

EXHIBIT C

LEASE AGREEMENT

This Lease Agreement, made and entered into this 9th day of October, 1987, by and between Boone Electric Cooperative, a Corporation, having its principal office in the City of Columbia, Missouri, hereinafter called "Lessor", and Boone County Regional Sewer District, a body corporate and a political subdivision of the State of Missouri, having its principal office in the City of Columbia, Missouri, hereinafter called "Lessee".

WITNESSETH:

1. Lessor hereby leases to Lessee for period of fifty (50) years, the real estate more particularly described as Lease Tract "A" on Survey Document # 961 recorded January 23, 1987, Book 613, Page 802 of the Boone County Records. ALSO: To include a parcel beginning at the South East corner of Lease Tract "A" thence South 89 degrees 51 minutes East, 60.90 feet: thence North 0 degrees 4 minutes East, 85.0 feet; thence North 89 degrees 51 minutes West, 60.90 feet; (more or less), to the North East corner of the aforementioned Lease Tract "A", thence South 0 degrees 4 minutes West 85.0 feet; along the East line of Lease Tract "A" to the Point of Beginning and contains 0.118 acres more or less.

2. The term of this lease and the payment of rent hereunder shall commence on the 1st day of the month next succeeding the day the building and parking lot situated upon the leased premises are deemed ready for occupancy. Said building and parking lot shall be deemed ready for occupancy when the City of Columbia issues its occupancy permit. The building is scheduled for completion on or before October 1, 1987. The failure by Lessor to have the building ready for occupancy by October 1, 1987, shall not void or terminate this lease, and Lessee agrees that Lessor shall not be liable for any damage caused by said failure.

3. Lessee shall pay to Lessor the sum of \$100.00 per year, on the first business day of the year during the term hereof, payable at the office of Lessor, as rental for the Leased Premises.

4. Lessor acknowledges receipt from Lessee of \$100.00 as security for the faithful performance and observance by Lessee of the terms and conditions of this Lease. In the event Lessee defaults in respect of any of the terms and conditions of this Lease, Lessor may use or retain the whole or any part of the security so deposited to the extent required by reason of such default. If Lessor applies any part of said deposit to cure any default of Lessee, Lessee shall upon demand deposit with Lessor the amount so applied so that Lessor shall have the full deposit

on hand at all times during the term of this Lease. In the event Lessee shall fully and faithfully comply with all of the terms and conditions of this Lease, the security shall be returned to Lessee without interest, at the end of the lease term, and after delivery of possession of the leased premises to Lessor.

5. This lease shall be subject and subordinate to the lien of any mortgage, deed of trust or similar instrument executed prior to the date hereof, against said Leased Premises.

6. The parties covenant and agree that upon the expiration of this lease, or any renewals hereof, the Leased Premises shall be and remain the property of Lessor, and the building and parking lot situated upon the Leased Premises shall be the Property of Lessee.

7. Lessee shall not make any alterations or additions to the Leased Premises or cause any signs to be placed upon the Leased Premises, without first obtaining the written consent of Lessor. Any permanent alterations or additions to which Lessor consents shall be at Lessee's expense and shall be in quality at least equal to the building situated upon the leased premises.

8. Lessee shall be responsible for and shall pay, as they become due, all bills for gas, electricity, water, sewer, telephone and other utilities used on the Leased Premises during the term of this lease. In the event Lessee requires additional

utilities or equipment, the installation and maintenance thereof shall be Lessee's sole obligation, provided that such installation shall be subject to the written consent of Lessor.

9. Lessee shall insure and keep insured during the term of this lease Leased Premises with public liability insurance in companies and in form acceptable to Lessor, and shall cause Lessor to be named as an additional insured and loss payee, as its interests may appear, said insurance to include property damage coverage of at least \$100,000 and personal injury coverage of at least \$500,000 on account of bodily injuries to or the death of one person, and \$500,000 on account of bodily injuries to or the death of more than one person as a result of any one accident or disaster. Lessee shall deposit the policy or policies of insurance or certificates thereof with Lessor, together with receipts or other evidences of payment of same. If Lessee shall not comply with its covenants made herein, Lessor may cause insurance as aforesaid to be issued, and in such event Lessee agrees to pay the premiums for such insurance within ten (10) days of Lessor's demand.

10. All property which may be on said Leased Premises during the term of this Lease shall be at the sole risk of Lessee. Lessor shall not be liable to Lessee or to any other person whomsoever, for any injury, loss or damage to any person or property in or upon said Leased Premises or upon the sidewalks, driveways, curbs, and similar property adjoining the

building and parking lot. Lessee hereby agrees to assume all liability for or on account of any such injury, loss or damage, and to indemnify and save Lessor harmless therefrom.

11. Lessee shall not permit any mechanics' liens or other encumbrances to be filed against the Leased Premises, or the building and parking lot situated upon the Leased Premises. Lessee shall indemnify and hold Lessor harmless against all such liens and encumbrances.

12. If the Leased Premises or any part thereof shall be taken by the city or state or other public authority for any public use, then this lease shall terminate from the time when possession so taken shall be required for such public use. The damages which may be awarded for such taking shall be apportioned between the Lessor and Lessee, the Lessor to receive the amount attributable to the Leased Premises and the Lessee to receive the amount attributable to the building and parking lot situated on the Leased Premises. If Lessor and Lessee cannot agree upon an apportionment, Lessor shall nominate one person, Lessee shall nominate one person and the two so nominated shall nominate a third person, which three people shall decide upon an apportionment, with the decision of any two of them to be binding.

