

CONTRACT OF SALE FOR USED SCHOOL BUSES

THIS CONTRACT OF SALE (the "Contract") made and entered into as of the _____ day of _____, 2013 by and between the Kentucky School District indicated below (the "Seller") and the high bidder at the publicly advertised, competitive sale conducted by the Kentucky Interlocal School Transportation Association on behalf of said Seller for the Used School Bus Units identified below (the "Buyer")

W I T N E S S E T H:

THAT, WHEREAS the Seller has conducted a publicly advertised, competitive sale of its used school buses (the "Bus Units") on May 15, 2013, through the Kentucky Interlocal School Transportation Association ("KISTA") and,

WHEREAS, the Buyer has submitted a signed offer for the purchase of the Bus Units hereinafter identified, which was determined by KISTA, and confirmed by the Seller, to be the highest and best bid submitted for said Bus Units, and

WHEREAS, the Buyer has conformed to the Official Terms and Conditions of Sale of Vehicles and has posted the required good faith deposit of 10% of the Purchase Price hereinafter specified for said Bus Units with KISTA, and

WHEREAS, the Seller has by action of its Board of Education duly authorized the acceptance of the offer of the Buyer for the purchase of the Bus Units.

NOW, THEREFORE IN CONSIDERATION OF THE MUTUAL COVENANTS HEREIN CONTAINED AND THE PAYMENT OF THE PURCHASE PRICE BY THE BUYER, IT IS AGREED BETWEEN THE PARTIES HERETO AS FOLLOWS:

1. The Seller hereby agrees to sell and the Buyer hereby agrees to purchase _____ Bus Units as identified in Exhibit A to this Contract for the total Purchase Price of \$_____ (the "Purchase Price").
2. The Buyer having deposited the sum of \$_____, representing 10% of the Purchase Price, the Balance of the Purchase Price \$_____ is due and payable to the Seller in cash, cashier's or certified check, or money order on or before a date two weeks from the date of this Contract, which date shall be the Delivery Date by which the Buyer shall be required to take delivery at the principal office of the Seller.

The Buyer shall arrange with the Seller for (i) the payment of the balance of the Purchase Price to the Seller and (ii) the establishment of a fixed Date of Delivery, which Date of Delivery must be a date within two weeks of the date of this Contract as shown above, unless with the written consent of the Seller.

3. The Buyer understands and agrees that the Bus Units are and have been offered for sale "As Is", and the Buyer has made such inspection of the Bus Units as it deems appropriate for its own purposes and understands and agrees that there is no warranty regarding the use or condition of the Bus Units sold hereby, either express or implied. The Buyer will bear the entire expense of repairing or correcting any defects that presently exists or may occur in the vehicles purchased hereunder.
4. The Seller unconditionally warrants to the Buyer that it is the absolute owner of the Bus Units sold hereby and that said Bus Units are subject to no liens or encumbrances.

Upon the Seller's receipt of the Purchase Price, the Seller will deliver to the Buyer the Bus Units purchased hereunder at the principal office of the Seller at the address indicated below.

5. The Buyer acknowledges receipt of a copy of the Kentucky Transportation Cabinet's Bus Safety Requirements in accordance with the annual bus safety inspection.
6. Upon receipt of the Purchase Price, the Seller and Buyer will execute and record the required Bill of Sale required under KRS 186.190 and 186.200 in order to transfer title to the Bus Units purchased hereunder to the Buyer.
7. The Buyer understands that the Seller is required to disconnect or make inoperable the stop signal arm and flashing warning lights on the Bus Units purchased hereunder.
8. The Buyer understands that the Bus Units purchased hereunder must be removed from the property of the Seller within two weeks of the date of this Contract or the Buyer shall be in default under the terms of the sale of the Bus Units and the 10% good faith deposit shall be forfeited to the Seller.
9. The Seller certifies that the make, model, year, and serial number for the used vehicles identified in Exhibit A to this Contract are true and correct.
10. All taxes and fees due and payable relating to the transfer of the vehicles from the Seller to the Buyer and any taxes and fees that become due subsequent to the transfer of said Bus Units shall be the sole responsibility of the Buyer.
11. From the time of delivery of the Bus Units purchased hereunder, the Buyer shall be responsible for all insurance relating to such Bus Units, including collision, liability, and property damage and no loss, theft, injury, damage or destruction of the Bus Units sold hereunder shall in any manner release the Buyer from its obligations under this Contract following receipt of delivery of said Bus Units.
12. This Contract and all rights and obligations of the parties hereto shall be interpreted and governed by the laws of the Commonwealth of Kentucky and any provision hereof contrary to such laws shall not affect the validity of any other provision of this Contract.

IN WITNESS WHEREOF the parties have signed this Contract of Sale as of the date first above written.

SELLER
BOARD OF EDUCATION OF
_____, KENTUCKY

By _____

Title

Post Office Address

Telephone

Contact Person

BUYER

By _____

Title

Post Office Address

Telephone

Contact Person

INSTRUCTIONS FOR EXECUTION OF CONTRACT (IN TRIPLICATE):

- 1) SCHOOL DISTRICT SHOULD (A) DATE CONTRACT (B) FILL IN AMOUNTS (C) SIGN CONTRACT
- 2) CHECK EXHIBIT A TO CONTRACT FOR ACCURACY - DOES TOTAL ON EXHIBIT MATCH AMOUNT FILLED IN CONTRACT
- 3) SEND TWO (2) FULLY FILLED IN AND SIGNED COPIES OF CONTRACT TO BUYER AS SOON AS POSSIBLE WITH REQUEST ONE SIGNED COPY BE RETURNED - KEEP ONE COPY FOR DISTRICT'S RECORDS
- 4) BUYER SHOULD RETURN ONE SIGNED COPY OF CONTRACT TO DISTRICT
- 5) BUYER SHOULD CONTACT DISTRICT REPRESENTATIVE TO ARRANGE FOR PAYMENT AND DELIVERY