the Series 2026 Bonds, the Principal Payment Date is December 31, 2032.

"Project" means the Real Property and the Improvements.

"Project Additions" means any Improvements acquired, constructed or installed from proceeds of any series of Additional Bonds authorized and issued pursuant to this Indenture. It also includes any alterations or additions made to the Project to the extent provided in *Articles XI* and *XII* of the Project Lease.

"Project Costs" means those costs incurred in connection with the Real Property, and the construction or installation of any Improvements, including:

(a) all costs and expenses necessary or incident to the acquisition of such of the Improvements as are acquired, constructed or in progress at the date of such issuance of the Series 2026 Bonds;

(b) fees and expenses of architects, appraisers, surveyors, engineers and other professional consultants for estimates, surveys, soil borings and soil tests and other preliminary investigations and items necessary to the commencement of acquisition, construction, preparation of plans, drawings and specifications and supervision of construction and installation, as well as for the performance of all other duties of architects, appraisers, surveyors, engineers and other professional consultants in relation to the acquisition, construction or installation of the Improvements or the issuance of Bonds;

(c) all costs and expenses incurred in constructing, acquiring or installing the Improvements;

(d) payment of interest actually incurred on any interim financing obtained from a lender unrelated to the Tenant for acquisition or performance of work on the Improvements prior to the issuance of the Bonds;

(e) the cost of the title insurance policies and the cost of any insurance and performance and payment bonds maintained during the Construction Period in accordance with *Article VI* of the Project Lease, respectively;

(f) interest accruing on the Series 2026 Bonds prior to the Completion Date, if and to the extent Original Proceeds deposited to the credit of the Debt Service Fund pursuant to *Section 602* of this Indenture are insufficient for payment of such interest; and

(g) Costs of Issuance.

"Project Fund" means the "City of Pittsburg, Kansas Project Fund (Progressive Products Project)" authorized and established with the Trustee pursuant to the Indenture.

"Project Lease" means the Project Lease delivered concurrently with this Indenture between the Issuer and the Tenant, as from time to time amended and supplemented in accordance with the provisions thereof and of *Article XI* of this Indenture.

"Purchase Price" means the amount set forth in the Bond Purchase Agreement.

"Real Property" means the real property (or interests therein) described in *Schedule I* to the Project Lease.

"Record Date" means the fifteenth day of the month preceding each Interest Payment Date, or if such date is not a Business Day, the Business Day immediately preceding such date.

"Redemption Date" means, when used with respect to any Bond to be redeemed, the date fixed for the redemption of such Bond pursuant to the terms of this Indenture.

"Rental Payments" means the aggregate of the Basic Rent and Additional Rent payments provided for pursuant to *Article III* of the Project Lease.

"Series 2026 Bonds" means the City of Pittsburg, Kansas Taxable Industrial Revenue Bonds, Series 2026 (Progressive Products Project) dated September 1, 2026 in the aggregate principal amount of not to exceed $1,700,000.

"Site Lease" means that Site Lease dated as of September 1, 2026, as from time to time amended or supplemented, between the Tenant, as lessor, and the Issuer, as lessee, creating a leasehold interest of the Real Property for the Issuer.

"State" means the State of Kansas.

“Stated Maturity” when used with respect to any Bond or any installment of interest thereon means the date specified in such Bond and this Indenture as the fixed date on which the principal of such Bond or such installment of interest is due and payable.

"Sublease" means that Sublease between the Tenant, as sublessor, and the Subtenant, as sublessee, for the use and operation of the Project.

"Subtenant" means Progressive Products, Inc., a Kansas corporation, as Subtenant under the Sublease.

"Supplemental Indenture" means any indenture supplementing or amending this Indenture entered into by the Issuer and the Trustee pursuant to *Article XI* of this Indenture.

"Tenant" means RALLISON LP, a Kansas limited partnership, its successors and assigns.

"Trust Estate" means the Trust Estate described in the Granting Clauses of this Indenture.

"Trustee" means BOKF, N.A., Kansas City, Missouri, a banking corporation or association incorporated under the laws of the United States or one of the states thereof, in its capacity as trustee, bond registrar and paying agent, and its successor or successors serving as Trustee under this Indenture.

“Unassigned Issuer’s Rights” mean the rights of the Issuer pursuant to the Project Lease to indemnification, to consent, to receive notice, to receive purchase option payments, to be insured or to receive money for its own account for payment of fees or expenses advanced by the Issuer in connection with the Project Lease, all in accordance with the terms of the Project Lease.

Section 1.02. Rules of Interpretation.

(a) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, the words importing the singular number shall include the plural and vice versa, and words importing persons shall include firms, associations, trusts and corporations, including public bodies, as well as natural persons.

(b) Wherever in this Indenture it is provided that either party shall or will make any payment or perform or refrain from performing any act or obligation, each such provision shall, even though not so expressed, be construed as an express covenant to make such payment or to perform, or not to perform, as the case may be, such act or obligation.

(c) All references in this Indenture to designated "Articles", "Sections" and other subdivisions are, unless otherwise specified, to the designated Articles, Sections and subdivisions of this Indenture as originally executed. The words "herein", "hereof", "hereunder" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or subdivision.

(d) The Table of Contents and the Article and Section headings of this Indenture shall not be treated as a part of this Indenture or as affecting the true meaning of the provisions hereof.

ARTICLE II

THE BONDS

Section 2.01. Title and Amount of Bonds. No Bonds may be issued under this Indenture except in accordance with the provisions of this Article. The Bonds authorized to be issued under this Indenture shall be designated as "City of Pittsburg, Kansas Taxable Industrial Revenue Bonds, Series 2026 (Progressive Products Project)," with such other appropriate particular designation added to or incorporated in such title for the Bonds of any particular series of Additional Bonds as the Issuer may determine. The total principal amount of Bonds that may be issued hereunder is hereby expressly limited to the $1,700,000 principal amount of Series 2026 Bonds and any Additional Bonds permitted hereunder.

Section 2.02. Limited Nature of Obligations.

(a) The Bonds and the interest thereon shall be limited obligations of the Issuer payable solely and only from the net earnings and revenues derived by the Issuer from the Project, including but not limited to the rents, revenues and receipts under the Project Lease (including, in certain circumstances, Bond proceeds and income from the temporary investment thereof and proceeds from sale of the Project or insurance proceeds and condemnation awards, if any, and are secured by a pledge and assignment of the Trust Estate to the Trustee in favor of the Owner(s) of Bonds, as provided in this Indenture. The Bonds and the interest thereon shall not be a debt or general obligation of the Issuer or the State, or any municipal corporation thereof, and neither the Bonds, the interest thereon, nor any judgment thereon or with respect thereto, are payable in any manner from tax revenues of any kind or character. The Bonds shall not constitute an indebtedness or a pledge of the faith and credit of the Issuer, the State or any municipal corporation thereof, within the meaning of any constitutional or statutory limitation or restriction.

(b) No provision, covenant or agreement contained in this Indenture or the Bonds, or any obligation herein or therein imposed upon the Issuer, or the breach thereof, shall constitute or give rise to or impose upon the Issuer a pecuniary liability or a charge upon its general credit or powers of taxation. In making the agreements, provisions and covenants set forth in this Indenture, the Issuer has not obligated itself except with respect to the Project and the application of the payments, revenues and receipts therefrom as hereinabove provided. Neither the officers of the Issuer nor any person executing the Bonds shall be liable personally on the Bonds by reason of the issuance thereof.

Section 2.03. Denomination, Numbering and Dating of Bonds.

(a) The Bonds shall consist of fully registered Bonds in an Authorized Denomination. The Bonds shall be substantially in the form set forth in *Article IV* of this Indenture. The Bonds of each series of Bonds shall be numbered in such manner as the Trustee shall determine.

(b) The Bonds of each series of Bonds shall be dated as provided in this Indenture or the Supplemental Indenture authorizing the issuance of such series of Bonds. The Bonds shall bear interest from their effective date of registration. The effective date of registration shall be the Interest Payment Date next preceding the date of authentication thereof by the Trustee, unless such date of authentication shall be an Interest Payment Date, in which case the effective date of registration shall be as of such date of authentication, or unless the date of authentication shall be prior to the first Interest Payment Date for such series of Bonds, in which case the effective date of registration shall be the dated date of such series of Bonds; provided, however, if payment of the interest on any Bonds of any series shall be in default at the time of authentication of any Bond certificates issued in lieu of Bonds surrendered for transfer or exchange, the effective date of registration shall be as of the date to which interest has been paid in full on the Bonds surrendered.

Section 2.04. Method and Place of Payment of Bonds. The principal of, redemption premium, if any, and interest on the Bonds shall be payable in any coin or currency which, on the respective dates of payment thereof, is legal tender for the payment of public and private debts.

The interest payable on each Bond on any Interest Payment Date shall be paid to the Owner of such Bond as shown on the Bond Register at the close of business on the Record Date for such interest (a) by check or draft mailed by the Paying Agent to the address of such Owner shown on the Bond Register or at such other address as is furnished to the Paying Agent in writing by such Owner; or (b) in the case of an interest payment to any Owner of $500,000 or more in aggregate principal amount of Bonds, by electronic transfer to such Owner upon written notice given to the Bond Registrar by such Owner, not less than 15 days prior to the Record Date for such interest, containing the electronic transfer instructions including the bank ABA routing number and account number to which such Owner wishes to have such transfer directed.

Final payment of principal and redemption premium, if any, on all Bonds shall be made by check or draft upon the presentation and surrender of the certificate(s) representing such Bonds at the Maturity thereof at the principal corporate trust office of the Paying Agent.

Section 2.05. Execution and Authentication of Bonds.

(a) Bond certificates shall be executed on behalf of the Issuer by the manual or facsimile signature of the Mayor and attested by the manual or facsimile signature of its City Clerk and shall have the corporate seal of the Issuer affixed thereto or imprinted thereon. In case any officer whose signature or facsimile thereof appears on any Bond certificates shall cease to be such officer before the delivery of such Bonds, such signature or facsimile thereof shall nevertheless be valid and sufficient for all purposes, the same as if such person had remained in office until delivery. Any Bond certificate may be signed by such persons as at the actual time of the execution of such Bond certificate shall be the proper officers to sign although on the date of issuance of such Bond such persons may not have been such officers.

(b) The Bonds shall have endorsed thereon a Certificate of Authentication substantially in the form set forth in *Article IV* hereof, which shall be manually executed by the Trustee. No Bond shall be entitled to any security or benefit under this Indenture or shall be valid or obligatory for any purpose unless and until such Certificate of Authentication shall have been duly executed. Such executed Certificate of Authentication upon any Bond certificate shall be conclusive evidence that the Bonds described in such Bond certificate have been duly authenticated and delivered under this Indenture. The Certificate of Authentication on any Bond certificate shall be deemed to have been duly executed if signed by any authorized officer or employee of the Trustee, but it shall not be necessary that the same officer or employee sign the Certificate of Authentication on all of the Bond certificates that may be delivered hereunder at any one time.

Section 2.06. Registration, Transfer and Exchange of Bonds.

(a) The Trustee shall keep books for the registration and for the transfer of the Series 2026 Bonds and any Additional Bonds as provided in this Indenture.

(b) Bonds may be transferred only upon the books maintained by Trustee for the registration and transfer of Bonds upon surrender of the certificate(s) representing such Bonds to the Trustee duly endorsed for transfer or accompanied by an assignment duly executed by the Owner(s) of Bonds or his attorney or legal representative in such form as shall be satisfactory to the Trustee. Upon any such transfer, the Issuer shall execute and the Trustee shall authenticate and deliver in exchange for such Bonds new Bond certificate(s), registered in the name of the transferee, of any Authorized Denomination in an aggregate principal amount equal to the principal amount of such Bonds, of the same series and maturity and bearing interest at the same rate. In the event that any Owner(s) of Bonds fails to provide a certified taxpayer identification number to the Trustee, the Trustee may make a charge against such Owner(s) of Bonds sufficient to pay any governmental charge required to be paid as a result of such failure. In compliance with Section 3406 of the Internal Revenue Code of 1986, as amended, such amount may be deducted by the Paying Agent from amounts otherwise payable to any Owner(s) of Bonds.

(c) In all cases in which Bonds shall be exchanged or transferred hereunder, the Issuer shall execute and the Trustee shall authenticate and deliver at the earliest practicable time Bond certificates in accordance with the provisions of this Indenture. All Bond certificates surrendered in any such exchange or transfer shall forthwith be canceled by the Trustee. The Issuer or the Trustee may make a charge for every such exchange or transfer of Bonds sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, and such charge shall be paid by the Owner(s) of Bonds before any such new Bond certificate shall be delivered. Neither the Issuer nor the Trustee shall be required to make any such exchange or transfer of Bonds on or after the Record Date preceding a Payment Date on the Bonds or, in the case of any proposed redemption of Bonds, during the 15 days immediately preceding the selection of Bonds for such redemption or after such Bonds or any portion thereof has been selected for redemption.

(d) Any proposed transfer of Series 2026 Bonds shall be made by the Trustee only upon delivery to the Trustee, the Issuer and the Tenant of an opinion of counsel to the proposed transferor either (i) that the proposed transfer is a part of a transaction exempt from the application of the Securities Act of 1933, as amended (the "1933 Act"), or (ii) that the transfer is a part of a transaction that is in compliance with the registration provisions of the 1933 Act, which opinion shall be in form and substance acceptable to both the Trustee, the Issuer and the Tenant.

(e) All of the duties of the Trustee set forth in this *Section 2.06* may be performed by any co-trustee or co-paying agent appointed by the Trustee, to the extent specified in the instrument appointing such co-trustee or co-paying agent.

Section 2.07. Persons Deemed Owners of Bonds. The person in whose name any Bond shall be registered as shown on the registration books required to be maintained by the Trustee by this Article shall be deemed and regarded as the absolute owner thereof for all purposes. Payment of, or on account of the principal of and premium, if any, and, interest on any such Bond shall be made only to or upon the order of such registered Owner or a duly constituted legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond, including the interest thereon, to the extent of the sum or sums so paid.

Section 2.08. Authorization of Series 2026 Bonds.

(a) There shall be initially issued and secured pursuant to this Indenture, a series of Bonds in the aggregate principal amount of not to exceed $1,700,000 for the purpose of providing funds to pay Project Costs, which series of Bonds shall be designated the "City of Pittsburg, Kansas Taxable Industrial Revenue Bonds, Series 2026 (Progressive Products Project)." The Series 2026 Bonds shall be dated as of the Dated Date, shall become due on the Principal Payment Dates in the years and in the respective principal amounts (subject to prior redemption as hereinafter provided in *Article III*) and shall bear interest from their effective date of registration or the Interest Payment Date to which interest has been paid, at the rates per annum (computed on the basis of a 360-day year of twelve 30-day months) of 6.00%.

The Series 2026 Bonds shall be payable as set forth in Appendix A and shall be dated, bear interest, and be subject to redemption and transfer as set forth in such forms. All of the terms and provisions of the Series 2026 Bonds as set forth in Appendix A are incorporated into this Indenture by reference. The Series 2026 Bonds and the interest and redemption premium, if any, thereon will not be a general obligation of the Issuer, but shall be payable solely out of the revenues derived by the Issuer pursuant to the Project Lease (except to the extent payable from proceeds of sale or re-letting of the Project).

(b) Interest on the Series 2026 Bonds shall be payable to the Owners thereof in accordance with the provisions of *Article II* hereof.

(c) The Trustee is hereby designated as the Issuer's Paying Agent for the payment of the principal of, premium, if any, and interest on the Series 2026 Bonds. The Trustee may appoint one or more financial institutions to act as co-paying agent for the Series 2026 Bonds.

(d) Upon the original issuance and delivery of the Series 2026 Bonds, the effective date of registration thereof shall be their Dated Date.

(e) The Series 2026 Bonds shall be substantially in the form and manner set forth in *Article IV* hereof and delivered to the Trustee for authentication, but prior to or simultaneously with the authentication and delivery of the Bonds by the Trustee, there shall be filed with the Trustee the following:

(i) An original or certified copy of the Ordinance enacted by the Issuer's governing body authorizing the issuance of the Series 2026 Bonds and the execution of this Indenture and the Project Lease.

(ii) An original executed counterpart of this Indenture.

(iii) An original executed counterpart of the Site Lease.

(iv) An original executed counterpart of the Project Lease.

(v) An opinion of Bond Counsel to the effect that the Series 2026 Bonds constitute valid and legally binding obligations of the Issuer and exempt from Kansas income taxation, subject to such limitations and restrictions as shall be described therein.

(vi) Such other certificates, statements, receipts and documents as the Trustee shall reasonably require for the delivery of the Series 2026 Bonds.

(f) When the documents specified in subsection (e) of this Section shall have been filed with the Trustee, and when certificates representing all the Series 2026 Bonds shall have been executed and authenticated as required by this Indenture, the Trustee shall deliver the Series 2026 Bonds to or upon the order of the Original Purchaser thereof, but only upon payment to the Trustee of the Purchase Price of the Series 2026 Bonds. The Original Proceeds, including accrued interest and premium thereon, if any, shall be immediately paid over to the Trustee, and the Trustee shall deposit and apply such proceeds as provided in *Article V* hereof.

Section 2.09. Authorization of Additional Bonds.

(a) Additional Bonds may be issued under and equally and ratably secured by this Indenture on a parity with the Series 2026 Bonds and any other Additional Bonds Outstanding at any time and from time to time, upon compliance with the conditions hereinafter provided in this Section, for any of the following purposes:

(i) To provide funds to pay the costs of completing the Improvements, the total of such costs to be evidenced by a certificate signed by the Authorized Tenant Representative.

(ii) To provide funds to pay all or any part of the costs of repairing, replacing or restoring Improvements in the event of damage, destruction or condemnation thereto or thereof.

(iii) To provide funds to pay all or any part of the costs of acquisition, purchase or construction of such additions, improvements, extensions, alterations, expansions or modifications of the Project (including additional Real Property or Improvements) or any part thereof as the Tenant may deem necessary or desirable and as will not impair the nature of the Project as a "facility" within the meaning and purposes of the Act.

(iv) To provide funds for refunding all or any part of the Bonds of any series then Outstanding, including the payment of any premium thereon and interest to accrue to the designated Redemption Date and any expenses in connection with such refunding.

(b) Before any Additional Bonds shall be issued under the provisions of this Section, the Original Purchaser shall be given written notice thereof by Issuer or Tenant, and the Issuer's governing body shall enact an Ordinance (i) authorizing the issuance of such Additional Bonds, fixing the amount and terms thereof and describing the purpose or purposes for which such Additional Bonds are being issued or describing the Bonds to be refunded, (ii) authorizing the Issuer to enter into a Supplemental Indenture for the purpose of providing for the issuance of and securing such Additional Bonds and, if required, (iii) authorizing the Issuer to enter into a supplemental lease with the Tenant to provide for rental payments at least sufficient to pay the principal of, premium, if any, and interest on the Bonds then to be Outstanding (including the Additional Bonds to be issued) as the same become due, for the acquisition, purchase, construction or installation of additional Improvements, for the inclusion of any such addition, expansion or modification as a part of the Project, and for such other matters as are appropriate because of the issuance of the Additional Bonds proposed to be issued which, in the judgment of the Issuer, is not to the prejudice of the Issuer or the owners of the Bonds previously issued.

(c) Such Additional Bonds shall have the same designation as the Series 2026 Bonds, except for an identifying series letter or date and the addition of the word "Refunding" when applicable, shall be dated, shall be stated to mature on Principal Payment Dates in such year or years, shall bear interest at such rate or rates not exceeding the maximum rate then permitted by law, and shall be redeemable at such times and prices (subject to the provisions of *Article III* of this Indenture), all as may be provided by the Supplemental Indenture authorizing the issuance of such Additional Bonds. Except as to any difference in the date, the maturity or maturities, the rate or rates of interest or the provisions for redemption, such Additional Bonds shall be on a parity with and shall be entitled to the same benefit and security of this Indenture as the Series 2026 Bonds and any other Additional Bonds Outstanding at the time of the issuance of such Additional Bonds.

(d) Such Additional Bonds shall be substantially in the form and executed in the manner set forth in this Article and *Article IV* hereof and certificates representing such Bonds shall be deposited with the Trustee for authentication, but prior to or simultaneously with the authentication and delivery of such Bond certificates by the Trustee, there shall be filed with the Trustee the following:

(i) An original or certified copy of the Ordinance enacted by the Issuer's governing body authorizing the issuance of such Additional Bonds and the execution of such Supplemental Indenture and the appropriate amendments or supplements to the Project Lease.

(ii) An original executed counterpart of the Supplemental Indenture providing for the issuance of the Additional Bonds.

(iii) An original executed counterpart of the amendment or supplement to the Project Lease, if required.

(iv) An opinion of Bond Counsel to the effect that the Additional Bonds constitute valid and legally binding obligations of the Issuer and are exempt from Kansas income taxation, subject to such limitations and restrictions as shall be described therein.

(v) In the case of Additional Bonds being issued to refund Outstanding Bonds, such additional documents as shall be reasonably required by the Trustee to establish that provision has been duly made for the payment of all of the Bonds to be refunded in accordance with the provisions of *Article XII* of this Indenture.

(vi) A copy of the written notice to the Original Purchaser.

(vii) Such other instructions, certificates, statements, receipts and documents as the Trustee shall reasonably require for the delivery of such Additional Bonds.

(e) When the documents mentioned in subsection (d) of this Section shall have been filed with the Trustee, and when such Additional Bonds shall have been executed and authenticated as required by this Indenture, the Trustee shall deliver such Additional Bonds to or upon the order of the purchasers thereof, but only upon payment to the Trustee of the purchase price of such Additional Bonds. The proceeds of the sale of such Additional Bonds (except Additional Bonds issued to refund Outstanding Bonds), including accrued interest and premium thereon, if any, shall be immediately paid over to the Trustee and shall be deposited and applied by the Trustee as provided in *Article V* hereof and in the Supplemental Indenture authorizing the issuance of such Additional Bonds. The proceeds (excluding accrued interest and premium, if any, which shall be deposited in the Debt Service Fund) of all Additional Bonds issued to refund Outstanding Bonds shall be deposited by the Trustee, after payment or making provision for payment of all expenses incident to such financing, to the credit of a special trust fund, appropriately designated, to be held in trust for the sole and exclusive purpose of paying the principal of, premium, if any, and interest on the Bonds to be refunded, as provided in *Section 12.02* hereof and in the Supplemental Indenture authorizing the issuance of such refunding Bonds.

(f) Except as provided in this Section, the Issuer will not otherwise issue any obligations ratably secured and on a parity with the Bonds, but the Issuer may issue other obligations specifically subordinate and junior to the Bonds with the express written consent of the Tenant.

Section 2.10. Temporary Bonds.

(a) Until definitive Bonds of any series are available for delivery, the Issuer may execute, and upon request of the Issuer, the Trustee shall authenticate and deliver, in lieu of definitive Bonds, but subject to the same limitations and conditions as definitive Bonds, temporary printed, engraved, lithographed or typewritten Bonds, in the form of fully registered Bonds in denominations of $5,000 or any integral multiple thereof, substantially of the tenor hereinabove set forth and with such appropriate omissions, insertions and variations as may be required with respect to such temporary Bonds.

(b) If temporary Bonds shall be issued, the Issuer shall cause the definitive Bonds to be prepared and to be executed and delivered to the Trustee, and the Trustee, upon presentation to it at its principal office of any temporary Bond shall cancel the same and authenticate and deliver in exchange therefor, without charge to the Owner thereof, a definitive Bond or Bonds of an equal aggregate principal amount, of the same series and maturity and bearing interest at the same rate as the temporary Bond surrendered. Until so exchanged the temporary Bonds shall in all respects be entitled to the same benefit and security of this Indenture as the definitive Bonds to be issued and authenticated hereunder.

Section 2.11. Mutilated, Lost, Stolen or Destroyed Bonds. In the event any Bond certificate shall become mutilated, or be lost, stolen or destroyed, the Issuer shall execute and the Trustee shall authenticate and deliver a new Bond certificate of like series, date and tenor as the Bond certificate mutilated, lost, stolen or destroyed. In the case of any mutilated Bond certificate, such mutilated Bond shall first be surrendered to the Trustee; and in the case of any lost, stolen or destroyed Bond certificate, there shall be first furnished to the Issuer and the Trustee evidence of such loss, theft or destruction satisfactory to the Issuer and the Trustee, together with indemnity satisfactory to them. In the event any such Bond shall have matured, instead of issuing a substitute Bond certificate the Issuer may pay or authorize the payment of the same without surrender thereof. Upon the issuance of any substitute Bond certificate, the Issuer and the Trustee may require the payment of an amount sufficient to reimburse the Issuer and the Trustee for any tax or other governmental charge that may be imposed in relation thereto and any other reasonable fees and expenses incurred in connection therewith.

Section 2.12. Cancellation and Destruction of Bonds Upon Payment.

(a) All Bonds which have been paid or redeemed or which the Trustee has purchased or the certificates of which have otherwise been surrendered to the Trustee under this Indenture, either at or before Maturity, shall be canceled by the Trustee immediately upon the payment, redemption or purchase of such Bonds and the surrender of the certificates thereof to the Trustee.

(b) All Bonds canceled under any of the provisions of this Indenture shall be delivered by the Trustee to the Issuer, or, upon request of the Issuer, shall be destroyed by the Trustee.

Section 2.13. Payments Due on Saturdays, Sundays and Holidays. In any case where the Maturity of any Bonds shall not be a Business Day, then payment of principal, premium, if any, or interest need not be made on such date but may be made on the next succeeding Business Day with the same force and effect as if made on the date of Maturity, and no interest shall accrue for the period after such date.

Section 2.14. Nonpresentment of Bonds. In the event that any Bond shall not be presented for payment when the principal thereof becomes due, either at its Stated Maturity or Redemption Date, or the Trustee is unable to locate the Owner for the payment of accrued interest or an accrued interest check remains uncashed, if funds sufficient to pay such Bond and accrued interest shall have been made available to the Trustee, all liability of the Issuer to the Owner(s) of Bonds for the payment of such Bond and accrued interest shall cease and be completely discharged, and the Trustee shall hold such funds, without interest, for the benefit of such Owner(s) of Bonds, who shall thereafter be restricted exclusively to such funds for any claim on, or with respect to, such Bond and interest. If any Bond shall not be presented for payment within four years following the date when it becomes due, whether by Maturity or otherwise, or the accrued interest cannot be paid as set out above, the Trustee shall repay to the Tenant the funds theretofore held by it for payment of such Bond and interest, and such Bond and interest shall thereafter be an unsecured obligation of the Tenant, subject to the defense of any applicable statute of limitation, and the Owner thereof shall be entitled to look only to the Tenant for payment, and then only to the extent of the amount so repaid, and the Tenant shall not be liable for any additional interest thereon.

ARTICLE III

REDEMPTION OF BONDS

Section 3.01. Redemption of Bonds Generally. The Series 2026 Bonds shall be subject to redemption prior to Stated Maturity in accordance with the terms and provisions of this Article. Additional Bonds shall be subject to redemption prior to Stated Maturity in accordance with the terms and provisions contained in this Article and as may be specified in the Supplemental Indenture authorizing such Additional Bonds.

Section 3.02. Redemption of Series 2026 Bonds. The Series 2026 Bonds shall be subject to redemption and payment prior to Stated Maturity, at the option of the Issuer, upon instructions from the Tenant, on and after September 8, 2026, as a whole or in part on any date, at the redemption price of the par value of the principal amount thereof, without premium.

Section 3.03. Selection of Bonds to be Redeemed.

(a) Bonds shall be redeemed only in Authorized Denominations. If less than all of the Outstanding Bonds of any series are to be redeemed and paid prior to Stated Maturity, such Bonds shall be redeemed as directed in writing by the Tenant. Bonds of less than a full Stated Maturity are to be selected by the Trustee in such equitable manner as it may determine.

(b) In the case of a partial redemption of Bonds by lot when Bonds of denominations greater than a minimum Authorized Denomination are then Outstanding, then for all purposes in connection with such redemption each minimum Authorized Denomination of face value shall be treated as though it was a separate Bond of the minimum Authorized Denomination. If it is determined that one or more, but not all, of the minimum Authorized Denomination units of face value represented by any fully registered Bond is selected for redemption, then the Owner of such Bond or his attorney or legal representative shall forthwith present and surrender such Bond to the Trustee (i) for payment of the redemption price (including the premium, if any, and interest to the Redemption Date) of the minimum Authorized Denomination unit or units of face value called for redemption, and (ii) for exchange, without charge to the Owner thereof, for a new Bond or Bonds of the aggregate principal amount of the unredeemed portion of the principal amount of such Bond. If the owner of any such Bond of a denomination greater than a minimum Authorized Denomination shall fail to present such Bond to the Trustee for payment and exchange, such Bond shall, nevertheless, become due and payable on the Redemption Date to the extent of the principal amount thereof called for redemption (and to that extent only).

Section 3.04. Trustee's Duty to Redeem Bonds. The Trustee shall call bonds for mandatory redemption immediately upon receipt of written advice from the Issuer that the event giving rise to mandatory redemption has occurred and stating the Redemption Date (except with respect to mandatory redemption of Term Bonds, no further notice of which is required). Upon receipt by the Trustee of such written advice, if required, and upon its own initiative if not required, the Trustee shall give at least 30 days' written notice of redemption to the Owner(s) of Bonds as provided herein. The Trustee shall call Bonds for redemption and payment as herein provided and shall give notice of redemption as provided in *Section 3.05* hereof upon receipt by the Trustee at least 45 days prior to the proposed Redemption Date (unless waived) of a written request of the Issuer together with a copy of the redemption instructions of the Tenant. Such instructions shall specify the principal amount and the respective maturities of Bonds to be called for redemption, the applicable redemption price or prices and the provision or provisions of this Indenture pursuant to which such Bonds are to be called for redemption. In the event of a mandatory redemption as provided herein, no request from the Issuer or instructions from the Tenant shall be necessary.

Section 3.05. Notice of Redemption. Notice of the call for any redemption identifying the Bonds or portions thereof to be redeemed shall be given by the Trustee, in the name of the Issuer, by mailing by first class mail, postage prepaid, a copy of the redemption notice at least 30 days prior to the date fixed for redemption to the Owner of each Bond to be redeemed at the address shown on the registration books maintained by the Trustee; provided, however, failure to give such notice by mailing, or any defect therein, shall not affect the validity of any proceedings for the redemption of the Bonds. Any notice of redemption shall state the Redemption Date, the place or places at which such Bonds shall be presented for payment, the series, maturities and numbers of the Bonds or portions of Bonds to be redeemed (and in the case of the redemption of a portion of any Bond the principal amount thereof being redeemed), the redemption price and shall state that interest on the Bonds described in such notice will cease to accrue from and after the Redemption Date. A copy of each such notice of redemption shall be provided to any authorized co-paying agent appointed by the Trustee.

Section 3.06. Effect of Call for Redemption. Prior to the date fixed for redemption, funds or Government Securities maturing on or before the date fixed for redemption shall be deposited with the Trustee in amounts sufficient to provide for payment of the Bonds called for redemption, accrued interest thereon to the Redemption Date and the redemption premium, if any. Upon the deposit of such funds or Government Securities, and notice having been given as provided in *Section 3.05* hereof, the Bonds or the portions of the principal amount of Bonds thus called for redemption shall cease to bear interest on the specified Redemption Date, and shall no longer be entitled to the protection, benefit or security of this Indenture and shall not be deemed to be Outstanding under the provisions of this Indenture.

ARTICLE IV

FORM OF BONDS

Section 4.01. Forms Generally. The Series 2026 Bonds, and the Trustee's certificate of authentication to be endorsed thereon shall be, respectively, in substantially the form set forth in *Appendix A*. Any Additional Bonds, and the Trustee's Certificate of Authentication to be endorsed thereon shall also be in substantially such form, with such necessary or appropriate variations, omissions and insertions as are permitted or required by this Indenture or any Supplemental Indenture. The Bonds may have endorsed thereon such legends or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or any custom, usage or requirement of law with respect thereto.

Section 4.02. Bond Counsel's Approving Opinion. If printed on the Bond certificates, Bond Counsel's approving opinion with respect to the authorization and issuance of the Bonds shall be preceded by the following certificate:

I, the undersigned, City Clerk of the City of Pittsburg, Kansas hereby certify that the following is a true and correct copy of the complete final legal opinion of Gilmore & Bell, P.C., Bond Counsel, on the within Bond and the series of which the Bond is a part, except that it omits the date of such opinion, that the legal opinion was manually executed and was dated and issued as of the date of delivery of and payment for such Bonds, and is on file with BOKF, N.A., Kansas City, Missouri.

(facsimile signature)
City Clerk of the
City of Pittsburg, Kansas

ARTICLE V

CUSTODY AND APPLICATION OF BOND PROCEEDS

Section 5.01. Creation of Funds and Accounts. There are hereby authorized to be established in the custody of the Trustee the following Funds and Accounts:

(a) "City of Pittsburg, Kansas Project Fund (Progressive Products Project)”

(b) "City of Pittsburg, Kansas Debt Service Fund (Progressive Products Project)”

The Trustee may create separate subaccounts in any Fund or Account for each series of Bonds issued pursuant to the Indenture.

Section 5.02. Deposit of Bond Proceeds. The net proceeds received from the sale of the Series 2026 Bonds shall be deposited simultaneously with the delivery of the Series 2026 Bonds as follows:

(a) All accrued interest and premium, if any, received from the sale of the Series 2026 Bonds shall be deposited in the Debt Service Fund.

(b) The remaining balance of proceeds derived from the sale of the Series 2026 Bonds shall be deposited in the Project Fund.

ARTICLE VI

REVENUES AND FUNDS

Section 6.01. Deposits into the Project Fund. In addition to the amounts required to be paid into the Project Fund pursuant to *Section 5.02* hereof, the following funds shall be paid over to and deposited by the Trustee into the Project Fund, as and when received:

(a) The earnings accrued on the investment of moneys in the Project Fund and required to be deposited into the Project Fund pursuant to *Section 7.02* hereof.

(b) If required by a Supplemental Indenture authorizing the issuance of Additional Bonds, additional amounts from the proceeds of such Additional Bonds required to acquire, construct and install the Project Additions.

(c) The Net Proceeds of casualty insurance, condemnation awards or title insurance required to be deposited into the Project Fund pursuant to the Project Lease.

(d) Any and all payments from any contractors or other suppliers by way of breach of contract, refunds or adjustments required to be deposited into the Project Fund pursuant to the Project Lease.

(e) Except as otherwise provided herein or in the Project Lease, any other money received by or to be paid to the Trustee from any other source for the purchase or construction of the Improvements, when accompanied by directions by the Tenant that such moneys are to be deposited into the Project Fund.

Section 6.02. Disbursements from the Project Fund.

(a) The moneys in the Project Fund shall be disbursed by the Trustee for the payment of Project Costs (other than Costs of Issuance) in accordance with the provisions of *Article V* of the Project Lease. The Trustee hereby covenants and agrees to disburse such moneys in accordance with such provisions. If the Issuer so requests, a copy of each requisition certificate submitted to the Trustee for payment under this Section shall be promptly provided by the Trustee to the Issuer.

(b) The Trustee shall keep and maintain adequate records pertaining to the Project Fund and all disbursements therefrom, and after the Improvements have been completed the Trustee, if requested, shall file a statement of receipts and disbursements with respect thereto with the Issuer and the Tenant.

(c) The completion of the Improvements and payment of all costs and expenses incident thereto shall be evidenced by the filing with the Trustee by the Tenant of the Certificate of Completion required by *Section 5.5* of the Project Lease. Any balance remaining in the Project Fund shall without further authorization be deposited in the Debt Service Fund and applied by the Trustee solely to the payment of principal of the Bonds through the payment on a Stated Maturity or redemption thereof on any Redemption Date specified in the optional redemption provisions of *Section 3.02* hereof, or as otherwise permissible in the opinion of Bond Counsel.

Section 6.03. Disposition Upon Acceleration. If the principal of the Bonds shall have become due and payable pursuant to *Section 9.01* of this Indenture, upon the date of payment by the Trustee of any moneys due as hereinafter provided in *Article IX*, any balance remaining in the Project Fund shall, without further authorization, be deposited in the Debt Service Fund by the Trustee.

Section 6.04. Deposits into the Debt Service Fund. In addition to the amounts required to be paid into the Debt Service Fund pursuant to *Section 5.02* hereof, the Trustee shall deposit into the Debt Service Fund, as and when received, the following:

(a) If required by a Supplemental Indenture authorizing the issuance of Additional Bonds, proceeds of such Additional Bonds in an amount not to exceed the sum which, when added to the accrued interest and premium, if any, received from the sale of such Additional Bonds, will be sufficient to pay the interest accruing on such Additional Bonds during the estimated period of construction of the Project Additions financed through the issuance of such Additional Bonds.

(b) All Basic Rent payable by the Tenant to the Issuer specified in *Section 3.1* of the Project Lease.

(c) Any amount in the Project Fund to be transferred to the Debt Service Fund pursuant to the provisions of this Indenture

(d) All interest and other income derived from investments of Debt Service Fund moneys as provided in *Section 7.02* hereof.

(e) All other moneys received by the Trustee under and pursuant to any of the provisions of the Project Lease, except Additional Rent, or when accompanied by directions from the person depositing such moneys that such moneys are to be paid into the Debt Service Fund.

Section 6.05. Application of Moneys in the Debt Service Fund.

(a) Except as provided in subsection (d) of this Section, moneys in the Debt Service Fund shall be expended solely for the payment of the principal of, premium, if any, and interest on the Outstanding Bonds as the same mature and become due or upon the redemption thereof prior to maturity.

(b) The Issuer hereby authorizes and directs the Trustee to withdraw sufficient funds from the Debt Service Fund to pay the principal of, premium, if any, and interest on the Bonds as the same become due and payable and to make the funds so withdrawn available to the Paying Agent for the purpose of paying the principal, premium, if any, and interest.

(c) The Trustee, upon written direction of the Issuer and the Tenant, shall use any excess moneys in the Debt Service Fund (other than investment earnings credited to such account) and any moneys paid to the Trustee for deposit in the Debt Service Fund pursuant to the Project Lease to redeem Outstanding Bonds, interest accruing thereon prior to such redemption, and redemption premium, if any, in accordance with and to the extent permitted by *Article III* hereof so long as the Tenant is not in default with respect to payments of Basic Rent under the Project Lease and to the extent the moneys are in excess of amounts required for payment of Bonds theretofore matured or called for redemption and past due interest in all cases when such Bonds have not been presented for payment. The Tenant may also direct such excess moneys in the Debt Service Fund or such part thereof or other moneys of the Tenant, as the Tenant may direct, to be applied by the Trustee for the purchase of Bonds in the open market for the purpose of cancellation.

(d) Any amount remaining in the Debt Service Fund after the principal of, premium, if any, and interest on the Bonds shall have been paid in full or provision made therefor in accordance with *Article XII* hereof, shall be paid to the Tenant by the Trustee.

ARTICLE VII

SECURITY FOR DEPOSITS AND INVESTMENT OF FUNDS

Section 7.01. Moneys to be Held in Trust. All moneys deposited with or paid to the Trustee for the account of any fund or account under any provision of this Indenture, and all moneys deposited with or paid to the Paying Agent under any provision of this Indenture, shall be held by the Trustee or Paying Agent in trust and shall be applied only in accordance with the provisions of this Indenture and the Project Lease and, until used or applied as so provided, shall constitute part of the Trust Estate and be subject to the lien hereof. Neither the Trustee nor any Paying Agent shall be under any liability for interest on any moneys received hereunder except such as may be agreed upon in writing.

