

**PARTICIPATING ADDENDUM**  
**WSCA-NASPO COOPERATIVE PURCHASING ORGANIZATION**  
**COPIERS, PRINTERS & RELATED DEVICES 14-19**  
**Administered by the State of Nevada (hereinafter "Lead State")**

MASTER AGREEMENT  
Ricoh, Inc  
Nevada RFP 3091  
(hereinafter "Contractor")  
And  
State of South Dakota  
Contract #16816 (hereinafter "Participating State")

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1. Scope: This addendum covers the Copiers, Printers & Related Devices 14-19 lead by the State of Nevada for use by state agencies and other entities located in the Participating **State/Entity** authorized by that state's statutes to utilize **state/entity** contracts with the prior approval of the state's chief procurement official.

Contractor has been awarded devices and services in the following categories:

- Group A – Convenience Copiers
- Group B – Production Copiers
- Group C – Wide Format Copiers
- Group D – Printers

2. Participation: Use of specific WSCA-NASPO cooperative contracts by agencies, political subdivisions and other entities (including cooperatives) authorized by an individual state's statutes to use **state/entity** contracts are subject to the prior approval of the respective State Chief Procurement Official. Issues of interpretation and eligibility for participation are solely within the authority of the State Chief Procurement Official.

3. Participating State Modifications or Additions to Master Agreement:  
(These modifications or additions apply only to actions and relationships within the Participating Entity.)

Eligible participants in this agreement include all agencies, institutions, officers, boards, commissions and public universities of the State of South Dakota, and all political subdivisions of the State, including counties, municipalities and public school corporations within the State of South Dakota.

**All state agency purchases or leases must be routed through the Bureau of Administrations, Office of Procurement Management (OPM). Moratorium exemption approval from the Bureau of Information and Telecommunications (BIT) is required. A purchase order issued by OPM will authorize state agency purchases or leases from this agreement.**

Institutions under the control of the Board of Regents may make direct purchases from this agreement using their own procurement guidelines.

Political subdivisions of the State of South Dakota may purchase directly from the Contractor according to their own procurement procedures.

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The Contractor may, at the Contractor's discretion, extend pricing from this agreement to Indian tribal governments and non-profit organizations in South Dakota. Any sales made to Indian tribes and non-profit organizations from this agreement shall be included in any required reports and shall be subject to the NASPO Valuepoint administrative fee.

The parties agree that nothing in Section 14.b of the Master Agreement is meant to obligate Contractor to indemnify for third party (non-Ricoh branded) Products purchased hereunder that may come with their own warranties and indemnity for infringement of intellectual property rights. In addition, Section 14.b.2 of the Master Agreement is further clarified with the following: "If such a claim is made or appears likely to be made, the Indemnified Party agrees to permit Contractor to enable Indemnified Party to continue to use the Product, or to modify it, or replace it with one that is at least functionally equivalent.

4. Leases

Any lease entered into by a state agency, institution, public university, officer, board or commission through this agreement shall utilize the lease agreement form attached as Exhibit A to this participating addendum, which must be processed through the Office of Procurement Management. Political subdivisions may utilize either the State lease agreement form or the Ricoh USA, Inc lease terms included in Master Price Agreement #3901, at their own discretion.

End of term removal: End of term: At the end of term, Lessee shall have the option to: (i) renew the schedule (ii) purchase the Equipment or (iii) return the equipment. If Lessee desires to exercise a renewal or purchase of the equipment, it shall give Contractor written notice at least thirty (30) days before the expiration of such Schedule Term. Notwithstanding anything to the contrary, if lessee fails to notify CONTRACTOR of its intent with respect to the exercise of a renewal or purchase option, the initial schedule term shall be terminated on the date as stated in the schedule and removal of the product will be arranged. At the end of term of any Capital lease, title to the applicable equipment shall transfer to Customer, the equipment will not be returned and the related PO will not be renewed.

Ricoh may assign, solely for financing purposes, their right title and interest in and to: (i) the Products subject to Lease Agreements or POs; (ii) all payments and other amounts due and to become due thereunder with respect to the Products; and (iii) all rights and remedies under this Participating Addendum and the applicable Lease Agreement with respect to the Products, such payments and other amounts due. Any such assignment however, does not excuse Ricoh from

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bearing any obligation, terms and conditions as outlined under the either the WSCA/NASPO Master Agreement 3091 or this Participating Addendum.

5. Primary Contacts: The primary contact individuals for this participating addendum are as follows (or their named successors):

Contractor

Name	Ricoh USA, Bart Lemmon, WSCA-NASPO National Contract Manager
Address	70 Valley Stream Parkway, Malvern, PA 91355
Telephone	425-255-0730
Fax	425-228-2115
E-mail	bart.lemmon@ricoh-usa.com

Participating Entity

Name	Kathy Stasch, Purchasing Specialist
Address	523 East Capitol Ave, Pierre, SD 57501
Telephone	605-773-6877
Fax	605-773-4840
E-mail	kathy.stasch@state.sd.us

6. Subcontractors:

All [contactor] dealers and resellers authorized in the State of South Dakota, as shown on the dedicated **Ricoh USA, Inc** (cooperative contract) website, are approved to provide sales and service support to participants in the NASPO Master Price Agreement. The **Ricoh USA, Inc** dealer's participation will be in accordance with the terms and conditions set forth in the aforementioned Master Agreement.

