

AGREEMENT



Lease Agreement

Customer: CITY OF BREA

BillTo: CITY OF BREA
 BSMT P2
 1 CIVIC CENTER CIR
 BREA, CA 92821-5792
 State or Local Government

Install: CITY OF BREA
 BSMT P2
 1 CIVIC CENTER CIR
 BREA, CA 92821-5792

Solution

Item	Product Description	Agreement Information	Requested Effective Date
1. D110CPC (SOT-D110 COPR/PRINTR) S/N BG0962090	- Standard Install - Integrated Sq Trimmer - D4 Z-folder - 2 Tray Oversize Hcf - D5 Bkltfinshr Xc 2/3	Lease Term: 60 months Purchase Option: FMV This agreement modifies the current Xerox Agreement 957992431 for D110CPC S/N BG0962090 as of payment 60.	1/1/2018

Monthly Pricing

Item	Lease Minimum Payment	Print Charges			Maintenance Plan Features
		Meter	Volume Band	Per Print Rate	
1. D110CPC	\$665.82	1: Black and White Impressions	All Prints	\$0.0068	- Consumable Supplies Included for all prints - Pricing Fixed for Term
Total	\$665.82	Minimum Payments (Excluding Applicable Taxes)			

Authorized Signature

<p style="text-align: center; font-size: small;">Customer acknowledges receipt of the terms of this agreement which consists of 4 pages including this face page.</p> <p>Signer: Neil Groom Phone: (714)990-7708</p> <p>Signature: _____ Date: _____</p>	<p>Thank You for your business!</p> <p>This Agreement is proudly presented by Xerox and</p> <p>Michael Feeney (714)565-1140</p> <p>For information on your Xerox Account, go to www.xerox.com/AccountManagement</p> <div style="float: right; border: 2px solid black; padding: 5px; transform: rotate(-5deg); font-weight: bold; font-size: small;"> XEROX TOTAL SATISFACTION GUARANTEE </div>
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Terms and Conditions

INTRODUCTION:

1. TOTAL SATISFACTION GUARANTEE. If you are not totally satisfied with any Xerox-brand Equipment delivered under this Agreement, Xerox will, at your request, replace it without charge with an identical model or, at Xerox's option, with Xerox Equipment with comparable features and capabilities. This Guarantee applies only to Xerox-brand Equipment that has been continuously maintained by Xerox under this Agreement or a Xerox maintenance agreement. For "Previously Installed" Equipment, this Guarantee will be effective for 1 year after installation. For all other Equipment, this Guarantee will be effective for 3 years after installation unless the Equipment is being financed under this Agreement for more than 3 years, in which event it will expire at the end of the initial Term of this Agreement.

GOVERNMENT TERMS:

2. REPRESENTATIONS & WARRANTIES. This provision is applicable to governmental entities only. You represent and warrant, as of the date of this Agreement, that: (1) you are a State or a fully constituted political subdivision or agency of the State in which you are located and are authorized to enter into, and carry out, your obligations under this Agreement and any other documents required to be delivered in connection with this Agreement (collectively, the "Documents"); (2) the Documents have been duly authorized, executed and delivered by you in accordance with all applicable laws, rules, ordinances and regulations (including all applicable laws governing open meetings, public bidding and appropriations required in connection with this Agreement and the acquisition of the Products) and are valid, legal, binding agreements, enforceable in accordance with their terms; (3) the person(s) signing the Documents have the authority to do so, are acting with the full authorization of your governing body and hold the offices indicated below their signatures, each of which are genuine; (4) the Products are essential to the immediate performance of a governmental or proprietary function by you within the scope of your authority and will be used during the Term only by you and only to perform such function; and (5) your payment obligations under this Agreement constitute a current expense and not a debt under applicable state law and no provision of this Agreement constitutes a pledge of your tax or general revenues, and any provision that is so construed by a court of competent jurisdiction is void from the inception of this Agreement.

3. FUNDING. This provision is applicable to governmental entities only. You represent and warrant that all payments due and to become due during your current fiscal year are within the fiscal budget of such year and are included within an unrestricted and unencumbered appropriation currently available for the purchase/maintenance of the Products, and it is your intent to use the Products for the entire term and to make all payments required under this Agreement. If (1) through no action initiated by you, your legislative body does not appropriate funds for the continuation of this Agreement for any fiscal year after the first fiscal year ~~and has no funds to do so from other sources, and (2) you have made a reasonable but unsuccessful effort to find a creditworthy assignee acceptable to Xerox in its sole discretion within your general organization who can continue this Agreement,~~ this Agreement may be terminated. To effect this termination, you must, at least 30 days prior to the beginning of the fiscal year for which your legislative body does not appropriate funds, notify Xerox in writing that your legislative body failed to appropriate funds and that you have made the required effort to find an assignee. Your notice must be accompanied by payment of all sums then owed through the current year under this Agreement. You will return the Equipment, at your expense, to a location designated by Xerox and, when returned, the Equipment will be in good condition and free of all liens and encumbrances. You will then be released from any further payment obligations beyond those payments due for the current fiscal year (with Xerox retaining all sums paid to date).

SOLUTION/SERVICES:

4. PRODUCTS. "Products" means the equipment ("Equipment"), Software and supplies identified in this Agreement. You agree the Products are for your business use (not resale) in the United States and its territories and possessions ("U.S.") and will not be used for personal, household or family purposes.

5. CONSUMABLE SUPPLIES. Consumable Supplies vary depending upon the Equipment model. If "Consumable Supplies" is identified in Maintenance Plan features, Consumable Supplies include: (i) for black and white Equipment, standard black toner and/or dry ink, black developer, Copy Cartridges, and, if applicable, fuser agent required to make impressions; (ii) for full color Equipment, the items in (i) plus standard cyan, magenta, and yellow toners and dry inks (and their associated developers); and, (iii) for Equipment identified as "Phaser", only, if applicable, black solid ink, color solid ink, imaging units, waste cartridges, transfer rolls, transfer belts, transfer units, belt cleaner, maintenance kits, print Cartridges, drum Cartridges, waste trays and cleaning

kits. Unless otherwise set forth herein, Consumable Supplies exclude paper and staples. Xerox may charge a shipping and handling fee for Consumable Supplies. Consumable Supplies are Xerox's property until used by you, and you will use them only with the Equipment for which "Consumable Supplies" is identified in Maintenance Plan Features. If Consumables Supplies are furnished with recycling information, you will return the used item to Xerox for remanufacturing. Shipping information is available at Xerox.com/GWA. Upon expiration of this Agreement, you will include any unused Consumable Supplies with the Equipment for return to Xerox at the time of removal. If your use of Consumable Supplies exceeds Xerox's published yield by more than 10%, Xerox will notify you of such excess usage. If such excess usage does not cease within 30 days after such notice, Xerox may charge you for such excess usage. Upon request, you will provide current meter reads and/or an inventory of Consumable Supplies in your possession.

6. CARTRIDGES. If Xerox is providing Maintenance Services for Equipment utilizing cartridges designated by Xerox as customer replaceable units, including copy/print cartridges and xerographic modules or fuser modules ("Cartridges"), you agree to use only unmodified Cartridges purchased directly from Xerox or its authorized resellers in the U.S. Cartridges packed with Equipment and replacement Cartridges may be new, remanufactured or reprocessed. Remanufactured and reprocessed Cartridges meet Xerox's new Cartridge performance standards and contain new or reprocessed components. To enhance print quality, Cartridge(s) for many models of Equipment have been designed to cease functioning at a predetermined point. In addition, many Equipment models are designed to function only with Cartridges that are newly manufactured original Xerox Cartridges or with Cartridges intended for use in the U.S.

7. MAINTENANCE SERVICES. Except for Equipment identified as "No Svc.", Xerox (or a designated servicer) will keep the Equipment in good working order ("Maintenance Services"). The provision of Maintenance Services is contingent upon you facilitating timely and efficient resolution of Equipment issues by: (a) utilizing customer-implemented remedies provided by Xerox; (b) replacing Cartridges; and (c) providing information to and implementing recommendations provided by Xerox telephone support personnel. If an Equipment issue is not resolved after completion of (a) through (c) above, Xerox will provide on-site support as provided herein. Maintenance Services will be provided during Xerox's standard working hours in areas open for repair service for the Equipment. Maintenance Services excludes repairs due to: (i) misuse, neglect or abuse; (ii) failure of the installation site or the PC or workstation used with the Equipment to comply with Xerox's published specifications; (iii) use of options, accessories or products not serviced by Xerox; (iv) non-Xerox alterations, relocation, service or supplies; or (v) failure to perform operator maintenance procedures identified in operator manuals. Replacement parts may be new, reprocessed or recovered and all replaced parts become Xerox's property. Xerox will, as your exclusive remedy for Xerox's failure to provide Maintenance Services, replace the Equipment with an identical model or, at Xerox's option, another model with comparable features and capabilities. There will be no additional charge for the replacement Equipment during the remainder of the initial Term. If meter reads are a component of your Maintenance Plan, you will provide them using the method and frequency identified by Xerox. If you do not provide a meter reading for Equipment not capable of Remote Data Access, or if Remote Data Access is interrupted, Xerox may estimate the reading and bill you accordingly.

8. EQUIPMENT STATUS. Unless you are acquiring "Previously Installed" Equipment, Equipment will be (1) "Newly Manufactured", which may contain some reconditioned components; (2) "Factory Produced New Model", which is manufactured and newly serialized at a Xerox factory, adds functions and features to a product previously disassembled to a Xerox predetermined standard, and contains new and reconditioned components; or (3) "Remanufactured", which has been factory produced following disassembly to a Xerox predetermined standard and contains new and reconditioned components.

