RAV4 ELECTRIC VEHICLE FLEET LEASE RENTAL PROGRAM
LEASE AMENDMENT AND EXTENSION AGREEMENT

LEASE NO. 12005-003-0000 r20b8

Lessor Name and Address	Lessee Name and Billing Address (Including County)	Vehicle Garaging Address (if different from Billing Address)
Toyota Motor Credit Corporation P. O. Box 3457 Torrance, CA 90510-3457	Sunnyvale, City of (Inc) P.O. Box 3707 Sunnyvale, CA. 94088-3707	221 Commercial Street Sunnyvale, CA. 94086

By this Lease Amendment and Extension Agreement ("Extension Agreement"), Lessor and Lessee agree to extend the term of the lease for specified Lease Vehicles under the RAV4 Electric Vehicle Master Lease Agreement identified above together with all Supplements thereto (the "MLA") and to amend the MLA as follows:

1. **VEHICLES.** Subject to the terms and conditions of the MLA and this Extension Agreement, Lessor hereby extends the term of its lease to Lessee of the following Lease Vehicles (each, a "Vehicle") for the amounts set forth below, plus any additional amounts due under the MLA:

Year	Toyota RAV 4 VIN	Mileage	Original Maturity Date	New Maturity Date	One – Pay Amount	Up-Front Taxes	Base Monthly Rent	Monthly Taxes	Total Amount Due at Extension
2001	JT3GS10V810002067		04/22/04	04/22/05	$3,600.00	$297.00	N/A	N/A	$3,897.00
2001	JT3GS10VX10002068		04/22/04	04/22/05	$3,600.00	$297.00	N/A	N/A	$3,897.00
2001	JT3GS10V110002069		04/22/04	04/22/05	$3,600.00	$297.00	N/A	N/A	$3,897.00
2001	JT3GS10V810002070		04/22/04	04/22/05	$3,600.00	$297.00	N/A	N/A	$3,897.00
2001	JT3GS10V110002072		04/22/04	04/22/05	$3,600.00	$297.00	N/A	N/A	$3,897.00

2. **GARAGING ADDRESSES.** Lessee represents and warrants that all Vehicles identified in Section 1 above are garaged at the Vehicle Garaging Address stated above.

3. **ACCEPTANCE OF VEHICLES; MILEAGE.** Entering into this Extension Agreement, Lessee accepts each Vehicle in its present condition, AS IS, WHERE IS. Lessee agrees to advise Lessor in writing of the current odometer reading of each Vehicle as of the date of Lessee's execution of this Extension Agreement. If the "Mileage" column above is blank at the time of execution of this Extension Agreement, Lessee must insert the current mileage for each Vehicle in the appropriate box and initial the Mileage column.

4. **PAYMENTS.** For each Vehicle, Lessee shall pay the Total Amount Due at Extension for such Vehicle immediately upon execution of this Extension Agreement. If the One-Pay Program is used, the Total Amount Due at Extension is the total of the One-Pay Amount plus the Up-Front Taxes as set forth above. If monthly lease payments are to be made over the term of the lease extension, then the Total Amount Due at Extension is the first monthly payment, consisting of the Base Monthly Rent plus Monthly Taxes as set forth above, provided, however, that if the Original Maturity Date is more than one month prior to execution of the Extension Agreement, then the Total Amount Due at Extension is the total of the Base Monthly Rent plus Monthly Taxes for each month or portion of a month Lessee has been in possession of the Vehicle beyond the Original Maturity Date. Upon execution of this Extension Agreement, Lessee shall also pay Lessor any other amounts due under the MLA. Monthly payments during the term of the extension will be made in accordance with the payment schedule established under the MLA.

5. **TERM OF EXTENSION.** This Extension Agreement extends the Lease Term for each Vehicle for twelve (12) months from its Original Maturity Date. The expiration date of such twelve-month period shall be referred to in this Lease Agreement as the "Extended Maturity Date." Lessee may, at its option, extend the Lease Term for an additional twelve (12) months beyond the Extended Maturity Date by giving Lessor 90 days written notice before the Extended Maturity Date. If and as requested by TMS, Lessee shall make the Lease Vehicle available to Lessor and TMS for inspection at a mutually agreed upon time prior to the Original Maturity Date and, if Lessee exercises its option to extend the Lease Term beyond the Extended Maturity Date, at a mutually agreed upon time prior to the Extended Maturity Date.

