



THE STATE OF NEW HAMPSHIRE
DEPARTMENT OF TRANSPORTATION



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[Signature]

CHRISTOPHER D. CLEMENT, SR.
COMMISSIONER

JEFF BRILLHART, P.E.
ASSISTANT COMMISSIONER

Bureau of Highway Maintenance
December 19, 2013

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the Department of Transportation to enter into a lease agreement with Nortrax Inc., Pembroke, New Hampshire (Vendor Code 218286) with credit financing through Deere Credit, Inc., of Johnston, IA, on the basis of a low bid of \$1,085.67 per month per unit for fifty (50) loader backhoes for a total lease value of \$3,257,010. Lease payments will be payable to Deere Credit, Inc. The lease agreement will be effective upon Governor and Council approval for a lease term of 5 years through May 2019. 100 % Highway Funds.

Funding is available as follows for FY 2014 and FY 2015 and is contingent upon the availability and continued appropriation of funds for FY 2016 through FY 2019.

Table with 7 columns: Item Description, FY 2014, FY 2015, FY 2016, FY 2017, FY 2018, FY 2019. Rows include Highway Maintenance and Winter Maintenance categories with specific funding amounts.

The funding distribution is based on staggered delivery of leased equipment from March 17, 2014 through May 14, 2014 and utilizing the equipment 5 months for Winter Maintenance and 7 months for Bureau of Highway Maintenance.

EXPLANATION

This leasing agreement for fifty (50) loader backhoes is necessary in order for DOT Bureau of Highway Maintenance to perform road maintenance tasks. These fifty (50) leased loader backhoes will replace existing units that are currently being rented under contract rental agreements and therefore does not constitute an increase in the fleet. The Bureau of Highway Maintenance has 6 District Offices with 88 Patrol Sheds throughout those Districts that serve the entire state geographically. These crews perform varied activities such as plowing, sanding and de-icing during snowstorms, paving and drainage repairs, culvert repairs, tree cutting and removal, and restoring roads after washouts and state emergencies. In order to perform the Bureau of Highway Maintenance duties, loader backhoes are required on a regular basis.

This lease program was initiated prior to the requirement for the Department of Administrative Services to review and approve in accordance with Chapter 144:12, Laws of 2013. The lease bid process was performed in accordance with standard contracting process and to avoid losing significant time in acquiring the needed equipment the Department has decided to move this contract forward.

This lease program was reviewed and approved by the Department of Treasury as to compliance with RSA 6:35-State Leases. The NH State Treasury Agency Lease Questionnaire signed and dated by the State Treasurer is attached.

The Bureau of Highway Maintenance currently obtains loader backhoes by contract rental agreements with various vendors statewide. The loader backhoe lease agreement is estimated to save NHDOT Bureau of Highway Maintenance \$1.08 million over the 5 year lease term. A financial cost savings analysis is summarized in Table 1, attached.

An invitation for bid was advertised in the Union Leader, Manchester, NH, for six days, August 2–7, 2013 and on the Department of Administrative Services website during the same period. The invitation for bid indicated that at the time of advertisement, the Department anticipated obtaining fifteen (15) loader backhoes for use in Highway Maintenance Districts throughout the state and final quantities may be higher or lower. The bid opening date was August 14, 2013. Four bid(s) were received. Based on bid results and evaluation of existing contract rental agreement rates, the Department decided to lease 50 loader backhoes. The monthly lease agreement amount of \$54,283.50 includes 50 backhoes fully equipped with all attachments to be distributed at various NHDOT Bureau of Highway Maintenance Patrol Shed locations. The leasing agreement includes a routine maintenance agreement in which the vendor performs on-site regular upkeep for all leased backhoes. This lease is a significant savings over present costs and is considered reasonable based on bids received and previous charges paid for similar rentals. Should funding not be available in future budgets, the lease agreement will be renegotiated or terminated as necessary. The Department believes it to be in the best interest of the State of New Hampshire to accept this lease agreement to accomplish the needed work.

This vendor lease agreement with amendment has been approved by the Attorney General as to form and execution, and the Department has certified that the necessary funds are available. As part of the vendor lease agreement, NHDOT will provide insurance for the lease vehicles. A formal quote for insurance was obtained from the state fleet insurance carrier through NH Department of Administrative Services Risk Management Unit. The cost of liability and physical damage insurance per unit is \$704.75 per year with a total insurance cost of \$176,187.50 over the term of the lease agreement. Certificates of Insurance will be provided following Governor and Executive Council approval when we are then able to actually bind insurance coverage.

Copies of the fully executed lease agreement and amendment are on file at the Secretary of State's Office and the Department of Administrative Service's Office, and subsequent to Governor and Executive Council approval will be on file at the Department of Transportation.

The Department of Transportation respectfully requests Governor and Executive Council approval of this contract.

Sincerely,

A handwritten signature in black ink, appearing to read "M.D. WT". The letters are stylized and connected, with a large "M" and "W".

Christopher D. Clement, Sr.
Commissioner

NH State Treasury Agency Lease Questionnaire

CHAPTER 6 STATE TREASURER AND STATE ACCOUNTS

State Leases

6:35 State Leases. – The 10-year limitation does not apply to leases for state facility energy cost reduction projects pursuant to RSA 21-I:19-a through RSA 21-I:19-e, which shall be subject to the term limitation applicable to energy performance contracts, as defined therein. The treasurer may establish financing criteria to be met by any state agency or department before entering into leases for equipment. In no instance shall the term of such lease exceed 10 years. For purposes of this section "leases" shall include lease-purchase, sale and lease back, installment sale, or other similar agreements entered into by various agencies or departments to acquire such equipment from time to time for the agencies or departments; provided that funding for such equipment leases was specifically approved by the legislature in a budget. Payment obligations under any lease entered into under this section shall be subject to annual appropriation and shall not be treated as debt obligations of the state. Nothing in this chapter shall prohibit the treasurer from entering into financing agreements or executing any related documents, including any document creating or confirming any security interest retained by the seller or lessor of the equipment. *(emphasis added)*

Please read RSA 6:35 to familiarize yourself with the statutory requirements for State of New Hampshire lease transactions. In order to provide a brief overview of the asset and financing arrangement, please submit responses for the following items:

1. Has funding for the lease payments under consideration been specifically approved by the state legislature? Please provide a copy of the relevant excerpt from the biennial operating budget containing the line item for the appropriate accounting unit.
Yes, budget note from HB2 (attachment 1). Refer to 144:12 for Departments overall authority to lease as established in HB2. The lease payments will be paid from a combination of NHDOT org codes including 2928, 3007 and 3039 depending on specific utilization. All lease payments will be paid from Class 22. The org code appropriations are summarized in attachment 2.
2. Has the financing schedule been submitted to the Deputy State Treasurer for analysis and approval? If so, confirm rate found to be reasonable and that there are sufficient appropriations available to cover the lease payments. If not, what is the time frame for submission?
Bill Dwyer has calculated an IRR to the financing entity of -1.58%, which reflects very favorable financing terms to the State. The IRR analysis is attached. Bill Dwyer can be contacted at 603-271-2628 or bdwyer@treasury.state.nh.us.
3. Have both the Department of Administrative Services (DAS) and the Attorney General's office (AGO) been notified so that they can conduct their reviews of the lease documentation? If so, please provide the contact information for those conducting the review at DAS and AGO. If not, what is the time frame for submission?
Karen Schlitzer and John Conforti of AG office have been notified. John Conforti is the point of contact and can be contacted at 603-271-1211 or john.conforti@doj.nh.gov. NHDOT and NHDAS representatives have met and DAS has approved NHDOT to proceed with the loader backhoe leases. NHDAS representative was Mike Connor, he can be contacted at 603-271-6899 or michael.connor@nh.gov.

We have also worked with Sarah Tilton at DAS Risk Management pertaining to insurance requirements. Sarah Tilton can be contacted at 603-272-2223 or sarah.tilton@nh.gov.

If an Escrow Agreement is involved, will it require a State bank account? Who will be the signatory(ies)? Please provide a brief summary of how the account will operate. Has Governor & Council approval to open the State bank account been obtained? (attach appropriate documentation for the escrow agreement, if needed)

An escrow agreement is not part of the lease. The funding will be from multiple NHDOT org codes including 2928 and 3007. Lease payments will be from class 22 in each of the org codes depending on equipment utilization. A summary of the org code appropriations is presented in attachment 2.

Please note that the State Treasury will determine whether to seek bond counsel approval for this transaction. Therefore please include a completed IRS Form 8038-C with this submission.

Submitted by: [Signature] Position Title/Agency: Finance Rep Do.

Phone/Email: 603-271-9413 / E.Passaro@doj.state.nh.us

Date: January 29, 2014

Reviewed/Approved: [Signature]
State Treasury

Date: 1/29/2014

CHAPTER 144

HB 2-FN-A-LOCAL – FINAL VERSION

- Page 3 -

the proportion each paid for such expenditures in the prior fiscal year, and \$3,000,000 shall be allocated among the counties based upon their relative proportions of residents age 65 or older who are Medicaid recipients.

(3) For fiscal year 2011 and for each fiscal year thereafter, \$5,000,000 shall be allocated among the counties based upon their relative proportions of residents age 65 or older who are Medicaid recipients.

(b) The credit shall be made available as soon as possible after the start of the fiscal year. The department shall adopt county credit criteria in consultation with the county-state finance commission and in accordance with the provisions of RSA 541-A. The total aggregate obligation of the counties shall be reduced by the amount of the credit in each fiscal year.

144:9 Health and Human Services; Social Services Block Grant Cost of Living Adjustment to Income Levels. Notwithstanding any other provision of law, for the biennium ending June 30, 2015 the department of health and human services shall raise the income eligibility for elderly and adult clients under the Social Services Block Grant program each January, by the percentage amount of the cost of living increase in social security benefits on a yearly basis.

144:10 Foster Grandparent Program. The reimbursements to the foster grandparent program through the senior volunteer grant program established in RSA 161-F:40 are hereby suspended for the biennium ending June 30, 2015.

144:11 Department of Health and Human Services; Adoption Assistance Program. The department of health and human services shall administer its adoption assistance program consistent with federal law and regulations and the state's Title IV-E plan for foster care and adoption assistance.

144:12 Agreements to Lease-Purchase Vehicles and Equipment Authorized. For the biennium ending June 30, 2015, any state agency or department is authorized, with the prior approval of the department of administrative services, to enter into agreements to rent, lease, or lease-purchase vehicles and equipment from any outside vendor or to rent or lease vehicles and equipment from any other state agency or department.

144:13 Department of Transportation; Federal Assistance Grant; Appropriation. Any sum received in the fiscal years ending June 30, 2014 or June 30, 2015 from the Federal Emergency Management Agency or Federal Highway Administration's Emergency Relief Program or any other federal program providing emergency assistance to the department of transportation to reimburse costs incurred for emergency response, including but not limited to, equipment rental, snow plowing, sanding, salting, flood damage response, and personnel overtime during any emergency declared shall be collected by the appropriate agency and appropriated to the department of transportation.