9. SOFTWARE LICENSE. Xerox grants you a non-exclusive, non-transferable license to use in the U.S.: (a) software and accompanying documentation provided with Xerox-brand Equipment ("Base Software") only with the Xerox-brand Equipment with which it was delivered; and (b) software and accompanying documentation identified in this Agreement as "Application Software" only on any single unit of equipment for as long as you are current in the payment of all applicable software license fees. "Base Software" and "Application Software" are referred to collectively as "Software". You have no other rights and may not: (1) distribute, copy, modify, create derivatives of, decompile, or reverse engineer Software; (2) activate Software delivered with the Equipment in an inactivated state; or (3) allow others to engage in same. Title to, and

NAH
12-06-17

Terms and Conditions

all intellectual property rights in, Software will reside solely with Xerox and/or its licensors (who will be considered third-party beneficiaries of this Section). Software may contain code capable of automatically disabling the Equipment. Disabling code may be activated if: (x) Xerox is denied access to periodically reset such code; (y) you are notified of a default under this Agreement; or (z) your license is terminated or expires. The Base Software license will terminate; (i) if you no longer use or possess the Equipment; (ii) you are a lessor of the Equipment and your first lessee no longer uses or possesses it; or (iii) upon the expiration or termination of this Agreement, unless you have exercised your option to purchase the equipment. Neither Xerox nor its licensors warrant that Software will be free from errors or that its operation will be uninterrupted. The foregoing terms do not apply to Diagnostic Software or to software/documentation accompanied by a clickwrap or shrinkwrap license agreement or otherwise made subject to a separate license agreement.

10. SOFTWARE SUPPORT. Xerox (or a designated servicer) will provide the software support set forth below ("Software Support"). For Base Software, Software Support will be provided during the initial Term and any renewal period but in no event longer than 5 years after Xerox stops taking customer orders for the subject model of Equipment. For Application Software, Software Support will be provided as long as you are current in the payment of all applicable software license and support fees. Xerox will maintain a web-based or toll-free hotline during Xerox's standard working hours to report Software problems and answer Software-related questions. Xerox, either directly or with its vendors, will make reasonable efforts to: (a) assure that Software performs in material conformity with its user documentation; (b) provide available workarounds or patches to resolve Software performance problems; and (c) resolve coding errors for (i) the current Release and (ii) the previous Release for a period of 6 months after the current Release is made available to you. Xerox will not be required to provide Software Support if you have modified the Software. New releases of Software that primarily incorporate compliance updates and coding error fixes are designated as "Maintenance Releases" or "Updates". Maintenance Releases or Updates that Xerox may make available will be provided at no charge and must be implemented within six months. New releases of Software that include new content or functionality ("Feature Releases") will be subject to additional license fees at Xerox's then-current pricing. Maintenance Releases, Updates and Feature Releases are collectively referred to as "Releases". Each Release will be considered Software governed by the Software License and Software Support provisions of this Agreement (unless otherwise noted). Implementation of a Release may require you to procure, at your expense, additional hardware and/or software from Xerox or another entity. Upon installation of a Release, you will return or destroy all prior Releases.

11. DIAGNOSTIC SOFTWARE. Software used to evaluate or maintain the Equipment ("Diagnostic Software") is included with the Equipment. Diagnostic Software is a valuable trade secret of Xerox. Title to Diagnostic Software will remain with Xerox or its licensors. Xerox does not grant you any right to use Diagnostic Software, and you will not access, use, reproduce, distribute or disclose Diagnostic Software for any purpose (or allow third parties to do so). You will allow Xerox reasonable access to the Equipment to remove or disable Diagnostic Software if you are no longer receiving Maintenance Services from Xerox; provided that any on-site access to your facility will be during your normal business hours.

PRICING PLAN/OFFERING SELECTED:

12. COMMENCEMENT & TERM. This Agreement is valid when accepted by Xerox. The Term for each unit of Equipment will commence upon: (i) the delivery of customer-installable Equipment; or (ii) the installation of Xerox-installable Equipment ("Commencement Date") and will continue for the number of full calendar months shown as "Lease Term" on the face of this Agreement. Any partial month in the Term will be billed on a pro rata basis, based on a 30 day month. Unless either party provides notice of termination at least thirty days before the expiration of the initial Term, it will renew automatically on a month-to-month basis on the same terms and conditions. During this renewal period, either party may terminate the Equipment upon at least 30 days notice. Upon termination, you will make the Products available for removal by Xerox. At the time of removal, the Equipment will be in the same condition as when delivered (reasonable wear and tear excepted).

13. PAYMENT. Payment (including applicable Taxes) is due within 30 days after the invoice date, with all charges being billed in arrears. This Agreement will not be automatically renewed.

14. LATE CHARGE. If a payment is not received by Xerox within 10 days after the due date, Xerox may charge, and you will pay, a late charge of 5% of the amount due or \$25, whichever is greater.

15. FIXED PRICING. If "Pricing Fixed for Term" is identified in Maintenance Plan Features, the maintenance component of the Minimum Payment and Print Charges will not increase during the initial Term of this Agreement.

16. DELIVERY, REMOVAL & RELOCATION. Equipment prices include standard delivery charges and, for Xerox-owned Equipment, standard removal charges. Charges for non-standard delivery or removal and for any Equipment relocation are your responsibility. Relocation of Xerox-owned Equipment must be arranged (or approved in advance) by Xerox and may not be to a location outside of the U.S.

17. TAXES. You will be responsible for all applicable taxes, fees or charges of any kind (including interest and penalties) assessed by any governmental entity on this Agreement or the amounts payable under this Agreement ("Taxes"), which will be included in Xerox's invoice unless you timely provide proof of your tax exempt status. Taxes do not include personal property taxes in jurisdictions where Xerox is required to pay personal property taxes, and taxes on Xerox's income. This Agreement is a lease for all income tax purposes and you will not claim any credit or deduction for depreciation of the Equipment, or take any other action inconsistent with your role as lessee of the Equipment.

18. PURCHASE OPTION. If not in default, you may purchase the Equipment, "AS IS, WHERE IS" and WITHOUT ANY WARRANTY AS TO CONDITION OR VALUE, at the end of the initial Term for the "Purchase Option" indicated on the face of this Agreement (i.e., either a set dollar amount or the fair market value of the Equipment at the expiration of the initial Term), plus all applicable Taxes.

19. DEFAULT & REMEDIES. You will be in default under this Agreement if (1) Xerox does not receive any payment within 15 days after the date it is due, or (2) you breach any other obligation in this or any other agreement with Xerox. If you default, Xerox may, in addition to its other remedies (including cessation of Maintenance Services), remove the Equipment at your expense and require immediate payment, as liquidated damages for loss of bargain and not as a penalty, of: (a) all amounts then due, plus interest from the due date until paid at the rate of 1.5% per month; (b) the Minimum Payments (less the Maintenance Services and Consumable Supplies components thereof, as reflected on Xerox's books and records) remaining in the Term, discounted at 4% per annum; (c) the applicable Purchase Option; and (d) all applicable Taxes. You will pay all reasonable costs, including attorneys' fees, incurred by Xerox to enforce this Agreement. If you make the Equipment available for removal by Xerox within 30 days after notice of default, in the same condition as when delivered (reasonable wear and tear excepted), you will receive a credit for the fair market value of the Equipment as determined by Xerox, less any costs incurred by Xerox.

20. DATA SECURITY. Certain models of Equipment can be configured to include a variety of data security features. There may be an additional cost associated with certain data security features. The selection, suitability and use of data security features are solely your responsibility. Upon request, Xerox will provide additional information to you regarding the security features available for particular Equipment models.

GENERAL TERMS & CONDITIONS:

21. NON-CANCELABLE AGREEMENT. THIS AGREEMENT CANNOT BE CANCELED OR TERMINATED EXCEPT AS EXPRESSLY PROVIDED HEREIN. YOUR OBLIGATION TO MAKE ALL PAYMENTS, AND TO PAY ANY OTHER AMOUNTS DUE OR TO BECOME DUE, IS ABSOLUTE AND UNCONDITIONAL AND NOT SUBJECT TO DELAY, REDUCTION, SET-OFF, DEFENSE, COUNTERCLAIM OR RECOUPMENT FOR ANY REASON WHATSOEVER, IRRESPECTIVE OF XEROX'S PERFORMANCE OF ITS OBLIGATIONS HEREUNDER. ANY CLAIM AGAINST XEROX MAY BE ASSERTED IN A SEPARATE ACTION AND SOLELY AGAINST XEROX.

22. REPRESENTATIONS. The individuals signing this Agreement are duly authorized to do so and all financial information you provide completely and accurately represents your financial condition.

23. LIMITATION OF LIABILITY. For claims arising out of or relating to this Agreement whether the claim alleges tortious conduct (including negligence) or any other legal theory, but excepting liability under the indemnification obligations set forth in this Agreement, Xerox will not be liable to you for any direct damages in excess of \$10,000 or the amounts paid hereunder, whichever is greater, and neither party will be liable to the other for any special, indirect, incidental, consequential or punitive damages. Any action you take against Xerox must be commenced within 2 years after the event that caused it.

24. CREDIT REPORTS. You authorize Xerox or its agent to obtain credit reports from commercial credit reporting agencies.

Terms and Conditions

25. FORCE MAJEURE. Xerox will not be liable to you during any period in which its performance is delayed or prevented, in whole or in part, by a circumstance beyond its reasonable control. Xerox will notify you if such a circumstance occurs.

26. PROTECTION OF XEROX'S RIGHTS. You authorize Xerox or its agent to file, by any permissible means, financing statements necessary to protect Xerox's rights as lessor of the Equipment. You will promptly notify Xerox of a change in ownership, or if you relocate your principal place of business or change the name of your business.

27. WARRANTY DISCLAIMER. XEROX DISCLAIMS THE IMPLIED WARRANTIES OF NON-INFRINGEMENT AND FITNESS FOR A PARTICULAR PURPOSE. This Agreement is a "finance lease" under Article 2A of the Uniform Commercial Code and, except to the extent expressly provided herein, and as permitted by applicable law, you waive all of your rights and remedies as a lessee under Article 2A.

28. INTELLECTUAL PROPERTY INDEMNITY. Xerox will defend, and pay any settlement agreed to by Xerox or any final judgment for, any claim that a Xerox-brand Product infringes a third party's U.S. intellectual property rights. You will promptly notify Xerox of any alleged infringement and permit Xerox to direct the defense. Xerox is not responsible for any non-Xerox litigation expenses or settlements unless it pre-approves them in writing. To avoid infringement, Xerox may modify or substitute an equivalent Xerox-brand Product, refund the price paid for the Xerox-brand Product (less the reasonable rental value for the period it was available to you), or obtain any necessary licenses. Xerox is not liable for any infringement based upon a Xerox-brand Product being modified to your specifications or being used or sold with products not provided by Xerox.

