KYOCERa Document Solutions

Equipment Lease Agreement #

EQUIPMENT				
Equipment MFG Model & Description		Serial Number	per Accessories	
See attached schedule for addit	ional Equipment / Accessori	es		
Billing Address:				
Equipment Location:				
SUPPLIER		TRANSACTION TERMS		
	ſ	Purchase Option: \$1.00	Lease Rate %: (Must complete for AR, GA, MD, NH, NJ, NM, TX, WI)	
	1	Purchase Option. \$1.00	Lease Rate Factor: (Must complete for all other states)	
Name		Lease Payment: \$ (plus applicable taxes)		
		Term: months Billing Period: Monthly		
Address		The following additional payments are due on the date this Lease is signed by you:		
		Advance Payment: \$	(plus applicable taxes) Applied to: First Last	
City State	Zip	Document Fee: \$75.00 (included on first invoice)		

YOU HAVE SELECTED THE EQUIPMENT. THE SUPPLIER AND ITS REPRESENTATIVES ARE NOT OUR AGENTS AND ARE NOT AUTHORIZED TO MODIFY THE TERMS OF THIS LEASE. 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. YOU AGREE TO USE THE EQUIPMENT ONLY IN THE LAWFUL CONDUCT OF YOUR BUSINESS, AND NOT FOR PERSONAL, HOUSEHOLD OR FAMILY PURPOSES. WE SHALL NOT BE LIABLE FOR CONSEQUENTIAL OR SPECIAL DAMAGES. WE MAKE NO REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, WITH RESPECT TO THE LEGAL, TAX OR ACCOUNTING TREATMENT OF THIS LEASE AND YOU ACKNOWLEDGE THAT WE ARE AN INDEPENDENT CONTRACTOR AND NOT A FIDUCIARY OF LESSEE. YOU WILL OBTAIN YOUR OWN LEGAL, TAX AND ACCOUNTING ADVICE RELATED TO THIS LEASE AND WILL MAKE YOUR OWN DETERMINATION OF THE PROPER LEASE TERM FOR ACCOUNTING PURPOSES.

YOUR PAYMENT OBLIGATIONS ARE ABSOLUTE AND UNCONDITIONAL AND ARE NOT SUBJECT TO CANCELLATION, REDUCTION OR SETOFF FOR ANY REASON WHATSOEVER. BOTH PARTIES AGREE TO WAIVE ALL RIGHTS TO A JURY TRIAL. THIS LEASE SHALL BE GOVERNED BY THE LAWS OF IOWA. YOU CONSENT TO THE JURISDICTION AND VENUE OF FEDERAL AND STATE COURTS IN IOWA.

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 TO YOU: 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. BY SIGNING THIS LEASE, YOU ACKNOWLEDGE RECEIPT OF PAGES 1 AND 2 OF THIS LEASE, AND AGREE TO THE TERMS ON 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.

TERMS AND CONDITIONS

1. <u>COMMENCEMENT OF LEASE</u>. Commencement of this Lease and acceptance of the Equipment shall occur upon delivery of the Equipment to you ("Commencement Date"). To the extent that the Equipment includes intangible property or associated services such as periodic software licenses and prepaid database subscription rights, such intangible property shall be referred to as "Software". You understand and agree that we have no right, title or interest in the Software and you will comply throughout the Term of this Lease with any license and/or other agreement ("Software License") entered into with the supplier of the Software Supplier"). You are responsible for entering into any Software License with the Software Supplier no later than the Commencement Date of this Lease. 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, substitutions, additions and repairs to the Equipment shall form part of the Equipment under this Lease.

2. <u>LEASE PAYMENTS</u>. 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. 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 Lease and that you will nemit such forms of payment to us. Payment in any other form may delay processing or be returned to you. Furthermore, only you or your authorized agent as approved by us will remit payments to us. Lease Payments will include any freight, delivery, installation and other expenses we finance on your behalf at your request. Lease Payments are due whether or not you receive an invoice. 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 and/or Supplier.