144:14 Department of Administrative Services; Suspension of Bumping Rights. The displacement of classified state employees by more senior classified state employees, or so-called

212	0015	9605	2928	ASSET MAINTENANCE & PRESERVATI	400	CONSTRUCTION REPAIR MATERIA	1,000.00
213			2073	Total			233,486.00
214	0015	9605	2928	WINTER MAINTENANCE	004	INTRA AGENCY TRANSFERS	0.00
215	0015	9605	2928	WINTER MAINTENANCE	017	FT EMPLOYEES SPECIAL PAYMEN	547,660.00
216	0015	9605	2928	WINTER MAINTENANCE	018	OVERTIME	3,319,232.00
217	0015	9605	2928	WINTER MAINTENANCE	019	HOLIDAY PAY	32,145.00
218	0015	9605	2928	WINTER MAINTENANCE	020	CURRENT EXPENSES	9,783,747.00
219	0015	9605	2928	WINTER MAINTENANCE	022	RENTS-LEASES OTHER THAN STA	6,518,073.00
220	0015	9605	2928	WINTER MAINTENANCE	023	HEAT ELECTRICITY WATER	680,428.00
221	0015	9605	2928	WINTER MAINTENANCE	024	MAINT OTHER THAN BUILD-GRN	2,822.00
222	0015	9605	2928	WINTER MAINTENANCE	030	EQUIPMENT NEW REPLACEMENT	80,000.00
223	0015	9605	2928	WINTER MAINTENANCE	039	TELECOMMUNICATIONS	90,000.00
224	0015	9605	2928	WINTER MAINTENANCE	047	OWN FORCES MAINT BUILD-GRN	10,000.00
225	0015	9605	2928	WINTER MAINTENANCE	048	CONTRACTUAL MAINT BUILD-GRN	20,000.00
226	0015	9605	2928	WINTER MAINTENANCE	050	PERSONAL SERVICE TEMP APPOI	150,000.00
227	0015	9605	2928	WINTER MAINTENANCE	060	BENEFITS	780,718.00
228	0015	9605	2928	WINTER MAINTENANCE	070	IN STATE TRAVEL REIMBURSEME	125,839.00
229	0015	9605	2928	WINTER MAINTENANCE	103	CONTRACTS FOR OP SERVICES	20,690.00
230	0015	9605	2928	WINTER MAINTENANCE			0.00
231			2928	Total			22,161,374.00

232 0015 9605 3007 MECHANICAL REPAIRS 004 TRANSFERS FROM OTHER AGENCY 0.00

261	0015	9605	3007	HIGHWAY MAINTENANCE BUREAU	004	INTRA AGENCY TRANSFERS	0.00
262	0015	9605	3007	HIGHWAY MAINTENANCE BUREAU	007	AGENCY INCOME	0.00
263	0015	9605	3007	HIGHWAY MAINTENANCE BUREAU	009	AGENCY INCOME	0.00
264	0015	9605	3007	HIGHWAY MAINTENANCE BUREAU	010	PERSONAL SERVICES PERM CLAS	24,652,557.00
265	0015	9605	3007	HIGHWAY MAINTENANCE BUREAU	018	OVERTIME	519,510.00
266	0015	9605	3007	HIGHWAY MAINTENANCE BUREAU	019	HOLIDAY PAY	8,629.00
267	0015	9605	3007	HIGHWAY MAINTENANCE BUREAU	020	CURRENT EXPENSES	3,773,198.00
268	0015	9605	3007	HIGHWAY MAINTENANCE BUREAU	022	RENTS-LEASES OTHER THAN STA	3,586,946.00
269	0015	9605	3007	HIGHWAY MAINTENANCE BUREAU	023	HEAT ELECTRICITY WATER	892,395.00
270	0015	9605	3007	HIGHWAY MAINTENANCE BUREAU	024	MAINT OTHER THAN BUILD-GRN	72,438.00
271	0015	9605	3007	HIGHWAY MAINTENANCE BUREAU	030	EQUIPMENT NEW REPLACEMENT	86,000.00
272	0015	9605	3007	HIGHWAY MAINTENANCE BUREAU	037	TECHNOLOGY-HARDWARE	10,000.00
273	0015	9605	3007	HIGHWAY MAINTENANCE BUREAU	038	TECHNOLOGY-SOFTWARE	1,000.00
274	0015	9605	3007	HIGHWAY MAINTENANCE BUREAU	039	TELECOMMUNICATIONS	128,565.00
275	0015	9605	3007	HIGHWAY MAINTENANCE BUREAU	047	OWN FORCES MAINT BUILD-GRN	100,000.00
276	0015	9605	3007	HIGHWAY MAINTENANCE BUREAU	048	CONTRACTUAL MAINT BUILD-GRN	81,602.00
277	0015	9605	3007	HIGHWAY MAINTENANCE BUREAU	050	PERSONAL SERVICE TEMP APPOI	190,000.00
278	0015	9605	3007	HIGHWAY MAINTENANCE BUREAU	060	BENEFITS	17,537,723.00
279	0015	9605	3007	HIGHWAY MAINTENANCE BUREAU	066	EMPLOYEE TRAINING	34,327.00
280	0015	9605	3007	HIGHWAY MAINTENANCE BUREAU	070	IN STATE TRAVEL REIMBURSEME	139,469.00
281	0015	9605	3007	HIGHWAY MAINTENANCE BUREAU	080	OUT OF STATE TRAVEL REIMB	8,600.00
282	0015	9605	3007	HIGHWAY MAINTENANCE BUREAU	103	CONTRACTS FOR OP SERVICES	166,814.00
283	0015	9605	3007	HIGHWAY MAINTENANCE BUREAU	400	CONSTRUCTION REPAIR MATERIA	14,215.00
284	0015	9605	3007	HIGHWAY MAINTENANCE BUREAU	406	ENVIRONMENT EXPENSE	950.00
285			3007	Total			52,295,726.00

693	0015	9630	3039	BETTERMENT	000	FEDERAL FUNDS	0.00
694	0015	9630	3039	BETTERMENT	005	PRIVATE LOCAL FUNDS	0.00
695	0015	9630	3039	BETTERMENT	009	AGENCY INCOME	0.00
696	0015	9630	3039	BETTERMENT	018	OVERTIME	750,000.00
697	0015	9630	3039	BETTERMENT	020	CURRENT EXPENSES	3,424,000.00
698	0015	9630	3039	BETTERMENT	022	RENTS-LEASES OTHER THAN STA	1,500,000.00
699	0015	9630	3039	BETTERMENT	023	HEAT ELECTRICITY WATER	1,000.00
700	0015	9630	3039	BETTERMENT	024	MAINT OTHER THAN BUILD-GRN	50,000.00
701	0015	9630	3039	BETTERMENT	033	LAND ACQUISITION AND EASEME	50,000.00
702	0015	9630	3039	BETTERMENT	039	TELECOMMUNICATIONS	1,000.00
703	0015	9630	3039	BETTERMENT	046	CONSULTANTS	500,000.00
704	0015	9630	3039	BETTERMENT	048	CONTRACTUAL MAINT BUILD-GRN	50,000.00
705	0015	9630	3039	BETTERMENT	050	PERSONAL SERVICE TEMP APPOI	200,000.00
706	0015	9630	3039	BETTERMENT	060	BENEFITS	163,650.00
707	0015	9630	3039	BETTERMENT	070	IN STATE TRAVEL REIMBURSEME	75,000.00
708	0015	9630	3039	BETTERMENT	400	CONSTRUCTION REPAIR MATERIA	14,287,694.00
709	0015	9630	3039	BETTERMENT			0.00
710			3039	Total			21,652,334.00

NHDOT Lease Payment Schedule - 50 Backhoes (Nortrax)
January 29, 2014

Bidder	Make & Model	60-Month Lease	
			W/Prev Maint.
Nortrax	310 SK		\$54,283.50
Contact date		IRR	-1.58%
	First delivery date	3/17/14	5,600,000.00
		1 4/1/14	(15,199.38)
		2 5/1/14	(35,827.11)
		3 6/1/14	(54,283.50)
		4 7/1/14	(54,283.50)
		5 8/1/14	(54,283.50)
		6 9/1/14	(54,283.50)
		7 10/1/14	(54,283.50)
		8 11/1/14	(54,283.50)
		9 12/1/14	(54,283.50)
		10 1/1/15	(54,283.50)
		11 2/1/15	(54,283.50)
		12 3/1/15	(54,283.50)
		13 4/1/15	(54,283.50)
		14 5/1/15	(54,283.50)
		15 6/1/15	(54,283.50)
		16 7/1/15	(54,283.50)
		17 8/1/15	(54,283.50)
		18 9/1/15	(54,283.50)
		19 10/1/15	(54,283.50)
		20 11/1/15	(54,283.50)
		21 12/1/15	(54,283.50)
		22 1/1/16	(54,283.50)
		23 2/1/16	(54,283.50)
		24 3/1/16	(54,283.50)
		25 4/1/16	(54,283.50)
		26 5/1/16	(54,283.50)
		27 6/1/16	(54,283.50)
		28 7/1/16	(54,283.50)
		29 8/1/16	(54,283.50)
		30 9/1/16	(54,283.50)
		31 10/1/16	(54,283.50)
		32 11/1/16	(54,283.50)
		33 12/1/16	(54,283.50)
		34 1/1/17	(54,283.50)
		35 2/1/17	(54,283.50)
		36 3/1/17	(54,283.50)
		37 4/1/17	(54,283.50)
		38 5/1/17	(54,283.50)
		39 6/1/17	(54,283.50)
		40 7/1/17	(54,283.50)
		41 8/1/17	(54,283.50)
		42 9/1/17	(54,283.50)
		43 10/1/17	(54,283.50)
		44 11/1/17	(54,283.50)
		45 12/1/17	(54,283.50)
		46 1/1/18	(54,283.50)
		47 2/1/18	(54,283.50)
		48 3/1/18	(54,283.50)
		49 4/1/18	(54,283.50)
		50 5/1/18	(54,283.50)
		51 6/1/18	(54,283.50)
		52 7/1/18	(54,283.50)
		53 8/1/18	(54,283.50)
		54 9/1/18	(54,283.50)
		55 10/1/18	(54,283.50)
		56 11/1/18	(54,283.50)
		57 12/1/18	(54,283.50)
		58 1/1/19	(54,283.50)
		59 2/1/19	(54,283.50)
		60 3/1/19	(54,283.50)
		61 4/1/19	(39,084.12)
		62 5/1/19	(18,456.39)
		63 6/1/19	0.00
		Total lease payments	(3,257,010.00)

Information Return for Tax-Exempt Governmental Obligations

► Under Internal Revenue Code section 149(e)
 ► See separate instructions.

Caution: If the issue price is under \$100,000, use Form 8038-GC.

OMB No. 1545-0720

Part I Reporting Authority		If Amended Return, check here <input type="checkbox"/>
1 Issuer's name State of New Hampshire, Department of Transportation		2 Issuer's employer identification number (EIN) 02-6000618
3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions) Mark Kirouac, Civil Engineer V		3b Telephone number of other person shown on 3a 603.271.1597
4 Number and street (or P.O. box if mail is not delivered to street address) John O. Morton Building, 7 Hazen Drive	Room/suite	5 Report number (For IRS Use Only) 3
6 City, town, or post office, state, and ZIP code Concord, New Hampshire, 03302-0483		7 Date of issue
8 Name of issue		9 CUSIP number
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information (see instructions) Leonard L. Russell, Finance Administrator		10b Telephone number of officer or other employee shown on 10a 603.3271.2546

Part II Type of Issue (enter the issue price). See the instructions and attach schedule.		
11 Education	11	
12 Health and hospital	12	
13 Transportation	13	\$3,257,010 00
14 Public safety	14	
15 Environment (including sewage bonds)	15	
16 Housing	16	
17 Utilities	17	
18 Other. Describe ►	18	
19 If obligations are TANs or RANs, check only box 19a		<input type="checkbox"/>
If obligations are BANs, check only box 19b		<input type="checkbox"/>
20 If obligations are in the form of a lease or installment sale, check box		<input checked="" type="checkbox"/>

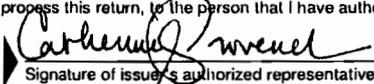
Part III Description of Obligations. Complete for the entire issue for which this form is being filed.				
(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	\$	\$	years	%

Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)		
22 Proceeds used for accrued interest	22	
23 Issue price of entire issue (enter amount from line 21, column (b))	23	
24 Proceeds used for bond issuance costs (including underwriters' discount)	24	
25 Proceeds used for credit enhancement	25	
26 Proceeds allocated to reasonably required reserve or replacement fund	26	
27 Proceeds used to currently refund prior issues	27	
28 Proceeds used to advance refund prior issues	28	
29 Total (add lines 24 through 28)	29	
30 Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	30	

Part V Description of Refunded Bonds. Complete this part only for refunding bonds.	
31 Enter the remaining weighted average maturity of the bonds to be currently refunded	_____ years
32 Enter the remaining weighted average maturity of the bonds to be advance refunded	_____ years
33 Enter the last date on which the refunded bonds will be called (MM/DD/YYYY)	_____
34 Enter the date(s) the refunded bonds were issued ► (MM/DD/YYYY)	_____

Part VI Miscellaneous

35 Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)	35		
36a Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC) (see instructions)	36a		
b Enter the final maturity date of the GIC ▶ _____			
c Enter the name of the GIC provider ▶ _____			
37 Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units	37		
38a If this issue is a loan made from the proceeds of another tax-exempt issue, check box <input type="checkbox"/> and enter the following information:			
b Enter the date of the master pool obligation ▶ _____			
c Enter the EIN of the issuer of the master pool obligation ▶ _____			
d Enter the name of the issuer of the master pool obligation ▶ _____			
39 If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box ▶ <input type="checkbox"/>			
40 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box ▶ <input type="checkbox"/>			
41a If the issuer has identified a hedge, check here <input type="checkbox"/> and enter the following information:			
b Name of hedge provider ▶ _____			
c Type of hedge ▶ _____			
d Term of hedge ▶ _____			
42 If the issuer has superintegrated the hedge, check box ▶ <input type="checkbox"/>			
43 If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box ▶ <input type="checkbox"/>			
44 If the issuer has established written procedures to monitor the requirements of section 148, check box ▶ <input type="checkbox"/>			
45a If some portion of the proceeds was used to reimburse expenditures, check here <input type="checkbox"/> and enter the amount of reimbursement ▶ _____			
b Enter the date the official intent was adopted ▶ _____			

Signature and Consent	Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.			
	 Signature of issuer's authorized representative	1/29/2014 Date	Catharina A Provencier, State Treasurer Type or print name and title	
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed PTIN
	Firm's name ▶	Firm's EIN ▶		
	Firm's address ▶	Phone no.		

