

## ADMINISTRATIVE REPORT

**DATE:** 4/21/22  
**TOPIC:** #6.12 - Lease Agreement – High school student devices  
**PRESENTER:** Robert Berkowitz – Director of Technology  
**REFERENCE TO POLICY/STATUTE:** Policy 701

### A. PURPOSE OF REPORT

- a. South Washington County Schools will be replacing high school devices and introducing a student repair academy for the 2022–23 school year. This equipment will align devices across all 4 high schools and insure consistent devices for all in-person and online classes. Existing devices will be used to align device fleets in middle and elementary schools as well as life cycling obsolete devices.
- b. To finance this lifecycle, South Washington County Schools is seeking board approval to enter a 4-year fair market lease of 6300 Lenovo 300e Chromebook devices for student use. This lease is a 4-year fair market lease with annual payments of \$477,767.97 starting on July 1<sup>st</sup>, 2022.
- c. This 4-year lease is budgeted and will be paid using the voter approved 2017 capital projects levy

### B. RECOMMENDATION

- a. Administration is recommending the board accept the lease proposal from TEQlease for the purchase of 6200 Lenovo Chromebook devices.





23801 Calabasas Road, Suite 101  
Calabasas, CA 91302  
(844) 222-1006

April 19, 2022

Robert Berkowitz  
Independent School District No. 833 dba South Washington County Schools  
7362 East Point Douglas Road South  
Cottage Grove, MN 55016

Dear Robert Berkowitz:

TEQlease Education Finance, a division of TEQlease, Inc. (the Lessor), is pleased to assist Independent School District No. 833 dba South Washington County Schools with a lease financing solution for equipment. We are pleased to have you as a customer and will do our very best to exceed all of your expectations.

Please review the following documentation carefully. The documentation includes the following, all of which should be signed by an individual authorized by your school. The documents should be printed and signed as requested, and returned to us as soon as possible, via overnight delivery:

- Lease Schedule 738 – Print and sign two copies.
- Master Lease Agreement No. 410 – Print and sign two copies.
- Certificate of Acceptance – Print and sign one copy. Do not insert the date in Paragraph 1. We will contact you to confirm the delivery date and insert that date upon confirmation.
- Certificate of Signature Authority of Lessee – print one copy and complete as requested.
- Authorization Agreement for Preauthorized Debit Payments - print one copy, complete, sign and return with a voided check.
- Insurance Request – print one copy, complete and sign. If you prefer you may contact your agent directly and have the insurance certificates sent directly to me.
- Essential Use/Source of Funds Certificate – print one copy, complete and sign.

Also enclosed is/are invoice(s) for the first payment(s) due under the lease and/or e-Waste fees. Please process for payment and return with the document package.

In order to facilitate the most efficient and timely processing of your equipment order, the following information should also be provided:

- Purchase Order. The purchase order should reference: a total cost of \$1,863,100.00 [\$1,863,100.00 for equipment, \$ for e-Waste fees (if applicable) and \$0.00 for sales tax (if applicable)]; Vendor Quote QU-223557; and must include Ship To and Bill To addresses.
- The vendor on all purchase order(s) must be:  
TEQlease, Inc.  
23801 Calabasas Road, Suite 101  
Calabasas, CA 91302
- Sales/Use Tax Exemption Certificate (if applicable)

Please scan the entire document package (only one copy of each document is necessary) and e-mail to [documents@teqlease.com](mailto:documents@teqlease.com) for review, prior to overnighting the documents. Please return the A) ORIGINAL properly executed documentation; B) ORIGINAL purchase order(s); and C) sales/use tax exemption certificate. Upon our receipt of all of the above items we will process your order for product allocation and shipment.

Return original documents to:      TEQlease, Inc.  
23801 Calabasas Road, Suite 101  
Calabasas, CA 91302

If you have any questions please do not hesitate to contact me at (844) 222-1006.

Sincerely,  
GREG HUBACH  
TEQlease Education Finance Program  
Contracts Administrator

**LESSOR: TEQLEASE, INC.**  
23801 Calabasas Road, Suite 101  
Calabasas, CA 91302

**LESSEE: INDEPENDENT SCHOOL DISTRICT NO. 833**  
**DBA SOUTH WASHINGTON COUNTY SCHOOLS**  
7362 East Point Douglas Road South  
Cottage Grove, MN 55016

**EQUIPMENT SCHEDULE**

Chromebooks. The final Rent amount will be amended, if necessary, as determined by the final Equipment cost, by Lessor using the rate factor stated below. The Equipment configuration will be determined by invoices presented from Vivacity Tech, which will be described in the Certificate of Acceptance. The Equipment consists of the following:

Part #	Description	Qty	Price	Extended Price
	Lenovo 300e G2 Chromebook (81MB004UUS) 11.6" HD (1366x768), Touchscreen, IPS Display Intel Celeron N4020 Processor; June 2026 Automatic Update Expiration 4GB Memory; 32GB Storage 2-in-1 capable with a 360° hinge I/O: 2 USB Type-C; 2 USB Type-A; 1 headphone/microphone combo; 1 microSD media card reader New 1-Year Limited Warranty	6,200	\$275.00	\$1,705,000.00
	Lenovo 3 Year Extended Service Warranty (5WS0Q11134 Lenovo Mail-in - 3 Year Extended Service Carry-in - Maintenance - Parts & Labor - Physical Service	6,200	\$21.50	\$133,300.00
	Vivacity Tech White Glove Service (SVC-WG) Upgrade all Chromebooks to the latest stable version of Chrome OS Enroll into the customers' Google Apps domain Power on and inspect for physical damage or blemishes Inspect for hardware and/or software errors	6,200	\$3.00	\$18,600.00
	Vivacity Tech Asset Tagging Service - VT Provided (SVC VT-ATAG Vivacity Tech Asset Tagging Service Asset Tags Provided by Vivacity Tech	6,200	\$1.00	\$6,200.00
	Vivacity Tech Green Shipping Service (FEE GRNSH) Custom Green Ship Box Sturdy Cardboard Construction Double Corrugation Plastic Handles for Durability and Weight Distribution Separate Housing for Power Adapters	1	\$0.00	\$0.00
	Vivacity Tech Student Repair Academy (SVC-SRA-9+) Annual Subscription 07/2022-06/2023 Fully train students in becoming certified technicians to repair devices Subscription includes all course content, regular curriculum updates, unlimited course licences, access to Student Repair Center, Vivacity Tech support Vivacity Tech-developed curriculum Designed for self-paced, flexible learning Guided eLearning modules include videos, resource materials, and assessments to ensure student success Multi-course series includes: Understanding Chromebook Component Functions Chromebook Repairs How to Safely Work on Devices Maintaining Support Tickets Hardware Configuration Troubleshooting Tactics	1	\$0.00	\$0.00
			<b>TOTAL</b>	<b>\$1,863,100.00</b>

