

**DAVIS JOINT UNIFIED SCHOOL DISTRICT**

**RESOLUTION NO. 57-20**

**AUTHORIZING THE LEASE-PURCHASE OF COMPUTER EQUIPMENT AND  
RELATED SERVICES**

**WHEREAS**, the Governing Board (the “Board”) of the Davis Joint Unified School District (the “District”) has determined that a true and very real need exists for the acquisition of computer equipment (“Equipment”) and related services (“Services”) as specified in the “Purchase Order” attached hereto as Exhibit “A” and hereby incorporated by reference. The Equipment and the related Services shall hereinafter collectively be referred to as the “Property”; and

**WHEREAS**, the governing board of a school district may under Section 20118 of the California Public Contract Code, without advertising for bids, if the board has determined it to be in the best interest of the district, authorize by contract, lease, requisition or purchase order, any public corporation or agency to lease data-processing equipment, purchase materials, supplies, equipment, automotive vehicles, tractors, services and other personal property for the district in the manner in which the public corporation is authorized by law to lease or purchase; and

**WHEREAS**, pursuant to California Public Contract Code section 20118 and California Government Code section 6500 et seq., the District participates a multi-state purchasing group for governmental entities and school districts, operated by a state of Minnesota local government agency and service cooperative (“Sourcewell”).

**WHEREAS**, the Board of the District has determined that it is in the best interest of the District to authorize the purchase of the Property from CDW Government LLC (“CDW-G”) through a bid procured by Sourcewell Solicitation Number: RFP#081419 for technology solutions with related equipment and accessories and awarded to CDW-G as Contract #081419-CDW, effective December 1, 2019, through October 30, 2023 (“CDW-G Agreement”); and

**WHEREAS**, the governing board of a school district, under Education Code section 17597 may, by direct sale or otherwise, sell to a purchaser any electronic data processing equipment or other majority items of equipment owned by, or to be owned, by the district, if the purchaser agrees to lease the equipment back to the district for use by the district following the sale; provided the governing board finds, by resolution, that the Property fits within the meaning of this Section, and that the sale and leaseback is the most economical means for providing electronic data processing equipment or other major items of equipment to the District; and

**WHEREAS**, the Board of the District has by this Resolution determined the need for the Property, and authorized the lease/purchase of such Property with Insight Investments, LLC (the “Lessor”), pursuant to the attached Master Lease Agreement No. 9445, dated June 18, 2020, and associated Schedule No. 1, dated June 18, 2020 (the “Lease”), attached hereto as Exhibit “B”; and

**WHEREAS**, the Board of the District has determined that this Lease arrangement is the most economical means for providing the Property to the District.

**NOW, THEREFORE**, the District Board hereby finds, determines, declares, and resolves as follows:

Section 1. All of the recitals set forth above are true and correct, and the Board so finds and determines.

Section 2. The Board hereby finds and determines the acquisition of the Property under the CDW-G Agreement, pursuant to Public Contract Code section 20118 and Government Code section 6500, to be in the best interest of the District.

Section 3. The Board hereby finds and determines the Property fits within the meaning of Education Code section 17597 and the Lease provides the most economical means for providing the Property to the District.

Section 4. The form of the Lease by and between the District and Lessor presented to this meeting, and on file with the District, is hereby approved. The Superintendent or Superintendent's designee is hereby authorized and directed, for and in the name of and on behalf of the District, to execute and deliver to Lessor the Lease and such other financing and related documents as necessary to the completion of the transaction contemplated by the Lease with such changes therein as such officer or person may require and approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 5. The District's obligations under such Lease shall be subject to annual appropriation or renewal as set forth in the Lease, and the Lease shall contain such options to purchase by the District as set forth therein.

Section 6. The Superintendent or Superintendent's designee is hereby authorized and directed to do any and all things, and to execute and deliver any and all documents which they may, in consultation with legal counsel, deem necessary or advisable in order to consummate this transaction and otherwise carry out, give effect to, and comply with the terms and intent of this Resolution.

Section 7. This Resolution shall be effective as of the date of its adoption.

**APPROVED, PASSED, AND ADOPTED** by the Governing Board of the Davis Joint Unified School District, Yolo County, State of California, this 18th day of June, 2020, by the following vote:

AYES: \_\_\_\_\_  
ABSTAIN: \_\_\_\_\_

NOES: \_\_\_\_\_  
ABSENT: \_\_\_\_\_

\_\_\_\_\_  
President of the Governing Board of  
Davis Joint Unified School District

## EXHIBIT "A"

**PURCHASE ORDER #\_\_\_\_\_**

### **For Computer Equipment and Related Services**

This Purchase Order is for the equipment and services identified in the Quotation Confirmation # LLM5793 and the Statement of Work for Davis Joint Unified School District Chromebook Deployment, attached hereto and hereby incorporated by reference as Appendix 1 to Exhibit "A," is placed pursuant to the Sourcewell contract with CDW Government LLC, Contract #081419-CDW, dated December 1, 2019, as modified below.

**Governing Law:** For purposes of this Purchase Order, CDW as Contract #081419-CDW dated December 1, 2019, shall be governed by and construed according to the laws of the State of California that would apply if all Parties were residents of California and the contract was made and performed in California. Venue shall be in Yolo County, California.