New Hampshire Department of Transportation
 Loader Backhoe Lease Program
 Financial Cost Savings Analysis

Table 1

District Number	Location	Current Monthly Rate	Lease Monthly Cost w/Maintenance	Monthly Insurance	Total Monthly Cost	Monthly Savings w/Maintenance
1	Pittsburg ¹		\$1,085.67	\$58.73	\$1,144.40	-\$1,144.40
	Errol	\$1,320.00	\$1,085.67	\$58.73	\$1,144.40	\$175.60
	Northumberland	\$1,320.00	\$1,085.67	\$58.73	\$1,144.40	\$175.60
	Milan	\$1,360.00	\$1,085.67	\$58.73	\$1,144.40	\$215.60
	Jefferson	\$1,320.00	\$1,085.67	\$58.73	\$1,144.40	\$175.60
	Gorham	\$1,320.00	\$1,085.67	\$58.73	\$1,144.40	\$175.60
	Littleton	\$1,320.00	\$1,085.67	\$58.73	\$1,144.40	\$175.60
	Carroll ¹		\$1,085.67	\$58.73	\$1,144.40	-\$1,144.40
	Pinkham's Grant	\$1,320.00	\$1,085.67	\$58.73	\$1,144.40	\$175.60
	Lisbon	\$1,320.00	\$1,085.67	\$58.73	\$1,144.40	\$175.60
	Lincoln ¹		\$1,085.67	\$58.73	\$1,144.40	-\$1,144.40
	Franconia	\$1,320.00	\$1,085.67	\$58.73	\$1,144.40	\$175.60
	2	Orford	\$1,400.00	\$1,085.67	\$58.73	\$1,144.40
Wentworth		\$1,400.00	\$1,085.67	\$58.73	\$1,144.40	\$255.60
Rumney		\$1,400.00	\$1,085.67	\$58.73	\$1,144.40	\$255.60
Haverhill		\$1,400.00	\$1,085.67	\$58.73	\$1,144.40	\$255.60
Canaan		\$1,400.00	\$1,085.67	\$58.73	\$1,144.40	\$255.60
Bristol		\$1,500.00	\$1,085.67	\$58.73	\$1,144.40	\$355.60
Lebanon		\$1,500.00	\$1,085.67	\$58.73	\$1,144.40	\$355.60
Andover		\$1,400.00	\$1,085.67	\$58.73	\$1,144.40	\$255.60
Franklin		\$1,800.00	\$1,085.67	\$58.73	\$1,144.40	\$655.60
Cornish		\$1,400.00	\$1,085.67	\$58.73	\$1,144.40	\$255.60
Sunapee		\$1,400.00	\$1,085.67	\$58.73	\$1,144.40	\$255.60
New London		\$1,400.00	\$1,085.67	\$58.73	\$1,144.40	\$255.60
Lempster		\$1,400.00	\$1,085.67	\$58.73	\$1,144.40	\$255.60
Enfield		\$1,400.00	\$1,085.67	\$58.73	\$1,144.40	\$255.60
3		Conway	\$1,950.00	\$1,085.67	\$58.73	\$1,144.40
	Tamworth	\$1,950.00	\$1,085.67	\$58.73	\$1,144.40	\$805.60
	Freedom	\$1,850.00	\$1,085.67	\$58.73	\$1,144.40	\$705.60
	Moultonboro	\$1,950.00	\$1,085.67	\$58.73	\$1,144.40	\$805.60
	Meredith	\$1,850.00	\$1,085.67	\$58.73	\$1,144.40	\$705.60
	Tuftonboro	\$2,235.00	\$1,085.67	\$58.73	\$1,144.40	\$1,090.60
	Belmont	\$1,850.00	\$1,085.67	\$58.73	\$1,144.40	\$705.60
	Belmont	\$1,850.00	\$1,085.67	\$58.73	\$1,144.40	\$705.60
	Alton	\$1,950.00	\$1,085.67	\$58.73	\$1,144.40	\$805.60
	Loudon	\$1,850.00	\$1,085.67	\$58.73	\$1,144.40	\$705.60
	New Hampton	\$1,850.00	\$1,085.67	\$58.73	\$1,144.40	\$705.60
	Thornton	\$1,850.00	\$1,085.67	\$58.73	\$1,144.40	\$705.60
	4	Greenfield	\$1,800.00	\$1,085.67	\$58.73	\$1,144.40
Marlborough		\$1,800.00	\$1,085.67	\$58.73	\$1,144.40	\$655.60
Greenville		\$1,800.00	\$1,085.67	\$58.73	\$1,144.40	\$655.60
5	Allenstown	\$1,850.00	\$1,085.67	\$58.73	\$1,144.40	\$705.60
	Goffstown	\$1,850.00	\$1,085.67	\$58.73	\$1,144.40	\$705.60
	Salem	\$1,850.00	\$1,085.67	\$58.73	\$1,144.40	\$705.60
6	Hollis	\$1,850.00	\$1,085.67	\$58.73	\$1,144.40	\$705.60
	Londonderry	\$1,850.00	\$1,085.67	\$58.73	\$1,144.40	\$705.60
	Milton	\$1,725.00	\$1,085.67	\$58.73	\$1,144.40	\$580.60
	Gonic	\$2,100.00	\$1,085.67	\$58.73	\$1,144.40	\$955.60
	Northwood	\$1,715.00	\$1,085.67	\$58.73	\$1,144.40	\$570.60
	Rye ¹		\$1,085.67	\$58.73	\$1,144.40	-\$1,144.40
Monthly Total		\$75,295.00	\$54,283.50	\$2,936.46	\$57,219.96	\$18,075.04
Yearly Total		\$903,540.00	\$651,402.00	\$35,237.50	\$686,639.50	\$216,900.50

Lease Term Cost Savings² \$1,084,502.50

Yearly Insurance Rate/Unit	Monthly Insurance/Unit	Number of Units	Total Yearly Insurance	Total Monthly Insurance	Total Term Insurance
\$704.75	\$58.73	50	\$35,237.50	\$2,936.46	\$176,187.50

Notes

1. Patrol shed does not currently have a loader backhoe under a contract rental agreement at this location.
2. Lease term cost is net savings including lease payments and insurance cost.

EXHIBIT A
PROPOSAL/SCOPE OF SERVICES

June 19,2013

**The State of New Hampshire
Department of Transportation**

Request for Quotations
New 4WD 97-HP Backhoe Loaders

This is a request for quotations (RFQ) for the lease of new, current year production, 4WD 97-HP Backhoe Loaders to The State of New Hampshire, Department of Transportation (the Department), and Bureau of Highway Maintenance. Included in this RFQ are the equipment specifications, along with a New Hampshire Department of Transportation Contract Lease Agreement form (for reference).

The specifications include information regarding options and features, including warranties, extended service plans, maintenance obligations, and the like. Separate quote forms are provided for each type of equipment specified. The specifications are preferred, however should something not meet the preferred standards please outline the additional cost to that machine, to provide the specific preferred options.

At the time of advertisement, the Department anticipates obtaining fifteen (15) Backhoe Loaders for use in various Highway Maintenance Districts throughout the state. Final quantities may be higher or lower and assigned locations may differ.

SPECIAL ATTENTION- PAINT. Included with this RFQ is the Department's specification for paint and primer coatings to be used on all equipment supplied to the Department. The successful bidder(s) will be required to conform to all aspects of the specification including written certificate(s) of conformance and laboratory test results, as described in the specification. Failure to comply with this specification may result in rejection of the bid and/or cancellation of the lease contract.

Bids for alternate equipment not meeting the attached specifications may be considered by the Department where local needs can be met. All areas of non-compliance must be fully documented and included with this quote.

If third party financing is proposed by the bidder, a sample contract and all relevant contact information for the financier shall be submitted with the quote. Finance company or bidder must be able to accept electronic payments from lessor (State of NH ACH credits). A sample of the ACH enrollment form is attached for reference.

The Department reserves the right to waive minor deficiencies in any quote received.
The Department reserves the right to not award any contract.

On Site Scheduled Maintenance Plan Options

- Vendor will perform all scheduled maintenance as outlined by the manufacturers scheduled maintenance program located in the operation or owners manual, for entire length of the lease.
- Service shall be performed on location of the equipment determined by the department.
- Items covered shall be all fluid and filter changes, including fuel filters, engine oil and filters, hydraulic oil and filters, air filters, air conditioning filters and coolant filters.
- Department shall be responsible for daily lubrication of grease fittings.
- An outline shall be provided by the Vendor with their scheduled maintenance guideline with their quote.

Wear Item Replacement Option

- Vendor shall be responsible for replacement of all worn items during the term of lease, due to normal wear.
- Wear items include tires, cutting edges and teeth on buckets, and engine belts.
- The Department and the Vendor will negotiate items in question between normal wear and operator abuse.

Request for Quotation
New 4WD 97-HP Backhoe Loaders

Quote:

Equipment, as specified, with all attachments included in the specifications and meeting all conditions listed therein.

Make and model offered: _____

Delivery of equipment specified within _____ days from date of fully-executed *Contract Lease Agreement*.