Section 7.02. Investment of Moneys in Funds. Moneys held in each of the Funds and Accounts shall be separately invested and reinvested by the Trustee in accordance with the provisions hereof, at the written direction of the Authorized Tenant Representative (or in the absence of such written direction, as provided in *subsection (e)* of the definition of Investment Securities) in Investment Securities which mature or are subject to redemption by the owner prior to the date such funds will be needed. The Trustee may make any investments permitted by this Section through its own bond department or short-term investment department and may pool moneys for investment purposes, except moneys held in the yield restricted portion of any fund or account, which shall be invested separately. Any such Permitted Investments shall be held by or under the control of the Trustee and shall be deemed at all times a part of the fund or account in which such moneys are originally held. The interest earned on and any profit realized from Investment Securities held in any Fund or Account under this Indenture shall be deposited into the Debt Service Fund. Any loss resulting from such Investment Securities shall be charged to such Fund or Account in which such Investment Securities generating the loss are held. The Bond Trustee shall sell and reduce to cash a sufficient amount of such Investment Securities whenever the cash balance in such Fund or Account is insufficient for the purposes of such Fund or Account.

Section 7.03. Record Keeping. The Trustee shall maintain records demonstrating compliance with the provisions of this Article and with the provisions of *Article VI* for at least six years after the payment of all of the Outstanding Bonds.

ARTICLE VIII

GENERAL COVENANTS AND PROVISIONS

Section 8.01. Payment of Principal of, Premium, if any, and Interest on the Bonds. The Issuer covenants and agrees that it will, but solely from the rents, revenues and receipts derived from the Project (as well as moneys held for such purposes hereunder) as described herein, promptly pay or cause to be paid the principal of, premium, if any, and interest on the Bonds as the same become due and payable at the place, on the dates and in the manner provided herein and in the Bonds according to the true intent and meaning thereof, and to this end the Issuer covenants and agrees that it will use its best efforts to cause the Project to be continuously leased as a revenue and income producing undertaking, and that, should there be a default under the Project Lease with the result that the right of possession of the Project is returned to the Issuer, the Issuer shall fully cooperate with the Trustee and with the Owner(s) of Bonds to protect the rights and security of the Owner(s) of Bonds and shall diligently proceed in good faith and use its best efforts to secure another tenant for the Project to the end that at all times sufficient rents, revenues and receipts will be derived by Issuer from the Project to provide for payment of the principal of, premium, if any, and interest on the Bonds as the same become due and payable. Nothing herein shall be construed as requiring the Issuer to operate the Project as a business other than as lessor or to use any funds or revenues from any source other than funds and revenues derived from the Project.

Section 8.02. Authority to Execute Indenture and Issue Bonds. The Issuer covenants, to the best of its knowledge and belief, that: (i) it is duly authorized under the constitution and laws of the State to execute this Indenture, to issue the Bonds and to pledge and assign the Trust Estate in the manner and to the extent herein set forth (including the creation of a security interest therein); (ii) all action on its part for the execution and delivery of this Indenture and the issuance of the Bonds has been duly and effectively taken; and (iii) the Bonds in the hands of the Owners thereof are and will be valid and enforceable limited obligations of the Issuer according to the import thereof.

Section 8.03. Performance of Covenants. The Issuer covenants that it will endeavor to faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Indenture, in the Bonds and in all proceedings of its governing body pertaining thereto.

Section 8.04. Instruments of Further Assurance. The Issuer covenants that it will do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, such Supplemental Indentures and such further acts, instruments, financing statements and other documents as the Trustee may reasonably require for the better pledging and assigning unto the Trustee the property and revenues herein described to secure the payment of the principal of, premium, if any, and interest on the Bonds. The Issuer covenants and agrees that, except as herein and in the Project Lease provided, it will not sell, convey, lease, encumber or otherwise dispose of any part of the Project or the rents, revenues and receipts derived therefrom or from the Project Lease, or of its rights under the Project Lease.

Section 8.05. Recording and Filing. The Issuer shall cause the Project Lease and all amendments to the Project Lease or appropriate memoranda thereof and all appropriate financing statements and other security instruments to be recorded and filed in such manner and in such places as may be required by law in order to fully preserve and protect the security of the Owner(s) of Bonds and the rights of the Trustee hereunder. The Issuer hereby authorizes the Trustee to make any such filings for it. The Trustee shall cause all appropriate continuation statements of financing statements initially recorded to be recorded and filed in such manner and in such places as may be required by law to continue the effectiveness of such financing statements.

Section 8.06. Maintenance, Taxes and Insurance. The Issuer represents that pursuant to the provisions of *Articles VI, VII* and *X* of the Project Lease, the Tenant has agreed to cause the Project to be maintained and kept in good condition, repair and working order, to pay, as the same respectively become due, all taxes, assessments and other governmental charges at any time lawfully levied or assessed upon or against the Project or any part thereof, and to keep the Project constantly insured to the extent provided for therein, all at the sole expense of Tenant.

Section 8.07. Inspection of Project Books. The Issuer covenants and agrees that all books and documents in its possession relating to the Project and the rents, revenues and receipts derived from the Project shall, at all reasonable times during regular business hours, be open to inspection by such accountants or other agencies as the Trustee may from time to time designate.

Section 8.08. Enforcement of Rights Under the Site Lease and Project Lease. The Site Lease and Project Lease, duly executed counterparts of which has been filed with the Trustee, sets forth the covenants and obligations of the Issuer and the Tenant, including provisions that subsequent to the issuance of the Bonds and prior to their payment in full or provision for payment thereof in accordance with the provisions hereof, the Site Lease and Project Lease may not be effectively amended, changed, modified, altered or terminated without the written consent of the Trustee, and reference is hereby made to the Site Lease and Project Lease for a detailed statement of the covenants and obligations of the Tenant thereunder, and the Issuer agrees that the Trustee in its name or in the name of the Issuer may enforce all rights of the Issuer and all obligations of the Tenant under and pursuant to the Site Lease and Project Lease for and on behalf of the Owners, whether or not an Event of Default exists hereunder.

Section 8.09. Possession and Use of Project. So long as not otherwise provided in this Indenture, the Tenant shall be suffered and permitted to possess, use and enjoy the Project and appurtenances so as to carry out its obligations under the Project Lease.

ARTICLE IX

REMEDIES ON DEFAULT

Section 9.01. Acceleration of Maturity in Event of Default.

(a) If an Event of Default shall have occurred and be continuing, the Trustee may, and upon the written request of Owner(s) of Bonds owning not less than 25% in aggregate principal amount of Bonds then Outstanding shall, by notice in writing delivered to the Issuer and the Tenant, declare the principal of all Bonds then Outstanding and the interest accrued thereon immediately due and payable, and such principal and interest shall thereupon become and be immediately due and payable.

(b) If, at any time after such declaration, but before the Bonds shall have matured by their terms, all overdue installments of principal and interest on the Bonds, together with all Default Administration Costs, all overdue installments of Basic Rent and Additional Rent under the Project Lease and all other sums then payable by the Issuer under this Indenture shall either be paid or provision satisfactory to the Trustee shall be made for such payment, then and in every such case the Trustee may in its discretion, and shall upon the written consent of Owner(s) of Bonds owning at least 51% in aggregate principal amount of the Bonds Outstanding, rescind such declaration and annul such default in its entirety.

(c) In case of any rescission, then and in every such case the Issuer, the Trustee and the Owner(s) of Bonds shall be restored to their former position and rights hereunder respectively, but no such rescission shall extend to any subsequent or other default or Event of Default or impair any right consequent thereon.

Section 9.02. Exercise of Remedies by the Trustee.

(a) If an Event of Default shall have occurred and be continuing, the Trustee may, and if requested to do so in writing by Owner(s) of Bonds owning not less than 25% of the aggregate principal amount of Bonds Outstanding, and if indemnified to its satisfaction and satisfactory provision has been offered as to payment of Default Administration Costs and third-party liability, shall pursue and exercise any available remedy at law or in equity by suit, action, mandamus or other proceeding or exercise such one or more of the rights and powers conferred by this Article as the Trustee, being advised by counsel, shall deem most expedient in the interests of the Owner(s) of Bonds to enforce the payment of the principal of, premium, if any, and interest on the Bonds then Outstanding, and to enforce and compel the performance of the duties and obligations of the Issuer as herein set forth.

(b) All rights of action under this Indenture or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceedings relating thereto, and any such suit or proceeding instituted by the Trustee shall be brought in its name as Trustee without necessity of joining as plaintiffs or defendants any Owner(s) of Bonds, and any recovery of judgment shall be for the equal benefit of all Outstanding Bonds.

(c) In any litigation with the Tenant after an Event of Default, the Trustee may, after obtaining the written approval of Owner(s) of Bonds owning at least 51% of the aggregate principal amount of Bonds Outstanding, enter into an agreement to settle the litigation upon such terms as the Trustee in its sole discretion determines to be in the best interest of the Owner(s) of Bonds, even if such settlement involves selling the Real Property and Improvements for less than the amount needed to pay the Owners of the Bonds Outstanding the full amounts of the principal and accrued interest on the Bonds.

Section 9.03. Surrender of Possession of Trust Estate; Rights and Duties of Trustee in Possession. If an Event of Default shall have occurred and be continuing, the Issuer, upon demand of the Trustee, shall forthwith surrender the possession of, and the Trustee, by such officer or agent as it may appoint, may take possession of all or any part of the Trust Estate, together with the books, papers and accounts of the Issuer pertaining thereto, and including the rights and the position of the Issuer under the Site Lease and Project Lease, and to hold, operate and manage the same, and from time to time make all needful repairs and improvements; and the Trustee may lease the Project or any part thereof, in the name and for account of the Issuer, and collect, receive and sequester the rents, revenues and receipts therefrom, and out of the same and any moneys received from any receiver of any part thereof pay, and set up proper reserves for the payment of all proper costs and expenses of so taking, holding and managing the same, including (i) reasonable compensation to the Trustee, its agents and counsel, (ii) any charges of the Trustee hereunder, (iii) any taxes and assessments and other charges prior to the lien of this Indenture, (iv) any costs and expenses of the Issuer in connection with the Project and (v) all expenses of such repairs and improvements, and the Trustee shall apply the remainder of the moneys so received in accordance with *Section 9.10*. Whenever all that is due upon the Bonds shall have been paid and all defaults made good, the Trustee shall surrender possession of the Trust Estate to the Issuer, its successors and assigns, the same right of entry, however, to exist upon any subsequent Event of Default.

While in possession of such property, the Trustee shall render annually to the Issuer and the Tenant a summarized statement of receipts and expenditures in connection therewith

Section 9.04. Sale in Event of Default. If an Event of Default shall have occurred and be continuing, the Trustee, as assignee of the Issuer, may (but shall not be required to) sell the Issuer’s interest in the Project on behalf of the Issuer in accordance with the provisions of the Site Lease and Project Lease, and the Trustee or the Owner or Owners of any of the Bonds then Outstanding, whether or not then in default in the payment of principal or interest, may become the purchaser at any such sale to the highest bidder.

In the event of such a sale, the Issuer and the Trustee shall execute and deliver any necessary or appropriate instrument of conveyance of the Issuer’s interest in the Project to the purchaser or purchasers thereof, and any statement or recital of fact in such deed in relation to the nonpayment of the Bonds, default, existence of the Bonds, notice of advertisement, sale, receipt of money, and the happening of any event whereby a prima facie evidence of the truth of such statement or recital. The Bond Trustee shall receive the proceeds of sale and pay the same in accordance with *Section 9.10(b).*

Section 9.05. Appointment of Receivers. Upon the occurrence of an Event of Default, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee and of the Owners under this Indenture, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the Trust Estate and of the revenues, earnings, income, products and profits thereof, pending such proceedings, with such powers as the court making such appointment shall confer.

Section 9.06. Limitation on Exercise of Remedies by Owner(s) of Bonds. No Owner(s) of Bonds shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of this Indenture or for the execution of any trust hereunder or for the appointment of a receiver or any other remedy hereunder, unless (i) a default has occurred of which the Trustee has knowledge, (ii) such default shall have become an Event of Default, (iii) Owner(s) of Bonds owning at least 25% in aggregate principal amount of Bonds then Outstanding shall have made written request to the Trustee, shall have offered it reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name, and (iv) satisfactory indemnity and provision for payment of Default Administration Costs and third-party liability shall have been offered to the Trustee and (v) the Trustee shall thereafter fail or refuse to exercise the powers granted in this section to institute such action, suit or proceeding in its own name; and such knowledge and request are hereby declared in every case, at the option of the Trustee, to be conditions precedent to the execution of the powers and trusts of this Indenture, and to any action or cause of action for the enforcement of this Indenture, or for the appointment of a receiver or for any other remedy hereunder, it being understood and intended that no one or more Owner(s) of Bonds shall have any right in any manner whatsoever to affect, disturb or prejudice this Indenture by its, his or their action or to enforce any right hereunder except in the manner herein provided, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all Bonds then Outstanding.

Section 9.07. Right of Owner(s) of Bonds to Direct Proceedings. Anything in this Indenture to the contrary notwithstanding, Owner(s) of Bonds owning at least 51% in aggregate principal amount of Bonds then Outstanding shall have the right, at any time, by an instrument or instruments in writing executed and delivered to the Trustee, and upon providing the Trustee indemnification satisfactory to it as provided above, to direct the time, method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Indenture, or for the appointment of a receiver or any other proceedings hereunder; provided that such direction shall not be otherwise than in accordance with the provisions of law and of this Indenture, and Trustee shall have the right to decline to follow such direction if the Trustee shall in good faith, and upon the advice of counsel, determine that proceedings so directed would expose the Trustee to personal liability.

Section 9.08. Remedies Cumulative. No remedy by the terms of this Indenture conferred upon or reserved to the Trustee or to the Owner(s) of Bonds is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee or to the Owner(s) of Bonds hereunder or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right, power or remedy accruing upon any Event of Default shall impair any such right, power or remedy or shall be construed to be a waiver of any such Event of Default or acquiescence therein; and every such right, power or remedy may be exercised from time to time and as often as may be deemed expedient. No waiver of any Event of Default hereunder, whether by the Trustee or by the Owner(s) of Bonds, shall extend to or shall affect any subsequent Event of Default or shall impair any rights or remedies consequent thereon.

Section 9.09. Waivers of Events of Default. The Trustee may in its discretion waive any Event of Default hereunder and its consequences and rescind any declaration of maturity of principal of and interest on Bonds, and shall do so upon the written request of Owner(s) of Bonds owning at least 51% in aggregate principal amount of all the Bonds then Outstanding and satisfaction of the conditions set forth in *Section 9.01(b)*. In case of any such waiver or rescission, or in case any proceedings taken by the Trustee under this Indenture on account of any such default shall have been discontinued or abandoned for any reason, or shall have been determined adversely, then and in every such case the Issuer, the Trustee and the Owner(s) of Bonds shall be restored to their former positions, rights and obligations hereunder, respectively, but no such waiver or rescission shall extend to any subsequent or other default, or impair any right consequent thereon, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

Section 9.10. Application of Money Received after Event of Default.

(a) If the principal of all Bonds shall have become due and payable after the occurrence of an Event of Default, all moneys thereafter received from the Tenant, from sale or reletting of the Project, shall be deposited in the Debt Service Fund and all moneys in the Debt Service Fund shall be applied as follows:

first: To the payment of Default Administration Costs

second: To the payment of the whole amount then due and unpaid upon the Outstanding Bonds for principal and premium, if any, and interest, in respect of which or for the benefit of which such money has been collected, with interest (to the extent that such interest has been collected by the Trustee or a sum sufficient therefor has been so collected and payment thereof is legally enforceable at the respective rate or rates prescribed therefor in the Bonds) on overdue principal and premium, if any, and on overdue installments of interest; and in case such proceeds shall be insufficient to pay in full the whole amount so due and unpaid upon the Bonds, then to the payment of such principal, premium and interest, without any preference or priority, ratably according to the aggregate amount so due; and

third: To the payment of any other amounts required to be paid under this Indenture or the Project Lease; and

fourth: To the payment of the remainder, if any, to the Tenant or to whosoever may be lawfully entitled to receive the same or as a court of competent jurisdiction may direct.

(b) Whenever moneys are to be applied by the Issuer or the Trustee pursuant to the provisions of this Section, such moneys shall be applied at such times, and from time to time, as the Trustee in its sole discretion determines, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future; the deposit of such moneys with the Trustee in trust for the proper purpose shall constitute proper application by the Issuer; and the Issuer shall incur no liability to any Owner(s) of Bonds or to any other person for any delay in applying any such moneys, so long as the Issuer acts with reasonable diligence, having due regard to the circumstances, and moneys are applied in accordance with such provisions of this Indenture. Whenever the Trustee exercises such discretion in applying such moneys, it shall fix the date (which shall be an Interest Payment Date unless the Trustee shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the fixing of any such date, and shall not be required to make payment to any Owner(s) of Bonds of any unpaid Bond until the Bond certificate(s) representing Bonds owned are surrendered to the Trustee as Bond Registrar for appropriate endorsement, or for cancellation if fully paid.

(c) Whenever the principal of and premium, if any, and interest on all Bonds have been paid under the provisions of this Section and all expenses and charges of the Trustee have been paid, any balance remaining in the Debt Service Fund shall be paid to the Tenant as provided in *Section 6.07(d).*

ARTICLE X

THE TRUSTEE

Section 10.01. Acceptance of the Trusts. The Trustee hereby accepts the trusts imposed upon it by this Indenture, and agrees to perform the trusts in the manner in which a corporate trustee ordinarily would perform the trusts under a corporate indenture, and the Trustee shall exercise such of the rights and powers vested in it by this Indenture and shall use the same degree of care and skill in its exercise as a prudent corporate trust officer would exercise or use under the circumstances, but only upon and subject to the following express terms and conditions, and no implied covenants or obligations shall be read into this Indenture against the Trustee:

(a) Prior to the occurrence of an Event of Default and after the cure of all Events of Default which may have occurred, the Trustee's duties and responsibilities shall include only those expressly set forth in this Trust Indenture and those rights, duties, responsibilities, and obligations which are reserved to or imposed upon the Issuer under this Trust Indenture, the Site Lease and the Project Lease, excepting only such of those rights, duties, responsibilities, and obligations as may only be properly and lawfully exercised by or imposed upon the Issuer.

(b) Upon the occurrence of an Event of Default the Trustee shall be and is hereby authorized to bring appropriate action for judgment or such other relief as may be appropriate and such action may be in the name of the Trustee or in the name of the Issuer and Trustee jointly; but in such case, neither the Issuer nor the Trustee shall have any obligation for any fees and expenses of such action except out of any funds available by reason of the ownership of the Project and moneys available under this Trust Indenture and the Project Lease. In addition, the Trustee may file such proof of claim and such other documents as may be necessary and advisable in order to have the claims of the Trustee and the Owner(s) of Bonds relative to the Bonds or the obligations relating thereto allowed in any judicial proceeding.

(c) The Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or through agents, attorneys or receivers. The Trustee shall be entitled to rely upon the opinion or advice of counsel, who may be counsel to the Trustee, Issuer or the Tenant, concerning all matters of trust hereof and the duties hereunder, and may in all cases pay such reasonable compensation to all such agents, attorneys and receivers as may reasonably be employed in connection with the trusts hereof.

(d) The Trustee, in its individual or any other capacity, may become the owner or pledgee of Bonds with the same rights which it would have if it were not Trustee.

(e) The Trustee may rely and shall be protected in acting or refraining from acting upon any ordinance, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, affidavit, letter, telegram or other paper or document provided for under this Indenture, the Site Lease or the Project Lease believed by it to be genuine and correct and to have been signed, presented or sent by the proper person or persons. Any action taken by the Trustee pursuant to this Indenture upon the request or authority or consent of any person who, at the time of making such request or giving such authority or consent is an Owner(s) of Bonds, shall be conclusive and binding upon all future Owners of the same Bond and upon Bonds issued in exchange therefor or upon transfer or in substitution thereof.

(f) As to the existence or nonexistence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, or whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee shall be entitled to rely upon a certificate signed by the mayor of the Issuer or the Authorized

Tenant Representative as sufficient evidence of the facts therein contained, the Trustee shall also be at liberty to accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient, but may at its discretion secure such further evidence deemed necessary or advisable, but shall in no case be bound to secure the same.

(g) The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty, and the Trustee shall not be answerable for other than its negligence or willful misconduct.

(h) At any and all reasonable times and upon reasonable prior notification to the Tenant, the Trustee and its duly authorized agents, attorneys, experts, engineers, accountants and representatives shall have the right to inspect any and all of the Project and all books, papers and records of the Issuer and Tenant pertaining to the Project and the Bonds, and to make such notes and copies as may be desired.

(i) The Trustee shall not be required to give any bond or surety with respect to the execution of its trusts and powers hereunder or otherwise with respect to the Project.

(j) The Trustee shall have the right, but shall not be required, to demand, with respect to the authentication of any Bonds, the withdrawal of any cash, the release of any property, or any action whatsoever within the purpose of this Indenture, any showings, certificates, opinions, appraisals or other information, or corporate action or evidence thereof, in addition to that by the terms hereof required, as a condition of such action by the Trustee deemed desirable for the purpose of establishing the right of the Issuer to the authentication of any Bonds, the withdrawal of any cash, or the taking of any other action by the Trustee.

(k) The Trustee shall not be required to take notice of, or be deemed to have notice of, any default hereunder or under the Site Lease or Project Lease, except the failure by the Issuer to cause to be made any of the payments required to be made under the Project Lease or in accordance with *Article VI* hereof, or the failure by the Issuer to cause compliance by the Tenant with the insurance provisions of *Article VI* of the Project Lease, unless the Trustee shall have been specifically notified in writing of such default by the Issuer or by Owner(s) of Bonds owning at least 25% in aggregate principal amount of all Bonds then Outstanding.

(l) The Trustee may inform the Owner(s) of Bonds of environmental hazards that the Trustee has reason to believe exist with respect to the Project, the Real Property or the Improvements, and the Trustee shall have the right to take no further action with respect thereto, and, in such event, no fiduciary duty shall exist which imposes any obligation for further action by the Trustee with respect to the Project, the Real Property, the Improvements, the enforcement of any remedies hereunder or under the Project Lease, the Trust Estate, or any portion thereof, if, in the reasonable opinion of the Trustee, such action would subject the Trustee to environmental or other liability for which the Trustee has not received indemnity satisfactory to it.

Section 10.02. Fees, Charges and Expenses of the Trustee; Lien for Fees and Costs and Additional Rent. The Trustee shall be entitled to payment of or reimbursement for reasonable fees for its ordinary services rendered hereunder and all advances, agent and counsel fees and other ordinary costs, charges and expenses reasonably and necessarily made or incurred by the Trustee in connection with such ordinary services and, in the event that it should become necessary that the Trustee perform extraordinary services, it shall be entitled to reasonable compensation therefor and to reimbursement for reasonable and necessary extraordinary expenses in connection therewith; provided that if such extraordinary services or extraordinary expenses are occasioned by the neglect or misconduct of the Trustee it shall not be entitled to compensation or reimbursement therefor. The Trustee shall be entitled to payment and reimbursement for the reasonable fees, costs, expenses and charges of the Trustee as Paying Agent for the Bonds. The Trustee agrees that the Issuer shall have no liability for any fees, charges and expenses of the Trustee, and the Trustee agrees to look only to the Tenant for the payment of all fees, charges and expenses of the Trustee and any Paying Agents as provided in the Project Lease. Upon the occurrence of an Event of Default and during its continuance, the Trustee shall have a lien with right of payment prior to payment of principal of, redemption premium, if any, or interest on any Bond, upon all moneys in its possession under any provisions hereof for the foregoing advances, fees, costs and expenses incurred, for Default Administration Costs and for any unpaid Additional Rent owing under the Project Lease.

Section 10.03. Notice to Owner(s) of Bonds if Default Occurs. If an Event of Default occurs, of which the Trustee is aware and of which it is required to take notice, the Trustee shall give written notice thereof to the Owner(s) of Bonds, as shown by the bond registration books required to be maintained by the Trustee and kept at the principal office of the Trustee.

Section 10.04. Intervention by the Trustee. In any judicial proceeding to which the Issuer is a party and which, in the opinion of the Trustee and its counsel, has a substantial bearing on the interests of the Owner(s) of Bonds, the Trustee may intervene on behalf of the Owner(s) of Bonds and shall do so if requested in writing by Owner(s) of Bonds owning at least 25% of the aggregate principal amount of Bonds then Outstanding and if provided with indemnity satisfactory to the Trustee.

Section 10.05. Successor Trustee Upon Merger, Consolidation or Sale. Any corporation or association into which the Trustee may be merged or converted or with or into which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any merger, conversion, sale, consolidation or transfer to which it is a party, shall be and become successor Trustee hereunder without the execution or filing of any instrument or any further act on the part of any of the parties hereto.

Section 10.06. Resignation of Trustee. The Trustee may resign by an instrument in writing delivered by registered or certified mail to the Issuer and the Tenant to take effect not sooner than 90 days after its delivery, whereupon the Issuer, with the consent of the Tenant, shall immediately, in writing, designate a successor Trustee; provided, however, the Trustee's resignation shall not become effective unless and until a successor Trustee is approved and qualified. In the event the Issuer and the Tenant do not promptly designate a successor trustee, then the Trustee shall have the right to petition a court of competent jurisdiction for the appointment of a successor.

Section 10.07. Removal of Trustee. As long as no Default or Event of Default shall have occurred and be continuing, the Trustee may be removed at any time by the Issuer or the Tenant; provided, that such removal shall not be effective unless and until a successor trustee is appointed and qualified, and provided further than such removal shall not become effective until after 60 days from the date written notice of such proposed removal is given to the Trustee by first class mail. The Issuer or the Tenant, concurrently with giving notice to the Trustee, shall give notice by first class mail of the proposed removal of the Trustee to all Owner(s) of Bonds. Unless Owner(s) of Bonds owning at least 51% in principal amount of Bonds then Outstanding object in writing to the proposed removal of the Trustee, such removal shall become effective from the date specified in the notices, provided that the successor trustee shall have been qualified and have accepted the duties and responsibilities of the Trustee as of such date. The Trustee may be removed at any time by the written direction of Owner(s) of Bonds owning at least 51% in aggregate principal amount of Bonds then Outstanding.

Section 10.08. Qualifications of Successor Trustee. Every successor Trustee appointed pursuant to the provisions of this Article shall be a trust company or bank in good standing, qualified to accept such trust and acceptable to the Issuer and the Tenant.

Section 10.09. Vesting of Trusts in Successor Trustee. Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the Issuer and the Tenant an instrument in writing accepting such appointment hereunder, and thereupon such successor shall, without any further act, deed or conveyance, become fully vested with all the trusts, powers, rights, obligations, duties, remedies, immunities and privileges of its predecessor; but such predecessor shall, nevertheless, on the written request of the Issuer, execute and deliver an instrument transferring to such successor Trustee all the trusts, powers, rights, obligations, duties, remedies, immunities and privileges of such predecessor hereunder; and every predecessor Trustee shall deliver all securities and moneys held by it as Trustee hereunder to its successor. Should any instrument in writing from the Issuer be required by any successor Trustee for more fully and certainly vesting in such successor the trusts, powers, rights, obligations, duties, remedies, immunities and privileges hereby vested in the predecessor, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Issuer.

Section 10.10. Right of Trustee to Pay Taxes and Other Charges. In case any tax, assessment or governmental or other charge upon, or insurance premium with respect to, any part of the Project is not paid as required herein or in the Project Lease, and the Tenant has failed after 30 days written notice to make such payment, the Trustee may pay such tax, assessment or governmental charge or insurance premium, without prejudice, however, to any rights of the Trustee or the Owner(s) of Bonds hereunder arising in consequence of such failure; and any amount at any time so paid under this Section, with interest thereon from the date of payment at a rate per annum equal to the Trustee's published prime rate in effect at the time, shall become an additional obligation secured by this Indenture, and the same shall be given a preference in payment over any payment of principal of, premium, if any, or interest on the Bonds, and shall be paid out of the proceeds of rents, revenues and receipts collected from the Project, if not otherwise caused to be paid; but the Trustee shall be under no obligation to make any such payment unless it shall have been requested to do so by Owner(s) of Bonds owning at least 25% of the aggregate principal amount of Bonds then Outstanding and shall have been provided adequate funds for the purpose of such payment.

Section 10.11. Trust Estate May Be Vested in Co-trustee.

(a) It is the purpose of this Indenture that there shall be no violation of any law of any jurisdiction (including particularly the State) denying or restricting the right of banking corporations or associations to transact business as trustee in such jurisdiction. It is recognized that in case of litigation under this Indenture, the Site Lease or the Project Lease, and in particular in case of the enforcement of either a default, or in case the Trustee deems that by reason of any present or future law of any jurisdiction it may not exercise any of the powers, rights or remedies herein granted to the Trustee, or take any other action which may be desirable or necessary in connection therewith, it may be necessary or desirable that the Trustee appoint an additional individual or institution as a co-trustee or separate trustee, and the Trustee is hereby authorized to appoint such co-trustee or separate trustee.

(b) In the event that the Trustee appoints an additional individual or institution as a co-trustee or separate trustee, each and every remedy, power, right, claim, demand, cause of action, immunity, title, interest and lien expressed or intended by this Indenture to be exercised by the Trustee with respect thereto shall be exercisable by such co-trustee or separate trustee but only to the extent necessary to enable such co-trustee or separate trustee to exercise such powers, rights and remedies, and every covenant and obligation necessary to the exercise thereof by such co-trustee or separate trustee shall run to and be enforceable by either of them.

(c) Should any deed, conveyance or instrument in writing from the Issuer be required by the co-trustee or separate trustee so appointed by the Trustee for more fully and certainly vesting in and confirming to him or it such properties, rights, powers, trusts, duties and obligations, then any and all such deeds, conveyances and instruments in writing shall, on request, be executed, acknowledged and delivered by the Issuer.

(d) In case any co-trustee or separate trustee shall die, become incapable of acting, resign or be removed, all the properties, rights, powers, trusts, duties and obligations of such co-trustee or separate trustee, so far as permitted by law, shall vest in and be exercised by the Trustee until the appointment of a successor to such co-trustee or separate trustee.

Section 10.12. Annual Accounting. The Trustee shall render an annual accounting to the Tenant, to the Issuer upon request, and to any Owner(s) of Bonds requesting the same in writing and remitting reasonable charges for preparing such copies, showing in reasonable detail all financial transactions relating to the Trust Estate during the accounting period and the balance in any funds or accounts created by this Indenture as of the beginning and close of such accounting period.

Section 10.13. Performance of Duties under the Site Lease and Project Lease. The Trustee hereby accepts and agrees to perform, in such manner as is consistent with the terms of those instruments and this Indenture, all duties and obligations assigned to it under the Site Lease and Project Lease.

ARTICLE XI

SUPPLEMENTAL INDENTURES

Section 11.01. Supplemental Indentures Not Requiring Consent of Owner(s) of Bonds. The Issuer and the Trustee may from time to time, without the consent of any of the Owner(s) of Bonds, enter into such Supplemental Indenture or Supplemental Indentures as shall not be inconsistent with the terms and provisions hereof, for any one or more of the following purposes:

(a) To cure any ambiguity or formal defect or omission in this Indenture or to make any other change not prejudicial to the Owner(s) of Bonds;

(b) To grant to or confer upon the Trustee for the benefit of the Owner(s) of Bonds any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Owner(s) of Bonds;

(c) To more precisely identify the Project or to add additional property thereto;

(d) To subject to this Indenture additional revenues, properties or collateral; and

(e) To issue Additional Bonds as provided in *Section 2.09* hereof.

Section 11.02. Supplemental Indentures Requiring Consent of Owner(s) of Bonds.

(a) Exclusive of Supplemental Indentures described in *Section 11.01* hereof and subject to the terms and provisions contained in this Section, and not otherwise, the Owner(s) of Bonds owning not less than 66-2/3% in aggregate principal amount of the Bonds then Outstanding shall have the right, from time to time, anything contained in this Indenture to the contrary notwithstanding, to consent to and approve the execution by the Issuer and the Trustee of such other Supplemental Indenture or Supplemental Indentures as shall be deemed necessary and desirable by the Issuer for the purpose of modifying, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Indenture or in any Supplemental Indenture; provided, however, except as provided in subparagraph (b) of this *Section 11.02*, nothing in this Section contained shall permit or be construed as permitting (i) an extension of the maturity of the principal of or the accrual of, or dates of payment of, interest on any Bond issued hereunder, or (ii) a reduction in the principal amount of any Bond or the rate of interest thereon, or (iii) a privilege or priority of any Bond or Bonds over any other Bond or Bonds, or (iv) a reduction in the aggregate principal amount of Bonds the Owners of which are required for consent to any such Supplemental Indenture.

(b) Any provision of this Indenture or the Bonds may be amended with the written consent of the Owners owning 100% in aggregate principal amount then Outstanding.

Section 11.03. Tenant's Consent to Supplemental Indentures. Anything herein to the contrary notwithstanding, a Supplemental Indenture under this Article which affects any rights of the Tenant shall not become effective unless and until the Tenant shall have consented in writing to the execution and delivery of such Supplemental Indenture, provided that receipt by the Trustee of an amendment to the Project Lease executed by the Tenant in connection with the issuance of Additional Bonds under *Section 2.09* hereof shall be deemed to constitute consent of the Tenant to the execution of a Supplemental Indenture pursuant to *Section 2.09* hereof. In this regard, the Trustee shall cause notice of the proposed execution and delivery of any such Supplemental Indenture (other than a Supplemental Indenture proposed to be executed and delivered pursuant to *Section 2.09* hereof) together with a copy of the proposed Supplemental Indenture to be mailed to the Tenant at least 15 days prior to the proposed date of execution and delivery of any such Supplemental Indenture.

ARTICLE XII

SATISFACTION AND DISCHARGE OF INDENTURE

Section 12.01. Satisfaction and Discharge of the Indenture.

(a) When the principal of, premium, if any, and interest on all Bonds shall have been paid in accordance with their terms or provision has been made for such payment, as provided in *Section 12.02* hereof, and provision shall also have been made for paying all other sums payable hereunder, including the fees and expenses of the Trustee and the Paying Agent to the date of retirement of the Bonds, then the duties of the Trustee under this Indenture shall cease. Thereupon the Trustee shall discharge and release this Indenture and shall execute, acknowledge and deliver to the Issuer such instruments of satisfaction and discharge or release as shall be requisite to evidence such release and the satisfaction and discharge of this Indenture, and shall assign and deliver to the Issuer any property at the time subject to this Indenture which may then be in its possession, except amounts in the Debt Service Fund required to be paid to the Tenant under *Section 6.07(d)* hereof and except funds or securities in which such funds are invested and held by the Trustee for the payment of the principal of, and interest accrued on, the Bonds. Notwithstanding anything otherwise provided herein, the provisions of this Indenture relating to compensation and indemnification of the Trustee shall survive satisfaction and discharge of the Indenture.

(b) The Issuer is hereby authorized to accept a certificate by the Trustee that the principal of, premium, if any, and interest due and payable upon all of the Bonds then Outstanding and all amounts required to be paid to the United States have been paid or such payment provided for in accordance with *Section 12.02* hereof as evidence of satisfaction of this Indenture, and upon receipt thereof shall deem this Indenture discharged.

Section 12.02. Bonds Deemed to be Paid.

(a) Bonds shall be deemed to be paid within the meaning of this Indenture when payment of the principal of and the applicable premium, if any, on such Bonds, plus interest thereon to the due date thereof (whether such due date be by reason of maturity or upon redemption as provided in this Indenture, or otherwise), either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided for by depositing with the Trustee, in trust and irrevocably set aside exclusively for such payment (A) moneys sufficient to make such payment or (B) non-callable Government Securities maturing as to principal and interest in such amount and at such times as will insure the availability of sufficient moneys to make such payment. Bonds shall also be deemed paid if the Bond certificate(s) are surrendered to the Bank as paying agent, accompanied by a written communication from the registered Owner waiving payment and directing that they be cancelled without actual payment. At such time as a Bond shall be deemed to be paid hereunder, it shall no longer be secured by or entitled to the benefits of this Indenture, except for the purposes of any such payment from such moneys or Government Securities. As a condition to the Bonds being deemed paid, the Trustee shall have received an opinion of Bond Counsel to the effect that the conditions of this Section have been satisfied.

(b) Notwithstanding the foregoing, in the case of the redemption of Bonds which by their terms may be redeemed prior to the stated maturities thereof, no deposit under clause (ii) of the immediately preceding paragraph shall be deemed a payment of such Bonds until proper notice of such redemption shall have been given in accordance with *Article III* of this Indenture or irrevocable instructions shall have been given to the Trustee to give such notice.

(c) Notwithstanding any provision of any other Section of this Indenture which may be contrary to the provisions of this Section, all moneys or Government Securities set aside and held in trust pursuant to the provisions of this Section for the payment of Bonds (including premium thereon, if any) and interest thereon shall be applied to and used solely for the payment of the particular Bonds (including premium thereon, if any) and interest thereon with respect to which such moneys and Government Securities have been so set aside in trust.

ARTICLE XIII

MISCELLANEOUS PROVISIONS

Section 13.01. Consents and Other Instruments by Owner(s) of Bonds.

(a) Any consent, request, direction, approval, objection or other instrument required by this Indenture to be signed and executed by the Owner(s) of Bonds may be in any number of concurrent writings of similar tenor and may be signed or executed by such Owner(s) of Bonds in person or by agent appointed in writing. Proof of the execution of any such instrument or of the writing appointing any such agent and of the ownership of Bonds, if made in the following manner, shall be sufficient for any of the purposes of this Indenture, and shall be conclusive in favor of the Trustee with regard to any action taken, suffered or omitted under any such instrument, namely:

(i) The fact and date of the execution by any person of any such instrument may be proved by the certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such instrument acknowledged before him the execution thereof, or by affidavit of any witness to such execution.

(ii) The fact of ownership of Bonds and the amount or amounts, number and other identification of such Bonds, and the date of holding the same shall be proved by the registration books of the Issuer maintained by the Trustee.

(b) In determining whether the Owner(s) of Bonds owning the requisite principal amount of Bonds Outstanding have given any request, demand, authorization, direction, notice, consent or waiver under this Indenture, Bonds owned by the Tenant or any affiliate of the Tenant shall be disregarded and deemed not to be Outstanding under this Indenture, except that, in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Bonds which the Trustee knows to be so owned shall be so disregarded. For purposes of this paragraph, the word "affiliate" means any person directly or indirectly controlling or controlled by or under direct or indirect common control with the Tenant; and for the purposes of this definition, "control" means the power to direct the management and policies of such person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise. Notwithstanding the foregoing, Bonds so owned which have been pledged in good faith shall not be disregarded if the pledgee establishes to the satisfaction of the Trustee the pledgee's right so to act with respect to such Bonds and that the pledgee is not the Tenant or any affiliate of the Tenant.

Section 13.02. Limitation of Rights Under the Indenture. With the exception of rights herein expressly conferred, nothing expressed or mentioned in or to be inferred from this Indenture or the Bonds is intended or shall be construed to give any person other than the parties hereto, and the Owner(s) of Bonds, any right, remedy or claim under or with respect to this Indenture, and all of the covenants, conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the parties hereto, the Tenant and the Owner(s) of Bonds as herein provided.

Section 13.03. Notices. Any notice, request, complaint, demand or other communication required or desired to be given or filed under this Indenture shall be in writing and shall be deemed duly given or filed if the same shall be duly mailed by registered or certified mail, postage prepaid, to the Notice Representative.

All notices given by certified or registered mail shall be deemed duly given as of the date they are so mailed. A duplicate copy of each notice, certificate or other communication given hereunder by either the Issuer or the Tenant to the other shall also be given to the Trustee. The Issuer, the Trustee and the Tenant may from time to time designate, by notice given hereunder to the others of such parties, such other address to which subsequent notices, certificates or other communications shall be sent.