**TRANSACTION TERMS:**

RENT: \$477,767.97 per Year (Tax Exempt)	Equipment Cost: \$1,863,100.00
PAYABLE: Yearly in Advance	Discount: \$0.00
ADVANCE RENT: N/A	e-Waste: \$0.00
ADVANCE RENTAL/ N/A	Taxes: \$0.00
DOWNPAYMENT	
EQUIPMENT PURCHASE OPTION at END of LEASE:	<b>TOTAL: \$1,863,100.00</b>
___ \$1.00 <b>X</b> Fair Market Value	
LEASE TERM: 50 Months (commencing May 1, 2022 with 4 payments of \$477,767.97 commencing July 1, 2022 payable Annually in advance)	
EQUIPMENT LOCATION: (IF DIFFERENT FROM LESSEE ADDRESS ABOVE) <u>7362 East Point Douglas Road South, Cottage Grove, MN 55016</u>	
LESSEE CONTACT/TELEPHONE: <u>Robert Berkowitz, 651-425-6300, rberkowi@sowashco.org</u>	

**THIS SCHEDULE INCORPORATES ALL OF THE TERMS AND CONDITIONS IN THE MASTER LEASE AGREEMENT BETWEEN LESSOR AND LESSEE IDENTIFIED ABOVE.**

**IMPORTANT:**

READ BEFORE SIGNING. THE TERMS OF THIS SCHEDULE SHOULD BE READ CAREFULLY BECAUSE ONLY THOSE TERMS IN WRITING ARE ENFORCEABLE. THIS SCHEDULE INCORPORATES THE TERMS OF THE ABOVE IDENTIFIED MASTER LEASE AGREEMENT. TERMS OR ORAL PROMISES WHICH ARE NOT CONTAINED IN THIS WRITTEN SCHEDULE OR THE MASTER LEASE AGREEMENT MAY NOT BE LEGALLY ENFORCED. YOU MAY CHANGE THE TERMS OF THIS SCHEDULE ONLY BY ANOTHER WRITTEN AGREEMENT BETWEEN YOU AND US. YOU AGREE TO COMPLY WITH THE TERMS AND CONDITIONS OF THIS SCHEDULE. THIS SCHEDULE IS NOT CANCELABLE. YOU AGREE THAT THE EQUIPMENT WILL BE USED FOR EDUCATIONAL PURPOSES ONLY AND NOT FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES.

YOU CERTIFY THAT ALL THE INFORMATION GIVEN IN THIS SCHEDULE AND YOUR APPLICATION WAS CORRECT AND COMPLETE WHEN THIS SCHEDULE WAS SIGNED. THIS SCHEDULE IS NOT BINDING UPON US OR EFFECTIVE UNTIL AND UNLESS WE EXECUTE THIS SCHEDULE. THIS SCHEDULE WILL BE GOVERNED BY THE LAWS OF THE STATE WHERE YOU ARE LOCATED WITHOUT REGARD TO THE CONFLICT OF LAW PRINCIPLES THEREOF. YOU AGREE TO THE JURISDICTION AND VENUE OF FEDERAL AND STATE COURTS IN THE STATE WHERE YOU ARE LOCATED.

THE INTEREST RATE AND LOAN PAYMENTS SET FORTH ABOVE ARE (I) BASED ON LENDER'S FIXED COST OF FUNDS AS OF THE DATE HEREOF AND EXPRESSLY SUBJECT TO THE PRESERVATION OF LENDER'S ANTICIPATED NET ECONOMIC RETURN, AND (II) MAY BE ADJUSTED BY LENDER AT ITS DISCRETION PRIOR TO THE FUNDING DATE TO REFLECT ANY CHANGES IN LENDER'S COST OF FUNDS AND/OR TO PRESERVE LENDER'S ANTICIPATED NET ECONOMIC RETURN.

*ACCEPTED BY:*

**LESSOR: TEQLEASE, INC.**

BY: \_\_\_\_\_  
NAME & \_\_\_\_\_  
TITLE: \_\_\_\_\_  
DATE: \_\_\_\_\_

*PROPOSED BY:*

**LESSEE: INDEPENDENT SCHOOL DISTRICT NO. 833 DBA  
SOUTH WASHINGTON COUNTY SCHOOLS**

BY: \_\_\_\_\_  
NAME & \_\_\_\_\_  
TITLE: \_\_\_\_\_  
DATE: \_\_\_\_\_ FED. TAX ID#: \_\_\_\_\_



**Master Lease Agreement No. 410 (“Agreement”) by and between TEQlease, Inc., as “Lessor”, and Independent School District No. 833 dba South Washington County Schools, as “Lessee” with its principal address at 7362 East Point Douglas Road South, Cottage Grove, MN 55016.**

**DEFINITIONS:** Unless the context otherwise clearly requires, the following terms shall have the respective meanings set forth below for all purposes this Agreement and of each Schedule:

**Agreement** - this master lease agreement.

**Code** - Internal Revenue Service Code of 1986 as amended from time to time.

**Contractor** - any manufacturer or vendor of the System.

**Damaged Equipment** - Equipment that is lost, stolen or damaged.

**Damages** - means any injuries, damages, penalties, claims or losses, including reasonable legal expenses, incurred by you or any other person caused by the transportation, installation, selection, purchase, lease, ownership, possession, modification, maintenance, condition, operation, use, return or disposition of the System.

**Day** - a calendar day unless otherwise specified.

**Documents** - each Lease, any documents relative to the acquisition of the System and any other documents required to be delivered in connection with each Lease.

**Escrow Account** - an account from which the cost of the System is to be paid.

**Equipment** - all items of personal property described in the applicable Schedule and subject to this Agreement.

**Equipment Location** - the place where you have represented that all items of personal property described in the applicable Schedule and subject to this Agreement will be located.

**Lease** - this Agreement and a Schedule.

**Lease Term** - the time period listed in the applicable Schedule.

**Lessor Equipment** - Equipment manufactured or assembled by Lessor.

**Net Book Value** – (i) any and all amounts which may be due and payable by you to us under the Lease, plus (ii) the present value of all Rent payments remaining through the end of the Lease Term discounted at the lesser of 1% or the highest rate allowed by law plus (iii) our reasonable estimate of the fair market value of like equipment as of the end of the Lease Term.

**Other Equipment** - Equipment not manufactured, assembled, or distributed by Lessor.

**Product Warranty** - any express product warranty from Lessor.

**Rent** - payments payable by the Lessee to Lessor for the acquisition of the System as shown in the applicable Schedule.

**Schedule** - any lease schedule under this Agreement signed by you and accepted by us.

**Software** - means any operating systems or application programs described in the applicable Schedule and subject to this Agreement.

**System** - Equipment or Software, or both, in the applicable Schedule.

**System Cost** - cash price of Equipment and fee for Software license.

**We, Us, and Our** – Lessor or our agent.

**You and Your** – Lessee or your agent.

Other capitalized terms not otherwise defined in this Agreement are defined in the Schedule.