7. Purchase Order Instructions:

All orders should contain the following (1) Mandatory Language "PO is subject to WSCA-NASPO Contract # 3091 (2) Your Name, Address, Contact, & Phone-Number (3) Purchase order amount. Please channel your PO through one of our authorized resellers so they can arrange for proper ordering and installation of your unit.

Unless otherwise agreed upon by both parties in writing, signing the delivery and acceptance certificate constitutes Acceptance of the Product(s) and allows Contractor to invoice for the

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Product(s). Contractor will provide timely billing and Customer will notify Contractor, in writing, of any billing concern. Contractor will be allowed a thirty (30) day cure period upon receipt of such notification to address any such billing issue. Invoices that require update due to information being received incorrectly or late from the Buyer, are not considered inaccurate.

For Ricoh USA, Inc. Orders:

Address Purchase Orders to:	Purchases Remit Payment to:	Leases Remit Payment to:
Ricoh USA, Inc. 70 Valley Stream Parkway Malvern, PA 19355	Ricoh USA, Inc. Box 100345 Pasadena, CA 91189-0345	Address listed on invoice

For Authorized Service Provider Orders, address to and remit payments as shown on the dedicated **Ricoh** (cooperative contract) website or, in the case of lease payments, to the address listed on the invoice.

8. Ricoh / WSCA Master Maintenance & Sale Agreement:

Notwithstanding anything to the contrary in the Master Agreement, Buyers are subject to "Ricoh WSCA Maintenance and Sale Agreement" attached and incorporated herein as **Exhibit B**. Unless otherwise agreed, software is provided subject to the terms and conditions of the license applicable to such software.

9. Meter Collection Methods:

As part of its Services, Contractor may, at its discretion and dependent upon device capabilities, provide electronic remote meter reading and equipment monitoring services using technology such as its @Remote solution. This may allow for automated meter reading and submission, automatic placement of low toner alerts, automatic placement of service calls in the event of a critical Product failure and may enable firmware upgrades.

10. Insurance:

Contractor will maintain the following insurance limits while performing any services under this Participating Addendum: (a) Workers' Compensation Insurance for Contractor employees, including coverage required under the State's and Federal Laws; (b) Employer's Liability Insurance with limits of a minimum of: (i) \$1,000,000 for each accident for bodily injury by accident, (ii) \$1,000,000 for bodily injury by disease, and (iii) \$1,000,000 for each employee for bodily injury by disease; (c) General Liability Insurance that includes the State as an additional insured with limits of: (i) \$1,000,000 per occurrence for bodily injury and property damage and (ii) \$2,000,000 annual aggregate. Buyer will bear All-Risk Property Insurance to insure physical

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loss or damage, at replacement value, of all Products no matter where stored or located by Buyer or other property of Contractor's in Buyer's care, custody and control or while in transit (If applicable).

**11. MAINTENANCE SERVICES FOR KODAK NEXPRESS PRODUCTS:**

Buyers must execute a Kodak Maintenance Agreement directly with Kodak for service on Nexpress products and Kodak is solely responsible for such service.

**12. Price Agreement Number:**

All purchase orders issued by purchasing entities within the jurisdiction of this participating addendum shall include the Participating State contract number: #16816 and the Lead State price agreement number: 3091.

**13. Individual Customer:**

Each State agency and political subdivision, as a Participating Entity, that purchases products/services will be treated as if they were Individual Customers. Except to the extent modified by a Participating Addendum, each agency and political subdivision will be responsible to follow the terms and conditions of the Master Agreement; and they will have the same rights and responsibilities for their purchases as the Lead State has in the Master Agreement. Each agency and political subdivision will be responsible for their own charges, fees, and liabilities. Each agency and political subdivision will have the same rights to any indemnity or to recover any costs allowed in the contract for their purchases. The Contractor will apply the charges to each Participating Entity individually.

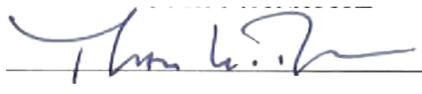
This Participating Addendum and the Master Agreement number 3091 (administered by the State of Nevada) together with its exhibits, set forth the entire agreement between the parties with respect to the subject matter of all previous communications, representations or agreements, whether oral or written, with respect to the subject matter hereof. Terms and conditions inconsistent with, contrary or in addition to the terms and conditions of this Addendum and the Master Agreement, together with its exhibits, shall not be added to or incorporated into this Addendum or the Master Agreement and its exhibits, by any subsequent purchase order or otherwise, and any such attempts to add or incorporate such terms and conditions are hereby rejected unless accepted by signature of both Buyer and Contractor as stated in Section 7 of this PA. . The terms and conditions of this Addendum and the Master Agreement and its exhibits shall prevail and govern in the case of any such inconsistent or additional terms within the Participating State.