6. **LEASE VEHICLE TERMINATION FROM LESSEE'S SERVICE.** Section 10 of the Lease Agreement is amended in its entirety to read:

"a. Notwithstanding anything to the contrary set forth in this Agreement, the lease of a Lease Vehicle shall expire or terminate only for upon the occurrence of the events described in this Section 10.a. Except as expressly provided in this Section 10.a, Lessee shall have no right to terminate a lease of a Lease Vehicle prior to the end of the Lease Term. The lease of a Lease Vehicle shall expire or terminate as follows:

(i) Upon expiration of the Lease Term (as extended hereby).

(ii) If the Lease Vehicle is incapable of repair, in the opinion of the Lessee, and for which supporting documentation, reasonably satisfactory to Lessor, is forwarded to Lessor. Lessor retains the right to inspect the Lease Vehicle to verify the Lease Vehicle's

condition. Termination under this subsection (ii) shall be effective as of the date of Lessor's receipt of Lessee's written notice.

(iii) If the Lease Vehicle is stolen, converted, seized or damaged beyond repair or has disappeared and has remained unrecovered for a period of at least thirty days after the date Lessee became aware of such occurrence. If a Lease Vehicle has been stolen, converted or has disappeared, Lessee agrees to notify all law enforcement authorities immediately upon becoming aware of such occurrence. Lessee further agrees to notify Lessor in writing of an event specified in this subsection (iii). Termination under this subsection (iii) shall be effective as of the date of Lessor's receipt of Lessee's written notice.

(iv) At Lessee's option, if any battery in the NiMH battery pack fails at any time during the extension of the Lease Term effected by this Amendment and Lessor determines not to replace such battery as provided in this subsection (iv). Lessee shall report any suspected battery failure to Lessor and TMS as soon as possible, but in no event later than 10 days after the failure. Lessor and TMS shall arrange to inspect and verify the battery condition following receipt of Lessee's notice and shall provide Lessee with written notice of their determination. If Lessee desires to exercise its option to terminate under this subsection (iv), Lessee shall provide Lessor with written notice of termination within 30 days after Lessor and TMS confirm the failure in writing and this Lease Agreement shall terminate effective upon the date on which Lessee reported the battery failure. If Lessee fails to exercise its option to terminate within such 30-day period, Lessee shall be responsible, at Lessee's sole cost and expense, to cause the failed battery or batteries to be replaced by an Approved Service Provider.

b. If the lease of a Lease Vehicle is terminated prior to the end of the Lease Term, Lessee shall pay to Lessor the amounts specified by this Section 10.b.

(i) Should Lessee terminate the lease of a Lease Vehicle prior to the New Maturity Date for such Vehicle, except for reasons set forth in Section 10.a of the MLA, Lessee shall return the Vehicle to the Lessor and pay an Early Termination Charge of Five Hundred Dollars ($500.00) in addition to the total payoff balance, as determined by Lessor ("Total Payoff Balance"), together with all other amounts that are due under the MLA or this Extension Agreement.

(ii) Should Lessee terminate the lease of a Lease Vehicle prior to the New Maturity Date for such Vehicle for any of the reasons set forth in Section 10.a.iii. above, Lessee shall pay Lessor the Total Payoff Balance for such Vehicle minus the salvage value of such Vehicle, as such salvage value is determined by TMS, together with all other amounts that are due under the MLA or this Extension Agreement.

(iii) Should Lessee terminate the lease of a Lease Vehicle prior to the New Maturity Date for such Vehicle for any of the reasons set forth in Sections 10.a.ii or 10.a.iv above, there shall be no charge to Lessee except unpaid charges and other amounts provided for in this Agreement. Any One Pay lease payment will be refunded on a pro-rata basis."

7. CONTINUING VALIDITY AND ENFORCEABILITY. As amended herein, all the terms of the MLA shall remain valid and enforceable and are incorporated herein by reference. Lessee acknowledges and agrees that Lessee is responsible for providing satisfactory insurance coverage on the Vehicles during the extended term pursuant to the provisions of Section 8 of the MLA.

Lessee: **City of Sunnyvale** _____

By: _____ Title: _____ Date: _____

Lessor: Toyota Motor Credit Corporation

By: _____ Title: _____ Date: _____