48 Months			
Number Of Units	Monthly Lease Payment	With On Site Scheduled Service Plan	With All Wear Items Replaced
1-10			
11-20			
21-30			
31 +			

60 Months			
Number Of Units	Monthly Lease Payment	With On Site Scheduled Service Plan	With All Wear Items Replaced
1-10			
11-20			
21-30			
31 +			

June 19,2013

Request for Quotation
New 4WD 97-HP Backhoe Loaders

Quote Submitted By:

Authorized Signature: _____ Date: _____

Name (print): _____ Title: _____

Vendor Name: _____

Address: _____

City: _____ State: _____ Zip+4: _____

Phone: _____ Fax: _____

Email: _____

Quote must be received by mail or in person no later than 10:00 AM, prevailing time, on Wednesday, August 14, 2013 at the address below:

The State of New Hampshire
Department of Transportation
Highway Maintenance District 2
8 Eastman Hill Road
Enfield NH, 03748

Attention: Alan Hanscom, P.E.
District Highway Maintenance Engineer
(603) 448-2654
ahanscom@dot.state.nh.us

Backhoe Specifications

Engine

- Four cylinder, turbocharged, isolation mounted diesel engine and shall be designed and built by the manufacturer
- Engine shall be certified to EPA Interim Tier 4/EU Stage III B
- Engine have an individually replaceable, wet-sleeve cylinder liner design to dissipate heat for reduced ring wear and oil breakdown
- Engine displacement shall be no less than 4.5L (276in³)
- Engine net peak power (ISO9249) shall be no less than 96hp (72kW) @ 2,000rpm
- Engine shall develop at least a 40% torque rise and should have at least 295ft-lb (400Nm) net torque @ 1,400 rpm
- Daily check points shall be accessible from the right side of the engine and shall be done from ground level
- Engine shall have a serpentine belt with automatic belt tensioner reducing required maintenance
- Under-hood engine air cleaner shall be dry type, dual element with evacuator valve, restriction sensor and in-cab restriction warning light
- The backhoe shall have a tilt hood for easy engine access
- The backhoe shall have an under-hood after treatment device (DOC/DPF) with curved-end exhaust stack
- Engine shall have no more than 30micron rated primary fuel filter with water separator

Cooling

- Engine coolant shall be rated to -40°F (-40°C)
- The backhoe shall be equipped with an oil-to-water engine oil cooler
- Unit shall have a coolant recovery tank provided
- Unit shall have an electronically-controlled, variable rate suction-type fan with fan-guard
- The AC condenser will be swing-out for fast radiator clean-out. Remote mounted transmission and hydraulic coolers will offer better air exchange and fewer stacked cores
- The hydraulic and transmission circuits will be water cooled for fast winter warm-up for increased productivity

Power Train

- The transmission shall be power shift with torque converter with maximum transport speed of 25mph; clutch-free; fully synchronized five forward (automatically shifts between 4th and 5th gear), three reverse speeds
- Machine shall have auto-shift software installed for increased roading efficiency
- The sealed axle, with no breather, will be mechanical front-wheel-drive with traction control, limited-slip differential with electric on/off control
- The machine will disengage MFWD in 4th gear to allow for longer life of tires and drive train but will engage MFWD when brakes are applied for four wheel braking
- The axle will be sealed to protect against contamination

- The driveshaft will be painted for protection, and will have an optional, factory installed, full guard
- The clutch engaged MFWD can be engaged on the fly during operation
- The transmission shall be isolation mounted to the mainframe to minimize shock load stress
- The rear axle shall be 100% hydraulically locking
- The single electric FNR level will have gear selection fully integrated in the lever
- Transmission oil cooler shall be provided as standard equipment
- The backhoe shall have hydrostatic power steering with emergency manual mode
- The machine will have a dial throttle that will allow the operator to road the machine on cruise control. Upon engagement of the brake pedal, the engine rpm's return to idle
- The final drives shall be heavy-duty outboard planetary distributing loads over three gears sealed in cooling oil bath for long-life and trouble free service
- The front axle shall have remote grease bank for front axle for easy access
- The rear axle bearings shall be self-lubricating and shall not need to be greased
- The service brakes shall be inboard, wet-multiple disk, self-adjusting and self-equalizing and hydraulically actuated for a long and trouble-free life, sealed from water, mud and dust contamination
- The parking brake shall be independent of service brakes, spring applied, hydraulically released, wet multi-disk, and sealed from water, mud and dust contamination

Hydraulic System

- Hydraulic cooler will have an independent reservoir for continuous running of attachments at high ambient outside air temperatures
- The hydraulic fittings shall have O-ring face seal connectors to secure a tight, leak-free seal
- Machine shall be equipped with Auto-Idle to lower rpm when hydraulics are not active to conserve a fuel and reduce noise levels
- Machine shall be equipped with Economy Mod that can be activated in the monitor, to provide the maximum productivity at the maximum fuel efficiency in 1st & 2nd gears
- The hydraulic filter shall be no more than 6 micron and will be vertically mounted, spin on design for ease of installation and leak-free replacement
- An automatic bucket return-to-dig control will be standard
- Hydraulic pump shall be 36gpm (136L/min) @ 2,200rpm at 3,625psi (24,993kPa) gear pump, open center system

Electrical

- The backhoe shall have a 12 volt system with 120 amp alternator
- Single battery shall be included, 12 volt, 950cca, 190 minimum rated reserve
- The machine shall have blade type, multi-fused circuits
- The starter shall have a bypass start safety cover
- Cab will be pre-wired for rotating beacon and radio-ready

- Unit shall be equipped with 10 halogen driving/working lights, (4 front driving/working; 4 rear; 2 side docking lights) the front lights shall be adjustable and the bulbs shall be no less than 32,500 candlepower each
- Unit shall be equipped with two front and two rear turn signal/flashing and two rear stop and tail lights and two rear reflectors
- Unit shall be equipped with a Telematics system that can provide fleet management, logistics and remote diagnostics capabilities
- 360° view LED strobe lights w/ interior switch

Operator Station

- Unit shall be equipped with isolation mounted modular design ROPS/FOPS canopy and molded roof
- Access to the cab shall be from the right and left side with protected, wide, rigid, slip-resistant steps and ergonomically located hand-holds
- 3in (75mm) retractable seat belt shall be provided
- Coat hook, built in beverage holder, operator manual storage compartment, interior rearview mirror and two 12 volt outlets shall be provided
- Unit shall be equipped with illuminated electronic gauges with audible warning for: engine coolant temperature, oil temperature and fuel level
- The monitor system shall have audible and visual warning: engine air restriction, low alternator voltage, engine oil pressure and temperature, hydraulic filter restriction, parking brake on/off, and low brake pressure. The seat belt will have a digital warning
- The keyless start will have an electric fuel shut-off and ability to have auto-shutdown setup in monitor
- The monitor will have a multi-language (including English) digital monitor for diagnostics (including diagnostic messages and fault code readings), calibrations and machine information
- Unit will have a machine security electronic protection system provided through the monitor or scaled switch module
- Unit will have a scaled switch module for easy location of controls on the right hand console and increased durability
- Unit shall have a digital display for: engine rpm, engine hours, system voltage, and hydraulic oil temperature
- The foot throttle shall be suspended
- Machine shall have factory installed cab with factory installed air conditioning, heat and defrost, safety glass.
- Machine shall have an AM/FM with weather band radio
- Machine shall have an air ride fully adjustable air ride seat factory installed. 180° rotation for both forward and rear operation, with cloth covering.
- A 5 lb fire extinguisher mounted in the cab area.

General Specifications

- Vandal protection shall cover the instrument panel, engine hood, toolbox, hydraulic reservoir, and fuel filler shall be lockable
- The tilt hood shall have two service positions for easy operation

- An easy to read periodic maintenance and grease chart shall be posted at eye level prominently displayed on the frame
- Fuel tank capacity shall be no less than 41 gallons (155L) and shall be accessible from the ground
- Operating weight with typical equipment (1.3ycd³ loader bucket and 24in x 7.5ft³ [610mm x 0.21m³] backhoe bucket) shall be approximately 18,708lbs (6,671kg), not to exceed 19,000lbs. (8,607kg). Excessive weight causes undue wear on transport and towing vehicles and can cause problems in soft ground environments

Frames and Structures

- The mainframe shall be a one-piece unitized construction for maximum strength
- Unit shall have four built-in vehicle tie-downs, two in front and two in rear for safe transport between jobs
- The side plate thickness on the loader boom, backhoe boom and mainframe shall be 4.5mm or greater
- Machine shall be equipped with an exterior mounted, ground level accessed and lockable storage compartment
- Machine shall have minimum 1,250lbs front counterweight for stable operation of rear attachments including thumb and/or tilting grade bucket
- Optional, replaceable, bolt-on rubber dumpers will be available to protect the grille frame for severe loading applications

Backhoe

- The backhoe with extendible dipper stick digging depth shall be at least 18ft 3in (5.56m)
- The lift capacity at ground level with extendible dipper stick retracted shall be no less than 2,684lbs (1,217)
- The lift capacity at full height with extendible dipper stick retracted shall be no less than 3,118lbs (1,415kg)
- The swing lock pin shall be stored in the operator's station
- The stabilizer valve will be two directional, anti-drift
- The stabilizer shall have reversible pads, one side rubber pads, the other steel
- Extendible dipper stick shall extend no less than 3ft 6in (1.07m)
- The backhoe boom design shall be a power curve for loading into the center of the truck bed
- The backhoe boom shall be an hourglass shape with a center width no more than 9.18in to ensure maximum strength and optimized visibility to the work tool
- Digging force with extendible backhoe, bucket cylinder shall be at least 15,236lbs (67.8kN)
- The backhoe shall be equipped with a rubber bumper/linkage style boom locks to keep the backhoe from vibrating on the swing frame
- Unit shall be equipped with Pilot Operated backhoe controls with electronic switch in cab to switch between SAE and ISO backhoe patterns
- The swing casting shall have dual yokes: on top and on the bottom
- Manufacturer installed 7 function backhoe valve w/ flow adjustable single function hydraulics for hammer or ho-pac operation, adjustable from 9, 13, 16, 18, 22 or

25gpm AND two function hydraulic line for operation of thumb or tilting grade bucket

- Machine to have electronic diverter valve (cab switch operated) to switch between thumb operation and tilting grade bucket operation
- Manufacturer built and factory installed manual multi-brand "pin grabber" style coupler compatible with CAT D and E, case K-L-M, and DEER SE, SG, SJ and SK series backhoe bucket
- JRB or Equivalent 42in hydraulic tilting grade bucket
- Manufacturer built and factory installed 24in x 8.8ft³ (0.25yd³) severe digging bucket with a place to install a clevis for a lifting point
- Manufacturer built and factory installed 4 tined hydraulic thumb matched to 24in digging bucket and pin grabber style coupler

Loader

- Lift capacity with 24in x 7.5ft³ (610mm x 0.21m³) at full height shall be at least 7,200lbs (3,269kg)
- Dump clearance @ 45° shall be no less than 8ft 8in (2.64m)
- Digging depth below ground, bucket level shall be no less than 8.1in (206mm)
- Bucket breakout force shall be no less than 10,300lbs (45.8kN)
- Single, greaseless bucket tilt cylinder and bucket level indicator
- The loader shall have hydraulic self-leveling and bucket-level indicator
- The loader shall have divergent loader arms for excellent visibility to the bucket
- For truck loading, the loader arms will have a curved-knee design for loading into the center of the truck bed
- The loader control will be single-level with electric clutch disconnect
- Manufacturer built and factory installed hydraulic quick coupler capable of picking up standard JRB style attachments as well as CAT IT attachments (cab switch operated)
- Factory installed third function auxiliary hydraulics with quick couplers for operation of a multi-purpose bucket, broom or other front hydraulically powered attachment
- The loader shall have a non-removable, hinged loader boom service lock

Overall Vehicle Support

- Machine shall have manufacturer supported, factory installed telematics system that provides: machine location, hours/usage, geo-fence capability for notification of movement outside of designated work area, real time/LIVE diagnostic monitoring all of engine, hydraulic and drive train components as well as ability to update engine/drive train software remotely without need of laptop plug in to reduce ownership costs
- Machine shall be supported by a local manufacturer supported dealership with 24 hour parts and service support located in NH
- Supporting dealership must provide documentation of 100% parts availability within 24 hours of order
- Supporting dealership must provide a loaner machine for any machine down greater than 24 hours
- Machine shall have factory transferable 60 months or 7,000 hours Full Machine Coverage

- Machine pricing shall include all services provided by manufacturer on site during standard and extended factory coverage periods
- Machine supporting dealer or manufacturer to provide replacement DPF at no cost to NHDOT if required in first 6,250 hours (based on manufacturer's recommended standard operation)
- Machine will be delivered to NHDOT Mechanical Services for Specification Evaluation