29. TITLE & RISK OF LOSS AND INSURANCE. Until you exercise your Purchase Option: (a) title to Equipment will remain with Xerox; (b) Equipment will remain personal property; (c) you will not attach the Equipment as a fixture to any real estate; (d) you will not pledge, sublease or part with possession of it, or file or permit to be filed any lien against it; and, (e) you will not make any permanent alterations to it. Risk of loss passes to you upon delivery and remains with you until Xerox removes the Equipment. You will keep the Equipment insured against loss or damage and the policy will name Xerox as a loss payee ("Required Insurance"). You must provide Xerox or our agents, designees or assigns with satisfactory evidence of Required Insurance within 30 days of the commencement of this Agreement or any subsequent written request by Xerox or our agents, designees or assigns. IF YOU DO NOT PROVIDE SUCH EVIDENCE, THEN, IN LIEU OF OTHER REMEDIES FOR DEFAULT, XEROX, IN ITS DISCRETION AND AT ITS SOLE OPTION, MAY OBTAIN INSURANCE FROM AN INSURER OF ITS CHOOSING, IN SUCH FORMS AND AMOUNTS AS XEROX DEEMS REASONABLE TO PROTECT ITS INTERESTS (COLLECTIVELY "EQUIPMENT INSURANCE"). EQUIPMENT INSURANCE WILL COVER THE EQUIPMENT AND XEROX; IT WILL NOT NAME YOU AS AN INSURED, MAY NOT COVER ALL OF YOUR OBLIGATIONS UNDER THIS AGREEMENT AND WILL BE SUBJECT TO CANCELLATION BY XEROX OR THE INSURER AT ANY TIME. YOU AGREE TO PAY XEROX PERIODIC CHARGES FOR SUCH EQUIPMENT INSURANCE (COLLECTIVELY "INSURANCE CHARGES") THAT INCLUDE AN INSURANCE PREMIUM THAT MAY BE HIGHER THAN IF YOU MAINTAINED THE REQUIRED INSURANCE SEPARATELY AND/OR BILLING AND PROCESSING FEES WHICH MAY GENERATE A PROFIT TO XEROX OR A THIRD PARTY. XEROX MAY ADD INSURANCE CHARGES TO EACH INVOICE. **XEROX SHALL DISCONTINUE BILLING OR DEBITING INSURANCE CHARGES FOR EQUIPMENT INSURANCE UPON RECEIPT FROM YOU OF SATISFACTORY EVIDENCE OF REQUIRED INSURANCE.** Neither loss nor damage to Equipment or Xerox's receipt of insurance proceeds relieve you of any of your remaining obligations under this Agreement. YOU AGREE (i) AT XEROX'S OPTION, TO ARBITRATE ANY DISPUTE WITH XEROX OR OUR AGENTS, DESIGNEES OR ASSIGNS REGARDING THE EQUIPMENT INSURANCE AND/OR INSURANCE CHARGES UNDER THE RULES OF THE AMERICAN ARBITRATION ASSOCIATION IN MONROE COUNTY, NY, (ii) ARBITRATION (NOT A COURT) IS THE EXCLUSIVE REMEDY FOR SUCH DISPUTES; AND (iii) CLASS ARBITRATION IS NOT PERMITTED. This arbitration requirement does not apply to any other provision of this Agreement.

30. ASSIGNMENT. Except for assignment by Xerox to a parent, subsidiary or affiliate of Xerox, or to securitize this Agreement as part of a financing transaction ("Permitted Assignment"), neither party will assign any of its rights or obligations under this Agreement without the prior written consent of the other party. In the event of a

Permitted Assignment: (a) Xerox may, without your prior written consent, release to the proposed assignee information it has about you related to this Agreement; (b) the assignee will have all of the rights but none of the obligations of Xerox hereunder; (c) you will continue to look to Xerox for performance of Xerox's obligations, including the provision of Maintenance Services; (d) you waive and release the assignee from any claim relating to or arising from the performance of Xerox's obligations hereunder; (e) you shall not assert any defense, counterclaim or setoff you may have against an assignee; and (f) you will remit payments in accordance with instructions of the assignee..

31. MISCELLANEOUS. Notices must be in writing and will be deemed given 5 days after mailing, or 2 days after sending by nationally recognized overnight courier. Notices will be sent to you at the "Bill to" address identified in this Agreement, and to Xerox at the inquiry address set forth on your most recent invoice, or to such other address as either party may designate by written notice. You authorize Xerox or its agents to communicate with you by any electronic means (including cellular phone, email, automatic dialing and recorded messages) using any phone number (including cellular) or electronic address you provide to Xerox. This Agreement constitutes the entire agreement as to its subject matter, supersedes all prior oral and written agreements, and will be governed by the laws of the State of New York (without regard to conflict-of-law principles). In any action to enforce this Agreement, the parties agree (a) to the jurisdiction and venue of the federal and state courts in Monroe County, New York, and (b) to waive their right to a jury trial. If a court finds any term of this Agreement unenforceable, the remaining terms will remain in effect. The failure by either party to exercise any right or remedy will not constitute a waiver of such right or remedy. Each party may retain a reproduction (e.g., electronic image, photocopy, facsimile) of this Agreement which will be admissible in any action to enforce it, but only the Agreement held by Xerox will be considered an original. Xerox may accept this Agreement either by signature or by commencing performance. Changes to this Agreement must be in writing and signed by both parties. Any terms on your ordering documents will be of no force or effect. Administrative and contract support functions hereunder may be performed, inside or outside the U.S., by one or more of Xerox's subsidiaries or affiliates and/or third parties. The following four sentences control over every other part of this Agreement. Both parties will comply with applicable laws. Xerox will not charge or collect any amounts in excess of those allowed by applicable law. Any part of this Agreement that would, but for the last four sentences of this Section, be read under any circumstances to allow for a charge higher than that allowed under any applicable legal limit, is modified by this Section to limit the amounts chargeable under this Agreement to the maximum amount allowed under the legal limit. If, in any circumstances, 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 Xerox in excess of that legally allowed will be applied by Xerox to the payment of amounts legally owed under this Agreement, or refunded to you.

32. REMOTE SERVICES. Certain models of Equipment are supported and serviced using data that is automatically collected by Xerox or transmitted to or from Xerox by the Equipment connected to your network ("Remote Data") via electronic transmission to a secure off-site location ("Remote Data Access"). Remote Data Access also enables Xerox to transmit Releases of Software to you and to remotely diagnose and modify Equipment to repair and correct malfunctions. Examples of Remote Data include product registration, meter read, supply level, Equipment configuration and settings, software version, and problem/fault code data. Remote Data may be used by Xerox for billing, report generation, supplies replenishment, support services, recommending additional products and services, and product improvement/development purposes. Remote Data will be transmitted to and from you in a secure manner specified by Xerox. Remote Data Access will not allow Xerox to read, view or download the content of any of your documents or other information residing on or passing through the Equipment or your information management systems. You grant the right to Xerox, without charge, to conduct Remote Data Access for the purposes described above. Upon Xerox's request, you will provide contact information for Equipment such as name and address of your contact and IP and physical addresses/locations of Equipment. You will enable Remote Data Access via a method prescribed by Xerox, and you will provide reasonable assistance to allow Xerox to provide Remote Data Access. Unless Xerox deems Equipment incapable of Remote Data Access, you will ensure that Remote Data Access is maintained at all times Maintenance Services are being performed.

Lease Agreement



Customer: CITY OF BREA

BillTo: CITY OF BREA
 BSMT P2
 1 CIVIC CENTER CIR
 BREA, CA 92821-5792

Install: CITY OF BREA
 BSMT P2
 1 CIVIC CENTER CIR
 BREA, CA 92821-5792

State or Local Government Negotiated Contract : 072756600

Solution

Item	Product Description	Agreement Information	Trade Information	Requested Install Date
1.	V180P (VERSANT 180 PRF PRES) - Envelope Sup Kit - Prod Rdy Std Finishr - V80 2 Tray Adv Ohcf	Lease Term: 60 months Purchase Option: FMV	- Xerox XC550 S/N XPN397354 Trade-In as of Payment 60	12/27/2017
2.	V180FFPS (FFPS FOR V180) - Xrite Pro2 Spectro - Ffps Photo Auto Tool - Customer Ed - Analyst Services	Lease Term: 60 months Purchase Option: FMV	- Xerox X560FFPS S/N XXV496322 Trade-In as of Payment 60	12/27/2017
3.	FFSRVR (FFPS SVR-D95/110/125) - D110 Cp Serv License - Vsel-required On Cp - Analyst Services	Lease Term: 60 months Purchase Option: FMV	- Xerox LTPROD/EPS S/N PA5644964 Trade-In as of Payment 59	12/22/2017

Authorized Signature

Customer acknowledges receipt of the terms of this agreement which consists of 7 pages including this face page.

Signer: Neil Groom

Phone: (714)990-7708

Signature: _____

Date: _____

Thank You for your business!
 This Agreement is proudly presented by Xerox and

Michael Feeney
 (714)565-1140

For information on your Xerox Account, go to
www.xerox.com/AccountManagement



Monthly Pricing

Item	Lease Minimum Payment	Print Charges			Maintenance Plan Features
		Meter	Volume Band	Per Print Rate	
1. V180P	\$507.08	1: Color Impressions	All Prints	\$0.0490	- Consumable Supplies Included for all prints - Pricing Fixed for Term
		2: Black and White Impressions	All Prints	\$0.0115	
		3: Color Large Impressions	All Prints	\$0.0058	
		4: Extra Long Impressions	All Prints	\$0.0510	
2. V180FFPS	\$187.69	N/A	N/A	N/A	- Full Service Maintenance Included - Pricing Fixed for Term
3. FFSRVR	\$434.94	N/A	N/A	N/A	- Full Service Maintenance Included - Pricing Fixed for Term
Total	\$1,129.71	Minimum Payments (Excluding Applicable Taxes)			

Terms and Conditions

INTRODUCTION:

1. TOTAL SATISFACTION GUARANTEE. If you are not totally satisfied with any Xerox-brand Equipment delivered under this Agreement, Xerox will, at your request, replace it without charge with an identical model or, at Xerox's option, with Xerox Equipment with comparable features and capabilities. This Guarantee applies only to Xerox-brand Equipment that has been continuously maintained by Xerox under this Agreement or a Xerox maintenance agreement. For "Previously Installed" Equipment, this Guarantee will be effective for 1 year after installation. For all other Equipment, this Guarantee will be effective for 3 years after installation unless the Equipment is being financed under this Agreement for more than 3 years, in which event it will expire at the end of the initial Term of this Agreement.

