



**TO:** Board of Education  
Dr. Lisa Leali, Superintendent

**FROM:** Jay Kahn, Director of Finance and Operations/CSBO

**DATE:** March 18, 2025

**RE:** Konica Minolta Copier 5-year agreement

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### **Recommendation**

Administration recommends that the Board approve the contract for a 5-year FMV lease of 10 new Konica Minolta multifunction copiers in the amount of approximately \$200,935 (\$3,349/month). This new lease replaces the current 5-year capital lease for 12 copiers which has a monthly cost of \$2,865. The new lease contains a buyout of our current Canon contract in the amount of \$25,785, and a reduction of 2 underused machines according to volumes and placement. The lease payment also includes all color prints (based on our current volumes), and a reduced rate for B/W prints which will be billed separately.

### **Background**

The District moved to a centralized printing environment in 2016 to lower operating costs, reduce paper usage, and increase print security and staff convenience. The District has been with Canon since that time and the machines have been very reliable. The intention was to sign a new 5-year lease with Canon at the end of the current agreement, however, we were approached by Konica Minolta with a very attractive offer.

### **Current Situation**

The existing Canon lease does not expire until January 2026, however, Konica has significant end of quarter pricing incentives and is primarily motivated by gaining market share. They are willing to buy out our current contract and have offered very attractive pricing on new machines as well as ongoing print volumes. The district will take possession of the new machines by the end of March, but we will most likely install them over Spring Break to minimize disruption.

Placement and volume of existing machines were evaluated, and it was determined that we could reduce 2 machines at the elementary school, where we currently have 5 copiers within 100 feet of each other on the first floor. The other machines were replaced with like models.

Color copying is very expensive and consumes a large portion of the copy budget. The District is committed to providing a color option for teachers to be used when appropriate. Being judicious with color copies is a responsible use of resources and the staff has done a commendable job by reducing color print volume by 20% this year. Based on these volumes we were able to get very good pricing from Konica.

With the new lease the District expects to save about \$1,000 per month in hardware and print costs, as well as additional savings from the elimination of a print server in the move to cloud based software.

Konica has received good references from Township HSD 214.

	CURRENT AGREEMENT			KONICA MINOLTA RECOMMENDED SOLUTION		
Location	Current Device	Current Usage / Service Agreement		Recommended Solution	New Usage / Service Agreement	
LBMS-WorkRoom	IRADVDC5750I	<b>Cost Per Print B&amp;W \$0.0046</b> <b>Cost Per Print Color \$0.0395</b>  <u><b>Current Monthly Volumes</b></u> <b>B&amp;W: 49,541</b> <b>Color: 36,101</b>		Bizhub C551i	<b>Total Per Month for (4) Bizhub C550i's:</b> <b><u>\$400.00</u></b>  <b>UNLIMITED PRINT (B&amp;W and COLOR)</b> All Service, Supplies, Toner, Maintenance, Consumables and Support <b>INCLUDED</b> at <b>NO ADDITIONAL COST</b> and <b>NO escalations!</b>	
LBES-Office-Color	IRADVDC5750I			Bizhub C551i		
LBES-2ndWorkRoom-Color	IRADVDC5750I			Bizhub C551i		
DO-Color	IRADVDC5750I			Bizhub C551i		
LBES-1stWorkRoom-Color	IRADVDC5750I			-		
LBMS-BreakOutRoom	IRADVDC6780I	<b>Cost Per Print B&amp;W \$0.0039</b>  <u><b>Current Monthly Volumes</b></u> <b>B&amp;W: 77,891</b>		Bizhub 850i	<b>Cost Per Print - \$0.0039</b>  All Service, Supplies, Toner, Maintenance, Consumables and Support <b>INCLUDED - NO Escalations</b>  <u><b>TOTAL B&amp;W Service Cost Per Month</b></u> <b>(based on 77,891 avg Prints x \$0.0039) = \$303.77</b>	
LBES-2ndWorkRoom-BW	IRADVDC6780I			Bizhub 850i		
LBES-Office-BW	IRADVDC6780I			Bizhub 850i		
LBMS-Steam	IRADVDC6780I			Bizhub 850i		
LBES-1stWorkRoom-BW	IRADVDC6780I			Bizhub 850i		
LBMS-Office	IRADVDC6780I			Bizhub 850i		
LBES-Library	IRADVDC527IF			-		
Total CURRENT Monthly Service Costs		<u>B&amp;W</u> \$539.91	<u>COLOR</u> \$1,425.98	Total Monthly Service Costs	<u>B&amp;W</u> \$303.77	<u>COLOR</u> \$400
Total Current Monthly Lease		\$2,865.00		Monthly Lease	\$2,924.27	
TOTAL CURRENT MONTHLY COST Lease + B&W + Color		<u>\$4,830.90</u>		TOTAL New Monthly Cost Lease + B&W + Color		<u>\$3,644.98</u>
Minimum Average SAVINGS per Month:						\$1,185.92

## Order Agreement

This Order Agreement is written in "Plain English". The words **you** and **your** refer to the Customer, the words **we**, **us** and **our** refer to **Konica Minolta Business Solutions U.S.A., Inc.**, including its subsidiaries and agents.

