



Equipment Lease Agreement

Agreement No. _____

LESSEE (hereinafter referred to as "You" or "Your")
 Full Legal Name: **Emmett School Distric #221 - District Office**
 Address: **601 E 3rd St** City: **Emmett** State: **ID** Zip: **83617** County: _____
 Tax ID: _____

SUPPLIER (Supplier is not Lessor's Agent nor is Supplier authorized to waive or alter any term or condition of this Agreement)
 Name: **Fisher's Technology** City: **Boise** State: **Idaho**

TERMS AND CONDITIONS - PLEASE READ CAREFULLY BEFORE SIGNING

Quantity	DESCRIPTION OF EQUIPMENT LEASED	Serial #
7	Konica Minolta bizhub C558 Color MFP	
1	Konica Minolta bizhub C658 Color MFP	
10	bizhub 808 Monochrome MFP	

See attached schedule for additional equipment.

EQUIPMENT LOCATION (if other than above) City: _____ State: _____ County: _____

LEASE TERM 60 Months	Monthly Lease Payment \$ 3,450.00 (plus tax)	PURCHASE OPTION AT END OF TERM: FAIR MARKET VALUE Document Fee \$75.00 (included on first invoice)	SECURITY DEPOSIT \$ <u>0</u> ADVANCE PAYMENT \$ <u>0</u> (plus tax) If more than one lease payment is required in advance, any additional amount will be applied at the end of the term or any renewal term.
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YOU HAVE SELECTED THE EQUIPMENT. YOU ARE AWARE OF THE NAME OF THE MANUFACTURER OF EACH ITEM OF EQUIPMENT AND YOU WILL CONTACT EACH MANUFACTURER FOR A DESCRIPTION OF YOUR WARRANTY RIGHTS. WE MAKE NO WARRANTIES TO YOU, EXPRESS OR IMPLIED, AS TO THE MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, SUITABILITY, OR OTHERWISE. WE PROVIDE THE EQUIPMENT TO YOU AS-IS. WE SHALL NOT BE LIABLE FOR CONSEQUENTIAL OR SPECIAL DAMAGES.

YOUR PAYMENT OBLIGATIONS ARE ABSOLUTE AND UNCONDITIONAL AND ARE NOT SUBJECT TO CANCELLATION, REDUCTION OR SETOFF FOR ANY REASON WHATSOEVER. ANY CLAIM RELATED TO THIS LEASE WILL BE GOVERNED BY IOWA LAW AND WILL BE ADJUDICATED IN A STATE OR FEDERAL COURT IN IOWA. IF THIS LEASE IS ASSIGNED, YOU AGREE THAT ANY DISPUTE ARISING UNDER OR RELATED TO THIS LEASE WILL BE ADJUDICATED IN THE FEDERAL OR STATE COURT WHERE THE ASSIGNEE'S CORPORATE HEADQUARTERS IS LOCATED AND WILL BE GOVERNED BY THE LAW OF THAT STATE. YOU HEREBY CONSENT TO PERSONAL JURISDICTION AND VENUE IN THAT COURT AND WAIVE ANY RIGHT TO TRANSFER VENUE. EACH PARTY WAIVES ANY RIGHT TO A TRIAL BY JURY.

BY SIGNING THIS LEASE, YOU ACKNOWLEDGE RECEIPT OF PAGE 2 OF THIS LEASE, AND AGREE TO THE TERMS ON BOTH PAGES 1 AND 2. ORAL AGREEMENTS OR COMMITMENTS TO LOAN MONEY, EXTEND CREDIT OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT INCLUDING PROMISES TO EXTEND OR RENEW SUCH DEBT ARE NOT ENFORCEABLE. TO PROTECT YOU AND US FROM MISUNDERSTANDING OR DISAPPOINTMENT, ANY AGREEMENTS WE REACH COVERING SUCH MATTERS ARE CONTAINED IN THIS WRITING, WHICH IS THE COMPLETE AND EXCLUSIVE STATEMENT OF THE AGREEMENT BETWEEN US, EXCEPT AS WE MAY LATER AGREE IN WRITING TO MODIFY IT. THE ORIGINAL OF THIS LEASE SHALL BE THAT COPY WHICH BEARS A FACSIMILE OR ORIGINAL OF YOUR SIGNATURE AND WHICH BEARS OUR ORIGINAL SIGNATURE.