GOVERNMENT TERMS:

2. REPRESENTATIONS & WARRANTIES. This provision is applicable to governmental entities only. You represent and warrant, as of the date of this Agreement, that: (1) you are a State or a fully constituted political subdivision or agency of the State in which you are located and are authorized to enter into, and carry out, your obligations under this Agreement and any other documents required to be delivered in connection with this Agreement (collectively, the "Documents"); (2) the Documents have been duly authorized, executed and delivered by you in accordance with all applicable laws, rules, ordinances and regulations (including all applicable laws governing open meetings, public bidding and appropriations required in connection with this Agreement and the acquisition of the Products) and are valid, legal, binding agreements, enforceable in accordance with their terms; (3) the person(s) signing the Documents have the authority to do so, are acting with the full authorization of your governing body and hold the offices indicated below their signatures, each of which are genuine; (4) the Products are essential to the immediate performance of a governmental or proprietary function by you within the scope of your authority and will be used during the Term only by you and only to perform such function; and (5) your payment obligations under this Agreement constitute a current expense and not a debt under applicable state law and no provision of this Agreement constitutes a pledge of your tax or general revenues, and any provision that is so construed by a court of competent jurisdiction is void from the inception of this Agreement.

3. FUNDING. This provision is applicable to governmental entities only. You represent and warrant that all payments due and to become due during your current fiscal year are within the fiscal budget of such year and are included within an unrestricted and unencumbered appropriation currently available for the purchase/maintenance of the Products, and it is your intent to use the Products for the entire term and to make all payments required under this Agreement. If (1) through no action initiated by you, your legislative body does not appropriate funds for the continuation of this Agreement for any fiscal year after the first fiscal year ~~and has no funds to do so from other sources, and (2) you have made a reasonable but unsuccessful effort to find a creditworthy assignee acceptable to Xerox in its sole discretion within your general organization who can continue this Agreement,~~ this Agreement may be terminated. To effect this termination, you must, at least 30 days prior to the beginning of the fiscal year for which your legislative body does not appropriate funds, notify Xerox in writing that your legislative body failed to appropriate funds and that you have made the required effort to find an assignee. Your notice must be accompanied by payment of all sums then owed through the current year under this Agreement. You will return the Equipment, at your expense, to a location designated by Xerox and, when returned, the Equipment will be in good condition and free of all liens and encumbrances. You will then be released from any further payment obligations beyond those payments due for the current fiscal year (with Xerox retaining all sums paid to date).

SOLUTION/SERVICES:

4. PRODUCTS. "Products" means the equipment ("Equipment"), Software and supplies identified in this Agreement. You agree the Products are for your business use (not resale) in the United States and its territories and possessions ("U.S.") and will not be used for personal, household or family purposes.

5. TRADE-IN EQUIPMENT. You warrant that you have the right to transfer title to the equipment you are trading in as part of this Agreement ("Trade-In Equipment") and that the Trade-In Equipment is in good working order and has not been modified from its original configuration (other than by Xerox). Title and risk of loss to the Trade-In Equipment will pass to Xerox when Xerox removes it from your premises. You will maintain the Trade-In Equipment at its present site and in substantially its present condition until removed by Xerox. You will pay all accrued charges for the Trade-In Equipment (up to and including payment of the final principal payment number) and all applicable maintenance, administrative, supply and finance charges until Xerox

removes the Trade-In Equipment from your premises.

6. CONSUMABLE SUPPLIES. Consumable Supplies vary depending upon the Equipment model. If "Consumable Supplies" is identified in Maintenance Plan features, Consumable Supplies include: (i) for black and white Equipment, standard black toner and/or dry ink, black developer, Copy Cartridges, and, if applicable, fuser agent required to make impressions; (ii) for full color Equipment, the items in (i) plus standard cyan, magenta, and yellow toners and dry inks (and their associated developers); and, (iii) for Equipment identified as "Phaser", only, if applicable, black solid ink, color solid ink, imaging units, waste cartridges, transfer rolls, transfer belts, transfer units, belt cleaner, maintenance kits, print Cartridges, drum Cartridges, waste trays and cleaning kits. Unless otherwise set forth herein, Consumable Supplies exclude paper and staples. Xerox may charge a shipping and handling fee for Consumable Supplies. Consumable Supplies are Xerox's property until used by you, and you will use them only with the Equipment for which "Consumable Supplies" is identified in Maintenance Plan Features. If Consumables Supplies are furnished with recycling information, you will return the used item to Xerox for remanufacturing. Shipping information is available at Xerox.com/GWA. Upon expiration of this Agreement, you will include any unused Consumable Supplies with the Equipment for return to Xerox at the time of removal. If your use of Consumable Supplies exceeds Xerox's published yield by more than 10%, Xerox will notify you of such excess usage. If such excess usage does not cease within 30 days after such notice, Xerox may charge you for such excess usage. Upon request, you will provide current meter reads and/or an inventory of Consumable Supplies in your possession.

7. CARTRIDGES. If Xerox is providing Maintenance Services for Equipment utilizing cartridges designated by Xerox as customer replaceable units, including copy/print cartridges and xerographic modules or fuser modules ("Cartridges"), you agree to use only unmodified Cartridges purchased directly from Xerox or its authorized resellers in the U.S. Cartridges packed with Equipment and replacement Cartridges may be new, remanufactured or reprocessed. Remanufactured and reprocessed Cartridges meet Xerox's new Cartridge performance standards and contain new or reprocessed components. To enhance print quality, Cartridge(s) for many models of Equipment have been designed to cease functioning at a predetermined point. In addition, many Equipment models are designed to function only with Cartridges that are newly manufactured original Xerox Cartridges or with Cartridges intended for use in the U.S.

8. MAINTENANCE SERVICES. Except for Equipment identified as "No Svc.", Xerox (or a designated servicer) will keep the Equipment in good working order ("Maintenance Services"). The provision of Maintenance Services is contingent upon you facilitating timely and efficient resolution of Equipment issues by: (a) utilizing customer-implemented remedies provided by Xerox; (b) replacing Cartridges; and (c) providing information to and implementing recommendations provided by Xerox telephone support personnel. If an Equipment issue is not resolved after completion of (a) through (c) above, Xerox will provide on-site support as provided herein. Maintenance Services will be provided during Xerox's standard working hours in areas open for repair service for the Equipment. Maintenance Services excludes repairs due to: (i) misuse, neglect or abuse; (ii) failure of the installation site or the PC or workstation used with the Equipment to comply with Xerox's published specifications; (iii) use of options, accessories or products not serviced by Xerox; (iv) non-Xerox alterations, relocation, service or supplies; or (v) failure to perform operator maintenance procedures identified in operator manuals. Replacement parts may be new, reprocessed or recovered and all replaced parts become Xerox's property. Xerox will, as your exclusive remedy for Xerox's failure to provide Maintenance Services, replace the Equipment with an identical model or, at Xerox's option, another model with comparable features and capabilities. There will be no additional charge for the replacement Equipment during the remainder of the initial Term. If meter reads are a component of your Maintenance Plan, you will provide them using the method and frequency identified by Xerox. If you do not provide a meter reading for Equipment not capable of Remote Data Access, or if Remote Data Access is interrupted, Xerox may estimate the reading and bill you accordingly.

9. EXTRA LONG PRINTS. The following Equipment model(s), V180P may now, or in the future, have extra-long print capability, which is the ability to produce a print that is longer than 491mm. Maximum print length may vary by model. The meters for Equipment with extra-long print capability will register the following, as applicable: (i) for impressions greater than 491mm, up to and including 661mm, the Extra Long Impressions meter will register two (2) prints for each such extra-long print, in addition to registering one (1) print on either the Color Impressions meter (in the case of a color print) or the Black Impressions meter (in the case of a B&W print); (ii) for impressions

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greater than 661mm, up to and including 877mm, the Extra Long Impressions meter will register three (3) prints for each such extra-long print, in addition to registering one (1) print on either the Color Impressions meter (in the case of a color print) or the Black Impression meter (in the case of a B&W print); (iii) for impressions greater than 877mm, up to and including 1,083mm, the Extra Long Impressions meter will register four (4) prints for each such extra-long print, in addition to registering one (1) print on either the Color Impressions meter (in the case of a color print) or the Black Impression meter (in the case of a B&W print); and (iv) for impressions greater than 1,083mm, up to and including 1,299mm, the Extra Long Impressions meter will register five (5) prints for each such extra-long print, in addition to registering one (1) print on either the Color Impressions meter (in the case of a color print) or the Black Impression meter (in the case of a B&W print).

10. EQUIPMENT STATUS. Unless you are acquiring "Previously Installed" Equipment, Equipment will be (1) "Newly Manufactured", which may contain some reconditioned components; (2) "Factory Produced New Model", which is manufactured and newly serialized at a Xerox factory, adds functions and features to a product previously disassembled to a Xerox predetermined standard, and contains new and reconditioned components; or (3) "Remanufactured", which has been factory produced following disassembly to a Xerox predetermined standard and contains new and reconditioned components.

11. SOFTWARE LICENSE. Xerox grants you a non-exclusive, non-transferable license to use in the U.S.: (a) software and accompanying documentation provided with Xerox-brand Equipment ("Base Software") only with the Xerox-brand Equipment with which it was delivered; and (b) software and accompanying documentation identified in this Agreement as "Application Software" only on any single unit of equipment for as long as you are current in the payment of all applicable software license fees. "Base Software" and "Application Software" are referred to collectively as "Software". You have no other rights and may not: (1) distribute, copy, modify, create derivatives of, decompile, or reverse engineer Software; (2) activate Software delivered with the Equipment in an inactivated state; or (3) allow others to engage in same. Title to, and all intellectual property rights in, Software will reside solely with Xerox and/or its licensors (who will be considered third-party beneficiaries of this Section). Software may contain code capable of automatically disabling the Equipment. Disabling code may be activated if: (x) Xerox is denied access to periodically reset such code; (y) you are notified of a default under this Agreement; or (z) your license is terminated or expires. The Base Software license will terminate; (i) if you no longer use or possess the Equipment; (ii) you are a lessor of the Equipment and your first lessee no longer uses or possesses it; or (iii) upon the expiration or termination of this Agreement, unless you have exercised your option to purchase the equipment. Neither Xerox nor its licensors warrant that Software will be free from errors or that its operation will be uninterrupted. The foregoing terms do not apply to Diagnostic Software or to software/documentation accompanied by a clickwrap or shrinkwrap license agreement or otherwise made subject to a separate license agreement.