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IN WITNESS WHEREOF, the parties have executed this Addendum as of the date of execution by both parties below.

Participating State: State of South Dakota	Contractor: Ricoh USA, INC
By: 	By: 
Name: Steven L. Berg	Name: Tom Brown
Title: Director, Office of Procurement Management	Title: VP, Government & Higher Education
Date: 10/07/15	Date: 10/13/15

[Additional signatures as required by Participating State]

If you have questions about this Participating Addendum or the participation process, please contact:

WSCA-NASPO COOPERATIVE PURCHASING ORGANIZATION

Name	Paul Stembler, Cooperative Development Coordinator
Telephone	651-206-3858
E-mail	<a href="mailto:paul.stembler@wsca-naspo.org">paul.stembler@wsca-naspo.org</a>

**[Fully executed PDF copy of this document should be emailed to  
[PA@wsca-naspo.org](mailto:PA@wsca-naspo.org) to support documentation of participation and  
posting in appropriate data bases]**

EXHIBIT A

LEASE AGREEMENT DIGITAL COPIERS  
RICOH, INC-WSCA MASTER PRICE AGREEMENT #3901  
STATE OF SOUTH DAKOTA-PARTICIPATING AGREEMENT #16816

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 #3901 and South Dakota Participating Addendum #16816, 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, Ricoh, Inc will keep the equipment in good working order in accordance with the specifications contained in the State's solicitation or Ricoh, Inc will replace the equipment with a like model at Ricoh's expense.

Per the Service Level Agreement of the WSCA Multifunction Master Contract the average state-wide fleet uptime will be 96% 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 4% credit of the previous quarter's service and supplies billings. Additionally, Ricoh, Inc shall prorate any included impressions as part of a Base Monthly Service for the days the unit was unavailable for usage. Ricoh, Inc 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:

\_\_\_\_\_

Invoices for maintenance shall be sent to:

\_\_\_\_\_

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 Ricoh, Inc 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 Ricoh, Inc, 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 \_\_\_\_\_, 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 # \_\_\_\_\_



EXHIBIT B

WSCA/NASPO MASTER MAINTENANCE & SALE AGREEMENT

CUSTOMER INFORMATION				
Legal Name				
Bill To Address				
City		State		Zip Code

This Master Maintenance & Sale Agreement (“Agreement”) sets forth the specific terms and conditions under which Ricoh USA, Inc. (“Ricoh”) agrees to sell the specific equipment, software, and/or hardware (“Products”) identified on an Order (defined below) entered into pursuant to WSCA Contract #3091 hereunder and/or provide the services identified on an Order (“Services”) entered into hereunder to Customer (defined above) from time to time. Either party may terminate the “master” arrangement contemplated by this Agreement at any time upon prior written notice to the other. Termination of this Agreement shall not, however, alter or otherwise modify the rights or obligations of the parties with respect to any Order Form (each an “Order”) placed and accepted prior to such termination. Each Order is separately enforceable as a complete and independent binding agreement, independent of all other Orders, if any.

The following terms shall apply to all Service transactions:

- Services.** (a) In order to obtain Services from Ricoh hereunder, Customer will either (i) execute an Order (in a form to be provided and executed by Ricoh) referencing WSCA Contract #3091, Applicable State Participating Amendment, and this Agreement, or (ii) issue a valid and signed purchase order to Ricoh (each referred to in this Agreement as an “Order”). Each Order must identify the specific equipment to be serviced, the term of the Service engagement, the location at which Services shall be performed and the applicable Service charges for such Order. Ricoh will not be responsible to provide Services for equipment, in the event the term or locations are not identified on the Order accepted by Ricoh.

(b) Ricoh will repair or replace in accordance with the terms and conditions of this Agreement and the manufacturer’s specifications any part of the Serviced Products that becomes unserviceable due to normal usage (other than consumable supplies). Failure to permit Ricoh to repair or replace the Serviced Products shall result in a material breach of this Agreement and excuse Ricoh from any and all future performance hereunder. Replacement parts will be furnished on an exchange basis and will be new, reconditioned or used. Except for hard drives on Customer-owned equipment, all parts removed due to replacement will become the property of Ricoh.