### Customer Information

#### Lake Bluff Esd 65

121 E Sheridan Pl  
Lake Bluff, IL 60044-2632

### Product: Device & Software

Installation Location - 1: Lake Bluff Esd 65, 121 E Sheridan Pl, Lake Bluff, IL 60044-2632

Delivery Contact: Kevin Kolcz , (847) 234-9400

Product Description	Quantity	Product Configuration	Item Number
Bizhub 850i			BH850I
	2	Working Table Wt-506	A0W4WY4
	2	Bizhub 850i	ACVW015
	2	Tn813 Black Toner 850i 50000 Yield	ADWN030
	2	Mfp Delivery Charge - Level Three	7670525508
	2	Basic Network Service - Bns05	7640018095
	2	Fs-539	AAR4WY3
	2	Pk-524 2/3 Punch Unit For Fs-539	AC28W11
	2	Ru-515 Relay Unit	A87KWY1
	2	Fk-516 Fax Kit	A92D011
	2	Pwrfilter W Premium Inrush 120v/20a	W200020120
	2	Bizhub Secure	7640015657
Bizhub 850i			BH850I
	4	Bizhub 850i	ACVW015
	4	Tn813 Black Toner 850i 50000 Yield	ADWN030
	4	Mfp Delivery Charge - Level Three	7670525508
	4	Basic Network Service - Bns05	7640018095
	4	Fs-539	AAR4WY3
	4	Pk-524 2/3 Punch Unit For Fs-539	AC28W11
	4	Ru-515 Relay Unit	A87KWY1
	4	Pwrfilter W Premium Inrush 120v/20a	W200020120
	4	Bizhub Secure	7640015657
	4	Working Table Wt-506	A0W4WY4
Bizhub C551i			C551I
	4	C551i Color Copier/printer W/ Df-713	ADXF011
	4	Tn626k Black Toner Yield: 28k	ACV1130
	4	Tn626y Yellow Toner Yield: 28k	ACV1230
	4	Tn626m Magenta Toner Yield: 28k	ACV1330

Product Description	Quantity	Product Configuration	Item Number
	4	Tn626c Cyan Toner Yield: 28k	ACV1430
	4	Mfp Delivery Charge - Level Two	7670525507
	4	Basic Network Service - Bns04	7640018094
	4	Pc-216 Cabinet	AAV5WY8
	4	Fs-533 Inner Finisher	A2YUWY3
	4	Pk-519 Punch Kit For Fs-533	A3EUW12
	4	Mk-607 Fan Kit For Fs-533	ACW5WY1
	4	Pwrfilter W Line Monitoring 120v/15a	W150015120
	4	Bizhub Secure	7640015657
	4	Working Table Wt-506	AOW4WY4
	740	Kmbs Professional Project Services	7640019485
Pchv Full Embed Sub Comm 10-49 5y	10		PCHFULLC105Y
	13	Km Pro Services Papercut Tier 2	DIRPROJPCUTT2
Barcodeusbomnidirectionalscann er-orb	10		BARCODESCANNER

## Maintenance Services

**Maintenance Plan:** Flat Rate

**Term:** 60 Months

**Entitlements:** Toner , Staples, No In Term Annual Escalation, Parts/Labor

Installation Location - 1: Lake Bluff Esd 65, 121 E Sheridan Pl, Lake Bluff, IL 60044-2632

Values shown per device

Device	Qty	Bill Plan Type	Pages Included
Bizhub C551i	4	Flat Rate	Unlimited

**Maintenance Plan:** Base Plus

**Term:** 60 Months

**Entitlements:** Toner , Staples, No In Term Annual Escalation, Parts/Labor

Installation Location - 1: Lake Bluff Esd 65, 121 E Sheridan Pl, Lake Bluff, IL 60044-2632

Values shown per device

Device	Qty	Bill Plan Type	Pages Included	Overage Charge	Overage Frequency
Bizhub 850i	2	Mono	0	\$ 0.00390	Monthly
Bizhub 850i	4	Mono	0	\$ 0.00390	Monthly

## Existing Financial Considerations

Special Incentive - Reimbursed to Customer

This reimbursement is being provided as a special incentive towards the the purchase/financing of a new product/service. We agree to remit the Incentive Amount(s) to the Customer Remittance Address shown below upon receipt of funding in full for this Order Agreement. We will not be liable to you or any third party as a result of this reimbursement transaction.

Incentive Amount	Explanation
\$25,785.00	Remaining Payments of CanonLease Agreement

**Remittance Address (Special Incentive)**

LAKE BLUFF ESD 65  
Attn: Jay Kahn  
121 E SHERIDAN PL  
LAKE BLUFF , IL 60044-2632

Application Number  
1986230

Agreement Number

Schedule Number

## Advantage Lease Agreement

This Advantage Lease Agreement ("Agreement") is written in "Plain English". In this Agreement, the words **you** and **your** refer to the customer (and its guarantors), the words **we**, **us** and **our** refer to **Konica Minolta Business Solutions U.S.A., Inc., d/b/a Konica Minolta Premier Finance**. If we assign this Agreement to a third party lessor, **Lessor** shall refer to such third party lessor assignee, and the words **we**, **us** and **our** shall also mean and include such Lessor and its assignees as to our rights, remedies and entitlements under this Agreement and any Schedule so assigned, but not our obligations.