**APPENDIX “1” TO EXHIBIT “A”**

**CDW-G Quotation Confirmation # LLM5793 and the Statement of Work for Davis  
Joint Unified School District Chromebook Deployment**

**(Attached)**

**EXHIBIT “B”**

**MASTER LEASE AGREEMENT NO. 9445 DATED JUNE 18, 2020 AND**

**ASSOCIATED LEASE SCHEDULE NO 1 DATED JUNE 18, 2020**

**(Attached)**

# QUOTE CONFIRMATION



DEAR MARCIA BERNARD,

Thank you for considering CDW•G for your computing needs. The details of your quote are below. [Click here](#) to convert your quote to an order.

QUOTE #	QUOTE DATE	QUOTE REFERENCE	CUSTOMER #	GRAND TOTAL
LLMS793	6/3/2020	3750	1971165	\$1,017,664.50

## IMPORTANT - PLEASE READ

Fees applied to item(s): 6027157

## QUOTE DETAILS

ITEM	QTY	CDW#	UNIT PRICE	EXT. PRICE
<a href="#">HP Chromebook 11A G8 - Education Edition - 11.6" - A4 9120C - 4 GB RAM - 32</a> Mfg. Part#: 16W64UT#ABA Sourcewell 081419 Contract: Sourcewell RFP 081419 Tech Catalog - Chromebook (081419-CDW)	3750	6027157	\$192.00	\$720,000.00
<a href="#">Google Chrome Management Console License - Education</a> Mfg. Part#: CROSSWDISEDU UNSPSC: 43232804 Sourcewell 081419 Electronic distribution - NO MEDIA Contract: Sourcewell RFP 081419 Tech Catalog - Chromebook (081419-CDW)	3750	3577022	\$25.00	\$93,750.00
<a href="#">CDW White Glove Service for Chromebooks and Chrome OS Devices T1</a> Mfg. Part#: CHROME WGS T1 this will require a signed SOW. service includes: WGS with OU + data capture/mac address + Green Delivery + Installation of always on case Sourcewell 081419 Contract: Sourcewell 081419-CDW Tech Catalog (081419#CDW)	3750	4008336	\$9.25	\$34,687.50
<a href="#">MAXCases Extreme Shell-S notebook shield case</a> Mfg. Part#: HP-ESS-G8EE-BLK Sourcewell 081419 Contract: Sourcewell 081419-CDW Tech Catalog (081419#CDW)	3750	6030701	\$23.36	\$87,600.00
RECYCLING FEE DETAILS				
ITEM	QTY	CDW#	UNIT PRICE	EXT. PRICE
RECYCLING FEE 4" TO LESS THAN 15" Fee Applied to Item: 6027157	3750	654809	\$4.00	\$15,000.00

## PURCHASER BILLING INFO

## SUBTOTAL

\$936,037.50

<b>Billing Address:</b> DAVIS JOINT UNIFIED SCHL DST 526 B ST DAVIS, CA 95616-3811 <b>Phone:</b> (530) 757-5385 <b>Payment Terms:</b> NET 30-VERBAL	<b>SHIPPING</b>	\$0.00
	<b>RECYCLING FEE</b>	\$15,000.00
	<b>SALES TAX</b>	\$66,627.00
	<b>GRAND TOTAL</b>	<b>\$1,017,664.50</b>
<b>DELIVER TO</b>	<b>Please remit payments to:</b>  CDW Government 75 Remittance Drive Suite 1515 Chicago, IL 60675-1515	
<b>Shipping Address:</b> DAVIS JOINT USD MARCIA BERNARD 1919 5TH ST DAVIS, CA 95616-4017 <b>Shipping Method:</b> CEVA Deferred, 3-5 Days		

Need Assistance? CDW•G SALES CONTACT INFORMATION			
	Pat Hein	(866) 642-8073	pathei@cdwg.com

This quote is subject to CDW's Terms and Conditions of Sales and Service Projects at <http://www.cdwg.com/content/terms-conditions/product-sales.aspx>  
 For more information, contact a CDW account manager  
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## STATEMENT OF WORK

<b>Project Name:</b>	Davis Joint USD Chromebook Deployment	<b>Seller Representative:</b> Pat Hein (312) 705-6280 pathei@cdwg.com
<b>Customer Name:</b>	DAVIS JOINT UNIFIED SCHL DST	
<b>CDW Affiliate:</b>	CDW Government LLC	
<b>Subcontractor:</b>	EKC Enterprises, Inc.	<b>Solution Architect:</b>
<b>SOW Created Date:</b>	June 04, 2020	
<b>Version:</b>	4	<b>Drafted by:</b> Michelle Caron

This statement of work (“**Statement of Work**” or “**SOW**”) is made and entered into on the last date that this SOW is fully executed as set forth below (“**SOW Effective Date**”) by and between the undersigned, CDW Government LLC (“**Provider**,” and “**Seller**,”) and DAVIS JOINT UNIFIED SCHL DST (“**Customer**,” and “**Client**,”).

This SOW shall be governed by that certain Sourcewell Vendor Agreement 081419#CDW between CDW Government LLC and Sourcewell effective December 1, 2019 (the “**Agreement**”). If there is a conflict between this SOW and the Agreement, then the Agreement will control, except as expressly amended in this SOW by specific reference to the Agreement.

