LOANED VEHICLE
RISK ALLOCATION AGREEMENT

I. The Parties

The Parties to this Agreement are:

1.1 McNeilus Truck and Manufacturing, Inc., 524 County Road 34 East, P.O. Box 70, Dodge Center, Minnesota 55927, hereinafter "McNeilus."

1.2 City of Franklin, 124 Lumber Dr., Franklin, TN 37063 hereinafter, "Customer."

II. The Recitals

2.1 The Effective Date of this Agreement is 06/12/18.

2.2 McNeilus is the owner of a 2018, Autocar ACX64, Vehicle Identification Number 5VCACRUF5JC226097, ("Vehicle"). McNeilus has loaned this vehicle to Customer for Customer's use in hauling and dumping refuse, free of charge or rent. McNeilus will provide all scheduled maintenance and repair, excluding routine daily checks and adjustments and maintaining oil levels, which are the sole responsibility of Customer. Prior to accepting the Vehicle, Customer shall inspect and accept the Vehicle in the physical condition described below. Customer will return the Vehicle to McNeilus in the same condition, reasonable wear and tear arising from normal use and operation of the Vehicle, excepted. The place of return shall be Customer yard / site, where the parties shall record the returned condition of the Vehicle below. It will be Customer's responsibility to pick up and return the Vehicle to the agreed location listed above.

Year 2018	Make Autocar	Model ACX64	Vehicle Identification Number 5VCACRUF5JC226097
Vehicle Condition		Out	In
Body			
Undercarriage			
Interior			
Glass			
Tires			
Odometer			
Fuel Level			

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Checked by:

2.3 The Parties desire to allocate the risks of operation of the Vehicle by Customer while the Vehicle is in the possession of the Customer, but owned by McNeilus.

III. The Agreement

Therefore, the Parties Agree as follows:

3.1 The Recitals. The Recitals are a part of this Agreement.

3.2 Allocation of Liability. Customer, only to the extent provided by law, agrees to assume liability for all loss, damages, claims, liabilities, judgments, costs, and expenses arising from Customer's use or possession of the Vehicle, while the Vehicle is owned by McNeilus.

3.3 Prompt Notice. McNeilus shall notify Customer promptly in writing of any matter for which McNeilus claims Customer is liable. Customer shall notify McNeilus promptly in writing of any failure of the Vehicle to operate according to specifications and of any incident that result in damage to the Vehicle or for which Customer claims McNeilus is liable.

3.4 Term. This is a short-term loan agreement. It begins on 06/12/18 and ends at midnight on 06/22/18 (the "Return Date").

3.5 Use Purpose. The Vehicle is released to Customer for normal operational use for hauling and dumping refuse.

3.6 Operation and Maintenance Expenses. Customer shall provide or pay for all operating expenses, including fuel, oil, permits, and licensing as applicable as necessary during the Term of this Agreement. Customer will perform daily checks of vehicle.

3.7 Repairs. In the event of mechanical breakdown, Customer shall make no repairs or modifications to the Vehicle without prior written authorization of McNeilus. Customer shall pay and be liable for all repairs arising out of any negligence of Customer, its employees or agents. All such repairs shall be done in a workmanlike manner, using first class repairs and materials.

3.8 Insurance. During the Term Customer, at its expense, shall maintain the following minimum limits of insurance: (a) Comprehensive and Collision coverage on the Vehicle with limits equal to or greater than the replacement value of the vehicle (b) Auto Liability of $1,000,000 Combined Single Limit (c) Umbrella liability limits of $3,000,000 and (d) Statutory Workers' Compensation coverage.

All such insurance shall include McNeilus as a loss payee and additional insured as their interest may appear. Such coverage shall be written with an Insurance Company rated no less than A, VIII

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by A.M. Best. Each policy shall provide at least a 30-day written notice of cancellation, material modification, or non-renewal.

Prior to release of vehicle, Customer shall provide McNeilus with a Certificate of Insurance providing evidence of these coverage's and requirements.

3.9 Accidents, Damages. Customer shall promptly notify McNeilus of any accident involving, or damage to, the Vehicle and shall provide McNeilus with copies of all reports, charges or citations prepared or filed by Customer, its insurer or any governmental authority. Customer shall make no repairs or modifications to the Vehicle without prior authorization of McNeilus. Customer shall pay and be liable for all repairs to the Vehicle, arising out of Customer's use or possession of the Vehicle by Customer, its employees, agents, customers or invitees. All such repairs shall be done in a workmanlike manner, using first class repairs and materials.

3.10 Other Responsibilities. Customer accepts complete responsibility for operation of the Vehicle, including:

a. The Vehicle shall be operated only by employees or agents of Customer who have been adequately trained in such operation by Customer and who hold a valid Commercial Drivers License and who otherwise are in, where applicable, compliance with the Federal Motor Carrier Safety Regulations.

b. The vehicle shall not be operated on a public road unless identified with Customer's U.S. DOT number.

c. The Vehicle shall not be operated with loads in excess of GVW or GCW limits defined for the Vehicle.

d. The Vehicle shall not be operated without all appropriate licenses and permits.

e. The Vehicle shall not be operated in violation of applicable federal, state, or municipal law.

f. The Vehicle shall be operated only with attachments that McNeilus specifically authorized in writing.

3.11 Loaned Vehicle Only. Customer has neither legal nor equitable ownership of the Vehicle, but has only the right to use the same as provided by this Agreement. Ownership and title to the Vehicle shall belong at all times to McNeilus, notwithstanding any documentation given to Customer by McNeilus to permit its use by McNeilus. Customer shall not in any manner permit or cause the Vehicle to be mortgaged or to be made subject to any lien or security interest.

3.12 No Assignment or Sublease. This Agreement may not be assigned by Customer without the written consent of McNeilus.

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3.13 Inspection. McNeilus may inquire at any time as to the location of the Vehicle and may inspect the Vehicle during normal business hours of Customer upon a 24 hour notice. Customer shall give McNeilus immediate notice of any levy attempted upon the Vehicle by any third party.

3.14 Termination. At the option of McNeilus this Agreement shall terminate immediately upon occurrence of any of the following:

a. Violations by Customer of any term or obligation to be performed by it under this Agreement.

b. Operation of the Vehicle by any person not an agent or employee of Customer or otherwise authorized by Customer or any other person and not adequately trained in such operation.

Upon termination Customer shall cease to operate the Vehicle.

3.15 Controlling Law. The parties intend this Agreement to be executed in and interpreted, construed and enforced in accordance with the laws of the State of Tennessee.

CITY OF FRANKLIN, TN

By: Eric S. Stuckey

Print Name: ERIC S. STUCKEY

Title: CITY ADMINISTRATOR

Date 6-15-2018

McNEILUS TRUCK AND MANUFACTURING, INC.

By: [illegible]

Print Name: CHRISTINE KERSTING

Title: SR. SALES ADMINISTRATOR

Date 6/13/18

Rev. 6/2008

Approved as to Form:

Shauna R. Billingsley

~~Tiffani M. Pope, Staff Attorney~~

Shauna Billingsley
City Attorney