### Customer Information

Full Customer legal Name/Address:

**Lake Bluff Esd 65**  
121 E Sheridan Pl  
Lake Bluff, IL 60044-2632

Billing Name/Address:

**Lake Bluff Esd 65**  
121 E Sheridan Pl  
Lake Bluff, IL, 60044-2632

Billing Contact Name: Jay Kahn

Phone<sup>1</sup>: (847) 234-9400

Email: jkahn@lb65.org

Federal Tax ID<sup>2</sup>:**36-6004860**

Do not enter Social Security Number

### Term and Payment Information

Term in Months	Number of Payments	Payment Frequency	Payment(Plus Applicable Taxes)	End of Lease Purchase Option
60	60	Monthly	\$3,348.92	Fair Market Value

### Product Description

Installation Location - 1: Lake Bluff Esd 65, 121 E Sheridan Pl, Lake Bluff, IL 60044-2632

Qty	Product Description	Product Configuration
2	Bizhub 850i	Working Table Wt-506, Fs-539, Pk-524 2/3 Punch Unit For Fs-539, Ru-515 Relay Unit, Fk-516 Fax Kit
4	Bizhub 850i	Fs-539, Pk-524 2/3 Punch Unit For Fs-539, Ru-515 Relay Unit, Working Table Wt-506
4	Bizhub C551i	Pc-216 Cabinet, Fs-533 Inner Finisher, Pk-519 Punch Kit For Fs-533, Mk-607 Fan Kit For Fs-533, Working Table Wt-506
10	Pchv Full Embed Sub Comm 10-49 5y	
10	Barcodeusbomnidirectionalscanner-orb	

<sup>1</sup> By providing a telephone number for a cellular phone or other wireless device, you are expressly consenting to receiving communications (for NON-marketing or solicitation purposes) at that number, including, but not limited to, prerecorded or artificial voice message calls, text messages, and calls made by an automatic telephone dialing system from Lessor and its affiliates and agents. This Express Consent applies to each such telephone number that you provide to us now or in the future and permits such calls. These calls and messages may incur access fees from your cellular provider.

<sup>2</sup> To help the Government fight the funding of terrorism and money laundering activities, Federal Law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. What this means is, when you open an account, we will ask for your name, address and other information that will allow us to identify you; we may also ask to see identifying documents.

## Maintenance & Group Pool Billing Information

### Pool Group 2

Maintenance Plan: Flat Rate

Pool Group ID	Pool Name	Pages Included	Overage Charge	Overage Frequency
2	Flat -2	Unlimited	N/A	N/A

### Pool Group 2 - Asset Schedule

Installation Location - 1: Lake Bluff Esd 65, 121 E Sheridan Pl, Lake Bluff, IL 60044-2632

Qty	Product Description	Customer Invoice Information	Text
4	Bizhub C551i		Flat Rate

### Pool Group 1

Maintenance Plan: Base Plus

Pool Group ID	Pool Name	Pages Included	Overage Charge	Overage Frequency
1	Mono-1	0	\$ 0.00390	Monthly

### Pool Group 1 - Asset Schedule

Installation Location - 1: Lake Bluff Esd 65, 121 E Sheridan Pl, Lake Bluff, IL 60044-2632

Qty	Product Description	Customer Invoice Information	Text
2	Bizhub 850i		Mono
4	Bizhub 850i		Mono

The Konica Minolta equipment leased in this Agreement is covered under Konica Minolta's Customer ONE Guarantee. A copy of the Guarantee can be obtained at your local branch or by visiting <https://kmb.konicaminolta.us/CustomerOne>



## Terms And Conditions

(THIS AGREEMENT CONTAINS THE TERMS AND CONDITIONS SET FORTH BELOW, ALL OF WHICH ARE MADE A PART OF THIS AGREEMENT AND INCORPORATED INTO EACH SCHEDULE.)