## PROJECT DESCRIPTION

### PROJECT SCOPE

Work with Seller to Deploy Chromebooks. This Statement of Work is valid for twelve (12) months from the date of execution.

#### WAREHOUSING:

- All product will ship to Provider’s secure warehouse in Elk Grove, CA
- All work will be performed in Provider’s warehouse

#### WHITE GLOVE SERVICE TO INCLUDE:

- Google OS update.
  - Provider will make sure all Chromebooks are updated and all have the same version
- Google Management
  - Provider will activate each device and join the unit to the proper OU and sub OU
- SSID
  - Provider will join each device to the proper SSID

#### DATA CAPTURE SERVICE:

- Documentation- Provider will provide the district with a spreadsheet at the end of the project that includes;
  - -Serial Number
  - -PO number
  - -MAC address



## DELIVERY:

- Provider will safely deliver all equipment to the proper location in bulk packaging
- Provider will leave 5 boxes onsite
- At time of delivery a signature will be required to ensure proof of delivery
- All delivery reports will be provided to district once all items have been delivered

## **ASSUMPTIONS:**

1. All units will be shipped to Customer sites as described at time of Purchase

## **OUT OF SCOPE:**

1. This SOW does not include applying asset tags
2. This SOW does not include cart wiring

## **COMPLETION OF PROJECT:**

- This project will be deemed complete once all product is delivered and signed for

Services not specified in this SOW are considered out of scope and will be addressed with a separate SOW or Change Order.

## **CONTACT PERSONS**

Each Party will appoint a person to act as that Party's point of contact ("**Contact Person**") as the time for performance nears and will communicate that person's name and information to the other Party's Contact Person.

Customer Contact Person is authorized to approve materials and Services provided by Seller, and Seller may rely on the decisions and approvals made by the Customer Contact Person (except that Seller understands that Customer may require a different person to sign any Change Orders amending this SOW). The Customer Contact Person will manage all communications with Seller, and when Services are performed at a Customer-Designated Location, the Customer Contact Person will be present or available. The Parties' Contact Persons shall be authorized to approve changes in personnel and associated rates for Services under this SOW.

## **CHANGE MANAGEMENT**

This SOW may be modified or amended only in a writing signed by both Customer and Seller, generally in the form provided by Seller ("**Change Order**"). Services not specified in this SOW are considered out of scope and will be addressed with a separate SOW or Change Order.

In the event of a conflict between the terms and conditions set forth in a fully executed Change Order and those set forth in this SOW or a prior fully executed Change Order, the terms and conditions of the most recent fully executed Change Order shall prevail.

## **PROJECT SCHEDULING**

Customer and Seller, who will jointly manage this project, will together develop timelines for an anticipated schedule ("**Anticipated Schedule**") based on Seller's project management methodology. Any dates, deadlines, timelines or schedules contained in the Anticipated Schedule, in this SOW or otherwise, are estimates only, and the Parties will not rely on them for purposes other than initial planning.

## TOTAL FEES

The total fees due and payable under this SOW (“**Total Fees**”) include both fees for Seller’s performance of work (“**Services Fees**”) and any other related costs and fees specified in the Expenses section (“**Expenses**”).

Seller will invoice for Total Fees. Customer will pay invoices containing amounts authorized by this SOW in accordance with the terms of the Agreement. Unless otherwise specified, taxes will be invoiced but are not included in any numbers or calculations provided herein. Any objections to an invoice must be communicated to the Seller Contact Person within fifteen (15) days after receipt of the invoice.

## SERVICES FEES

Services Fees will be calculated on a TIME AND MATERIALS basis.

The invoiced amount of Services Fees will equal the rate applicable for a unit of a service or resource (“**Unit Rate**”) multiplied by the number of units being provided (“**Billable Units**”) for each unit type provided by Seller (see Table below).

Services Fees of \$9.25 is merely an *estimate* and does not represent a *fixed fee*. Neither the Billable Units of 1 nor the Services Fees are intended to limit the bounds of what may be requested or required for performance of the Services.

The rates presented in the table below apply to *scheduled* Services that are performed during Standard Business Hours (meaning 8:00 a.m. to 5:00 p.m. local time, Monday through Friday, excluding holidays). When Seller invoices for scheduled Services that are not performed during Standard Business Hours, Services Fees will be calculated at 150% of the Unit Rates. For any unscheduled (i.e., emergency) Services performed at any time of the day, Services Fees will be calculated at 200% of the Unit Rates.

Any non-Hourly Units will be measured in one (1) unit increments when Services are performed remotely or at any Customer-Designated Location(s) (as defined below).

Any Hourly Units will be measured in one (1) hour increments with a minimum of one (1) hour billed each day Services are performed remotely and four (4) hours billed each day Services are performed at any Customer-Designated Location(s). When Hourly Seller personnel must travel more than two (2) hours a day to work at any Customer-Designated Location(s), there will be a minimum of eight (8) hours billed for each day (less travel time that is invoiced pursuant to the “Expenses” section below).