**TERMS AND CONDITIONS**

**1. LEASE OF SYSTEM.** By execution of this Agreement alone, neither you nor we have made a commitment to lease any System. The execution of a Schedule, which incorporates the terms and conditions of this executed Agreement shall constitute a commitment to lease the System. You hereby represent and warrant that the System and the Contractor have been selected by you in compliance with all applicable laws, codes, ordinances, regulations, and policies, including but not limited to, any solicitation of competitive pricing and/or bidding requirements, governing your acquisition (by exercise of any applicable purchase option), use, leasing, and/or rental of equipment or payment of software license fees. You further represent and warrant that we shall have no responsibility in connection with the selection of the Equipment or the Software, the ordering of the Equipment or the Software, its suitability for the use intended by you, your compliance or non-compliance with competitive pricing and/or bidding requirements, the acceptance by the Contractor or the Contractor's sales representative of the order submitted, or any delay or failure by the Contractor or its sales representative to manufacture, deliver, install, or maintain the Equipment or the Software for your use. You shall order the System from the appropriate Contractor.

**ESCROW AGREEMENT.** If upon agreement by both you and us as to any System to be acquired by us and leased by you under this Agreement, you and we enter into an escrow agreement with an escrow agent establishing an Escrow Account from which the cost of the System is to be paid (a) you and we shall immediately complete and execute a Schedule relating to the System; (b) the amount deposited by us into the Escrow Account shall be repaid by the Rent payable under the related Schedule; and (c) the Rent relating to the System shall have an aggregate principal component equal to the amount of our deposit into the Escrow Account and shall be due and payable as provided in the related Schedule commencing upon the deposit of funds by us into the Escrow Account. You acknowledge and agree that no disbursements shall be made from an Escrow Account except for portions of the System that are operationally complete and functionally independent and that may be fully utilized by you without regard to whether the balance of the System is delivered and accepted.

**2. LEASE.** You shall advise us in writing of your desire to lease the System, a description of the System, the cost of the System, the Contractor supplying the System, the expected System operational date, the desired lease terms, and any additional information we may require. If we, in our sole discretion, determine the proposed System may be subject to a Lease hereunder, we shall advise you of our acceptance of your request and the conditions of our acceptance. Upon your receipt of the invoices for the System from the Contractor, you will forward those invoices immediately to us and we will furnish you with a proposed Schedule. Subject to the terms of this Agreement, you agree to lease from us the Equipment, and, if applicable, finance any software license fee for any Software, and delivery and installation costs described in each Schedule, when we accept the Schedule at our office. Each Schedule will incorporate the terms, conditions, and provisions of this Agreement and will constitute a separate Lease.

**3. INVOICE PAYMENT OR REIMBURSEMENT.** We shall have no obligation whatsoever to make any payment to a Contractor or reimburse you for any payment you made to a Contractor for the System until five (5) business days after we have received all of the following in form and substance satisfactory to us in our sole discretion: (a) a Schedule executed by a person duly authorized by your governing board; (b) a written notice from you of acceptance of the System; (c) a resolution or evidence of other official action taken by or on behalf of your governing board to authorize the acquisition of the System on the terms provided in the Schedule; (d) evidence of insurance with respect to the System in compliance with Section 14 of this Agreement; (e) Contractor invoice and/or bill of sale relating to the System and if such invoice has been paid by Lessee, evidence of payment thereof and, if applicable, evidence of

official intent to reimburse such payment as required by the Treasury Regulations; (f) an Opinion of Counsel in form and substance reasonably acceptable to us; and (g) any other documents, items, or information required by us.

**4. DELIVERY AND ACCEPTANCE OF SYSTEM.** Acceptance of the System shall occur immediately upon delivery. When you receive the System, you agree to inspect it and to verify in writing such information as we may require. Delivery and installation costs are your responsibility unless otherwise agreed to in advance with us and the Contractor of the System. If you signed a purchase contract for the System, by signing the Schedule you assign your rights, but none of your obligations under it, to us.

**5. RENT.** You agree to pay us Rent (plus applicable taxes) in the amount and frequency stated on each Schedule. If your Rent payments are due in advance, your first Rent payment is due on the date you accept the System or on the date of our deposit into an Escrow Account. We will advise you as to (a) the due date of each Rent payment, and (b) the address to which you must send your payments. Rent is due whether or not you receive an invoice from us. Payment of all obligations hereunder are required to be made by electronically withdrawing funds from the obligor's bank account, and authorization is hereby given to obligee or its assignee for debits from this account, on, or if past due after, the scheduled due date of each payment or other amounts due and owing hereunder. Restrictive endorsements on checks you send to us will not reduce your obligations to us. **Unless a proper exemption certificate is provided, applicable sales and use taxes will be added to the Rent.**

**NON-APPROPRIATION OF FUNDS.** You intend to remit and reasonably believe that moneys in an amount sufficient to remit all Rent and other payments can and will lawfully be appropriated and made available to permit your continued utilization of the Systems leased under all Leases and the performance of its essential function during the Lease Terms. The person in charge of preparing your budget will include in each of your fiscal budgets a request for the Rent to become due in such fiscal period. We acknowledge that appropriation of moneys for Rent is a governmental function which you cannot contractually commit yourself in advance to perform and this Agreement or any Lease resulting from this Agreement does not constitute: (i) a multiple fiscal year direct or indirect debt or financial obligation; or (ii) an obligation payable in any fiscal year beyond the fiscal year for which funds are lawfully appropriated; or (iii) an obligation creating a pledge of or a lien on your tax or general revenues. In the event that your governing board does not approve an appropriation of funds at any time during the Lease Term for the payment of Rent and other payments if any due and to become due for a fiscal year during the Lease Term for the System subject to the Lease you shall have the right to return the System in accordance with Section 18 of this Agreement and terminate the Lease on the last day of the fiscal period for which sufficient appropriations were received without penalty or expense to you, except as to the portion of Rent for which funds shall have been appropriated and budgeted. At least thirty (30) Days prior to the end of your fiscal year, your chief executive officer (or legal counsel) shall certify in writing that (a) despite your utilization of best efforts to obtain sufficient appropriations, funds have not been appropriated for the fiscal period, and (b) you have exhausted all funds legally available for the payment of Rent. You acknowledge and agree that this non-appropriation provision is not intended to be used as a substitute for convenience termination nor for the purpose of replacing the System with other substantially identical property. To the extent permitted by applicable law, you acknowledge and agree not to utilize the non-appropriation provision for such purposes.