SEE PAGE TWO FOR ADDITIONAL TERMS AND CONDITIONS - THIS LEASE IS NON-CANCELABLE FOR THE FULL LEASE TERM

THIS LEASE IS SUBJECT TO THE TERMS AND CONDITIONS PRINTED ON THIS SIDE AND ON THE REVERSE SIDE, ALL OF WHICH PERTAIN TO THIS LEASE AND WHICH YOU ACKNOWLEDGE HAVING READ. THIS LEASE IS NOT BINDING UNTIL ACCEPTED BY US. YOU CERTIFY ALL ACTIONS REQUIRED TO AUTHORIZE EXECUTION OF THIS LEASE, INCLUDING YOUR AUTHORITY, HAVE BEEN FULFILLED.

LESSOR: Fisher's Technology

By: _____ Date Accepted: _____
 Signature: _____ Title: _____
 Name: _____ Title: _____
 LESSEE: (As Stated Above) X _____ Date Accepted: **16 Mar 2020**
 Signature: _____ Title: **Dir. of Technology**
 Name: **Kenneth J. Loftus** Title: _____

Unconditional Personal Guaranty

In consideration of Lessor entering into the above Lease in reliance on this Guaranty, the undersigned, jointly and severally, unconditionally and irrevocably guarantee to Lessor and to any assignee of Lessor, the prompt payment and performance of all of Lessee's obligations under the above Lease and all existing and future Leases between Lessor and Lessee. The undersigned agree(s): (a) that this is a guarantee of payment and not of collection and that Lessor may proceed directly against the undersigned without disposing of any security or seeking to collect from Lessee; (b) to waive all defenses and notices, including those of protest, presentment and demand; (c) that Lessor may extend or otherwise change the terms of the Lease without notice to the undersigned; and (d) to pay all of Lessor's costs of enforcement and collection, including attorney fees. The undersigned authorizes Lessor to obtain credit bureau reports for credit and collection purposes and to share them with Lessor's affiliates and agents. This guaranty survives the bankruptcy of the Lessee and binds the undersigned's administrators, successors and assigns and WILL BE GOVERNED AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF IOWA. IF THIS LEASE IS ASSIGNED, THE UNDERSIGNED AGREE(S) THAT ANY DISPUTE ARISING UNDER OR RELATED TO THIS LEASE WILL BE ADJUDICATED IN THE FEDERAL OR STATE COURT WHERE THE ASSIGNEE'S CORPORATE HEADQUARTERS IS LOCATED AND WILL BE GOVERNED BY THE LAWS OF THAT STATE. THE UNDERSIGNED HEREBY CONSENT(S) TO PERSONAL JURISDICTION AND VENUE IN THAT COURT, WAIVE(S) ANY RIGHT TO TRANSFER VENUE, AND WAIVE(S) ANY RIGHT TO A TRIAL BY JURY.

X _____, Individually X _____, Individually
 Name: _____ Name: _____

1. **COMMENCEMENT OF LEASE.** You agree to rent from us the Equipment as described on page 1 of this Agreement, as it may be supplemented from time to time. You agree to all of the terms and conditions contained in this Agreement and any supplement, which is the entire agreement regarding the Equipment, supersedes any purchase orders, and cannot be modified except by another document signed by us. Commencement of this Lease and acceptance of the Equipment shall occur upon delivery of the Equipment to you. You agree to inspect the Equipment upon delivery and verify by telephone or in writing such information as we may require. If you signed a purchase order or similar agreement for the purchase of the Equipment, by signing this Lease you assign to us all of your rights, but none of your obligations under it. All attachments, accessories, replacements, replacement parts, substitutions, additions and repairs to the Equipment shall form part of the Equipment under this Lease.

2. **SECURITY DEPOSIT.** The Security Deposit will be held by us, without interest, and may be commingled (unless otherwise required by law), until all obligations under this Lease are satisfied, and may be applied at our option against amounts due under this Lease. The Security Deposit will be returned to you upon termination of the Lease, provided you are not in default, or applied to the last Lease Payment or to the amount we may quote for any purchase or upgrade of the Equipment.

