

LEASE AGREEMENT DIGITAL COPIERS  
XEROX CORPORATION - NASPO MASTER PRICE AGREEMENT #3091  
STATE OF SOUTH DAKOTA - PARTICIPATING AGREEMENT #16795

The parties to this agreement are: \_\_\_\_\_ (Lease-Holder) and the State of South Dakota, Office of Procurement Management, acting on behalf of \_\_\_\_\_, hereinafter referred to as the State. Lease-Holder leases to State, and State leases from Lease-Holder, the following item(s) in accordance with NASPO Master Price Agreement #3091 (including the Xerox Corporation lease terms that are part of Master Price Agreement #3091) and South Dakota Participating Addendum #16795, and the following additional terms and conditions:

1. Term: The term of this Lease Agreement shall commence on the date of delivery of the equipment to the State in workable condition, and shall be for a period of \_\_\_\_ months with an option to extend for one year by mutual agreement if lease cost remains the same and a fiscal year-to-year option to extend after that.
2. Payment: The State shall pay the Lease-Holder a minimum sum of \$\_\_\_\_. \_\_\_\_ per month. Said minimum monthly lease payment shall include full payment for the use of one copy machine with, \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_ for the term outlined in paragraph one. Per copy maintenance payment to include all parts, labor and operating expenses, including normal operating supplies, except staples and paper. Monthly maintenance cost \$0.\_\_\_\_ cents per copy, for the term outlined in paragraph one and for renewable years thereafter.
3. Operating expenses: The State shall pay for services required for proper operation of the equipment, as well as necessary supplies and maintenance, as provided in paragraph 2 of this agreement.
4. Downtime and loaners: Xerox will keep the equipment in good working order in accordance with the specifications contained in the State's solicitation or Xerox will replace the equipment with a like model at Xerox' expense.

Per the Service Level Agreement of the NASPO Multifunction Master Contract the average state-wide fleet uptime will be 98% or better. The average on-site state-wide response time required target is 4 hours or less for urban areas and 8 hours or less for rural areas. The first time fix state-wide target is 80% of all service calls.

Should any unit fail to maintain the measured copies between calls and or the monthly uptime, excluding service calls caused by operator error that system will be subject to replacement on a like-for-like basis with the then current technology.

If any unit is in operable for a period in excess of 72 hours, Vendor shall provide the Customer with either:

A loaner unit of similar speed and capabilities until such time as the unit(s) covered by this agreement are operable, or

Provide the Customer with off-site manned production capabilities as available to accomplish the work of the unit that is inoperable at the sole cost of the Vendor. Such costs shall be limited to cost of production (service and supplies), equipment, labor, power, transportation of jobs to and from the off-site production facility and facilities.

5. Insurance: Xerox shall be responsible for all risk of loss to the equipment, until the leased equipment is delivered to the Customer's designated location and delivery is accepted by Customer. Unless and Order is preceded by a trial (order), the equipment will be considered accepted upon installation of the equipment by Xerox after the equipment successfully runs all required diagnostic routines, and the equipment is turned over to the Customer for use. For equipment installed by Xerox Risk of loss will pass to the Customer upon acceptance and for equipment designated as "Customer Installable," the equipment delivery date. The term for a lease Order shall commence upon acceptance of the Equipment; provided, however, for "Customer-installable" Equipment, the term for a lease Order shall commence upon delivery of the Equipment.
6. Title to Equipment: The title covering the ownership of this equipment shall remain with the Lease-Holder during the term of this agreement.
7. The model and serial number(s) of the leased equipment is:  
Model: \_\_\_\_\_ Serial Number: \_\_\_\_\_
8. The equipment is assigned to and will be kept/maintained at:  
\_\_\_\_\_

Machine Lease Invoices shall be sent to:

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Invoices for maintenance shall be sent to:

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Agency Contact: \_\_\_\_\_ phone: \_\_\_\_\_

9. The State reserves the right to terminate any lease agreement in accordance with either of the following:
- A. This lease depends upon the continued availability of appropriated funds and expenditure authority from the South Dakota Legislature for this purpose. If for any reason the Legislature fails to appropriate funds or grant of expenditure authority for any fiscal year, or funds become unavailable by operation of law or federal funds reductions, then and in such event, this agreement is null and void and shall expire at the end of the fiscal year for which funding and expenditure authority is available. Termination for any of these reasons is not a default by the State nor does it give rise to a claim against the State. To effect this termination, the State will send Xerox written notice stating that its governing body failed to appropriate funds and that it was unable to find an assignee within its organization to continue the Agreement, and that the canceled Equipment is not being replaced by equipment performing similar functions during the ensuing fiscal year. The State will return the Equipment to Xerox, reasonable wear and tear excepted. The State will then be released from its obligation to make any further payments through the funded fiscal year
  - B. In the event a Lease-Holder fails to perform in accordance with the terms of Lease, and cannot furnish good and sufficient cause for his failure to perform, their lease shall be terminated and the State shall take the necessary action to recover any damage to the State from the defaulting Lease-Holder and his surety. Written notice shall be given to the Lease-Holder and his surety stating the cause for termination action and providing Lease-Holder 30 days to correct the performance failure to the contracted standard before the State terminates the Agreement. . Circumstances such as strikes or fire, over which the Lease-Holder has no control, will not be considered sufficient cause for termination.

IN WITNESS WHEREOF, the parties have duly executed this lease agreement this \_\_\_\_\_ day of \_\_\_\_\_, 2015. (date of installation)

LEASE-HOLDER:

NAME OF COMPANY: \_\_\_\_\_

SIGNATURE: \_\_\_\_\_

TYPE OR PRINT NAME: \_\_\_\_\_

STATE OF SOUTH DAKOTA  
ACTING By and Through  
Office of Procurement Management

BY: \_\_\_\_\_  
Steven L. Berg  
Director  
Office of Procurement Management

\_\_\_\_\_  
Department - Agency

\_\_\_\_\_  
Authorized Signature

Lease # \_\_\_\_\_