1-10 units	48 Months				60 Months			
Bidder	Machine	Base Price	W/Maint. Opr.	W/ Wear Item Opr.	Base Price	W/ Maint. Opr.	W/ Wear Item Opr.	
Nortrax	310 SK	\$906.46	\$1195.99	\$1484.41	\$875.65	\$1177.19	\$1475.82	
Milton Cat	420 FIT	\$1311.17	\$1661.02	No Bid	\$1200.86	\$1578.28	No Bid	
Beauregard Equipment	580 Super N	\$1420.00	+\$100.00	+\$54.00	\$1229.00	+\$99.00	+\$75.00	
Chadwick BaRoss	BL-70B	\$1585.00	\$1996.40	\$2334.00	\$1341.00	\$1787.00	\$2259.00	
11-20 units	48 Months				60 Months			
Bidder	Machine	Base Price	W/Maint. Opr.	W/ Wear Item Opr.	Base Price	W/ Maint. Opr.	W/ Wear Item Opr.	
Nortrax	310 SK	\$794.12	\$1083.66	\$1372.07	\$784.13	\$1085.67	\$1384.30	
Milton Cat	420 FIT	\$1311.17	\$1661.02	No Bid	\$1200.86	\$1578.28	No Bid	
Beauregard Equipment	580 Super N	\$1420.00	+\$100.00	+\$54.00	\$1229.00	+\$99.00	+\$75.00	
Chadwick BaRoss	BL-70B	\$1585.00	\$1996.40	\$2334.00	\$1341.00	\$1787.00	\$2259.00	

21-30 units	48 Months	Base Price	W/Maint. Opr.	W/Wear Item Opr.	60 Months Base Price	W/ Maint. Opr.	W/ Wear Item Opr.
Nortrax	310 SK	\$794.12	\$1083.66	\$1372.07	\$784.13	\$1085.67	\$1384.30
Milton Cat	420 FIT	\$1245.61	\$1595.46	No Bid	\$1140.82	\$1518.24	No Bid
Beauregard Equipment	580 Super N	\$1420.00	+\$100.00	+\$54.00	\$1229.00	+\$99.00	+\$75.00
Chadwick BaRoss	BL-70B	\$1585.00	\$1996.40	\$2334.00	\$1341.00	\$1787.00	\$2259.00
31 - + units	48 Months				60 Months		
Bidder	Machine	Base Price	W/Maint. Opr.	W/ Wear Item Opr.	Base Price	W/ Maint. Opr.	W/ Wear Item Opr.
Nortrax	310 SK	\$794.12	\$1083.66	\$1372.07	\$784.13	\$1085.67	\$1384.30
Milton Cat	420 FIT	\$1245.61	\$1595.46	No Bid	\$1140.82	\$1518.24	No Bid
Beauregard Equipment	580 Super N	\$1420.00	+\$100.00	+\$54.00	\$1229.00	+\$99.00	+\$75.00
Chadwick BaRoss	BL-70B	\$1585.00	\$1996.40	\$2334.00	\$1341.00	\$1787.00	\$2259.00

EXHIBIT B
TERMS AND CONDITIONS



Lessee:	NEW HAMPSHIRE DEPARTMENT OF TRANSPORTATION 7 HAZEN DRIVE, CONCORD, NH 03302-0483
Lessor:	DEERE CREDIT, INC. 6400 NW 86 TH ST, PO BOX 6600, JOHNSTON, IA 50131-6600

This Master Lease Agreement ("Master Agreement") is entered into between Deere Credit, Inc., as Lessor ("we", "us" or "our"), and the lessee and any co-lessee identified below ("you" or "your"). "Schedule" shall mean any Lease Schedule signed by you and us, which incorporates the terms of this Master Agreement. "Lease" shall mean this Master Agreement and any Schedule.

TERMS AND CONDITIONS	
<p>1. Lease Term: Payments. You agree to lease from us the property ("Equipment") described in each Schedule for the Lease Term. The Lease Term will begin on the Lease Term Start Date and end on the Lease Term End Date. All attachments and accessories itemized on the Schedule and all replacements, parts and repairs to the Equipment shall form part of the Equipment. A Schedule is not accepted by us until we sign it, even if you have made a payment to us. You agree to remit to us the Lease Payments indicated in the Schedule and all other amounts when due and payable each Billing Period, even if we do not send you a bill or an invoice. YOUR PAYMENT OBLIGATIONS ARE ABSOLUTE AND UNCONDITIONAL, AND ARE NOT SUBJECT TO CANCELLATION, REDUCTION OR SETOFF FOR ANY REASON WHATSOEVER. For any payment which is not received by its due date, you agree to pay a late charge equal to 4% of the past due amount (not to exceed the maximum amount permitted by law) as reasonable collection costs, plus interest from the due date until paid at a rate of 1.5% per month, but in no event more than the maximum lawful rate. Restrictive endorsements on checks you send us will not change or reduce your obligations to us. If a payment is returned to us by the bank for any reason, you agree to pay us a fee of \$25.00, or the maximum amount permitted by law, whichever is less. Lease Payments and other payments may be applied, at our discretion, to any obligation you may have to us or any of our affiliates. If the total of all payments made during the Lease Term (and any Renewal Term), exceeds the total of all amounts due under the Lease by less than \$25.00, we may retain such excess.</p> <p>2. Security Deposit. If the Schedule provides for a Security Deposit, the Security Deposit will be held by us in a non-interest bearing account, commingled with other funds. We may apply the Security Deposit to any amounts due under the Lease and, if we do so, you agree to promptly remit the amount necessary to restore the Security Deposit to the original amount. The Security Deposit will be returned to you within thirty days of termination of a Schedule and final inspection by us, provided you are not in default.</p> <p>3. Taxes. You agree to pay us when invoiced, all sales, use, rental, gross receipts and all other taxes which may be imposed on the Equipment or its use. You agree, at our discretion, to either (a) reimburse us annually for all taxes and governmental charges associated with the ownership, use or possession of the Equipment including, but not limited to, personal property and ad valorem taxes ("Property Taxes"), or (b) remit to us each Billing Period our estimate of the pro-rated equivalent of such Property Taxes. If the estimated Property Taxes paid by you are greater than or less than the Property Taxes paid by us, no adjustment will be made. Taxes do not include those measured by our net income. You agree to pay us an administrative fee for the processing of taxes, assessments or fees which may be due and payable under the Lease. If applicable law requires tax returns or reports to be filed by you, you agree to promptly file such tax returns and reports and deliver copies to us. You agree to keep and make available to us all tax returns and reports for taxes paid by you.</p> <p>4. Security Interest; Missing Information. We are the owner of the Equipment and you have the right to use the Equipment under the terms of the Lease. If a Schedule is deemed to be a secured transaction and not a lease, you (a) grant us a security interest in the Equipment (and all proceeds) to secure all of your obligations under the Lease and any other obligations, which you may have, to us or any of our affiliates, and (b) authorize us to file financing statements naming you as debtor. Upon exercise of any Purchase Option Price, we will release our security interest in the Equipment provided you have remitted the Purchase Option Price to us and no event of default has occurred and is continuing. You agree to keep the Equipment free and clear of liens and encumbrances, except those in our favor, and promptly notify us if a lien or encumbrance is placed or threatened against the Equipment. You irrevocably authorize us, at any time, to (a) insert or correct information on the Schedules, including your correct legal name, serial numbers and Equipment descriptions; (b) submit notices and proofs of loss for any required insurance; and (c) endorse your name on remittances for insurance and Equipment sale or lease proceeds.</p> <p>Equipment Maintenance, Operation and Use. You agree to (a) use the Equipment ONLY FOR AGRICULTURAL, BUSINESS OR COMMERCIAL PURPOSES AND NOT FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES; (b) not move the Equipment to another county or state without notifying us within 30 days; (c) operate and maintain the</p>	<p>Equipment in accordance with all (1) laws, ordinances and regulations, (2) manuals and other instructions issued by the manufacturer(s) and supplier(s), and (3) insurance policy terms and requirements; (d) perform (at your own expense) all maintenance and repairs necessary to keep the Equipment in as good a condition as when delivered to you, reasonable wear excepted; (e) not install any accessory or device on the Equipment which affects the value, useful life or the originally intended function or use of the Equipment in any way, unless it can be removed without damaging the Equipment; (f) allow us and our agent(s) to inspect the Equipment and all of your records related to its use, maintenance and repair, at any reasonable time; (g) keep any metering device installed on the Equipment connected and in good working condition at all times; (h) affix and maintain, in a prominent place on the Equipment, any labels, plates or other markings we may provide to you; and (i) not permit the Equipment to be used by, or to be in the possession of, anyone other than you or your employees.</p> <p>6. Insurance. You agree, at your cost, to (a) keep the Equipment insured against all risks of physical damage for no less than its Termination Value (as such term is defined in Section 8 below), naming us (and our successors and assigns) as sole loss payee; and (b) maintain public liability insurance, covering personal injury and property damage for not less than \$1,000,000 per occurrence, naming us (and our successors and assigns) as additional insured. All insurance must be with companies and policies acceptable to us. Your obligation to insure the Equipment continues until you return the Equipment to us and we accept it. Each insurance policy must provide that (A) our interest in the policy will not be invalidated by any act, omission, breach or neglect of anyone other than us; and (B) the insurer will give us at least 30 days' prior written notice before any cancellation of, or material change to, the policy.</p> <p>Unless you provide us with evidence of the required insurance coverages, we may purchase insurance, at your expense, to protect our interests in the Equipment. This insurance may not (1) protect your interests; or (2) pay any claim that you make or any claim that is made against you in connection with the Equipment. You may later cancel any insurance purchased by us, but only after providing us with evidence that you have obtained the insurance required by the Lease. The cost of the insurance may be more than the cost of insurance you may be able to obtain on your own.</p> <p>7. Loss or Damage. Until the Equipment is returned to us in satisfactory condition, you are responsible for all risk of loss and damage, loss, theft, destruction or seizure of the Equipment (an "Event of Loss"). You must promptly notify us of any Event of Loss. If the Equipment can be repaired or replaced, you agree to promptly repair or replace the Equipment, at your cost, and the terms of the Lease will continue to apply. If the Equipment cannot be repaired or replaced, you agree to pay us, within 10 days of the Event of Loss, its Termination Value as of the day before such Event of Loss occurred. Upon receipt of the Termination Value, we will transfer to you (or the insurance company) all of our right, title and interest in such item(s) of Equipment (each, an "Item") AS-IS, WHERE-IS, WITHOUT ANY WARRANTY AS TO CONDITION OR VALUE. All insurance proceeds must be paid directly to us, and we may apply any excess insurance proceeds to any other amounts you owe us or any of our affiliates.</p> <p>8. Early Termination. If you request, and we agree to, a termination of a Schedule before the expiration of its Lease Term, you agree to (a) deliver the Equipment to us at the time and place we choose; and (b) if the net proceeds we receive from any sale, lease or other disposition of the Equipment (after deducting all of our costs and expenses) is less than the Termination Value, remit to us the difference. The "Termination Value" of any Item of Equipment shall be the greater of Fair Market Value or Net Book Value as of the date of determination of any early termination, loss or default. "Fair Market Value" or "FMV" is (1) the value that would be obtained in an arm's length sale of that Item between an informed and willing seller under no compulsion to sell (but with no deduction for shipping costs), and an informed and willing buyer, as estimated by us; plus (2) the estimated cost to repair and refurbish the Item so that it is in satisfactory condition, as described in Section 9. "Net Book Value" for any Item is the sum of (1) all Lease Payments and any other amounts then due and payable to us; plus (2) the present value of all remaining Lease Payments and other amounts, discounted at the Internal Rate of Return or, if a discount rate is set forth in the applicable Schedule, such discount rate (the "Discount Rate"); plus (3) the unamortized amount of our indirect costs of originating and administering the applicable Schedule; plus (4) the present value of the Purchase Option Price (or, if there is no Purchase Option Price,</p>

ADDITIONAL TERMS AND CONDITIONS OF AGREEMENT

the residual value that we assumed in calculating Lease Payments), discounted at the Discount Rate. "Internal Rate of Return" shall be calculated using standard finance techniques with the Equipment Cost, Lease Payments, Lease Term and Purchase Option Price (or residual value assumption) as the variables.