**6. UNCONDITIONAL OBLIGATION. EXCEPT AS PROVIDED IN THE SECOND PARAGRAPH OF SECTION 5 "NON- APPROPRIATION OF FUNDS," YOU AGREE THAT YOU ARE UNCONDITIONALLY OBLIGATED TO PAY ALL RENT AND ANY OTHER AMOUNTS DUE UNDER EACH SCHEDULE FOR THE FULL LEASE TERM EVEN IF THE SYSTEM IS DAMAGED OR DESTROYED, IF IT IS DEFECTIVE OR IF YOU HAVE TEMPORARY OR PERMANENT LOSS OF ITS USE. YOU ARE NOT ENTITLED TO REDUCE OR SET-OFF AGAINST RENT OR OTHER AMOUNTS DUE UNDER EACH SCHEDULE FOR ANY REASON WHATSOEVER.**

**7. DISCLAIMER OF WARRANTIES. THE SYSTEM IS BEING LEASED TO YOU IN AS-IS CONDITION (which is the condition of the System at the time of acceptance). NO INDIVIDUAL IS AUTHORIZED TO CHANGE ANY PROVISION OF THE LEASE. YOU AGREE THAT YOU HAVE SELECTED THE SYSTEM BASED UPON YOUR OWN JUDGMENT. YOU HAVE NOT RELIED ON ANY STATEMENTS WE OR OUR EMPLOYEES HAVE MADE. EXCEPT AS PROVIDED IN OUR WRITTEN PRODUCT WARRANTY, WE HAVE NOT MADE AND DO NOT MAKE ANY EXPRESS OR IMPLIED REPRESENTATIONS OR WARRANTIES WHATSOEVER, INCLUDING WITHOUT LIMITATION, THE SYSTEM'S MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, SUITABILITY, DESIGN, CONDITION, DURABILITY, OPERATION, QUALITY OF MATERIALS OR WORKMANSHIP, OR COMPLIANCE WITH SPECIFICATIONS OR APPLICABLE LAW.** We are not the Equipment manufacturer. You agree to settle any dispute you may have regarding performance of the Equipment directly with the manufacturer and not make any claim against any assignee described in Section 21. You agree to continue to pay such assignee all Rent and other payments even if you have a dispute with the manufacturer regarding the Equipment. You are also aware of the name of the manufacturer of the Equipment and the name of the Software licensor. You agree to contact the manufacturer of the Equipment or the licensor of the Software for a description of your warranty rights. Provided you are not in default under the Lease, you may enforce all of the warranty rights directly against the manufacturer of the Equipment or the licensor of the Software, as the case may be. You agree to settle any disputes you may have regarding performance of the Equipment or the Software directly with the manufacturer of the Equipment or the licensor of the Software, as the case may be, and not make any claim against the Rent due us or any new owner described in Section 21. You agree to continue to pay us (or such new owner) all Rent and other sums which may be due and payable even if you have a dispute with any manufacturer of the Equipment or the licensor of the Software, including, without limitation, such manufacturer's or licensor's bankruptcy.

**8. TITLE AND SECURITY INTEREST.** If the Schedule 1) indicates the purchase option is a fair market value purchase option, then THIS IS A "TRUE LEASE", and the system is and shall remain our sole property during the lease term; or 2) the Schedule indicates the purchase option is for a nominal or fixed amount, then you shall have title to the Equipment immediately upon acceptance and shall be deemed to be the owner of the Equipment as long as you are not in default under the Lease or an event of non-appropriation has occurred. Unless you are in default under the Lease, or an event of non-appropriation has occurred, you shall have the right to peacefully possess and use the System during the Lease Term. To secure all of your obligations to us under the Lease you hereby grant us a first priority purchase money security interest in (a) the Equipment to the extent of your interests (if any) in the Equipment, (b) anything attached or added to the Equipment at any time, (c) any money or property from the sale of the Equipment, (d) any money from an insurance claim if the Equipment is lost or damaged, (e) your rights under each agreement for the licensing of Software; (f) the System. You agree that the security interest will not be affected if this Agreement or any Schedule is changed in any way. You authorize us to file financing statements in order for us to publicly record our title to the Equipment or our security interest. If allowed by the laws of the state where you are located and if we request, you agree to sign financing statements in order for us to publicly record our title to the Equipment or our security interest. You hereby appoint us as your true lawful attorney-in-fact to affix your signature to UCC financing statements prepared and filed on your behalf by us with the same force and effects as if you have signed such financing statements. The Lease or a copy of the Lease shall be sufficient as a financing statement and may be filed as such.

**9. USE, MAINTENANCE AND REPAIR.** You will not move the System from the Equipment Location without our advance written consent except that any System that has been designed by nature to be a movable piece of technology (such as laptop computers) may be moved within the continental United States without a written consent from the Lessor. In order to facilitate the use of the Equipment by students and/or faculty members of Lessee's organization ("Authorized Users") while on premises other than those belonging to Lessee, Lessee acknowledges and agrees that: (a) Lessee shall use due care to ensure that the System is not (i) used for any illegal activity or private business purposes, or (ii) used by anyone other than Authorized Users; (b) Lessee shall not (i) sub-lease, rent or sell any System (in whole or in part) to any Authorized User, and (c) Lessee (and not Authorized Users) shall be solely responsible for (i) maintaining insurance in accordance with Section 14 herein, (ii) payment of any applicable property taxes on the System, and (iii) return of the System to Lessor in the event of Lessee's default or non-appropriation hereunder. You will give us reasonable access to the Equipment Location so that we can check the System's existence, condition and proper maintenance. You will use the System in the manner for which it was intended, as required by all applicable manuals and instructions and keep it eligible for any manufacturer's certification and/or standard, full service maintenance contract. At

your own cost and expense, subject to any applicable written warranties, you will keep the Equipment in good repair, condition and working order, ordinary wear and tear excepted. All replacement parts and repairs shall be governed by the terms of the Lease. You will not make any permanent alterations to the Equipment that will result in a decrease in the market value of the Equipment.

**10. TAXES.** You agree that you will pay us, when invoiced, all taxes (including any sales, use and personal property taxes), fines, interest and penalties relating to each Lease and the Equipment (excluding taxes based on our net income). You acknowledge and agree that with respect to true leases (i) the Equipment is and shall remain our sole property during the Lease Term, and (ii) as the owner of the Equipment, we may be required to pay property taxes assessed against the System. Although you may be exempt from the direct obligation to pay of property taxes, you agree that (a) you will, at our sole discretion, either (1) reimburse us, when invoiced, for all taxes (including any sales, use and personal property taxes), fines, interest and penalties we are assessed relating to each Lease and the System (excluding taxes based on our net income), or (2) remit to us each month our estimate of the monthly equivalent of such taxes to be assessed, (b) you agree to pay us for the loss of any income tax benefits caused by your actions, and (c) should an increase in the federal corporate income tax rate or a change in the "accelerated cost recovery deductions" allowed by the Internal Revenue Code of 1986, as amended, adversely affect our after-tax earnings or cash flows, you agree that we may increase the Rent and other amounts due under each Lease to offset any such adverse effect. We do not have to contest any tax assessments.

**11. CLAIMS.** Inasmuch as our sole responsibility in connection with this Agreement and any subsequent Lease under the Agreement is to provide financing for the acquisition of the System, it is the intent of the parties that we incur no liability, cost or expense with respect to transportation, installation, selection, purchase, lease, ownership, possession, modification, maintenance, condition, operation, use, return or disposition of the System. You hereby acknowledge and agree that we are not responsible (except for our obligations as outlined in the Product Warranty, as manufacturer and/or assembler of Lessor Equipment, or to the extent caused solely by our intentional or negligent acts or omissions) for any Damages. You agree that you shall not bring or make any claim, lawsuit or action against us and shall reimburse us for and defend us against any claims for any Damages even after the Agreement and each Schedule has expired for acts or omissions which occurred during the Lease Term.

**12. IDENTIFICATION.** You authorize us to insert missing or correct information on the Lease, including, without limitation, your official name, serial numbers and any other information describing the System. We will send you copies of such changes. You will attach to the Equipment any name plates or stickers we provide you.