Upon notice, Seller may adjust the rates below, provided that the rates will remain fixed for at least six (6) months after the SOW Effective Date and then again for at least six (6) months after any subsequent adjustment.

The rates below only apply to Services specified in this SOW as it may be amended by one or more Change Order(s).

Table – Services Fees

Unit Type	Unit Rate	Billable Units	Subtotal
Per Install – Per Item	\$9.25	1	\$9.25
<b>Estimated Totals</b>		<b>1</b>	<b>\$9.25</b>

## EXPENSES

Neither travel time nor direct expenses will be billed for this project.

## TRAVEL NOTICE

Two (2) weeks’ advance notice from Customer is required for any necessary travel by Seller personnel.

## CUSTOMER-DESIGNATED LOCATIONS

Seller will provide Services benefiting the locations specified on the attached Exhibit (“**Customer-Designated Locations**”).

## SIGNATURES

In acknowledgement that the parties below have read and understood this Statement of Work and agree to be bound by it, each party has caused this Statement of Work to be signed and transferred by its respective authorized representative.

This SOW and any Change Order may be signed in separate counterparts, each of which shall be deemed an original and all of which together will be deemed to be one original. Electronic signatures on this SOW or on any Change Order (or copies of signatures sent via electronic means) are the equivalent of handwritten signatures.

**CDW Government LLC**

**DAVIS JOINT UNIFIED SCHL DST**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: Services Contracts Manager  
\_\_\_\_\_

Name: \_\_\_\_\_

Title: Services Contract Manager  
\_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Mailing Address:

Mailing Address:

200 N. Milwaukee Ave.

526 B ST

Vernon Hills, IL 60061

DAVIS, CA 95616-3811

## EXHIBIT A

### CUSTOMER-DESIGNATED LOCATIONS

Seller will provide Services benefiting the following locations (“**Customer-Designated Locations**”).

Location(s)	Address
Davis Joint USD	526 B St., Davis, CA 95616

## MASTER LEASE AGREEMENT NO. 9445

This Master Lease Agreement ("Master Lease") dated June 18, 2020 ("Effective Date") is made by and between Insight Investments, LLC, ("Lessor"), a Delaware limited liability company authorized to do business in the State of California with offices at, 611 Anton Blvd., Suite 700, Costa Mesa, California 92626, and Davis Joint Unified School District ("Lessee") a public school district existing pursuant to the laws of the State of California with offices at 526 B Street, Davis, CA 95616.

**1. Schedules.** Lessee agrees to lease from Lessor the Equipment described in each related Schedule which is executed pursuant to this Agreement. Lessor and Lessee may enter into one or more Schedules for the lease of Equipment. The Schedule may also include the financing of Intangibles. Each Schedule will constitute a separate agreement with respect to that transaction and will specify details and any special terms applicable to that Schedule. In the event of any conflict between this Master Lease and the Schedule, the Schedule will govern.

**2. Term and End of Term Options.** On the Acceptance Date, Lessee shall execute and deliver a Certificate of Acceptance and shall thereafter be bound to perform its obligations under the Schedule, and the term of the Schedule will begin and continue through the Base Term, and thereafter until terminated by either party upon the expiration of the applicable written Notice Period or pursuant to Section 3, below.

**End of Term Options.** As long as no Event of Default has occurred and is continuing and provided Lessee has given written notice to Lessor of its decision to exercise one or more of the following options at least 90 days prior to the expiration of the Base Term, Lessee with prior approval of its Governing Board will have the right to exercise the following options:

- a) **Month to Month Extension Option.** Lessee may extend the Base Term covering all or any complete system of Equipment on a month to month basis. The Rent required to be paid during said extended period will be at the same rate in effect at the expiration of the Base Term.
- b) **Fair Market Value Fixed Term Extension Option.** Lessee may extend the Base Term covering all or any complete system of the Equipment. The Rent required to be paid during said extended period shall be equal to the Fair Market Value of the Equipment over the extended period.
- c) **Fair Market Value Purchase Option.** Lessee may purchase all or any complete system of Equipment for an amount equal to the Fair Market Value plus applicable taxes on the date of the expiration of the Base Term (the "Purchase Date"). Title to the purchased Equipment will pass to Lessee on the Purchase Date provided Lessee has paid all amounts then due under the Schedule and the full purchase price and taxes.
- d) **Return Option.** As required in Section 8, Lessee shall return all or any complete system of Equipment that has not been renewed or purchased as set forth in subsections (a), (b) or (c) of this Section 3. In the event of a partial Equipment return or purchase, upon the expiration of the Base Term or any renewal period thereafter, the subsequent periodic invoices will be adjusted to reflect such partial return or purchase; however, no adjustment will be made for the billing cycle in which the Equipment is returned or purchased.

**Like Kind Exchange.** With respect only to personal computers, laptop computers, tablet computers and printers, Lessee shall have the right to return "Like Equipment" (as defined below), in complete systems, in lieu of returning all or any of the equipment types described above. Like Equipment shall mean replacement equipment which is (i) lien free; (ii) of the same or similar model, type, configuration, manufacturer, and equal to or greater performance level as the Equipment being substituted, as determined by Lessor, and (iii) acquired by the Lessee in the ordinary course of business and not for the purposes of being substitute equipment under this provision. Clean title to the Like Equipment shall vest in Lessor and clean title to the Equipment being replaced shall vest in Lessee.