12. SOFTWARE SUPPORT. Xerox (or a designated servicer) will provide the software support set forth below ("Software Support"). For Base Software, Software Support will be provided during the initial Term and any renewal period but in no event longer than 5 years after Xerox stops taking customer orders for the subject model of Equipment. For Application Software, Software Support will be provided as long as you are current in the payment of all applicable software license and support fees. Xerox will maintain a web-based or toll-free hotline during Xerox's standard working hours to report Software problems and answer Software-related questions. Xerox, either directly or with its vendors, will make reasonable efforts to: (a) assure that Software performs in material conformity with its user documentation; (b) provide available workarounds or patches to resolve Software performance problems; and (c) resolve coding errors for (i) the current Release and (ii) the previous Release for a period of 6 months after the current Release is made available to you. Xerox will not be required to provide Software Support if you have modified the Software. New releases of Software that primarily incorporate compliance updates and coding error fixes are designated as "Maintenance Releases" or "Updates". Maintenance Releases or Updates that Xerox may make available will be provided at no charge and must be implemented within six months. New releases of Software that include new content or functionality ("Feature Releases") will be subject to additional license fees at Xerox's then-current pricing. Maintenance Releases, Updates and Feature Releases are collectively referred to as "Releases". Each Release will be considered Software governed by the Software License and Software Support provisions of this Agreement (unless otherwise noted). Implementation of a Release may require you to procure, at your expense, additional

hardware and/or software from Xerox or another entity. Upon installation of a Release, you will return or destroy all prior Releases.

13. DIAGNOSTIC SOFTWARE. Software used to evaluate or maintain the Equipment ("Diagnostic Software") is included with the Equipment. Diagnostic Software is a valuable trade secret of Xerox. Title to Diagnostic Software will remain with Xerox or its licensors. Xerox does not grant you any right to use Diagnostic Software, and you will not access, use, reproduce, distribute or disclose Diagnostic Software for any purpose (or allow third parties to do so). You will allow Xerox reasonable access to the Equipment to remove or disable Diagnostic Software if you are no longer receiving Maintenance Services from Xerox; provided that any on-site access to your facility will be during your normal business hours.

14. FREEFLOW LICENSE. The following terms apply to Xerox FreeFlow Print Server /DocuSP software included in Base Software ("FreeFlow Base Software") and/or Application Software identified as Xerox FreeFlow software (including, but not limited to, FreeFlow Makeready and FreeFlow Process Manager) (collectively, "FreeFlow Application Software"), and are additive to and supplement those found elsewhere in the Agreement. FreeFlow Base Software and FreeFlow Application Software are collectively referred to as "FreeFlow Software."

1. FreeFlow Software may include and/or incorporate font programs ("Font Programs") and other software provided by Adobe Systems Incorporated ("Adobe Software"). You may embed copies of the Font Programs into your electronic documents for the purpose of printing and viewing the document. You are responsible for ensuring that you have the right and are authorized by any necessary third parties to embed any Font Programs in electronic documents created with the FreeFlow Application Software. If the Font Programs are identified as "licensed for editable embedding" at www.adobe.com/type/browser/legal/embeddingeula, you may also embed copies of those Font Programs for the additional purpose of editing your electronic documents. No other embedding rights are implied or permitted under this license.

2. You will not, without the prior written consent of Xerox and its licensors: (a) alter the digital configuration of the FreeFlow Software, or solicit others to cause the same, so as to change the visual appearance of any of the FreeFlow Software output; (b) use the FreeFlow Software in any way that is not authorized by the Agreement; (c) use the embedded code within the FreeFlow Software outside of the Equipment on which it was installed or in a stand-alone, time-share or service bureau model; (d) disclose the results of any performance or benchmark tests of the FreeFlow Software; (e) use the FreeFlow Software for any purpose other than to carry out the purposes of the Agreement; or (f) disclose or otherwise permit any other person or entity access to the object code of the FreeFlow Software.

3. FreeFlow Process Manager contains Oracle Database Express Edition database software and documentation licensed from Oracle America, Inc. ("Oracle"). Oracle grants you a nonexclusive, nontransferable limited license to use Database Express Edition for purposes of developing, prototyping and running your applications for your own internal data processing operations. Database Express Edition may be installed on a multiple CPU server, but may only be executed on one processor in any server. Upon not less than 45 days prior written notice, Xerox and/or its licensors may, at their expense, directly or through an independent auditor, audit your use of FreeFlow Process Manager and all relevant records not more than once annually. Any such audit will be conducted at a mutually agreed location and will not unreasonably interfere with your business activities.

4. The Copyright Management feature of FreeFlow Makeready ("FFCM") contains the optional Copyright Clearance Center, Inc. ("CCC") copyright licensing services feature of FFCM ("CCC Service"). If this option is ordered, you will comply with any applicable terms and conditions contained on the CCC website, www.copyright.com, and any other rights holder terms governing use of materials, which are accessible in FFCM. If CCC terminates Xerox's right to offer access to the CCC Service through FFCM, Xerox may, upon written notice and without any liability to you, terminate your right to access the CCC Service through FFCM. THE CCC SERVICE IS PROVIDED "AS IS," WITHOUT ANY WARRANTIES, WHETHER EXPRESS OR IMPLIED. XEROX DISCLAIMS ALL IMPLIED WARRANTIES, INCLUDING WITHOUT LIMITATION THE IMPLIED WARRANTIES OF NONINFRINGEMENT, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. You will defend and indemnify Xerox from any and all losses, claims, damages, fines, penalties, interest, costs and expenses, including reasonable attorney fees, arising from or relating to your use of the CCC Service.

5. If you install FreeFlow Application Software on a computer that you supply, the

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following terms apply: (a) Xerox will only be obligated to support FreeFlow Application Software if it is installed on hardware and software meeting Xerox's published specifications (collectively "Workstation"); (b) IF YOU USE FREEFLOW APPLICATION SOFTWARE WITH ANY HARDWARE OR SOFTWARE OTHER THAN A WORKSTATION, ALL REPRESENTATIONS AND WARRANTIES ACCOMPANYING SUCH FREEFLOW APPLICATION SOFTWARE WILL BE VOID AND ANY SUPPORT/MAINTENANCE YOU CONTRACT FOR IN CONNECTION WITH SUCH FREEFLOW APPLICATION SOFTWARE WILL BE VOIDABLE AND/OR SUBJECT TO ADDITIONAL CHARGES; and (c) you are solely responsible for: (i) the acquisition and support, including any and all associated costs, charges and other fees, of any Workstation you supply; (ii) compliance with all terms governing such Workstation acquisition and support, including terms applicable to any non-Xerox software associated with such Workstation; and (iii) ensuring that such Workstation meets Xerox's published specifications.

6. The following terms apply to FreeFlow Software licensed to U.S. government customers:

a. Java technology contained in FreeFlow Software is subject to: (i) FAR 52.227-14(g)(2) and FAR 52.227-19; and (ii) if licensed to the U.S. Department of Defense ("DOD"), DFARS 252.227-7015(b) and DFARS 227.7202-3(a).

b. Adobe Software is a "commercial item," as that term is defined at FAR 2.101, consisting of "commercial computer software" and "commercial computer software documentation" as such terms are used in FAR 12.212, and is licensed to civilian agencies consistent with the policy set forth in FAR 12.212, or to the DOD consistent with the policies set forth in DFARS 227.7202-1.

c. Oracle Database Express Edition is "commercial computer software" and is subject to the restrictions as set forth in the Rights in Technical Data and Computer Software Clauses in DFARS 252.227-7015 and FAR 52.227-19 as applicable.

7. FreeFlow Software may include Microsoft Embedded Standard operating system software to which the following terms apply:

a. You agree to and will comply with the Microsoft terms and conditions contained on the Xerox website, <http://www.support.xerox.com/support/open-source-disclosures/file-redirect/enus.html?&contentId=136023>.

b. Any updates, upgrades or reinstallations of Microsoft Embedded Standard operating system software are subject to the terms and conditions of this license and may be used only with the Xerox-brand Equipment with which it was delivered. Any other use of the software is strictly prohibited and may subject you to legal action.

c. If the Equipment includes Remote Desktop Services that enable it to connect to and access applications running on a server, such as Remote Desktop Protocol, Remote Assistance and Independent Computer Architecture, such Desktop Functions will not run locally on the system, except for network/Internet browsing functions.

d. The FreeFlow Base Software contains the Windows Update feature that allows you to access Windows Updates directly through the Microsoft Corp. Windows Update server. If you elect to activate this feature, any Windows Updates installed by you using the Windows Update feature may not function on the Equipment or may cause malfunctions or cause harm to the Equipment. Before you download a Windows Update using this feature, you should contact Xerox so that Xerox can ensure that each Windows Update is suitable for use on the Equipment and provide any necessary technical support for the installation and use of such Windows Update.

e. No High Risk Use. WARNING: The Windows Embedded 7 Standard operating system is not fault-tolerant.

The Windows Embedded 7 Standard operating system is not designed or intended for any use in any computing device where failure or fault of any kind of the Windows Embedded 7 Standard operating system could reasonably be seen to lead to death or serious bodily injury of any person, or to severe physical or environmental damage ("High Risk Use"). Xerox is not licensed to use, distribute, or sublicense the use of the Windows Embedded 7 Standard operating system in High Risk Use. High Risk Use is STRICTLY PROHIBITED.

PRICING PLAN/OFFERING SELECTED:

15. COMMENCEMENT & TERM. This Agreement is valid when accepted by Xerox. The Term for each unit of Equipment will commence upon: (i) the delivery of customer-installable Equipment; or (ii) the installation of Xerox-installable Equipment ("Commencement Date") and will continue for the number of full calendar months shown as "Lease Term" on the face of this Agreement. Any partial month in the Term will be billed on a pro rata basis, based on a 30 day month. Unless either party provides notice of termination at least thirty days before the expiration of the initial Term, it will renew automatically on a month-to-month basis on the same terms and

conditions. During this renewal period, either party may terminate the Equipment upon at least 30 days notice. Upon termination, you will make the Products available for removal by Xerox. At the time of removal, the Equipment will be in the same condition as when delivered (reasonable wear and tear excepted).