3. **LEASE PAYMENTS.** You agree to remit to us the Lease Payment and all other sums when due and payable each Billing Period at the address we provide to you from time to time. Lease Payments are due whether or not you are invoiced. You authorize us to adjust the Lease Payments by not more than 15% to reflect any reconfiguration of the Equipment or adjustments to reflect applicable sales taxes or the cost of the Equipment by the manufacturer. If the Commencement of this Lease falls on any day other than the 20th day of a month, you agree to pay to us interim rent from Commencement through, but not including, the 20th day of the month next following Commencement (the "Interim Rent Period") at a rate equal to 1/30th of the Lease Payment set forth herein for each calendar day during the Interim Rent Period. You may not pay off this Lease prior to the end of the Lease term without our consent and we reserve the right to charge a fee upon termination of this Lease either by trade-up, buy-out or default.

4. **LEASE CHARGES.** You agree, at our discretion, to either (1) reimburse us annually for all personal property and other similar taxes and governmental charges associated with the ownership, possession or use of the Equipment, or (2) remit to us each Billing Period our estimate of the pro-rated equivalent of such taxes and governmental charges. You agree to pay us an administrative fee for the processing of taxes, assessments or fees which may be due and payable under this Lease. You agree to pay all other taxes associated with this Agreement and the Equipment. We may take on your behalf any action required under this Lease which you fail to take, and upon receipt of our invoice you will promptly pay our costs (including insurance premiums and other payments to affiliates), plus reasonable processing fees. Restrictive endorsements on checks you send to us will not reduce your obligations to us. We may charge you a return check or non-sufficient funds charge of \$30.00 for any check which is returned by the bank for any reason (not to exceed the maximum amount permitted by law). We may charge you a fee for filing, searching and/or filing costs required under the Uniform Commercial Code (UCC) or other laws.

5. **LATE CHARGES.** For any payment which is not received by its due date, you agree to pay a late charge equal to the higher of 10% of the amount due or \$26.00 (not to exceed the maximum amount permitted by law) as reasonable collection costs.

6. **OWNERSHIP, USE MAINTENANCE AND REPAIR.** We own the Equipment and you have the right to use the Equipment under the terms of this Lease. If this Lease is deemed to be a secured transaction, you grant us a security interest in the Equipment to secure all of your obligations under any agreement with us. We hereby assign to you all our rights under any manufacturer warranties, so long as you are not in default hereunder. You must keep the Equipment free of liens. You may not remove the Equipment from the address indicated on the front of this Lease without first obtaining our approval. You agree to: (a) keep the Equipment in your exclusive control and possession; (b) USE THE EQUIPMENT ONLY IN THE LAWFUL CONDUCT OF YOUR BUSINESS, AND NOT FOR PERSONAL, HOUSEHOLD OR FAMILY PURPOSES; (c) use the Equipment in conformity with all insurance requirements, manufacturer's instructions and manuals; (d) keep the Equipment repaired and maintained in good working order and as required by the manufacturer's warranty, certification and standard full service maintenance contract; and (e) give us reasonable access to inspect the Equipment and its maintenance and other records.

7. **INDEMNITY.** You are responsible for all losses, damage, claims, infringement claims, injuries and attorneys' fees and costs ("Claims"), incurred or asserted by any person, in any manner relating to the Equipment, including its use, condition or possession. You agree to defend and indemnify us against all Claims, although we reserve the right to control the defense and to select or approve defense counsel. This indemnity continues beyond the termination of this Lease, for acts or omissions which occurred during the Term of this Lease. You also agree that this Lease has been entered into on the assumption that we will be entitled to certain tax benefits available to the owner of the Equipment. You agree to indemnify us for the loss of any income tax benefits caused by your acts or omissions inconsistent with such assumption or this Lease. In the event of any such loss, we may increase the Lease Payments and other amounts due to offset any such adverse effect.

8. **LOSS OR DAMAGE.** If any item of Equipment is lost, stolen or damaged you will, at our option and your cost, either: (a) repair the item or replace the item with a comparable item reasonably acceptable to us; or (b) pay us the sum of: (i) all past due and current Lease Payments and Lease Charges, (ii) the present value of all remaining Lease Payments and Lease Charges for the item, discounted at the rate of 2% per annum (or the lowest rate permitted by law, whichever is higher) and (iii) the Fair Market Value of the Equipment. We will then transfer to you all our right, title and interest in the Equipment AS-IS AND WHERE-IS, WITHOUT ANY WARRANTY AS TO CONDITION, TITLE OR VALUE. Insurance proceeds shall be applied toward repair, replacement or payment hereunder, as applicable. In this Lease, "Fair Market Value" of the Equipment means its fair market value at the end of the Term, assuming good order and condition (except for ordinary wear and tear from normal use), as estimated by us.