(c) The Services provided by Ricoh under an Order will not include the following: (i) repairs resulting from misuse (including without limitation improper voltage or the use of supplies that do not conform to the manufacturer’s specifications) or the failure to provide, or the failure of, adequate electrical power, air conditioning or humidity control; (ii) repairs made necessary by service performed by persons other than Ricoh representatives; (iii) service calls or work which Customer requests to be performed outside of Normal Business Hours (defined below) (unless covered under an extended hour service contract) and Service calls or work which Customer requests to be performed on Ricoh Holidays (defined below); (iv) removable cassette, copy cabinet, exit trays, or any item not related to the mechanical or electrical operation of the Serviced Products; (v) consumable supplies such as paper or staples, unless expressly provided for in this Order; (vi) repairs and/or service calls resulting from attachments not purchased from Ricoh; (vii) any software, system support or related connectivity unless specified in writing by Ricoh; (viii) parts no longer available from the applicable manufacturer; (ix) electrical work external to the Serviced Products, including problems resulting from overloaded or improper circuits; (x) installation or de-installation and/or movement of the Serviced Products from one location to another unless specified in writing by Ricoh; and (xi) repairs of damage or increase in service time caused by force majeure events. Damage to Serviced Products or parts arising from causes beyond the control of Ricoh are not covered by this Agreement. Ricoh may terminate its Service obligations under any Order for Serviced Products that have been modified, damaged, altered or serviced by personnel other than those employed by Ricoh.
- Service Calls.** Service calls will be made during 9:00am – 5:00pm local service time, Monday through Friday (“Normal Business Hours”) at the installation address shown on the applicable Order. Service does not include coverage on Ricoh holidays, which include New Year’s Day, Memorial Day, 4<sup>th</sup> of July, Labor Day, Thanksgiving, the day after Thanksgiving and Christmas Day (collectively, “RicoH Holidays”). Travel and labor-time for the service calls after Normal Business Hours, on weekends and on RicoH Holidays, if and when available and only in the event and to the extent that Ricoh agrees to provide such non-standard coverage, will be charged at overtime rates in effect at the time the service call is made. Customer is responsible for disconnecting, repairing and re-connecting unauthorized attachments or components.
- Reconditioning.** Reconditioning and similar major overhauls of Serviced Products may be covered by applicable manufacturer warranties, but are not covered by this Agreement or any Order. If Ricoh determines that such actions may be necessary as a result of normal wear and tear of materials and age factors caused by normal usage in order to keep the Serviced Products in working condition, Ricoh will submit to Customer an estimate of the needed repairs and the cost for such repairs (which costs will be in addition to the Service Charges payable under the Order).
- Engineering Changes.** Engineering changes, determined applicable by Ricoh, will be controlled and installed by Ricoh. Engineering changes which provide additional capabilities to the Ricoh Equipment (defined below) covered herein will be made at Customer's request at Ricoh's applicable time and material rates then in effect.
- Term.** Each Order shall become effective on the effective date of the Order and shall continue for the term identified in the Order. At the expiration of the initial term or any extended term of the Order, it will automatically, subject to applicable law and without further action required by either party, renew for an additional twelve (12) month period, provided that Customer is not then in default. The contracted rate will be adjusted to Ricoh’s then-prevailing rates, to be reflected in an automatic increase as of the renewal date, and Customer expressly consents to such adjustment without additional notice.

6. **Early Termination.** Customer may terminate any Order under this Agreement prior to its maturity so long as Customer is not then in default and provides Ricoh at least thirty (30) days prior written notice. As set forth in the WSCA Contract 3091, Section 5.4.2.3, termination charges of the Service contract will not exceed 4 times the monthly base or 25% of the remaining term whichever is less. For the purposes herein, the "Monthly Service Charge" shall equal (i) the base monthly Service Charge set forth in this Order; or (ii) in the event this Order does not contain a base monthly Service Charge, the average monthly Order charges for the six (6) month period prior to the date of Customer's termination. If such termination date occurs less than six (6) months after the effective date of the Order, the Monthly Service Charge will be equal to the average monthly Order charges for the number of months the Order was in effect.

7. **Service Charges.** (a) Service charges ("Service Charges") will be set forth on an Order and will be payable by the Customer in advance. Service Charges will not include any charges for repairs or Service that are otherwise covered by the applicable manufacturer's limited warranty during the period covered by any such warranty, to the extent Ricoh has agreed with such manufacturer not to charge a customer for any such charges. Customer acknowledges and agrees that: (i) alterations, attachments, specification changes, or use by Customer of sub-standard supplies that cause excessive service calls may require an increase in Service Charges; (ii) the transfer of the Serviced Products from the location indicated on the applicable Order may result in an increase of Service Charges or the termination of the Order; and (iii) the Toner Inclusive Program (if applicable) is based on manufacturer supply consumption rates. Delivery of supplies will not exceed agreed upon usage. Consumption of covered supply products varying significantly from expected usage may result in additional charges for supplies. Customer agrees to pay when due, all taxes, where applicable, related to an Order, excluding taxes on the income of Ricoh. Customer shall be responsible for any costs related to freight (including fuel surcharges, which may be imposed from time to time), postage/ mailing expense (meter rentals) and/or administrative and processing fees and, to the extent Ricoh pays such costs, Customer shall immediately reimburse Ricoh.

8. **Use Of Recommended Supplies; Meter Readings.** (a) It is not a condition of this Agreement that Customer use only Ricoh-provided supplies. If Customer uses other than manufacturer-recommended supplies, including paper, developer, toner, and fuser oil, and if such supplies are defective or not acceptable for use on the Serviced Product or cause abnormally frequent service calls or service problems, then Ricoh may, at its option, assess a surcharge or terminate the applicable Order with respect to such Serviced Product. If so terminated, Customer will be offered Service on a "Per Call" basis at Ricoh's then-prevailing time and material rates.