**1. LEASE AGREEMENT:** You agree to lease from us the personal property identified herein, and additional personal property as identified in Schedules to this Advantage Lease Agreement, incorporating these TERMS AND CONDITIONS by reference - from time to time - signed by you and us (such property and any upgrades, substitution, replacements, repairs and additions referred to as "Equipment") for business purposes only. In the event that the Equipment you selected is unavailable or cannot be supplied by the Supplier, you agree that we can substitute or upgrade your selection to equipment of equal or greater quality, function, and value, as determined by Supplier in its sole discretion, at no additional cost to you, and you agree to accept such substitution or upgrade upon delivery. Each Schedule is a separate assignable lease. To the extent the Equipment includes intangible property or associated services such as periodic software licenses and prepaid database subscription rights, such property shall be referred to as the "Software". You agree to all of the terms and conditions contained in this Agreement and any Schedule, which together are a complete statement of our agreement regarding the listed equipment ("Agreement") and supersede all other writings, communications, understandings, agreements, purchase orders, solicitation documents and related documents. This Agreement may be modified only by written Agreement and not by course of performance. This Agreement becomes valid upon execution by or for us. The Equipment is deemed accepted by you hereunder and under the applicable Schedule unless you notify us within three (3) days of delivery that you do not accept the Equipment and specify the defect or malfunction. In that event, at our sole option, we or our designee will replace the defective item of Equipment or this Agreement will be canceled and we or our designee will repossess the Equipment. You agree that, upon our request, you will sign and deliver to us, a delivery and acceptance certificate confirming your acceptance of the Equipment leased to you. The "Billing Date" of this Agreement will be the twentieth (20th) day or an alternative agreed upon date following installation. This Agreement will continue from the Billing Date for the Term shown and will be extended automatically for successive one (1) month terms unless you (a) send us written notice, between ninety (90) days and one hundred fifty (150) days before the end of the initial term or at least 30 days before the end of any renewal term that you want to purchase or return the Equipment, and you timely purchase or return the Equipment. Leases with \$1.00 purchase options will not be renewed. The periodic renewal payment has been set by mutual agreement and is not based on the cost of any component of this lease. **THE BASE RENTAL PAYMENT SHALL BE ADJUSTED PROPORTIONATELY UPWARD OR DOWNWARD, IF THE ACTUAL COST OF THE EQUIPMENT EXCEEDS OR IS LESS THAN THE ESTIMATE PROVIDED TO YOU.** If any provision of this Agreement is declared unenforceable in any jurisdiction, the other provisions herein shall remain in full force and effect in that jurisdiction and all others. You authorize us to insert or correct missing information on this lease including your proper legal name, serial numbers, other numbers describing the Equipment and other omitted factual matters. You agree to provide updated annual and/or quarterly financial statements to us upon request. You authorize us or our agent to obtain credit reports and make credit inquiries regarding you and your financial condition and to provide your information, including payment history, to our assignee or third parties having an economic interest in this Agreement, any Schedule or the Equipment.

**2. RENT:** Rent will be payable in installments, each in the amount of the Monthly Payment (or other periodic payment) shown plus any applicable sales, use and property tax. If we pay any tax on your behalf, you agree to reimburse us promptly along with a processing fee. Subsequent installments will be payable on the first day of each rental payment period shown beginning after the first rental payment period or as otherwise agreed. We will have the right to apply all sums received from you to any amounts due and owed to us under the terms of this Agreement. **Your obligation to make all Monthly Payments (or other periodic payment) hereunder is absolute and unconditional and you cannot withhold or offset against any Monthly Payments (or other periodic payment) for any reason.** You agree that you will remit payments to us in the form of company checks (or personal checks in the case of sole proprietorships), direct debit or wires only. You also agree cash and cash equivalents are not acceptable forms of payment for this Agreement and that you will not remit such forms of payment to us. **WE BOTH INTEND TO COMPLY WITH ALL APPLICABLE LAWS. IF IT IS DETERMINED THAT YOUR PAYMENTS UNDER THIS AGREEMENT OR UNDER A SCHEDULE RESULT IN AN INTEREST PAYMENT HIGHER THAN ALLOWED BY APPLICABLE LAW, THEN ANY EXCESS INTEREST COLLECTED WILL BE APPLIED TO AMOUNTS THAT ARE LAWFULLY DUE AND OWING UNDER THIS AGREEMENT OR WILL BE REFUNDED TO YOU. IN NO EVENT WILL YOU BE REQUIRED TO PAY ANY AMOUNTS IN EXCESS OF THE LEGAL AMOUNT.**

**3. OWNERSHIP OF EQUIPMENT:** We are the owner of the Equipment and have sole title (unless you have a \$1.00 purchase option) to the Equipment (excluding software). You agree to keep the Equipment free and clear of all liens and claims. You are solely responsible for removing any data that may reside in the Equipment you return, including but not limited to hard drives, disk drives or any other form of memory.

**4. WARRANTY DISCLAIMER: WE MAKE NO WARRANTY EXPRESS OR IMPLIED, INCLUDING THAT THE EQUIPMENT IS FIT FOR A PARTICULAR PURPOSE OR THAT THE EQUIPMENT IS MERCHANTABILITY. YOU AGREE THAT YOU HAVE SELECTED EACH ITEM OF EQUIPMENT BASED UPON YOUR OWN JUDGMENT AND DISCLAIM ANY RELIANCE UPON ANY STATEMENTS OR REPRESENTATIONS MADE BY US. WE ARE LEASING THE EQUIPMENT TO YOU "AS-IS".** You acknowledge that neither we nor our representatives are the Lessor's agents and none of us are authorized to modify the terms of this Agreement or any Schedule without the Lessor's consent. No representation or warranty of ours with respect to the Equipment will bind Lessor, nor will any breach thereof relieve you of any of your obligations hereunder. You are aware of the name of the manufacturer or supplier of each item of Equipment and you will contact the manufacturer or supplier for a description of your warranty rights. You hereby acknowledge and confirm that you have not received any tax, financial, accounting or legal advice from us, the Lessor, the manufacturer or supplier of the Equipment. **THIS AGREEMENT AND EACH SCHEDULE CONSTITUTES A "FINANCE LEASE" AS DEFINED IN ARTICLE 2A OF THE UNIFORM COMMERCIAL CODE.** You agree that the Customer One Guarantee is a separate and independent obligation of ours, that no Lessor or assignee of the Lessor shall have any obligation to you with respect to the Guarantee and that your obligations under this Agreement are not subject to setoff, withholding, reduction, counterclaim or defense for any reason whatsoever including, without limitation, any claim you may have against us with respect to the Customer One Guarantee

**5. LOCATION OF EQUIPMENT:** You will keep and use the Equipment only at your address shown above and you agree not to move it unless we agree to it. At the end of the Agreement's term, if



you do not purchase the Equipment, you will return the Equipment to a location we specify at your expense, in retail resalable condition (normal wear and tear acceptable), full working order, and in complete repair.