9. **INSURANCE/COLLATERAL PROTECTION.** You agree (a) to keep the Equipment fully insured through a carrier acceptable to us against loss at its replacement cost, with us named as lender's loss payee; (b) to maintain comprehensive public liability insurance acceptable to us and to include us as additional insured on the policy; (c) to provide proof of insurance satisfactory to us no later than thirty (30) days following the commencement of this Agreement and thereafter upon our written request; (d) if you fail to obtain and maintain property loss insurance satisfactory to us and/or you fail to provide proof of such insurance to us within thirty (30) days of the commencement of the Agreement we have the option, but not the obligation, to do as provided in either (A) or (B) as follows, as determined in our discretion: (A) We may secure property loss insurance on the Equipment from a carrier of our choosing in such forms and amounts as we deem reasonable to protect our interests. If we secure insurance on the Equipment, we will not name you as an insured party, your interests may not be fully protected, and you will reimburse us the premium which may be higher than the premium you would pay if you obtained insurance, and which may result in a profit to us through an investment in reinsurance. If you are current in all of your obligations under the Agreement at the time of loss, any insurance proceeds received will be applied, at our option, to repair or replace the Equipment, or to pay us the remaining payments due or to become due under this Agreement, plus our booked residual, both discounted at 3% per annum, provided we elect to apply this subsection A. (B) If you fail to comply with this requirement within 30 days after the start of this Lease, we may charge you a monthly property damage surcharge of up to .0035 of the Equipment cost as a result of our credit risk and administrative and other costs, as would be further described on a letter from us to you. We may make a profit on this program. NOTHING IN THIS SECTION WILL RELIEVE YOU OF RESPONSIBILITY FOR LIABILITY INSURANCE ON THE EQUIPMENT.

10. **DEFAULT.** You will be in default under this Lease if: (a) you fail to remit to us any payment within ten (10) days of the due date or breach any other obligation under this Lease; (b) a petition is filed by or against you or any Guarantor under any bankruptcy or insolvency law; (c) you default under any other agreement with us or any of our affiliates or any material agreement with any other lender; (d) you make or have made any false statement or misrepresentation to us, (e) you or any guarantor dies, dissolves or terminates existence; (f) there has been a material adverse change in your or any guarantor's financial, business or operating condition, or (g) Any guarantor defaults under any guaranty for this Agreement.

11. **REMEDIES.** If you default, we may do one or more of the following: (a) recover from you, AS LIQUIDATED DAMAGES FOR LOSS OF BARGAIN AND NOT AS A PENALTY, the sum of: (i) all past due and current Lease Payments and Lease Charges, (ii) the present value of all remaining Lease Payments and Lease Charges, discounted at the rate of 2% per annum (or the lowest rate permitted by law, whichever is higher) and (iii) the Fair Market Value of the Equipment; (b) declare any other agreements between us in default; (c) require you to return all of the Equipment in the manner outlined below, or take possession of the Equipment, in which case we shall not be held responsible for any losses directly or indirectly arising out of, or by reason of the presence and/or use of any and all proprietary information residing on or within the Equipment, and to lease or sell the Equipment or any portion thereof, and to apply the proceeds, less reasonable selling and administrative expenses, to the amounts due hereunder and require you to stop using any software; (d) charge you interest on all amounts due us from the due date thereof, and to apply the proceeds, less reasonable selling and administrative expenses, to the amounts due hereunder and require you to stop using any software; (e) charge you for expenses incurred in connection with the enforcement of our remedies including, without limitation, repossession, until paid at the rate of 1-1/2% per month, but in no event more than the lawful maximum rate; (f) charge you for expenses incurred in connection with the enforcement of our remedies including, without limitation, repossession, repair and collection costs, attorneys' fees and court costs. These remedies are cumulative, are in addition to any other remedies provided for 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. **END OF TERM OPTIONS; RETURN OF EQUIPMENT.** At the end of the Term or this Lease (or any renewal term) (the "End Date"), this Lease will continue on a month-to-month basis and you shall pay us the same Lease Payments and Lease Charges as applied during the Term, unless a) you provide us written notice, at least 30 days prior to the End Date, of your intent to return the Equipment, and b) you timely return all of the Equipment, freight and insurance prepaid at your cost and risk, to wherever we indicate in the continental United States, with all manuals and logs, in good order and condition (except for ordinary wear and tear from normal use), packed per the shipping company's specifications. You will pay us for any loss in value resulting from the failure to maintain the Equipment in accordance with this Lease or for damages incurred in shipping and handling. If a purchase option is indicated above, you may purchase all of the Equipment AS-IS AND WHERE-IS, WITHOUT ANY WARRANTY AS TO CONDITION, TITLE OR VALUE, for the Fair Market Value, plus applicable sales and other taxes.