9. **Return of Equipment.** If a Schedule is terminated for any reason and do not (a) return the Equipment to us, (b) exercise any Purchase Option, (c) exercise any Renewal Option, you agree to remit to us, until such time as the Equipment is returned to us in accordance with the provisions of this Section, lease payments each month equal to the higher of (i) the monthly fair market rental value of the Equipment, as determined by us in our sole discretion, or (ii) the monthly Lease Payment set forth in the Schedule (or the monthly lease payment equivalent if the Lease Payments are other than monthly (e.g., for annual Lease Payments, the monthly lease payment equivalent would be calculated by dividing the annual Lease Payment by 12)). All Equipment must be returned to the place designated by us, at your expense and in satisfactory condition, along with all use, maintenance and repair records. Equipment is in satisfactory condition if it is in as good a condition as when the Equipment was delivered to you, reasonable wear excepted, and conforms to the standards of any Equipment Return Provisions incorporated into the Lease.

10. **Default.** You will be in default if: (a) you fail to remit to us any Lease Payment or other payment when due; (b) you breach any other provision of the Lease and such default continues for 10 days; (c) you remove any Equipment from the United States; (d) a petition is filed by or against you or any guarantor under any bankruptcy or insolvency law; (e) a default occurs under any other agreement between you (or any of your affiliates) and us (or any of our affiliates); (f) you or any guarantor merges with or consolidates into another entity, sells substantially all its assets, dissolves or terminates its existence, or (if an individual) dies; or (g) you fail to maintain the insurance required by Section 6. Time is of the essence under the Lease.

11. **Remedies.** If a default occurs, we may do one or more of the following: (a) require you to return the Equipment in the manner outlined in Section 9, or take possession of the Equipment; (b) recover from you, AS LIQUIDATED DAMAGES FOR LOSS OF BARGAIN AND NOT AS A PENALTY (i) if the Equipment is so returned, the sum of (1) all Lease Payments and any other amounts then due and payable to us; plus (2) the present value of all remaining Lease Payments and other amounts, discounted at the Discount Rate; plus (3) the unamortized amount of our indirect costs of originating and administering the applicable Schedule (the "Default Amount"), or (ii) if the Equipment is not so returned, the Termination Value as of the date of such default; (c) lease or sell the Equipment or any portion thereof at a public or private sale and apply the net proceeds we receive from any sale, lease or disposition of the Equipment (after deducting all of our costs and expenses) to the Default Amount, with you remaining liable for any deficiency; (d) declare any other agreements between you and us (or any of our affiliates) in default; (e) terminate any of your rights (but none of your obligations) under any Lease and any other agreement between you and us (or any of our affiliates); (f) charge you for the expenses incurred in connection with the enforcement of our remedies including, without limitation, repossession, repair and collection costs, attorneys' fees and court costs; (g) exercise any other remedy available at law or in equity; and (h) take on your behalf (at your expense) any action required by the Lease which you fail to take. These remedies are cumulative, are in addition to any other remedies provided by law, and may be exercised concurrently or separately. Any failure or delay by us to exercise any right shall not operate as a waiver of any other right or future right.

12. **Assignment.** You will not assign, pledge or otherwise transfer any of your rights or interests in the Lease or any Equipment without our prior written consent. Any assignment without our consent will be void. The Lease shall be binding upon any successor or permitted assignee. We may assign the Lease or our interest in the Equipment at any time without notice to you and without your consent. We may provide information about you to any prospective assignee or participant. You agree not to assert against our assignee any claims, offsets or defenses which you may have against us.

13. **Indemnity.** You are responsible for all losses, damage, claims, infringement claims, injuries to or the death of an individual, and attorneys' fees and costs ("Claims"), incurred or asserted by any person, in any manner related to the Equipment or the lease thereof, including its use, condition or possession. You agree to defend and indemnify us, and hold us harmless, against all Claims, although we reserve the right to control the defense and to select or approve defense counsel. You will promptly notify us of all Claims made. Your liability under this Section is not limited to the amounts of insurance required under the Lease. This indemnity continues beyond the termination of a Schedule, for acts or omissions, which occurred during the Lease Term.

14. **Representations and Warranties.** You represent and warrant to us, as of the date of this Master Agreement and of each Schedule, and covenant to us so long as the Lease is in effect, that: (a) you will not change your name without giving us at least 30 days' prior written notice; (b) each document you sign and deliver to us is duly authorized, executed and delivered by you, and is your valid, legal and binding agreement, enforceable in accordance with its terms; (c) execution, delivery and performance by you of any Lease does not and will not (1) violate any applicable law; (2) breach any order of court or other governmental agency, or of any undertaking you are a party to or by which you or any of your properties are bound; (d) you will comply with all applicable laws, ordinances and regulations; (e) all information you have given to us is true, accurate and complete; and (f) since the date of the most recent financial information given to us, no material adverse change in your business, assets, or prospects has occurred. You will promptly deliver to us such financial statements, reports and other information as we may request.

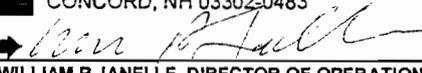
Unless you are an individual, you also represent and warrant to us that: (a) you are and will remain duly organized, validly existing and in good standing under the laws of your jurisdiction of organization; (b) you are qualified to do business under the laws of all other jurisdictions where qualification is required or advisable; (c) you will not change your jurisdiction of organization or organization type without at least 30 days' prior written notice to us; and (d) the execution, delivery and performance by you of the Lease will not breach any provision of your organizational documents.

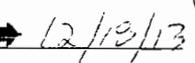
15. **Governing Law; Jurisdiction; Venue.** EACH LEASE WILL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF IOWA, WHERE THIS MASTER AGREEMENT IS ACCEPTED AND ENTERED INTO, except for its conflict of laws provisions. You irrevocably submit to the non-exclusive jurisdiction and venue of federal and state courts located in Des Moines, Iowa and will not claim it is an inconvenient forum for legal action. YOU AND WE IRREVOCABLY WAIVE ANY RIGHT YOU AND WE MAY HAVE TO A JURY TRIAL.

16. **Miscellaneous.** WE HAVE NOT MADE, AND DO NOT MAKE, ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE EQUIPMENT'S MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, SUITABILITY, OR OTHERWISE. WE ARE NOT LIABLE FOR CONSEQUENTIAL OR SPECIAL DAMAGES. You acknowledge that no supplier or dealer of the Equipment is an agent of ours, or authorized to act for or bind us. You agree not to withhold any amount you owe us if you believe you have a claim against us, or any Equipment supplier(s) or manufacturer(s), but to pursue that claim independently. Any claim you have against us must be made within two years after the event that caused it. All notices must be in writing and will be deemed given 5 days after mailing to the intended recipient at its address indicated above, unless changed by a notice given in accordance with this Section. Each Lease supersedes and replaces all prior understandings and communications (oral or written) concerning the subject matter thereof. No part of any Lease can be amended, waived or terminated except by a writing signed by both you and us. Any part of this Master Agreement may be signed in separate counterparts that, together, will constitute one document. If a court finds any part of this Master Agreement to be invalid or unenforceable, the remainder of this Master Agreement will remain in effect. You permit us to monitor and record telephone conversations between you and us. All of our rights under each Lease shall remain in effect after the expiration of the Lease Term or termination of the Schedule.

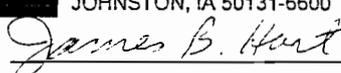
THE TERMS OF THIS MASTER AGREEMENT SHOULD BE READ CAREFULLY BEFORE SIGNING BECAUSE ONLY THESE WRITTEN TERMS ARE ENFORCEABLE NO OTHER TERMS OR ORAL PROMISES MAY BE LEGALLY ENFORCED. BY SIGNING THIS MASTER AGREEMENT, YOU AGREE TO THE TERMS ON BOTH PAGES 1 AND 2. THIS MASTER AGREEMENT IS THE COMPLETE AND EXCLUSIVE STATEMENT OF THE AGREEMENT BETWEEN YOU AND US, EXCEPT AS WE MAY LATER AGREE IN WRITING TO MODIFY IT.

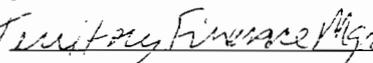
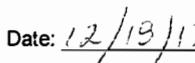
LESSEE NEW HAMPSHIRE DEPARTMENT OF TRANSPORTATION
7 HAZEN DRIVE
CONCORD, NH 03302-0483

By: 
WILLIAM P JANELLE, DIRECTOR OF OPERATIONS

Date: 

LESSOR DEERE CREDIT, INC.
6400 NW 86th ST, PO BOX 6600
JOHNSTON, IA 50131-6600

By: 

Title:  Date: 



JOHN DEERE FINANCIAL

AMENDMENT TO MASTER LEASE AGREEMENT

This amendment (this "Amendment") amends and supplements that certain Master Lease Agreement entered into as of the 18TH day of December, 2013 (the "Master Agreement") by and between **Deere Credit, Inc.** ("Lessor") and **New Hampshire Department of Transportation** ("Lessee").

RECITALS

WHEREAS, Lessee wishes to amend the certain provisions set forth in the Master Agreement and Lessor is willing to amend said provisions as set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants contained in this Amendment and for other good and valuable consideration, the receipt and sufficiency of which is expressly acknowledged, the parties agree as follows:

1. Capitalized terms not defined in this Amendment shall have the meaning given to them in the Master Agreement.

2. Section 3 of the Master Agreement is hereby deleted in its entirety and replaced with the following:

"3. **Taxes**. Although you may be exempt from the payment of certain taxes, you agree to pay us when invoiced (a) all sales, use, rental, gross receipts and all other taxes which may be imposed on the Equipment or its use, and (b) all taxes and governmental charges associated with the ownership, use or possession of the Equipment including, but not limited to, personal property and ad valorem taxes ("Taxes"). Taxes do not include those measured by our net income. If applicable law requires tax returns or reports to be filed by you, you agree to promptly file such tax returns and reports and deliver copies to us. You agree to keep and make available to us all tax returns and reports for Taxes paid by you."

3. Section 6 of the Master Agreement is amended by replacing the number "\$1,000,000" with the number "\$500,000" in subsection (b) in the first sentence thereof.

4. Section 13 of the Master Agreement is deleted in its entirety and replaced with the following:

"13. **Claims**. You are responsible for all losses, damage, claims, infringement claims, injuries to or the death of an individual, and attorneys' fees and costs ("Claims"), incurred or asserted by any person, in any manner related to your acts or omissions relating to your use or possession of the Equipment. You will promptly notify us of all Claims made.

5. Section 14 of the Master Agreement is deleted in its entirety and replaced with the following:

"14. **Representations and Warranties**. You represent and warrant to us, as of the date of this Master Agreement and of each Schedule, and covenant to us so long as the Lease is in effect, that: (a) you are a State, or a political subdivision thereof, for purposes of Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"); (b) any documents required to be delivered in connection

with the Lease (collectively, the "Documents") have been duly authorized by you in accordance with all applicable laws, rules, ordinances, and regulations; (c) the Documents are valid, legal, binding agreements, enforceable in accordance with their terms and the person(s) signing the Documents have the authority to do so, are acting with the full authorization of your governing body, and hold the offices indicated below their signatures; (d) the Equipment is essential to the immediate performance of a governmental or proprietary function by you within the scope of your authority and shall be used during the Lease Term only by you and only to perform such function; (e) you intend to use the Equipment for the entire Lease Term and shall take all necessary action to include in your annual budget any funds required to fulfill your obligations each fiscal period during the Lease Term; (f) you have complied fully with all applicable law governing open meetings, public bidding and appropriations, required in connection with the Lease and the debt under applicable state law; (g) your obligations to remit Lease Payments and other amounts due and to become due under the Lease constitute a current expense and not a debt under applicable state law; (h) all financial information you have provided is true and a reasonable representation of your financial condition; (i) you shall not do or cause to be done any act which shall cause, or by omission of any act allow the interest portion of any Lease Payment to become includible in our gross income for Federal income taxation purposes under the Code; (j) you shall maintain a complete and accurate account of all assignments of the Lease in the form sufficient to comply with book entry requirements of Section 149(a) of the Code and the regulations prescribed thereunder from time to time; and (k) you shall comply with the information reporting requirements of Section 149(e) of the Code. Such compliance shall include, but not be limited to, the execution of 8038-G or 8038-GC Information Returns."

6. Section 15 of the Master Agreement is amended by replacing the words "IOWA" and "Des Moines, Iowa" with the words "NEW HAMPSHIRE" and "Concord, New Hampshire" in the first and second sentences thereof.