16. PAYMENT. Payment (including applicable Taxes) is due within 30 days after the invoice date, with all charges being billed in arrears. This Agreement will not be automatically renewed.

17. LATE CHARGE. If a payment is not received by Xerox within 10 days after the due date, Xerox may charge, and you will pay, a late charge of 5% of the amount due or \$25, whichever is greater.

18. FIXED PRICING. If "Pricing Fixed for Term" is identified in Maintenance Plan Features, the maintenance component of the Minimum Payment and Print Charges will not increase during the initial Term of this Agreement.

19. DELIVERY, REMOVAL & RELOCATION. Equipment prices include standard delivery charges and, for Xerox-owned Equipment, standard removal charges. Charges for non-standard delivery or removal and for any Equipment relocation are your responsibility. Relocation of Xerox-owned Equipment must be arranged (or approved in advance) by Xerox and may not be to a location outside of the U.S.

20. TAXES. You will be responsible for all applicable taxes, fees or charges of any kind (including interest and penalties) assessed by any governmental entity on this Agreement or the amounts payable under this Agreement ("Taxes"), which will be included in Xerox's invoice unless you timely provide proof of your tax exempt status. Taxes do not include personal property taxes in jurisdictions where Xerox is required to pay personal property taxes, and taxes on Xerox's income. This Agreement is a lease for all income tax purposes and you will not claim any credit or deduction for depreciation of the Equipment, or take any other action inconsistent with your role as lessee of the Equipment.

21. PURCHASE OPTION. If not in default, you may purchase the Equipment, "AS IS, WHERE IS" and WITHOUT ANY WARRANTY AS TO CONDITION OR VALUE, at the end of the initial Term for the "Purchase Option" indicated on the face of this Agreement (i.e., either a set dollar amount or the fair market value of the Equipment at the expiration of the initial Term), plus all applicable Taxes.

22. DEFAULT & REMEDIES. You will be in default under this Agreement if (1) Xerox does not receive any payment within 15 days after the date it is due, or (2) you breach any other obligation in this or any other agreement with Xerox. If you default, Xerox may, in addition to its other remedies (including cessation of Maintenance Services), remove the Equipment at your expense and require immediate payment, as liquidated damages for loss of bargain and not as a penalty, of: (a) all amounts then due, plus interest from the due date until paid at the rate of 1.5% per month; (b) the Minimum Payments (less the Maintenance Services and Consumable Supplies components thereof, as reflected on Xerox's books and records) remaining in the Term, discounted at 4% per annum; (c) the applicable Purchase Option; and (d) all applicable Taxes. You will pay all reasonable costs, including attorneys' fees, incurred by Xerox to enforce this Agreement. If you make the Equipment available for removal by Xerox within 30 days after notice of default, in the same condition as when delivered (reasonable wear and tear excepted), you will receive a credit for the fair market value of the Equipment as determined by Xerox, less any costs incurred by Xerox.

23. DATA SECURITY. Certain models of Equipment can be configured to include a variety of data security features. There may be an additional cost associated with certain data security features. The selection, suitability and use of data security features are solely your responsibility. Upon request, Xerox will provide additional information to you regarding the security features available for particular Equipment models.

GENERAL TERMS & CONDITIONS:

24. NON-CANCELABLE AGREEMENT. THIS AGREEMENT CANNOT BE CANCELED OR TERMINATED EXCEPT AS EXPRESSLY PROVIDED HEREIN. YOUR OBLIGATION TO MAKE ALL PAYMENTS, AND TO PAY ANY OTHER AMOUNTS DUE OR TO BECOME DUE, IS ABSOLUTE AND UNCONDITIONAL AND NOT SUBJECT TO DELAY, REDUCTION, SET-OFF, DEFENSE, COUNTERCLAIM OR RECOUPMENT FOR ANY REASON WHATSOEVER, IRRESPECTIVE OF XEROX'S PERFORMANCE OF ITS OBLIGATIONS HEREUNDER. ANY CLAIM AGAINST XEROX MAY BE ASSERTED IN A SEPARATE ACTION AND SOLELY AGAINST XEROX.

25. REPRESENTATIONS. The individuals signing this Agreement are duly authorized to do so and all financial information you provide completely and accurately represents your financial condition.

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26. LIMITATION OF LIABILITY. For claims arising out of or relating to this Agreement whether the claim alleges tortious conduct (including negligence) or any other legal theory, but excepting liability under the indemnification obligations set forth in this Agreement, Xerox will not be liable to you for any direct damages in excess of \$10,000 or the amounts paid hereunder, whichever is greater, and neither party will be liable to the other for any special, indirect, incidental, consequential or punitive damages. Any action you take against Xerox must be commenced within 2 years after the event that caused it.

27. CREDIT REPORTS. You authorize Xerox or its agent to obtain credit reports from commercial credit reporting agencies.

28. FORCE MAJEURE. Xerox will not be liable to you during any period in which its performance is delayed or prevented, in whole or in part, by a circumstance beyond its reasonable control. Xerox will notify you if such a circumstance occurs.

29. PROTECTION OF XEROX'S RIGHTS. You authorize Xerox or its agent to file, by any permissible means, financing statements necessary to protect Xerox's rights as lessor of the Equipment. You will promptly notify Xerox of a change in ownership, or if you relocate your principal place of business or change the name of your business.

30. WARRANTY DISCLAIMER. XEROX DISCLAIMS THE IMPLIED WARRANTIES OF NON-INFRINGEMENT AND FITNESS FOR A PARTICULAR PURPOSE. This Agreement is a "finance lease" under Article 2A of the Uniform Commercial Code and, except to the extent expressly provided herein, and as permitted by applicable law, you waive all of your rights and remedies as a lessee under Article 2A.

31. INTELLECTUAL PROPERTY INDEMNITY. Xerox will defend, and pay any settlement agreed to by Xerox or any final judgment for, any claim that a Xerox-brand Product infringes a third party's U.S. intellectual property rights. You will promptly notify Xerox of any alleged infringement and permit Xerox to direct the defense. Xerox is not responsible for any non-Xerox litigation expenses or settlements unless it pre-approves them in writing. To avoid infringement, Xerox may modify or substitute an equivalent Xerox-brand Product, refund the price paid for the Xerox-brand Product (less the reasonable rental value for the period it was available to you), or obtain any necessary licenses. Xerox is not liable for any infringement based upon a Xerox-brand Product being modified to your specifications or being used or sold with products not provided by Xerox.

32. TITLE & RISK OF LOSS AND INSURANCE. Until you exercise your Purchase Option: (a) title to Equipment will remain with Xerox; (b) Equipment will remain personal property; (c) you will not attach the Equipment as a fixture to any real estate; (d) you will not pledge, sublease or part with possession of it, or file or permit to be filed any lien against it; and, (e) you will not make any permanent alterations to it. Risk of loss passes to you upon delivery and remains with you until Xerox removes the Equipment. You will keep the Equipment insured against loss or damage and the policy will name Xerox as a loss payee ("Required Insurance"). You must provide Xerox or our agents, designees or assigns with satisfactory evidence of Required Insurance within 30 days of the commencement of this Agreement or any subsequent written request by Xerox or our agents, designees or assigns. IF YOU DO NOT PROVIDE SUCH EVIDENCE, THEN, IN LIEU OF OTHER REMEDIES FOR DEFAULT, XEROX, IN ITS DISCRETION AND AT ITS SOLE OPTION, MAY OBTAIN INSURANCE FROM AN INSURER OF ITS CHOOSING, IN SUCH FORMS AND AMOUNTS AS XEROX DEEMS REASONABLE TO PROTECT ITS INTERESTS (COLLECTIVELY "EQUIPMENT INSURANCE"). EQUIPMENT INSURANCE WILL COVER THE EQUIPMENT AND XEROX; IT WILL NOT NAME YOU AS AN INSURED, MAY NOT COVER ALL OF YOUR OBLIGATIONS UNDER THIS AGREEMENT AND WILL BE SUBJECT TO CANCELLATION BY XEROX OR THE INSURER AT ANY TIME. YOU AGREE TO PAY XEROX PERIODIC CHARGES FOR SUCH EQUIPMENT INSURANCE (COLLECTIVELY "INSURANCE CHARGES") THAT INCLUDE AN INSURANCE PREMIUM THAT MAY BE HIGHER THAN IF YOU MAINTAINED THE REQUIRED INSURANCE SEPARATELY AND/OR BILLING AND PROCESSING FEES WHICH MAY GENERATE A PROFIT TO XEROX OR A THIRD PARTY. XEROX MAY ADD INSURANCE CHARGES TO EACH INVOICE. **XEROX SHALL DISCONTINUE BILLING OR DEBITING INSURANCE CHARGES FOR EQUIPMENT INSURANCE UPON RECEIPT FROM YOU OF SATISFACTORY EVIDENCE OF REQUIRED INSURANCE.** Neither loss nor damage to Equipment or Xerox's receipt of insurance proceeds relieve you of any of your remaining obligations under this Agreement. YOU AGREE (i) AT XEROX'S OPTION, TO ARBITRATE ANY DISPUTE WITH XEROX OR OUR AGENTS, DESIGNEES OR ASSIGNS REGARDING THE EQUIPMENT INSURANCE AND/OR INSURANCE CHARGES UNDER THE RULES OF THE AMERICAN ARBITRATION ASSOCIATION

IN MONROE COUNTY, NY, (ii) ARBITRATION (NOT A COURT) IS THE EXCLUSIVE REMEDY FOR SUCH DISPUTES; AND (iii) CLASS ARBITRATION IS NOT PERMITTED. This arbitration requirement does not apply to any other provision of this Agreement.

33. ASSIGNMENT. Except for assignment by Xerox to a parent, subsidiary or affiliate of Xerox, or to securitize this Agreement as part of a financing transaction ("Permitted Assignment"), neither party will assign any of its rights or obligations under this Agreement without the prior written consent of the other party. In the event of a Permitted Assignment: (a) Xerox may, without your prior written consent, release to the proposed assignee information it has about you related to this Agreement; (b) the assignee will have all of the rights but none of the obligations of Xerox hereunder; (c) you will continue to look to Xerox for performance of Xerox's obligations, including the provision of Maintenance Services; (d) you waive and release the assignee from any claim relating to or arising from the performance of Xerox's obligations hereunder; (e) you shall not assert any defense, counterclaim or setoff you may have against an assignee; and (f) you will remit payments in accordance with instructions of the assignee..