**13. LOSS OR DAMAGE.** You are responsible for any loss of or Damages to the System from any cause at all, whether or not insured, from the time the System is delivered to you until it is returned to us. If any item of the Equipment is Damaged Equipment you will notify us in writing within fifteen (15) Days of such event. Within fifteen (15) Days after the date you have notified us of such event, at our option, you will either: (a) repair the Damaged Equipment so that it is in good condition and working order, eligible for any manufacturer's certification, while continuing to pay the Rent on a current basis; or (b) while continuing to pay the Rent on a current basis replace the Damaged Equipment at your sole cost and expense with equipment, conveyed and granted to us by you, with marketable title, free and clear of any liens, claims or encumbrances of any kind or nature whatsoever, and having substantially similar manufacturer's specifications and of equal or greater value to the Damaged Equipment immediately prior to the time of the loss occurrence, such replacement equipment to be subject to our approval, whereupon such replacement equipment shall be substituted in the applicable Lease and the other related documents by appropriate endorsement or amendment and shall be our property; or (c) pay us an amount equal to the Net Book Value of the Damaged Equipment and continue the Lease for the non-Damaged Equipment with Rent equivalent to the product of the total original cost of the non-Damaged Equipment divided by the cost of the System multiplied by the amount of the original Rent. Provided you are not in default or an event of non-appropriation has not occurred under the Lease, we will apply any insurance proceeds which we receive for Damaged Equipment to the cost of repair or replacement of the Damaged Equipment. If you are in default, we will apply any insurance proceeds we receive to reduce your obligations under Section 16 of this Agreement.

**14. INSURANCE.** You agree to (a) keep the System fully insured against loss, naming us and our assigns as loss payee under any commercial or self-insurance plan you may have insuring the System against loss, and (b) obtain a general public liability insurance policy (or suitable program of self-insurance) covering both personal injury and property damage in amounts not less than we may tell you, naming us and our assigns as additional insured, until you have met all of your obligations under the Lease. We are under no duty to tell you if your insurance coverage is adequate. The policies shall state that we are to be notified of any proposed cancellation at least 30 Days prior to the date set for cancellation. Upon our request, you agree to provide us with certificates or other evidence of insurance acceptable to us. If you do not provide us with evidence of proper insurance within 10 Days of our request or we receive notice of policy cancellation, we may (but we are not obligated to) obtain insurance on our interest in the System at your sole expense. You will pay all insurance premiums and related charges. You may request to provide self-insurance on our interest in the System. Approval of such self-insurance shall be subject to such terms and conditions as may be required by us in our sole discretion.

**15. DEFAULT.** You will be in default under this Agreement if any of the following happens: (a) you fail to pay any Rent or other payment due under any Lease within 10 Days after its due date, or (b) you fail to perform or observe any other promise or obligation in the Lease and do not correct the default within 10 Days after we send you written notice of default, or (c) any representation, warranty or statement you have made in the Lease shall prove to have been false or misleading in any material respect, or (d) any insurance carrier cancels or threatens to cancel any insurance on the System, or (e) the System or any part of it is abused, illegally used, or misused, or (f) the System or any part of it is lost, destroyed, or damaged beyond repair and remains uncured in accordance with Section 13, or (g) a petition is filed by or against you under any bankruptcy or insolvency laws, or (h) you default on any other agreement between you and us (or our affiliates), or (i) you fail to obtain insurance as required in Section 14.

**16. REMEDIES.** Upon the occurrence of a default, we may, in our sole discretion, do any or all of the following (without limiting any other rights or remedies available to us): (a) provide written notice to you of default; (b) as liquidated damages for loss of a bargain and not as a penalty, declare due and payable under any and all Leases, (i) any and all amounts which may be then due and payable by you under the Leases, plus (ii) all Rent payments remaining through the end of the then current fiscal year. We have the right to require you to remove all proprietary data from the System, holding us and any subsequent owner described in Section 21 or their assigns harmless if you fail to do so. If you fail to deliver the System as required by Section 18, you will make the System available to us for repossession during reasonable business hours or we may repossess the System, so long as we do not breach the peace in doing so, or we may use legal process in compliance with applicable law pursuant to court order to have the System repossessed. You will not make any claims against us or the System for trespass, damage or any other reason. You acknowledge and agree that we are the owner of the Equipment and, if we take possession of the Equipment, we may (a) sell or lease the Equipment at public or private sale or lease, and/or (b) exercise such other rights as may be allowed by applicable law. You agree that (a) we have no obligation to sell the Equipment, and (b) if we do sell the Equipment we have no obligation to pay any proceeds of such sale to you. You agree (a) to the extent funds are appropriated by you, to pay all of the costs we incur to enforce our rights against you, including attorney's fees, and (b) that we will retain all of our rights against you even if we do not choose to enforce them at the time of your default. Notwithstanding anything contained in this Section 16 or Section 15 above, if we have assigned our rights in any Lease(s) we shall not have the right to exercise the remedies stated herein for such Lease(s) and the decision whether to exercise any or all of the remedies stated herein shall be in the sole and absolute discretion of the party assigned such Lease(s).

**17. YOUR OPTIONS AT END OF LEASE. TRUE LEASE:** In the case of a true lease as indicated in the Schedule, provided you are not in default, and an event of non-appropriation has not occurred, upon expiration of a Lease you shall have the option to (a) with at least ninety (90) Days advance written notice to us, purchase all but not less than all of the System for its then fair market value as determined by us in our sole discretion, or (b) with at least ninety (90) Days advance written notice to us, and subject to our approval, re-lease the System for one additional 12 month term at the fair market rental value, as determined by us in our sole discretion, or (c) if the applicable Lease provides for Rent to be paid on a monthly basis, with advance written notice provided to us no later than 90 Days (but no earlier than 120 Days) prior to the end of the Lease Term, or, if the applicable Lease provides for

Rent to be paid on a quarterly or annual basis, with advance written notice provided to us no later than 90 Days (but no earlier than 180 Days) prior to the end of the Lease Term, return the System to us in accordance with Section 18. If you fail to notify us in writing within the time specified above as to which option you have chosen, the Lease shall automatically renew for a term of ninety (90) Days (the "Renewal Term") at the same Rent payable during the Lease Term. The Lease Term shall thereafter be automatically and continually renewed for additional Renewal Terms. You agree to continue making Rent payments to us until (a) you provide us with such advance written notice and (b) the Lease has continued in full force and effect for three additional Renewal Terms thereafter. If you elect to purchase the System, upon payment of the agreed upon price including all sales and other applicable taxes, we will transfer the System to you AS IS-WHERE IS, WITHOUT ANY REPRESENTATION OR WARRANTY. If you elect to renew the Lease, Rent shall accrue from the first day following expiration of the Lease Term and shall be payable in accordance with the terms of the renewal. Upon payment of all amounts due under the Lease, you will have a continuing right to use the Software in accordance with the terms of the applicable software license agreement(s). **\$1.00 PURCHASE OPTION:** In the case of a \$1.00 purchase option lease, as indicated in the Schedule, provided you are not in default, upon expiration of the lease term you have the option to purchase all but not less than all of the System for \$1.00. If and when you decide to sell the Equipment, you agree to provide us the opportunity purchase the Equipment, and the right of first refusal to acquire the Equipment at competitive pricing.