**6. LOSS OR DAMAGE:** You are responsible for the risk of loss or for any destruction of or damage to the Equipment. No such loss or damage relieves you from the payment obligations under this Agreement. You agree to promptly notify us in writing of any loss or damage and you will then pay to us the present value of the total of all unpaid Monthly Payments (or other periodic payments shown) for the full Agreement term plus the estimated fair market value of the Equipment at the end of the originally scheduled term, all discounted at four percent (4%) per year. Any proceeds of insurance will be paid to us and credited, at our option, against any loss or damage. You authorize us to sign on your behalf and appoint us as your attorney in fact to execute in your name any insurance drafts or checks issued due to loss or damage to the Equipment

**7. COLLATERAL PROTECTION AND INSURANCE:** You are responsible for installing and keeping the Equipment in good working order. Except for ordinary wear and tear, you are responsible for protecting the Equipment from damage and loss of any kind. If the Equipment is damaged or lost, you agree to continue to pay the amounts due and to become due hereunder without setoff or defense. During the term of this Agreement, you agree that you will (1) insure the equipment against all loss or damage naming us as loss payee; (2) obtain liability and third party property damage insurance naming us as an additional insured; and (3) deliver satisfactory evidence of such coverage with carriers, policy forms and amounts acceptable to us. All policies must provide that we be given thirty (30) days written notice of any material change or cancellation. If you do not provide evidence of acceptable insurance, we have the right, but not the obligation, (a) to obtain insurance covering our interest (and only our interest) in the Equipment for the lease term, and renewals and (i) any insurance we obtain will not insure you against third party or liability claims and may be cancelled by us at any time, (ii) you will be required to pay us an additional amount each month for the insurance premium and an administrative fee, (iii) the cost may be more than the cost of obtaining your own insurance, (iv) you agree that we, or one of our affiliates, may make a profit in connection with the insurance we obtain, (v) you agree to cooperate with us, our insurer and our agent in the placement of coverage and with claims; or (b) we may waive the insurance requirement and charge you a monthly property damage surcharge in the amount of .0035 of the original equipment cost to cover our credit risk, administrative costs and other costs, as would be further described on a letter from us to you and on which we may make a profit. If you later provide evidence that you have obtained acceptable insurance, we will cancel the insurance we obtained or cease charging the surcharge.

**8. INDEMNITY:** We are not responsible for any loss or injuries caused by the installation or use of the Equipment. You agree to hold us and any Lessor harmless and reimburse us and them for loss and to defend us and them against any claim for losses or injury or death caused by the Equipment. We reserve the right to control the defense and to select or approve defense counsel. This indemnity survives the expiration or termination of this Agreement.

**9. TAXES AND FEES:** You agree to pay when invoiced all taxes (including personal property tax, fines and penalties) and fees relating to this Agreement or the Equipment. You agree to (a) reimburse us for all personal property taxes which we are required to pay as owner of the Equipment or to remit to us each month our estimate of the monthly equivalent of the annual property taxes to be assessed. If you do not have a \$1.00 purchase option, we will file all personal property, use or other tax returns and you agree to pay us a processing fee for making such filings. You agree to pay us up to \$125.00 on the date the first payment is due as an origination fee. We reserve the right to charge a fee upon termination of this Agreement either by trade-up, buy-out or default. Any fee charged under this Agreement may include a profit and is subject to applicable taxes.

**10. ASSIGNMENT: YOU HAVE NO RIGHT TO SELL, TRANSFER, ASSIGN, OR SUBLEASE THE EQUIPMENT OR THIS AGREEMENT.** We may sell, assign, or transfer this Agreement and/or the Equipment without notice. You agree that if we sell, assign, or transfer this Agreement and/or the Equipment to a Lessor, such Lessor will have the same rights and benefits that we have now and will not have to perform any of our obligations. You agree that the rights of such Lessor will not be subject to any claims, defenses, or set offs that you may have against us whether or not you are notified of such assignment. The cost of any Equipment, Software, services and other elements of this Agreement has been negotiated between you and us. None of Lessor or Lessor's assignees will independently verify any such costs. Lessor and Lessor's assignees will be providing funding based on the payment you have negotiated with us. You are responsible for determining your accounting treatment of the appropriate tax, legal, financial and accounting components of this Agreement.

