



COST PER IMAGE AGREEMENT

AGREEMENT NO.: **3092777****CUSTOMER ("YOU" OR "YOUR")**FULL LEGAL NAME: **McLean County Unit School District No. 5**ADDRESS: **1809 Hovey Avenue Normal, IL 61761-4315****EQUIPMENT AND PAYMENT TERMS**☐ SEE ATTACHED SCHEDULE

TYPE, MAKE, MODEL NUMBER, SERIAL NUMBER, AND INCLUDED ACCESSORIES	NOT FINANCED UNDER THIS AGREEMENT	BEGINNING METER READING		ANNUAL IMAGE ALLOWANCE		EXCESS PER IMAGE CHARGE (PLUS TAX)	
		B&W	COLOR	B&W	COLOR	B&W	COLOR
Qty: 2 New Sharp MXM1056 B/W Mutli-Functional Document System, MXMLC13N 5,000-sheet Air Feed, MXRB16 Mounting Kit, MXMF11 500-sheet Bypass Tray, MXFN22 100-sheet Saddle Stitch Finisher, MXRB18 Curl Correction, MXP13B 3-hole Punch	<input type="checkbox"/>			3,000,000		.0024	
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TOTAL CONSOLIDATED MONTHLY IMAGE ALLOWANCE AND EXCESS PER IMAGE CHARGES (IF CONSOLIDATED)							

EQUIPMENT LOCATION: **As Stated Above**METER FREQUENCY: **Monthly**TERM IN MONTHS: **60 months**MONTHLY BASE PAYMENT AMOUNT*: **\$1,844.00** (*PLUS TAX)PURCHASE OPTION*: **\$1.00**

SECURITY DEPOSIT:

CONTRACT

THIS AGREEMENT IS NON-CANCELABLE AND IRREVOCABLE. IT CANNOT BE TERMINATED. PLEASE READ CAREFULLY BEFORE SIGNING. YOU AGREE THAT THIS AGREEMENT AND ANY CLAIM RELATED TO THIS AGREEMENT SHALL BE GOVERNED BY THE INTERNAL LAWS OF THE STATE IN WHICH OUR (OR, IF WE ASSIGN THIS AGREEMENT, OUR ASSIGNEE'S) PRINCIPAL PLACE OF BUSINESS IS LOCATED AND ANY DISPUTE CONCERNING THIS AGREEMENT WILL BE ADJUDICATED IN A FEDERAL OR STATE COURT IN SUCH STATE. YOU HEREBY CONSENT TO PERSONAL JURISDICTION AND VENUE IN SUCH COURTS AND WAIVE TRANSFER OF VENUE. EACH PARTY WAIVES ANY RIGHT TO A JURY TRIAL.

CUSTOMER'S AUTHORIZED SIGNATURE

BY SIGNING THIS PAGE, YOU REPRESENT TO US THAT YOU HAVE RECEIVED AND READ THE ADDITIONAL TERMS AND CONDITIONS APPEARING ON THE SECOND PAGE OF THIS TWO-PAGE AGREEMENT. THIS AGREEMENT IS BINDING UPON OUR ACCEPTANCE HEREOF.

(As Stated Above)

X

CUSTOMER

SIGNATURE

PRINT NAME & TITLE

DATE

LESSOR ("WE", "US", "OUR")**Watts Copy Systems, Inc.**

LESSOR

SIGNATURE

PRINT NAME & TITLE

DATE

2860 Stanton St Springfield, IL 62703-4347

ADDITIONAL TERMS AND CONDITIONS

AGREEMENT. You want us to now provide you the equipment and/or software referenced herein, excluding equipment marked as not financed under this Agreement ("Equipment") and you unconditionally agree to pay us the amounts payable under the terms of this agreement ("Agreement") each period by the due date. This Agreement is binding upon our acceptance hereof and will begin on the date the Equipment is delivered to you or any later date we designate. If we designate a later commencement date, you agree to pay us an additional amount equal to the periodic payments due under this Agreement prorated for the period between the date the Equipment is delivered to you and the commencement date. If we do not receive by the due date, at the remittance address indicated on your invoice, any amount payable to us, you will pay a late charge equal to: 1) the greater of ten (10) cents for each dollar overdue or twenty-six dollars (\$26.00); or 2) the highest lawful charge, if less. Any security deposit will be returned upon full performance.

NET AGREEMENT. THIS AGREEMENT IS NON-CANCELABLE FOR THE ENTIRE AGREEMENT TERM. YOU AGREE THAT YOU ARE UNCONDITIONALLY OBLIGATED TO PAY ALL AMOUNTS DUE UNDER THIS AGREEMENT FOR THE ENTIRE TERM. YOU ARE NOT ENTITLED TO REDUCE OR SET-OFF AGAINST AMOUNTS DUE UNDER THIS AGREEMENT FOR ANY REASON.

IMAGE CHARGES AND OVERAGES. You are entitled to make the total number of images shown under Image Allowance (or Total Consolidated Image Allowance, if applicable) each period during the term of this Agreement. If you make more than the allowed images in any period, you will pay us an additional amount equal to the number of the excess images made during such period multiplied by the applicable Excess Per Image Charge. Regardless of the number of images made in any period, you will never pay less than the Base Payment Amount. You agree to provide us with the actual meter readings on any business day as designated by us, provided that we may estimate the number of images used if such meter readings are not received within five days after being requested. We will adjust the estimated charge for excess images upon receipt of actual meter readings. You agree that the Base Payment Amount and the Excess Per Image Charges may be proportionately increased at any time if our estimated average page coverage is exceeded. After the end of the first year of this Agreement and not more than once each successive twelve-month period thereafter, the Base Payment Amount and the Excess Per Image Charges (and, at our election, the Base Payment Amount and Excess Per Image Charges under any subsequent agreements between you and us that incorporate the terms hereof) may be increased by a maximum of 10% of the then existing payment or charge. Images made on equipment marked as not financed under this Agreement will be included in determining your image and overage charges.