7. The following new Section 17 is added to the Master Agreement:

"17. **Non-Appropriation of Funds**. You intend to remit to us all Lease Payments and other payments for the full Lease Term if funds are legally available. In the event you are not granted an appropriation of funds at any time during the Lease Term for the Equipment or for equipment which is functionally similar to the Equipment and operating funds are not otherwise available to you to remit Lease Payments and other payments due and to become due under the Lease, and there is no other legal procedure or available funds by or with which payment can be made to us, and the nonappropriation did not result from an act or omission by you, you shall have the right to return the Equipment in accordance with Section 9 of this Master Agreement and terminate the Lease on the last day of the fiscal period for which appropriations were received without penalty or expense to you, except as to the portion of the Lease Payments for which funds shall have been appropriated and budgeted. At least thirty (30) days prior to the end of your fiscal period, your chief executive officer (or legal counsel) shall certify in writing that (a) funds have not been appropriated for the fiscal period, (b) such non-appropriation did not result from any act or failure to act by you, and (c) you have exhausted all funds legally available to pay Lease Payments. If you terminate the Lease because of a nonappropriation of funds, you may not, to the extent permitted by applicable law, purchase, lease, or rent, during the subsequent fiscal period, equipment performing the same functions as, or functions taking the place of, those performed by the Equipment. This Section 17 shall not permit you to terminate the Lease in order to acquire any

other equipment or to allocate funds directly or indirectly to perform essentially the application for which the Equipment is intended.

If you terminate the Lease because of a non-appropriation of funds, the provisions of Section 8 shall not apply."

8. The provisions of this Amendment shall be effective as to all Schedules entered into on or after the date set forth below. Except as expressly modified by this Amendment, the terms and conditions of the Master Agreement remain in full force and effect. If there are any conflicts between the provisions of this Amendment and the Master Agreement, the terms of this Amendment shall be controlling. This Amendment may be executed in any number of counterparts, each of which shall be an original and all of which, when taken together shall constitute one and the same document.

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed by their duly authorized representatives as of this 18th day of December, 2013.

DEERE CREDIT, INC.

By: James B. Hart

Name: James B. Hart

Title: Territory Finance Manager

**NEW HAMPSHIRE DEPARTMENT OF
TRANSPORTATION**

By: William P. Janelle

Name: William P. Janelle

Title: Director of Operations



Backhoe Loader Lease Schedule

This lease payment schedule is based off of Governor and Executive Council Approval on February 28th 2014

Attached is a breakdown based on delivery of 50 backhoe loaders to six New Hampshire Department of Transportation districts over a 120 day period based on an award from the Governor and Executive Council on February 28th 2014. This is a schedule based off of the Nortrax bid for a 60 month lease term including preventative maintenance agreements of \$1,085.67/month. All described payments will be remitted to John Deere Financial.

First Year Delivery and Monthly Payment Breakdown Through Fiscal Year Ending June 2014

March 2014:

- 14 units delivered to District 2
- Delivery and training the week of the March 17th
- Total dollars of first delivery \$15,199.38
- Total in payments on first invoice of \$15,199.38
- Lease start date of March 21st Due April 21st 2014

May 2014:

- 19 units delivered to Districts 1, 6 and 4
- Delivery and training the week of May 14th
- Total dollars added to lease in second delivery of \$20,627.73
- Total in payments on second invoice of \$35,827.11
- Lease start date of May 21st Due June 21st 2014

June 2014:

- 17 units delivered to Districts 3 and 5
- Delivery and training beginning June 14th
- Total dollars added to lease in third delivery of \$18,456.39
- Total in payments on third invoice of \$54,283.50
- Lease start date of June 21st Due July 21st 2014

Annual Financial Breakdown of Lease Payments based on 60 Month total lease term

Total NHDOT lease payment dollars in fiscal year ending June 2014 will be \$66,225.87
Total NHDOT lease payment dollars in fiscal year ending June 2015 will be \$651,402.00
Total NHDOT lease payment dollars in fiscal year ending June 2016 will be \$651,402.00
Total NHDOT lease payment dollars in fiscal year ending June 2017 will be \$651,402.00
Total NHDOT lease payment dollars in fiscal year ending June 2018 will be \$651,402.00
Total NHDOT lease payment dollars in fiscal year ending June 2019 will be \$585,176.13
Total NHDOT lease payment dollars through 60 months will be \$3,257,010.00



Monthly Outlay of Payments

April	2014	\$15,199.38
May	2014	\$15,199.38
June	2014	\$35,827.11
Cash Outlay Fiscal Year Ending June 2014		\$66,225.87
July	2014	\$54,283.50
August	2014	\$54,283.50
September	2014	\$54,283.50
October	2014	\$54,283.50
November	2014	\$54,283.50
December	2014	\$54,283.50
January	2015	\$54,283.50
February	2015	\$54,283.50
March	2015	\$54,283.50
April	2015	\$54,283.50
May	2015	\$54,283.50
June	2015	\$54,283.50
Cash Outlay Fiscal Year Ending June 2015		\$651,402.00
July	2015	\$54,283.50
August	2015	\$54,283.50
September	2015	\$54,283.50
October	2015	\$54,283.50
November	2015	\$54,283.50
December	2015	\$54,283.50
January	2016	\$54,283.50
February	2016	\$54,283.50
March	2016	\$54,283.50
April	2016	\$54,283.50
May	2016	\$54,283.50
June	2016	\$54,283.50
Cash Outlay Fiscal Year Ending June 2016		\$651,402.00
July	2016	\$54,283.50
August	2016	\$54,283.50
September	2016	\$54,283.50
October	2016	\$54,283.50
November	2016	\$54,283.50
December	2016	\$54,283.50
January	2017	\$54,283.50
February	2017	\$54,283.50
March	2017	\$54,283.50
April	2017	\$54,283.50
May	2017	\$54,283.50
June	2017	\$54,283.50
Cash Outlay Fiscal Year Ending June 2017		\$651,402.00
July	2017	\$54,283.50
August	2017	\$54,283.50
September	2017	\$54,283.50
October	2017	\$54,283.50
November	2017	\$54,283.50
December	2017	\$54,283.50
January	2018	\$54,283.50
February	2018	\$54,283.50
March	2018	\$54,283.50



April	2018	\$54,283.50
May	2018	\$54,283.50
June	2018	\$54,283.50
Cash Outlay Fiscal Year Ending June 2018		651,402.00
July	2018	\$54,283.50
August	2018	\$54,283.50
September	2018	\$54,283.50
October	2018	\$54,283.50
November	2018	\$54,283.50
December	2018	\$54,283.50
January	2019	\$54,283.50
February	2019	\$54,283.50
March	2019	\$54,283.50
April	2019	\$39,084.12
May	2019	\$39,084.12
June	2019	\$18,456.39
Cash Outlay Fiscal Year Ending June 2019		\$585,176.13
Total Lease Cash Outlay		\$3,257,010.00

Chris Seta
General Manager
Nortrax Inc.
Pembroke, New Hampshire
98 Sheep Davis Rd
Pembroke, NH 03275

APPENDIX A
EQUIPMENT RETURN PROVISIONS



**JOHN DEERE
FINANCIAL**

Equipment Return Provisions

Lease Schedule No.	
Master Lease Agreement No.	

Lessee: (Name & Address)	
Lessor:	DEERE CREDIT, INC. 6400 NW 86 th ST, PO BOX 6600, JOHNSTON, IA 50131-6600

The following Equipment Return Provisions are hereby incorporated into and made a part of the above referenced Master Lease Agreement (the "Master Agreement"), and entered into between Deere Credit, Inc., as Lessor ("us", "we" or "our"), and CUSTOMER NAME, as Lessee ("you" or "your"). Pursuant to Section 9 of the Master Lease Agreement, all Equipment must be returned to us in satisfactory condition. Unsatisfactory condition shall include any condition described in Sections 1 through 4 below ("Excessive Wear and Tear").

1. **Mechanical.**
 - A. Computer systems or safety and emission control equipment not in proper working order.
 - B. Mechanical components that are missing, broken or unsafe or that do not operate normally, other than normal tune-ups, given the age of the equipment.
 - C. Wear on power train assembly that exceeds manufacturer's then current standards for normal wear and tear.
 - D. Any air filters not within manufacturer's specifications.
 - E. Any gauges or fluid indicators that are damaged or do not function, the electrical system fails to operate properly, the battery fails to hold a charge or any wire harnesses that are not tied down and kept secured, dry and clean.
 - F. Any pumps, motors, valves or cylinders not in good operating condition or that fail to meet manufacturer's rated specifications or hydraulic system exceeds manufacturer's then-current contaminant standards (as shown by oil sample analysis). Equipment not serviced according to the manufacturer's operating manual.
 - G. Any lubricant, water or A/C seal leaks.
2. **Exterior.**
 - A. Dents larger than 2 inches in diameter.
 - B. Excessive number of dents or scratches.
 - C. Any scratch 8" or longer that reaches the metal skin.
 - D. Any single chip the size of a quarter or larger or multiple small chips within one square foot.
 - E. Substandard paint repairs, such as peeling, bubbling or mismatched shades that evidence poor condition in comparison with original paint and require repainting at a cost in excess of \$200.
 - F. Rust holes in the body metal or a rust spot that covers more than a 4-inch square area.
 - G. Any glass that must be replaced due to cracks or missing glass and any windshield damages greater than \$50 in amount.
 - H. All frame damage and substandard frame repairs.
 - I. Any tires or tracks that (a) have broken side walls or excessive cuts or damages, or (b) have less than 50% of the original useful life remaining, or (c) are not of the same size, type grade or equivalent quality manufacturer as were originally included on the Equipment.
3. **Cab/Operator Platform.**
 - A. Heavy interior soil or strong odors, such as manure, that cannot be removed by general cleaning.
 - B. Unclean condition of operator environment.
 - C. Holes, tears, or burns on the dash, floor covers, seats, headliners, upholstery or interior.
4. **General.**
 - A. Equipment not operated or maintained in accordance with the manufacturer's specifications or if components, fuels or fluids, on or in connection with the Equipment that do not meet manufacturer's standards were used.
 - B. Any other damage that in the aggregate costs \$250 or more to repair or that makes the Equipment unlawful or unsafe to operate.
5. **Other.**
 - A. All warranty and PIP work must be completed prior to the Lease Term End Date of the Lease Schedule relating to the Equipment.
 - B. The Equipment must be cleaned prior to its return.
6. **Hour Meter.** For each item of Equipment returned with a broken or missing hour meter, you shall accept an invoice from us and remit to us an amount equal to \$1,000. You agree that the hour meter included with the Equipment is conclusive of the number of hours of Equipment use.
7. **Invoices for Excess Wear And Tear.** Upon any return of the Equipment, we shall, in our sole discretion, determine the existence of any Excessive Wear and Tear. In the event any item of Equipment is returned to us with Excessive Wear and Tear, you shall, at our sole discretion, either (i) accept an invoice from us and remit to us the cost of repairing or replacing the affected component(s) which we determine necessary to return the Equipment to its required condition, and/or (ii) accept an invoice from us and remit to us an amount equal to our estimate of (1) the cost of new tires or tracks if the tires or tracks are damaged due to broken side walls or excessive cuts or damage, or (2) the cost of new tires or tracks multiplied by the difference between (A) our estimate of the percentage of the useful life of the tires and tracks then remaining, and (B) fifty percent (50%). For example, if you return Equipment with tires having 20% of their useful life remaining, you would remit to us an amount equal to 30% of the cost of new tires ((50% - 20%) multiplied by the cost of new tires). Your failure to remit the required payment to us within ten (10) days of demand shall constitute a default by you under the terms of the Lease.

LESSEE
By: <input type="text"/>
Date: <input type="text"/>

LESSOR	DEERE CREDIT, INC. 6400 NW 86 th ST, PO BOX 6600 JOHNSTON, IA 50131-6600
By: <input type="text"/>	
Date: <input type="text"/>	

APPENDIX B
DELIVERY AND ACKNOWLEDGEMENT



JOHN DEERE
FINANCIAL

Delivery and Acknowledgment

Lease Schedule No.	
Master Lease Agreement No.	