Section 13.04. Suspension of Mail Service. If, because of the temporary or permanent suspension of regular mail service or for any other reason, it is impossible or impractical to mail any notice in the manner herein provided, then such other form of notice as shall be made with the approval of the Trustee shall constitute a sufficient notice.

Section 13.05. Severability. If any provision of this Indenture shall be held or deemed to be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative or unenforceable to any extent whatever.

Section 13.06. Execution in Counterparts. This Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 13.07. Governing Law. This Indenture shall be governed exclusively by and construed in accordance with the applicable laws of the State.

Section 13.08. Electronic Transactions. The transaction described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

[BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Issuer has caused this Indenture to be signed by an authorized official, such signature to be attested by an authorized officer and its official seal to be applied.

CITY OF PITTSBURG, KANSAS

By: __________________________________
Mayor

[SEAL]

ATTEST:

____
Deputy City Clerk

"ISSUER"

ACKNOWLEDGMENT

STATE OF KANSAS)
) SS:
COUNTY OF CRAWFORD)

This instrument was acknowledged before me on ____________, 2026 by Chuck Munsell as Mayor of the City of Pittsburg, Kansas, a municipal corporation of the State of Kansas.

[SEAL]

____
Notary Public

My Appointment Expires:

____

IN WITNESS WHEREOF, and to evidence its acceptance of the trusts hereby created, the Trustee has caused this Indenture to be signed in its name and behalf and such signature to be attested by its duly authorized officers, and its corporate seal to be applied, all as of the date first above written.

BOKF, N.A.
Kansas City, Missouri,
as Trustee

By: ________________________________
Name: Wendee Peres
Title: Vice President and Trust Officer

"TRUSTEE"

ACKNOWLEDGMENT

STATE OF MISSOURI)
) SS.
COUNTY OF JACKSON)

This instrument was acknowledged before me on August _____ 2026, by Wendee Peres, Vice President and Trust Officer of BOKF, N.A., a banking corporation or association organized under the laws of the United States of America or one of the states thereof.

[SEAL]

____
Notary Public

My Appointment Expires:

____

APPENDIX A

FORM OF BONDS

THIS BOND HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 OR THE SECURITIES LAWS OF ANY STATE. NO TRANSFER, SALE, ASSIGNMENT OR HYPOTHECATION OF THIS SECURITY SHALL BE MADE. THE TRUSTEE SHALL BE CONSIDERED UNDER "STOP TRANSFER" ORDERS FOR ALL TRANSFERS OF BONDS UNLESS: (i) THERE SHALL HAVE BEEN DELIVERED TO THE ISSUER, THE TENANT AND THE TRUSTEE PRIOR TO THE TRANSFER, SALE ASSIGNMENT OR HYPOTHECATION AN OPINION OF NATIONALLY RECOGNIZED BOND OR SECURITIES COUNSEL, SATISFACTORY TO THE ISSUER, THE TENANT AND THE BANK, TO THE EFFECT THAT REGISTRATION UNDER THE SECURITIES ACT OF 1933 AND REGISTRATION UNDER ANY APPLICABLE STATE SECURITIES LAWS IS NOT REQUIRED; OR (ii) THERE SHALL BE A REGISTRATION STATEMENT IN EFFECT UNDER THE SECURITIES ACT OF 1933 AND UNDER ANY APPLICABLE STATE SECURITIES LAWS REQUIRING A STATE-LEVEL REGISTRATION STATEMENT WITH RESPECT TO THE TRANSFER, ASSIGNMENT, SALE OR HYPOTHECATION, AND, IN THE CASE OF BOTH (i) AND (ii), THERE SHALL HAVE BEEN COMPLIANCE WITH ALL APPLICABLE STATE AND FEDERAL SECURITIES LAWS AND ALL APPLICABLE RULES AND REGULATIONS THEREUNDER. THE TRUSTEE SHALL NOT TRANSFER THIS BOND EXCEPT IN ACCORDANCE WITH THIS LEGEND AND THE CORRELATIVE PROVISIONS OF THE INDENTURE.

THIS SERIES 2026 BOND IS NOT AN OBLIGATION ON WHICH THE INTEREST IS EXCLUDABLE FROM GROSS INCOME UNDER SECTION 103 OF THE INTERNAL REVENUE CODE OF THE UNITED STATES OF AMERICA, AS AMENDED. THE OWNER OF THIS SERIES 2026 BOND SHOULD NOT REGARD THE INTEREST HEREON AS BEING EXEMPT FROM FEDERAL INCOME TAXATION.

No. _________ $_______

UNITED STATES OF AMERICA
STATE OF KANSAS
COUNTY OF CRAWFORD
CITY OF PITTSBURG, KANSAS
TAXABLE INDUSTRIAL REVENUE BOND
SERIES 2026
(PROGRESSIVE PRODUCTS PROJECT)

Interest Rate:	Maturity Date:	Dated Date:	CUSIP:

Registered Owner: ____

Principal Amount: ____Dollars

The City of Pittsburg, Kansas, a body politic and corporate, incorporated as a city of first class of the State of Kansas (the "Issuer"), for value received, promises to pay, but solely from the sources hereinafter referred to, to the Registered Owner identified above, or registered assigns, the principal sum identified above on the Maturity Date shown above, unless called for redemption prior to the Maturity Date and to pay interest thereon at the Interest Rate per annum shown above (computed on the basis of a 360-day year of twelve 30-day months), from the Dated Date shown above, or from the most recent date to which interest has been paid or duly provided for, payable on December 31, 2032 (the "Interest Payment Dates").

The principal or redemption price of this Bond shall be paid at maturity or upon earlier redemption to the person in whose name this Bond is registered at the maturity or redemption date thereof, upon presentation and surrender of this Bond at the principal corporate trust office or other designated office of BOKF, N.A. in Kansas City, Missouri (the "Paying Agent" and "Trustee"). The interest payable on this Bond on any Interest Payment Date shall be paid to the person in whose name this Bond is registered on the registration books maintained by the Trustee at the close of business on the Record Date(s) for such interest, which shall be the 15th day (whether or not a business day) next preceding the Interest Payment Date. Such interest shall be payable (a) by check or draft mailed by the Paying Agent to the address of such Registered Owner shown on the Bond Register or at such other address as is furnished to the Paying Agent in writing by such Registered Owner; or (b) in the case of an interest payment to any Owner of $500,000 or more in aggregate principal amount of Bonds by electronic transfer to such Owner upon written notice given to the Bond Registrar by such Registered Owner, not less than 15 days prior to the Record Date for such interest, containing the electronic transfer instructions including the bank, ABA routing number and account number to which such Registered Owner wishes to have such transfer directed. The principal or redemption price of and interest on the Bonds shall be payable in any coin or currency that, on the respective dates of payment thereof, is legal tender for the payment of public and private debts. Interest not punctually paid will be paid in the manner established in the within defined Indenture.

Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the hereinafter defined Indenture.

This Bond certificate evidences ownership of a part of a duly authorized series of Bonds of the Issuer designated "City of Pittsburg, Kansas Taxable Industrial Revenue Bonds, Series 2026 (Progressive Products Project)," in the aggregate original principal amount of not to exceed $1,700,000 (the "Series 2026 Bonds"), issued for the purpose of providing funds to pay the costs of the constructing an addition to an existing manufacturing of a manufacturing facility (the "Project"), to be leased by the Issuer to RALLISON LP, a Kansas limited partnership (the "Tenant"), under the terms of a Project Lease dated as of September 1, 2026, between the Issuer and the Tenant (the Project Lease, as amended and supplemented from time to time in accordance with the provisions thereof, being herein called the "Project Lease"), all pursuant to the authority of and in conformity with the provisions, restrictions and limitations of the constitution and statutes of the State of Kansas, including particularly K.S.A. 12-1740 *et seq*. and pursuant to proceedings duly had by the governing body of the Issuer.

The Series 2026 Bonds are issued under and are equally and ratably secured and entitled to the protection of the Trust Indenture, dated as of September 1, 2026 (the Trust Indenture, as amended and supplemented from time to time in accordance with the provisions thereof, being herein called the "Indenture"), between the Issuer and the Trustee. Subject to the terms and conditions set forth therein, the Indenture permits the Issuer to issue Additional Bonds (as defined therein) secured by the Indenture ratably and on a parity with the Series 2026 Bonds (the Series 2026 Bonds together with such Additional Bonds being herein referred to collectively as the "Bonds"). Reference is hereby made to the Indenture for a description of the provisions, among others, with respect to the nature and extent of the security for the Bonds, the rights, duties and obligations of the Issuer, the Trustee and the Owner(s) of Bonds, and the terms upon which the Bonds are issued and secured.

The Series 2026 Bonds are subject to redemption and payment prior to Stated Maturity, at the option of the Issuer, upon instructions from the Tenant, on and after September 8, 2026, as a whole or in part on any date, at the redemption price of the par value of the principal amount thereof, without premium.

When any Bonds are called for redemption, notice thereof identifying the Bonds to be redeemed will be given by mailing a copy of the redemption notice at least 30 days prior to the date fixed for redemption to the Owner of each Bond to be redeemed at the address shown on the registration books maintained by the Trustee; provided, however, failure to give such notice by mailing, or any defect therein, shall not affect the validity of any proceedings for the redemption of Bonds. If less than all of the Outstanding Bonds of this series are called for redemption, Bonds shall be redeemed as directed in writing by the Tenant. Bonds of less than a full maturity shall be selected by the Trustee in such equitable manner as it may determine. All Bonds so called for redemption will cease to bear interest on the specified Redemption Date and shall no longer be secured by the Indenture and shall not be deemed to be Outstanding under the provisions of the Indenture.

The Bonds and the interest thereon are limited obligations of the Issuer payable exclusively out of the Trust Estate under the Indenture, including but not limited to the rents, revenues and receipts under the Project Lease, and are secured by a pledge of the Project (including any Project Additions) as described in the Project Lease and a pledge and assignment of the Trust Estate, including all rentals and other amounts to be received by the Issuer under and pursuant to the Project Lease, all as provided in the Indenture. The Bonds and the interest thereon do not constitute a debt or general obligation of the Issuer, the State of Kansas or any municipal corporation thereof, and are not payable in any manner by taxation. The Bonds do not constitute an indebtedness within the meaning of constitutional or statutory debt limitations or restrictions. Pursuant to the provisions of the Project Lease, Basic Rent is to be paid by the Tenant directly to the Trustee for the account of the Issuer and deposited in a special trust account created by the Issuer and designated "City of Pittsburg, Kansas Debt Service Fund (Progressive Products Project)."

No Owner of Bonds shall have the right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Indenture, or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Indenture. In certain events, on the conditions, in the manner and with the effect set forth in the Indenture, the principal of all the Bonds issued under the Indenture and then Outstanding may become or may be declared due and payable prior to the stated maturity thereof, together with interest accrued thereon. Modifications or alterations of this Bond or the Indenture may be made only to the extent and under the circumstances permitted by the Indenture.

This Bond certificate is transferable, as provided in the Indenture, only upon the registration books of the Issuer kept for that purpose at the above mentioned office of the Bond Registrar and Paying Agent by the Owner hereof in person or by his duly authorized attorney, upon surrender of this Bond together with a written instrument of transfer satisfactory to the Trustee duly executed by the Owner or such Owner's duly authorized attorney, and thereupon a new Bond certificate in the same aggregate principal amount, shall be issued to the transferee in exchange therefor as provided in the Indenture, and upon payment of the charges therein prescribed. The Tenant has agreed to pay as Additional Rent under the Project Lease all costs incurred in connection with the issuance, transfer, exchange, registration, redemption or payment of the Bonds except (a) the reasonable fees and expenses in connection with the replacement of certificates mutilated, stolen, lost or destroyed or (b) any tax or other governmental charge imposed in relation to the transfer, exchange, registration, redemption or payment of the Bonds. The Issuer, the Trustee and any Paying Agent may deem and treat the person in whose name this Bond certificate is registered as the absolute Owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes.

This Bond certificate shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until the Certificate of Authentication hereon shall have been executed by the Trustee.

IT IS HEREBY CERTIFIED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the execution and delivery of the Indenture and the issuance of the Bonds do exist, have happened and have been performed in due time, form and manner as required by law.

IN WITNESS WHEREOF, Issuer has caused this Bond certificate to be executed in its name by the manual or facsimile signature of its Mayor and attested by the manual or facsimile signature of its City Clerk and its official seal to be affixed hereto or imprinted hereon and has caused the Bonds to be dated as of September 1, 2026.

CITY OF PITTSBURG, KANSAS

(Facsimile Seal)

By: ________________________________
Mayor

ATTEST:

____
City Clerk

(FORM OF TRUSTEE'S CERTIFICATE OF AUTHENTICATION)

This Bond certificate evidences ownership of the City of Pittsburg, Kansas Taxable Industrial Revenue Bonds, Series 2026 (Progressive Products Project), as described herein and in the within-mentioned Trust Indenture. The date of authentication of this Bond is ___________________.

BOKF, N.A.
Kansas City, Missouri,
Trustee

By: _________________________________
Authorized Signature

(FORM OF ASSIGNMENT)

For value received, the undersigned hereby sells, assigns and transfers unto

____
Print or Type Name and Address of Transferee

the Bonds represented by this certificate and all rights thereunder, and hereby authorizes the transfer of the within Bond on the books kept by the Bond Registrar and Paying Agent for the registration and transfer of Bonds.

Dated: __________________

____
NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular.

Signature Guaranteed By:

[Seal of Bank]

____
(Name of Eligible Guarantor Institution)

By: ____
Title: ____

Signature must be guaranteed by an eligible guarantor institution as defined by S.E.C. Rule 17 Ad-15 (17 C.F.R. 240. 17-Ad-15) or any similar rule which the Trustee deems applicable.

THIS BOND MAY NOT BE TRANSFERRED EXCEPT IN COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES ACT OF 1933, AS AMENDED, AND APPLICABLE STATE SECURITIES LAWS, OR IN A TRANSACTION EXEMPT FROM THE APPLICATION OF FEDERAL AND STATE SECURITIES LAWS.

SITE LEASE

BY AND BETWEEN

RALLISON LP
As Lessor

AND

CITY OF PITTSBURG, KANSAS
As Issuer

DATED AS OF SEPTEMBER 1, 2026

SITE LEASE

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ARTICLE VII

SITE LEASE

THIS SITE LEASE, entered into as of September 1, 2026 between RALLISON LP, a Kansas limited partnership (the "Lessor"), and the City of Pittsburg, Kansas, a municipal corporation incorporated as a city of the first class under the laws of the State of Kansas (the "Issuer");

WITNESSETH:

WHEREAS, Lessor has requested that the Issuer issue its Taxable Industrial Revenue Bonds, Series 2026 (Progressive Products Project) (the "Bonds") under and pursuant to K.S.A. 12-1740 *et seq.*, as amended (the "Act"), for the purpose of financing the constructing an addition to an existing of a manufacturing facility (the "Improvements"), which Bonds shall be issued and secured under the provisions of an Ordinance duly enacted by the Issuer and a Trust Indenture dated as of September 1, 2026 (the "Indenture") entered into between the Issuer and BOKF, N.A. (the "Trustee"); and

WHEREAS, the Improvements are to be constructed and installed on a tract of land (the "Real Property") more specifically described in *Schedule I* attached hereto, which property is owned by the Lessor; and

WHEREAS, the Project, consisting of the leasehold under this Site Lease and the Improvements located on the Real Property shall be leased by the Issuer to the Lessor, as Tenant, under and pursuant to a Lease dated as of September 1, 2026 (the "Project Lease"); and

WHEREAS, in consideration of the issuance of the Bonds by the Issuer and the execution and delivery by the Issuer of the Project Lease, the Lessor is willing to lease the Real Property to provide the Issuer a leasehold interest in the Real Property; and

WHEREAS, the Lessor will not take any action to disturb, alter, avoid or set aside the leasehold interest of the Issuer created under this Site Lease as long as the Bonds are outstanding;

THEREFORE, in consideration of the mutual covenants and agreements contained herein, the sufficiency of which consideration is hereby acknowledged, the Lessor and the Issuer agree as follows:

ARTICLE I

Section 1.1. Representation and Covenants of Lessor. The Lessor makes the following representations and covenants:

(a) It is a Kansas limited partnership duly authorized and qualified to do business in the state of Kansas (the "State"), with lawful power and authority to enter into this Site Lease, acting by and through a designated signatory.

(b) It (i) shall maintain its authority to do business in the State, and (ii) shall not initiate any proceedings to liquidate without providing written notice to the Issuer and Trustee.

(c) To the knowledge of the Lessor, neither the execution nor delivery of this Site Lease, the consummation of the transactions contemplated hereby or by the Indenture, nor the fulfillment of or compliance with the terms and conditions of this Site Lease contravenes any provisions of its limited partnership agreement, or conflicts with or results in a material breach of the terms, conditions or provisions of any mortgage, debt, agreement, indenture or instrument to which it is a party or by which it is bound, or to which it or any of its properties is subject, or would constitute a default (without regard to any required notice or the passage of any period of time) under any of the foregoing or would result in the creation or imposition of any lien, charge or encumbrance whatsoever upon any of its property or assets under the terms of any mortgage, debt, agreement, indenture or instrument, or violates any existing law, administrative regulation or court order or consent decree to which it is subject.

(d) This Site Lease constitutes a legal, valid and binding obligation, enforceable against it in accordance with its terms.

Section 1.2. Representations and Covenants by the Issuer. The Issuer represents, covenants and warrants, to the best of its knowledge and belief, as follows:

(a) It is a municipal corporation duly incorporated and existing as a city of the first class under the constitution and laws of the State. Under the provisions of the Act, the Issuer has the power to enter into and perform the transactions contemplated by this Site Lease and the Project Lease and to carry out its obligations hereunder and thereunder.

(b) It has not, in whole or in part, assigned, leased, hypothecated or otherwise created any other interest in, or disposed of, or caused or permitted any lien, claim or encumbrance to be placed against its interest in, the Real Property, except for the pledge of its leasehold interest in the Real Property under this Site Lease to the payment of the Bonds.

(c) Except as otherwise provided herein or in the Indenture, it will not during the Site Lease Term, in whole or in part, assign, lease, hypothecate or otherwise create any other interest in, or dispose of, or cause or permit any lien, claim or encumbrance to be placed against its interest in the Real Property, except for the pledge of the Project pursuant to the Indenture.

(d) It has duly authorized the execution and delivery of this Site Lease in connection with the execution and delivery of the Project Lease.

ARTICLE II

Section 2.1. Grant of Leasehold. Lessor, in consideration of the issuance of the Bonds and the contemporaneous execution and delivery of the Project Lease, hereby rents, leases and lets unto the Issuer, and the Issuer hereby rents, leases and hires from Lessor, upon and subject to the terms and conditions hereinafter set forth, the Real Property for a term commencing as of the date of this Site Lease and ending on December 31, 2032 (or such earlier date as the principal of, redemption premium, if any, and interest on all Outstanding Bonds is paid in full) (the "Site Lease Term").

Section 2.2. Consideration. The issuance of the Bonds and the contemporaneous execution and delivery of the Project Lease by the Issuer are the sole consideration to be received by the Lessor for the grant of this Site Lease. No cash rentals shall be payable hereunder.

Section 2.3. Impositions. Lessor, as Tenant under the Project Lease, shall bear, pay and discharge, before the delinquency thereof, any and all taxes and assessments, general and special, which may be lawfully levied or assessed against or in respect of the Real Property, or any part thereof, or any improvements at any time erected thereon, and all water and sewer charges, assessments (including special assessments) and other similar governmental charges whatsoever, foreseen or unforeseen, which if not paid when due would encumber the fee simple title to the Real Property ("Impositions"). In the event any Impositions may be lawfully paid in installments, Lessor shall be required to pay only such installments thereof as become due and payable during the term of this Site Lease, as and when the same become due and payable.

Section 2.4. Contest of Impositions. Lessor, as Tenant under the Project Lease, shall have the right to contest the validity or amount of any Imposition by appropriate legal proceeding instituted at least ten days before the Imposition complained of becomes delinquent, on the condition that Lessor or its sublessee shall give Issuer written notice of its intention to do so and shall diligently prosecute any such contest, effectively stay or prevent official or judicial sale therefor, under execution or otherwise, and shall promptly pay any final judgment in forcing the Imposition so contested and thereafter secure record release or satisfaction thereof.

Section 2.5. Assignment and Sublease. Issuer covenants that it will not, without Lessor's written consent, unless required by law, ordinance or the terms of the Project Lease or the Indenture, sell, assign, sublease or otherwise part with or encumber its interest in the Real Property at any time during the Site Lease Term, except that Issuer may sublease the Real Property to the Lessor as a part of property leased by the Issuer pursuant to the Project Lease.

Section 2.6. Use of Real Property. Except as may be stated to the contrary in this Site Lease, Issuer shall have no right or authority with respect to the Real Property except to lease the Real Property pursuant to the Project Lease for use as provided therein. The parties will comply with all federal, state and local laws, regulations and requirements as to the manner of use or the condition of the Real Property, or of adjoining public ways, now or hereafter applicable to the Real Property, and Issuer shall comply with the mandatory requirements of all insurers under policies required to be carried under the provisions of the Project Lease.

Section 2.7. Covenant Against Other Assignments. Neither party to this Site Lease shall assign or in any manner transfer its interest under this Site Lease, nor will it suffer or permit any assignment thereof by operation of law, except in accordance with the limitations, conditions and requirements set forth herein, and, to the extent applicable, the Indenture and the Project Lease.

ARTICLE III

Section 3.1. Improvements. Issuer shall have the right, from the proceeds of the Bonds, to construct on the Real Property, or in the air space above the Real Property, such building improvements as the Issuer from time to time may deem necessary or advisable in accordance with and subject to the provisions of the Project Lease.

Section 3.2. Mechanic's Liens. Neither party to the Site Lease shall permit or suffer anything to be done whereby the Real Property, or any part thereof, may be encumbered by any mechanic's or other similar lien. If any mechanic's or other similar lien is filed against the Real Property, or any part thereof, the same shall be dealt with as provided in the Project Lease. Notice is hereby given that except to the extent payable from the proceeds of the Bonds issued concurrently with the execution and delivery of the Project Lease, the Issuer does not authorize or consent to the furnishing of any labor or materials to the Real Property and it shall not be liable for them.

Section 3.3. Contest of Liens. In the event any mechanic's or other similar lien is filed against the Real Property, or any part thereof, the Issuer or the Lessor may contest such lien in the manner and as provided in the Project Lease.

ARTICLE IV

Section 4.1. Indemnity. The Lessor shall indemnify the Issuer from any and all claims, demands, liabilities and costs, including attorney's fees, arising from damage or injury, actual or claimed, to property or persons occurring or allegedly occurring in, on or about the Project during the term hereof; provided, however, the indemnity described in this section shall be subject in all respects to the provisions of the Project Lease.

Section 4.2. Access to Real Property. The Issuer, for itself and its duly authorized representatives and agents, including the Tenant under the Project Lease and the Trustee under the Indenture, shall have the right to enter the Real Property at any reasonable time throughout the term of this Site Lease for the purposes of performing any work made necessary by reason of any Event of Default under the Project Lease, and, while an Event of Default (as defined therein) is continuing under the Project Lease, for the purpose of exhibiting the Real Property and the improvements constructed thereon to prospective purchasers, lessees or mortgagees.

ARTICLE V

Section 5.1. Non-Disturbance of Leasehold Interest. Lessor and the Issuer each covenant and agree with one another, that as long as the Issuer, its sublessee, their successors or assigns, shall continue to perform all obligations provided for in this Site Lease, including the discharge of all obligations and covenants hereunder, the Issuer, its assignee or sublessee shall have a leasehold interest in the Real Property, notwithstanding the occurrence of any Event of Default under the Project Lease until this Site Lease is terminated according to its terms.

Section 5.2. Release of Leasehold Interest. Upon cancellation or termination of this Site Lease, the Issuer shall release its leasehold interest in the Real Property to Lessor as provided in the Project Lease.

Section 5.3. Notices. All notices required to be given hereunder shall be given to the notice representative designated for each of the parties in the Project Lease. To be effective, notices required or desired to be given hereunder shall be given in the manner provided in the Project Lease.

Section 5.4. Rights and Remedies. The rights and remedies reserved by the parties hereto, their successors and assigns and those provided by law shall be construed as cumulative and continuing rights and remedies.

Section 5.5. Waiver. No waiver of any breach of any covenant or agreement contained in this Site Lease shall operate as a waiver of any subsequent breach of the same covenant or agreement or as a waiver of any breach of any other covenant or agreement, and in the event of a breach by either party of any covenant, agreement or undertaking, the nondefaulting party may nevertheless accept from the other any performance without in any way waiving its right to exercise any of its rights and remedies provided for herein or otherwise with respect to any other default.

ARTICLE VI

Section 6.1. Purpose of Site Lease. The parties acknowledge and agree that this Site Lease is executed and delivered concurrently with the execution and delivery of the Project Lease and the other documents and agreements executed in connection therewith and as a condition precedent thereto, and that the Trustee and the owners of the Bonds shall be deemed to be third party beneficiaries.

Section 6.2. Limitation of Liability. The liability of Issuer under this Site Lease for any payments to be made to or for the account of Lessor is specifically limited, such that the Issuer shall have no liability beyond the value of the Real Property, the Project, or the rentals and receipts to be received by the Issuer under the Project Lease.

Section 6.3. Amendments. This Site Lease may be amended or modified in the manner prescribed in the Project Lease with respect to amendments thereto.

ARTICLE VII

Section 7.1. Construction and Enforcement. This Site Lease shall be construed and enforced in accordance with the laws of the State of Kansas. The provisions of this Site Lease shall be applied and interpreted in accordance with the rules of interpretation set forth in the Project Lease. Words and terms used herein shall have the meanings set forth in the Project Lease if not expressly defined in this Site Lease.

Section 7.2. Partial Invalidity. If for any reason any provision hereof shall be termed to be invalid or unenforceable, such partial invalidity shall not affect the remainder of the provisions hereof.

Section 7.3. Binding Effect. The covenants, agreements and conditions herein shall be binding upon and inure to the benefit of the parties, their respective successors and assigns.

Section 7.4. Section Headings. The section headings hereof are for the convenience of reference only and shall not be treated as a part of this Site Lease or as affecting the true meanings of the provisions hereof.

Section 7.5. Execution of Counterparts; Electronic Transactions. This Site Lease may be executed simultaneously in multiple counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one instrument. The transaction described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

[BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]

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

RALLISON LP

By:______________________________________
Name: Todd Allison
Title: General Partner

ACKNOWLEDGMENT

STATE OF KANSAS)
) SS:
COUNTY OF CRAWFORD)

The foregoing instrument was acknowledged before me on August ______, 2026 by Todd Allison, General Partner of RALLISON LP, a Kansas limited partnership.

(SEAL)

____
Notary Public

My Appointment Expires:

____

"LESSOR"

CITY OF PITTSBURG, KANSAS

By:____________________________________
Chuck Munsell, Mayor

(SEAL)

ATTEST:

____
Jacob Bennett, Deputy City Clerk

ACKNOWLEDGMENT

STATE OF KANSAS)
) SS:
COUNTY OF CRAWFORD)

The foregoing instrument was acknowledged before me on August _____, 2026 by Chuck Munsell, Mayor of the City of Pittsburg, Kansas.

(SEAL)

____
Notary Public

My Appointment Expires:

____

"ISSUER"

SCHEDULE I

SCHEDULE I TO THE SITE LEASE DATED AS OF SEPTEMBER 1, 2026, BETWEEN RALLISON LP AND THE CITY OF PITTSBURG, KANSAS

PROPERTY SUBJECT TO LEASE

(A) The following described real estate located in Crawford County, Kansas, to wit:

[TO BE PROVIDED BY RALLISON]

the real property constituting the "Real Property" as referred to in the Site Lease, subject to Permitted Encumbrances.

CITY OF PITTSBURG, KANSAS

AS ISSUER

AND

RALLISON LP

AS TENANT

PROJECT LEASE

DATED AS OF SEPTEMBER 1, 2026

NOT TO EXCEED $1,700,000
TAXABLE INDUSTRIAL REVENUE BONDS
SERIES 2026
(PROGRESSIVE PRODUCTS PROJECT)

PROJECT LEASE

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PROJECT LEASE

THIS PROJECT LEASE, made and entered into as of September 1, 2026 between the City of Pittsburg, Kansas (the "Issuer"), and RALLISON LP, a Kansas limited partnership (the "Tenant").

WITNESSETH:

WHEREAS, the Issuer is a municipal corporation incorporated as a city of the first class, duly organized and existing under the laws of the State, with full lawful power and authority to enter into this Project Lease by and through its governing body; and

WHEREAS, the Issuer, in furtherance of the purposes and pursuant to the provisions of the laws of the State, particularly K.S.A. 12-1740 *et seq*. (the "Act"), and in order to provide for the economic development and welfare of the Issuer and its environs and to provide employment opportunities for its citizens and to promote the economic stability of the State, has proposed and does hereby propose that it shall:

(a) Lease the Real Property from the Tenant pursuant to the Site Lease and acquire the Improvements;

(b) Lease the Project to the Tenant for the rentals and upon the terms and conditions hereinafter set forth; and

(c) Issue, for the purpose of paying Project Costs, the Bonds under and pursuant to and subject to the provisions of the Act and the Indenture, the Indenture being incorporated herein by reference and authorized by an Ordinance of the governing body of the Issuer; and

WHEREAS, the Tenant, pursuant to the foregoing proposals of the Issuer, desires to lease the Project from the Issuer for the rentals and upon the terms and conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements herein set forth, Issuer and the Tenant do hereby covenant and agree as follows:

ARTICLE I

Definitions.
Capitalized terms not otherwise defined in this Project Lease shall have the meanings set forth in the Indenture. In addition to the words, terms and phrases defined in the Indenture, the Site Lease and elsewhere in this Project Lease, the capitalized words, terms and phrases as used herein shall have the meanings set forth below, unless some other meaning is plainly intended:

"Additional Rent" means all fees, charges, costs and expenses of the Trustee or the Issuer (including reasonable attorneys' fees), all Impositions, all Default Administration Costs, all other payments of whatever nature payable or to become payable pursuant to the Indenture or which the Tenant has agreed to pay or assume under the provisions of this Project Lease and any and all expenses (including reasonable attorneys' fees) incurred by the Issuer or the Trustee in connection with the issuance of the Bonds or the administration or enforcement of any rights under this Project Lease or the Indenture. The fees, charges, costs and expenses of the Trustee shall include all costs incurred in connection with the issuance, transfer, exchange, registration, redemption or payment of the Bonds and the administration or enforcement of any rights or obligations under this Project Lease, the Indenture except (a) the reasonable fees and expenses in connection with the replacement of a Bond or Bonds mutilated, stolen, lost or destroyed or (b) any tax or other government charge imposed on the Trustee in relation to the transfer, exchange, registration, redemption or payment of the Bonds. The fees, charges, costs and expenses of the Issuer shall include, but not be limited to, any and all costs incurred by the Issuer in connection with the administration or enforcement of any rights, duties, or obligations under this Project Lease, the exercise or pursuit of any remedy upon an Event of Default, the amendment of this Project Lease, the granting of consents, easements or similar actions or any other action required of or available to the Issuer under the terms of this Project Lease.

"Additional Term" shall mean that term commencing on the last day of the Basic Term and terminating five (5) years thereafter.

"Bankruptcy Code" means Title 11 of the United States Code, as amended.

"Basic Rent" means the pro rata amount which, when added to Basic Rent Credits, will be sufficient to pay, on each Payment Date, all principal of, redemption premium, if any, and interest on all Outstanding Bonds which is due and payable on such Payment Date. If for any reason on any Payment Date the Trustee does not have on deposit in the Debt Service Fund sufficient moneys to pay all principal and interest due on the Bonds on such Payment Date, then the Tenant shall pay, as Basic Rent, on such Payment Date, the amount of such deficiency.

"Basic Rent Credits" means all funds on deposit in the Debt Service Fund and available for the payment of principal of, redemption premium, if any, and interest on the Bonds on any Basic Rent Payment Date.

"Basic Rent Payment Date" means December 31, 2032 or until the principal of, redemption premium, if any, and interest on all Outstanding Bonds have been fully paid or provision made for their payment in accordance with the provisions of the Indenture.

"Basic Term" means that term commencing as of the delivery of this Project Lease and ending on December 31, 2032, subject to prior termination as specified in this Project Lease, but ending, in any event, when all of the principal of, redemption premium, if any, and interest on all Outstanding Bonds shall have been paid in full or provision made for their payment in accordance with the provisions of the Indenture.

"CERCLA" means the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §9601, et seq.

"Certificate of Completion" means a written certificate signed by the Authorized Tenant Representative stating that (i) the Improvements have been substantially completed in accordance with the plans and specifications prepared or approved by the Issuer or the Tenant, as the case may be; (ii) the Improvements have been substantially completed in a good and workmanlike manner; (iii) no mechanic's or materialmen's liens have been filed, nor is there any basis for the filing of such liens, with respect to the Project; (iv) all Improvements constituting a part of the Project are located or installed upon the Real Property; and (v) if required by ordinances duly adopted by the Issuer or by applicable building codes, that an appropriate certificate of occupancy has been issued with respect to the Improvements. A form of Certificate of Completion is attached as *Appendix B*.

"Completion Date" means the date on which the Improvements are certified as substantially completed in accordance with *Section 5.5* of this Project Lease.

"Default" means any event or condition the occurrence of which, with the lapse of time or the giving of notice or both, may constitute an Event of Default.

"Environmental Assessment" means an environmental assessment with respect to the Project conducted by an independent consultant satisfactory to the Issuer and the Trustee which reflects the results of such inspections, records reviews, soil tests, groundwater tests and other tests requested, which assessment and results shall be satisfactory in scope, form and substance to the Issuer and the Trustee.

"Environmental Law" means CERCLA, SARA, and any other federal, state or local environmental statute, regulation or ordinance presently in effect or coming into effect during the Term of this Project Lease.

"Event of Bankruptcy" means an event whereby the Tenant shall: (i) admit in writing its inability to pay its debts as they become due; or (ii) file a petition in bankruptcy or for reorganization or for the adoption of an arrangement under the Bankruptcy Code as now or in the future amended, or file a pleading asking for such relief; or (iii) make an assignment for the benefit of creditors; or (iv) consent to the appointment of a trustee or receiver for all or a major portion of its property; or (v) be finally adjudicated as bankrupt or insolvent under any federal or state law; or (vi) suffer the entry of a final and nonappealable court order under any federal or state law appointing a receiver or trustee for all or a major part of its property or ordering the winding-up or liquidation of its affairs, or approving a petition filed against it under the Bankruptcy Code, which order, if the Tenant has not consented thereto, shall not be vacated, denied, set aside or stayed within 60 days after the day of entry; or (vii) suffer a writ or warrant of attachment or any similar process to be issued by any court against all or any substantial portion of its property, and such writ or warrant of attachment or any similar process is not contested, stayed, or is not released within 60 days after the final entry or levy or after any contest is finally adjudicated or any stay is vacated or set aside.

"Event of Default" means any one of the following events:

(a) Failure of the Tenant to make any payment of Basic Rent at the time and in the amounts required hereunder; or

(b) Failure of the Tenant to make any payment of Additional Rent at the times and in the amounts required hereunder, or failure to observe or perform any other covenant, agreement, obligation or provision of this Project Lease on the Tenant's part to be observed or performed, and the same is not remedied within thirty (30) days after the Issuer or the Trustee has given the Tenant written notice specifying such failure (or such longer period as shall be reasonably required to correct such default; provided that (i) the Tenant has commenced such correction within the 30-day period and (ii) the Tenant diligently prosecutes such correction to completion); or

(c) An Event of Bankruptcy; or

(d) Abandonment of the Project by the Tenant; or

(e) A default under the Site Lease on the part of the Tenant, as Lessor, which remains unremedied after any applicable grace period.

"Full Insurable Value" means full actual replacement cost less physical depreciation.

"Hazardous Substances" shall mean "hazardous substances" as defined in CERCLA.

"Impositions" means all taxes and assessments, general and special, which may be lawfully taxed, charged, levied, assessed or imposed upon or against or payable for or in respect of the Project or any part thereof, or any improvements at any time thereon or the Tenant's interest therein, including any new lawful taxes and assessments not of the kind enumerated above to the extent that the same are lawfully made, levied or assessed in lieu of or in addition to taxes or assessments now customarily levied against real or personal property, and further including all water and sewer charges, assessments and other governmental charges and impositions whatsoever, foreseen or unforeseen, which, if not paid when due, would encumber the Issuer's interest in the Project.

"Indenture" means the Trust Indenture delivered concurrently with this Project Lease, as from time to time amended and supplemented by Supplemental Indentures in accordance with the provisions of *Article XI* of the Indenture.

"Net Proceeds" means the gross proceeds from the insurance (including without limitation title insurance) or condemnation award with respect to which that term is used remaining after the payment of all expenses (including without limitation attorneys' fees and any expenses of the Issuer, the Tenant, the Trustee or any other Owner) incurred in the collection of such gross proceeds.

The term **"Notice Address"** shall mean:

(a) With respect to the Tenant:

RALLISON LP
3305 Airport Circle
Pittsburg, KS 66762
Attn: Todd Allison

(b) With respect to the Issuer:

City of Pittsburg, Kansas
204 W. 4th Street
Pittsburg, Kansas 66762
Attn: City Clerk

(c) With respect to the Trustee:

BOKF, N.A.
2405 Grand Blvd., Suite 840
Kansas City, Missouri 64108
Attn: Corporate Trust Department

"Owner's Title Evidence" means for purposes of *Section 6.3* of this Project Lease, either (i) an owner's or lender's policy of title insurance insuring the Tenant's fee simple title in the Real Property or (ii) a certificate of title from a title insurance company evidencing Tenant's fee simple title in the Real Property.

"Permitted Encumbrances" means all easements, liens and rights-of-way of record at the time of lease of the Real Property to the Issuer, and any mortgages, liens or other encumbrances or title exceptions referenced in the Owner's Title Evidence.

"Project Contracts" means a contract or contracts with respect to the acquisition and/or construction of the Improvements entered into by the Tenant or the Issuer.

"Project Lease" means this Project Lease between the Issuer and the Tenant, as from time to time supplemented and amended in accordance with the provisions hereof.

"Real Property" means the real property (or interests therein) described in *Schedule I* hereto.

"SARA" means the Superfund Amendments and Reauthorization Act of 1986, as now in effect and as hereafter amended.

"State" means the State of Kansas.

"Term" means, collectively, the Basic Term and any Additional Term of this Project Lease.

Representations and Covenants by the Tenant. The Tenant makes the following covenants and representations as the basis for the undertakings on its part herein contained:

(a) The Tenant is a Kansas limited partnership, duly organized and existing under the laws of the state, and is duly authorized and qualified to do business in the State, with lawful power and authority to enter into this Project Lease, acting by and through its duly authorized officers.

(b) The Tenant shall (i) maintain and preserve its existence and its authority to operate the Project; (ii) shall not initiate any proceedings of any kind whatsoever to dissolve or liquidate without (A) securing the prior written consent thereto of the Issuer and (B) making provision for the payment in full of the principal of, redemption premium, if any, and interest on the Bonds.

(c) Neither the execution and/or delivery of this Project Lease, the consummation of the transactions contemplated hereby or by the Indenture, nor the fulfillment of or compliance with the terms and conditions of this Project Lease contravenes in any material respect any provisions of its articles of articles of partnership, or conflicts in any material respect with or results in a material breach of the terms, conditions or provisions of any mortgage, debt, agreement, indenture or instrument to which the Tenant is a party or by which it is bound, or to which it or any of its properties is subject, or would constitute a material default (without regard to any required notice or the passage of any period of time) under any of the foregoing, or would result in the creation or imposition of any lien, charge or encumbrance upon any of the property or assets of the Tenant under the terms of any mortgage, debt, agreement, indenture or instrument, or violates in any material respect any existing law, administrative regulation or court order or consent decree to which the Tenant is subject.