13. **SOFTWARE/DATA.** Except as provided in this paragraph, references to "Equipment" include any software referenced above or installed on the Equipment. We do not own the software and cannot transfer any interest in it to you. We are not responsible for the software or the obligations of you or the licensor under any license agreement. You are solely responsible for protecting and removing any confidential data/images stored on the Equipment prior to its return for any reason.

14. **ASSIGNMENT.** You may not assign or dispose of any rights or obligations under this Lease or sub-lease the Equipment, without our prior written consent. We may, without notifying you, (a) assign this Lease or our interest in the Equipment; and (b) release information we have about you and this Lease to the manufacturer or any prospective investor, participant or purchaser of this Lease. If we do make an assignment under subsection 14(a) above, our assignee will have all of our rights under this Lease, but none of our obligations. You agree not to assert against our assignee claims, offsets or defenses you may have against us.

15. **MISCELLANEOUS.** Notices must be in writing and will be deemed given 5 days after mailing to your (or our) business address. You represent that: (a) you have authority to enter into this Lease and by so doing you will not violate any law or agreement; and (b) this Lease is signed by your authorized officer or agent. This Lease is binding on you and your successors and assigns. All financial information you have provided is true and a reasonable representation of your financial condition. Within 30 days after our request, you will deliver all requested information (including tax returns) which we deem reasonably necessary to determine your current financial condition and faithful performance of the terms hereof. You authorize us or our agent to: (a) obtain credit reports and make credit inquiries; (b) furnish payment history to credit reporting agencies; and (c) file UCC financing statements. Any claim you have against us must be made within one (1) year after the event which caused it. If a court finds any provision of this Lease to be unenforceable, all other terms shall remain in effect and enforceable. You authorize us to insert or correct missing information on this Lease, including your proper legal name, serial numbers and any other information describing the Equipment. THE PARTIES INTEND THIS TO BE A "FINANCE LEASE" UNDER ARTICLE 2A OF THE UNIFORM COMMERCIAL CODE ("UCC"). YOU WAIVE ALL RIGHTS AND REMEDIES CONFERRED UPON A LESSEE BY ARTICLE 2A (507-522) OF THE UCC. We may make a profit on any fees, estimated tax payments and other charges paid under this Lease.

16. **LIMITATION ON CHARGES.** This Section controls over every other part of this Lease Agreement and over all other documents now or later pertaining to the Lease. We both intend to comply with all applicable laws. In no event will we charge or collect any amounts in excess of those allowed by applicable law. Any part of this Lease Agreement that could, but for this Section, be read under any circumstance to allow for a charge higher than that allowable under any applicable legal limit, is limited and modified by this section to limit the amounts chargeable under the Lease to the maximum amount allowed under the legal limit. If in any circumstance, any amount in excess of that allowed by law is charged or received, any such charge will be deemed limited by the amount legally allowed and any amount received by us in excess of that legally allowed will be applied by us to the payment of amounts legally owed under the Lease, or refunded to you.



