VEHICLE LEASE AGREEMENT

THIS LEASE AGREEMENT is made and entered into as of the ___ day of _____, 2026, by and between the **LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT**, an urban county government of the Commonwealth of Kentucky pursuant to KRS Chapter 67A (hereinafter "Government") on behalf of its Department of Public Safety, 200 East Main Street, Lexington, Kentucky and **LEXINGTON-FAYETTE ANIMAL CARE AND CONTROL, LLC**, a Kentucky limited liability company (hereinafter "Organization"), with offices located at 1600 Old Frankfort Pike, Lexington, Kentucky;

W I T N E S S E T H:

WHEREAS, Government and Organization have entered into a Purchase of Service Agreement dated August 5, 2026, whereby Organization provides animal control services for Government; and

WHEREAS, the Purchase of Service Agreement between Government and Organization obligates Government to lease up to thirteen (13) vehicles to Organization to be used for purposes of animal control; and

NOW, THEREFORE, for and in consideration of the mutual promises and covenants herein expressed and further contained in the Purchase of Service Agreement, Government and Organization agree as follows:

1. Lease of Equipment: Government hereby demises, leases and lets to Organization, and Organization rents, leases and hires from Government up to thirteen (13) vehicles more particularly described in Exhibit "A", attached hereto and incorporated herein by reference. The use of all vehicles provided to Organization by Government shall continue to be governed by the terms of this Vehicle Lease Agreement.

2. Lease Term. This Lease shall commence on the date hereof and shall continue until the termination of the Purchase of Service Agreement between Government and Organization.

3. Rental. Government and Organization understand and intend that the obligation of Organization to provide animal control services for Government is and shall be sufficient consideration for the rent of the vehicles.

4. Title to the Equipment. Title to the vehicles, including any and all repairs and replacements thereof, but excluding any additions made thereto by Organization, shall at all times during the Lease Term be in Government.

5. Maintenance of Equipment. Organization agrees that at all times during the Lease Term it shall maintain, preserve and keep the vehicles in good repair, working order, and condition and that Organization shall from time to time make or cause to be made all necessary and proper repairs, replacements, and renewals. Should repairs, replacements or renewals to the vehicles be necessary, Organization agrees that it shall purchase and utilize only new original equipment by manufacturer ("OEM") parts.

Organization shall obtain regular and routine vehicle maintenance and repair services from

Government's Division of Fleet Services. At Organization's request, Government will provide such services for Organization, provided, however, that the cost to Government shall not exceed the sum of Forty Thousand Dollars ($40,000.00) and any cost in excess of this sum shall be borne by Organization. Government shall submit a statement to Organization for the actual parts, supplies and costs incurred by Government in providing these services to Organization, in excess of the not-to-exceed amount, and Organization will reimburse Government for such costs within thirty (30) days of receipt of the statement. Upon request, Government will provide Organization with an estimate of anticipated costs of repair and will inform Organization of the then current total cost incurred by Government in providing vehicle maintenance and repair services for Organization. Organization shall use its best efforts to fully comply with all applicable Division of Facilities and Fleet Management policies and procedures.

6. Taxes and Charges. In the event that the use, possession, or acquisition of any vehicle is found to be subject to taxation in any form, Organization will pay during the Lease Term all taxes and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the vehicles, and any vehicle or other property acquired in substitution for or as a replacement of the vehicles, as well as all other charges incurred in the operation, maintenance, use, and upkeep of the vehicles.

7. Insurance; Indemnity.

a. At all times relevant to the performance of this Lease, Organization shall, at its own expense, maintain insurance coverages in at least the following amounts, which shall be properly filed and approved by the Kentucky Department of Insurance. Evidence of such coverage shall be made available to LFUCG upon request. General liability ($1 million per occurrence, $2 million aggregate or $2 million combined single limit); Automobile Liability (combined single, $1 million per occurrence); Excess/Umbrella Liability ($2 million per occurrence). Said coverages shall be sufficient to protect the Full Insurable Value of the vehicles and to protect Government and Organization from liability in all events. Any insurance that Organization carries shall comply with the Lexington-Fayette Urban County Government's Division of Fleet Services basic repair procedures. All insurance proceeds from casualty losses shall be payable to Government and Organization as their interest in vehicles, and additions thereto, may appear.