(d) This Project Lease constitutes a legal, valid and binding obligation of the Tenant enforceable against the Tenant in accordance with its terms.

(e) The Tenant agrees to operate and will operate the Project, or cause the Project to be operated as a "facility," as that term is contemplated in the Act, from the date of the Issuer's acquisition of the Project to the end of the Term.

(f) The Tenant has obtained or will obtain any and all permits, authorizations, licenses and franchises necessary to construct the Improvements to enable it to operate and utilize the Project for the purposes for which it was leased by the Tenant under this Project Lease.

(g) The estimated total cost of the Improvements to be financed by the proceeds of the Bonds, plus interest on the Bonds during acquisition, construction and installation of the Improvements, and Costs of Issuance of the Bonds, will not be less than the original aggregate principal amount of the Bonds.

(h) After reasonable inquiry and investigation, the Tenant is not aware of (i) any Hazardous Substances generated from or located on the Project; (ii) any prior use of the Real Property which might reasonably involve Hazardous Substances; or (iii) any investigations, complaints or inquiries of any kind, from any source, concerning Hazardous Substances with respect to the Project or properties adjoining the Project.

(i) The Tenant will not use or permit the Project to be used by any other person or entity in any manner which would involve the generation, storage, disposal or transportation of Hazardous Substances, except in strict compliance with applicable Environmental Laws.

(j) The proceeds of the Bonds are to be used (i) to acquire, construct, install, equip and furnish the Project.

(k) Subject to the provisions of *Section 10.2*, all Improvements and machinery and equipment comprising the Project will be located and maintained entirely and exclusively on the Real Property to and until the principal of, redemption premium, if any, and interest on the Bonds have been satisfied in full.

Representations and Covenants by the Issuer.
The Issuer represents, covenants and warrants, to the best of its knowledge and belief, as follows:

(a) It is a municipal corporation duly incorporated and existing as a city of the first class under the constitution and laws of the State. Under the provisions of the Act and the Ordinance, the Issuer has the power to enter into and perform the transactions contemplated by this Project Lease and the Indenture and to carry out its obligations hereunder and thereunder.

(b) It has not, in whole or in part, assigned, leased, hypothecated or otherwise created any other interest in, or disposed of, or caused or permitted any lien, claim or encumbrance to be placed against, the Project, except for this Project Lease, the assignment of this Project Lease to the Trustee, any Permitted Encumbrances, any Impositions, and the pledge of the Project pursuant to the Indenture.

(c) Except as otherwise provided herein or in the Indenture, it will not during the Term, in whole or in part, assign, lease, hypothecate or otherwise create any other interest in, or dispose of, or cause or permit any lien, claim or encumbrance to be placed against, the Project, except Permitted Encumbrances, this Project Lease, any Impositions and the pledge of the Project pursuant to the Indenture.

(d) It has pledged the Project and the net rentals therefrom generated under this Project Lease to payment of the Bonds in the manner prescribed by the Act, and has duly authorized the execution and delivery of this Project Lease and the Indenture and the issuance, sale and delivery of the Bonds.

(e) It has notified or obtained the consent to and/or approval of the issuance of the Bonds by each municipal corporation and political subdivision, the notification, consent or approval of which is required by the provisions of the Act.

ARTICLE II

Granting of Leasehold.
The Issuer by these presents hereby rents, leases and lets the Project unto the Tenant and the Tenant hereby rents, leases and hires the Project for the Term from the Issuer, for the rentals and upon and subject to the terms and conditions hereinafter set forth.

ARTICLE III

Basic Rent.
The Issuer reserves and the Tenant covenants and agrees to pay Basic Rent to the Trustee, as assignee of the Issuer, for the account of the Issuer, for deposit in the Debt Service Fund, on each Basic Rent Payment Date. Basic Rent shall be payable at the principal office of the Trustee on each Basic Rent Payment Date.

Additional Rent.
Within 30 days after receipt of written notice thereof, the Tenant shall pay any Additional Rent required to be paid pursuant to this Project Lease not already paid.

Rent Payable Without Abatement or Setoff.
The Tenant covenants and agrees with and for the express benefit of the Issuer and the Owner that all payments of Basic Rent and Additional Rent shall be made by the Tenant as the same become due, and that the Tenant shall perform all of its obligations, covenants and agreements hereunder without notice or demand and without abatement, deduction, setoff, counterclaim, recoupment or defense or any right of termination or cancellation arising from any circumstance whatsoever, whether now existing or hereafter arising, and irrespective of whether the Improvements shall have been acquired, started or completed, or whether the Issuer's interest in the Project or any part thereof is defective or non-existent, and notwithstanding any failure of consideration or commercial frustration of purpose, the eviction or constructive eviction of the Tenant or any subtenant, any Change of Circumstances, any change in the tax or other laws of the United States of America, the State, or any political subdivision of either, any change in the Issuer's legal organization or status, or any default of the Issuer hereunder, and regardless of the invalidity of any action of the Issuer or any other event or condition whatsoever, and regardless of the invalidity of any portion of this Project Lease, and the Tenant hereby waives the provisions of any statute or other law now or hereafter in effect contrary to any of its obligations, covenants or agreements under this Project Lease or which releases or purports to release the Tenant therefrom. Nothing in this Project Lease shall be construed as a waiver by the Tenant of any rights or claims the Tenant may have against the Issuer under this Project Lease or otherwise, but any recovery upon such rights and claims shall be had from the Issuer separately, it being the intent of this Project Lease that the Tenant shall be unconditionally and absolutely obligated to perform fully all of its obligations, agreements and covenants under this Project Lease (including the obligation to pay Basic Rent and Additional Rent) for the benefit of the Owner.

Prepayment of Basic Rent.
The Tenant may at any time prepay all or any part of the Basic Rent. Prepayments of Basic Rent will be applied to redemption of the Bonds (other than mandatory sinking fund redemption), including payment of redemption premium, as directed in writing by the Tenant, to the extent that Bonds are subject to optional redemption at the time of prepayment. Otherwise, prepayments of Basic Rent will be deposited in the Debt Service Fund to be applied to purchase of Bonds as provided in the Indenture, or to optional redemption of Bonds (including redemption premium and interest) at the earliest date on which Bonds are subject to optional redemption.

Deposit of Rent by the Trustee.
As assignee of the Issuer's rights hereunder, the Trustee shall deposit, use and apply all payments of Basic Rent and Additional Rent in accordance with the provisions of this Project Lease and the Indenture.

Acquisition of Bonds.
If the Tenant acquires any or all of the Outstanding Bonds, it may present the certificate(s) representing such part of the Bonds to the Trustee for cancellation, and upon such cancellation, the Tenant's obligation to pay Basic Rent shall be reduced or terminated, as the case may be, in the same manner as provided for prepayments by the Tenant of Basic Rent. In no event, however, shall the Tenant's obligation to pay Basic Rent be reduced

in such a manner that the Trustee shall not have on deposit in the Debt Service Fund, on the next succeeding Payment Date, funds sufficient to pay the maturing principal of, redemption premium, if any, and interest on Outstanding Bonds as and when the same shall become due and according to the terms of the Bonds; except in the case when Tenant owns and surrenders all of the Outstanding Bonds.

ARTICLE IV

Disposition of Original Proceeds; Project Fund.
Except as otherwise provided below, the Original Proceeds shall be paid over to the Trustee for the account of the Issuer and applied as set forth in *Section 5.02* of the Indenture. Notwithstanding any statement set forth in this Project Lease or in the Indenture to the contrary, in the event Tenant has completed the Project prior to the Issue Date with its own funds, then Tenant shall not be required to deposit the Original Proceeds with the Trustee. In such an event, the Tenant shall certify to the Issuer and Trustee that the Project has been completed and paid in full, whereupon the Issuer and Trustee shall deliver the Bonds to the Tenant on the Issue Date.

ARTICLE V

Acquisition of Interest in Real Property and Improvements.
The Tenant shall prior to or concurrently with the issuance of the Bonds, execute and deliver the Site Lease under which the Tenant shall lease to the Issuer, subject to Permitted Encumbrances, the Real Property and the Existing Facilities as described in *Schedule I*, and such of the Improvements as are then completed, installed or in progress. The Tenant shall also concurrently with delivery of the Site Lease make provisions for the discharge or subordination to the interests acquired by the Issuer of any liens or encumbrances incurred by it in connection with the construction, installation or development of the Improvements, other than Permitted Encumbrances.

Project Contracts.
Prior to the delivery of this Project Lease, the Tenant may have entered into a contract or contracts with respect to the acquisition and/or construction of the Improvements. Those contracts, and any such contracts entered into by the Tenant or the Issuer after delivery of this Project Lease, are hereinafter referred to as the "Project Contracts." Prior to the delivery hereof, work has been or may have been performed on the Improvements pursuant to the Project Contracts or otherwise. The Tenant hereby covenants with the Issuer to perform the Project Contracts for the benefit of the Issuer as its own benefit as tenant under this Project Lease, and the Issuer hereby designates the Tenant as the Issuer's agent for the purpose of executing and performing the Project Contracts. After the execution hereof, the Tenant shall cause the Project Contracts to be fully performed by the contractor(s), subcontractor(s) and supplier(s) thereunder in accordance with the terms thereof, and the Tenant covenants to cause the Improvements to be acquired, constructed, installed and/or completed in accordance with the Project Contracts. The Tenant warrants that the construction and/or acquisition of the Improvements in accordance with the Project Contracts will result in the Project being suitable for use by the Tenant as a manufacturing facility. Any and all amounts received by the Issuer, the Trustee or the Tenant from any of the contractors or other suppliers by way of breach of contract, refunds or adjustments shall become a part of and be deposited in the Project Fund. The Trustee may, at its option, appoint an agent to review the Project Contracts, and make periodic inspections of the Improvements during construction to determine the satisfactory progress and completion of the work. The reasonable fees and expenses of such agent shall be paid by the Tenant as Additional Rent.

Payment of Project Costs for Buildings and Improvements.
The Issuer hereby agrees to pay for the acquisition or construction of the Improvements or any repairs or replacements to be made pursuant to *Article XVIII* of this Project Lease, but solely from Original Proceeds of the Bonds (or Net Proceeds, as applicable) as deposited in the Project Fund, and hereby authorizes and directs the Trustee to pay for the same, but solely from the Project Fund, from time to time, after issuance of the Bonds while the Tenant is in compliance with the requirements of *Section 6.1* hereof, upon receipt by the Trustee of a requisition certificate signed by the Authorized Tenant Representative in the form set forth as *Appendix A* hereto, which is incorporated herein by reference. With regard to materials and/or labor furnished to the Project at the order of the Tenant without formal contract, or by subcontract with the Tenant acting as general contractor, which could form the basis of a statutory mechanic's or subcontractor's lien, the Trustee may disburse payment therefor only upon receipt of releases or waivers of statutory mechanic's or subcontractor's liens by all vendors or subcontractors receiving payment or furnishing labor or materials as a subcontractor of the vendor or subcontractor receiving payment.

The sole obligation of the Issuer under this paragraph shall be to cause the Trustee to make such disbursements upon receipt of such certificates and releases or waivers. The Trustee may rely fully on any such certificates and shall not be required to make any investigation in connection therewith, except that the Trustee shall investigate requests for reimbursements directly to the Tenant and shall require such supporting evidence as would be required by a reasonable and prudent fiduciary.

Payment of Project Costs for Machinery and Equipment.
The Issuer hereby agrees to pay for the purchase and acquisition of any machinery and equipment constituting a part of the Improvements, but solely from the Project Fund, from time to time, upon receipt by the Trustee of a certificate signed by the Authorized Tenant Representative in the form provided by *Appendix A* hereto, which is incorporated herein by reference.

The sole obligation of the Issuer under this Section shall be to cause the Trustee to make such disbursements upon receipt of the certificates and proof of mechanic's or subcontractor's lien waiver or release, if the item is to become a fixture on the Real Property. The Trustee may rely fully on any such certificate and supporting documentation and shall not be required to make any independent investigation in connection therewith. All machinery, equipment and/or personal property acquired, in whole or in part, from funds deposited in the Project Fund pursuant to this Section will be considered a part of the Project. With respect to items of machinery and equipment constituting a part of the Improvements, the Tenant shall maintain a running master list of such machinery and equipment, and within 30 days after the Completion Date, the Tenant shall prepare an accurate detailed final list of machinery and equipment constituting a part of the Improvements (but not installed as fixtures therein or thereon), which list shall be filed with the Trustee, and shall constitute a part of this Project Lease by reference. All machinery and equipment constituting a part of the Improvements shall be appropriately identified by separate schedule or other means acceptable to the Trustee.

Completion of Project.
The Tenant warrants that the Project, when completed, will be occupied and used by the Tenant for its lawful business purposes. The Tenant covenants and agrees to proceed diligently to complete or acquire the Improvements as promptly as possible. The Tenant will draw the entire authorized principal amount of the Bonds on or before the Completion Date. Upon completion of the Improvements, the Tenant shall cause the Authorized Tenant Representative to deliver a Certificate of Completion, in the form substantially as attached hereto as *Appendix B*, to the Trustee. In the event funds remain on hand in the Project Fund on the date the Certificate of Completion is furnished to the Trustee, such remaining funds shall be transferred by the Trustee to the Debt Service Fund on the Completion Date and shall be applied in accordance with the provisions of the Indenture.

Deficiency of Project Fund.
If Bond Proceeds in the Project Fund are insufficient to pay fully all Project Costs (including reimbursements to the Tenant for Project Costs advanced by the Tenant prior to issuance of the Bonds) and to fully complete the Improvements, lien-free (except for Permitted Encumbrances), the Tenant covenants to pay the full amount of any such deficiency by making payments directly to the contractors and to the suppliers of materials, machinery, equipment, property and services as the same become due, and the Tenant shall save the Issuer and the Trustee whole and harmless from any obligation to pay such deficiency.

Right of Entry by the Issuer and the Trustee.
The duly authorized agents of the Issuer and/or the Trustee shall have the right (but shall not be required) at any reasonable time and upon reasonable notice to the Tenant prior to the completion of the Improvements to have access to the Project or any part thereof for the purpose of inspecting the acquisition, installation or construction thereof.

Machinery and Equipment Purchased by the Tenant.
If no part of the purchase price of an item of machinery, equipment or personal property is paid from Original Proceeds deposited in the Project Fund pursuant to the terms of this Project Lease, then such item of machinery, equipment or personal property will not be considered a part of the Project.

Issuer's Leasehold Interest in Improvements.
All Improvements, all work and materials on Improvements as such work progresses, any Project Additions, anything under this Lease which becomes, is deemed to be, or constitutes a part of the Project, and the Project as fully completed, repaired, rebuilt, rearranged, restored or replaced by the Tenant under the provisions of this Lease, except as otherwise specifically provided herein, shall immediately when erected or installed be included in the Site Lease to the Issuer.

Kansas Retailers' Sales Tax.
The parties have entered into this Project Lease in contemplation that, under the existing provisions of K.S.A. 79-3606, subsections (b) and (d) and other applicable laws, sales of tangible personal property or services purchased in connection with construction of the Improvements are entitled to exemption from the tax imposed by the Kansas Retailers' Sales Tax Act. The parties agree that the Issuer shall, upon the request of and with the Tenant's assistance, promptly obtain from the State and furnish to the contractors and suppliers a project exemption certificate for the construction of the Improvements. The Tenant covenants that the exemption certificate will be used only in connection with the purchase of tangible personal property or services becoming a part of the Project. The Issuer shall not be responsible for any failure on the part of the State to issue such project exemption certificate.

ARTICLE VI

Insurance Requirements.
Tenant agrees to maintain the following policies of insurance in full force and effect:

(a) General accident and public liability insurance covering the Tenant's operations in or upon the Project (including coverage for losses arising from the ownership, maintenance, use or operation of any automobile, truck or other vehicle in or upon the Project) under which the Tenant shall be insured and the Issuer and the Trustee shall be additional insureds or mortgagees, as their interests in the Project appear, in an amount not less than the then maximum liability of a governmental entity for claims arising out of a single occurrence as provided by the Kansas tort claims act or other similar future law (currently $500,000 per occurrence); which policy shall provide that such insurance may not be canceled by the issuer thereof without at least 30 days' advance written notice to the Issuer, the Tenant and the Trustee, such insurance to be maintained throughout the Term of this Project Lease;

(b) Statutory workers' compensation insurance; and

(c) With regard to new buildings and improvements constituting a part of the Improvements, insurance insuring the Improvements while under construction against fire, lightning and all other risks covered by the broadest form extended coverage endorsement then and from time to time thereafter in use in the State to the Full Insurable Value of such Improvements. Such insurance coverage shall name the Tenant as insured and the Issuer and the Trustee as additional insureds or mortgagees and loss payees, as their respective interests appear.

Section 6.2. General Insurance Provisions.

(a) Within 30 days of renewal dates of expiring policies, certificates of the insurance provided for in this Article shall be delivered by the Tenant to the Trustee. All policies of such insurance and all renewals thereof shall name the Tenant as insured and the Issuer and the Trustee as additional insureds or mortgagees and loss payees as their respective interests may appear, shall contain a provision that such insurance may not be canceled or amended by the issuer thereof without at least 30 days' written notice to the Issuer, the Tenant and the Trustee and shall be payable to the Issuer, the Tenant and the Trustee as their respective interests appear. The Issuer and the Tenant each hereby agree to do anything necessary, be it the endorsement of checks or otherwise, to cause any payment of insurance proceeds to be made to the Trustee, as long as such payment is required by this Project Lease to be made to the Trustee. Any charges made by the Trustee for its services in connection with insurance payments shall be paid by the Tenant.

(b) Each policy of insurance hereinabove referred to shall be issued by a nationally recognized responsible insurance company authorized under the laws of the State to assume the risks covered therein, except that the Tenant may be self-insured as to any required insurance coverages under a program of self-insurance approved by the State Commissioner of Insurance or other applicable State regulatory authority.

(c) Certificates of insurance evidencing the insurance coverages herein required shall be filed with the Trustee continuously during the Term of this Project Lease.

(d) Each policy of insurance hereinabove referred to may be subject to a reasonable deductible or self-insured retention.

(e) Each policy of insurance required herein may be provided through blanket policies maintained by the Tenant.

(f) Anything in this Project Lease to the contrary notwithstanding, the Tenant shall be liable to the Issuer and the Trustee pursuant to the provisions of this Project Lease or otherwise, as to any loss or damage which may have been occasioned by the negligence of the Tenant, its agents, licensees, contractors, invitees or employees.

Evidence of Title.

The Tenant shall furnish Owner's Title Evidence in the form of a policy of owner's or lender's title insurance, insuring the Tenant's fee simple title to the Real Property, as of the Issue Date, subject to Permitted Encumbrances. Such evidence of title shall contain no exceptions, other than the title insurance company's standard printed exceptions, Permitted Encumbrances, and the encumbrance created by the Site Lease and this Project Lease. If the Tenant is the sole Owner, in lieu of providing a policy of owner's or lender's title insurance as of the Issue Date, the Tenant may furnish evidence of the Tenant's fee simple title to the Real

Property in the form of a copy of a policy of owner's title insurance, a copy of a loan policy of title insurance or a certificate of owner's title, evidencing the Tenant's fee simple title to the Real Property, subject to Permitted Encumbrances.

ARTICLE VII

Impositions.
The Tenant shall, during the Term of this Project Lease, bear, pay and discharge, before the delinquency thereof, any and all Impositions. In the event any Impositions may be lawfully paid in installments, the Tenant shall be required to pay only such installments thereof as become due and payable during the Term of this Project Lease as and when the same become due and payable.

Receipted Statements.
Unless the Tenant exercises its right to contest any Impositions in accordance with *Section 7.3* hereof, the Tenant shall, within 30 days after the last day for payment without penalty or interest of an Imposition which the Tenant is required to bear, pay and discharge pursuant to the terms hereof, deliver to the Trustee a copy of the statement issued therefor duly receipted to show the payment thereof.

Contest of Impositions.
The Tenant shall have the right, in its own or the Issuer's name or both, to contest the validity or amount of any Imposition by appropriate legal proceedings instituted before the Imposition complained of becomes delinquent if, and provided, the Tenant (i) before instituting any such contest, shall give the Issuer and the Trustee written notice of its intention to do so and, if requested in writing by the Issuer or the Trustee, shall deposit with the Trustee a surety bond of a surety company acceptable to the Issuer as surety, in favor of the Issuer and the Trustee, as their interests may appear, or cash, in a sum of at least the amount of the Imposition so contested, assuring the payment of such contested Impositions together with all interest and penalties to accrue thereon and court costs, (ii) diligently prosecutes any such contest and at all times effectively stays or prevents any official or judicial sale therefor, under execution or otherwise, and (iii) promptly pays any final judgment enforcing the Imposition so contested and thereafter promptly procures record release or satisfaction thereof. The Tenant shall indemnify and hold the Issuer whole and harmless from any costs and expenses the Issuer may incur related to any such contest.

Ad Valorem Taxes.
The parties acknowledge that under the existing provisions of K.S.A. 79-201a, as amended, the property acquired, constructed or purchased with the proceeds of the Bonds (except such property used for retail uses) is eligible to receive exemption from *ad valorem* taxation for a period up to **6** calendar years after the calendar year in which the Bonds are issued, provided the Issuer has complied with notice, hearing and procedural requirements established by law, and proper application has been made; and further provided that no exemption may be granted from the *ad valorem* property tax levied by a school district pursuant to the provisions of K.S.A. 72-53,113, and amendments thereto; (b) for the uses restricted pursuant to the provisions of K.S.A. 79-201a, *Second* and *Twenty-Fourth;* and (c) for real estate on which the Project is located. The Issuer represents that such notice, hearing and procedural requirements will have been complied with at the Issue Date. The Issuer will, at the Tenant's request, with information furnished by Tenant and the Trustee, make all necessary filings regarding the application for *ad valorem* tax exemption for the full 6-year period in the calendar year following the calendar year in which the Bonds were issued, and will renew the application from time to time and take any other action as may be necessary to maintain such *ad valorem* tax exemption in full force and effect, in accordance with K.S.A. 79-201a, 79-210 *et seq.* and the requirements of the State Board of Tax Appeals. If it becomes necessary to litigate the issue of availability or applicability of the *ad valorem* tax exemption, the Issuer will cooperate fully with Tenant in pursuing such litigation, but all litigation costs and reasonable attorneys' fees must be paid by Tenant, either directly or as Additional Rent.

ARTICLE VIII

Use of Project.
Subject to the provisions of this Project Lease, the Tenant shall have the right to use the Project for any and all purposes allowed by law and contemplated by the constitution of the State and the Act. The Tenant shall comply in all material respects with all statutes, laws, ordinances, orders, judgments, decrees, regulations, directions and requirements of all federal, state, local and other governments or governmental authorities, now or hereafter applicable to the Project or to any adjoining public ways, as to the manner of use or the condition of the Project or of adjoining public ways. The Tenant shall comply with the mandatory requirements, rules and regulations of all insurers under the policies required to be carried under the provisions of this Project Lease. The Tenant shall pay all costs, expenses, claims, fines, penalties and damages that may in any manner arise out of, or be imposed as a result of, the failure of the Tenant to comply with the provisions of this Article.

Section 8.2. Environmental Provisions.

(a) The Tenant hereby covenants that it will not cause or permit any Hazardous Substances (as defined herein) to be placed, held, located or disposed of, on, under or at the Real Property or the Project, other than in the ordinary course of business and in compliance with all applicable Environmental Laws.

(b) In furtherance and not in limitation of any indemnity elsewhere provided to the Issuer hereunder and in the Indenture, the Tenant hereby agrees to indemnify and hold harmless the Issuer, the Trustee and the Owner from time to time from and against any and all losses, liabilities, including strict liability, damages, injuries, expenses, including reasonable attorneys' fees, costs of any settlement or judgment, costs of investigation, consultants, testing, sampling, cleanup, or defense, and claims of any and every kind paid, incurred or suffered, with respect to, or as a direct or indirect result of, the actual or alleged presence on or under, or the escape, seepage, leakage, spillage, discharge, emission, discharging or release from the Real Property or the Project of any Hazardous Substance (including, without limitation, any losses, liabilities, reasonable attorneys' fees, costs of any settlement or judgment or claims asserted or arising under any federal, state or local Environmental Law or so-called "Superfund" or "Super lien" law, or any other applicable Environmental Law, rule, regulation, order or decree regulating, relating to or imposing liability, including strict liability, or standard of conduct concerning, any Hazardous Substance) regardless of whether or not caused by or within the control of the Tenant.

(c) If the Tenant receives any notice of (i) the happening of any event involving the use, other than in the ordinary course of business and in compliance with all applicable Environmental Laws, spill, release, leak, seepage, discharge or cleanup of any Hazardous Substance on the Real Property or the Project or in connection with the Tenant's operations thereon or (ii) any complaint, order, citation or notice with regard to air emissions, water discharges or any other environmental, health or safety matter affecting the Tenant (an "Environmental Complaint") from any person (including, without limitation, the United States Environmental Protection Agency (the "EPA") and the Kansas Department of Health and Environment ("KDHE")) then the Tenant shall immediately notify the Issuer and the Trustee in writing. With respect to any such notice that relates to a condition or conditions on the Project site, the Tenant shall promptly initiate action to remediate the conditions cited in the notice, and shall diligently pursue such remediation at its expense to the satisfaction of the city authority.

(d) If the Tenant fails to initiate action to remediate as required in subsection (c) of this section, or otherwise fails to discharge its obligations under this *Section 8.2*, the Issuer shall have the right, but not the obligation, and without limitation of the Issuer's other rights under this Project Lease, to enter the Project or to take such actions as it may deem necessary or advisable to inspect, clean up, remove, resolve or minimize the impact of, or to otherwise deal with, any Hazardous Substance or Environmental Complaint following receipt of any notice asserting the existence on the Project of any Hazardous Substance or an Environmental Complaint pertaining to the Project or any part thereof which, if true, could result in an order, suit or other action against the Tenant and/or which, in the reasonable judgment of the Issuer, could jeopardize its interests under this Project Lease. All reasonable costs and expenses incurred by the Issuer in the exercise of any such rights shall be payable by the Tenant as Additional Rent on demand, and if not so paid, shall bear interest until paid at the average rate of interest on the Bonds plus 200 basis points.

(e) If an Event of Default shall have occurred and is continuing, at the request of the Issuer or the Trustee, the Tenant shall periodically perform (at the Tenant's expense) an environmental audit and, if reasonably deemed necessary by the Issuer or the Trustee, an Environmental Assessment, (each of which must be reasonably satisfactory to the Issuer and the Trustee) of the Project, or the hazardous waste management practices and/or hazardous waste disposal sites used by the Tenant with respect to the Project. The audit and/or Environmental Assessment shall be conducted by an environmental consultant satisfactory to the Issuer and the Trustee. Should the Tenant fail to perform any environmental audit or risk assessment within 30 days of the written request of the Issuer or the Trustee, either shall have the right, but not the obligation, to retain an environmental consultant to perform any such environmental audit or risk assessment. All costs and expenses incurred by the Issuer or the Trustee in the exercise of such rights shall be payable by the Tenant as Additional Rent on demand, and if not so paid, shall bear interest until paid at the average rate of interest on the Bonds plus 200 basis points.

(f) The Tenant shall not install nor permit to be installed in the Project friable asbestos or any substance containing asbestos and deemed hazardous by Environmental Law applicable to the Project and respecting such material, and with respect to any such material currently present in the Project, shall promptly either (i) remove any material which such applicable regulations deem hazardous and require to be removed or (ii) otherwise comply with such applicable Environmental Law, at the Tenant's expense. If the Tenant shall fail to so remove or otherwise comply, the Issuer may declare an Event of Default and/or do whatever is necessary to eliminate the substances from the Project or otherwise comply with the applicable Environmental Law or order, and the costs thereof shall be payable by the Tenant on demand, and if not so paid, shall bear interest until paid at the average rate of interest on the Bonds plus 200 basis points. The Tenant shall defend, indemnify, and save the Issuer, the Trustee and the Owner harmless from all costs and expenses (including consequential damages) asserted or proven against the Tenant, or incurred to comply with such regulations.

(g) The provisions of this *Section 8.2* shall survive the termination of this Project Lease or exercise of the Tenant's option to purchase the Project, except with respect to obligations which arise solely and exclusively as a result of the use, spill, release, leak, seepage or discharge of Hazardous Substances on the Real Property or the Project after the Project is no longer occupied by the Tenant.

ARTICLE IX

Sublease by the Tenant.
The Tenant may sublease the Project to a single party or entity, with the prior written consent of the Issuer. The Tenant may sublease portions of the Project for use by others in the normal course of its business without the Issuer's prior consent or approval. In the event of any such subleasing, the Tenant shall remain fully liable for the performance of its duties and obligations hereunder, and no such subleasing and no dealings or transactions between the Issuer or the Trustee and any such subtenant shall relieve the Tenant of any of its duties and obligations hereunder. Any such sublease shall be subject and subordinate in all respects to the provisions of this Project Lease. The Sublease with the Subtenant is hereby approved.

Assignment by the Tenant.
The Tenant may assign, mortgage, sell, or otherwise transfer its interest in this Project Lease only with the prior written consent of the Issuer. In the event of any such assignment, the Tenant shall remain fully liable for the performance of its duties and obligations hereunder, except to the extent hereinafter provided, and no such assignment and no dealings or transactions between the Issuer or the Trustee and any such assignee shall relieve the Tenant of any of its duties and obligations hereunder, except as may be otherwise provided in the following Section.

Release of the Tenant.
If, in connection with an assignment by the Tenant of its interest in this Project Lease, (a) the Issuer and the Owners of at least seventy-five percent (75%) in aggregate principal amount of the Outstanding Bonds (including any Additional Bonds) shall file with the Trustee their prior written consent to such assignment, and (b) the proposed assignee shall expressly assume and agree to perform all of the obligations of the Tenant under this Project Lease with regard to the Bonds, then the Tenant shall be fully released from all obligations accruing hereunder after the date of such assignment.

Mergers and Consolidations.
Notwithstanding the provisions of *Sections 9.2* and *9.3* above, if the Tenant shall assign or transfer, by operation of law or otherwise, its interests in this Project Lease in connection with a transaction involving the merger or consolidation of the Tenant with or into, or a sale, lease or other disposition of all or substantially all of the property of the Tenant as an entirety to another person, association, corporation or other entity, and (a) the Issuer shall file with the Trustee its prior written consent to such assignment, transfer or merger, (b) the proposed assignee, transferee or surviving entity shall expressly assume and agree to perform all of the obligations of the Tenant under this Project Lease with regard to the Bonds, and (c) the Tenant shall furnish the Trustee and the Issuer with evidence in the form of financial statements accompanied by a proforma balance sheet prepared by an independent certified public accountant of recognized standing showing that the net worth of such proposed assignee, transferee or surviving entity immediately following such assignment, transfer or merger will be at least equal to the net worth of the Tenant as shown by the most recent financial statements of the Tenant furnished to the Trustee pursuant to this Project Lease; then and in such event the Tenant shall be fully released from all obligations accruing hereunder after the date of such assignment, transfer or merger.

Bulk Sales.
Notwithstanding the provisions of *Sections 9.2* and *9.3* above, if the Tenant shall assign or transfer, by operation of law or otherwise, its interests in this Project Lease in connection with a transaction involving a sale, lease or other disposition of all or substantially all of the property of the Tenant as an entirety to another person, association, corporation or other entity, and (l) the Issuer shall file with the Trustee its prior written consent to such assignment or transfer, (2) the proposed assignee or transferee shall expressly assume and agree to perform all of the obligations of the Tenant under this Project Lease, (3) the Tenant shall furnish the Trustee and the Issuer with evidence in the form of financial statements accompanied by the certificate of an independent certified public accountant of recognized standing establishing that the net worth of such proposed assignee, transferee or surviving corporation immediately following such assignment or transfer will be at least equal to the net worth of the Tenant as shown by the most recent financial statement of the Tenant furnished to the Trustee pursuant to this Project Lease; then and in such event the Tenant shall be fully released from all obligations accruing hereunder after the date of such assignment or transfer.

Covenant Against Other Assignments.
The Tenant will not assign or in any manner transfer its interests under this Project Lease, nor will it suffer or permit any assignment thereof by operation of law, except in accordance with the limitations, conditions and requirements set forth in this *Article IX*.

Repairs and Maintenance.
The Tenant covenants and agrees that it will, during the Term of this Project Lease, at its own expense, keep and maintain the Project and all parts thereof in good condition and repair (ordinary wear and tear excepted), including but not limited to the furnishing of all parts, mechanisms and devices required to keep the machinery, equipment and personal property constituting a part of the Project in good mechanical and working order (ordinary wear and tear excepted).

Removal, Disposition and Substitution of Machinery or Equipment.
The Tenant shall have the right, provided the Tenant is not in Default, to remove and sell or otherwise dispose of any machinery or equipment which constitutes a part of the Project and which is no longer used by the Tenant or, in the opinion of the Tenant, is no longer useful to the Tenant in its operations (whether by reason of changed processes, changed techniques, obsolescence, depreciation or otherwise.

All machinery or equipment constituting a part of the Project and removed by the Tenant in compliance with this Section shall become the absolute property of the Tenant and may be sold or otherwise disposed of by the Tenant without otherwise accounting to the Issuer. In all cases, the Tenant shall pay all the costs and expenses of any such removal and shall immediately repair at its expense all damage caused thereby. The Tenant's rights under this Section to remove machinery or equipment constituting a part of the Project is intended only to permit the Tenant to maintain an efficient operation by the removal of such machinery and equipment no longer suitable to the Tenant's use for any of the reasons set forth in this Section and such right is not to be construed to permit a removal under any other circumstances and shall not be construed to permit the wholesale removal of such machinery or equipment by the Tenant.

ARTICLE X

Alteration of Project.
The Tenant shall have and is hereby given the right, at its sole cost and expense, to make such additions, changes and alterations in and to any part of the Project as the Tenant from time to time may deem necessary or advisable; provided, however, the Tenant shall not make any major addition, change or alteration which will adversely affect the intended use or structural strength or value of any part of the Improvements. All additions, changes and alterations made by the Tenant pursuant to the authority of this Article shall (a) be made in a workmanlike manner and in strict compliance with all laws and ordinances applicable thereto, (b) when commenced, be prosecuted to completion with due diligence, and (c) when completed, be deemed a part of the Project; provided, however, additions of machinery, equipment and/or personal property of the Tenant not purchased or acquired from proceeds of the Bonds and not constituting a part of the Project shall remain the separate property of the Tenant and may be removed by the Tenant prior to or as provided in *Section 22.1* hereof.

ARTICLE XI

Additional Improvements.
The Tenant shall have and is hereby given the right, at its sole cost and expense, to construct on the Real Property or within areas occupied by the Improvements, or in airspace above the Project, such additional buildings and improvements as the Tenant from time to time may deem necessary or advisable. All additional buildings and improvements constructed by the Tenant pursuant to the authority of this Article shall, during the Term, remain the property of the Tenant and may be added to, altered or razed and removed by the Tenant at any time during the Term hereof. The Tenant covenants and agrees (a) to make all repairs and restorations, if any, required to be made to the Project because of the construction of, addition to, alteration or removal of, the additional buildings or improvements, (b) to keep and maintain the additional buildings and improvements

in good condition and repair, ordinary wear and tear excepted, (c) to promptly and with due diligence either raze and remove from the Real Property, in a good, workmanlike manner, or repair, replace or restore such of the additional buildings or improvements as may from time to time be damaged by fire or other casualty, and (d) that all additional buildings and improvements constructed by the Tenant pursuant to this Article which remain in place after the termination of this Project Lease for any cause other than the purchase of the Project pursuant to *Article XVII* hereof shall, upon and in the event of such termination, become the separate and absolute property of the Issuer.

ARTICLE XII

Securing of Permits and Authorizations.
The Tenant shall not do or permit others under its control to do any work in or in connection with the Project or related to any repair, rebuilding, restoration, replacement, alteration of or addition to the Project, or any part thereof, unless all requisite municipal and other governmental permits and authorizations shall have first been procured and paid for. All such work shall be done in a good and workmanlike manner and in compliance with all applicable building, zoning and other laws, ordinances, governmental regulations and requirements and in accordance with the requirements, rules and regulations of all insurers under the policies required to be carried under the provisions of this Project Lease.

Mechanic's Liens.
The Tenant shall not do or suffer anything to be done whereby the Project, or any part thereof, is encumbered by any mechanic's or other similar lien. Should any mechanic's or other similar lien ever be filed against the Project, or any part thereof, the Tenant shall discharge the same of record within 30 days after the date of filing. Notice is hereby given that the Issuer does not authorize or consent to and shall not be liable for any labor or materials furnished to the Tenant or anyone claiming by, through or under the Tenant upon credit, and that no mechanic's or similar liens for any such labor, services or materials shall attach to or affect the reversionary or other estate of the Issuer in and to the Project, or any part thereof.

Contest of Liens.
The Tenant, notwithstanding the above, shall have the right to contest any such mechanic's or other similar lien if within the 30-day period stated above it (a) notifies the Issuer and the Trustee in writing of its intention so to do, and if requested by the Trustee or the Issuer, deposits with the Trustee a surety bond issued by a surety company acceptable to the Issuer as surety, in favor of the Issuer, or cash, in the amount of the lien claim so contested, indemnifying and protecting the Issuer from and against any liability, loss, damage, cost and expense of whatever kind or nature growing out of or in any way connected with the asserted lien and the contest thereof, (b) diligently prosecutes such contest, at all times effectively staying or preventing any official or judicial sale of the Project or any part thereof or interest therein, under execution or otherwise, and (c) promptly pays or otherwise satisfies any final judgment adjudging or enforcing such contested lien claim and thereafter promptly procures record release or satisfaction thereof.

Utilities.
All utilities and utility services used by the Tenant in, on or about the Project shall be contracted for by the Tenant in the Tenant's own name and the Tenant shall, at its sole cost and expense, procure any and all permits, licenses or authorizations necessary for all operations on the Project.

ARTICLE XIII

Indemnity.
The Tenant agrees, whether or not the transactions contemplated by this Project Lease, the Site Lease, the Bonds or the Indenture are consummated, to indemnify and hold harmless the Issuer and its officers, directors, officials, employees and agents, including the Trustee as assignee of the Issuer's rights under this Project Lease, and the Owner and each of its officers, directors, employees and agents (any or all of the foregoing referred to hereafter as "Indemnified Persons"), from and against all claims, actions, suits, proceedings, expenses, judgments, damages, penalties, fines, assessments, liabilities, charges or other costs (including, without limitation, all attorneys' fees and expenses incurred in connection with enforcing this Project Lease or collecting any sums due hereunder and any claim or proceeding or any investigations undertaken hereunder) relating to, resulting from, or in connection with (a) any cause in connection with the Project, including, without limitation, the acquisition, design, construction, installation, equipping, operating, maintenance or use thereof; (b) any act or omission of the Tenant or any of its agents, contractors, servants, employees or licensees in connection with the use or operation of the Project; (c) any cause in connection with the issuance and sale of the Bonds, (d) a misrepresentation or breach of warranty by the Tenant hereunder or under any of the documents executed by the Tenant in connection with this Project Lease, or (e) any violation by the Tenant of any of its covenants hereunder or under any of the other documents executed by the Tenant in connection with the Bonds or this Project Lease. This indemnity is effective only with respect to any loss incurred by any Indemnified Person not due to willful misconduct, gross negligence, or bad faith on part of such Indemnified Person. In case any action or proceeding shall be brought against one or more Indemnified Person and with respect to which such Indemnified Person may seek indemnity as provided herein, such Indemnified Person shall promptly notify the Tenant in writing and the Tenant shall promptly assume the defense thereof, including the employment of counsel reasonable satisfactory to such Indemnified Person or Indemnified Persons, the payment of all expenses and the right to negotiate and consent to settlement; provided, however, the failure to notify the Tenant as provided shall not relieve Tenant from any liability or duty under this Section, so long as Tenant is given reasonable opportunity to defend such claim.