13. Lessee shall not make any unlawful, improper, offensive or other use of the Leased Premises or the building

and parking lot situated on the Leased Premises or any use or occupancy thereof contrary to any law of Missouri or any ordinances of Columbia, Missouri, now or hereafter made, or which shall be injurious to any person or property, or which shall be liable to endanger or affect any insurance on the Leased Premises or building and parking lot situated on the Leased Premises or to increase the premium thereof. Lessee shall use said building as an office building, for the purpose of conducting general activities in connection with its sewer district, and for no other purpose.

14. Lessee shall permit Lessor to enter the Leased Premises at reasonable times to inspect same.

15. Lessee shall not assign this lease or sub-let the Leased Premises, without first obtaining the written consent of Lessor. Lessee shall not lease, sell, transfer or part with possession the whole or any part of the building and parking lot situated upon the Leased Premises.

16. If Lessee defaults in the payment of rent or in the performance of any of the covenants hereof, including but not limited to assigning this lease or subletting the Leased Premises, or using the Leased Premises for a purpose other than conducting general office activities in connection with Lessee's Sewer District or leasing, selling or transferring the building and parking lot, Lessor shall give Lessee notice of such default

and if Lessee does not cure any rent default within five (5) days, or other default within ten (10) days, or if such other default is of such nature that it cannot be completely cured within ten (10) days, if Lessee does not begin to cure the default within such ten (10) days and thereafter proceed with reasonable diligence to cure such default, then Lessor may terminate this lease agreement on not less than three (3) days notice to Lessee, and on the date specified in said notice the terms of this lease shall terminate and Lessor may, immediately or at any time thereafter, without notice or demand, enter into and upon the Leased Premises, without being taken or deemed to be guilty of any manner of trespass, but without prejudice as to any remedies which might otherwise be used by Lessor for arrears of rent or any breach of Lessee's covenants herein, but Lessee shall remain liable for the rent due under this lease, for the duration of the term of this lease. No waiver by Lessor of any covenant hereunder shall be a waiver of any succeeding breach of the same covenant. In the event this lease agreement is terminated as provided herein, Lessor at its option may exercise its right of foreclosure under the Deed of Trust conveying said building and parking lot executed simultaneously with this Lease Agreement, or Lessee hereby grants Lessor the option to purchase said building and parking lot at its then fair market value. If Lessor and Lessee fail to agree upon the fair market value, Lessor shall nominate one person, Lessee shall nominate one person and the two so nominated shall nominate a third person,

which three people shall decide upon the fair market value, with the decision of any two of them to be binding. Such option shall be exercised by Lessor by giving not less than three (3) days notice in writing to Lessee. If the option is exercised, the Lessor and Lessee will, within ten (10) days execute and deliver a form contract of sale which shall provide that the sale shall be all cash and that ten percent (10%) of the amount of the purchase price shall be paid upon the execution and delivery of the contract. The balance of the cash payment shall be made at the closing, which shall take place as soon as is practicable after the execution and delivery of the contract. The contract shall provide, among other things, that the Lessee shall deliver to Lessor a title insurance policy insuring said building and parking lot within fifteen (15) days of the execution and delivery of said contract, said title insurance policy to show marketable title, free and clear of encumbrances, in Lessee. The Lessor shall have one month thereafter in which to examine said policy and notify the Lessee in writing of any objections to title. Any objections to defects not so made shall be deemed waived. The Lessee shall correct any defect so noted within a reasonable time.

17. It is hereby agreed that the covenants, stipulations and conditions herein contained shall be binding upon the parties hereto, their successors and assigns.

IN WITNESS WHEREOF, Lessor and Lessee have executed this Lease in duplicate the day and year first above written.

BOONE ELECTRIC COOPERATIVE

By L. D. Bawick

ATTEST:

Taylor A Barnes

BOONE COUNTY REGIONAL
SEWER DISTRICT

By Max Dills

ATTEST:

Richard L. Book

STATE OF MISSOURI)
) SS
COUNTY OF BOONE)

On this 21 day of JANUARY, 1987, before me personally appeared L. D. BAURICHTER, personally known, who, being by me duly sworn, did say that he is PRESIDENT of Boone Electric Cooperative, that said instrument was signed and sealed in behalf of said Cooperative, as the free act and deed of said Cooperative.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at my office in Columbia, Boone County, Missouri, the day and year first above written.



Notary Public Paula Boehm

My Commission Expires:

May 12, 1990

STATE OF MISSOURI)
) SS
COUNTY OF BOONE)

On this 28 day of January, 1987, before me personally appeared Max Dills, personally known, who, being by me duly sworn, did say that he is Board Chairman of Boone County Regional Sewer District, that said instrument was signed and sealed in behalf of said Boone County Regional Sewer District, as the free act and deed of said Boone County Regional Sewer District.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at my office in Columbia, Boone County, Missouri, the day and year first above written.



Notary Public
Rebecca L. Dailey

My Commission Expires:

September 25, 1990