3. LEASE CHARGES. You agree to: (a) pay all costs and expenses associated with the use, maintenance, servicing, repair or replacement of the Equipment; (b) pay all fees, assessments, taxes and charges governmentally imposed upon Lessor's purchase, ownership, possession, leasing, renting, operation, control or use of the Equipment and pay all premiums and other costs of insuring the Equipment; (c) reimburse us for all costs and expenses incurred in enforcing this Lease; and (d) pay all other costs and expenses for which you are obligated under this Lease (the amounts set forth in clause (a) through (d) being collectively referred to as "Lease Charges"). For U.S. federal income tax purposes, the parties hereto agree that it is their mutual intention that you shall be considered the owner of the Equipment and we shall in no event be liable to you if you fail to secure any U.S. federal income tax benefits available to the owner of 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 \$25 for any check which is returned by the bank for any reason (not to exceed the maximum amount permitted by law).

LESSOR ("We", "Us")		LESSEE ("You")		
Wells Fargo Vendor Financial Services, LLC				
		(Lessee Full Legal Name)	(Lessee Full Legal Name)	
Ву: Х		By: X		
Name		Name	Title	
Title	Date	Date	Federal Tax ID	

4. <u>PAYMENT OF TAXES</u>. In addition to the Lease Payments under this Lease, you agree to pay all sales, use, excise, gross receipts and other taxes, charges and fees upon or with respect to the Equipment or the possession, ownership, use or operation, control or maintenance thereof and relating to this Lease, whether due before or after the end of the Term to the extent legally permissible. You also agree to file all required property tax returns and promptly pay all property taxes which may be assessed against the Equipment during the term of this Lease and, if we ask, provide us with proof of payment. You agree that if we are required by the applicable taxing jurisdiction to pay such taxes, you will promptly reimburse us for such tax payment. 5. <u>LATE CHARGES</u>. For any payment which is not received within three (3) days of its due date, you agree to pay a late charge equal to the higher of 5% of the amount due or \$35 (not to exceed the maximum amount permitted by law) as reasonable collection costs.

6. <u>OWNERSHIP, USE, MAINTENANCE AND REPAIR</u>. The parties agree that it is their mutual intention that you shall be considered the owner of the Equipment (other than Software) for various purposes, including federal income tax purposes, as of the Commencement Date, and you hereby grant to us and we reserve a security interest in the Equipment to secure all of your obligations under this Lease. We hereby assign to you all our rights under any manufacturer and/ or supplier 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 page 1 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 in conformity with all insurance requirements, manufacturer's instructions and manuals; (c) 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 (d) give us reasonable access to inspect the Equipment and its maintenance and other records.

7. <u>INDEMNITY</u>. You are responsible for all losses, damages, claims, infringement claims, injuries and attorneys' fees and costs, including, without limitation, those incurred in connection with responding to subpoenas, third party or otherwise ("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.

8. LOSS OR DAMAGE. If any item of Equipment is lost, stolen or damaged you will, at your option and 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 the following amounts (such sum hereinafter the "Casualty Value"): (i) all past due and current Lease Payments and Lease Charges; plus (ii) the present value of all remaining Lease Payments for the effected item(s) of Equipment, discounted at the rate of 6% per annum (or the lowest rate permitted by law, whichever is higher). Upon our receipt of the Casualty Value, we will release any security interest which we may have in the effected item(s) for which payment is made, and transfer to you all our right, title and interest in such effected item(s) 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. No such loss or damage shall relieve you of your payment obligations under this Lease.

9. INSURANCE. You agree, at your cost, to: (a) keep the Equipment insured against all risks of physical loss or damage for its full replacement value, naming us as loss payees as our interests may appear; and (b) maintain public liability insurance, covering personal injury and Equipment damage for not less than \$300,000 per occurrence, naming us as additional insured. The policy must be issued by an insurance carrier acceptable to us, must provide us with not less than 15 days' prior written notice of cancellation, non-renewal or amendment, and must provide deductible amounts acceptable to us.

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; or (c) you default under any other agreement with us.

11. <u>REMEDIES</u>. 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; and (ii) the present value of all remaining Lease Payments, discounted at the rate of 6% per annum (or the lowest rate permitted by law, whichever is higher); (b) declare any other agreements between us in default; (c) require you to return all of the Equipment in the manner outlined in Section 12, 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; (d) charge you interest on all amounts due us from the due date until paid at the rate of 1-1/2% per month, but in no event more than the lawful maximum rate; and (e) 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; RETURN OF EQUIPMENT. If you are not in default, and all of your obligations under this Lease have been satisfied, including receipt by us of all monies due under this Lease, including but not limited to, the periodic scheduled payments, late charges, and reimbursement for property taxes (if applicable), we will release any security interest which we may have in the Equipment at the end of the Term. You shall have no obligation to provide any end-of-term notice to us, and this Lease shall not be renewed. If you are in default, you shall: (1) 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; and (2) securely remove all data from any and all disk drives or magnetic media prior to returning the Equipment (and you are solely responsible for selecting an appropriate removal standard that meets your business needs and complies with applicable laws). 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.