If Lessor has not received Lessee's notice of exercise of the foregoing options in a timely manner, then Lessee shall have deemed to have elected option (d) above to return the Equipment. Lessee agrees that in the event the Equipment is not returned within seven (7) days of the expiration of the Base Term, Lessee shall pay the then current Rent for each month Lessee remains in possession of the Equipment.

**3. Rent, Nonappropriation and Overdue Rate.** Rent is due and payable in advance on the first day of each Rent Interval at such address that Lessor or its Assignee may designate in writing. Interim Rent shall be due and payable upon invoicing. If any payment is not made when due, Lessee will pay interest at the Overdue Rate.

Lessee reasonably believes that legally available funds in an amount sufficient to pay the Rent for the Base Term can be obtained. Lessee will do all reasonable things within its power to obtain, maintain, and properly request and pursue funds from which the rental payments may be paid including: (i) making provisions for the rent payments to the extent necessary in each annual budget submitted for the purpose of obtaining funding; (ii) using its best efforts to have such portion of the budget approved; and (iii) exhausting all available and reasonable means in the event such portion of the budget is not approved. If either no funds or insufficient funds are appropriated for the rental payments due under the Schedule, then Lessee shall have the right to terminate the applicable Schedule effective upon the start of the fiscal year for which such funding is not available. Lessee must give Lessor notice of such termination fifteen (15) days after the Lessee's governing body adopts the budget for the fiscal year for which such funding is not available. With such termination notice, Lessee shall provide to Lessor a written certification that funds have not been appropriated and that such nonappropriation did not result from any unreasonable act or failure to act by the Lessee.

Lessor and Lessee understand and intend that the obligation of Lessee to pay the Rent under the Schedule shall constitute a current expense of Lessee and shall not in any way be construed to be a debt of Lessee in contraventions of any applicable constitutional or statutory limitation or requirement concerning the creation of indebtedness by Lessee, nor shall anything contained herein constitute a pledge of the general tax revenues, funds or monies of Lessee.

**4. Taxes.** Lessee will pay or reimburse Lessor for all taxes, fees or other charges imposed by any local, state or federal authority or any other taxing authority (together with any related interest or penalties not due to the fault of Lessor) that becomes payable by Lessee as a direct result of the Equipment, this Master Lease and the Schedule except for those taxes which both Lessor and Lessee are able to claim as exempt based upon a valid exemption certificate or other similar documentation. Lessor shall be responsible for filing all personal property tax returns.

**5. Net Lease.** The Schedule constitutes a net lease. Lessee's obligations (i) to pay Rent and all other amounts due hereunder and (ii) to perform all other Lessee obligations hereunder are absolute, non-cancellable and unconditional and are not subject to any abatement, reduction, set-off, defense, counterclaim, interruption, deferment or recoupment for any reason other than pursuant to the nonappropriation provisions set forth in Section 3. Lessee hereby reserves, and Lessor will remain fully responsible for, all available money damages consistent herewith arising from a default of Lessor's obligations hereunder

**6. Title and Assignment.** Lessee acknowledges and agrees that Lessor owns the Equipment. Unless and until the Lessee exercises any applicable purchase option or otherwise purchase the Equipment, Lessee's interest in the Equipment is a possessory interest only, Lessee obtains no title to such Equipment, and Lessee holds the Equipment subject to and subordinate to the rights of Lessor and any Assignee. In order to perfect Lessor's security interest in the Equipment in the event the Schedule is determined to be a lease intended as security, Lessee grants Lessor a security interest in the Equipment to secure all obligations of Lessee to Lessor and authorizes Lessor to prepare, execute and file, in Lessee's name, UCC financing statements confirming and perfecting such interests in the Equipment. Until all obligations of Lessee to Lessor with respect to the Schedule are satisfied in full, Lessee will not file a termination of any financing statement filed by Lessor with respect to the Schedule. Lessee will give Lessor at least thirty (30) days prior written notice of any change in Lessee's name, form of organization or jurisdiction of formation. Lessee will, at its expense, keep the Equipment free and clear from any liens or encumbrances of any kind (except any caused by Lessor) and will indemnify and hold Lessor and any Assignee harmless from

and against any loss caused by Lessee's failure to do so. Upon request, Lessee will mark the Equipment indicating Lessor's interest.

Lessor will be entitled to sell, assign, or transfer, in whole or in part, its interest in the Schedule, the receivables and/or the Equipment thereunder or grant a security interest in and to the Schedule and/or the Equipment to an Assignee. The Assignee may exercise all of Lessor's rights, but Lessor will remain solely responsible for the performance of its obligations hereunder unless consented to in writing by Lessee. Lessee consents to and upon request will acknowledge such assignment in a written notice in a form reasonably acceptable to Lessee, provided by Lessor to Lessee. Upon request, Lessee will provide in a form reasonably acceptable to Lessee (i) a secretary's certificate of incumbency and authority, (ii) a legal opinion relating to the representations contained in Section 12, (iii) audited financial statements, and (iv) any other documentation necessary in connection with the transaction contemplated by this Master Lease and the Schedule that is reasonably requested by Lessor. Lessor acknowledges that any assignment or transfer by Lessor permitted hereunder shall not materially change Lessee's duties or obligations under this Master Lease and the Schedule or materially increase the burdens or risks imposed upon Lessee. To the extent permitted by law, Lessee waives, and shall not assert against any Assignee any right or claim that Lessee may have against Lessor or any third party and will pay all Rent and other amounts due under each Schedule without any abatement, reduction, set-off, defense, counterclaim, interruption, deferment or recoupment other than as provided the non-appropriation provisions set forth in Section 3, above..