ARTICLE XIV

Access to Project.
The Issuer, for itself and its duly authorized representatives and agents, including the Trustee, reserves the right to enter the Project at all reasonable times during usual business hours throughout the Term, upon reasonable notice, for the purpose of (a) examining and inspecting the same, (b) performing such work made necessary by reason of the Tenant's default under any of the provisions of this Project Lease, and (c) after an Event of Default, for the purposes of exhibiting the Project to prospective purchasers, lessees or mortgagees. The Issuer may, during the progress of the work mentioned in (b) above, keep and store on the Project all necessary materials, supplies and equipment and shall not be liable for inconvenience, annoyances, disturbances, loss of business or other damage suffered by reason of the performance of any such work or the storage of such materials, supplies and equipment.

ARTICLE XV

Option to Extend Basic Term.
The Tenant shall have and is hereby given the right and option to extend the Basic Term of this Project Lease for the Additional Term provided that (a) the Tenant shall give the Issuer written notice of its intention to exercise the option at least 30 days prior to the expiration of the Basic Term and (b) the Tenant is not in Default hereunder at the time it gives the Issuer such notice or at the time the Additional Term commences.

In the event the Tenant exercises such option, the terms, covenants, conditions and provisions set forth in this Project Lease shall be in full force and effect and binding upon the Issuer and the Tenant during the Additional Term except that the Basic Rent during any extended term herein provided for shall be the sum of $100.00 per year, payable in advance on the first Business Day of such Additional Term.

ARTICLE XVI

Option to Purchase Improvements.
Subject to the provisions of this Article, the Tenant shall have the right and option to purchase the Issuer's interest in the Improvements at any time during the Term hereof and for 120 days thereafter. The Tenant shall exercise its option by giving the Issuer written notice of the Tenant's election to exercise its option and specifying the date, time and place of closing, which date (the "Release Date") shall neither be earlier than 30 days nor later than 180 days after the notice is given. The Tenant may not, however, exercise such option if the Tenant is in Default hereunder on the Release Date unless all Defaults are cured upon payment of the purchase price specified in *Section 17.2.*

Quality of Title and Purchase Price.
If the notice of election to purchase is given, the Issuer shall assign and release all of its interests in the Project to the Tenant on the Release Date free and clear of all liens and encumbrances except (a) Permitted Encumbrances, (b) those to which title was subject on the date of the Site Lease to the Issuer of the Real Property, or to which title became subject with the Issuer's and Tenant's written consent, or which resulted from any failure of the Tenant to perform any of its covenants or obligations under this Project Lease, (c) taxes and assessments, general and special, if any, and (d) the rights of any party having condemned or who is attempting to condemn title to, or the use for a limited period of, all or any part of the Project, for a price determined as follows (which the Tenant agrees to pay in cash at the time of delivery of the Issuer's instruments of release of the Project to the Tenant as hereinafter provided):

(i) The full amount which is required to provide the Issuer and the Trustee with funds sufficient, in accordance with the provisions of the Indenture, to pay at maturity or to redeem and pay in full (A) the principal of all of the Outstanding Bonds, (B) all interest due thereon to date of maturity or redemption, whichever first occurs, and (C) all costs, expenses and premiums incident to the redemption and payment of the Bonds in full, plus

(ii) $100.00.

In the event the Tenant owns all of the Outstanding Bonds, the Tenant may surrender the Bonds to the Trustee for cancelation in lieu of paying the full amount set forth in this Section.

Nothing in this Article shall release or discharge the Tenant from its duty or obligation under this Project Lease to make any payment of Basic Rent or Additional Rent which, in accordance with the terms of this Project Lease, becomes due and payable prior to the Release Date, or its duty and obligation to fully perform and observe all covenants and conditions herein stated to be performed and observed by the Tenant prior to the Release Date.

Closing of Purchase.
On the Release Date, the Issuer shall deliver to the Tenant its release of leases and/or other appropriate instruments of assignment or release, properly executed and releasing the Improvements to the Tenant free and clear of all liens and encumbrances except as set forth in the preceding section above, and the Tenant shall pay the full purchase price for the Project as follows: (a) the amount specified in clause (i) of *Section 17.2* shall be paid to the Trustee for deposit in the Debt Service Fund to be used to pay or redeem Bonds and the

interest thereon as provided in the Indenture, and (b) the amount specified in clause (ii) of *Section 17.2* shall be paid to the Issuer; provided, however, nothing herein shall require the Issuer to deliver its appropriate instruments of assignment or release to the Tenant until after all duties and obligations of the Tenant under this Project Lease to the date of such delivery have been fully performed and satisfied or adequate provision made for such performance and satisfaction. Upon the recording of the Issuer's instruments of assignment or release, and payment of the purchase price by the Tenant and legal defeasance or cancellation of the Bonds, this Project Lease will terminate, subject to the provisions of *Section 20.2* hereof.

Effect of Failure to Complete Purchase.
If, for any reason, the purchase of the Project by the Tenant pursuant to valid notice of election to purchase is not effected on the Release Date, this Project Lease shall be and remain in full force and effect according to its terms as if no notice of election under *Section 17.1* had been given. The Issuer and Tenant agree to use all commercially reasonable efforts to effect the assignment and release as soon as possible.

Application of Condemnation Awards if the Tenant Purchases Project.
The right of the Tenant to exercise its option to purchase the Project under the provisions of this Article shall remain unimpaired notwithstanding any condemnation of title to, or the use for a limited period of, all or any part of the Project. If the Tenant shall exercise its option and pay the purchase price as provided in this Article, all of the condemnation awards received by the Issuer after the payment of the purchase price, less all attorneys' fees and other expenses and costs incurred by the Issuer in connection with such condemnation, shall belong and be paid to the Tenant.

Option to Purchase Unimproved Portions of Real Property.
The Tenant shall have the option to purchase at any time and from time to time during the Term any vacant part or vacant parts of the unimproved Real Property constituting a part of the Project; provided, however, the Tenant shall furnish the Issuer and the Trustee with a certificate of the Authorized Tenant Representative, dated not more than thirty (30) days prior to the date of the purchase and stating that, in the opinion of the Authorized Tenant Representative, (a) the portion of the Real Property with respect to which the option is exercised is not needed for the operation of the Project, (b) the purchase will not impair the usefulness or operating efficiency or materially impair the value of the Project and will not destroy or materially impair the means of ingress thereto and egress therefrom, and (c) the purchase will not materially adversely affect compliance of the remaining Real Property and any Improvements with applicable zoning laws or regulations. The Tenant shall exercise this option by giving the Issuer and the Trustee written notice of the Tenant's election to exercise its option and specifying (i) the legal description of the portion of Real Property to be released, and (ii) a certificate signed by the chief executive or chief financial officer of the Tenant stating that no event has occurred and is continuing which, with notice or lapse of time or both, would constitute an Event of Default. The Tenant may not exercise this option if there has occurred and is continuing any event which, with notice or lapse of time or both, would constitute an Event of Default at the time the notice is given and may not purchase the Real Property unless all defaults are cured. The option includes the right to purchase a perpetual easement for right-of-way to and from the public roadway and the right to purchase such land as is necessary to assure that there will always be access between the portion of the Real Property purchased pursuant to these *Sections 17.6* through *17.10* and the public roadway.

Quality of Title - Purchase Price.
If the notice of election to purchase is given as provided in *Section 17.6,* the Issuer shall release its interest in the real property described in the Tenant's notice to the Tenant on the specified date free and clear of all liens and encumbrances except (a) Permitted Encumbrances, (b) those to which title was subject on the date of the Site Lease to the Issuer of the Real Property, or to which title became subject with the Issuer's and Tenant's written consent, or which resulted from any failure of the Tenant to perform any of its covenants or obligations under this Project Lease, (c) taxes and assessments, general and special, if any, and (d) the interests of any

party having condemned or who is attempting to condemn title to, or the use for a limited period of, all or any part of the real property described in the Tenant's notice.

Closing of Purchase.
The Issuer shall deliver to the Tenant its release of leases and other appropriate instruments of assignment or release, properly executed and releasing such real property to the Tenant free and clear of all liens and encumbrances except as stated above, and the Tenant shall pay the Trustee the purchase price for such real property, and the Trustee will deposit the purchase price in the Debt Service Fund and use the proceeds to redeem Bonds on any date the Bonds are subject to optional redemption, as provided in the Indenture. Nothing herein shall require the Issuer to deliver its release of leases to the Tenant until after all duties and obligations of the Tenant under this Project Lease to the date of such delivery have been fully performed and satisfied.

Effect of Release on Lease.
The exercise by the Tenant of the option granted under these *Sections 17.6* to *17.10* and the purchase and release of a portion of the Real Property constituting a part of the Project pursuant hereto shall in no way whatsoever affect this Project Lease, and all the terms and provisions shall remain in full force and effect, including, without limitation, the Tenant's obligations to pay all Basic Rent and Additional Rent.

Effect of Failure to Complete Purchase.
If, for any reason, the purchase by the Tenant of the portion of the real property described in the notice is not effected on the specified date, this Project Lease shall be and remain in full force and effect according to its terms the same as though no notice of election to purchase had been given.

ARTICLE XVII

Section 17.1. Damage and Destruction.

(a) If, during the Term, any Improvements are damaged or destroyed, in whole or in part, by fire or other casualty, the Tenant shall promptly notify the Issuer and the Trustee in writing as to the nature and extent of such damage or loss and whether it is practicable and desirable to rebuild, repair, restore or replace such damage or loss.

(b) If the Tenant shall determine that such rebuilding, repairing, restoring or replacing is practicable and desirable, the Tenant shall proceed with and complete with reasonable dispatch such rebuilding, repairing, restoring or replacing. In such case, any Net Proceeds of property and/or casualty insurance required by this Project Lease and received with respect to any such damage or loss to the Improvements shall be paid to the Trustee and shall be deposited in the Project Fund and shall be used and applied for the purpose of paying the cost of such rebuilding, repairing, restoring or replacing such damage or loss. Any amount remaining in the Project Fund after such rebuilding, repairing, restoring or replacing shall be paid to the Tenant.

(c) If the Tenant shall reasonably determine that rebuilding, repairing, restoring or replacing the Improvements is not practicable and desirable, any Net Proceeds of property and/or casualty insurance required by this Project Lease and received with respect to any such damage or loss to the Project shall be paid into the Debt Service Fund. Such moneys shall be used to redeem Bonds at their earliest optional redemption date. The Tenant agrees that it shall be reasonable in exercising its judgment pursuant to this subsection (c).

(d) The Tenant shall not, by reason of its inability to use all or any part of the Improvements during any period in which the Improvements are damaged or destroyed, or are being repaired, rebuilt, restored or replaced nor by reason of the payment of the costs of such rebuilding, repairing, restoring or replacing, be entitled to any reimbursement or diminution of the Basic Rent or Additional Rent payable by the Tenant under this Project Lease nor of any other obligations of the Tenant under this Project Lease except as expressly provided in this Section.

Section 17.2. Condemnation.

(a) If, during the Term, title to, or the temporary use of, all or any part of the Project shall be condemned by any authority exercising the power of eminent domain (other than the Issuer), the Tenant shall, within 30 days after the date of entry of a final order in any eminent domain proceedings granting condemnation, notify the Issuer and the Trustee in writing as to the nature and extent of such condemnation and whether it is practicable and desirable to acquire substitute land or construct substitute Improvements.

(b) If the Tenant shall determine that such substitution is practicable and desirable, the Tenant shall proceed with and complete with reasonable dispatch the acquisition or construction of such substitute Real Property or Improvements. In such case, any Net Proceeds received from any award or awards with respect to the Project or any part thereof made in such condemnation or eminent domain proceedings shall be paid to the Trustee for the account of the Tenant and shall be deposited in the Project Fund and shall be used and applied for the purpose of paying the cost of such substitution. Any amount remaining in the Project Fund after such acquisition or construction shall be paid to Tenant.

(c) If the Tenant shall reasonably determine that it is not practicable and desirable to acquire or construct substitute Improvements, any Net Proceeds of condemnation awards received by the Tenant shall be paid into the Debt Service Fund. Such moneys shall be used to redeem Bonds at their earliest optional redemption date. The Tenant agrees that it shall be reasonable in exercising its judgment pursuant to this subsection.

(d) The Tenant shall not, by reason of its inability to use all or any part of the Improvements during any such period of restoration or acquisition nor by reason of the payment of the costs of such restoration or acquisition, be entitled to any reimbursement or any abatement or diminution of the Basic Rent or Additional Rent nor of any other obligations hereunder payable by the Tenant under this Project Lease.

(e) The Issuer shall cooperate fully with the Tenant in the handling and conduct of any prospective or pending condemnation proceedings with respect to the Project or any part thereof so long as the Issuer is not the condemning authority. In no event will the Issuer voluntarily settle or consent to the settlement of any prospective or pending condemnation proceedings with respect to the Project or any part thereof without the written consent of the Tenant and the Trustee.

Effect of Tenant's Defaults.
Anything in this Article to the contrary notwithstanding, the Issuer and the Trustee shall have the right at any time and from time to time to withhold payment of all or any part of the Net Proceeds from the Project Fund attributable to damage, destruction or condemnation of the Project to the Tenant or any third party if an Event of Default has occurred and is continuing, or the Issuer or the Trustee has given notice to the Tenant of any Default which, with the passage of time, will become an Event of Default. In the event the Tenant shall cure any Defaults specified herein, the Trustee shall make payments from the Net Proceeds to the Tenant in accordance with the provisions of this Article. However, if this Project Lease is terminated or the Issuer or the Trustee otherwise re-enters and takes possession of the Project without terminating this Project Lease, the Trustee shall pay all the Net Proceeds held by it into the Debt Service Fund and all rights of the Tenant in and to such Net Proceeds shall cease.

ARTICLE XVIII

Change of Circumstances.
If at any time during the Term of this Project Lease, a Change of Circumstances occurs, then the Tenant shall have the option to: (a) purchase the Project pursuant to *Article XVII* or (b) terminate this Project Lease by giving the Issuer notice of such termination within 90 days after the Tenant has actual knowledge of the event giving rise to such option. The termination of this Project Lease will become effective when all of the Bonds Outstanding are paid or payment is provided for pursuant to the Indenture.

ARTICLE XIX

Remedies on Default.
Whenever any Event of Default shall have happened and be continuing, the Trustee (acting on behalf of the Issuer, as assignee of the Issuer's rights hereunder) may take any legal action, including but not limited to, one or more of the following remedial actions:

(a) By written notice to the Tenant upon acceleration of maturity of the Bonds as provided in the Indenture, the Trustee, acting on behalf of the Issuer, may declare the aggregate amount of all unpaid Basic Rent or Additional Rent required to be paid by the Tenant to be immediately due and payable under this Project Lease.

(b) The Trustee, acting on behalf of the Issuer, may give the Tenant written notice of intention to terminate this Project Lease on a date not earlier than 30 days after such notice is given and, if all Events of Default have not then been cured on the date specified, the Tenant's rights to possession of the Project shall cease, and this Project Lease shall terminate. The Trustee, acting on behalf of the Issuer, may re-enter and take possession of the Project and pursue all its available remedies, including sale of Issuer's interest in the Project and judgment against the Tenant for all Basic Rent and Additional Rent then owing, including costs and attorneys' fees.

(c) Without terminating this Project Lease, the Trustee, acting on behalf of the Issuer, may conduct inspections or an Environmental Assessment of the Project. The Issuer or the Trustee, acting on behalf of the Issuer, may refuse to re-enter or take possession of the Project if it has reasonable cause for such refusal. "Reasonable cause" shall include the presence on the Project of conditions which are in violation of any Environmental Law or the existence or threat of a remedial action against the Tenant under any Environmental Law resulting from conditions on the Project.

(d) Without terminating the Term, the Trustee, acting on behalf of the Issuer, may relet the Project, or parts thereof, for such term or terms and at such rental and upon such other terms and conditions as are deemed advisable, with the right to make alterations and repairs to the Project, and no such re-entry or taking of possession of the Project shall be construed as an election to terminate this Project Lease, nor relieve the Tenant of its obligation to pay Basic Rent or Additional Rent (at the time or times provided herein), or of any of its other obligations under this Project Lease, all of which shall survive such re-entry or taking of possession. The Tenant shall continue to pay the Basic Rent and Additional Rent provided for in this Project Lease until the end of the Term, whether or not the Project shall have been relet, less the net proceeds, if any, of reletting the Project.

(e) Having elected to reenter or take possession of the Project pursuant to subsection 20.1(c), the Trustee, acting on behalf of the Issuer, may by notice to the Tenant given at any time thereafter while the Tenant is in Default in the payment of Basic Rent or Additional Rent or in the performance of any other obligation under this Project Lease, elect to terminate this Project Lease in accordance with subsection 20.1(b) and thereafter proceed to exercise any remedies lawfully available.

(f) If, in accordance with any of the provisions of this Article, the Issuer shall have the right to elect to re-enter and take possession of the Project, the Issuer or the Trustee, acting on behalf of the Issuer, may enter and expel the Tenant and those claiming through or under the Tenant and remove the property and effects of both or either by all lawful means without being guilty of any manner of trespass and without prejudice to any remedies for arrears of Basic Rent or Additional Rent or preceding breach of contract by the Tenant.

(g) Net proceeds of any reletting or sale of the Project shall be deposited in the Debt Service Fund for application to pay the Bonds and interest thereon. "Net proceeds" shall mean the receipts obtained from reletting or sale after deducting all expenses incurred in connection with such reletting or sale, including without limitation, all repossession costs, brokerage commissions, legal fees and expenses, expenses of employees, alteration costs and expenses of preparation of the Project for reletting or sale.

(h) The Issuer or the Trustee, acting on behalf of the Issuer, may recover from the Tenant any attorneys' fees or other expense incurred in exercising any of its remedies under this Project Lease.

Survival of Obligations.
The Tenant covenants and agrees with the Issuer and the Trustee that, until all Bonds and the interest thereon and redemption premium, if any, are paid in full or provision is made for the payment thereof or cancellation in accordance with the Indenture, its obligations under this Project Lease shall survive the cancellation and termination of this Project Lease for any cause and/or sale of the Project, and the Tenant shall be obligated to pay Basic Rent and Additional Rent (reduced by any net income the Issuer or the Trustee may receive from the Project after such termination) and perform all other obligations provided for in this Project Lease, all at the time or times provided in this Project Lease. Notwithstanding any provision of this Project Lease or the Indenture, the Tenant's obligations under *Sections 8.2* and *14.1* hereof shall survive any termination, release or assignment of this Project Lease, the Indenture and payment or provision for payment of the Bonds.

No Remedy Exclusive.
No remedy herein conferred upon or reserved to the Issuer is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Project Lease or now or hereafter existing at law or in equity or by statute, subject to the provisions of the Indenture. No delay or omission to exercise any right or power accruing upon any Event of Default shall impair any such right or power, or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Issuer to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than notice required herein.

ARTICLE XX

Performance of the Tenant's Obligations by the Issuer.
If the Tenant shall fail to keep or perform any of its obligations as provided in this Project Lease, then the Issuer may (but shall not be obligated to), upon the continuance of such failure on the Tenant's part for 90 days after notice of such failure is given the Tenant by the Issuer or the Trustee and without waiving or releasing the Tenant from any obligation hereunder, as an additional but not exclusive remedy, make any such payment or perform any such obligation, and the Tenant shall reimburse the Issuer for all sums so paid by the Issuer and all necessary or incidental costs and expenses incurred by the Issuer in performing such obligations through payment of Additional Rent. If such Additional Rent is not so paid by the Tenant within 10 days of

demand, the Issuer shall have the same rights and remedies provided for in *Article XX* in the case of Default by the Tenant in the payment of Basic Rent.

ARTICLE XXI

Surrender of Possession.
Upon accrual of the Issuer's right of reentry as the result of the Tenant's Default hereunder or upon the cancellation or termination of this Project Lease by lapse of time or otherwise (other than as a result of the Tenant's purchase of the Project), the Tenant shall peacefully surrender possession of the Project to the Trustee, as assignee of the Issuer in good condition and repair, ordinary wear and tear excepted; provided, however, the Tenant shall have the right, prior to or within 30 Business Days after the termination of this Project Lease, to remove from on or about the Project the buildings, improvements, machinery, equipment, personal property, furniture and trade fixtures which the Tenant owns under the provisions of this Project Lease and are not a part of the Project. All repairs to and restorations of the Project required to be made because of such removal shall be made by and at the sole cost and expense of the Tenant. All buildings, improvements, machinery, equipment, personal property, furniture and trade fixtures owned by the Tenant and which are not so removed from on or about the Project prior to or within 30 Business Days after such termination of this Project Lease shall become the separate and absolute property of the Issuer.

ARTICLE XXII

Notices.
All notices required or desired to be given hereunder shall be in writing and shall be delivered in person to the Notice Representative or mailed by registered mail to the Notice Address. All notices given by registered mail shall be deemed duly delivered three days after they are mailed. When mailed notices are given, the party giving notice will use reasonable diligence to contact the party being notified by telephone, electronic mail or facsimile on or before the date such notice is mailed.

ARTICLE XXIII

Triple-Net Lease.
The parties hereto agree that (a) this Project Lease is intended to be a triple-net lease, (b) the payments of Basic Rent and Additional Rent are designed to provide the Issuer and the Trustee with funds adequate in amount to pay all principal of and interest on all Bonds as the same become due and payable and to pay and discharge all of the other duties and requirements set forth herein, and (c) to the extent that the payments of Basic Rent and Additional Rent are not adequate to provide the Issuer and the Trustee with funds sufficient for the purposes aforesaid, the Tenant shall be obligated to pay, and it does hereby covenant and agree to pay, upon demand therefor, as Additional Rent, such further sums of money as may from time to time be required for such purposes.

Funds Held by the Trustee After Payment of Bonds.
If, after the principal of and interest on all Bonds and all costs incident to the payment of the Bonds have been paid in full, the Trustee holds unexpended funds received in accordance with the terms hereof, such unexpended funds shall, except as otherwise provided in this Project Lease and the Indenture and after payment therefrom to the Issuer of any sums of money then due and owing by the Tenant under the terms of this Project Lease, be the absolute property of and be paid over to the Tenant.

ARTICLE XXIV

Rights and Remedies.
The rights and remedies reserved by the Issuer and the Tenant hereunder and those provided by law shall be construed as cumulative and continuing rights. No one of them shall be exhausted by the exercise thereof on one or more occasions. The Issuer and the Tenant shall each be entitled to specific performance and injunctive or other equitable relief for any breach or threatened breach of any of the provisions of this Project Lease, notwithstanding the availability of an adequate remedy at law, and each party hereby waives the right to raise such defense in any proceeding in equity.

Waiver of Breach.
No waiver of any breach of any covenant or agreement herein contained shall operate as a waiver of any subsequent breach of the same covenant or agreement or as a waiver of any breach of any other covenant or agreement, and in case of a breach by either party of any covenant, agreement or undertaking, the nondefaulting party may nevertheless accept from the other any payment or payments or performance hereunder without in any way waiving its right to exercise any of its rights and remedies provided for herein or otherwise with respect to any such Default which was in existence at the time such payment or payments or performance were accepted by it.

The Issuer Shall Not Unreasonably Withhold Consents and Approvals.
Wherever in this Project Lease it is provided that the Issuer shall, may or must give its approval or consent, or execute supplemental agreements, exhibits or schedules, the Issuer shall not unreasonably or arbitrarily withhold or refuse to give such approvals or consents or refuse to execute such supplemental agreements, exhibits or schedules.

ARTICLE XXV

The Issuer May Not Release Interest without Tenant Consent.
The Issuer covenants that unless an Event of Default under this Project Lease has occurred and is continuing, and the remaining Term of this Project Lease has been terminated, it will not, without the Tenant's written consent, unless required by law, assign, release or encumber its leasehold interest in the Project at any time during the Term of this Project Lease.

Quiet Enjoyment and Possession.
The Tenant shall enjoy peaceable and quiet possession of the Project as long as no Event of Default has occurred and is continuing.

Intentionally Omitted.
Issuer's Obligations Limited.
Except as otherwise expressly provided in this Project Lease, no recourse upon any obligation or agreement contained in this Project Lease or in any Bond or under any judgment obtained against the Issuer, or by the enforcement of any assessment or by any legal or equitable proceeding by virtue of any constitution or statute or otherwise under any circumstances, under or independent of the Indenture, shall be had against the Issuer and its officers, employees and agents.

Notwithstanding anything in this Project Lease to the contrary, it is expressly understood and agreed by the parties hereto that (a) the Issuer may rely conclusively on the truth and accuracy of any certificate, opinion, notice or other instrument furnished to the Issuer by the Tenant, an Owner or the Trustee as to the existence of any fact or state of affairs required to be noticed by the Issuer; (b) the Issuer shall not be under any obligation to perform any record-keeping or to provide any legal services, it being understood that such services shall be performed or provided either by the Tenant, the Trustee or the Owner; and (c) that none of the provisions of this Project Lease shall require the Issuer to expend or risk its own funds or otherwise incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers hereunder, unless it shall have first been adequately indemnified to its satisfaction against the costs, expenses and liability which may be incurred by such action.

Notwithstanding anything in this Project Lease to the contrary, any obligation the Issuer may incur under this Project Lease or under any instrument or document executed by the Issuer in connection with this Project Lease that entails the expenditure of any money by the Issuer shall be only a limited obligation of the Issuer payable solely from the revenues derived by the Issuer under this Project Lease and shall not be, under any circumstances, a general obligation of the Issuer.

ARTICLE XXVI

Investment Tax Credit; Depreciation.
The Tenant shall be entitled to claim the full benefit of (l) any investment credit against federal or state income tax allowable with respect to expenditures of the character contemplated hereby under any federal or state income tax laws now or from time to time hereafter in effect, and (2) any deduction for depreciation with respect to the Project from federal or state income taxes. The Issuer agrees that it will upon the Tenant's request execute all such elections, returns or other documents which may be reasonably necessary or required to more fully assure the availability of such benefits to the Tenant.

ARTICLE XXVII

Amendments.
This Project Lease may be amended, changed or modified in writing in the following manner:

(a) With respect to an amendment, change or modification which reduces the Basic Rent or Additional Rent, or any amendment which reduces the percentage of Owners whose consent is required for any such amendment, change or modification, by an agreement in writing executed by the Issuer and the Tenant and consented to in writing by the Trustee and by Owners of at least 90% of the aggregate principal amount of the Bonds then Outstanding;

(b) With respect to any other amendment, change or modification which will materially adversely affect the security or rights of the Owners, by an agreement in writing executed by the Issuer and the Tenant and consented to in writing by the Trustee and by Owners of at least 66-2/3% of the aggregate principal amount of the Bonds then Outstanding; and

(c) With respect to all other amendments, changes, or modifications, by an agreement in writing executed by the Issuer and the Tenant.

At least 30 days prior to the execution of any agreement pursuant to (c) above, the Issuer and the Tenant shall furnish the Trustee and the Owner with a copy of the amendment, change or modification proposed to be made.

Granting of Easements.
If no Event of Default under this Project Lease shall have happened and be continuing, the Tenant may, at any time or times, (a) grant easements, licenses and other rights or privileges in the nature of easements with

respect to any property included in the Project, free from any rights of the Issuer or the Owner, or (b) release existing easements, licenses, rights-of-way and other rights or privileges, all with or without consideration and upon such terms and conditions as the Tenant shall determine, and the Issuer agrees, to the extent that it may legally do so, that it will execute and deliver any instrument necessary or appropriate to confirm and grant or release any such easement, license, right-of-way or other right or privilege or any such agreement or other arrangement, upon receipt by the Issuer of: (i) a copy of the instrument of grant or release or of the agreement or other arrangement, (ii) a written application signed by the Authorized Tenant Representative requesting such instrument, and (iii) a certificate executed by the Tenant stating (A) that such grant or release is not detrimental to the proper conduct of the business of the Tenant, and (B) that such grant or release will not impair the effective use or interfere with the efficient and economical operation of the Project and will not materially adversely affect the security of the Owner. Any consideration received by the Tenant for the grant or release must be paid to the Trustee to be deposited in the Debt Service Fund and used to redeem Bonds at the earliest practicable date, at their principal amount, plus accrued interest, without premium. If the instrument of grant shall so provide, any such easement or right and the rights of such other parties thereunder shall be superior to the rights of the Issuer and the Owner and shall not be affected by any termination of this Project Lease or default on the part of the Tenant hereunder. If no Event of Default shall have happened and be continuing, any payments or other consideration received by the Tenant for any such grant or with respect to or under any such agreement or other arrangement shall be and remain the property of the Tenant, but, in the event of the termination of this Project Lease because of an Event of Default, all rights then existing of the Tenant with respect to or under such grant shall inure to the benefit of and be exercisable by the Issuer.

Security Interests.

(a) The Issuer and the Tenant agree to execute and deliver any instruments (including financing statements and statements of continuation thereof) necessary for perfection of and continuance of the security interest of the Issuer in and to the Project. The Tenant hereby authorizes the Issuer to file or cause to be filed all such instruments required to be so filed and the Trustee to continue or cause to be continued the filings or liens of such instruments for so long as the Bonds shall be Outstanding.

(b) Under the Indenture, the Issuer will, as additional security for the Bonds assign, transfer, pledge and grant a security interest in its rights under this Project Lease to the Trustee. The Issuer hereby authorizes the Trustee to file financing statements or any other instruments necessary to perfect its security interest. The Trustee is hereby given the right to enforce, either jointly with the Issuer or separately, the performance of the obligations of the Tenant, and the Tenant hereby consents to the same and agrees that the Trustee may enforce such rights as provided in the Indenture and the Tenant will make payments required hereunder directly to the Trustee.

Construction and Enforcement.

This Project Lease shall be construed and enforced in accordance with the laws of the State. The provisions of this Project Lease shall be applied and interpreted in accordance with the rules of interpretation set forth in the Indenture. Wherever in this Project Lease it is provided that either party shall or will make any payment or perform or refrain from performing any act or obligation, each such provision shall, even though not so expressed, be construed as an express covenant to make such payment or to perform, or not to perform, as the case may be, such act or obligation.

Invalidity of Provisions of Project Lease.

If, for any reason, any provision hereof shall be determined to be invalid or unenforceable, the validity and effect of the other provisions hereof shall not be affected thereby.

Covenants Binding on Successors and Assigns.

The covenants, agreements and conditions herein contained shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

Section Headings.
The section headings hereof are for the convenience of reference only and shall not be treated as a part of this Project Lease or as affecting the true meaning of the provisions hereof. The reference to section numbers herein or in the Indenture shall be deemed to refer to the numbers preceding each section.

Execution of Counterparts; Electronic Transactions.
This Project Lease may be executed simultaneously in multiple counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one instrument. The transaction described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

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IN WITNESS WHEREOF, the Issuer has caused this Project Lease to be signed by an authorized official, such signature to be attested by an authorized officer, and its official seal to be applied, as of the date first above written.

CITY OF PITTSBURG, KANSAS

By:______________________________________
Chuck Munsell, Mayor

(SEAL)

ATTEST:

____
Jacob Bennett, Deputy City Clerk

ACKNOWLEDGMENT

STATE OF KANSAS)
) SS:
COUNTY OF CRAWFORD)

The foregoing instrument was acknowledged before me on August _____, 2026 by Chuck Munsell, Mayor of the City of Pittsburg, Kansas.

(SEAL)

____
Notary Public

My Appointment Expires:

____

IN WITNESS WHEREOF, the Tenant has caused this Project Lease to be signed by an authorized officer, as of the date first above written.

RALLISON LP

By: ____
Name: Todd Allison
Title: General Partner

"TENANT"

ACKNOWLEDGMENT

STATE OF KANSAS)
) SS:
COUNTY OF CRAWFORD)

This instrument was acknowledged before me on August _____, 2026, by Todd Allison, General Partner of RALLISON LP, a Kansas limited partnership.

[SEAL]

____
Notary Public

My Appointment Expires:

____

APPENDIX A

FORM OF REQUISITION FOR PAYMENT OF PROJECT COSTS

CITY OF PITTSBURG, KANSAS
Project Fund
(Progressive Products Project)
Payment Order No. ______

BOKF, N.A.
Kansas City, Missouri
Attn: Corporate Trust Department

I hereby certify that the amounts stated in the attached Payment Schedules have either been advanced by the Tenant or are justly due to contractors, subcontractors, suppliers, vendors, materialmen, engineers, architects or other persons named in the Payment Schedules who have performed necessary and appropriate work in connection with any installation of machinery, equipment or personal property, or have furnished necessary and appropriate materials in the construction or acquisition of land, buildings and improvements constituting a part of the Project. I further certify that the fair value of such work or materials, machinery and equipment, is not exceeded by the amount requested, and such cost is one which may be capitalized for federal income tax purposes.

I further certify that, except for the amounts set forth in the Payment Schedules, there are no outstanding debts now due and payable for labor, wages, materials, supplies or services in connection with the construction of the buildings and improvements or the purchase and/or installation of machinery, equipment and personal property which, if unpaid, might become the basis of a vendor's, mechanic's, laborer's or materialmen's statutory or other similar lien upon the Real Property, the Project or any part thereof.

I further certify that no part of the amounts set forth in the Payment Schedules have been the basis for any previous withdrawal of any moneys from the Project Fund.

I further certify that each of the representations and covenants on the part of the Tenant contained in the Project Lease dated as of September 1, 2026 by and between the City of Pittsburg, Kansas, as the Issuer, and the Tenant are now true and correct in all material respects and are now being materially complied with.

I further certify that the amounts set forth in the Payment Schedules constitute Project Costs, as such term is defined in the Project Lease, and that all insurance policies which are required to be in force as a condition precedent to disbursement of funds from the Project Fund pursuant to the provisions of *Section 6.1* of the Project Lease are in full force and effect.

I acknowledge that the Tenant, as Purchaser of the Bonds, will be receiving such Bonds in compensation for the expenditures set forth in the Payment Schedules to acquire, construct and equip the Project and that the Bond will constitute full payment for these costs.

DATED ____________________, 20___.

____
Authorized Tenant Representative

EXHIBIT A - Payment Order No. _______

PAYMENT SCHEDULE
FOR BUILDINGS, IMPROVEMENTS AND
MISCELLANEOUS PROJECT COSTS

I hereby request payment of the amounts specified below to the payees whose names and addresses are stated below, and I certify that the description of the purchase or nature of each payment is reasonable, accurate and complete:

PAYMENT SCHEDULE

Payee Name	Purpose or Nature of Payment	Amount

EXHIBIT B - Payment Order No. ______

PAYMENT SCHEDULE
FOR MACHINERY AND EQUIPMENT

I hereby request payment of the amounts specified below to the payees whose names and addresses are stated below. I certify that the description of the purchase or nature of each payment is reasonable, accurate and complete. I further certify that the items described are free and clear of any liens or security interests. I have attached to this schedule a copy of the purchase order or seller's invoice for each item.

PAYMENT SCHEDULE

Payee Name	Description of Equipment	Amount
	(include name of seller, manufacturer, descriptive name, capacity, serial number of model number, if available)	

SCHEDULE I

SCHEDULE I TO THE PROJECT LEASE, DATED AS OF SEPTEMBER 1, 2026, BY AND BETWEEN CITY OF PITTSBURG, KANSAS AND RALLISON LP

PROPERTY SUBJECT TO PROJECT LEASE

(A) A leasehold interest in the following described real estate located in Crawford County, Kansas:

[TO BE PROVIDED BY RALLISON]

the real property constituting the "Real Property" as referred to in the Project Lease, subject to Permitted Encumbrances.

(B) The buildings, improvements, equipment, fixtures and personal property now or hereafter acquired, constructed, or installed on the Real Property and financed or refinanced with proceeds of the Bonds.

The property described in paragraphs (A) and (B) of this *Schedule I*, together with any alterations or additional improvements properly deemed a part of the Project pursuant to and in accordance with the provisions of *Sections 10.3* and *10.4* of the Project Lease, constitute the "Project" as referred to in both the Project Lease and the Indenture.

GILMORE & BELL, P.C.
07/17/2026

RALLISON LP
AS TENANT

CITY OF PITTSBURG, KANSAS
AS ISSUER

RALLISON LP
AS PURCHASER

BOND PURCHASE AGREEMENT

NOT TO EXCEED $1,700,000
TAXABLE INDUSTRIAL REVENUE BONDS
SERIES 2026
(PROGRESSIVE PRODUCTS PROJECT)

600551.20046\BPA

BOND PURCHASE AGREEMENT

NOT TO EXCEED $1,700,000
CITY OF PITTSBURG, KANSAS
TAXABLE INDUSTRIAL REVENUE BONDS
SERIES 2026
(PROGRESSIVE PRODUCTS PROJECT)
Dated: SEPTEMBER 1, 2026

THIS AGREEMENT entered into September 8, 2026 (the “Sale Date”), between RALLISON LP, a Kansas limited partnership (the "Tenant," the City of Pittsburg, Kansas (the "Issuer") and RALLISON LP, Pittsburg, Kansas (the "Purchaser"), collectively referred to herein as the "Parties." All capitalized terms not specifically defined herein shall have the same meaning as defined in the hereinafter referenced Indenture and Project Lease, unless some other meaning is plainly indicated.

SECTION 1. RECITALS.

(a) The Issuer proposes to issue and sell the Bonds identified above (the "Bonds") to provide funds for constructing an addition to an existing manufacturing facility (the "Project") located within the corporate limits of the Issuer, to be leased by the Issuer to the Tenant pursuant to a Project Lease dated as of September 1, 2026 (the "Project Lease").

(b) Pursuant to the constitution and laws of the State of Kansas, including K.S.A. 12-1740 *et seq*. (the "Act"), the Bonds are limited obligations of the Issuer payable solely from the Trust Estate under the Indenture (hereinafter defined), including payments derived by the Issuer from the Project Lease. The Bonds will be dated September 1, 2026, will contain such other terms and provisions as are set forth in an ordinance duly passed by the governing body of the Issuer on August 25, 2026 (the "Ordinance"), and other proceedings and determinations related thereto as authorized and governed by the provisions of a Trust Indenture (the "Indenture") dated September 1, 2026 between the Issuer and BOKF, N.A., Kansas City, Missouri, as trustee (the "Trustee").

(c) The proceeds of the sale of the Bonds are to be applied:

(i) to provide for accrued interest through the date of Closing;

(ii) to provide funds to pay Project Costs (as defined in the Indenture); and

(iii) to pay expenses related to Bond issuance;

all as set forth in the Project Lease, Ordinance and Indenture.

SECTION 2. PURCHASE, SALE AND DELIVERY OF THE BONDS.

(a) On the basis of the representations, warranties and covenants contained herein and in the other agreements and documents referred to herein, and subject to the terms and conditions herein set forth, the Purchaser agrees to purchase from the Issuer and the Issuer agrees to sell to the Purchaser the Bonds not later than 12:00 Noon, applicable Central time on September 8, 2026, or such other place, time or date as shall be mutually agreed upon by the Issuer and the Purchaser, at the purchase price set forth therein (the “Purchase Price”). The date of such delivery and payment is herein called the “Issue Date,” the hour and date of such delivery and payment is herein called the “Closing Time” and the transactions to be accomplished for delivery of the Bonds on the Issue Date shall be herein called the "Closing." The Bonds shall be issued under and secured as provided in the Indenture and the Bonds shall have the maturities and interest rates as set forth therein. The Bonds shall contain such other provisions as are described in the Indenture.