**11. DEFAULT AND REMEDIES:** If (a) you do not pay any lease payment or other sum due to us or other party when due or (b) if you break any of your promises in the Agreement, any Schedule or any other agreement with us or (c) if you, or any guarantor of your obligations become insolvent or commence bankruptcy or receivership proceedings or have such proceedings commenced against you, you will be in default. If any part of a payment is more than three (3) days late, you agree to pay a late charge of ten percent (10%) of the payment which is late or if less, the maximum charge allowed by law. If you are ever in default, we may do any one or all of the following; (a) withhold service, parts and supplies and / or void the Customer One Guarantee; (b) terminate or cancel this Agreement and/or any and all Schedules and require that you pay, **AS LIQUIDATED DAMAGES FOR LOSS OF BARGAIN AND NOT AS A PENALTY**, the sum of: (i) all past due and current Monthly Payments (or other periodic payments) and charges due under this Agreement and any Schedule; (ii) the present value of all remaining Monthly Payments (or other periodic payments) and charges for the remainder of the term of this Agreement and any Schedules, discounted at the rate of four percent (4%) per annum (or the lowest rate permitted by law, whichever is higher); and (iii) the present value (at the same discount rate as specified in clause (ii) above) of the amount of any purchase option with respect to the Equipment or, if none is specified, our anticipated value of the Equipment at the end of the initial term of this Agreement and any Schedules (or any renewal thereof); and (c) require you to return the Equipment to us to a location designated by us (and with respect to any Software, (i) immediately terminate your right to use the Software including the disabling (on-site or by remote communication) of any Software; (ii) demand the immediate return and obtain possession of the Software and re-license the Software at a public or private sale; and/or (iii) cause the Software supplier to terminate the Software license, support and other services under the Software license). We may recover interest on any unpaid balance at the rate of four percent (4%) per annum but in no event more than the lawful maximum rate. We may also use any of the remedies available to us under Article 2A of the Uniform Commercial Code as enacted in the state where we or the Lessor have our principal place of business. You agree to pay our reasonable costs of collection and enforcement, including but not limited to attorney's fees and actual court costs relating to any claim arising under this Agreement including, but not limited to, any legal action or referral for collection. If we have to take possession of the Equipment, you agree to pay the cost of repossession. The net proceeds of the sale of any repossessed Equipment will be credited against what you owe us. **YOU AGREE THAT NEITHER WE NOR SUPPLIER WILL BE RESPONSIBLE FOR ANY CONSEQUENTIAL, INDIRECT OR INCIDENTAL DAMAGES FOR ANY REASON WHATSOEVER.** In no event shall Supplier's aggregate liability under this Agreement exceed the amount you paid for the products or services in question during the twelve-month period immediately preceding the event giving rise to the liability. You agree that any delay or failure to enforce our rights under this Agreement does not prevent us from enforcing any rights at a later time. All of our rights are cumulative. It is further agreed that your rights and remedies are governed exclusively by this Agreement and you waive lessee's rights under Article 2A (508-522) of the UCC.

**12. UCC FILINGS:** You grant us a security interest in the Equipment if this Agreement or any Schedule is deemed a secured transaction and you authorize us to record a UCC-1 financing statement

or similar instrument in order to show our interest in the Equipment.

**13. CONSENT TO LAW, JURISDICTION AND VENUE:** This Agreement shall be deemed fully executed and performed in the state of our or the Lessor's principal place of business and shall be governed by and construed in accordance with its laws. If we or the Lessor bring any judicial proceeding in relation to any matter arising under this Agreement, you irrevocably agree that any such matter may be adjudged or determined in any court or courts in the state of our or the Lessor's principal place of business, or in any court or courts in your state of residence, or in any other court having jurisdiction over you or your assets, all at the sole election of us or the Lessor. You hereby irrevocably submit generally and unconditionally to the jurisdiction of any such court so elected by us or the Lessor in relation to such matters. If the Customer shall bring any judicial proceeding in relation to any matter arising under the Agreement, the Customer irrevocably agrees to bring any such proceeding in, and that any such matter shall be adjudged or determined exclusively by, the courts in the state of the Supplier's, Lessor's or Assignee's principal place of business. In the event of litigation or other proceedings by Supplier, Lessor or Assignee to enforce or defend any term or provision of this Agreement, Customer agrees to pay all costs and expenses sustained by Supplier, Lessor or Assignee, including but not limited to, reasonable attorney's fees. **BOTH PARTIES WAIVE TRIAL BY JURY IN ANY ACTION BETWEEN US.**

**14. LESSEE GUARANTEE:** You agree, upon our request, to submit the original of this Agreement and any Schedules to us or the Lessor via overnight courier the same day you submit the facsimile or other electronic transmission of the signed Agreement and such Schedules. Both parties agree that this Agreement and any Schedules signed by you, whether manually or electronically, and submitted to us by facsimile or other electronic transmission shall, upon execution by us (manually or electronically, as applicable), be binding upon the parties. This lease may be executed in counterparts and any facsimile, photographic and/or other electronic transmission of this lease which has been manually or electronically signed by you when manually or electronically countersigned by us or attached to our original signature counterpart and/or in our possession shall constitute the sole original chattel paper as defined in the UCC for all purposes (including any enforcement action under paragraph 11) and will be admissible as legal evidence thereof. Both parties waive the right to challenge in court the authenticity of a faxed, photographic, or other electronically transmitted or electronically signed copy of this Agreement and any Schedules.