www.fisherstech.com


Service Agreement

Main (208) 375-4410
 Service (208) 947-3600
 Supplies (208) 947-3625

Customer Information		Terms	<input type="checkbox"/> Single Invoice Billing	Contract Number _____																								
Billing Location		Effective Date <u>On Delivery</u>	Term <u>12</u> Months	Zone _____																								
Business Name <u>Emmett School Distric #221 - District Office</u>		Base Billing Period																										
Address <u>601 E 3rd St</u>		<input checked="" type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Semi-Annually <input type="checkbox"/> Annually																										
City, State, Zip <u>Emmett, ID, 83617</u>		<table border="1"> <thead> <tr> <th></th> <th>Base Billing</th> <th>Images Included</th> <th>Overage Rate</th> </tr> </thead> <tbody> <tr> <td>B/W</td> <td></td> <td></td> <td>\$0.0034</td> </tr> <tr> <td>Color</td> <td></td> <td></td> <td>\$0.0400</td> </tr> <tr> <td>HP B/W</td> <td></td> <td></td> <td></td> </tr> <tr> <td>HP Color</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Other Printer</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>				Base Billing	Images Included	Overage Rate	B/W			\$0.0034	Color			\$0.0400	HP B/W				HP Color				Other Printer			
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HP Color																												
Other Printer																												
Contact <u>Ken Loftus</u>																												
Phone Number <u>(208) 365-2071</u>																												
Fax Number _____																												
Email <u>kloftus@isd221.net</u>																												
Customer # _____		Overage Billing Period																										
Equipment Location <input type="checkbox"/> Same as Billing		Total Base Billing \$ _____ <input checked="" type="checkbox"/> Monthly <input type="checkbox"/> Quarterly																										
Business Name <u>See Attachment for detailed locations</u>																												
Address _____																												
City, State, Zip _____																												
Contact _____																												
Phone Number _____																												
Fax Number _____																												
Email _____																												
Customer # _____																												

Service Level	
<input checked="" type="checkbox"/> Basic	Includes parts, labor, toner, consumables. Excludes network support, paper, staples, and machine moves.
<input type="checkbox"/> Standard	Includes NetSource support, parts, labor, toner, consumables. Excludes paper, staples, and machine moves. Annual service level fee of \$ _____, to be prorated and billed in conjunction with base billing cycle.
<input type="checkbox"/> Premium	Includes NetSource support, parts, labor, toner, consumables, staples, and machine moves. Excludes paper. Annual service level fee of \$ _____, to be prorated and billed in conjunction with base billing cycle.

Make	Model	Serial Number	Equip #	B/W Start Meter	Color Start Meter
Konica	(7) BHC558				
Konica	(1) BHC658				
Konica	(10) BH808				

Notes	Acceptance
	<p>This agreement, the terms and conditions on reverse side, and referenced attachments constitute the entire contract of the parties hereto and supersedes any prior agreement between the parties.</p> <p>  _____ Customer Signature </p> <p> <u>16 Mar 2020</u> _____ Date </p> <p> <u>Kenneth J. Loftus</u> _____ Printed Name </p> <p> _____ Fisher's Authorized Signature </p> <p> _____ Date </p>
<p>NASPO Terms and Conditions Apply</p> <p>Rates are locked throughout 60 Month Term</p>	

MAINTENANCE AGREEMENTS

Service Agreement Terms and Conditions

This Agreement (Contract) is between Fisher's Document Systems (FDS) and FDS's servicing client (Client). This Contract shall remain in effect for the lesser of the service agreement contract term or the term of any associated lease agreement. For service and supplies agreements, the Client will be billed on a monthly, quarterly, annual or semi-annual basis for the contracted minimum payment (payable in advance of each period) plus overages for the previous period. Other service charges will be billed on an as-needed basis.

FDS will provide service calls and routine maintenance during its normal business hours (8:00 a.m. – 5:00 p.m.) not including Saturdays, Sundays, or Fisher's holidays. Special rates are available for service beyond normal business hours.

This Contract will automatically renew on an annual basis unless a written notice of cancellation is received by either party thirty days prior to the expiration date. FDS reserves the right to escalate service pricing on an annual basis for the base and overage meter charges. FDS reserves the right to withhold service and supplies or to cancel this agreement if the account is over thirty days past due. In the event of cancellation due to non-payment, FDS will bill the account for any service or supplies provided up to and including the date of cancellation plus early termination fees. Early termination may occur unless service is bundled with a lease or equipment rental and will be calculated based on the annual renewal date. The fees are as follows: 1 to 4 months into current contract period yields 4 times monthly contract amount; 5 to 8 months into current contract period yields 3 times monthly contract amount; 9 to 12 months into current contract period yields 2 times monthly contract amount. Any excess parts or supplies provided by FDS under the terms of the Contract will remain the property of FDS and must be returned at the expiration or termination of this Contract. This Contract may not be transferred to another individual and/or business without prior written authorization from FDS. All invoices are net 15. Interest will be calculated at the rate of 18% per annum on invoices unpaid after 30 days. Minimum charge of \$5.00 will apply. Client agrees to pay any and all costs, including attorney fees, that may be incurred to collect past due amounts.