(b) The Parties acknowledge and agree that: (i) the purchase and sale of the Bonds pursuant to this Bond Purchase Agreement is an arm's-length commercial transaction between the Issuer and the Purchaser; (ii) in connection with such transaction, the Purchaser is acting solely as a principal and not as an agent or a fiduciary of any of the Issuer or the Tenant; (iii) the Purchaser has not assumed (individually or collectively) a fiduciary responsibility in favor of the Issuer or the Tenant with respect to the offering of the Bonds or the process leading thereto (whether or not the Purchaser, or any affiliate of the Purchaser, has advised or is currently advising the Issuer or the Tenant on other matters) or any other obligation to the Issuer or the Tenant except with respect to the obligations expressly set forth in this Bond Purchase Agreement; and (iv) the Issuer and the Tenant have consulted with their own legal and financial advisors to the extent it deemed appropriate in connection with the offering of the Bonds.

(c) The Bonds are purchased by Purchaser under the following conditions: (i) the Bonds are not being registered or otherwise qualified for sale under the "Blue Sky" laws; (ii) Purchaser will hold the Bonds as one single debt instrument, (iii) no CUSIP numbers will be obtained for the Bonds, (iv) no official statement or other similar offering document has been prepared in connection with the private placement of the Bonds, and (v) the Bonds will not close through the DTC or any similar repository and will not be in book entry form.

(d) The delivery of the Bonds shall be made in definitive form, as fully registered bonds (in such denominations as the Purchaser shall specify in writing at least 48 hours prior to the Closing Time) duly executed and authenticated; provided, however, the Bonds may be delivered in temporary form. The Bonds shall be available for examination and packaging by the Purchaser at least 24 hours prior to the Closing Time.

SECTION 3. REPRESENTATIONS, WARRANTIES, COVENANTS AND AGREEMENTS OF THE PURCHASER

By the execution hereof the Purchaser hereby represents, warrants and agrees with the Issuer and the Tenant that as of the date hereof and at the Closing Time:

(a) Purchaser is knowledgeable and experienced in financial and business matters and is capable of evaluating investment merit and risks associated with its purchase of the Bonds. The Purchaser has been furnished and has reviewed the provisions of the Ordinance, Indenture and Project Lease relating to the authorization of and security for payment of the Bonds.

(c) Purchaser is purchasing the Bonds as an investment for its own account and not with a view to the sale, redistribution or other disposition thereof in the ordinary course of business in a transaction not amounting to a public offering as contemplated by Section 4(2) of the Securities Act of 1933, as amended. Purchaser acknowledges that (i) the Bonds will not be registered under the Securities Act of 1933, as amended or any applicable state securities law, (ii) the Bonds may not be transferred unless, in the opinion of counsel acceptable to the Issuer and the Trustee, such transfer will not cause a violation of the Securities Act of 1933, as amended, or any applicable state securities law and that (iii) language consistent with the foregoing restrictions will appear in the registration and transfer provisions of the Indenture.

SECTION 4. ISSUER'S REPRESENTATIONS.

The Issuer represents, covenants and warrants, to the best of its knowledge and belief, as follows, all of which will continue in effect subsequent to the Closing:

(a) The Issuer is a municipal corporation incorporated as a city of the first class under the laws of the State of Kansas.

(b) The governing body of the Issuer did enact the Ordinance; it has been signed by a duly authorized official of the Issuer, it has been published once in the official city newspaper as required by law, and it is presently in full force and effect and has not been amended or modified.

(c) The Issuer has full power and authority to execute and deliver the Indenture, the Site Lease, the Project Lease, the Bond Purchase Agreement and any and all other documents reasonably necessary in connection with the Indenture, the Project Lease the Site Lease and the Bond Purchase Agreement (the "Issuer Documents"); the Issuer Documents have been duly executed and delivered by the Issuer in the manner authorized and constitute legal, valid and binding obligations of the Issuer in accordance with their terms, except to the extent limited by or subject to bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights, principles of equity or the exercise of judicial discretion.

(d) The execution, delivery and performance of the Issuer Documents will not conflict with or constitute on the part of the Issuer a material breach or default under any agreement, indenture or instrument known to it to which the Issuer is a party or by which it is bound.

(e) The Issuer has duly and validly authorized the taking on its behalf of any and all actions necessary to carry out and give effect to the transactions contemplated to be performed on its part by the Ordinance and the Issuer Documents.

(f) There is not now pending or, to the knowledge of the officials of the Issuer, threatened any litigation seeking to restrain or enjoin the issuance or delivery of the Bonds, or contesting or questioning (i) the validity of the Bonds, (ii) the proceedings or authority under which they are issued, (iii) the existence of the Issuer, (iv) the authority of the Issuer to enact the Ordinance or enter into the Issuer Documents, or (v) the Issuer's pledge of the Project, the revenues therefrom and the Trust Estate under the Indenture as security for the payment of the Bonds.

(g) Any certificate signed by an official of the Issuer and delivered to the Purchaser shall be deemed a representation by the Issuer to the Purchaser as to the truth of the statements made in such certificate.

SECTION 5. REPRESENTATIONS OF THE TENANT.

The Tenant makes the following representations as of the Closing, all of which will continue in effect subsequent to the Closing:

(a) The Tenant is a duly formed Kansas limited partnership, duly authorized to do business under the laws of the State of Kansas.

(b) The Tenant has full power and authority to enter into, execute and deliver the Project Lease, the Site Lease and this Bond Purchase Agreement (the "Tenant Documents"), and to perform its obligations thereunder, all of which have been duly authorized by all proper and necessary corporate action, and no consent or approval of parties not signatories to this Bond Purchase Agreement or of any public authority other than the Issuer is necessary to carry out the same.

(c) The execution, delivery and performance by the Tenant of the Tenant Documents will not conflict with or constitute a material violation or breach of or a default under its partnership agreement, or any mortgage, indenture, deed of trust, contract, instrument or agreement binding on it or affecting its property, or any provision of law or order, rule, regulation, ordinance or decree of any court, government or governmental body having jurisdiction over the Tenant or any of its property.

(d) All written information (including financial statements) supplied by the Tenant which has been relied upon by Gilmore & Bell, P.C. ("Bond Counsel") is complete and correct in all material respects.

(e) To the actual knowledge of the partners of the Tenant and the officers of the Tenant signing this Bond Purchase Agreement, there is no litigation, proceeding or investigation by or before any court, public board or body, pending, or threatened, against or affecting the Tenant, its officers or property, challenging the validity of the Tenant Documents, or seeking to enjoin any of the transactions contemplated by such instruments or the performance by the Tenant of its obligations thereunder, or challenging the acquisition or operation of the Project. Further, no litigation, proceeding, or investigation is pending or, to the knowledge of the officers of the Tenant signing this Bond Purchase Agreement, threatened, against the Tenant, its partners or property except (i) that arising in the normal course of the its business operations, and being defended by or on behalf of the Tenant, in which the probable ultimate recovery and estimated defense costs and expenses, in the opinion of the management of the Tenant will be entirely within applicable insurance policy limits (subject to applicable self-insurance, retentions and deductibles), or (ii) that which, if determined adversely to the Tenant, would not, in the opinion of the management of the Tenant, materially adversely affect the Tenant's operations or condition, financial or otherwise.

SECTION 6. TENANT'S COVENANT.

The Tenant will promptly notify the Purchaser of any material adverse change in the business, properties or financial condition of the Tenant, or with respect to the Project, occurring before Closing or which would make the information contained therein not misleading in connection with the sale of the Bonds.

SECTION 7. REPRESENTATIONS TO SURVIVE CLOSING.

The representations, warranties, agreements, and indemnities of the Issuer, the Tenant and the Purchaser contained herein will survive the Closing and any investigation made by or on behalf of the Issuer, the Tenant or the Purchaser, of any matters described in, or related to, the transactions contemplated hereby and by the Site Lease and the Project Lease.

SECTION 8. CONDITIONS OF CLOSING.

The Purchaser's obligations to purchase the Bonds are subject to fulfillment of the following conditions at or before Closing:

(a) The representations of the Issuer and the Tenant hereunder must be true on and as of the Issue Date and must be confirmed by certificates dated as of the Closing;

(b) Neither the Issuer nor the Tenant has defaulted in the performance of any of their respective covenants hereunder;

(c) The Purchaser must receive at the Closing:

(i) an opinion of Bond Counsel, dated as of the Closing, in form and substance satisfactory to the Purchaser and its counsel;

(ii) an opinion of counsel for the Tenant, dated as of the Closing, in form and substance satisfactory to Bond Counsel and to the Purchaser and its counsel confirming the Tenant's representations as set forth in paragraphs (b) through (e) inclusive of *Section 5* of this Bond Purchase Agreement;

(iii) an opinion of counsel for the Issuer, dated as of the Closing, in form and substance satisfactory to Bond Counsel and to the Purchaser and its counsel, confirming the Issuer's representations set forth in paragraphs (a) through (f) inclusive of *Section 4* of this Bond Purchase Agreement;

(iv) a certificate or certificates, satisfactory in form and substance to Bond Counsel and the Purchaser and its counsel, of an authorized official of the Issuer dated the date of the Closing to the effect that (A) each of the representations of the Issuer set forth in *Section 4* hereof is true, accurate and complete in all material respects as of the Closing, and each of the agreements of the Issuer set forth in this Bond Purchase Agreement to be complied with at or prior to the Closing has been complied with; and (B) no litigation is pending, or to such official's knowledge, threatened, to restrain or enjoin the issuance or delivery of the Bonds, or contesting or questioning the validity of the Bonds, the proceedings or authority under which they are issued, the existence of the Issuer, the authority of the Issuer to enact the Ordinance or enter into the Indenture, the Project Lease or the Bond Purchase Agreement, or the Issuer's pledge of the Project, the revenues therefrom and the Trust Estate under the Indenture as security for the payment of the Bonds, and (C) that none of the proceedings authorizing issuance of the Bonds or execution and delivery of the bond documents has been repealed, revoked or rescinded;

(v) a certificate or certificates, satisfactory in form and substance to Bond Counsel and to the Purchaser and its counsel, of a general partner of the Tenant, dated the date of Closing to the effect that each of the representations of the Tenant set forth in *Section 5* hereof is true, accurate and complete in all material respects as of the Closing, and each of the agreements of the Tenant set forth in this Bond Purchase Agreement to be complied with at or prior to the Closing has been complied with as of such time; and

(vi) such additional certificates, legal and other documents, listed on a closing agenda to be approved by Bond Counsel and counsel to the Purchaser, as the Purchaser may reasonably request to evidence performance or compliance with the provisions hereof and the transactions contemplated hereby and by the Indenture and Project Lease, or as Bond Counsel shall require in order to render its opinion, all such certificates and other documents to be satisfactory in form and substance to the Purchaser.

(d) At Closing, there shall not have been any adverse change in the business, property or financial condition of the Tenant from that furnished to the Purchaser which, in the judgment of the Purchaser, is material and makes it inadvisable to proceed with the sale of the Bonds; and the Purchaser shall have received a certificate from the Tenant that no material adverse change has occurred or, if such a change has occurred, full information with respect thereto.

SECTION 9. THE PURCHASER'S RIGHT TO CANCEL.

The Purchaser shall have the right to cancel the obligation hereunder to purchase the Bonds (such cancellation shall not constitute a default for purposes of ***Section 1*** hereof) by notifying the Issuer, the Tenant in writing or by facsimile of its election to make such cancellation prior to the Closing Time, if at any time after the execution of this Bond Purchase Agreement and prior to the Closing Time, the market price or marketability of the Bonds, or the ability of the Purchaser to enforce contracts for the sale of the Bonds, shall be materially adversely affected by any of the following events:

(a) Any legislation, ordinance, rule or regulation shall be introduced in or be enacted by the Legislature of the State or by any other governmental body, department or agency of the State, or a decision by any court of competent jurisdiction within the State shall be rendered, or litigation challenging the law under which the Bonds are to be issued shall be filed in any court in the State.

(b) A stop order, ruling, regulation or official statement by, or on behalf of, the SEC or any other governmental agency having jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, including all underlying obligations, as contemplated hereby, is in violation or would be in violation of any provision of the 1933 Act, the 1934 Act or the Trust Indenture Act of 1939, as amended.

(c) Legislation shall be enacted by the Congress of the United States of America, or a decision by a court of the United States of America shall be rendered, to the effect that obligations of the general character of the Bonds, or the Bonds, including all the underlying obligations, are not exempt from registration under or from other requirements of the 1933 Act or the 1934 Act.

(d) A material disruption in securities settlement, payment or clearance services affecting the Bonds shall have occurred; or additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange.

(e) The New York Stock Exchange or any other national securities exchange, or any governmental authority, shall impose, as to the Bonds or obligations of the general character of the Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, the Purchaser.

(f) Any general banking moratorium shall have been established by federal, New York or Kansas authorities.

(g) A material default has occurred with respect to the obligations of, or proceedings have been instituted under the Federal bankruptcy laws or any similar state laws by or against, any state of the United States or any city located in the United States having a population in excess of one million persons or any entity issuing obligations on behalf of such a city or state.

(h) Any proceeding shall be pending or threatened by the SEC against the Issuer.

(i) A war involving the United States shall have been declared, or any conflict involving the armed forces of the United States shall have escalated, or any other national emergency relating to the effective operation of government or the financial community shall have occurred.

(j) A default by or a moratorium initiated by the United States in respect to payment of any direct obligation of, or obligation the principal of and interest on which is fully and unconditionally guaranteed as to full and timely payment by, the United States of America.

SECTION 10. PAYMENT OF EXPENSES.

If the Bonds are sold by the Issuer to the Purchaser, all expenses and costs to effect the authorization, preparation, issuance, delivery and sale of the Bonds shall be paid by the Tenant out of Tenant funds. Such expenses and costs shall include, but not be limited to: (i) the fees and disbursements of Bond Counsel; (ii) the fees and disbursements of the Issuer's legal counsel; (iii) fees and disbursements of the Tenant legal counsel; (iv) costs associated with obtaining municipal bond insurance or municipal bond ratings relating to the Bonds, if any; (v) the expenses and costs for the preparation, printing, photocopying, execution and delivery of the Bonds, this Bond Purchase Agreement and all other agreements and documents contemplated hereby; (vi) fees of the Trustee; and (vii) all costs and expenses of the Issuer relating to the issuance of the Bonds. The Purchaser shall be responsible for payment of the costs of qualifying the Bonds for sale in the various states chosen by the Purchaser, all advertising expenses in connection with the offering of the Bonds, the fees and disbursements of the Purchaser's legal counsel and all other expenses incurred by the Purchaser in connection with the offering, sale and distribution of the Bonds.

SECTION 11. NOTICES AND OTHER ACTIONS.

All notices, demands and formal actions hereunder will be in writing mailed, faxed or delivered to:

The Issuer:	City of Pittsburg, Kansas 201 W. 4th Street Pittsburg, Kansas 66762
The Tenant and Purchaser:	RALLISON LP 3305 Airport Circle Pittsburg, Kansas 66762

SECTION 12. MISCELLANEOUS.

(a) This Bond Purchase Agreement shall be binding upon the Parties and their respective successors. This Bond Purchase Agreement and the terms and provisions hereof are for the sole benefit of only those persons, except that the representations, warranties, indemnities and agreements of the Issuer and the Tenant contained in this Bond Purchase Agreement shall also be deemed to be for the benefit of the person or persons, if any, who control the Purchaser (within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act). Nothing in this Bond Purchase Agreement is intended or shall be construed to give any person, other than the persons referred to in this Paragraph, any legal or equitable right, remedy or claim under or in respect of this Bond Purchase Agreement or any provision contained herein. All of the representations, warranties and agreements of the Issuer contained herein shall remain in full force and effect, regardless of: (i) any investigation made by or on behalf of the Purchaser, (ii) delivery of and payment for the Bonds; or (iii) any termination of this Bond Purchase Agreement.

(b) For purposes of this Bond Purchase Agreement, "business day" means any day on which the New York Stock Exchange is open for trading.

(c) This Bond Purchase Agreement shall be governed by and construed in accordance with the laws of the State of Kansas.

(d) This Bond Purchase Agreement may be executed in one or more counterparts, and if executed in more than one counterpart, the executed counterparts shall together constitute a single instrument.

(e) This Bond Purchase Agreement may not be assigned by either party without the express written consent of the other party.

SECTION 13. EFFECTIVE DATE.

This Bond Purchase Agreement shall become effective upon acceptance hereof by the Issuer.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

Upon your acceptance of the offer, the foregoing agreement will be binding upon you and the Purchaser. Please acknowledge your agreement with the foregoing by executing the enclosed copy of this Bond Purchase Agreement and returning it to the undersigned.

RALLISON LP
PITTSBURG, KANSAS

Date: ______________

By: ______________________________________
General Partner

Accepted and agreed to as of
the date first above written.

CITY OF PITTSBURG, KANSAS

Date: ______________

By: _______________________________
Mayor

ATTEST: (Seal)

By: _______________________________
Deputy City Clerk

600551.20046\BPA

ADMINISTRATION

201 West 4th Street · Pittsburg KS 66762

(620) 231-4100

www.pittks.org

To: Daron Hall, City Manager

From: Jay Byers, Deputy City Manager

CC: Tammy Nagel, City Clerk

Date: August 12, 2026

Subject: Parking Technology Purchase

The addition of PSU's Kelce School of Business' downtown facility is estimated to bring hundreds more people to the downtown every day, and even though adequate parking has been created to accommodate additional traffic, the new facility, along with other growth experienced over the last several years, has led the City to consider how to better manage downtown parking.

The City has determined that, to be cost effective and successful, parking control requires the appropriate application of technology. Staff has extensively researched existing technology options, and one provider, WiseSight, has emerged as the most advanced and suitable option.

Staff is asking the City Commission to approve an agreement with WiseSight for services providing support for parking control and enforcement. The cost will be the greater of $42,420 annually or $5 per detection. WiseSight is a member of the Sourcewell purchasing cooperative as is the City. This can guarantee the lowest price available and meets the City's purchasing requirements. Funding is to come from Public Safety Sales Tax proceeds. Please place this item for approval on the City Commission agenda for 8/25/2026.

WISESIGHT ("WISESIGHT" or "Company") Purchase and Services agreement – Order Acknowledgment Form							

Customer Billing Information							
Company Name:	City of Pittsburg		TAX ID:		Tax Exempt:	☐ Yes	
Street Address:	201 West 4th Street						
City:	Pittsburg	State:	KS	ZIP:	66762	County:	Crawford
Contact Person:	Jeff Bair	E-mail:	jeff.bair@pittks.org				
Tel:	620-249-8211	Fax:		Cell:	620-687-3187		

Site Contact Information							
Facility Name:	City of Pittsburg (2nd Street to 6th Street on N. Broadway)						
Street Address:	201 West. 4th Street						
City:	Pittsburg	State:	KS	ZIP:	66762	County:	Crawford
Contact Person:	Jeff Bair	E-mail:	jeff.bair@pittks.org				
Tel:	620-249-8211	Fax:		Cell:	620-687-3187		

Local WISESIGHT Service Provider Contact Information							
Provider Name:	WiseSight, Inc.						
Street Address:	21 E State Street, Suite 200						
City:	Columbus	State:	OH	ZIP:	43215	County:	Franklin
Contact Person:	Levi Rinkoff	E-mail:	support@wise-sight.com				
Tel:	646-881-4400	Fax:		Cell:			

Agreement plan	
Equipment Shipping Date:	TBD
Equipment requested installation and commissioning date:	TBD
Billing schedule:	Billed monthly in advance. Billing will begin upon installation completion, or two (2) months from the equipment shipping date, whichever comes first. ("**Billing Start Date**"). The definition of Installation Completion is prior to system operation and when equipment is mounted, connected to power and devices are communicating with each other.
Initial Term:	The Agreement shall commence as of the Equipment Shipping Date and shall remain in effect for an initial period of three (3) years (the "**Initial Term**"). Renewals and termination terms are set forth in the Terms and Conditions attached hereto as Appendix B.
Services & Products	
The services and products associated with this agreement are listed under Appendix A of this agreement.	

Support services			
Telephone & Remote support	24/7 phone response acknowledging the problem. Response times shall be in accordance with Appendix C hereto (SLA Terms, Definitions, and Conditions)		
Local on-site support. **Provided by local professional WISESIGHT technicians.**	On-Site service plan:		
	Business hours	***After-hours***	**Weekend & Holidays**
	$152 per hour 2 hours minimum. Travel time included. Lift service is billed separately.	$228 per hour 3 hours minimum. Travel time included. Lift service excluded.	$280 per hour 3 hours minimum. Travel time included. Lift service excluded.
	Note: With a per-call plan, lift service if required is billed separately.		

Pricing of Removal and reinstallation of Products
(i) Removal of Cameras and Enclosures from up to 4 poles or walls is priced at $2500. Additional pole locations are $500 each. (ii) Reinstallation of equipment in a different site will be proposed separately, upon review of installation requirements at the new site. (iii) The foregoing excludes prices for shipping and equipment storage, which will be charged separately at Company's the prevailing rates.

General Terms and Acceptance
Once this Order Acknowledgment Form is signed by the parties, it should be sent to WISESIGHT at: orders@wise-sight.com. Upon receipt of this Order Acknowledgment Form by WISESIGHT, signed by Customer, it shall become legally binding. This Order Acknowledgment Form is subject to WISESIGHT's Terms and Conditions (including all appendices, schedules and exhibits thereto) provided along with this form. By signing this Order Acknowledgment Form Customer acknowledge that they have read and hereby agree to such Terms and Conditions (including all appendices, schedules and exhibits thereto).

Special Terms For This Agreement:
The following special terms below supersedes the applicable terms in this agreement. **<u>State Requirement Cash Basis Payment</u>** The Customer is obligated only to pay periodic payments or monthly installments under the agreement as may lawfully be made from (a) funds budgeted and appropriated for that purpose during such municipality's current budget year or (b) funds made available from any lawfully operated revenue producing source . **Company agrees to accommodate the above statutory requirement, subject to the following conditions:** **1. Customer shall have paid within [425] days from the shipping date of the project equipment fees due for the first twelve (12) months of service under this Agreement;** **2. Customer may request a one-time suspension of billing for a period not to exceed twelve (12) consecutive months (the "Suspension Period"), by providing Company with written notice at least thirty (30) days prior to the requested suspension start date. Such notice shall specify the anticipated duration of the Suspension Period;** **3. If Customer requests to extend the suspension beyond the Suspension Period, or fails to resume payments within 30 days following the end of the Suspension Period, this Agreement shall automatically terminate, and the Products shall be removed from the Site in accordance with the removal terms set forth in the Agreement.**

Attachments:

1. Appendix A – Products and Services
2. Appendix B – Terms and Conditions
3. Appendix C – SLA Terms, Definitions, and Conditions
4. Appendix D – Insurance
5. Appendix E – WISESIGHT AI Software and Cloud management platform Terms and conditions.

Accepted By:

City of Pittsburg	**WiseSight, Inc.**
Name_______________________________	Name_______________________________
Title_______________________________	Title_______________________________
Date_______________________________	Date_______________________________

1 Scope of Work Summary

WiseSight has been strategically engaged by the City of Pittsburgh to resolve traffic and safety issues on N. Broadway, from 2nd Street to 6th Street.

1.1 The Problem: High-Risk Enforcement

A growing hazard is caused by vehicles illegally stopping or parking within the designated monitored zone.

- Additional Traffic and Congestion: With the addition of new buildings in the local area, parking will become availability will decrease and violations will become a more steady occurrence.
- Enforcement Challenge: Due to the use of the area (commercial), monitoring this area only during normal operating hours and not 24 hours a day would cause enforcement officers to miss potentially multiple violations.

1.2 The Solution: WiseSight Technology

WiseSight will deploy its advanced camera and software technology to safely, accurately, and consistently monitor the defined area for **parking violations.**

- Automated, Safe Enforcement: WiseSight's proprietary multi-space LPR monitoring technology significantly enhances curbside management by automating the detection violations at the curb.
- Enforcement Options:
  - Directed Enforcement Process: Offending vehicles will be monitored in real-time with violations made available to enforcement officers in real-time. This will allow the PEO to know exactly where to be directed to quickly and efficiently enforce parking regulations.
  - **Future Seamless Ticket-By-Mail Process:** Offending vehicles can be added to a list that is reviewed by back-office officers for qualification of violation. Upon approval, the violation will be sent to the enforcement system, which will look up the DMV registration record and mail the notice to the mailing address of the person on record.
- Comprehensive Evidence: The software will capture high-resolution still images to fully support and validate every violation.

1.3 The Expected Outcome: Compliance and Revenue Capture

Upon successful implementation, the WiseSight enforcement solution is expected to yield immediate data and operational results for the City of Pittsburg:

- Marked Increase in Compliance: A sustained increase in compliance with the current parking regulations and restrictions.
- Guaranteed 24/7 Coverage: Under normal operation conditions, the WiseSight system operates 24 hours a day, 7 days a week, ensuring detection is constant regardless of external factors like weather, time of day, or holiday observation.
- Full Revenue Stream Realization: This high rate of continuous violation detection will enable the city to capture violating vehicles, resulting in the realization of a future complete revenue stream that was previously not available due to lack of enforcement.

This initiative is a prime example of WiseSight technology addressing a large-scale, high-stakes public safety and enforcement challenge.

Deployment recommendation

- **Deployment Strategy:**
    - **Implementation -** WiseSight will implement the solution in collaboration with the City of Pittsburg, and other agencies as needed to ensure maximum effectiveness and client satisfaction.
- **Review and Refine -** Fully deploy and evaluate each installed camera independently, allowing for the identification and integration of any desired modifications or improvements ensuring smooth installation and commissioning of the equipment.

  This solution is designed based on the WiseSight Multi-Space LPR System for curb management. WiseSight will monitor the parking areas via the monitoring solution.

Based on this configuration, we recommend the following deployment at the sites:

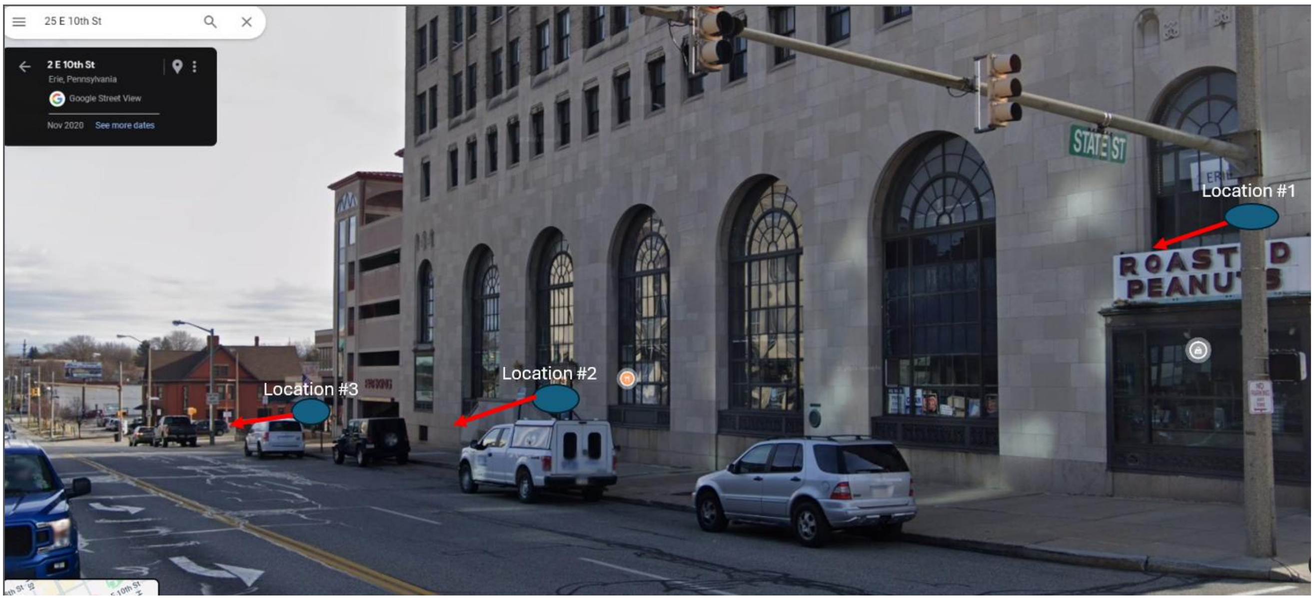
A. The system is to be installed on the shoulder and/or opposite the shoulder of the roadways (see image below) on existing poles, installed by the city with oversight by WiseSight at locations determined WiseSight.

B. The cameras-shall be installed according to the specifications provided in this document. Final details of the desired locations have been discussed and confirmed by the city.

C. The deployed cameras will be used for the following purposes
    a. Monitoring of vehicles that execute a parking violation.

1.4 Camera Locations

A. Each deployment will include the installation of new hardware, including 1 PTZ camera per pole. All equipment should be placed at identified locations based on geographic enforcement requirements as discussed and approved by the City of Pittsburg, and WiseSight. Network communication will be provided via a wireless network.



SAMPLE IMAGE OF THE SOLUTION

Monitored Area

1. Both sides of the road, specifically from 2nd Street to 6th Street on N. Broadway.

https://maps.app.goo.gl/zD33PBJZaoYkcGvM6

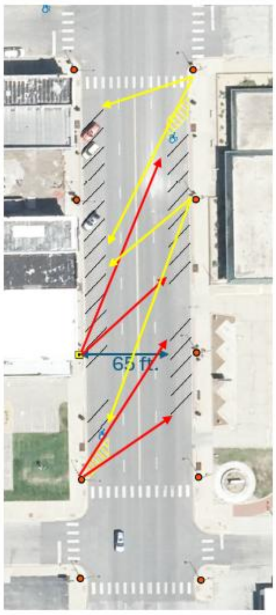
Curb Management for Pittsburg, KS
2nd street to 6th Street along N. Broadway Street

Total Angled Spaces: 101
Total Parallel Spaces: 9 (Not monitored)

Site Specific Angled Spaces: 27
Site Specific Parallel Spaces: 0

Distance from Pole to Space: Approx. 65 ft.

3rd Street to 2nd Street on N. Broadway Street



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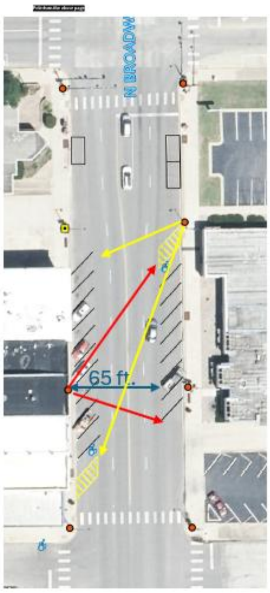
Curb Management for Pittsburg, KS
2nd street to 6th Street along N. Broadway Street

Total Angled Spaces: 101
Total Parallel Spaces: 9 (Not monitored)

Site Specific Angled Spaces: 19
Site Specific Parallel Spaces: 3 (Not monitored)

Distance from Pole to Space: Approx. 65 ft.

4th Street to 3rd Street on N. Broadway Street



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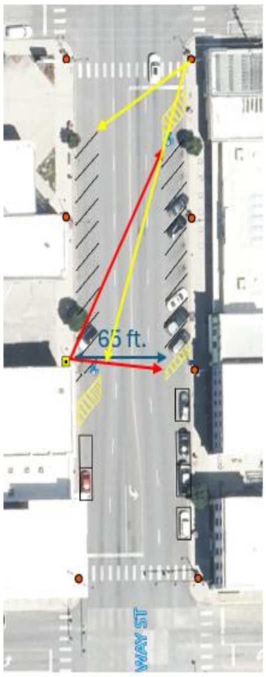
Curb Management for Pittsburg, KS
2nd street to 6th Street along N. Broadway Street

Total Angled Spaces: 101
Total Parallel Spaces: 9 (Not monitored)

Site Specific Angled Spaces: 21
Site Specific Parallel Spaces: 6 (Not monitored)

Distance from Pole to Space: Approx. 65 ft.

5th Street to 4th Street on N. Broadway Street



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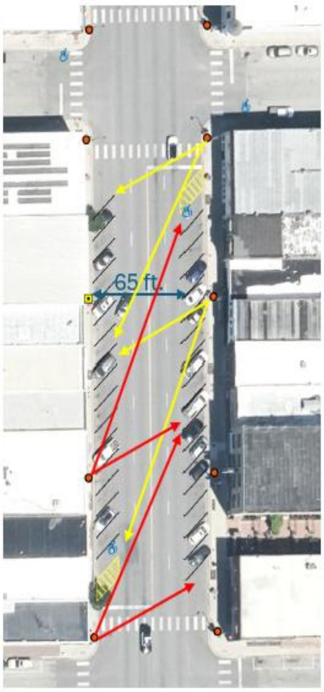
Curb Management for Pittsburg, KS
2nd street to 6th Street along N. Broadway Street

Total Angled Spaces: 101
Total Parallel Spaces: 9 (Not monitored)

Site Specific Angled Spaces: 34
Site Specific Parallel Spaces: 0

Distance from Pole to Space: Approx. 65 ft.

6th Street to 5th Street on N. Broadway Street



1.5 Operational information

The Objective

- Identification of vehicle(s) that are present in the monitoring area.
- The Identification of a vehicle in the designated monitoring area by WiseSight will include capturing and automatically performing an OCR on the vehicle's license plate.
- WiseSight will indicate visually to the WiseSight system operator upon identification of a vehicle that begins an illegal parking session in an un-designated space, if the camera has a line of sight to the license plate that isn't greater than 65 degrees.
- Ability to manually correct an identified license plate during or after a parking session.

LPR Accuracy: The accuracy definition of the LPR OCR is less than 100%, but shall be a minimum of 90%, measured on an annual average per site, and under the following conditions:

- The measured object should be for the primary local standard license plate type in use.
- The measured object type should be a single license plate type.
- The hardware configured at the site has been approved by WiseSight for optimal settings to perform LPR OCR.
- The measured site shall be based on hardware approved by WiseSight.

Data will be available to the operator in the WiseSight system, within 5-10 minutes of image capture, for vehicles present in a designated parking space.

System Uptime: Under regular use and without third-party interruptions, the Company's Software shall maintain an approximate yearly average of 95% uptime rate on its management platform.

Service inclusions and exclusions (all of the below is subject to the applicable terms and conditions of the Agreement):

<table>
<tr><th>Inclusions:</th><th>Exclusions (all unless explicitly stated otherwise in the Order):</th></tr>
<tr><td>

Standard Hardware as specified in this proposal.
Standard Software as specified in this proposal under the Operational Information Section.

Configuration of Parking operator management portal.
Software updates as and when made available (it is being clarified that WISESIGHT is under no obligation to release any Updates)
Provide integration support to 3rd party enforcement and mobile payment platforms.

Installation:

Site visit prior to installation, at WISESIGHT's sole discretion. Design planning (digital mapping of parking site) with the customer.
Customer survey (an interview questionnaire done by a local WISESIGHT representative or by WISESIGHT for information on how to program the system)
Provide guidance to local teams on equipment location and mounting, power, and network terminations from a connection drop at the equipment's physical mounting location. configuration
and commissioning.

Training for local customer team, conducted by local WISESIGHT representative, as reasonably required at WISESIGHT's sole discretion.
Parts replacement (RMA) sent to the site
Support - WISESIGHT-trained and certified technician, according to the support schedule attached to the Agreement.
Preventive Maintenance - Once per year (at such times as determined by WISESIGHT), in accordance with WISESIGHT's then-applicable manuals

</td><td>
This list only references sample exclusions. Any products or services not specifically included in the Order or under the "Inclusions" heading are hereby excluded.

Equipment Storage
Expedited freight
After-hours labor for Installation and other services
Tax
Bonds and other securities
Insurance
Installation by city staff
Civil:

Concrete pours, island work, mounting polls, and bollards
Lift Truck/Bucket Truck
Electrical power and control conduits and wiring
IT Services, Networking infrastructure, Networking compliance, networking equipment
Equipment removal
Equipment disposal
Union labor / Prevailing wages
Permits (regulatory and otherwise)
Engineering calculations or Architectural drawings
Personnel and equipment to mount cameras on poles/structures as designed by WISESIGHT Staff

</td></tr>
</table>

2 Pricing

Product Description		Price – Monthly Recurring
Parking Enforcement Cloud Management Platform	WiseSight Cloud Management Platform Includes: WiseSight AI-Connect – Enforcement system Integration Access, Camera Feed A.I. WiseSight Real-Time & Post-Parking Enforcement Camera Feed A.I. Processing Connection (All Cameras)	See Chart Below
POLE SYSTEM – **Hardware and Network Components**	WiseSight Hardware and Network Components pole system. Each Pole Includes: Imaging - One (1) Heavy-duty PTZ license plate recognition (LPR) Camera Climate-control weather proof control enclosure. Wireless P2P Closed Network (Multi-Channel and Single Channel Communication) Networking – Multi-Port managed switch	
HEAD-END **Hardware and Network Components**	WiseSight Hardware and Network Head-end Components. Includes: Processing - AI processing iOT unit – NANO NX Cellular Router, Mele Computer, Power Controller, Wireless Closed Network (Multi-Channel and Single Channel Communication) Networking – Multi-Port managed switch	
Installation and Commissioning Components	Includes: Deployment layout design, Project Management, Remote Installation Assistance, Remote and onsite commissioning, On-site Manufacturer Support	

<u>Multi-Space LPR Monitoring Solution Pricing</u>

Price Description		
Item Description	***Billing Occurrence***	***Price***
Automated Curbside Parking Enforcement Technology Software and Equipment – Monthly Subscription for 101 Parking Spaces	Per Month	$3,535.00

The greater of the monthly subscription, or:		
Parking Enforcement Violation Detection Type – Space Violation (Double Parking)	Per Month	$5.00 per detection

Billing Schedule:

- WiseSight will bill monthly for the accumulated violations according to the "Per Detection Fee" Price (listed below), or the base minimum fee (the subscription fee listed in this proposal) per month per pole, whichever is greater. The monthly billing amount is calculated according to the current violation month-end report.

3 WiseSight System Overview:

The information outlined below will provide further information to support the recommended solution provided by WiseSight.

The WiseSight Application consists of two main components:

1. **The System** - This refers to all the physical hardware elements needed to cover the parking spaces, including cameras as needed, mounting brackets, cabling, router, network equipment, cabinet, power supply, etc. The Camera Locations section contains a matrix that specifies the hardware items included for each specific installation location.

2. **The Software** - This includes the WiseSight Management platform that performs the video analytic processing and analysis, the management system for controlling and monitoring the cameras, integrations to management platforms, parking session event logging, and reporting.

To provide further detail, the WiseSight software is dedicated to two primary functions. Monitoring available parking spaces in the lot and simultaneously identifying the license plate numbers of parked vehicles and whether a payment or violation occurred. This additionally enables real-time monitoring of parking occupancy and turnover.

The WiseSight software leverages video analytics to detect parking spaces, extract license plate information, and validate parking payments tied to specific parking sessions. This provides comprehensive monitoring and management of off-street parking - from occupancy rates to enforcement of parking policies.