**15. COMPUTER SOFTWARE:** Notwithstanding any other terms and conditions of this Agreement, you agree that as to Software only: a) We have not had, do not have, nor will have any title to such Software, b) You have executed or will execute a separate software license Agreement and we are not a party to and have no responsibilities whatsoever in regards to such license Agreement, c) You have selected such Software and in accordance with paragraph 4 of this Agreement, **WE MAKE NO WARRANTIES OF MERCHANTABILITY, DATA ACCURACY, SYSTEM INTEGRATION OR FITNESS FOR USE AND TAKE ABSOLUTELY NO RESPONSIBILITY FOR THE FUNCTION OR DEFECTIVE NATURE OF SUCH SOFTWARE, SYSTEMS INTEGRATION, OR OTHERWISE IN REGARDS TO SUCH SOFTWARE. YOUR LEASE PAYMENTS AND OTHER OBLIGATIONS UNDER THIS LEASE AGREEMENT SHALL IN NO WAY BE DIMINISHED OR DELAYED ON ACCOUNT OF OR IN ANY WAY RELATED TO THE ABOVE SAID SOFTWARE LICENSE AGREEMENT OF FAILURE IN ANY WAY OF THE SOFTWARE.**

**16. MAINTENANCE AND SUPPLIES:** Equipment services provided under this Agreement include labor and parts required to maintain covered Equipment in a normal operating condition. We will provide toner for covered Equipment on an as needed basis. Consumable supplies do not include staples unless selected. The consumable supplies provided are our property until they are consumed and are intended to be used exclusively in the covered Equipment. You bear the risk of loss for unused supplies in the event of theft, employee misconduct, fire or other mishap. We reserve the right to replace a device, at no additional cost to you, with a comparable unit when repair of the original device is not practical or economically feasible. Pricing under this Agreement is based on published and commercially reasonable expectations of supply and consumables consumption. At our discretion, we may perform an audit of supply/consumables consumption and equipment usage data to determine consumption levels. In the event the actual consumption levels exceed the levels used to determine contract pricing by more than 20%, we have the right to invoice for the excess consumption. Paper must be separately purchased by you. A page is defined as one meter click and varies by page size as follows: 8.5"x11" = 1 click, 11"x17" = 2 clicks, 18"x27" = 3 clicks, 27"x36" = 4 clicks and 36"x47" = 5 clicks. You agree to provide us access to the equipment and we will provide labor or routine, remedial and preventive maintenance service as well as remedial parts during normal business hours (defined as 8:30 am to 5:00 pm, Monday through Friday, exclusive of holidays observed by us). All part replacements shall be on an exchange basis with new or refurbished items. We are not obligated to provide services or repairs in the event of Equipment abuse/misuse or casualty. Out of scope services, including after hours, moves, modifications and abuse/misuse will be charged at our current rates. If necessary, the service and supply portion of this Agreement may be assigned. We may charge you a Supply Freight Fee to cover our costs of shipping supplies to you. You acknowledge that (a) we (and not the Lessor or its assignees) are the sole party responsible for any service, repair or maintenance of the Equipment, and (b) we (not the Lessor or its assignees) are the party to any service maintenance agreement.

**17. FLEET DEVICE MONITORING:** We may ask your permission to install and maintain server-based software to monitor the printing devices on your network ("Fleet Device Monitoring"). Where the use of Fleet Device Monitoring software as part of a managed print program has been agreed to, it will be used to detect new devices and add such devices to this Agreement at pre-established price levels. The added device(s) will be covered under the terms of this Agreement. You will be notified via email and may reject the addition of the device(s) by contacting us. If you agree to allow us to install and maintain Fleet Device Monitoring software on your network, and the software cannot reliably operate in your environment for any reason, we reserve the right to suspend or terminate services under this Agreement.

**18. OVERAGES AND COST ADJUSTMENTS:** You agree to comply with any billing procedures designated by us, including notifying us of the meter reading on the Billing Date. If meter readings are not received, we reserve the right to estimate your usage and bill you for that amount. At the end of the first year of this Agreement and once each successive twelve month period, we may increase your payment, and the per page charge over the pages included (Overage) (if applicable) by a maximum of fifteen percent (15%) of the existing charge, or if less, the maximum amount permitted by applicable law. We may bill you a per page charge for all pages produced between the date of your final invoice and the date when you satisfy your obligations under this Agreement and either purchase or return the equipment to us. Notwithstanding anything herein to the contrary, for pools designated as "One Rate" pools, escalations within the original Agreement term and Supply Freight Fees do not apply nor are meter readings required. All Agreements are subject to escalation in any renewal period.

## End of Lease Options

You will have the following options at the end of the original term, provided the Agreement or applicable Schedule has not terminated early and no event of default under the Agreement and/or any Schedule has occurred and is continuing. 1. Purchase all of the Equipment as indicated in the "Term and Payment Information" section of the Agreement or any applicable Schedule ("fair market value" purchase amounts will be determined by us). 2. Renew the Agreement and/or applicable Schedule per paragraph 1 (on Agreement). 3. Return Equipment as provided in Paragraph 5 (on Agreement).

## Lease Acceptance

**THIS IS A NONCANCELABLE / IRREVOCABLE AGREEMENT: THIS AGREEMENT CANNOT BE CANCELED OR TERMINATED.**

Konica Minolta Business Solutions U.S.A., Inc.,  
d/b/a Konica Minolta Premier Finance

**Customer**

Lake Bluff Esd 65

Signature:



Name:

\_\_\_\_\_

Title:

\_\_\_\_\_

Date Signed:

\_\_\_\_\_

Signature:



Name:

Anne Hill

Title:

Board of Education President

Date Signed:

03/18/2025

## ADDENDUM TO LEASE AGREEMENT

This Addendum is hereby made a part of the Advantage Lease Agreement by and between Konica Minolta Business Solutions U.S.A., Inc. d/b/a Konica Minolta Premier Finance (“**KMBS**”), and the Board of Education of Lake Bluff School District 65 (“**District**”) (collectively the “**Parties**”).

