

LEASE AGREEMENT DIGITAL COPIERS  
CANON USA-WSCA MASTER PRICE AGREEMENT #1715  
STATE OF SOUTH DAKOTA-PARTICIPATING AGREEMENT #16380

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) upon the following item(s) in accordance with WSCA Master Price Agreement #1715 and South Dakota Participating Addendum #16380, 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 or less 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 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: Notwithstanding acceptance, Canon USA will be keep the equipment in good working order in accordance with the specifications contained in the State's solicitation or Canon USA will replace the equipment with a like model at Canon USA's expense.

Per the Service Level Agreement of the WSCA 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 at the Customers discretion on a like-for-like basis with the then current technology or the customer can elect to get a 1% credit of the previous quarter's service and supplies billings. Additionally, Canon USA shall prorate any included impressions as part of a Base Monthly Service for the days the unit was unavailable for usage. Canon USA will be allowed 90 days from when the individual unit falls below the minimum uptime requirements to remedy any quality or reliability issues.

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 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: Shall be the responsibility of the Lease-Holder.
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 Canon USA 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 Canon USA, 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. 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 \_\_\_\_\_, 2012. (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 # \_\_\_\_\_