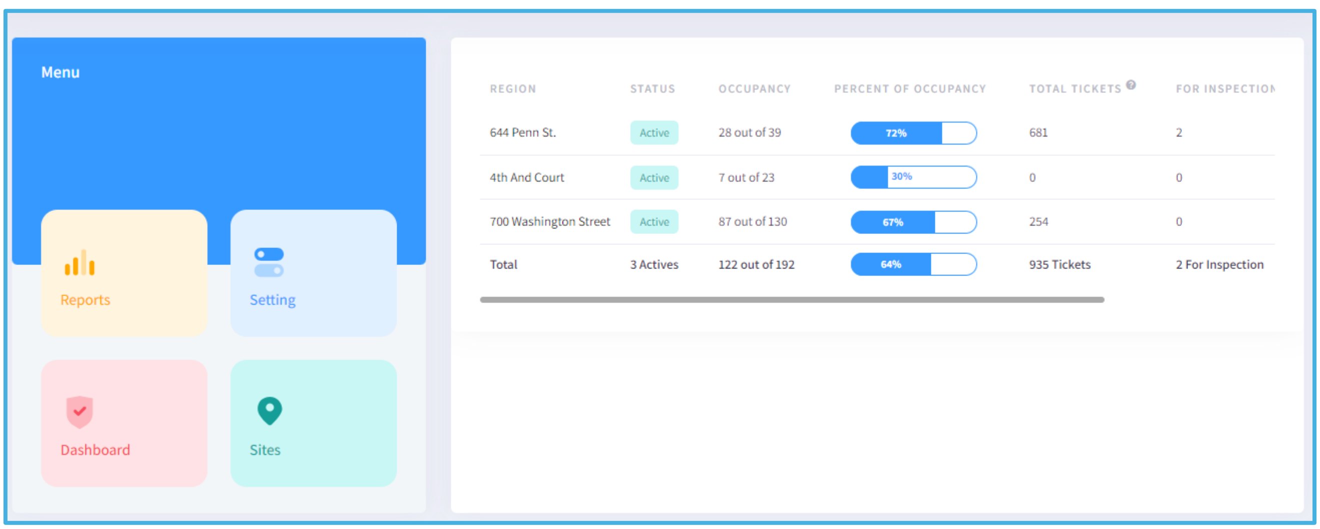
The images presented below are actual screenshots taken from within the WiseSight software system. They have been selected to provide visibility into the user experience and key capabilities available in the WiseSight platform.

3.1 Dashboard

The image below highlights the “Dashboard” screen of the WiseSight software portal. By displaying all instances of the software on a centralized dashboard, the system provides users with visibility and easy access to efficiency in the management of the parking assets.

The at-a-glance view allows users to quickly see vital data for each application instance without having to open them individually. This bird's eye view of key information enables users to rapidly identify what they need. Seamless navigation from the dashboard into any desired instance eliminates jumping between multiple windows.

The streamlined access and overview mitigate friction and facilitate productivity flows. In essence, the dashboard hub with each application instance visible gives users both a high-level perspective and a means to readily dive into the details. This combination of breadth and depth, overview, and access amplifies the usefulness of the dashboard for enabling users to navigate quickly and efficiently.

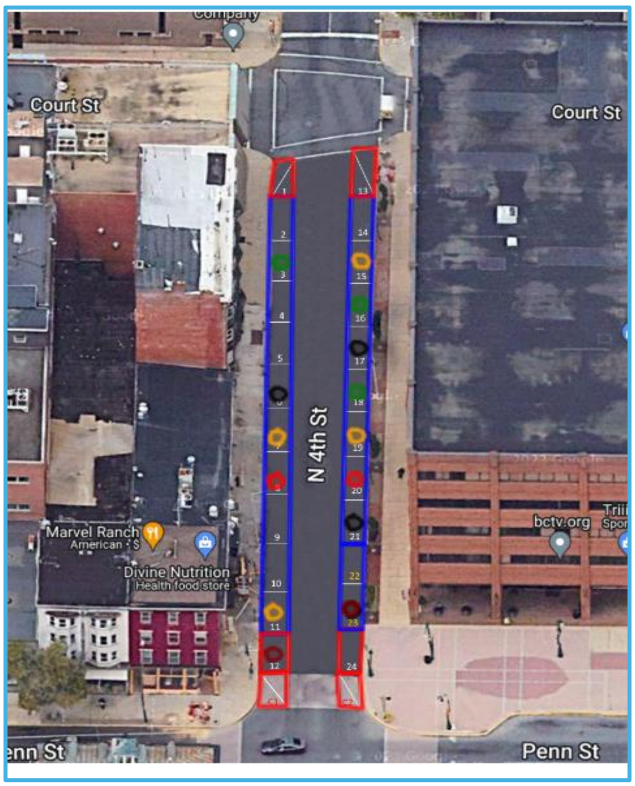


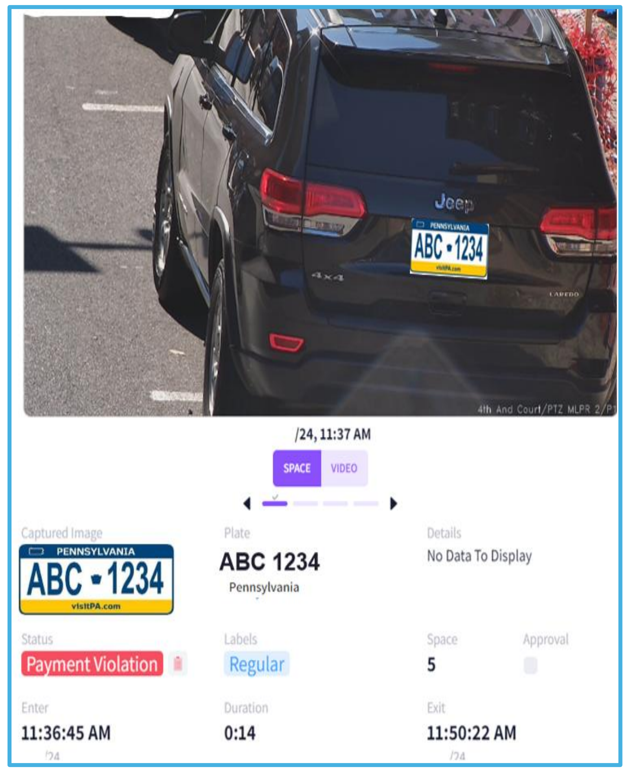
3.2 Live View

The below images demonstrate an example of one of our installations in an on-street parking environment where vehicles are identified as permitted, transient, grace time, or violation (restricted parking – location/stall, time, etc).

The sample images provided depict a detailed view of a single vehicle parked in an on-street stall. This exemplifies the level of visual clarity attained with WiseSight cameras. It allows clear identification of the license plate and accurate detection of parking events and session details, whether it is an infringement, grace period, or a valid permit/payment.

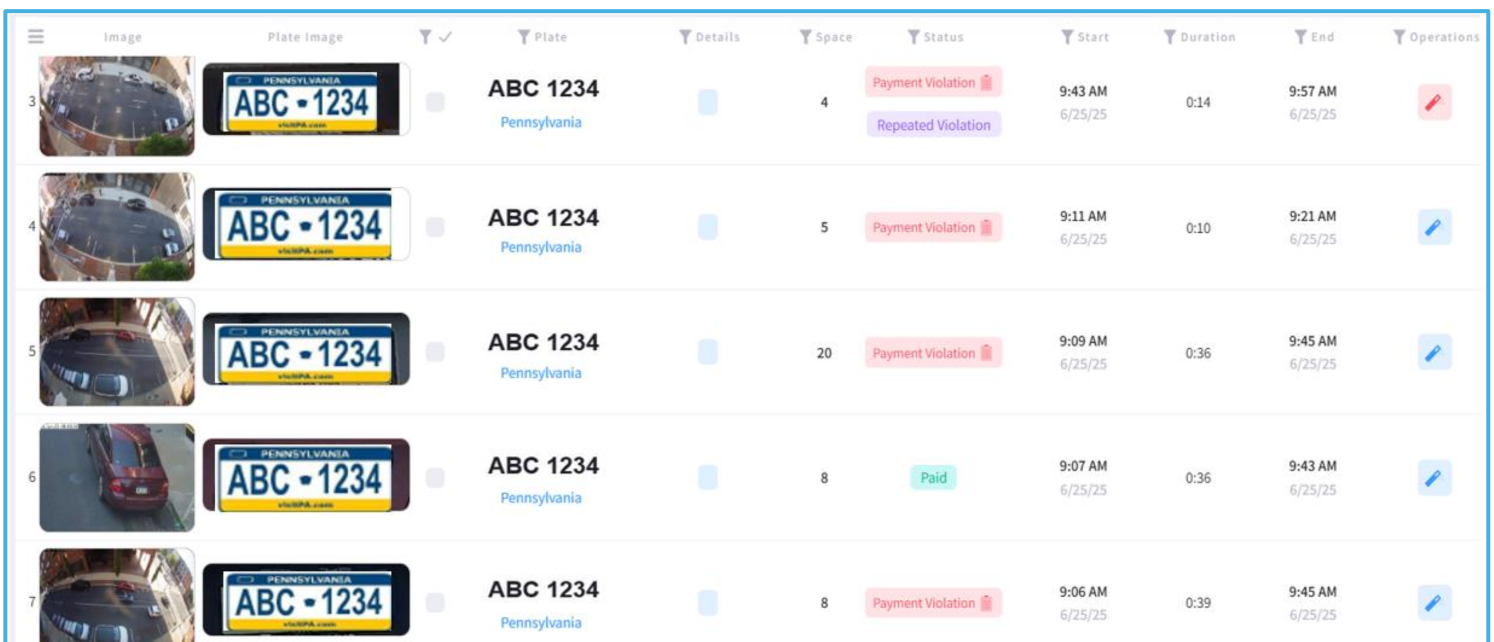
WiseSight's cutting-edge video capabilities enable sharp capture and retention of parking event data. The high-quality footage supports real-time analytics and provides definitive visual evidence for historical parking audits and dispute resolution if needed.

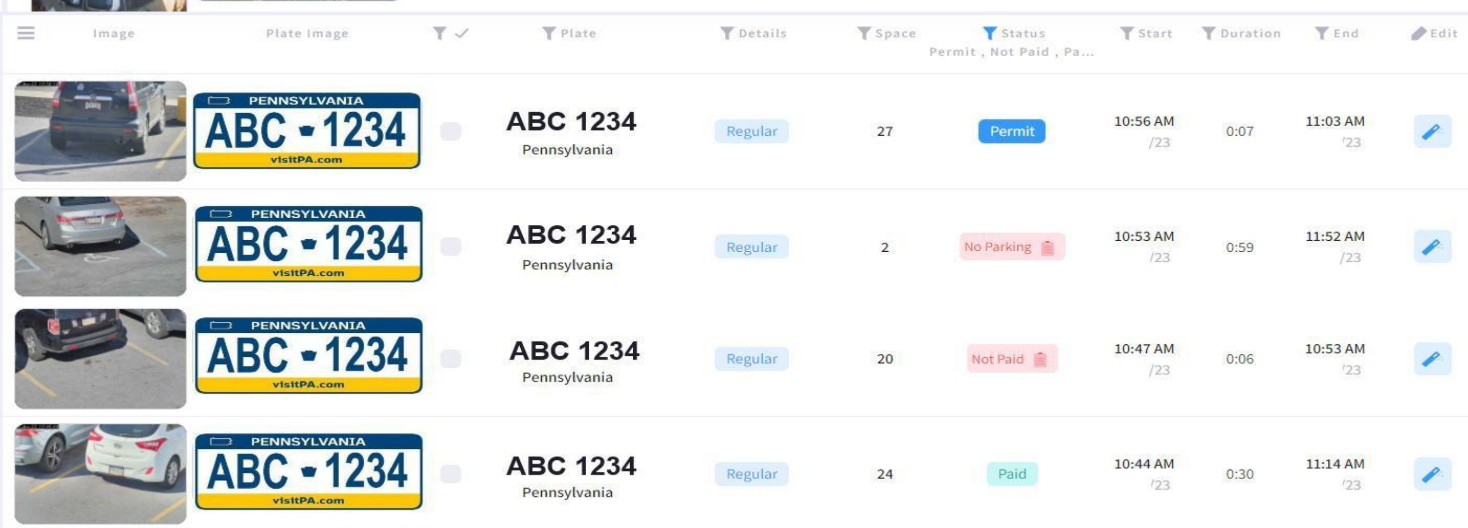




3.3 Officer Enforcement View

The Officer Enforcement View enables seamless oversight and efficiency for the enforcement personnel at the parking management office. This centralized interface grants comprehensive visibility across one or multiple sites, displaying a high-level snapshot of critical enforcement data. Officers can swiftly review, update, and process violations for a given day in just minutes. Drilling down into specific parking sessions allows detailed analysis to determine violation types and required enforcement actions. By accessing granular views of individual violations, officers can evaluate alternate evidence images or videos and select the most definitive visual proof. The Officer Enforcement View streamlines workflows through consolidated data access and refinement of violation evidence. In essence, this user interface empowers officers with an agile workspace to navigate enforcement duties with optimal visibility, insights, and productivity.





3.4 Reporting

The WiseSight reporting system empowers comprehensive analysis with robust capabilities. An array of reports spanning financials, parking patterns, enforcement efficiency, and more can be generated.

Custom date ranges provide flexibility to tailor reports to historical comparisons. Multiple parking metrics, from utilization to revenues, are presented through interactive visualizations, including calendar date ranges, pie charts, and graphs. Granular stall usage breakdowns and other data can be examined in depth.

The system supports exporting reports into Excel for additional external evaluation and strategy development. The WiseSight reporting module enables multifaceted insights through customizable views of parking operations over time.

Specifically, these images showcase the software at different stages of the navigation process - giving a window into how the system works and what users would see as they access various features.

In summary, these screenshots aim to illustrate the end-to-end user journey and experience within the platform. They have been carefully selected to highlight the powerful, yet easy-to-use analytics and reporting capabilities that the system provides out-of-the-box.

3.5 Examples of Data Visualization of Parking Patterns

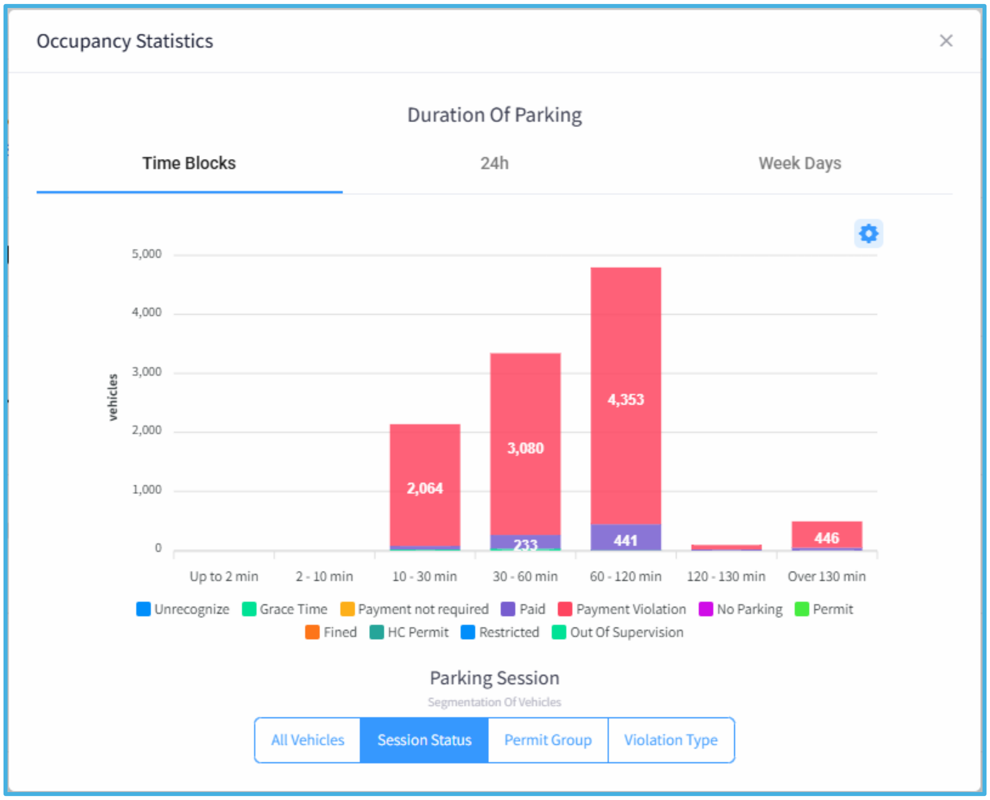


FIGURE 1. VIOLATION PATTERN BY TIME SEGMENTS

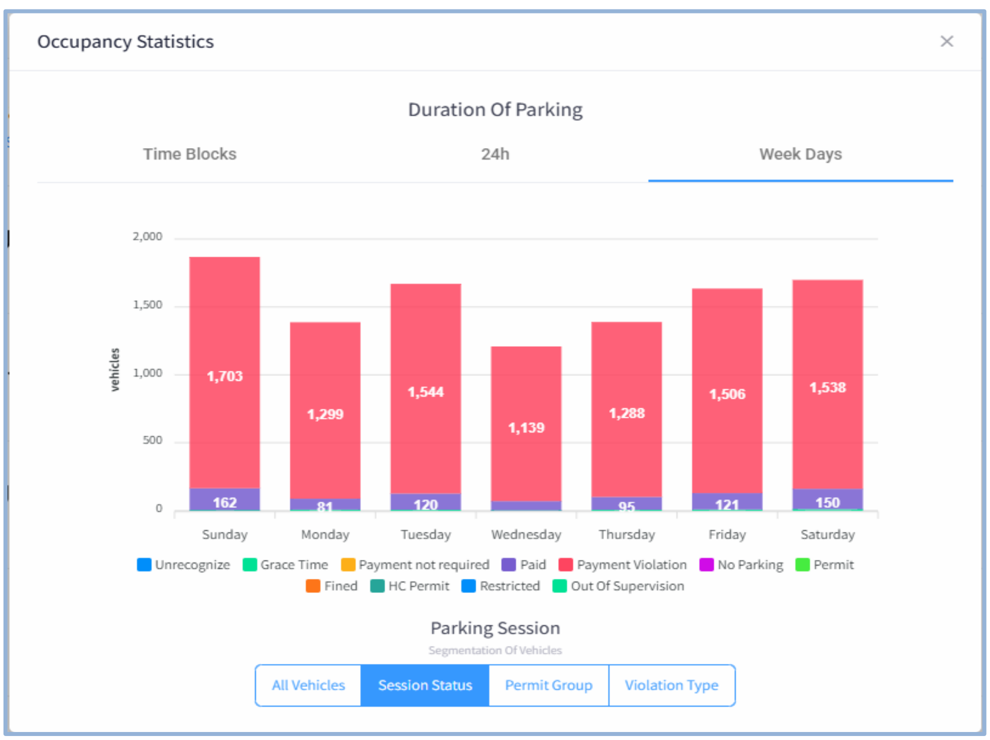


FIGURE 2. VIOLATIONS BY WEEKDAYS

FIGURE 3. PARKING BY WEEKDAYS

Purchase and Services agreement

FIGURE 4. PARKING PATTERN BY TIME

Appendix B - Terms and Conditions

These Terms and Conditions ("**Terms**") shall apply to your ("**Customer**") purchase of rights to access and use WiseSight, Inc. ("**Company**") proprietary solution comprised of the Products and the Software (as such term are defined below) ("**Solution**"), which is identified in the order acknowledgment form signed by the parties, to which these Terms are attached ("**Order**"). Customer's execution of the Order shall be deemed Customer's agreement to and acceptance of these Terms in their entirety. These Terms and the Order, including all attachments, Appendixes, schedules and exhibits thereto (collectively referred to as the "**Agreement**") represent the Parties' entire understanding and agreement regarding the subject matter hereof and thereof, and shall govern over any different or additional terms of any purchase order and no terms included in any such purchase order shall apply to the Solution unless such different terms are stated specifically in a mutually signed Order. Each of Company and Customer may be referred to hereinbelow as a "**Party**" and both as "**Parties**".

1. **PURCHASE OF RIGHTS TO THE SOLUTION**

Subject to the terms of this Agreement, including payment of the applicable fees, Company hereby grants Customer during the Term:

(i) A personal, limited, revocable, non-exclusive, non-transferable and non-assignable right, to use such hardware products detailed in Appendix A to the Agreement and in the quantity detailed therein ("**Products**") at the site detailed in the Order ("**Site**") for the sole purpose of operating the Solution; and

(ii) A personal, limited, revocable, non-exclusive, non-transferable and non-assignable right, to access and use the software detailed in Appendix A to the Agreement ("**Software**") for the sole purpose of operating a platform for Vehicle parking and payment monitoring, and in accordance with (1) the terms hereof, (2) **Appendix E** hereto, and (3) Company's privacy policy which can be viewed here: *[www.wisesight.ai/privacy-policy]*, which privacy policy, as may be updated from time to time in accordance with their terms, constitute an integral part hereof, and is incorporated herein by way of reference ("**Privacy Policy**").

(iii) It is hereby agreed by Customer that in the event that, Company and Customer agree, in writing, on a payment lower than the 5 Year Payment (as defined below) upon termination of this Agreement, then some or all of the Products provided to Customer under this Agreement may be preowned or reconditioned and not new.

2. **TITLE AND OWNERSHIP; RISK OF LOSS**

2.1. The Solution is, and shall at all times be and remain, the sole and exclusive property of Company, and Customer shall have no right, title or interest therein or thereto, except as expressly set forth in the Agreement and subject to its terms.

2.2. In order to ensure Company's rights in the Solution, Company shall be entitled to register a lien over or other security interest with respect to the Solution with any pertinent authority. Customer hereby authorizes Company to file financing statements, without notice to Customer, with all appropriate jurisdictions to perfect or protect Company's interest or rights hereunder, including a notice that any disposition of the Solution, by either Customer or any other person, shall be deemed to violate the rights of Company hereunder. Customer shall reasonably cooperate (at Company's reasonable expense) with any filings which Company chooses to make to indicate its ownership interest in the Solution. Customer shall not remove, conceal, erase or deface any notices affixed to the Solution, evidencing Company's ownership or rights in and to the Solution.

2.3. Customer shall disclose that Customer is not the owner of the Solution in all relevant financing documents and other applicable documents and/or agreements of any kind. Customer will keep the Solution free and clear from any liens or encumbrances of any kind (except any caused by Company). Without limiting the generality of the foregoing, Customer represents and warrants that no secured party of Customer has or will have any valid claims on the Solution or any part thereof (including that there are no "blanket" financing statements which purport to make a claim on the Solution or any part thereof) and Customer further represents and warrants that Customer will take no action in the future which would cause this sentence to become untrue.

2.4. Risk of loss or damage with respect to the Solution shall pass from Company to Customer upon physical delivery of the Products to Customer, and Customer hereby assumes and shall bear such entire risk of loss or damage from any and all cause whatsoever, except only for ordinary wear and tear resulting from proper use of the Products. No loss or damage to the Products or any part thereof shall impair any obligation of Customer under this Agreement which shall continue in full force and effect throughout the term thereof. In the event of loss or damage of any kind whatsoever to the Products, Customer shall immediately notify Company of such loss or damage.

3. **HANDLING AND USAGE; INSTALLATION; LIABILITY**

3.1. Installation of the Solution, including the Products, is contingent upon Customer providing all necessary equipment, infrastructure, servers, hardware, third party software and licenses, required for running the Solution.

3.2. Installation, commissioning and start-up of the Solution shall be performed by Company or Company's authorized representatives at the Site (as defined above), in accordance with the timeframes detailed in the Order. Upon completion of the installation, Company shall inform Customer that the Solution is installed and operative in accordance with Company's specifications ("**Commercial Readiness**"), and shall provide Customer's appointed personnel with training on the proper operation of the Solution, including operator level maintenance routines and the use of computer controls.

3.3. Following Commercial Readiness, Customer shall routinely maintain, operate and use the Solution in a careful and proper manner in compliance with the applicable operations manual and instructions for use of the Solution as supplied by Company. The Solution shall be used only at the Site detailed in the Order and not in any other location whatsoever. Customer may not remove any Products from the Site, without the prior written consent of Company.

3.4. In using the Solution, Customer shall fully comply with and adhere to all applicable laws, rules and/or regulations, including without limitation, those applicable laws, rules and/or regulations which relate to privacy and data protection, and shall be responsible, at its sole cost, to obtain any mandatory or regulatory permits, licenses and/or approvals (if any), required for the installation and use of the Solution in the manner described herein.

3.5. Customer shall be responsible for applying for and obtaining, at its sole expense, any and all approvals, licenses, permits or other authorizations required for the installation, receipt and use of the Solution, including but not limited, to any approvals, licenses, permits required with respect to the Site and the Parties' operation therein. Company shall provide Customer with such technical information regarding the Solution, which may be reasonably required by Customer in connection with the application for, and obtaining of, said licenses, permits and other authorizations.

3.6. Prices shown in Appendix A to the Agreement include the cost of the initial installation and connection of the Solution, as detailed in Appendix A to the Agreement. Any overtime charges or other special expenses as required by Customer will be subject to additional charges, as may be mutually agreed upon. Any expenses incurred for activities not clearly stipulated in the Order or Appendix A thereto (including networking and any information technology set up work) will be subject to separate arrangements and charged at Company's then current rates.

3.7. Without prior written consent of Company, Customer shall not make any permanent alterations, additions or improvements to the Solution. Such permitted alterations, additions or improvements may, at Company's option, be removed by Customer upon the effective date of the expiration or termination of this Agreement, if and only if such removal may be accomplished without damage to the Products or otherwise reducing its value below that which it would have been in the event no such alterations, additions or improvements had been made.

3.8. It is clarified that the Products may only be integrated with the Software, and *vice versa*, and not with any other product/software, as applicable, which is not provided by Company or on its behalf, or with respect to which Customer has not obtained the explicit prior written approval from Company ("**Third Party Equipment**"). Customer hereby acknowledges that integrating the Products and/or the Software with or into any Third Party Equipment, will automatically and immediately void any and all product warranty and/or support and maintenance obligations of Company hereunder, and may also cause damage to the Solution or any portion thereof, Customer, third parties, other products, property, equipment, software or systems, as well as personal injury or death, and Company shall bear no liability or responsibility whatsoever in connection with any such damage, which is hereby entirely disclaimed.

3.9. During the Term, Company shall at any and all times during normal business hours and upon reasonable prior notice to Customer, have the right to enter into the Site or any other location where the Products are located for the purpose of inspecting the same or observing its use.

3.10. Customer hereby warrants to Company that upon the effective date of the termination or expiration of this Agreement, all Products shall be in good repair condition and working order, except only for ordinary wear and tear resulting from proper use thereof.

3.11. Without derogating from any other remedies available to Company hereunder or under applicable law, Customer is liable to Company for any damage to Products (excluding only ordinary wear and tear resulting from proper use thereof) and for any Products which are not returned to Company upon the effective date of the termination or expiration of this Agreement, as per Section 7.6.17.6.1 – i.e. that Customer fails (by way of act or omission) to allow and assist Company to remove the Products as stated in said Section. Customer's liability to Company will be calculated as follows:

(i) For damage to Products – an amount based on then-current list price of reconditioned parts (if offered; otherwise based of then-current list price of new spare part) required to return the Products to a workable state - electronically, mechanically and physically, damage free, normal wear and tear excluded; and

(ii) For non-returned Products – an amount of US$25.00 per Product, per each day of delay in the ability of Company to remove any Product from Customer's premises, starting as of the time when such Product should have been removed, as per Section 7.6.1 below. Without derogating from the foregoing, Customer shall also be liable for any legal expenses, including reasonable attorney fees, incurred by Company in enforcing this Section 3.11.

4. **<u>SPARE PARTS PURCHASED SEPARATELY</u>**

4.1. Customer may purchase separate spare parts for the Products, in accordance with Company's then prevailing price list, and subject to availability. Shipping terms of such spare parts are Ex Works (Incoterms 2020).

4.2. The warranty in Section 8 below shall apply to any spare parts purchased by Customer concurrently with the execution of the Order. In the event spare parts are purchased by Customer after the date of the execution of the Order, the warranty in Section 8 below shall apply to any spare parts for a limited period of 12 months after such spare parts have been delivered to Customer (and no, for the removal of any doubt, for the duration stated in Section 8)

4.3. Any request for expedited same-day shipment of spare parts (assuming order for spare parts is deemed received by Company by 12:00pm EST), will incur an additional processing and handling fee of 20% of such spare part(s) list price, in addition to the expedited shipping fees which shall be billed to Customer.

5. **<u>SERVICE AND MAINTENANCE</u>**

5.1. Company, either directly or through its distributions and resellers, shall provide Customer with such technical support and maintenance with respect to the Solution, as detailed in the Service Level Appendix attached to this Agreement ("**SLA**") and subject to the terms and conditions thereof and of this Agreement.

5.2. All maintenance action required, other than routine maintenance detailed in the Solution's operations manual which shall be performed by Customer, shall be solely provided by Company, either directly or through its distributors and resellers, in accordance with the SLA.

5.3. Any support and/or maintenance of the Solution which is made remotely (vie telephone or email) and which does not require arrival at the Site or at any other location, shall be provided to Customer free of charge ("**Basic Support**"). Any support and/or maintenance other than the Basic Support shall be subject to the fees and rates determined in accordance with the Maintenance Plan package selected by Customer in the Order.

5.4. Customer shall provide Company's and/or its authorized representatives' technical personnel with physical access to the Products, and also, if required, remote access to the Software. Any maintenance required as a result of Customer's breach of the provisions of this Agreement, or otherwise not covered under the provisions of the SLA, may be provided by Company (at its sole discretion), at Customer's cost and expense pursuant to Company's then prevailing rates.

5.5. During the Term, Customer shall provide prompt written notification to Company of any non-conformity and/or failure of the Solution or part thereof, and/or any damage thereto.

6. CONSIDERATION

6.1. In consideration for the rights granted to Customer with respect to the Solution provided by Company under this Agreement, Customer shall pay Company the fees stated in the Agreement.

6.2. All fees payable under this Agreement are NET amounts and shall be payable in full to Company, without any deduction of any kind, including for taxes and/or duties of any kind. In addition, no amounts shall be set off by Customer for any reason whatsoever. Customer will be responsible for, and will promptly pay, all taxes and duties of any kind (including but not limited to sales, use and withholding taxes) associated with this Agreement or its receipt of the Solution, except for taxes based on Company's net income.

6.3. Unless stated otherwise in the Order, non-reoccurring payments for the associated issued invoice, shall be made in U.S. Dollars by way of bank transfer to Company's bank account designated in such invoice or via checks, as will be agreed by the Parties.

6.4. Unless stated otherwise in the Order, reoccurring payments for the associated issued invoice, shall be made according to the billing schedule stated in the Order. Payment shall be made in U.S. Dollars by way of Customer's authorization for automatic ACH payment to Company's bank account designated in such invoice.

6.5. Any payments by Customer that are not paid on or before the date such payments are due under this Agreement shall bear interest of 1.5% per month. Interest shall accrue beginning on the first day following the due date for payment and shall be compounded quarterly. Company shall have the right to commence collection proceedings in order to collect any Customer outstanding debts and Customer shall reimburse Company for any such costs and expenses incurred by the Company.

6.6. In case that a relocation (removal and reinstallation) of Products is required, such may be performed by Company at an additional one-time charge as set forth in the Order. A maximum 3-month grace period can be extended to transitioning devices, whereby Company will pause monthly payments for up to 3 months if the Products are not ready to be reinstalled. The aforementioned grace period will extend the Term accordingly.

6.7. Any product or service that is not listed in Appendix A to the Agreement, including non-standard hardware, integrations or software modules, Civil (as defined below) and network will be priced per Company's standard pricelist (MSRP) plus labor and shall be paid 100% up-front. Special custom developments, new integrations and configurations will be priced separately. For the purposes of this Agreement, "**Civil**" means any construction works, including without limitation, those items which are listed under the heading 'Civil' in the Services Exclusions table contained in Appendix A.

7. **TERM AND TERMINATION**

7.1. The Agreement shall commence as of the date set forth in the Order (such date – the "**Equipment Shipping Date**") and, unless earlier terminated as set forth below, shall remain in effect for the Initial Term set forth in the Order. Following the lapse of the Initial Term, the Agreement shall be automatically renewed for additional one (1) year periods, unless earlier terminated in accordance with the terms set forth below ("**Term**").

7.2. The Parties shall be entitled to terminate this Agreement, for any or no reason, as follows: (i) Either party may terminate this Agreement at any time during the Term with a 90-day prior written notice; and (ii) following the Initial Term, either party may terminate this Agreement, prior to the lapse of the then applicable Term, with a 90-day prior written notice.

7.3. In the event of termination of this Agreement by the Customer pursuant to Section 7.2 above, or by the Company pursuant to Sections 7.4 or 7.5 below, provided that upon such termination the Customer has not completed at least twelve (**12**) monthly Solution payments to the Company; then, no later than 60 days prior to the requested termination date, Customer shall pay Company such amount as required in order to complete twelve (**12))**] monthly payments in full (the "**Remaining Amount**") together with any other amounts related to such early termination, including but not limited to the dismantling, removal, and cancellation of the Products and Services.

7.4. Either Party may terminate this Agreement if the other Party breaches any term or condition of this Agreement and such breach is not remedied within 30 days after receiving written notice thereof. Notwithstanding the foregoing, Company may immediately, by written notice to Customer, suspend or terminate this Agreement and the services and rights provided hereunder if Customer fails to make any timely payment of fees owed to Company and such failure is not cured within 14 days of receipt of notice thereof.

7.5. Either Party shall have the right to immediately terminate this Agreement, upon written notice, in the event the other Party files a petition in bankruptcy or is adjudicated as bankrupt or insolvent, or makes an assignment for the benefit of creditors, or an arrangement pursuant to any bankruptcy law, or discontinues its business or has a receiver appointed for its business and such receiver is not discharged within 60 days.

7.6. Upon the effective date of the termination or expiration of this Agreement for any reason whatsoever:

7.6.1. Customer shall cease using the Solution and shall enable Company to safely dismantle and remove the Products during business hours at Company's expense. In such event, Company shall be entitled to repossess and remove the Products on a date to be mutually determined by the Parties, which in any event shall not be later than 14 days following the effective date of the expiration or termination hereof. In furtherance of the foregoing, Customer hereby approves and agrees to allow Company or anyone on its behalf peaceable entry to the Site to repossess and remove any Products as aforementioned. Customer hereby agrees in advance to allow Company or anyone on its behalf all necessary access to remove the Products and waives any claims related to such access and repossession. Customer hereby waives any defenses to such repossession and access, which includes waiving any statutory rights which may be waived under any applicable law (including without limitation, demand, notice of default or dishonor, notice of payment and nonpayment, notice of any default, etc.). Company shall use reasonable endeavors not to damage any of Customer's facilities, but is under no obligation to return the areas from where the Products are removed, to its pre-installation state;

7.6.2. Customer agrees Company may terminate or block the access to the Software, such that it shall no longer be accessible by Customer. For the removal of doubt, Company will not be liable to Customer, in connection with the foregoing, including for any compensation and/or reimbursement of any sort;

7.6.3. Customer shall, within 14 days following the effective date of the expiration or termination hereof, pay the

Company any outstanding fees owed and/or other amounts due to Company hereunder; and

7.6.4. Each Party shall return (or destroy, if requested by the other Party, and certify such destruction in writing) to the other Party all Confidential Information (as defined below) of such other Party.

7.7. Termination of this Agreement under this Section 7 shall be in addition to, and not a waiver of, any remedy at law or in equity available to a Party arising from the other Party's breach of this Agreement.

7.8. Termination or expiration of this Agreement shall not affect any provision of this Agreement which is expressly or by implication intended to come into force or continue in force on or after the termination, including Sections 7.3, 7.4, 7.5, 7.6, 9 ("*Intellectual Property Rights*"), 10 ("*Confidentiality*"), 11 ("*Indemnification; Limitation Of Liability*") and 14 ("*Miscellaneous*") herein.

8. **LIMITED WARRANTY**

8.1. Company warrants that during the Term ("**Warranty Period**"), the Products, when installed, operated, used and maintained in accordance with the installation and operation manuals supplied by Company in connection with the Products, shall substantially conform to the specifications set forth in said manuals ("**Specifications**"). If during the Warranty Period, a Product or part thereof is not operating substantially in conformance with the Specifications, then Company, at its sole discretion and as its sole and exclusive liability and Customer's sole and exclusive remedy, will either repair or replace the applicable Product or part thereof as required in order that such Product or part thereof operates substantially in conformance with the Specifications, all subject to and in accordance with the terms of this Section 8.

8.2. Any Product or part thereof which is covered by the above warranty and which needs to be replaced or repaired, shall be shipped by Customer to the premises designated by Company in writing, at Customer's cost, after Customer has obtained a Return Material Authorization ("**RMA**") number from Company, in accordance with Company's then-current RMA procedures. After receipt of such Product or part thereof, Company shall inspect it in accordance with Company's internal procedures. In the event Company determines that the reason such Product or part thereof does not meet its applicable Specifications is not attributable to the circumstances set forth in Section 8.3 below, Company shall, as its sole and exclusive liability and as Customer's sole and exclusive remedy in connection with such Product or part thereof, replace or repair such Product or part thereof and ship same, at Company's cost back to Customer. If however Company determines that the reason such Product or part thereof does not meet its applicable Specifications is attributable to (one or more) of the circumstances set forth in Section 8.3 below, Company shall so notify Customer by a written notice, containing in reasonable detail the cause of such Product or pat thereof not meeting its applicable Specifications, and Customer shall reimburse Company, within 15 days from receipt of said notice, all expenses incurred by Company in connection with the testing of such Product or part thereof.

8.3. This warranty shall not apply if the Solution or any part thereof has been repaired or altered not in accordance with Company's instructions, nor shall it apply if the Solution or any part thereof has been subject to misuse, unauthorized use, negligence, accident, (including fire, water, explosion, smoke, vandalism, etc.) stored in inadequate or unreasonable conditions, or, without derogating from Section 3.8 above, operated contrary to Company's instructions and manuals, which prohibit, among others attempts to make any internal changes, removals, attachments or additions to the Solution or any component thereof, by anyone other than Company's authorized personnel. It is hereby clarified that the warranty does not cover items subject to normal wear and tear.

8.4. It is clarified that the above warranty does not include any onsite support by Company's personnel, and any such onsite support shall be subject to the support terms set forth in Section 5 above.

8.5. Customer's rights under the above warranty shall be non-transferable and non-assignable, and the above warranty shall apply only to Customer and shall not extend, expressly or by implication, to any other person or entity.

8.6. Company makes no warranty with respect to any third-party "off the shelf" hardware and/or software from any third-party supplier that may be included with or incorporated in the Solution. Company shall assign all available warranties from such third-party suppliers as a depot-level warranty, to the extent that same may be assigned, and such assignment will be the sole and exclusive liability of the Company with respect to any such hardware and/or software.

8.7. OTHER THAN THE ABOVE WARRANTY, CUSTOMER ACKNOWLEDGES THAT THE SOLUTION IS BEING PROVIDED 'AS IS'. COMPANY EXPRESSLY DISCLAIMS ANY AND ALL WARRANTIES, WHETHER EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY WARRANTY OR CONDITION OF MERCHANTABILITY, FITNESS OR SUITABILITY FOR ANY PARTICULAR PURPOSE (EVEN IF ON NOTICE OF SUCH PURPOSE), NON-INFRINGEMENT, SATISFACTORY QUALITY, OR THAT THE SOLUTION WILL OPERATE UNINTERRUPTED OR ERROR FREE.

9. **INTELLECTUAL PROPERTY RIGHTS**

9.1. All right, title and interest in the Solution as well as all manuals and/or other documentation provided by Company in connection with the Solution, including all Intellectual Property Rights (as defined below) therein and thereto, and all derivative works, modifications, improvements, updates, upgrades, enhancement, added features, inventions, ideas, insights, concepts, methods, know-how and processes relating to the same, whether created, developed, discovered or conceived in connection with this Agreement or otherwise, and regardless of whether Customer or anyone on its behalf may have contributed to the conception of any of the foregoing, or paid Company for such, are and shall at all times vest exclusively with Company, and may not be used by or for Customer or anyone on its behalf including its subsidiaries or parent company or any other related party, except as expressly provided herein. "**Intellectual Property Rights**" means all intangible legal rights, titles and/or interests, including without limitation, all inventions, patents, patent applications, trademarks, service marks, trade dress, logos, trade names, and corporate names, domain names, any work of authorship, copyrights, trade secrets, design, Confidential Information (as defined below), and all other proprietary rights in whatever form or medium, in each case on a worldwide basis; together with all revisions, extensions, reexaminations translations, adaptations, derivations, and combinations thereof and including all goodwill associated therewith.