**7. Selection, Care, Use and Maintenance.** Lessee acknowledges that it has selected the Equipment and specified its configuration based on its own judgment and that it does not rely on any representations made by Lessor.

Lessee will maintain the Equipment in good operating order and appearance (ordinary wear and tear excluded) and will use the Equipment only in connection with its business operations and for the purposes for which it was designed and in compliance with all applicable manufacturer operating standards. If commercially available, Lessee will maintain a contract for the maintenance of the Equipment throughout the term of the applicable Schedule. Lessor shall have the right to inspect the Equipment to assure proper maintenance. It is the responsibility of the Lessee to recertify the Equipment as eligible for manufacturer's maintenance at the expiration of the lease term if such Equipment is capable of recertification. The lease term will continue on the same terms until such certification has been obtained. The foregoing requirements to obtain a maintenance contract and to recertify the Equipment shall not apply to personal computers, laptop computers, tablet computers and printers.

Lessee will not permit any additions, improvements, variations, modifications or alterations of any kind to be made to the Equipment without Lessor's prior written consent. The foregoing prohibition shall not be deemed or construed to apply to repairs, maintenance, downloading of software, other Intangibles, imaging, memory upgrades, and similar work.

**8. Transportation, Return and Data Security.** Lessee assumes the full expense of transportation and in-transit insurance to Lessee's premises and for installation of the Equipment.

Upon the expiration or termination of the Schedule, Lessee will, at its expense, deinstall, pack and ship the Equipment to Lessor in accordance with the manufacturer's specifications and Lessor's instructions including compliance with any additional return provisions specified in the applicable Schedule. Lessee will return the Equipment in the condition required under Section 7 to a location directed by Lessor within 1000 miles of the Equipment location designated on the Schedule. If the Equipment is not returned in the required condition and in a timely manner, then the notice of termination will be deemed void, and the Schedule shall continue in accordance with its terms.

**Prior to any return of Equipment hereunder on which any data or information is stored, recorded or contained therein (collectively, "Data"), Lessee agrees at its sole cost and expense, to permanently destroy, delete and remove all Data (including any sensitive Data belonging to Lessee or its customer/clients/patients). The removal of Data may be done directly by Lessee or by a third party as directed by Lessee. Lessor's affiliated entity offers a data removal service which Lessee may contract for under a separate agreement. Lessee retains the sole responsibility to so destroy, delete, and remove all data and information stored in or on the**

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Master Lease Agreement – IT (MUNI-FMV-EOT)

Rev. 02/11/20

**Equipment. Lessor has absolutely no liability for any data or information that Lessee fails to so destroy, delete, and remove. All hard drives and other data retention components must function as originally installed after removal of Data and must be in the condition as specified above.**

**9. Relocation or Assignment by Lessee.** Throughout the term of the applicable Schedule, Lessee will keep the Equipment at the site(s) designated in the Schedule, at its students' respective residences or other locations at which the students may reside, occupy, or be present, or at such other address within the continental United States as Lessor may from time to time approve in writing prior to such relocation.

ABSENT LESSOR'S PRIOR WRITTEN CONSENT, LESSEE SHALL NOT (A) SELL, ASSIGN OR TRANSFER THIS MASTER LEASE OR THE SCHEDULE, OR ANY RIGHTS, INTERESTS OR OBLIGATIONS HEREUNDER OR THEREUNDER, OR THE EQUIPMENT SUBJECT THERETO OR (B) SUBLEASE, RENT OR PERMIT ANYONE TO USE THE EQUIPMENT OTHER THAN LESSEE AND/OR ITS STUDENTS OR OTHER PERSONS AS MAY BE APPROPRIATE IN CONNECTION WITH LESSEE'S EDUCATIONAL AND OTHER PROGRAMS. Any purported sale, assignment, sublease, transfer or other disposition in violation of this Section will be of no force and effect.

**10. Risk of Loss and Insurance.** Effective upon delivery, Lessee will bear the risk of and indemnify Lessor against loss, theft or destruction of or damage to the Equipment. Lessee will carry casualty insurance for the Equipment in an amount not less than the Casualty Value and shall carry comprehensive general liability and property damage insurance in amounts of not less than \$1,000,000.00 per occurrence covering Lessee, the Equipment and its use. All insurance policies will (i) name the Lessor and its Assignees as loss payees for casualty coverage and additional insureds for liability coverage, and (ii) will provide for at least 30 days prior written notice to Lessor and its Assignees of cancellation or expiration. At Lessor's request, Lessee shall deliver to Lessor certificates or other proof of insurance evidencing the required coverages.