Lessee: (Name & Address)	
Lessor:	DEERE CREDIT, INC. 6400 NW 86 th ST, PO BOX 6600, JOHNSTON, IA 50131-6600

Capitalized terms shall have the meanings set forth in the above referenced Master Lease Agreement.

Lessee hereby represents and warrants that: (1) all of the Equipment more fully described in the above referenced Lease Schedule was selected by Lessee; (2) all of the Equipment and the Operator's Manuals have been delivered to, and received by, Lessee; (3) all of the Equipment has been inspected by Lessee and is in good working order; (4) all of the Equipment is unconditionally and irrevocably accepted by Lessee for all purposes under the Lease; (5) the safe operation and the proper servicing of the Equipment have been explained to Lessee; (6) Lessee received the manufacturer's written warranty applicable to the Equipment and Lessee understands that its rights are subject to the limitations outlined therein; (7) no Event of Default has occurred and is continuing; and (8) no material adverse change in the financial or business condition of Lessee has occurred since the date of the last financial statement submitted to Lessor by Lessee.

Signed by Lessee's duly authorized representative on the date shown below.

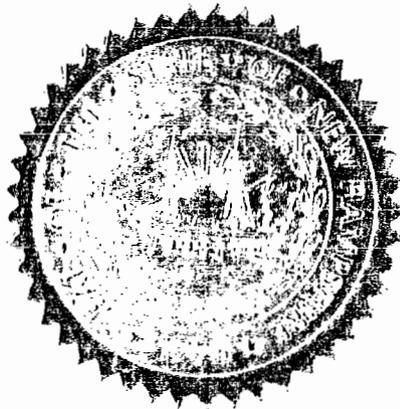
LESSEE	LESSOR
	DEERE CREDIT, INC. 6400 N.W.86 th STREET, PO BOX 6600 JOHNSTON, IA 50131-6600
By: _____	By: _____
Date: _____	Date: _____

EXHIBIT C
SPECIAL PROVISIONS

State of New Hampshire
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that Nortrax, Inc. a(n) Delaware corporation, is authorized to transact business in New Hampshire and qualified on January 13, 2011. I further certify that all fees and annual reports required by the Secretary of State's office have been received.



In TESTIMONY WHEREOF, I hereto set my hand and cause to be affixed the Seal of the State of New Hampshire, this 5th day of December, A.D. 2013

A handwritten signature in cursive script, appearing to read "William M. Gardner".

William M. Gardner
Secretary of State

Delaware

PAGE 1

The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "NORTRAX, INC." IS DULY INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL CORPORATE EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE FIFTEENTH DAY OF NOVEMBER, A.D. 2013.

AND I DO HEREBY FURTHER CERTIFY THAT THE FRANCHISE TAXES HAVE BEEN PAID TO DATE.

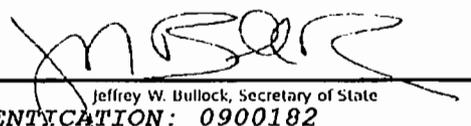
AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL REPORTS HAVE BEEN FILED TO DATE.

3448795 8300

131314102

You may verify this certificate online
at corp.delaware.gov/authver.shtml




Jeffrey W. Bullock, Secretary of State
AUTHENTICATION: 0900182

DATE: 11-15-13

ACTION OF THE BOARD OF DIRECTORS OF
NORTRAX, INC.

BY UNANIMOUS WRITTEN CONSENT

The undersigned, being all of the members of the Board of Directors (the "Board") of Nortrax, Inc. (the "Corporation") hereby adopt, by this written consent, the following resolutions with the same force and effect as if they had been unanimously adopted at a duly convened meeting of the Board, such consent and approval to be effective as indicated. When a copy or copies of this consent document signed by the Directors have been delivered to the Secretary or an Assistant Secretary of the Corporation, the Secretary or an Assistant Secretary is directed to file this consent with the minutes of the Board.

WHEREAS, the Corporation has provided a bid to the New Hampshire Department of Transportation under bid package reference number 4WD 97 HP for the lease of certain construction equipment as set forth therein (the "Lease"); and

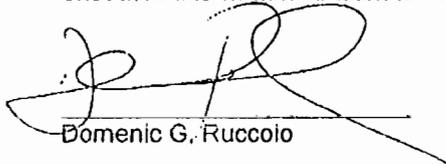
WHEREAS, the Board has considered the agreement related to the Lease with the State of New Hampshire, the New Hampshire Department of Transportation, and the Bureau of Highway Maintenance (the "Agreement").

NOW THEREFORE BE IT RESOLVED, that the Board hereby determines that the Lease and the Agreement is advisable and in the best interests of the Corporation and its stockholders and hereby authorizes and approves in all respects the consummation of the Lease and authorizes, approves, ratifies and adopts the Agreement in all respects;

FURTHER RESOLVED, that the officers of the Corporation, including without limitation Timothy J. Murphy, President, and Ben Richmond, Chief Financial Officer, (each individually an "Authorized Officer" and, collectively, the "Authorized Officers") be, and each of them hereby is, authorized, empowered and directed, in the name and on behalf of the Corporation, to execute and deliver the Agreement and any related documents in such form as the Authorized Officer executing the same may approve, the execution thereof by any such Authorized Officer conclusively to evidence the due authorization thereof by the Board;

FURTHER RESOLVED, that all actions heretofore taken by any of the Authorized Officers, employees, representatives or agents of the Corporation by or on behalf of the Corporation or any of its affiliates in connection with the Agreement and the transactions contemplated or otherwise referred to, in the foregoing resolutions, be, and hereby are, ratified, confirmed and approved in all respects as the acts and deeds of the Corporation.

IN WITNESS WHEREOF, the undersigned members of the Board have executed this written consent to be effective this 15th day of November, 2013.


Domenico G. Ruccolo

Tim Murphy

ACTION OF THE BOARD OF DIRECTORS OF

NORTRAX, INC.

BY UNANIMOUS WRITTEN CONSENT

The undersigned, being all of the members of the Board of Directors (the "Board") of Nortrax, Inc. (the "Corporation") hereby adopt, by this written consent, the following resolutions with the same force and effect as if they had been unanimously adopted at a duly convened meeting of the Board, such consent and approval to be effective as indicated. When a copy or copies of this consent document signed by the Directors have been delivered to the Secretary or an Assistant Secretary of the Corporation, the Secretary or an Assistant Secretary is directed to file this consent with the minutes of the Board.

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WHEREAS, the Board has considered the agreement related to the Lease with the State of New Hampshire, the New Hampshire Department of Transportation, and the Bureau of Highway Maintenance (the "Agreement").

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FURTHER RESOLVED, that all actions heretofore taken by any of the Authorized Officers, employees, representatives or agents of the Corporation by or on behalf of the Corporation or any of its affiliates in connection with the Agreement and the transactions contemplated or otherwise referred to, in the foregoing resolutions, be, and hereby are, ratified, confirmed and approved in all respects as the acts and deeds of the Corporation.

IN WITNESS WHEREOF, the undersigned members of the Board have executed this written consent to be effective this 15th day of November, 2013.

Domenic G. Ruccolo



Tim Murphy

SECRETARY'S CERTIFICATION

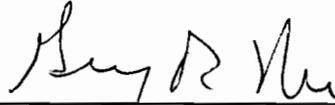
OF

NORTRAX, INC.

I, Gregory R. Noe, hereby certify that:

- 1) I am the duly elected, qualified and acting Secretary of NORTRAX, INC., a corporation organized and existing under the laws of the State of Delaware (the "Company").
- 2) Attached as Attachment A hereto is a true, correct and complete copy of certain resolutions (the "Resolutions") duly approved and adopted by the Company's Board of Directors by unanimous written consent on the 15th day of November, 2013, which Resolutions have not been modified, amended or rescinded since such date and remain in full force and effect on the date hereof.

Witness my hand on behalf of the
Company this 18th day of December, 2013.



Gregory R. Noe, Secretary

STATE OF ILLINOIS

)

SS.

COUNTY OF ROCK ISLAND

)

)

I, Deann J Ganzley, do hereby certify that Gregory R. Noe, personally known to me to be the Secretary of Nortrax, Inc., a Delaware corporation, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed the said instrument as Secretary of said corporation as his free and voluntary act and as the free and voluntary act of said corporation for the uses and purposes therein set forth. Given under my hand and seal this 18th day of December, 2013.



Notary Public

ATTACHMENT A

WHEREAS, the Corporation has provided a bid to the New Hampshire Department of Transportation under bid package reference number 4WD 97 HP for the lease of certain construction equipment as set forth therein (the "Lease"); and

WHEREAS, the Board has considered the agreement related to the Lease with the State of New Hampshire, the New Hampshire Department of Transportation, and the Bureau of Highway Maintenance (the "Agreement").

NOW THEREFORE BE IT RESOLVED, that the Board hereby determines that the Lease and the Agreement is advisable and in the best interests of the Corporation and its stockholders and hereby authorizes and approves in all respects the consummation of the Lease and authorizes, approves, ratifies and adopts the Agreement in all respects;

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FURTHER RESOLVED, that all actions heretofore taken by any of the Authorized Officers, employees, representatives or agents of the Corporation by or on behalf of the Corporation or any of its affiliates in connection with the Agreement and the transactions contemplated or otherwise referred to, in the foregoing resolutions, be, and hereby are, ratified, confirmed and approved in all respects as the acts and deeds of the Corporation.

INSURANCE PROPOSAL

Presented By



State of NH
Department of Transportation
C/O Risk Management Unit
25 Capitol St, Room 412
Concord NH 03301

Quote for proposed Leased Backhoe Loaders

Account Executive: Robert C. Simpson, II
Vice President
Account Manager: Jennifer Porter
Address: 139 Loudon Road, PO Box 511
Concord, NH 03302-0511
Phone: (603) 224-2562 or 1-800-238-3840
Date: NOVEMBER 20 , 2013

This proposal is intended to be a general overview of the policies and coverages provided. It is merely descriptive and should be used for reference purposes only. You should refer to the actual policy for its terms, conditions, definitions and exclusions. Your Account Executive or Account Manager will be more than pleased to assist you in reviewing your coverages

The Rowley Agency, Inc Staff

We are pleased to introduce the following staff members to handle your account:

Robert C. Simpson II, MHS
Vice President
Voice mail extension 1647
rsimpson@rowleyagency.com

Jennifer Porter, CIC ACSR
Account Manager
Voice Mail Extension 1624
jporter@rowleyagency.com

Cathy Sullivan, AAI
Claims Consultant
Voice Mail Extension 1627
csullivan@rowleyagency.com

AUTO LIABILITY POLICY

Named Insured: The State of New Hampshire - DOT
Company Name: Acadia Insurance Company
Policy Term: TBD

<u>Limits</u>	<u>Coverage Description</u>
\$275,000	Auto liability – per person
\$550,000	Auto Liability – each accident

**The above limits are the limits on the State Auto Fleet's primary and excess auto liability policies. Once lease is approved, the 50 backhoe units will need to be added at \$179.75 each (quote is per unit)

Liability Symbol 7

Will include Endorsement CA9916 -- Hired autos specified as covered autos you own

Cost per liability unit: \$179.75 each

Physical Damage

Named Insured: The State of New Hampshire - DOT
Company Name: Acadia Insurance Company
Policy Term: TBD

<u>Limits</u>	<u>Coverage Description</u>
@ \$112,000 ea.	2013 John Deere Nortrax 310 SK backhoe loader

Deductibles: \$1,000 for comprehensive and collision
ACV basis

(there is an estimated amount of 50; price is quoted per unit)

Estimated physical damage cost per Backhoe Loader: \$525 each

Total Liability and physical damage cost per unit: \$704.75

NH Department of Transportation

By: *Ken R. Jull*

Date: 12/23/13

Title: *Director of Operation*

Approved by Attorney General

By: *M. N. G. T.*

Date: 1/13/14

Title: *Assistant Attorney General*

Approved by Governor and Council

By: _____

Date: _____