9.2. Customer's use of the Solution is limited to that specifically and explicitly permitted in this Agreement. Customer will not, and will not allow, permit or assist any third party: (i) to attempt to discover any source code or underlying ideas or algorithms of the Solution; (ii) reverse engineer, disassemble, de-compile or translate the Solution, or grant any other third party the right to do any of the above; and (iii) shall not provide, lease, rent, lend, license, assign, delegate, or otherwise transfer or use or allow others to transfer or use the Solution, or any output generated by the Solution, to or for the benefit of any third party.

9.3. Customer shall not and shall not allow, permit or assist any third party to, conceal, erase, deface, modify or obscure any Company's trademarks, service marks, trade dress, logos and/or trade names, appearing on any part of the Solution. Any goodwill in connection with any such Company's trademarks, service marks, trade dress, logos and/or trade names, shall inure for the sole benefit of Company.

9.4. Any feedback, suggestions, ideas or other inputs that Customer provides the Company in connection with the Solution, if any, may be freely used by the Company to improve or enhance its products and/or services and, accordingly, all rights to such improvements and/or enhancements, howsoever arising, including as a result of any ideas, inputs or information provided by Customer as aforesaid, shall vest solely with the Company.

9.5. Customer agrees that Company may collect general, aggregated, non-personally identifiable information regarding Customer's use of the Solution, and use such information for Company's internal purposes and/or to improve its products and/or services, without any consideration to Customer therefor.

9.6. Customer shall make, and hereby irrevocably makes, all assignments and/or waivers necessary or reasonably requested by Company to ensure and/or provide Company (and/or its designee(s)) the ownership rights set forth in this paragraph.

10. **<u>CONFIDENTIALITY</u>**

10.1. Confidential Information of either Party shall be retained in strict confidence by the other Party until such information becomes public through no action or inaction of such Party and shall be used, disclosed, and copied solely for the purposes of, and in accordance with, this Agreement. Each Party shall only disclose Confidential Information of the other Party to those employees with a need to know such Confidential Information for the purposes of this Agreement, and who have executed an obligation of confidentiality and restriction of use similar to the terms hereof. Each Party shall use the same degree of care as it uses to protect its own confidential information of a similar nature, but no less than reasonable care, to prevent the unauthorized use, disclosure or publication of the Confidential Information.

"**Confidential Information**" means any proprietary business, marketing, technical, scientific or other information disclosed by either Party, including, without limitation, any know-how, trade secrets and other proprietary information relating to either Party.

10.2. It is hereby agreed that, without limiting the foregoing, all Intellectual Property Rights in and to the Solution, and any and all documentation, user guides and manuals, and other data and materials related to the foregoing or made available by Company to Customer pursuant to this Agreement, are considered as Confidential Information of the Company.

10.3. A Party ("**Recipient**") shall be relieved of its confidentiality undertakings under this Section 10 only with respect to Confidential Information of the other Party ("**Discloser**") which: (a) has clearly become generally available to the public, other than as a direct or indirect result of any action or failure to act by the Recipient, its employees or person acting on its behalf; (b) has been demonstrably and rightfully obtained by the Recipient from a third party without restriction as to disclosure, or has been approved for release by written authorization of the Discloser; or (c) must be disclosed pursuant to a court order, and then provided that the Recipient (i) first provides the Discloser with prior written notice and a reasonable opportunity to oppose such disclosure, to the extent legally permissible; (ii) reasonably cooperates with the Discloser in the latter's efforts to limit disclosure; and (iii) such disclosure is made only to the extent and solely to the recipient legally required.

11. **<u>INDEMNIFICATION; LIMITATION OF LIABILITY</u>**

11.1. Company shall indemnify, defend and hold Customer and its officers, directors and employees harmless from and against any and all costs, liabilities, losses and expenses, including, but not limited to, reasonable attorneys' fees resulting from or arising out of any claim, suit, action, arbitration or proceeding brought by a third party alleging that the Solution, as provided by Company to Customer under this Agreement and used within the scope of this Agreement, infringes any copyright, patent or other intellectual property ownership rights of a third party, or misappropriates any trade secret.

11.2. In addition, Company shall indemnify, defend and hold Customer and its officers, directors and employees harmless from and against any and all costs, liabilities, losses and expenses, including, but not limited to, reasonable attorneys' fees resulting from or arising out of any claim, suit, action, arbitration or proceeding brought by a third party relating to a breach by Company of any of its covenants, obligations and/or undertakings hereunder.

11.3. Notwithstanding the above, should the Solution become, or in Company's opinion, is likely to become the subject of such a claim, Company may, at its option and as Customer's sole and exclusive remedy in connection with the foregoing, (a) procure for Customer the right to continue using the Solution under the terms of this Agreement; (b) replace or modify the Solution so that it is non-infringing and substantially equivalent in function to the enjoined hardware or software; or (c) if options (a) and (b) above cannot be accomplished despite Company's reasonable efforts, then Company may terminate this Agreement and refund to Customer any fees (net) prepaid by Customer hereunder in advance.

11.4. Notwithstanding the foregoing, Company shall have no liability or obligation to Customer hereunder with respect to any claim for infringement based upon: (a) modification of the Solution made by any party not authorized by Company; (b) the combination, operation or use of the Solution with any Third Party Equipment to the extent such a claim would have been avoided if the Solution was not used in such combination; (c) failure of Customer to install any updates to the Software or any modified software, or maintenance releases or upgrades to the Software, provided by Company for no additional cost to avoid infringement; (d) compliance by Company with designs, plans or specifications furnished by or on behalf of Customer; or (e) use of the Solution in an application or environment for which the Solution was not designed or intended.

11.5. Customer shall indemnify, defend and hold Company, and its officers, directors, employees, and affiliates harmless from and against any and all costs, liabilities, losses and expenses, including, but not limited to, reasonable attorneys' fees resulting from or arising out of any claim, suit, action, arbitration or proceeding brought by a third party relating to: (a) Customer's use of the Solution; or (b) breach by Customer of any of its covenants, obligations and/or undertakings hereunder

11.6. The Party seeking indemnity under this Section 11("**Indemnifiable Party**") shall give the other Party ("**Indemnifying Party**") prompt, written notice of any claim to which the Indemnifiable Party seeks indemnity, and shall give sole control of the defense and settlement of such claim to the Indemnifying Party, and all reasonable assistance to defend such claim, provided that the Indemnifying Party shall not settle the claim if such settlement entails any liability on the Indemnifiable Party without the Indemnifiable Party's written consent, provided that such consent is not unreasonably withheld, conditioned or delayed. Failure of the Indemnifiable Party to give said notice to the Indemnifying Party shall not affect Indemnifying Party's indemnification obligations hereunder, except where such failure jeopardizes the Indemnifying Party ability to defend or settle such claim. The Indemnifiable Party shall not agree to make any admissions or settle the claim without the Indemnifying Party's written consent, provided that such consent is not unreasonably withheld, conditioned or delayed. The Indemnifying Party shall regularly update the Indemnifiable Party on the progress of the defense or settlement of such claim. The Indemnifying Party shall have no obligations under this Section 11 to the extent that the indemnifiable claims result from the Indemnifiable Party's breach of this Agreement or unauthorized use of or modifications of the Indemnifying Party's Intellectual Property Rights.

11.7. IN NO EVENT SHALL COMPANY OR ANYONE ON ITS BEHALF BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, OR CONSEQUENTIAL DAMAGES OF ANY KIND, INCLUDING WITHOUT LIMITATION ANY LOSS OF ACTUAL OR ANTICIPATED REVENUE, BUSINESS, SAVINGS OR PROFITS, OR LOST DATA, IN CONNECTION WITH THIS AGREEMENT AND/OR THE SOLUTION, REGARDLESS OF THE CAUSE AND WHETHER ARISING IN CONTRACT, TORT, OR OTHERWISE, EVEN IF COMPANY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

11.8. NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN, OTHER THAN PURSUANT TO COMPANY'S INDEMNITY OBLIGATIONS UNDER SECTION 11.1, IN NO EVENT SHALL THE TOTAL LIABILITY OF COMPANY FOR ANY CLAIM UNDER ANY CAUSE OF ACTION IN CONNECTION WITH THIS AGREEMENT AND/OR THE SOLUTION EXCEED THE FEES PAID TO COMPANY BY CUSTOMER UNDER THIS AGREEMENT IN THE 12 MONTHS PRECEDING SUCH CLAIM.

12. **INSURANCE**

During the Term, Customer agrees to keep in full force and effect those insurance policies, as detailed on the Insurance Appendix attached to this Agreement.

13. **SUB-CONTRACTORS**

Company is entitled to engage any third party sub-contractor or representative to perform any and all services and undertakings under this Agreement, provided that such shall not relieve Company of its obligations hereunder.

14. **MISCELLANEOUS**

14.1. This Agreement shall be governed by, interpreted and enforced in accordance with the laws of the State of Kansas, without regard to its conflict of law principles. The Parties agree that the United Nations Convention on the International Sales Goods shall not apply to this Agreement. All actions, suits or proceedings under or related to this Agreement shall be adjudicated in the courts of Crawford County, KS, to the exclusion of any other jurisdiction, and the Parties hereby irrevocably consent to the exclusive jurisdiction and venue of such courts.

14.2. All notices permitted or required hereunder shall be in writing and shall be sent by email, registered mail (postage prepaid) or personal delivery at the email or property address set out in the Order or at any other e-mail or address as either Party may specify in writing. Any such notice will be deemed as being received on the date of transmission of e-mail or personal delivery, unless given outside normal business hours in which case such notice shall be deemed as being given on the next business day, or if sent by registered mail, on the fifth day after being sent (unless such day is not a business day in which event the notice shall be deemed as being given on the next business day).

14.3. This Agreement may not be assigned without the prior written consent of the other Party, except that the Company may assign this Agreement to an affiliate thereof or in connection with a merger, acquisition, sale of all or substantially all of Company's assets or other such corporate reorganization. This Agreement may only be amended by a written document executed by both Parties, except as otherwise stated in this Agreement.

14.4. The terms and provisions contained in the Order and any annexes, schedules, appendices and ancillary documents thereto (including without limitation this Appendix B) constitute the entire Agreement between the Parties with respect to the subject matter hereof and shall supersede all previous communications, oral or written, between the Parties hereto with respect to the subject matter hereof.

14.5. The Company may identify Customer on Company's website(s) and other marketing materials as a user of the Solution.

14.6. If any provision of this Agreement is held by a court of competent jurisdiction to be illegal, invalid or unenforceable, that provision shall be limited or eliminated to the minimum extent necessary so that this Agreement shall otherwise remain in full force and effect and enforceable.

14.7. Neither Party shall be liable for non-performance or delay, other than the payment of fees due hereunder, due in whole or in part to any Force Majeure Event (as defined below). In the event a Party is hindered or prevented from performing hereunder due to a Force Majeure Event, such Party shall notify the other Party of the Force Majeure Event and the extent of its suspension as soon as reasonably practicable. If a Force Majeure Event prevents, hinders, or delays performance of a Party's obligations hereunder for more than 60 days, the Party not prevented from performing may, at its sole option, terminate this Agreement upon notice to the other Party. "**Force Majeure Event**" means an event beyond a Party's reasonable control, including natural disasters and adverse weather events, acts of God, epidemics and pandemics, interruption or failure of telecommunication or digital transmission links, hostile network attacks, network congestion, third party acts including vandalism and/or accidents, acts of terrorism, war (declared or undeclared), non-performance by vendors, or other failures outside of the Party's reasonable control.

* * *

Purchase and Services agreement
Appendix C – SLA Terms, Definitions, and Conditions

All capitalized terms herein which are undefined shall have the meaning ascribed to them in the agreement, to which this Appendix is attached (such agreement including the Order, and all attachments, appendices, schedules and exhibits thereto (including these Service Level Terms And Conditions), is collectively referred to as the "**Agreement**").

These Service Level Terms and Conditions ("**SLA**") shall apply to Customer's use of the Solution.

This SLA and the Agreement to which this SLA is attached represent the parties' entire understanding regarding the technical support to be provided by Company to Customer in relation to the Solution and shall govern over any different or additional terms of any other agreement and/or purchase order and no terms included in any such agreement and/or purchase order shall apply to the technical support for the Solution unless such different terms are stated specifically in a mutually signed document.

Company may update or modify this SLA from time to time. Customer's continued access and/or use of the Solution following such changes or modifications shall be deemed to be its acceptance of the revised SLA.

All services hereunder are billed in accordance with the rates underlying the applicable Maintenance Plan chosen by Customer in the Order, provided that those services which are described in Section 3 below, or other services hereunder which do not require arrival on-site or to any other location, will be provided free of charge.

1. **SUPPORT CONTACT**

1.1. Customer may contact Company's assigned authorized distributor and/or reseller, the details of which are indicated in the Order ("**Local Representative**"), to request helpdesk or troubleshooting assistance with the Solution. Customer support inquiries shall be initiated through these contacts only. Customer shall appoint up to two (2) authorized representatives to request support services, and may replace them from time to time, by written notice to Company.

1.2. Telephone or remote support will be provided in accordance with the support priorities and procedures set forth in this Appendix.

1.3. Company will respond to all service calls 365 days a year, 24 hours a day in accordance with and subject to the terms contained herein. Valid claims are serviced on Business Days and during the Business Hours, or beyond Business Hours if such is included in the applicable Maintenance Plan chosen by Customer in the Order. Unless stated otherwise in the Maintenance Plan chosen by Customer in the Order, all requested after-hour services are billed in accordance with the rates noted in the Order and if not stated in the Order, then in accordance with the prevailing rates of the Company at the applicable time. Company will remotely diagnose issues before sending a technician to on-site service to ensure a prior attempt to resolve an issue remotely was performed.

1.4. Company or its assigned authorized service provider will respond to calls during business hours - Monday through Friday, with the exclusion of public holidays in the U.S. ("**Business Days**"), 8:30 am to 5:00 pm (local time) ("**Business Hours**"). 24/7 support will be provided for "Priority 1" (as defined herein) only.
The telephone number and email address for requesting support are as follows:

- As shown in Order Acknowledgment Form under "Local WISESIGHT Service provider contact information".

2. **SOFTWARE AVAILABILITY**

2.1. Company shall make commercially reasonable efforts to ensure that the Software will be accessible and functional 24 hours per day, 7 days per week, with the exception of scheduled maintenance periods and upon a Downtime Event (as such term is defined below). The foregoing notwithstanding, Company expects to maintain a minimum uptime of 99.0% in its cloud management system within a period of 365 days. Customer acknowledges and agrees that the Software may be inaccessible or inoperable at any time and for any reason at a specific site or sites. Without limitation, these reasons include equipment malfunctions, unscheduled maintenance or repairs, or other circumstances not reasonably foreseeable by Company, including without limitation interruption or failure of telecommunication or digital transmission links, hostile network attacks, network congestion or other failures. If the Software becomes inaccessible or is not fully functional, other than due to scheduled maintenance, including circumstances outside of Company or its distributors and/or resellers' reasonable control, Customer shall receive support by Company or its assigned service provider. The qualified personnel will endeavor to remedy such unavailability or failure of functionality as soon as reasonably possible in accordance with Company's service level terms noted herein.

A "**Downtime Event**" shall mean: (1) any outages of any public Internet backbones, networks, servers or other utilities, (2) any failure of Customer's and/or a third party's equipment, software, systems or local access services, (3) a previously scheduled maintenance or an interruption of the Software without notice in order to protect the integrity of the Software due to security issues, virus attacks, spam issues, network intrusions or denial of service attacks, or other unforeseen circumstances, (4) result from any actions or inactions of Customer or any third party, or (5) any event beyond Company's control such as strikes, riots, insurrection, fires, floods, explosions, war, governmental action, labor conditions, earthquakes, natural disasters, epidemics and pandemics or interruptions in Internet services to an area where Company's or Customer's servers are located or co-located.

2.2. Customer shall be responsible to ensure that its own computer, operating systems, computer networks and network connections, telecommunications facilities or mobile devices meet all the necessary technical specifications to enable it to access and use the Software. Company does not provide Customer with the equipment to access and/or use the Software. Customer is responsible for all fees charged by third parties related to its access and use of the Software (e.g., charges by Internet service providers or airtime charges).

3. **Description of Remote Support Services**

Company's remote support services shall consist of the following:

a) Remote helpdesk and troubleshooting assistance support services according to severity levels detailed below.
b) Provision of official releases of software updates, as and when released by Company from time to time at its discretion.
c) Software patches, as and when released by Company or as required to resolve a specific problem.
d) Maintain integrations made to the Solution in order to connect to certain agreed upon third party vendors stated in the Order, provided that, problems resulting from the third-party vendor's software shall not be covered.

4. **Support Priorities and Procedures**

4.1. Priority 1: A problem shall be deemed a "**Priority 1**" problem when the Solution is causing serious system/operation problems, and there is no reasonable way of circumventing the problem. When a problem is classified as Priority 1, a Company assigned service provider for the respective site shall promptly assign technical support personnel, as needed, to continuously work on the problem until it has been resolved. Company assigned service provider for the respective site shall use commercially reasonable efforts to resolve a Priority 1 problem within a twenty-four (24) hour timeframe from receiving a report from Customer of such problem.
The definition of this event type is: Citation revenue loss as a result of an inability to perform enforcement activity that is required to be performed during an active parking session.

4.2. Priority 2: A problem shall be deemed a "**Priority 2**" problem when the Solution is causing serious system/operational problems, and there is a reasonable workaround or circumvention for the problem. When a problem is classified as Priority 2, Company assigned service provider for the respective site shall promptly assign technical support personnel, as needed, to continuously work on the problem until it has been resolved. Company-assigned service provider for the respective site shall use commercially reasonable efforts to resolve a Priority 2 problem within a forty-eight (48) hour timeframe from receiving a report from Customer of such problem.
The definition of this event is: Solution is working in limited functionality.

4.3. Priority 3: A problem shall be deemed a "**Priority 3**" problem when the Solution is working differently from its technical specifications but is not interfering in any material respect with Customer's use of the Solution. When a problem is classified as Priority 3, Company assigned service provider for respective site shall assign technical support personnel, as needed, to work on the problem until it has been resolved. Company assigned service provider for respective site shall use commercially reasonable efforts to resolve a Priority 3 problem within two (2) weeks from receiving a report from Customer of such problem.
The definition of this event is: Some of the Solution's features are working in limited functionality but the main functions are still well-operated.

4.4. Priority 4: A problem shall be deemed a "**Priority 4**" problem when it comprises errors in the Solution user interface that is not impacting end-user interaction with the Solution. When a problem is classified as Priority 4, Company shall include resolution with other items included in the next periodic update.

5. **ESCALATION**

5.1. If Company has responded to Company assigned service provider request for support but has been unable to provide either a temporary or permanent resolution within the time frames established for Priority 1 and 2 problems, Company shall initiate the following escalation procedure:

a) Company technician attempting to correct the problem(s) shall notify Company assigned service provider in ongoing four (4) hour intervals (within Business Hours) of resolution status and provide an evaluation of the existing problem(s) and an estimated resolution time until such time as the problem is resolved.

b) If the problem(s) remains unresolved after such resolution time, Company's Local product support manager shall notify assigned service provider and provide an evaluation of the existing problem(s) and an estimated resolution time.

5.2. Company technician shall provide continuous ongoing support to assigned service provider until such time as the problem(s) is resolved.

5.3. Escalation for additional support is as follows:

a) Level 1: If Company's Local product support department is unable to resolve the problem(s), the product support department will escalate it to Company Headquarters (HQ) Global Support which will operate software QA teams as needed to provide an assessment and possible solutions.

b) Level 2: If Company HQ Global Support department is unable to resolve the problem(s), Company Head of Product will be notified and operate software development department resources as needed to provide an assessment and possible solutions.

6. **SPECIAL SERVICES**

At Company sole discretion, Company may make reasonable efforts to respond to requests by Customer for maintenance and support services not specifically provided for herein, for an additional fee as determined by Company ("**Special Services**"). Customer acknowledges that any such Special Services, if provided, shall be provided at Company then current rates, terms and conditions for such Special Services.

7. **SERVICE EXCLUSIONS**

7.1. Company or its Local Representative shall have no obligation to provide services for or in connection with problems caused by any of the following:

a) Changes or modifications other than as specifically approved in writing by Company or its authorized representative.
b) Use of the Solution other than in accordance with its technical specifications;
c) If the Solution is used in a work environment with respect to which Company has not issued an approval for;
d) Introduction of data into any database used by the Solution by any means other than by use of the Solution;

e) Misuse of the Solution, whether through negligence or accident;
f) Problems resulting from hardware or software used not in accordance with the technical specifications;
g) User errors, including without limitation, problems caused by incorrect set up, host data, user actions in conflict with the technical specifications and/or failure to perform required administrative duties (such as back up, purges, modifying data, etc.);
h) Network problems, including without limitation, problems with remote access connection, with routers, segments, hubs and switches;
i) Support environment failures – failures of any external support connections from Customer to computer systems maintained by Customer or any third party, including without limitation power outage or component failure;
j) Problems resulting from damage caused by computer virus or similar malicious code contained in the Solution through no fault of Company;
k) Problems resulting from failure to incorporate or implement any fix, work around or update, version upgrades or any other maintenance or support service provided by Company.

7.2. A determination by Company that a problem is not covered by these support terms can be made at any time. If Company demonstrates to Customer that the problem is excluded from the scope of the support services, Company will be entitled to invoice Customer on a time and materials basis at Company then prevailing rates for any work performed by Company in connection with its efforts to resolve the problem.

8. **CUSTOMER RESPONSIBILITIES IN CONNECTION WITH SUPPORT SERVICES PROVIDED BY COMPANY**

8.1. Customer will take all actions necessary to assist Company and/or its Local Representative, as applicable, in identifying and reproducing problems, and shall provide Company and/or its Local Representative, as applicable, with all reasonable and necessary assistance in providing support services. Customer agrees to notify Company and/or its Local Representative, as applicable, promptly following discovery of the failure of the Solution to substantially conform to its technical specifications.

8.2. To the extent such is required in Company or its Local Representative's sole discretion, for the provision of any of the support services, Customer shall facilitate: (i) the remote access of Company and/or its Local Representative, as applicable, to the applicable systems and/or servers of the site, and (ii) the physical access of Company and/or its Local Representative, as applicable, personnel to the site or other applicable premises at a site where any part of the Solution is installed or located, including without limitation, provide Company and/or its Local Representative, as applicable, with all applicable access, permissions, etc.

9. **SLA TERM AND TERMINATION**

9.1. This SLA shall commence as of the date set forth in the Agreement and, unless earlier terminated as set forth below, shall remain in effect through the end of the term stated in the Agreement.

9.2. Either party may terminate this SLA if the other party breaches any term or condition of this SLA and/or the Agreement and such breach is not remedied within thirty (30) days after receiving written notice thereof. Notwithstanding the foregoing, Company may immediately, by written notice to Customer, suspend or terminate this SLA and the services and rights provided hereunder if Customer fails to make any timely payment of fees owed to Company and such failure is not cured within fourteen (14) days of receipt of notice thereof.

9.3. Customer shall, within fourteen (14) days following such termination or expiration, pay Company any outstanding fees owed to Company hereunder.

10. **MISCELLANEOUS**

10.1. This SLA shall be governed by, interpreted and enforced in accordance with the laws applicable to the Agreement. All actions, suits or proceedings under or related to this SLA shall be exclusively adjudicated in the courts applicable to the Agreement, and the parties hereby irrevocably consent to the exclusive jurisdiction and venue of such courts.

10.2. Customer shall not transfer, assign or pledge in any manner whatsoever any of its rights or obligations under this SLA without the prior written consent of the Company.

10.3. The terms and provisions herein contained and in the Agreement constitute the entire agreement between the parties with respect to the subject matter hereof and shall supersede all previous communications, oral or written, between the parties hereto with respect to the subject matter hereof.

10.4. No provision of this SLA shall inure to the benefit of any third party, including without limitation Customer's end-users, and no end-user or any other third party whatsoever shall be a third party beneficiary to this SLA or have any rights hereunder.

For any questions about this SLA or any other issue regarding Company or the Solution please contact us at: info@wise-sight.com

Purchase and Services agreement
Appendix D – Insurance

During the term of this Agreement, Customer agrees to keep insurance in full force and effect with all following insurance products and terms:

a. Comprehensive general liability insurance in an amount not less than $1 million per occurrence for bodily injury and property damage and $2,000,000 aggregate (or equivalent coverage under an "umbrella" policy), including comprehensive form premises and operations, products and completed operations, independent contractors, contractual, personal injury, and broad form property damage liability coverage.
b. Property and casualty insurance (all risks) covering the Customer site at which the Products are located, and expressly covering damage or loss to the Products.

c. Crime Theft of Property – Liability limit of not less than $1,000,000.

d. Cyber Liability - $1,000,000 per claim/aggregate.

e. Workers compensation insurance in the amount of not less than that required by applicable law.
customer agrees that they will be solely responsible for ensuring that its agents, including contractors and subcontractors, will obtain and maintain the same types and amount of coverages as required of Customer herein.

f. All such policies shall be obtained by licensed insurance carriers rated A- or better by A.M. Best. Prior to installation of any Products at the Site,

g. Customer will deliver to Company proof of insurance demonstrating the insurance set forth above and make its insurance provider(s) to name Company as an additional insured, and notify Company in writing of the effective date thereof.

h. Customer shall give Company at least thirty (30) days prior written notice of any termination, expiration, or diminution, in the coverages provided thereunder.

i. Customer will cause each insurance policy of Customer required under this Agreement to provide that the insurer waives all claims and rights of recovery by subrogation against Company in connection with any liability or damage covered by the insurance policies.

Purchase and Services agreement
Appendix E –Terms & Conditions for using SaaS software

All capitalized terms herein which are undefined shall have the meaning ascribed to them in the agreement, to which this Appendix is attached (such agreement, including the Order and all attachments, appendices, schedules and exhibits thereto (including these Terms and Conditions), is collectively referred to as the "**Agreement**").

These Terms and Conditions shall apply to Customer's use of WiseSight Inc. (the "**Company**") proprietary Parking Management Software – Cloud deployment which is a web-based service that enables Video-Based Artificial intelligence (A.I.) solutions for the parking market, enabling effective control of parking lots, statistical analysis and increased revenues ("**Software**") as identified in Appendix A to the Agreement. The term "**Customer**" shall be as defined in the Agreement.

These Terms and Conditions and the Agreement represent the parties' entire understanding regarding the Software and shall govern over any different or additional terms of any purchase order and no terms included in any such purchase order shall apply to the Software unless such different terms are stated specifically in a mutually signed document.

Upon the earlier of, Customer signing the Agreement or checking "I agree" where applicable and/or upon its access and/or use of the Software, Customer acknowledges that it has read these Terms and Conditions, understands them, and agrees to be bound by them. If Customer does not agree to any of the terms below, Company may be unwilling to grant Customer access to the Software. If Customer is unwilling to accept all of the terms of these Terms and Conditions, it should not check the "I agree" checkbox where applicable and it should cease using the Software immediately.

If Customer is accepting these Terms and Conditions on behalf of a company or other legal entity, it represents and warrants that it has the authority to bind such entity to the terms contained herein. Customer may not use the Software and may not accept these terms if it is an entity and/or person barred from using the Software under the laws of the country in which it is a resident or from which it uses the Software.

Company may update or modify these Terms and Conditions and the Software from time to time. Customer's continued access and/or use of the Software following such changes or modifications shall be deemed to be its acceptance of the revised Terms and Conditions and/or Software.

Nothing in these Terms and Conditions shall serve as a derogation from any rights of Company set forth anywhere in the Agreement, and shall only serve as an expansion of such rights, where applicable.

1. **THE SOFTWARE**
    1.1. Subject to Customer's compliance with the terms and conditions of these Terms and Conditions and the Agreement and payment of all applicable fees, Company shall grant Customer the right to access and use the Software, during the term of these Terms and Conditions for the purpose of enabling Customer to monitor effectively vehicle parking and their payment status for serviced parking lots.

    1.2. Company may make, from time to time, modifications, additions and/or upgrades to the Software as it deems necessary, and these Terms and Conditions will apply to any such modifications, additions and/or upgrades that Company may make available to the Customer under the terms herein.

    1.3. In using the Software, Customer shall fully comply with and adhere to all applicable laws, rules and/or regulations, including without limitation, those applicable laws, rules and/or regulations which relate to the transmission and distribution of information or material over the Internet and to Internet usage in general, and to privacy and data protection, and shall be responsible, at its sole cost, to obtain any mandatory or regulatory permits, licenses and/or approvals (if any), required for the use of Software in the manner described herein. Customer shall inform its end-users that, as they are utilizing the Software, information they provide to Customer may be collected and processed by

Company in accordance with the terms of Company's Privacy Policy. Customer shall provide its end-users with a copy of Company's Privacy Policy and shall obtain consents of its end-users, as required by applicable law, for the collection and processing of information by Company.

1.4. For the sake of clarity, the use of the Software under this Agreement is conditioned upon the Customer's payment of the fees stated in the Agreement, in accordance with the payment terms determined therein, including, without limitation, Section 7 of Appendix B.

2. **ACCOUNT INFORMATION**

2.1. During the process of creating an account in order to access the Software ("**Account**"), Customer may be required to select a password ("**Login Information**"). The following rules govern the security of Customer's Account and Login Information. For the purposes of these Terms and Conditions, references to Account and Login Information shall include any account and account information, including user names, passwords or security questions, whether or not created for the purpose of using the Software, that are used to access the Software:

a. Customer shall not share its Account or Login Information, nor let anyone else access its Account or do anything else that might jeopardize the security of the Account;

b. In the event Customer becomes aware of or reasonably suspects any breach of security, including, without limitation any loss, theft, or unauthorized disclosure of its Login Information or unauthorized access to its Account, Customer must immediately notify Company and modify its Login Information;

c. Customer is solely responsible for maintaining the confidentiality of the Login Information, and will be responsible for all uses of its Login Information, whether or not authorized by it;

d. Customer undertakes to monitor its Account and restrict use by any individual barred from accepting these Terms and Conditions and/or using the Software, under the provisions listed herein or any applicable law.

2.2. Any personal information Customer provides when creating or updating the Account, which may include its name, company name, address, geographic location, e-mail address, picture and any such other information, will be held and used in accordance with Company's Privacy Policy as may be amended from time to time located at *[www.wisesight.ai/privacy-policy]*. Customer agrees that it will supply accurate and complete information to Company, and that it will update that information promptly after it changes. Customer represents and warrants that it has full right and authority to provide Company with the foregoing information, including, without limitation, any third party's consent (to the extent required under any applicable law). Customer agrees and understands that Company may store, share, process and use data collected pursuant to the Order for the purposes of processing the Order. Company may also share such data globally with its subsidiaries. Company will protect Customer information in accordance with its Privacy Policy.

3. **SUPPORT AND MAINTENANCE**

Support and maintenance of the Software is subject to the terms and conditions of Appendix C of the Agreement.

4. **TERM AND TERMINATION**

4.1. These Terms and Conditions shall enter into effect as of the date set forth in the Agreement and, unless earlier terminated as set forth below, shall remain in effect until the later of (i) the end of the term stated in the Agreement, and (ii) such time when Customer no longer has access to the Software.

4.2. Either party may terminate these Terms and Conditions if the other party breaches any term or condition of this Agreement and such breach is not remedied within thirty (30) days after receiving written notice thereof. Notwithstanding the foregoing, Company may immediately, by written notice to Customer, suspend or terminate this Agreement and the services and rights provided hereunder if Customer fails to make any timely payment of fees owed to Company under the Agreement or hereunder if applicable, and such failure is not cured within fourteen (14) days of receipt of notice thereof.

4.3. Either party shall have the right to immediately terminate these Terms and Conditions, upon written notice, in the event the other party files a petition in bankruptcy or is adjudicated as bankrupt or insolvent, or makes an assignment for the benefit of creditors, or an arrangement pursuant to any bankruptcy law, or discontinues its business or has a receiver appointed for its business and such receiver is not discharged within sixty (60) days.

4.4. Upon termination or expiration of these Terms and Conditions:

4.4.1. Customer shall immediately cease, and shall procure that its end-users cease, using and accessing the Software. It is clarified that upon termination or expiration of this Agreement, Company may terminate the access and use of the Software, any and all support and maintenance services in connection with the Software and/or block access to the Software such that it shall no longer be accessible by Customer and/or by its end-users. For the removal of doubt, Company will not be liable to Customer and/or to any of its end-users, in connection with any of the foregoing, including for any compensation and/or reimbursement of any sort;

4.4.2. Each party shall return (or destroy, if so requested by the other party, and certify such destruction in writing) to the other party all Confidential Information of such other party.

4.5. Termination of these Terms and Conditions under this Section 4 shall be in addition to, and not a waiver of, any remedy at law or in equity available to Company arising from Customer's breach of these Terms and Conditions or the Agreement.

4.6. Termination of these Terms and Conditions shall not affect any provision of these Terms and Conditions which is expressly or by implication intended to come into force or continue in force on or after the termination, including Sections 4 ("Term and Termination"), 5("Intellectual Property Rights"), 6("Confidentiality"), 7("Exclusion of Warranty; Limitation of Liability") and 8 ("Miscellaneous") herein.

5. **INTELLECTUAL PROPERTY RIGHTS**

5.1. All right, title and interest in the Software, including all Intellectual Property Rights (as defined below) therein and thereto, and all derivative works, modifications, improvements, updates, upgrades, enhancements, added features, inventions, ideas, insights, concepts, methods, know-how and processes relating to the same, whether created, developed, discovered or conceived in connection with these Terms and Conditions or otherwise, and regardless of whether Customer or anyone on its behalf may have contributed to the conception of any of the foregoing, or paid Company for such, are and shall at all times vest exclusively with Company, and may not be used by or for Customer or anyone on its behalf including its subsidiaries or parent company or any other related party, except as expressly provided herein.

"**Intellectual Property Rights**" means all intangible legal rights, titles and/or interests, including without limitation, all inventions, patents, patent applications, trademarks, service marks, trade dress, logos, trade names, and corporate names, domain names, any work of authorship, copyrights, trade secrets, design, Confidential Information (as defined below), and all other proprietary rights in whatever form or medium, in each case on a worldwide basis; together with all revisions, extensions, reexaminations, translations, adaptations, derivations, and combinations thereof and including all goodwill associated therewith.

5.2. Customer's use of the Software is limited to that specifically and explicitly permitted in these Terms and Conditions. Customer will not, and will not allow, permit or assist any third party: (i) to attempt to discover any source code or underlying ideas or algorithms of the Software; (ii) reverse engineer, disassemble, de-compile or translate the Software, or grant any other third party the right to do any of the above; and (iii) provide, lease, rent, lend, license, assign, delegate, or otherwise transfer or use or allow others to transfer or use the Software, or any output generated by the Software, to or for the benefit of any third party.

5.3. Customer agrees to provide Company with feedback concerning the functionality and performance of the Software, from time to time, as reasonably requested by Company, including, without limitation, identifying potential errors, enhancements and improvements. Any feedback, suggestions, ideas or other inputs that Customer provides to Company in connection with the Software may be freely used by Company to improve or enhance its products and services and, accordingly, all rights to such improvements and/or enhancements, howsoever arising, including as a result of any ideas, inputs or information provided by Customer as aforesaid, shall vest solely with Company.

5.4. Customer shall make, and hereby irrevocably makes, all assignments and/or waivers necessary or reasonably requested by Company to ensure and/or provide Company (and/or its designee(s)) the ownership rights set forth in this paragraph.

6. **<u>CONFIDENTIALITY</u>**

6.1. Confidential Information (as defined below) of either party shall be retained in strict confidence by the other party until such information becomes public through no action or inaction of such party and shall be used, disclosed, and copied solely for the purposes of, and in accordance with, these Terms and Conditions. Each party shall only disclose Confidential Information of the other party to those employees with a need to know such Confidential Information for the purposes of these Terms and Conditions, and who have executed an obligation of confidentiality and restriction of use similar to the terms hereof. Each party shall use the same degree of care as it uses to protect its own confidential information of a similar nature, but no less than reasonable care, to prevent the unauthorized use, disclosure or publication of the Confidential Information. "**Confidential Information**" means any proprietary business, marketing, technical, scientific or other information disclosed by either party, including, without limitation, any know-how, trade secrets and other proprietary information relating to either party.

6.2. It is hereby agreed that, without limiting the foregoing, all Intellectual Property Rights in and to the Software, and any and all documentation, user guides and manuals, and other data and materials related to the foregoing or made available by Company to Customer pursuant to these Terms and Conditions, are considered as Confidential Information of Company.

6.3. Privacy and Data Protection. In the event that Customer or any Customer data is sourced from the European Union ("EU") or the services otherwise involve special privacy or data protection provisions (whether applicable in the EU or otherwise), the parties may agree to a "Data Processing Addendum" with additional provisions relating to privacy and data protection, which shall be attached to these Terms and Conditions or the Agreement and become a part of the Agreement. Currently this is not applicable.

7. **<u>EXCLUSION OF WARRANTY; LIMITATION OF LIABILITY</u>**

7.1. Other than the warranties expressly set forth in these Terms and Conditions, customer acknowledges that the Software is being provided 'as is'. Company expressly disclaims any and all warranties, whether express or implied, including without limitation any warranty or condition of merchantability, fitness or suitability for any particular purpose (even if on notice of such purpose), non-infringement, satisfactory quality, or that the Software will be uninterrupted or error free. Company is not responsible or liable for the deletion of or failure to store any customer data and other communications maintained or transmitted through use of the services. Customer is solely responsible for securing and backing up its data.

7.2. In no event shall Company or anyone on its behalf be liable for any indirect, incidental, special, or consequential damages of any kind, including without limitation any loss of actual or anticipated revenue, business, savings or profits, or lost data, in connection with these Terms and Conditions and the services to be provided hereunder, regardless of the cause and whether arising in contract (including fundamental breach), tort (including negligence), or otherwise, even if Company has been advised of the possibility of such damages.

7.3. Notwithstanding anything to the contrary herein, in no event shall the total liability of Company for any claim under any cause of action in connection with these Terms and Conditions and the Software to be provided hereunder exceed the fees paid to Company by customer under these Terms and Conditions in the twelve (12) months preceding such claim.

8. **<u>MISCELLANEOUS</u>**

8.1. This Agreement shall be governed by, interpreted and enforced in accordance with the laws of the State of Kansas, without regard to its conflict of law principles. The Parties agree that the United Nations Convention on the International Sales Goods shall not apply to this Agreement. All actions, suits or proceedings under or related to this Agreement shall be adjudicated in the courts of Crawford County, KS, to the exclusion of any other jurisdiction, and the Parties hereby irrevocably consent to the exclusive jurisdiction and venue of such courts.

8.2. Neither party shall transfer, assign or pledge in any manner whatsoever any of its rights or obligations under these Terms and Conditions without the prior written consent of the other party, provided however, that Company may assign these Terms and Conditions in connection with a merger, acquisition, sale of all or substantially all of Company's assets or other such corporate reorganization.

8.3. The terms and provisions herein contained herein and in the Agreement constitute the entire agreement between the parties with respect to the subject matter hereof and shall supersede all previous communications, oral or written, between the parties hereto with respect to the subject matter hereof.

8.4. If any provision of these Terms and Conditions is held by a court of competent jurisdiction to be illegal, invalid or unenforceable, that provision shall be limited or eliminated to the minimum extent necessary so that these Terms and Conditions shall otherwise remain in full force and effect and enforceable.

8.5. No provision of these Terms and Conditions shall inure to the benefit of any third party, including without limitation Customer's end-users, and no end-user or any other third party whatsoever shall be a third party beneficiary to these Terms and Conditions or have any rights hereunder.

For any questions about these Terms and Conditions or any other issue regarding Company or the Software please contact us at: info@wise-sight.com