(b) If Ricoh determines that Customer has used more supplies than the manufacturer's recommended specifications as provided by Ricoh, Customer will pay reasonable charges for those excess supplies and/or Ricoh may refuse Customer additional supply shipments. Customer agrees to provide Ricoh true and accurate meter readings monthly and in any reasonable manner requested by Ricoh, whether via telephone, email or otherwise. If accurate meter readings are not provided on a timely basis, Ricoh reserves the right to estimate the meter readings from previous meter readings and Customer agrees to pay Service Charges based on such estimated meter reads. Appropriate adjustments will be made to subsequent billing cycles following receipt of actual and accurate meter readings.

(c) As part of its Services, Ricoh may, at its discretion and dependent upon device capabilities, provide remote meter reading and equipment monitoring services using its @Remote solution. This may allow for automated meter reading and submission, automatic placement of low toner alerts, automatic placement of service calls in the event of a critical Product failure and may enable firmware upgrades. The meter count and other information collected by @Remote ("Data") is sent via the internet to remote servers some of which may be located outside the U.S. **@Remote cannot and does not collect Customer document content or user information.** Ricoh uses reasonably available technology to maintain the security of the Data; however, Customer acknowledges that no one can guaranty security of information maintained on computers and on the internet. Ricoh retains full rights to the Data (but not Customer documents or information), which it or its authorized third parties may use to service the Serviced Products. Ricoh may also use the Data for its normal business purposes including product development and marketing research, however, the Data will not be provided to market research consultants in a form that personally identifies the Customer. Ricoh may dispose of the Data at any time and without notice. The @Remote technology is the confidential and proprietary information of Ricoh and/or its licensors protected by copyright, trade secret and other laws and treaties. Ricoh retains full title, ownership and all intellectual property rights in and to @Remote. In the event Customer does not rely on automatic meter reading devices or equipment monitoring services; Ricoh reserves the right to assess a surcharge for manual meter reads in addition to the Service Charges.

9. **Basic Connectivity Services.** If any software, system support or related connectivity Services are specifically set forth on an Order and accepted by Ricoh, Ricoh shall provide any such Services at the Customer's location set forth in the Order, as applicable, or on a remote basis. Customer shall provide Ricoh with such access to its facilities, networks and systems as may be reasonably necessary for Ricoh to perform such Services. Customer acknowledges that Ricoh's performance of any such Services is dependent upon Customer's timely and effective performance of its responsibilities as set forth in the Order, as applicable. Unless connectivity Services are specifically identified in the Order as part of the Services to be performed by Ricoh, Ricoh shall have no obligation to perform and no responsibility for the connection of any hardware or software to any Customer network or system.

10. **IT Services and Professional Services.** Customer may acquire connectivity, IT and professional services from Ricoh by executing and delivering to Ricoh an Order for acceptance and by executing a Statement of Work ("SOW") setting forth the specific services to be provided. The applicable Order applies to Ricoh IT Services or other professional services (the "ITS/PS Services"). Ricoh shall provide any such ITS/PS Services at the Customer's location(s) or on a remote basis as set forth in the SOW. Customer shall provide Ricoh with such access to its facilities, networks and systems as may be reasonably necessary for Ricoh to perform such ITS/PS Services. Customer acknowledges that Ricoh's performance of any such ITS/PS Services are dependent upon Customer's timely and effective performance of its responsibilities as set forth in the SOW. Estimated delivery and/or service schedules contained in any Order or SOW are non-binding estimates. Intellectual property rights, if any, arising from the ITS/PS Services provided under any SOW shall remain the property of Ricoh.

11. **Customer Obligations.** Customer agrees to provide a proper place for the use of the Serviced Products, including but not limited to, electric service, as specified by the manufacturer. Customer will provide adequate facilities (at no charge) for use by Ricoh representatives in

connection with the Service of the Serviced Products hereunder within a reasonable distance of the Serviced Products. Customer agrees to provide such access to its facilities, networks and systems as may be reasonably necessary for Ricoh to perform its Services, including but not limited to “360 degree” service access to the Serviced Products. Customer will provide a key operator for the Serviced Products and will make operators available for instruction in use and care of the Serviced Products. Unless otherwise agreed upon by Ricoh in writing or designated in the applicable Order, all supplies for use with the Serviced Products will be provided by Customer and will be available “on site” for servicing. Customer agrees that any systems utilizing similar supplies must be covered under similar inclusive service programs.