**WHEREAS**, KMBS has tendered for the District’s review a Lease Agreement with KMBS (“**Lease Agreement**”) for the lease of certain copier equipment; and

**WHEREAS**, the District wishes to enter into the Lease Agreement with KMBS, but hereby requests, and KMBS agrees, to amend the Lease Agreement by adding the additional terms and conditions set forth below.

**NOW THEREFORE**, in consideration of the mutual promises herein set forth and other good and valuable consideration which is hereby acknowledged by the Parties, it is agreed as follows:

1. **Governing Provisions.** In the event of a conflict between the terms and conditions of this Addendum and those of the Lease Agreement, the terms and conditions herein shall govern. All other provisions of the Lease Agreement not otherwise modified herein shall remain in full force and effect.

2. **Delivery.** Notwithstanding any shorter period in the Lease Agreement, the Equipment is deemed accepted by you hereunder and under the applicable Schedule unless you notify us within fourteen (14) days of delivery that you do not accept the Equipment and specify the defect or malfunction.

3. **Loss or Damage.** The second sentence in Paragraph 6 of the Lease Agreement is deleted and replace it with:

“You agree to promptly notify us in writing of any loss or damage. In the case of a total loss, you will then pay to us the present value of the total of all unpaid Monthly Payments (or other periodic payments shown) for the full Agreement term plus our residual value of the Equipment at the end of the originally scheduled term, all discounted at four percent (4%) per year.”

4. **Taxes.** Notwithstanding any provisions in the Lease Agreement to the contrary, the District is a tax exempt entity and shall not be responsible for payment of any taxes from which it is exempt and provides timely proof thereof to KMBS.

5. **Default and Remedies.** The second sentence in Paragraph 11 of the Lease Agreement is deleted and replace it with:

“If any part of a payment is more than thirty (30) days late, you agree to pay a late charge in accordance with the *Illinois Local Government Prompt Payment Act*, 50 ILCS 505/1 et seq.”

**6. Warranty.** NOTWITHSTANDING ANY OTHER LANGUAGE IN ANY AGREEMENT BETWEEN KMBS AND THE DISTRICT, KMBS AGREES TO PROVIDE STANDARD MANUFACTURER'S WARRANTIES WITH RESPECT TO KMBS-BRAND EQUIPMENT AND TO PASS THROUGH ANY THIRD PARTY WARRANTIES TO THE EXTENT FEASIBLE.

**7. Payment.** The Base Rental Payment shall not adjust upward without the District's consent. KMBS may not charge a Supply Freight Fee.

**8. Jurisdiction and Venue.** Notwithstanding anything in the Lease Agreement to the contrary, the agreement shall be governed by the laws of the State of Illinois, (notwithstanding its choice of laws rules) and venue for any disputes shall be in the federal or state courts situated in Lake County, Illinois.

**9. Required Certifications.** The following language shall be added to the Lease Agreement: "As required by the *Criminal Code*, 720 ILCS 5/33E-11, by executing this Agreement, KMBS certifies that it is not barred from contracting with any unit of State or local government as a result of a violation of any criminal statute including, but not limited to, the bid rigging (Section 33E-3) or bid rotating (Section 33E-4) provisions of the *Criminal Code*. KMBS agrees that if this certification is false, the District may declare the Agreement void. To the extent applicable, KMBS further certifies that it will provide a drug free workplace as required by the Illinois *Drug Free Workplace Act*, 30 ILCS 580/1 *et seq.* If applicable, KMBS and all affiliates of KMBS shall collect and remit Illinois Use Tax on all sales of tangible personal property into the State of Illinois in accordance with the provisions of the *Illinois Use Tax Act*, 35 ILCS 105/1 *et seq.*, regardless of whether KMBS or its affiliates are 'retailer[s] maintaining a place of business within this State' as defined in Section 2 of the *Use Tax Act*. KMBS agrees to comply with all applicable federal and state Equal Employment Opportunity Laws, including but not limited to the *Illinois Human Rights Act*, 775 ILCS 5/1-101 *et seq.*, and its implementing regulations."

**10. Termination of Other Agreements.** Upon termination of the Lease Agreement, any related maintenance agreements between the Parties for the Equipment shall also terminate.

**11. Authority to Execute.** Each of the Parties executing this Addendum represent and warrant that they have the proper and necessary authority to execute this Addendum and to bind their representative entities.

**{CONTINUED WITH SIGNATURES ON NEXT PAGE}**

**IN WITNESS WHEREOF**, the parties have caused this Addendum to be executed by their duly designated officials as of the dates set forth below.

**KONICA MINOLTA BUSINESS  
SOLUTIONS U.S.A., INC.**

**BOARD OF EDUCATION OF LAKE  
BLUFF SCHOOL DISTRICT 65**

**By:** \_\_\_\_\_  
**Its:** \_\_\_\_\_  
**Date:** \_\_\_\_\_  
1328401.1

**By:** \_\_\_\_\_  
**Its:** Board of Education President  
**Date:** March 18, 2025