34. MISCELLANEOUS. Notices must be in writing and will be deemed given 5 days after mailing, or 2 days after sending by nationally recognized overnight courier. Notices will be sent to you at the "Bill to" address identified in this Agreement, and to Xerox at the inquiry address set forth on your most recent invoice, or to such other address as either party may designate by written notice. You authorize Xerox or its agents to communicate with you by any electronic means (including cellular phone, email, automatic dialing and recorded messages) using any phone number (including cellular) or electronic address you provide to Xerox. This Agreement constitutes the entire agreement as to its subject matter, supersedes all prior oral and written agreements, and will be governed by the laws of the State of New York (without regard to conflict-of-law principles). In any action to enforce this Agreement, the parties agree (a) to the jurisdiction and venue of the federal and state courts in Monroe County, New York, and (b) to waive their right to a jury trial. If a court finds any term of this Agreement unenforceable, the remaining terms will remain in effect. The failure by either party to exercise any right or remedy will not constitute a waiver of such right or remedy. Each party may retain a reproduction (e.g., electronic image, photocopy, facsimile) of this Agreement which will be admissible in any action to enforce it, but only the Agreement held by Xerox will be considered an original. Xerox may accept this Agreement either by signature or by commencing performance. Changes to this Agreement must be in writing and signed by both parties. Any terms on your ordering documents will be of no force or effect. Administrative and contract support functions hereunder may be performed, inside or outside the U.S., by one or more of Xerox's subsidiaries or affiliates and/or third parties. The following four sentences control over every other part of this Agreement. Both parties will comply with applicable laws. Xerox will not charge or collect any amounts in excess of those allowed by applicable law. Any part of this Agreement that would, but for the last four sentences of this Section, be read under any circumstances to allow for a charge higher than that allowed under any applicable legal limit, is modified by this Section to limit the amounts chargeable under this Agreement to the maximum amount allowed under the legal limit. If, in any circumstances, 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 Xerox in excess of that legally allowed will be applied by Xerox to the payment of amounts legally owed under this Agreement, or refunded to you.

35. REMOTE SERVICES. Certain models of Equipment are supported and serviced using data that is automatically collected by Xerox or transmitted to or from Xerox by the Equipment connected to your network ("Remote Data") via electronic transmission to a secure off-site location ("Remote Data Access"). Remote Data Access also enables Xerox to transmit Releases of Software to you and to remotely diagnose and modify Equipment to repair and correct malfunctions. Examples of Remote Data include product registration, meter read, supply level, Equipment configuration and settings, software version, and problem/fault code data. Remote Data may be used by Xerox for billing, report generation, supplies replenishment, support services, recommending additional products and services, and product improvement/development purposes. Remote Data will be transmitted to and from you in a secure manner specified by Xerox. Remote Data Access will not allow Xerox to read, view or download the content of any of your documents or other information residing on or passing through the Equipment or your information management systems. You grant the right to Xerox, without charge, to conduct Remote Data Access for the purposes described above. Upon Xerox's request, you will provide contact information for Equipment such as name

Terms and Conditions

and address of your contact and IP and physical addresses/locations of Equipment. You will enable Remote Data Access via a method prescribed by Xerox, and you will provide reasonable assistance to allow Xerox to provide Remote Data Access. Unless Xerox deems Equipment incapable of Remote Data Access, you will ensure that Remote Data Access is maintained at all times Maintenance Services are being performed.

Financial Information

36. REFINANCE. The "Amount Refinanced" is included in the amount financed under this Agreement. If the Amount Refinanced is under an agreement with a third party, you acknowledge you have the right to terminate the agreement and you will provide Xerox with a statement from the third party identifying the equipment at issue, the amount to be paid off and the payee's name and mailing address. If the Amount Refinanced is under an agreement with Xerox, the refinancing will render your prior agreement null and void. If you breach any of your obligations under this Agreement, the full Amount Refinanced will be immediately due and payable.

Item	Finance Activity	Amount Refinanced	Int. Rate	Total Int. Payable
3. FFSRVR	- Refinance of Xerox Agreement	\$194.00	8.75%	\$46.00

Terms and Conditions

INTRODUCTION:

1. **NEGOTIATED CONTRACT.** The Products are subject solely to the terms in the Negotiated Contract identified on the face of this Agreement, and, for any option you have selected that is not addressed in the Negotiated Contract, the then-current standard Xerox terms for such option.

2. **MODIFICATION OF PRIOR AGREEMENT.** This Agreement modifies a prior agreement between you and Xerox for the Products identified as "Modifies Prior Agreement". The prior agreement will remain in effect except that any terms in this Agreement that conflict with or are additive to the prior agreement will control. You may be charged a one-time administrative/processing fee for the modification of a prior agreement.

GOVERNMENT TERMS:

3. **REPRESENTATIONS & WARRANTIES.** This provision is applicable to governmental entities only. You represent and warrant, as of the date of this Agreement, that: (1) you are a State or a fully constituted political subdivision or agency of the State in which you are located and are authorized to enter into, and carry out, your obligations under this Agreement and any other documents required to be delivered in connection with this Agreement (collectively, the "Documents"); (2) the Documents have been duly authorized, executed and delivered by you in accordance with all applicable laws, rules, ordinances and regulations (including all applicable laws governing open meetings, public bidding and appropriations required in connection with this Agreement and the acquisition of the Products) and are valid, legal, binding agreements, enforceable in accordance with their terms; (3) the person(s) signing the Documents have the authority to do so, are acting with the full authorization of your governing body and hold the offices indicated below their signatures, each of which are genuine; (4) the Products are essential to the immediate performance of a governmental or proprietary function by you within the scope of your authority and will be used during the Term only by you and only to perform such function; and (5) your payment obligations under this Agreement constitute a current expense and not a debt under applicable state law and no provision of this Agreement constitutes a pledge of your tax or general revenues, and any provision that is so construed by a court of competent jurisdiction is void from the inception of this Agreement.

4. **FUNDING.** This provision is applicable to governmental entities only. You represent and warrant that all payments due and to become due during your current fiscal year are within the fiscal budget of such year and are included within an unrestricted and unencumbered appropriation currently available for the purchase/maintenance of the Products, and it is your intent to use the Products for the entire term and to make all payments required under this Agreement. If (1) through no action initiated by you, your legislative body does not appropriate funds for the continuation of this Agreement for any fiscal year after the first fiscal year ~~and has no funds to do so from other sources,~~

~~and (2) you have made a reasonable but unsuccessful effort to find a creditworthy assignee acceptable to Xerox in its sole discretion within your general organization who can continue this Agreement,~~ this Agreement may be terminated. To effect this termination, you must, at least 30 days prior to the beginning of the fiscal year for which your legislative body does not appropriate funds, notify Xerox in writing that your legislative body failed to appropriate funds and that you have made the required effort to find an assignee. Your notice must be accompanied by payment of all sums then owed through the current year under this Agreement. You will return the Equipment at your expense to a location designated by Xerox and, when returned, the Equipment will be in good condition and free of all liens and encumbrances. You will then be released from any further payment obligations beyond those payments due for the current fiscal year (with Xerox retaining all sums paid to date).

PRICING PLAN/OFFERING SELECTED:

5. **PRICE INCREASES.** Xerox may annually increase the maintenance component of the Minimum Payment and Print Charges. For Application Software, Xerox may annually increase the software license or support fees. These adjustments will occur at the commencement of each annual contract cycle.

GENERAL TERMS & CONDITIONS:

6. **REMOTE SERVICES.** Certain models of Equipment are supported and serviced using data that is automatically collected by Xerox or transmitted to or from Xerox by the Equipment connected to your network ("Remote Data") via electronic transmission to a secure off-site location ("Remote Data Access"). Remote Data Access also enables Xerox to transmit Releases of Software to you and to remotely diagnose and modify Equipment to repair and correct malfunctions. Examples of Remote Data include product registration, meter read, supply level, Equipment configuration and settings, software version, and problem/fault code data. Remote Data may be used by Xerox for billing, report generation, supplies replenishment, support services, recommending additional products and services, and product improvement/development purposes. Remote Data will be transmitted to and from you in a secure manner specified by Xerox. Remote Data Access will not allow Xerox to read, view or download the content of any of your documents or other information residing on or passing through the Equipment or your information management systems. You grant the right to Xerox, without charge, to conduct Remote Data Access for the purposes described above. Upon Xerox's request, you will provide contact information for Equipment such as name and address of your contact and IP and physical addresses/locations of Equipment. You will enable Remote Data Access via a method prescribed by Xerox, and you will provide reasonable assistance to allow Xerox to provide Remote Data Access. Unless Xerox deems Equipment incapable of Remote Data Access, you will ensure that Remote Data Access is maintained at all times Maintenance Services are being performed.

NHG
12-06-17

NHG
12-06-17

Maintenance Agreement



Customer: CITY OF BREA

BillTo: CITY OF BREA
 BSMT P2
 1 CIVIC CENTER CIR
 BREA, CA 92821-5792

Install: CITY OF BREA
 BSMT P2
 1 CIVIC CENTER CIR
 BREA, CA 92821-5792

State or Local Government Negotiated Contract : 072756600

Monthly Pricing

Item	Maintenance Minimum Payment	Print Charges			Maintenance Plan Features
		Meter	Volume Band	Per Print Rate	
1. FFMKRC S/N KLA002728 Purchased From: XEROX	\$116.00	N/A	N/A	N/A	- Term: 60 Months - Full Service Maintenance Included - Pricing Fixed for Term
Total	\$116.00	Minimum Payments (Excluding Applicable Taxes)			

Authorized Signature

Customer acknowledges receipt of the terms of this agreement which consists of 3 pages including this face page.

Signer: Neil Groom

Phone: (714)990-7708

Signature: _____

Date: _____

Thank You for your business!
 This Agreement is proudly presented by Xerox and

Michael Feeney
(714)565-1140

For information on your Xerox Account, go to
www.xerox.com/AccountManagement

Terms and Conditions

SOLUTION/SERVICES:

1. PRODUCTS. "Products" means the equipment ("Equipment"), Software and supplies identified in this Agreement. You agree the Products are for your business use (not resale) in the United States and its territories and possessions ("U.S.") and will not be used for personal, household or family purposes.