12. **Insurance.** At all times during the term of this Agreement, each party agrees to obtain and maintain in effect the following policies of insurance written as primary coverage and not contributing with or in excess of any coverage which each party may carry. These policies will be issued by an insurance carrier with a Best’s rating of at least A, VII, which affords the following coverages through self insurance or otherwise: (a) Workers’ Compensation Insurance for all such party’s employees, including coverage under the applicable state and federal laws where the work will be performed. Each party shall also require that all of its subcontractors maintain similar Workers’ Compensation coverage. (b) Employer’s Liability Insurance, typically coverage B of the Workers’ Compensation policy, with limits of a minimum of: (i) \$1,000,000 for each accident for bodily injury by accident, (ii) \$1,000,000 for bodily injury by disease, and (iii) \$1,000,000 for each employee for bodily injury by disease. Each party shall also require that all of its subcontractors maintain similar Employer’s Liability coverage. (c) Commercial General Liability Insurance that includes the other party as an additional insured. Limits shall be a minimum of: \$1,000,000 per occurrence for bodily injury and property damage and (ii) \$2,000,000 annual aggregate. Coverage shall include those perils generally associated with a commercial general liability policy and specifically include contractual liability coverage. Coverage shall contain no exclusions for cross liability between insureds. Each party shall also require that all of its subcontractors maintain similar general liability insurance. Customer shall provide satisfactory evidence of above coverage and failure to provide or request satisfactory evidence of said coverage does not represent a waiver of the requirements for insurance coverage noted above.

13. **Indemnification.** Each party (“Indemnifying Party”) shall indemnify, defend and hold harmless the other (“Indemnified Party”) from all third-party claims incurred by the Indemnified Party arising out of the death or bodily injury of any agent, employee, or business invitee of the Indemnified Party, or the damage, loss, or destruction of any tangible property of the Indemnified Party, up to a maximum of \$1,000,000, to the extent caused by the negligent acts or omissions or willful misconduct of the Indemnifying Party, its employees, or agents. Without intending to create any limitation relating to the survival of any other provisions of this Agreement, Ricoh and Customer agree that the terms of this paragraph shall survive the expiration or earlier termination of this Agreement. Each party shall promptly notify the other in the event of the threat or initiation of any claim, demand, action or proceeding to which the indemnification obligations set forth in this Section may apply.

**The following terms shall apply to all Product sale transactions:**

14. **Order, Delivery and Acceptance.** In order to purchase Products from Ricoh hereunder, Customer will either (i) execute an Order (in a form to be provided and executed by Ricoh) referencing this Agreement, or (ii) issue a valid and signed purchase order to Ricoh (each referred to in this Agreement as an “Order”). Each Order must identify the Products, the Product delivery location and the applicable Product charges. Ricoh will not be obligated to sell or deliver Products or Services for which such information is not provided in an Order accepted by Ricoh. Unless otherwise agreed upon by both parties in writing, (a) delivery of Products to common carrier or, in the case of an arranged delivery by a local Ricoh installation vehicle, actual delivery by such vehicle to Customer shipping point, shall constitute delivery to Customer, and (b) Customer shall be responsible for all installation, transportation and rigging expenses. Customer agrees to confirm delivery of all Products covered by each Order when the same is delivered by signing a delivery and acceptance certificate or written delivery acknowledgement. Unless otherwise agreed upon by both parties in writing, signing the delivery and acceptance certificate constitutes Acceptance of the Product(s) and allows Ricoh to invoice for the Product(s). Orders shall not be cancelable by Customer following acceptance by Ricoh. Ricoh reserves the right to make Product deliveries in installments. All such installments shall be separately invoiced and paid for when due, without regard to subsequent deliveries. Delay in delivery of any installment shall not relieve Customer of its obligation to accept remaining installments and remit payments as invoiced by Ricoh. Ricoh reserves the right at any time to revoke any credit extended to Customer because of Customer’s failure to pay for any Products when due or for any other credit reason.

15. **Returns; Damaged Products.** No Products may be returned without Ricoh’s prior written consent. Only consumable goods invoiced within sixty (60) days will be considered for return. On authorized returns, Customer agrees to pay a restocking charge equivalent to thirty percent (30%) of the purchase price. Products returned without written authorization from Ricoh may not be accepted by Ricoh and is the sole responsibility of Customer. All nonsaleable merchandise (that has been opened or partially used) will be deducted from any credit due to Customer. All claims for damaged Products or delay in delivery shall be deemed waived unless made in writing and delivered to Ricoh within five (5) days after receipt of Products.

**The following terms shall apply to all transactions:**

16. **Warranty.** Ricoh agrees to perform its Services in a professional manner, consistent with applicable industry standards. For any Products manufactured by Ricoh (“RicoH Equipment”), Ricoh further warrants that, at the time of delivery and for a period of ninety (90) days thereafter the RicoH Equipment will be in good working order and will be free from any defects in material and workmanship. Ricoh’s obligations under this warranty are limited solely to the repair or replacement (at Ricoh’s option) of parts proven to be defective upon inspection. The foregoing warranty shall not apply (a) if the RicoH Equipment is installed, wired, modified, altered, moved or serviced by anyone other than Ricoh, or, (b) if the RicoH Equipment is installed, stored and utilized and/or maintained in a manner not consistent with Ricoh specifications or (c) if a defective or improper non-Ricoh accessory or supply or part is attached to or used in the RicoH Equipment, or (d) if the RicoH Equipment is relocated to any place where Ricoh services are not available. CUSTOMER ACKNOWLEDGES THAT THE LIMITED WARRANTY CONTAINED HEREIN DOES NOT ASSURE UNINTERRUPTED OPERATION AND USE OF THE RICOH EQUIPMENT. In connection with any other Product sale, Ricoh shall