EQUIPMENT USE. You will keep the Equipment in good working order, use it for business purposes only and not modify or move it from its initial location without our consent. You agree that you will not take the Equipment out of service and have a third party pay (or provide funds to pay) the amounts due hereunder. You will comply with all laws, ordinances, regulations, requirements and rules relating to the use and operation of the Equipment.

SERVICES/SUPPLIES. If we have entered into a separate arrangement with you for maintenance, service, supplies, etc. with respect to the Equipment, payments under this Agreement may include amounts owed under that arrangement, which amounts may be invoiced as one payment for your convenience. We may charge you a freight fuel surcharge, at our then current rates, to cover our costs of shipping supplies to you. You agree that you will look solely to us for performance under any such arrangement and for the delivery of any applicable supplies.

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.

LIMITATION OF WARRANTIES. EXCEPT TO THE EXTENT THAT WE HAVE PROVIDED YOU A WARRANTY IN WRITING, WE MAKE NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. YOU CHOSE ANY/ALL THIRD-PARTY SERVICE PROVIDERS BASED ON YOUR JUDGMENT. YOU MAY CONTACT US OR THE MANUFACTURER FOR A STATEMENT OF THE WARRANTIES, IF ANY, THAT THE MANUFACTURER IS PROVIDING. WE ASSIGN TO YOU ANY WARRANTIES GIVEN TO US.

ASSIGNMENT. You may not sell, assign, or sublease the Equipment or this Agreement without our written consent. We may sell or assign this Agreement and our rights in the Equipment, in whole or in part, to a third party without notice to you. You agree that if we do so, our assignee will have our assigned rights under this Agreement but none of our obligations and will not be subject to any claim, defense, or set-off that may be assertable against us or anyone else. Notwithstanding the foregoing, if we sell or assign this Agreement or our rights in the Equipment, we will retain our obligations under the Agreement.

LOSS OR DAMAGE. You are responsible for any damage to or loss of the Equipment. No such loss or damage will relieve you from your payment obligations hereunder. Except for claims, losses, or damages caused by our gross negligence or willful misconduct, you agree to indemnify us and our assignee, if applicable, against any claims, losses, or damages, including attorney fees, in any way relating to the Equipment or data stored on it. This indemnity will survive the expiration of this Agreement. In no event will we be liable for any consequential or indirect damages.

INSURANCE. You agree to maintain commercial general liability insurance acceptable to us. You also agree to: 1) keep the Equipment fully insured against loss at its replacement cost, with us named as loss payee; and 2) provide proof of insurance satisfactory to us no later than 30 days following the commencement of this Agreement, and thereafter upon our written request. If you fail to maintain property loss insurance satisfactory to us and/or you fail to timely provide proof of such insurance, we have the option, but not the obligation, to 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.

OWNERSHIP. You own the Equipment, including any software license rights granted to you, if any, by us or any third party supplier(s). You hereby grant us a security interest in the Equipment to secure your performance under this Agreement, to be released at the end of the term provided you have performed all of your obligations under this Agreement.

TAXES. You will pay when due, either directly or by reimbursing us, all taxes and fees relating to the Equipment and this Agreement. You agree to file any required personal property tax returns. Sales or use tax due upfront will be payable over the term with a finance charge.

DEFAULT/REMEDIES. If a payment becomes 10+ days past due, or if you otherwise breach this Agreement, you will be in default, and we may require that you return the Equipment to us at your expense and pay us: 1) all past due amounts and 2) all remaining payments for the unexpired term, plus our booked residual, discounted at 3% per annum; and we may disable or repossess the Equipment and use all other legal remedies available to us. You agree to pay all costs and expenses (including reasonable attorney fees) we incur in any dispute with you related to this Agreement. You agree to pay us interest on all past due amounts at the rate of 1.5% per month, or at the highest rate allowed by applicable law, if less.

UCC. If we assign rights in this Agreement for financing purposes, you agree that this Agreement, in the hands of our assignee, is, or shall be treated as, a "Finance Lease" as that term is defined in Article 2A of the Uniform Commercial Code ("UCC"). You agree to forgo the rights and remedies provided under sections 507-522 of Article 2A of the UCC.

MISCELLANEOUS. This Agreement is the entire agreement between you and us relating to our providing and your use of the Equipment and supersedes any prior representations or agreements, including any purchase orders. Amounts payable under this Agreement may include a profit to us. The parties agree that the original hereof for enforcement and perfection purposes, and the sole "record" constituting "chattel paper" under the UCC, is either (a) the paper copy hereof bearing (i) the original or a copy of either your manual signature or an electronically applied indication of your intent to enter into this Agreement, and (ii) our original manual signature or (b) the copy of this Agreement executed by the parties and controlled by us or our assignee or custodian in accordance with the Electronic Signatures in Global and National Commerce Act or any similar state laws based on the Uniform Electronic Transactions Act and other applicable law as electronic chattel paper under the UCC. Upon execution, the parties agree to be bound to the terms hereof regardless of the medium or format in which this Agreement is maintained or controlled. If any provision of this Agreement is unenforceable, the other provisions herein shall remain in full force and effect to the fullest extent permitted by law. You authorize us to either insert or correct the Agreement number, serial numbers, model numbers, beginning date, and signature date. All other modifications to the Agreement must be in writing signed by each party.