Service and Supplies Agreement. The services covered under a service and supplies agreement include parts, labor, emergency calls (during normal business hours), product maintenance required to keep the equipment operating properly, initial networking of network-connected devices, and training of the Client's key operators. The services covered under this agreement do not include: Paper, staples, exterior hardware (doors, covers, operation panels, paper cassettes, lost manuals), in-shop rebuilds on equipment over five years old or that have surpassed the manufacturer's recommended useful life, labor to clean toner spills, additional counting or monitoring devices (i.e.: Equitrac, eCopy, or Hecon), equipment relocation, or any service required due to accident, abuse, misuse, theft, neglect or damage caused by moving companies, fire, flood or any other force of nature. Toner yield is based on 6% page coverage per meter click for black and white and 20% coverage for color images. FDS may bill for additional toner if toner consumption exceeds these yields. Networked devices, driver upgrades/reinstalls, printing and scanning issues are not covered under this Contract for ongoing services unless the STANDARD or PREMIUM service level agreement is purchased. Client locations that are twenty-five miles beyond the closest FDS location will be subject to an additional trip charge if not specifically included in base contract fee and may be subject to the cost of freight for toner and parts. FDS retains the option to include a fuel surcharge for any contract or services provided and/or a supplies delivery charge. Minimum billings for the machine meter count (print, copy, scan) and any excess meter charges will be invoiced to the Client and due upon receipt. The meter will advance once for each 8 1/2 x 11 (letter) page and twice for each 11 x 17 (ledger) page. When in duplex mode, the meter will advance twice for each letter page and four times for each ledger page. The minimum and excess charges include all emergency service, routine maintenance and required parts and/or supplies as dictated by selected service level agreement.

NetSource Support Agreement. Standard and Premium packages cover post-installation network engineering services such as: Software drivers, driver updates, network cables, and hub/switches (if provided by FDS). Also included is telephone support and support for printing or scanning issues directly related to the contracted equipment. These agreements are sold at a flat rate annual price as listed on front side of this Contract. Products and services not included in Standard and Premium plans are: Service required after end-user installation of software, software updates, changes to the operating system or additional workstations, servers, any change to the network environment, or network support for hardware and software not provided by FDS. FDS will provide technical assistance at an hourly service rate for any labor required to repair or service items not covered by these agreements plus the cost of required parts.

Software Support Agreement. Support for software applications and equipment add-ons is available for the rates and terms listed on the front side of this Contract. Specific terms and conditions of any software support agreements will be detailed in an attached document.

Client Responsibility. It is the Client's responsibility to provide an electrical power source that meets the manufacturer's specifications without the need of adaptors or extension cords. Surge protectors/power filters will be required on all contracts. Equipment sold by FDS will include a surge protector which will remain the property of FDS. The Client will also be responsible for performing normal operator care and cleaning as outlined in the user manual. This includes but is not limited to: Color calibration, cleaning of slit and contact glass, removal of paper jams, installation of toner, image units, waste tanks and staples, and disposal of waste hole punch, trimmed staples, and toner waste tanks. The Client is solely responsible for normal operator functions such as system backups, virus scans, and network security. If certain repair items become unavailable from the manufacturer, this Contract can be terminated by either party or remain in effect and continue to provide the services described above except to exclude those parts that are no longer available.

Meter Collection Obligations. The Client agrees to provide FDS with accurate and timely meter readings at the end of the billing period. Several options for meter read collection are available including automated remote meter collection (which may carry an additional software cost), email, website, fax, or telephone meter collection. In the case of automated remote meter collection, the Client agrees to accept the accuracy of such readings at the time of billing and reserves the right to audit those readings at any time.

No Liability for Consequential Damages. FDS will, at the request of the Client, install network copiers/printers and other related products, on the Client's designated network, servers or workstations. In no event shall FDS be liable for any damages whatsoever (including without limitation, damages for loss of business profits, business interruption, loss of business information, or any other pecuniary loss) arising out of the installation process of these software and hardware products.