Lessee will promptly repair any damaged Equipment at its expense, unless such Equipment has suffered a Casualty Loss. If the Equipment has suffered a Casualty Loss, Lessee will notify Lessor within fifteen (15) days of such Casualty Loss and Lessee will replace the damaged Equipment with Equipment of the same manufacturer model, type, feature and configuration, and marketable title in such replacement Equipment will vest in Lessor free and clear of all liens and encumbrances, except the interest of Lessee under the Lease.

There will be no abatement of any Rent, or any other amounts owed to Lessor under the Schedule, as a result of any loss, theft, destruction or damage to the Equipment.

**11. Indemnification.** To the extent permitted by State law, Lessee will indemnify and hold Lessor, and Assignee harmless, on an after tax basis, from and against any and all claims, costs, expenses, damages, personal injury damages, property damages and liabilities, including reasonable attorneys' fees, arising in connection with any item of Equipment or the Schedule including, without limitation, the ownership (for strict liability in tort only), possession, control, selection, leasing, maintenance, operation, return, or other disposition and use of the Equipment any defects therein or any intellectual property infringement. The Lessee, however, will not be responsible for injury directly attributed to the intentional or negligent acts or omissions of the indemnified party, its employees or agents.

**12. Representations and Warranties.** Lessee represents and warrants that (i) Lessee is a public school district duly organized and existing under the constitution and laws of the state where the Lessee is located (the "State") with full power and authority to enter into this Master Lease and any Schedule entered into hereunder, (ii) Lessee has duly authorized the execution and delivery of the Master Lease and the Schedule by proper action of its governing body at a meeting duly called and held in accordance with State law or by other appropriate official approval, and all requirements have been met and procedures have occurred to ensure the validity and enforceability of the Master Lease and the Schedule, (iii) Lessee has complied with public bidding requirements as required, (iv) during the Base Term or any extension thereof, the Equipment will be used solely for the purpose of essential government or proprietary functions of Lessee consistent with the permissible scope of Lessee's authority, (v) Lessee will annually provide Lessor with current financial statements, budgets, proof of appropriation for the ensuing Fiscal Period, and such other financial information relating to the ability of Lessee to continue each Schedule, (vi) the Master Lease and

each Schedule constitute legal, valid and binding agreements of the Lessee enforceable in accordance with their terms, and (vii) the Equipment is personal property and will not become fixtures under applicable law.

**13. Default.** The occurrence of any one or more of the following Events of Default constitutes a default under the Schedule:

(i) Failure of Lessee to pay Rent or any other amounts when due, if that failure continues for ten (10) days; (ii) Failure of Lessee to perform any other material term or condition of this Master Lease or the Schedule, if that failure continues for thirty (30) days; (iii) Any representation or warranty by Lessee proves to have been false or materially misleading when made resulting in an adverse material effect on Lessor's rights pursuant to the Master Lease; (iv) An assignment by Lessee for the benefit of creditors, the failure by Lessee to pay its debts when due, the insolvency of Lessee, the filing by Lessee or the filing against Lessee of any petition under bankruptcy or insolvency law, or the appointment of a trustee or other officer with similar powers, the liquidation of Lessee, or the taking of any action for the purposes of the foregoing; and (v) Lessee dissolves or ceases to do business as a going concern or sells all or substantially all of its assets.

**14. Remedies.** Upon the occurrence of any of the above Events of Default, and subject to applicable law, Lessor may at its option exercise one or more of the following rights:

(i) enforce Lessee's performance of the provisions of the Schedule by appropriate court action in law or in equity; (ii) terminate the Schedule without terminating Lessee's obligations thereunder; (iii) recover from Lessee any damages or expenses, including Default Costs; (iv) to the extent permitted by law, recover all amounts currently due from Lessee and any other damages permitted by applicable law; (v) subject to notice and coordination in order to avoid unreasonable interference with the Lessee's educational and governmental operations, and to avoid endangering the health, safety, and/or welfare of students, enter Lessee's premises to remove and repossess the Equipment without being liable to Lessee for damages (except those resulting from the negligence or willful misconduct of any person(s) acting on Lessor's behalf); and (vi) pursue any other remedy permitted by law or equity. No remedy is intended to be exclusive, but each right may be enforced concurrently or individually.

**15. Mitigation.** Upon return of the Equipment pursuant to Section 14, Lessor will use reasonable efforts in accordance with its normal business procedures (without any obligation of priority) to mitigate its damages as described below. **HOWEVER, IN ANY SITUATION IN WHICH LESSOR HAS THE RIGHT TO REPOSSESS, BUT DOES NOT REPOSSESS, THE EQUIPMENT PURSUANT TO SECTION 14 HEREIN, LESSEE SHALL BE DEEMED AND CONSTRUED TO HAVE WAIVED ANY RIGHTS CONFERRED BY STATUTE WHICH MAY REQUIRE LESSOR TO MITIGATE ITS DAMAGES IN ACCORDANCE WITH THIS SECTION.** Lessor may sell or lease the Equipment it repossesses on a public or private basis. The net proceeds for any such transaction will be determined based upon the following: (a) if sold, the cash proceeds of the sale, less the Fair Market Value of the Equipment at the end of the Base Term and less the Default Costs; or (b) if leased, the present value (discounted at three percent over the prime rate as referenced in the Wall Street Journal at the time of the mitigation) of the rentals for a term not to exceed the remainder of the Base Term at the time of default, less the Default Costs. The proceeds of mitigation, if any, will be applied against damages due to Lessor. If the net proceeds available after the permitted deductions are less than the amounts due and owing to Lessor under Section 14, Lessee shall be liable for the deficiency.