transfer to Customer any Product warranties made by the applicable Product manufacturer, to the extent transferable and without recourse. Physical or electronic copies of any applicable Product warranty will be delivered by Ricoh to Customer only upon Customer's specific written request. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, RICOH DISCLAIMS ALL WARRANTIES AND REPRESENTATIONS, EXPRESS OR IMPLIED, OF ANY NATURE WHATSOEVER, INCLUDING BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR USE, OR FITNESS FOR A PARTICULAR PURPOSE. RICOH SHALL NOT BE RESPONSIBLE AND SHALL HAVE NO LIABILITY FOR LOST PROFITS, LOSS OF REVENUE, OR ANY SPECIAL, EXEMPLARY, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO DAMAGES ARISING OUT OF OR IN ANY MANNER CONNECTED WITH THIS AGREEMENT, OR THE SUBJECT MATTER HEREOF, OR THE USE OR PERFORMANCE OF THE RICOH EQUIPMENT OR THE LOSS OF USE OF THE RICOH EQUIPMENT, REGARDLESS OF THE FORM OF ACTION AND WHETHER OR NOT SUCH PARTY HAS BEEN INFORMED OF, OR OTHERWISE MIGHT HAVE ANTICIPATED THE POSSIBILITY OF SUCH DAMAGES. RICOH'S TOTAL AGGREGATE LIABILITY TO CUSTOMER, IF ANY, UNDER THIS AGREEMENT, SHALL IN NO EVENT EXCEED THE TOTAL FEES PAID TO RICOH THEREUNDER DURING THE ONE-YEAR PERIOD PRECEDING THE DATE ON WHICH THE CLAIM AROSE. IN NO EVENT SHALL RICOH BE LIABLE TO CUSTOMER FOR ANY DAMAGES RESULTING FROM OR RELATED TO ANY FAILURE OF ANY SOFTWARE PROVIDED HEREUNDER, INCLUDING, BUT NOT LIMITED TO, LOSS OF DATA, OR DELAY OF DELIVERY OF SERVICES UNDER THIS AGREEMENT. RICOH ASSUMES NO OBLIGATION TO PROVIDE OR INSTALL ANY ANTI-VIRUS OR SIMILAR SOFTWARE AND THE SCOPE OF SERVICES CONTEMPLATED HEREBY DOES NOT INCLUDE ANY SUCH SERVICES. Customer must comply with any applicable license agreement or license terms relating to intangible property or associated services included in any Products, such as periodic software licenses and/or prepaid data base subscription rights ("Software License"), whether pursuant to written, click-through, shrink-wrap or other agreements for such purpose, with the third party supplier of the software ("Software Supplier"). Ricoh has no right, title or interest in any third-party software. Customer is solely responsible for entering into Software Licenses with the applicable Software Supplier.

17. **Data Management.** The parties acknowledge and agree that Ricoh shall have no obligation to remove, delete, preserve, maintain or otherwise safeguard any information, images or content retained by or resident in any Serviced Products, whether through a digital storage device, hard drive or other electronic medium ("Data Management Services"). If desired, Customer may engage Ricoh to perform Data Management Services at then-prevailing rates. Customer acknowledges that Customer is responsible for ensuring its own compliance with legal requirements in connection with data retention and protection and that Ricoh does not provide legal advice or represent that the Serviced Products will guarantee compliance with such requirements. The selection, use and design of any Data Management Services, and any decisions arising with respect to the deletion or storage of data, as well as the loss of any data resulting therefrom, shall be the sole and exclusive responsibility of Customer.

18. **Payment; Risk of Loss; Taxes.** Payment terms are net thirty (30) days. If invoices are unpaid and overdue past 45 days, Customer agrees to pay Ricoh a late charge of one (1.%) per month on any unpaid amounts or the maximum allowed by law, whichever is less, and in addition shall pay Ricoh all costs and expenses of collection, or in the enforcement of Ricoh's rights hereunder, including, but not limited to, reasonable internal and external legal costs, whether or not suit is brought. All remedies hereunder or at law are cumulative; provided, however, that the sole remedy of Customer for any Services not performed in accordance with the Service terms set forth in this Agreement shall be the prompt and proper re-performance of such Services at no additional charge. Unless otherwise agreed upon by both parties in writing, Customer assumes all risk of theft, loss or damage, no matter how occasioned, to all Products covered by this Agreement following delivery by Ricoh to common carrier or, in the case of an arranged delivery by a local Ricoh installation vehicle, delivery by such vehicle to Customer shipping point. Except to the extent of any applicable and validated exemption, Customer agrees to pay any applicable taxes that are levied on or payable as a result of the use, sale, possession or ownership of the Products and/or Services covered hereunder, other than income taxes of Ricoh.