2. CARTRIDGES. If Xerox is providing Maintenance Services for Equipment utilizing cartridges designated by Xerox as customer replaceable units, including copy/print cartridges and xerographic modules or fuser modules ("Cartridges"), you agree to use only unmodified Cartridges purchased directly from Xerox or its authorized resellers in the U.S. Cartridges packed with Equipment and replacement Cartridges may be new, remanufactured or reprocessed. Remanufactured and reprocessed Cartridges meet Xerox's new Cartridge performance standards and contain new or reprocessed components. To enhance print quality, Cartridge(s) for many models of Equipment have been designed to cease functioning at a predetermined point. In addition, many Equipment models are designed to function only with Cartridges that are newly manufactured original Xerox Cartridges or with Cartridges intended for use in the U.S.

3. MAINTENANCE SERVICES. Except for Equipment identified as "No Svc.", Xerox (or a designated servicer) will keep the Equipment in good working order ("Maintenance Services"). The provision of Maintenance Services is contingent upon you facilitating timely and efficient resolution of Equipment issues by: (a) utilizing customer-implemented remedies provided by Xerox; (b) replacing Cartridges; and (c) providing information to and implementing recommendations provided by Xerox telephone support personnel. If an Equipment issue is not resolved after completion of (a) through (c) above, Xerox will provide on-site support as provided herein. Maintenance Services will be provided during Xerox's standard working hours in areas open for repair service for the Equipment. Maintenance Services excludes repairs due to: (i) misuse, neglect or abuse; (ii) failure of the installation site or the PC or workstation used with the Equipment to comply with Xerox's published specifications; (iii) use of options, accessories or products not serviced by Xerox; (iv) non-Xerox alterations, relocation, service or supplies; or (v) failure to perform operator maintenance procedures identified in operator manuals. Replacement parts may be new, reprocessed or recovered and all replaced parts become Xerox's property. Xerox will, as your exclusive remedy for Xerox's failure to provide Maintenance Services, replace the Equipment with an identical model or, at Xerox's option, another model with comparable features and capabilities. There will be no additional charge for the replacement Equipment during the remainder of the initial Term. If meter reads are a component of your Maintenance Plan, you will provide them using the method and frequency identified by Xerox. If you do not provide a meter reading for Equipment not capable of Remote Data Access, or if Remote Data Access is interrupted, Xerox may estimate the reading and bill you accordingly.

4. SOFTWARE SUPPORT. Xerox (or a designated servicer) will provide the software support set forth below ("Software Support"). For Base Software, Software Support will be provided during the initial Term and any renewal period, but in no event longer than 5 years after Xerox stops taking customer orders for the subject model of Equipment. For Application Software, Software Support will be provided as long as you are current in the payment of all applicable software license and support fees. Xerox will maintain a web-based or toll-free hotline during Xerox's standard working hours to report Software problems and answer Software-related questions. Xerox, either directly or with its vendors, will make reasonable efforts to: (a) assure that Software performs in material conformity with its user documentation; (b) provide available workarounds or patches to resolve Software performance problems; and (c) resolve coding errors for (i) the current Release and (ii) the previous Release for a period of 6 months after the current Release is made available to you. Xerox will not be required to provide Software Support if you have modified the Software. New releases of Software that primarily incorporate compliance updates and coding error fixes are designated as "Maintenance Releases" or "Updates". Maintenance Releases or Updates that Xerox may make available will be provided at no charge and must be implemented within six months. New releases of Software that include new content or functionality ("Feature Releases") will be subject to additional license fees at Xerox's then-current pricing. Maintenance Releases, Updates and Feature Releases are collectively referred to as "Releases". Each Release will be considered Software governed by the Software License and Software Support provisions of this Agreement (unless otherwise noted). Implementation of a Release may require you to procure, at your expense, additional hardware and/or software from Xerox or another entity. Upon installation of a Release, you will return or destroy all prior Releases.

5. DIAGNOSTIC SOFTWARE. Software used to evaluate or maintain the Equipment

("Diagnostic Software") is included with the Equipment. Diagnostic Software is a valuable trade secret of Xerox. Title to Diagnostic Software will remain with Xerox or its licensors. Xerox does not grant you any right to use Diagnostic Software, and you will not access, use, reproduce, distribute or disclose Diagnostic Software for any purpose (or allow third parties to do so). You will allow Xerox reasonable access to the Equipment to remove or disable Diagnostic Software if you are no longer receiving Maintenance Services from Xerox; provided that any on-site access to your facility will be during your normal business hours.

PRICING PLAN/OFFERING SELECTED:

6. COMMENCEMENT & TERM. This Agreement will commence upon acceptance by Xerox and expire on the final day of the last full calendar month identified on the face of this Agreement. Unless either party provides notice at least 30 days before the end of the initial Term of its intention not to renew Maintenance Services for a unit of Equipment, Maintenance Services will renew automatically on the same terms and conditions for successive terms of the same number of months as the initial Term. Pricing for each renewal term will be Xerox's then-current published pricing.

7. PAYMENT. Payment (including applicable Taxes) is due within 30 days after the invoice date, with all charges being billed in arrears. This Agreement will not be automatically renewed.

8. LATE CHARGE. If a payment is not received by Xerox within 10 days after the due date, Xerox may charge, and you will pay, a late charge of 5% of the amount due or \$25, whichever is greater.

9. FIXED PRICING. If "Pricing Fixed for Term" is identified in Maintenance Plan Features, the maintenance component of the Minimum Payment and Print Charges will not increase during the initial Term of this Agreement.

10. TAXES. You will be responsible for all applicable taxes, fees or charges of any kind (including interest and penalties) assessed by any governmental entity on this Agreement or the amounts payable under this Agreement ("Taxes"), which will be included in Xerox's invoice unless you timely provide proof of your tax exempt status. Taxes do not include taxes on Xerox's income.

11. DEFAULT & REMEDIES. You will be in default under this Agreement if (1) Xerox does not receive any payment within 15 days after the date it is due, or (2) you breach any other obligation in this or any other agreement with Xerox. If you default, Xerox may, in addition to its other remedies (including cessation of Maintenance Services), require immediate payment, as liquidated damages for loss of bargain and not as a penalty, of (a) all amounts then due, plus interest from the due date until paid at the rate of 1.5% per month; (b) the remaining Minimum Payments, not to exceed 6 such payments if this Agreement is for a one year Term and 12 such payments for a multi-year Term; and, (c) all applicable Taxes. You will pay all reasonable costs, including attorneys' fees, incurred by Xerox to enforce this Agreement.

12. DATA SECURITY. Certain models of Equipment can be configured to include a variety of data security features. There may be an additional cost associated with certain data security features. The selection, suitability and use of data security features are solely your responsibility. Upon request, Xerox will provide additional information to you regarding the security features available for particular Equipment models.

GENERAL TERMS & CONDITIONS:

13. REPRESENTATIONS. The individuals signing this Agreement are duly authorized to do so and all financial information you provide completely and accurately represents your financial condition.

14. LIMITATION OF LIABILITY. For claims arising out of or relating to this Agreement whether the claim alleges tortious conduct (including negligence) or any other legal theory, but excepting liability under the indemnification obligations set forth in this Agreement, Xerox will not be liable to you for any direct damages in excess of \$10,000 or the amounts paid hereunder, whichever is greater, and neither party will be liable to the other for any special, indirect, incidental, consequential or punitive damages. Any action you take against Xerox must be commenced within 2 years after the event that caused it.

15. CREDIT REPORTS. You authorize Xerox or its agent to obtain credit reports from commercial credit reporting agencies.

16. FORCE MAJEURE. Xerox will not be liable to you during any period in which its performance is delayed or prevented, in whole or in part, by a circumstance beyond its reasonable control. Xerox will notify you if such a circumstance occurs.

17. WARRANTY DISCLAIMER. XEROX DISCLAIMS THE IMPLIED WARRANTIES OF NON-INFRINGEMENT AND FITNESS FOR A PARTICULAR PURPOSE.

18. INTELLECTUAL PROPERTY INDEMNITY. Xerox will defend, and pay any

Terms and Conditions

settlement agreed to by Xerox or any final judgment for, any claim that a Xerox-brand Product infringes a third party's U.S. intellectual property rights. You will promptly notify Xerox of any alleged infringement and permit Xerox to direct the defense. Xerox is not responsible for any non-Xerox litigation expenses or settlements unless it pre-approves them in writing. To avoid infringement, Xerox may modify or substitute an equivalent Xerox-brand Product, refund the price paid for the Xerox-brand Product (less the reasonable rental value for the period it was available to you), or obtain any necessary licenses. Xerox is not liable for any infringement based upon a Xerox-brand Product being modified to your specifications or being used or sold with products not provided by Xerox.

19. ASSIGNMENT. Except for assignment by Xerox to a parent, subsidiary or affiliate of Xerox, or to securitize this Agreement as part of a financing transaction ("Permitted Assignment"), neither party will assign any of its rights or obligations under this Agreement without the prior written consent of the other party. In the event of a Permitted Assignment: (a) Xerox may, without your prior written consent, release to the proposed assignee information it has about you related to this Agreement; (b) the assignee will have all of the rights but none of the obligations of Xerox hereunder; (c) you will continue to look to Xerox for performance of Xerox's obligations, including the provision of Maintenance Services; (d) you waive and release the assignee from any claim relating to or arising from the performance of Xerox's obligations hereunder; (e) you shall not assert any defense, counterclaim or setoff you may have against an assignee; and (f) you will remit payments in accordance with instructions of the assignee..

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Agreement which will be admissible in any action to enforce it, but only the Agreement held by Xerox will be considered an original. Xerox may accept this Agreement either by signature or by commencing performance. Changes to this Agreement must be in writing and signed by both parties. Any terms on your ordering documents will be of no force or effect. Administrative and contract support functions hereunder may be performed, inside or outside the U.S., by one or more of Xerox's subsidiaries or affiliates and/or third parties. The following four sentences control over every other part of this Agreement. Both parties will comply with applicable laws. Xerox will not charge or collect any amounts in excess of those allowed by applicable law. Any part of this Agreement that would, but for the last four sentences of this Section, be read under any circumstances to allow for a charge higher than that allowed under any applicable legal limit, is modified by this Section to limit the amounts chargeable under this Agreement to the maximum amount allowed under the legal limit. If, in any circumstances, 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 Xerox in excess of that legally allowed will be applied by Xerox to the payment of amounts legally owed under this Agreement, or refunded to you.

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