**18. RETURN OF SYSTEM.** If (a) a default occurs, (b) a non-appropriation of funds occurs in accordance with Section 5, or (c) you do not purchase the Equipment at the end of the Lease Term, at your sole cost you will immediately return the System (including all copies of the Software free of any proprietary data), manuals, and accessories to any location and aboard any carrier we may designate in the continental United States. The Equipment must be properly packed for shipment in accordance with the manufacturer's recommendations or specifications, freight prepaid and insured, maintained in accordance with Section 9, and in "Average Saleable Condition." "Average Saleable Condition" means the System is immediately available for use by a third party buyer, user or lessee, other than yourself, without the need for any repair or refurbishment. All Equipment must be free of markings other than those placed at our request. You will pay us for any missing or defective parts or accessories and for any loss in value resulting from the failure to maintain the Equipment in accordance with this Agreement, deliver the Equipment in Average Saleable Condition or for damages incurred in shipping and handling. You will continue to pay Rent until the System is accepted by us. Our acceptance of the System shall occur fifteen (15) Days after delivery unless we reject the Equipment for good cause within such fifteen (15) Day period.

**19. YOUR REPRESENTATIONS, WARRANTIES AND COVENANTS.** You hereby represent and warrant to us that as of the date of each Lease, and throughout each Lease Term: (a) you are the entity indicated as Lessee in the Lease and that is your official legal name; (b) you are a State or a fully-constituted political subdivision or agency of the State in which you are located; (c) you are duly organized and existing under the Constitution and laws of the State in which you are located; (d) you are authorized to enter into and carry out your obligations under the Documents; (e) the Documents have been duly authorized, executed and delivered by you in accordance with all applicable laws, codes, ordinances, regulations, and policies; (f) any person signing the Documents has the authority to do so, is acting with the full express authorization of your governing body, and holds the offices indicated below his or her signature, which is genuine; (g) the System 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; (h) you intend to use and own the System for the entire Lease Term and shall take all necessary action, in accordance with the second paragraph of Section 5, to include in your annual budget any funds required to fulfill your obligations for each fiscal year during each Lease Term; (i) you have complied fully with all applicable laws, codes, ordinances, regulations, and policies, governing open meetings, competitive pricing and/or public bidding and appropriations required in connection with each Lease and the acquisition of the System; (j) your obligations to remit Rent under each Lease constitutes a current expense and not a debt under applicable state law. No provision of the Lease constitutes a pledge of your tax or general revenues, and any provision which is so construed by a court of competent jurisdiction is void from the inception of the Lease; (k) all payments due and to become due during your current fiscal year are within the fiscal budget of such year, and are included within an unrestricted and unencumbered appropriation currently available for the lease/purchase of the System; (l) you shall keep the System and Equipment free and clear of any and all liens and encumbrances; and (m) 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 Rent payment to become includible in our gross income for Federal income taxation purposes under the Code; (n) 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 Forms 8038-G or 8038-GC information returns as appropriate); (o) all financial information you have provided to us is true and accurate and provides a good representation of your financial condition; and (p) upon our written request, you agree to furnish us with your annual audited financial statements and any such financial or other information as we reasonably request.

**20. YOUR PROMISES.** In addition to the other provisions of this Agreement, you agree that during the term of each Lease you will take any action we reasonably request to protect our rights in the System and to meet your obligations under the Lease.

**21. ASSIGNMENT. YOU WILL NOT SELL, TRANSFER, ASSIGN, PLEDGE, SUB-LEASE OR PART WITH POSSESSION OF THE SYSTEM, OR FILE OR PERMIT A LIEN TO BE FILED AGAINST THE SYSTEM, EXCEPT AS OTHERWISE EXPRESSLY PROVIDED UNDER THIS AGREEMENT.** You will not attach any of the Equipment to any real estate. Upon our reasonable request and at your cost, you will get each person with an interest in the real estate where the System is located to waive any rights they may have in the System. We may, without notifying you, sell, assign, or transfer our rights, but none of our obligations, under any Lease and our interests in the System. You agree that if we do so, the new owner (and any subsequent owners) will have the same rights and benefits that we now have, but will not have to perform any of our obligations. You agree that the rights of the new owner will not be subject to any claims, defenses, or set-offs that you may have against us, the System, or the manufacturer or licensor of the Other Equipment or Software. However, any such assignment, sale, or transfer of the Lease or the System will not relieve us of any obligations we may have to you under the Lease. If you are given notice of a new owner of a Lease, you agree to respond to any requests about the Lease and, if directed by us, to pay the new owner all Rent and other amounts due under the Lease.

**22. COLLECTION EXPENSES, OVERDUE PAYMENT, EARLY TERMINATION.** You agree that we can, but do not have to, take on your behalf any action which you fail to take as required by the Lease, and our expenses will be in addition to of the Rent which you owe us. We may charge you a late charge to cover our collection costs equal to the higher of 10% of any late payment or \$22, but not more than the highest legal rate. To the extent allowed by law, any late payment or non-payment of any past due amount will accrue interest at the lower of 18% per annum or the highest legal rate from the due date until paid. If you so request and we permit the early termination of the Lease (for reasons other than non-appropriation pursuant to Section 5), you agree to pay a fee for such privilege.

**23. AGREED LEASE RATE.** You understand that the Equipment may be purchased (and the Software licensed) for System Cost or it may be leased. By signing the Lease, you acknowledge that you have chosen to lease the System from us for the Lease Term and that you have agreed to pay Rent. **We both intend to comply with all applicable laws. If it is determined that your payments (or any portion thereof) under the Lease constitute interest, and as such, result in an interest payment higher than allowed by applicable law, then any excess interest collected will be applied to the repayment of principal and interest will be charged at the highest rate allowed by law. In no event will we charge or receive or will you pay any amounts in excess of the legal amount.**

**24. MISCELLANEOUS.** Each Lease contains our entire agreement and supersedes any conflicting provision of any equipment purchase order or any other agreement. **TIME IS OF THE ESSENCE IN EACH LEASE.** If a court finds any provision of this Agreement or any Schedule to be unenforceable, the remaining terms of the Lease shall remain in effect. **EACH LEASE IS A "FINANCE LEASE" AS DEFINED IN ARTICLE 2A OF THE UNIFORM COMMERCIAL CODE ("UCC").** You authorize us or our agent to (a) obtain credit reports, (b) make such other credit inquiries as we may deem necessary, and (c) furnish payment history information to credit reporting agencies. To the extent permitted by law, we may charge you a fee of up to \$100 per Lease to cover our documentation, filing, and investigation costs. Each Lease may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument; *provided, however,* that only counterpart one shall constitute the original for

each Lease for purposes of the sale or transfer of a Lease as chattel paper as provided in such Lease. This agreement and all ancillary documents may be transmitted and/or signed by facsimile or digital signature and/or transmission. The effectiveness of any such signatures shall have the same force and effect as manually-signed originals and shall be binding on all parties to this agreement. This agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same agreement. The counterparts of this agreement may be executed and delivered by facsimile or other electronic means by any of the parties to any other party and the receiving party may rely on the receipt of such document so executed and delivered by facsimile or other electronic means as if the original had been received.