19. **Default.** In addition to any other rights or remedies which either party may have under this Agreement or at law or equity, either party shall have the right to cancel the Services provided under this Agreement immediately: (i) if the other party fails to pay any fees or charges or any other payments required under this Agreement when due and payable, and such failure continues for a period of ten (10) days after being notified in writing of such failure; or (ii) if the other party fails to perform or observe any other material covenant or condition of this Agreement, and such failure or breach shall continue un-remedied for a period of thirty (30) days after such party is notified in writing of such failure or breach; or (iii) if the other party becomes insolvent, dissolves, or assigns its assets for the benefit of its creditors, or files or has filed against it any bankruptcy or reorganization proceeding. Except as expressly permitted by this Agreement, no refund or credit will be given for any early termination of this Agreement or any renewal thereof. If Customer defaults in its obligations hereunder, Ricoh may, in addition to any other remedies available at law or equity, require Customer to immediately pay to Ricoh all past due payments under all Orders, and the early termination fee described in the Early Termination Section above.

20. **Confidentiality; Non-Solicitation; Independent Contractors.** Except for the purposes set forth in the applicable Order, Ricoh shall not use or disclose any proprietary or confidential Customer data derived from its Services hereunder; provided, however, that Ricoh may use general statistics relating to the Service engagement so long as it does not disclose the identity of Customer or make any reference to any information from which the identity of Customer may be reasonably ascertained. Customer agrees that during the term of the Services and for a period of one (1) year after termination thereof, it shall not directly or indirectly solicit, hire, or otherwise retain as an employee or independent contractor any employee of Ricoh that is or was involved with or part of the Services. The relationship of the parties is that of independent contractors.

21. **Assignment; Force Majeure.** Customer shall neither assign any right or interest arising under this Agreement nor delegate any obligations hereunder without the prior written consent of Ricoh. Any such attempted assignment or delegation shall be void. Ricoh shall not be liable for failure to deliver or delays in delivery of Products or Services occasioned by causes beyond Ricoh's control, including without limitation strikes, lockout, fires, embargoes, war or other outbreak of hostilities, inability to obtain materials or shipping space, receipt of orders in excess of Ricoh's or its



EXHIBIT B

supplier's then-scheduled production capacity, machinery breakdowns, delays of carrier or suppliers, governmental acts and regulations, unavailability of Services, personnel or materials or other causes beyond Ricoh's control.

22. **Governing Law; Entire Agreement.** This Agreement shall be governed by and construed and interpreted in accordance with the laws of the Commonwealth of Pennsylvania without regard to its conflict of laws principles. The parties hereto also agree to submit to the non-exclusive jurisdiction of the courts of the Commonwealth of Pennsylvania to resolve any action under this Agreement. The Uniform Computer Information Transactions Act shall not apply to this Agreement. This Agreement constitutes the entire agreement between the parties with respect to the subject matter contained in this Agreement; supersedes all proposals, oral and written, and all other communications between the parties relating to the Products; and may not be amended except in writing signed by an officer or authorized representative of Ricoh. Customer agrees and acknowledges that it has not relied on any representation, warranty or provision not explicitly contained in this Agreement, whether in writing, electronically communicated or in oral form. Any and all representations, promises, warranties, or statements, including but not limited to, statements or representations made in sales presentations or sales proposals, by any Ricoh agent, employee or representative that differ in any way from the terms of this Agreement shall be given no force or effect. This Agreement shall be governed solely by these terms and conditions, notwithstanding the inclusion of any additional or different terms and conditions in any order document of any kind issued by Customer at any time. Purchase Orders issued by Customer for Products and/or Services from Ricoh, even if they do not expressly reference or incorporate this Agreement, shall be subject to this Agreement and service only to identify the Products and/or Service ordered and shall not be deemed to alter or otherwise modify the terms and conditions of this Agreement. The delay or failure of either party to enforce at any time any of the provisions of this Agreement shall in no way be construed to be a waiver of such provision or affect the right of such party thereafter to enforce each and every provision of this Agreement. If any provision of this Agreement is held to be invalid or unenforceable, this Agreement shall be construed as though it did not contain the particular provision held to be invalid or unenforceable. Ricoh may accept or reject any order in the exercise of its discretion and may rely upon each order submitted by Customer as a binding commitment. No local, general or trade custom or usage or course of prior dealings between the parties shall be relevant to supplement or explain any term used herein. This Agreement may be executed in one or more counterparts which, taken together, shall constitute one and the same original document. Any notices required under this Agreement should be sent to: 3920 Arkwright Road Macon, GA 31210 Attn: Quality Assurance.

CUSTOMER

By: \_\_\_\_\_
Name: \_\_\_\_\_
Title: \_\_\_\_\_
Date: \_\_\_\_\_

RICOH USA, INC.

By: \_\_\_\_\_
Name: \_\_\_\_\_
Title: \_\_\_\_\_
Date: \_\_\_\_\_