13. <u>ASSIGNMENT</u>. You may not assign or dispose of any rights or obligations under this Lease or sublease the Equipment without our prior written consent. We may, without notifying you: (a) assign all or any portion of this Lease or our interest in the Equipment; and (b) release information we have about you and this Lease to the manufacturer, Supplier or any prospective investor, participant or purchaser of this Lease. If we do make an assignment under subsection 13(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.

14. <u>MISCELLANEOUS</u>. Notices must be in writing and will be deemed given five (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 the entire agreement between us, and cannot be modified except by another document signed by us. 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. You authorize us, our agent or our assignees to: (a) obtain credit reports and make credit inquiries; (b) furnish your information, including credit application, payment history and account information to credit reporting agencies and our assignees, potential purchasers or investors and parties having an economic interest in this Lease or the Equipment, including, without limitation, the seller, Supplier or any manufacturer of the Equipment; and (c) you irrevocably grant us the power to prepare, sign on your behalf (if applicable), and file, electronically or otherwise Uniform Commercial Code ("UCC") financing statements and any amendments thereto or continuation thereof relating to the Equipment, and containing any other information describing the tapplicable UCC. Any claim you have against us must be made within two (2) years 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. If you so request, and we permit the early termination of this Lease, you agree to pay a fee for such privilege. THE PARTIES INTEND THIS TO BE A "FINANCE LEASE" UNDER ARTICLE 2A OF THE UCC. YOU WAIVE ALL RIGHTS AND REMEDIES CONFERED UPON A LESSEE BY ARTICLE 2A O

15. <u>TIME PRICE</u>. You understand that the Equipment may be purchased for cash (the "Equipment Cost") or purchased pursuant to this Lease for a Time Price equal to the Lease Payment times the number of Lease Payments, plus the Document Fee, plus the Purchase Option amount, all as set forth on page 1 of this Lease, and by executing this Lease you have chosen to purchase the Equipment for that Time Price.

10. LEASE RATE FACTOR. Each Lease Payment includes a part of our investment in the Equipment Cost and a return on our investment in this Lease. The total return on our investment (the total finance charge) is determined by multiplying the Lease Payment times the number of Lease Payments, then adding the Document Fee and the Purchase Option amount (all as set forth on page 1 of this Lease), then deducting the Equipment Cost (as determined above). The difference so determined is the return to us on our investment (the total finance charge). The rate of return (finance rate) may be determined by applying to the Equipment Cost, the rate that will amortize the Equipment Cost down to the Purchase Option amount by applying as payments, the Lease Payments and the Document Fee. For purposes of that amortization, each Lease Payment, including the Advance Payment, will be considered received on the date it is required to be paid under this Lease, and the Document Fee will be considered received on the date of this Lease.

17. LIMITATIONS ON CHARGES. This Section controls over every other part of this Lease and over all other documents now or later pertaining to this 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 or any other documents now or hereafter pertaining to the Lease 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 chargea 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 this Lease, or refunded to you.

18. ELECTRONIC TRANSMISSION OF DOCUMENTATION. This Lease may be executed in counterparts. The executed counterpart which has our original signature and/or is in our possession shall constitute chattel paper as that term is defined in the UCC and shall constitute the original agreement for all purposes, including, without limitation: (i) any hearing, trial or proceeding with respect to this Lease; and (ii) any determination as to which version of this Lease constitutes the single true original item of chattel paper under the UCC. If you sign and transmit this Lease to us by facsimile or other electronic transmission, the transmitted copy shall be binding upon the parties. You agree that the facsimile or other similar electronic transmission of this Lease manually signed by you, shall constitute the original agreement for all purposes. The parties further agree that, for purposes of executing this Lease, and subject to our prior approval and at our sole discretion: (a) a document signed and transmitted by facsimile or other electronic transmission shall be considered as an original signature; (c) the document transmitted shall have the same effect as a counterpart thereof containing original signature; and (d) at our request, you, who executed this Lease and transmitted its signature by facsimile or other electronic transmission was used to transmit any signature or aparty to this Lease.