b. Organization shall indemnify, defend and hold harmless LFUCG and its elected and appointed officials, employees, agents, volunteers, and successors in interest, from and against any and all liability, damages, and losses, including but not limited to: demands, claims, liens, suits, notices of violation from governmental agencies, obligations, causes of action, judgments, penalties, fines, liens, costs, expenses, interest, defense costs and reasonable attorney's fees that are in any way incidental to or connected with, or that arise or are alleged to have arisen, directly or indirectly, from or by Organization's performance of, or breach of this Lease and/or the provision of goods or services, provided that (a) it is attributable to personal injury, bodily injury, sickness, or death, or to injury to or destruction of property (including the loss of use resulting therefrom), or to or from the negligent acts, errors or omissions or willful misconduct of Organization or its officials, employees, or agents; and (b) not caused solely by willful misconduct of LFUCG.

c. Organization understands and agrees that its obligation to defend LFUCG includes the obligation to investigate, handle, respond to, resist, provide a defense for, and defend claims, at Organization's expense, using attorneys approved in writing by the LFUCG, which approval shall not be unreasonably withheld.

d. Organization further understands and agrees that its obligation to indemnify includes, but is not limited to: attorney fees and expenses, costs of litigation, court and administrative costs, expert witness fees and expenses, judgments, fines, penalties, interest, all environmental cleanups and remediation costs of whatever kind, and any liability arising from death, injury, or damage of any kind, to any person, including employees and agents of Organization and LFUCG, and damage to, or destruction of, any property, including the property of LFUCG.

e. This provision shall in no way be limited by any financial responsibility or insurance requirements, and shall survive the termination of this Lease.

f. Organization understands that LFUCG is a political subdivision of the Commonwealth of Kentucky and acknowledges and agrees that LFUCG is unable to provide indemnity or otherwise save, hold harmless, or defend the Organization in any manner.

8. Disclaimer of Warranties. GOVERNMENT MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, CONDITION, MERCHANTABILITY, OR FITNESS FOR PARTICULAR PURPOSE OR FITNESS FOR USE OF THE VEHICLES, OR ANY WARRANTY WITH RESPECT THERETO. In no event shall Government be liable for any incidental, indirect, special, or consequential damage in connection with, or arising out of, this Lease Agreement.

9 Use of Equipment. Organization will not install, use, operate, or maintain the vehicles improperly, carelessly, in violation of any applicable law, or in a manner contrary to that contemplated by the Purchase of Service Agreement between Government and Organization. Organization shall obtain and maintain all permits and licenses, if any, necessary for use and operation of the vehicles. In addition, Organization shall comply in all respects with all laws of the jurisdiction in which it operates any of the vehicles.

10. Assignment of Lease. This Lease and the interest of the Organization in the vehicles may not be assigned or encumbered in whole or part by Organization for any reason without the prior written consent of Government.

11. Default. Organization's failure to comply with any of the terms of the Purchase of Service Agreement or this Lease Agreement shall constitute an event of default. Upon the occurrence of any event of default, Government shall be entitled immediately to re-take possession of the vehicles and to take any other action which may appear necessary or desirable to enforce its rights as owner of the vehicles.

12. Prior Agreements. All prior vehicle lease agreements between the parties are terminated by mutual agreement.

13. Notice. All notices and other communications given or required to be given under this Agreement shall be in writing and shall be deemed given at the time it is deposited in the United States mail, postage pre-paid, certified or registered mail, return receipt requested, addressed to the party to whom it is to be given as follows:

Organization: Lexington-Fayette Animal Care and Control, LLC
1600 Old Frankfort Pike
Lexington, Kentucky 40504
Attn: President

Government: Lexington-Fayette Urban County Government
Department of Public Safety
200 East Main Street
Lexington, Kentucky 40507
Attn: Commissioner

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first herein written.

LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT

BY: _____
LINDA GORTON, MAYOR

LEXINGTON-FAYETTE ANIMAL CARE AND CONTROL, LLC

BY: LEXINGTON HUMANE SOCIETY, ITS MEMBER

BY: Summer Jackson 8/5/24
SUMMER JACKSON, PRESIDENT

BY: JKaluski
JEMMA KALUSKI, CHAIRPERSON
BOARD OF DIRECTORS

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