**25. NOTICES.** All written notices to each other must be sent by certified mail or recognized overnight delivery service, postage prepaid, to the addresses as stated on each Schedule, or by facsimile transmission, with oral confirmation of receipt. At any time after this Agreement is signed, you or we may change an address or facsimile telephone number by giving notice to the other of the change.

**26. WAIVERS. WE AND YOU EACH AGREE TO WAIVE AND TO TAKE ALL REQUIRED STEPS TO WAIVE ALL RIGHTS TO A JURY TRIAL.** To the extent you are permitted by applicable law, you waive all rights and remedies conferred upon a lessee by Article 2A (Sections 508-522) of the Uniform Commercial Code including but not limited to your rights to: (a) cancel or repudiate this Agreement or any Lease; (b) revoke acceptance of the System; (c) recover damages from us for any breach of warranty or for any other reason (other than any obligations which we may have to you under the terms of the Product Warranty for the Lessor Equipment, or as manufacturer and/or assembler of Lessor Equipment, or to the extent caused solely by our intentional or negligent acts or omissions); and (d) grant a security interest in any System in your possession. To the extent you are permitted by applicable law, you waive any rights you now or later may have under any statute or otherwise which may limit or modify any of our rights or remedies. **ANY ACTION YOU TAKE AGAINST US FOR ANY DEFAULT, INCLUDING BREACH OF WARRANTY OR INDEMNITY, MUST BE STARTED WITHIN ONE (1) YEAR AFTER THE EVENT WHICH CAUSED IT.** We will not be liable for specific performance of any Lease or for any losses, damages, delay or failure to deliver the System.

**IMPORTANT: READ BEFORE SIGNING. THE TERMS OF THIS AGREEMENT AND ANY SCHEDULES SHOULD BE READ CAREFULLY BECAUSE ONLY THOSE TERMS IN WRITING ARE ENFORCEABLE. TERMS OR ORAL PROMISES WHICH ARE NOT CONTAINED IN THIS WRITTEN AGREEMENT MAY NOT BE LEGALLY ENFORCED. THE TERMS OF THIS AGREEMENT OR A SCHEDULE MAY ONLY BE CHANGED BY ANOTHER WRITTEN AGREEMENT BETWEEN YOU AND US. YOU AND WE AGREE TO COMPLY WITH THE TERMS AND CONDITIONS OF EACH LEASE. EXCEPT FOR AN EVENT OF NON-APPROPRIATION, EACH LEASE IS NOT CANCELABLE. YOU AGREE THAT THE SYSTEM WILL BE USED FOR BUSINESS PURPOSES ONLY AND NOT FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES.**

**YOU CERTIFY THAT ALL THE INFORMATION YOU HAVE GIVEN IN THIS AGREEMENT, ANY SCHEDULES AND YOUR APPLICATION WAS CORRECT AND COMPLETE WHEN THIS AGREEMENT WAS SIGNED. THIS AGREEMENT IS NOT BINDING UPON US OR EFFECTIVE UNLESS AND UNTIL WE EXECUTE THIS AGREEMENT. THIS AGREEMENT AND ALL SCHEDULES WILL BE GOVERNED BY THE LAWS OF THE STATE WHERE YOU ARE LOCATED WITHOUT REGARD TO THE CONFLICT OF LAW PRINCIPLES THEREOF. YOU AGREE TO THE JURISDICTION AND VENUE OF THE FEDERAL AND STATE COURTS IN THE STATE WHERE YOU ARE LOCATED.**

LESSOR: TEQLEASE, INC.

LESSEE: INDEPENDENT SCHOOL DISTRICT NO. 833 DBA SOUTH WASHINGTON COUNTY SCHOOLS

BY: \_\_\_\_\_

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_

FED TAX ID#: \_\_\_\_\_



Certificate of Acceptance for  
Schedule # 738  
Master Lease Agreement # 410

**LESSOR: TEQLEASE, INC.**  
23801 Calabasas Road, Suite 101  
Calabasas, CA 91302

**LESSEE: INDEPENDENT SCHOOL DISTRICT NO. 833 DBA SOUTH WASHINGTON COUNTY SCHOOLS**  
7362 East Point Douglas Road South  
Cottage Grove, MN 55016

LEASED EQUIPMENT		
PART #	EQUIPMENT MODEL & DESCRIPTION	QTY
	Lenovo 300e G2 Chromebook (81MB004UUS) 11.6" HD (1366x768), Touchscreen, IPS Display Intel Celeron N4020 Processor; June 2026 Automatic Update Expiration 4GB Memory; 32GB Storage 2-in-1 capable with a 360° hinge I/O: 2 USB Type-C; 2 USB Type-A; 1 headphone/microphone combo; 1 microSD media card reader New 1-Year Limited Warranty	6,200
	Lenovo 3 Year Extended Service Warranty (5WS0Q11134 Lenovo Mail-in - 3 Year Extended Service Carry-in - Maintenance - Parts & Labor - Physical Service	6,200
	Vivacity Tech White Glove Service (SVC-WG) Upgrade all Chromebooks to the latest stable version of Chrome OS Enroll into the customers' Google Apps domain Power on and inspect for physical damage or blemishes Inspect for hardware and/or software errors	6,200
	Vivacity Tech Asset Tagging Service - VT Provided (SVC VT-ATAG Vivacity Tech Asset Tagging Service Asset Tags Provided by Vivacity Tech	6,200
	Vivacity Tech Green Shipping Service (FEE GRNSH) Custom Green Ship Box Sturdy Cardboard Construction Double Corrugation Plastic Handles for Durability and Weight Distribution Separate Housing for Power Adapters	1
	Vivacity Tech Student Repair Academy (SVC-SRA-9+) Annual Subscription 07/2022-06/2023 Fully train students in becoming certified technicians to repair devices Subscription includes all course content, regular curriculum updates, unlimited course licences, access to Student Repair Center, Vivacity Tech support Vivacity Tech-developed curriculum Designed for self-paced, flexible learning Guided eLearning modules include videos, resource materials, and assessments to ensure student success Multi-course series includes: Understanding Chromebook Component Functions Chromebook Repairs How to Safely Work on Devices Maintaining Support Tickets Hardware Configuration Troubleshooting Tactics	1

**THE UNDERSIGNED, THROUGH ITS AUTHORIZED REPRESENTATIVE, CERTIFIES TO TEQLEASE, INC. THAT:**

1. **AS OF \_\_\_\_\_, THE EQUIPMENT HAS BEEN DELIVERED TO THE LOCATION WHERE IT WILL BE USED, WHICH IS THE EQUIPMENT LOCATION GIVEN IN THE LEASE.**
2. **THE EQUIPMENT HAS BEEN INSPECTED AND IT IS (a) COMPLETE, (b) PROPERLY INSTALLED, (c) FUNCTIONING, AND (d) IN GOOD ORDER.**
3. **THE UNDERSIGNED ACCEPTS THE EQUIPMENT FOR ALL PURPOSES UNDER THE LEASE AS OF THE DATE OF THIS CERTIFICATE. THE RENT COMMENCEMENT DATE SHALL BE MAY 1, 2022.**
4. **THE UNDERSIGNED IS NOT IN DEFAULT UNDER THE LEASE, AND ALL ITS STATEMENTS AND PROMISES IN THE LEASE ARE TRUE.**

**NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN SCHEDULE NO. 738, THIS CERTIFICATE OF DELIVERY AND ACCEPTANCE AMENDS AND SUPERSEDES THE SCHEDULE AND IS HEREBY INCORPORATED BY REFERENCE THEREIN. THIS CERTIFICATE OF DELIVERY AND ACCEPTANCE AMENDS EQUIPMENT SCHEDULE NO. 738 TO THE EXTENT OF THE INFORMATION HEREIN CONTAINED.**

**LESSEE: INDEPENDENT SCHOOL DISTRICT NO. 833 DBA SOUTH WASHINGTON COUNTY SCHOOLS**

BY: \_\_\_\_\_  
TITLE: \_\_\_\_\_  
DATE: \_\_\_\_\_

**CERTIFICATE OF SIGNATURE AUTHORITY OF LESSEE**

April 19, 2022

TEQlease, Inc.  
23801 Calabasas Road, Suite 101  
Calabasas, CA 91302

RE: Schedule 410-738 to the Master Lease Agreement ("Agreement") by and between Independent School District No. 833 dba South Washington County Schools ("Lessee") and TEQlease, Inc. ("Lessor").

Dear TEQlease, Inc.,

I, the undersigned, do hereby certify

(i) that the officer of Lessee

\_\_\_\_\_,  
**please print the name and title of the person who signed the lease documents**

identified above, who executed the foregoing Agreement on behalf of Lessee and whose genuine signature appears thereon, is the duly qualified and acting officer of Lessee as stated beneath his or her signature and has been authorized to execute the foregoing Agreement on behalf of Lessee, and

(ii) that the budget year of Lessee is from \_\_\_\_\_ to \_\_\_\_\_.

Sincerely,

By: \_\_\_\_\_

Title: \_\_\_\_\_

Dated: \_\_\_\_\_

**The Certificate of Signature Authority of Lessee should be executed by an authorized individual confirming the execution of the remaining documents is authorized. This document cannot be signed by the person signing the lease documents.**



INSURANCE AGENT \_\_\_\_\_  
 ADDRESS \_\_\_\_\_  
 TELEPHONE NO. \_\_\_\_\_ EMAIL ADDRESS \_\_\_\_\_  
 CONTACT \_\_\_\_\_ POLICY NO. \_\_\_\_\_

**Re: INDEPENDENT SCHOOL DISTRICT NO. 833 DBA SOUTH WASHINGTON COUNTY SCHOOLS SCHEDULE 410-738**

TEQlease, Inc. is about to enter into an Equipment Lease Agreement with Independent School District No. 833 dba South Washington County Schools. In accordance with our Equipment Lease Agreement, the lessee is responsible to provide insurance pertaining to the subject leased equipment, as follows:

- A) *The Equipment must have "Special Form" coverage that includes theft, and for not less than the full replacement value of **\$1,863,100.00** with a deductible not to exceed **\$1,000.00**.*
- B) *Third Party liability and property damage insurance providing **\$1,000,000.00** combined single limit, bodily injury and property damage coverage relative to the leased equipment.*

**TEQlease, Inc., 23801 Calabasas Road, Suite 101, Calabasas, CA 91302 and ITS SUCCESSORS AND/OR ASSIGNS** shall be named as the loss payee and additional insured on the above described insurance.

As indicated by their signature below, Independent School District No. 833 dba South Washington County Schools has authorized TEQlease, Inc. to:

- 1) Discuss the required insurance with your company; and,
- 2) Authorize and instruct you, or any other insurance company, to provide such insurance as is required by our Lease Agreement, at our sole discretion and without obligation on our part; and,
- 3) To debit lessee's account for any costs related thereto.

We respectfully request that you immediately provide the herein required insurance and provide proof of coverage to us by **forwarding a copy of a Certificate of Insurance by email or fax, with the original being sent by mail to us at the address indicated above**. Additionally, should the subject insurance be cancelled or modified before the expiration date, you must give us 30 days notice.

**A facsimile of this Agreement with signature shall be considered to be an original.**

Sincerely

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**ESSENTIAL USE/SOURCE OF FUNDS CERTIFICATE**

Independent School District No. 833 dba South Washington County Schools  
7362 East Point Douglas Road South  
Cottage Grove, MN 55016

Re: Master Lease Agreement 410  
Schedule 410-738

This certificate confirms and affirms that the Equipment described in the Agreement referenced above is essential to the functions of the Lessee or to the services Lessee provides its citizens. Further, Lessee has an immediate need for, and expects to make immediate use of, substantially all such Equipment, which need is not temporary or expected to diminish in the foreseeable future. Such Equipment will be used by Lessee only for the purpose of performing one or more of Lessee’s governmental or proprietary functions consistent with the permissible scope of its authority.

1. Is the Equipment new, upgrade, additional or replacement?  
\_\_\_\_\_
2. If replacement, how old is the existing equipment?  
\_\_\_\_\_
3. Please fully explain the use of the Equipment including any specific department that may be its primary user.  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
4. If the Equipment is computer hardware or software, on what hardware will the software run and is the existing hardware owned or being leased?  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
5. From which fund will lease payments be made?  
\_\_\_\_\_
6. Will any loan or grant monies be used to make lease payments?  
\_\_\_\_\_
7. Has the obligor ever defaulted or non-appropriated on a lease, bond, or legal obligation?  
\_\_\_\_\_
8. Will the obligor issue more than \$10,000,000 in tax-exempt debt in this calendar year?  
\_\_\_\_\_

Lessee expects and anticipates adequate funds to be available for all future payments or rent due after the current budgetary period.

Signature: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Phone: \_\_\_\_\_

**Please return this certificate with complete copies of your two most recent audited financial statements so we may begin our credit review process. Thank you.**



23801 Calabasas Road, Suite 101  
 Calabasas, CA 91302  
 (844) 222-1006

# Invoice

Date	Invoice No.
April 19, 2022	410738-0722

Bill To
Accounts Payable Independent School District No. 833 dba South Washington County Schools 7362 East Point Douglas Road South Cottage Grove, MN 55016

Billing Period
05/01/2022 – 06/30/2023

Page 1

Lease Number: 410738	Description: Chromebooks	
	Location: Independent School District No. 833 dba South Washington County Schools 7362 East Point Douglas Road South Cottage Grove, MN 55016	
Payment Due: July 1, 2022		\$477,767.97
Tax Due: Exempt		\$0.00
	Invoice Total	\$477,767.97

**PLEASE REMIT TO:**

**TEQlease, Inc.**  
**23801 Calabasas Road, Suite 101**  
**Calabasas, CA 91302**