**16. Lessor Warranty and Assignment of Manufacturer Warranties.** Lessor (and Assignee) warrant to Lessee that so long as Lessee is not in default, neither party will disturb Lessee's quiet and peaceful possession, and unrestricted use of the Equipment or any Intangibles.

Lessor shall assign to Lessee any and all manufacturers' warranties relating to the Equipment. To the extent Lessor reasonably is not able to assign any such manufacturer warranty to Lessee, the Lessor hereby designates and appoints Lessee to be Lessor's agent with respect to repairs and other service pursuant to such warranty. Lessee may interact directly with the manufacturer to receive complete documentation relating to the manufacturer warranties and any disclaimers and limitations thereon.

**17. Disclaimers, Limitations and Waivers.** LESSOR IS NOT THE MANUFACTURER OR SUPPLIER OF THE EQUIPMENT AND, EXCEPT AS SET FORTH IN SECTION 16 OF THE MASTER LEASE, MAKES NO REPRESENTATIONS OR WARRANTIES WHATSOEVER, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY OR FITNESS OF THE EQUIPMENT FOR A PARTICULAR PURPOSE.

Lessor is not responsible for any liability, claim, loss, damage or expense of any kind (including strict liability in tort) caused by the Equipment, except to the extent caused by the negligent acts or omission, or willful misconduct, of Lessor, any Assignee or Secured Party, or any of their respective employees, agents, contractors, or other representatives.

**OTHER THAN WITH RESPECT TO LESSEE'S OBLIGATIONS PURSUANT TO SECTION 11 HEREOF, NEITHER LESSOR NOR LESSEE SHALL BE LIABLE FOR SPECIAL, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES (INCLUDING LOST PROFITS OR SAVINGS) EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. NO RIGHTS OR REMEDIES REFERRED TO IN ARTICLE 2A OF THE UNIFORM COMMERCIAL CODE WILL BE CONFERRED ON LESSEE, WITH RESPECT TO THE LESSOR, UNLESS EXPRESSLY GRANTED IN THIS MASTER LEASE OR SCHEDULE.**

**ARTICLE 2A MAY APPLY TO THE SCHEDULE AND LESSEE MAY HAVE CERTAIN RIGHTS THEREUNDER. IF SO, LESSEE ACKNOWLEDGES THAT THE SCHEDULE IS A FINANCE LEASE AS DEFINED IN UCC SECTION 2A-103. TO THE EXTENT PERMITTED BY LAW, LESSEE HEREBY WAIVES ANY RIGHTS OR REMEDIES LESSEE MAY HAVE WITH RESPECT TO THE LESSOR, UNDER UCC SECTIONS 2A-508 THROUGH 522 INCLUDING, WITHOUT LIMITATION, RIGHTS OF REJECTION, REVOCATION, CANCELLATION, AND RECOVERY FOR BREACH OF WARRANTY.**

**18. Miscellaneous.**

A. Purchase Orders. Lessee may issue a purchase order to Lessor for administrative purposes only. Terms and conditions on Lessee's purchase order or other acknowledgment form, which are in addition to, or in conflict with this Master Lease and the Schedule, will be of no force or effect.

B. [Reserved.]

C. Licensed Products and Intangibles. Lessee will not obtain from Lessor any title to or right to use any third party software which may be provided in connection with the Equipment. It is Lessee's responsibility to obtain any required license from the licensor. Any Rent attributable to Lessor's financing of Intangibles will be paid under this Master Lease as Rent subject to the provisions of Section 5 regardless of Lessee's dissatisfaction with the performance or quality of the Intangibles. Lessee acknowledges that all Intangibles are provided directly to Lessee by a third party, and not by Lessor.

D. Relationship. Each party is an independent contractor and, except as expressly set forth herein will have no authority to bind or commit the other party. Nothing herein shall be deemed or construed to create a joint venture, partnership or agency relationship between the parties.

E. No Waiver. The waiver by either party of a breach of any provision of this Master Lease and the Schedule will not be construed as a waiver of any subsequent breach. The invalidity, in whole or in part, of any provision of this Master Lease and the Schedule will not affect the validity of the remaining provisions.

F. Notices. Any notice, request or other communication under this Master Lease will be given in writing and deemed received upon the earlier of actual receipt or three (3) days after mailing if mailed postage prepaid by regular mail to the address set forth above or, one (1) day after such notice is sent by overnight delivery. The end of lease notice required under Section 2 may be provided by Lessee by (i) an electronic transmission utilizing Lessor's Asset Management Online System (AMOS) or (ii) via email addressed to eol\_notice@ifsleasing.com. Each party adopts its signature on the electronic transmission methods described above as its original signature and agrees that such notification methods will have the same effect as if the document had been signed and delivered by mail or in person.

G. Survival. Those terms and conditions which would, by their meaning or intent, survive the expiration or termination of any Schedule will so survive.

H. Entire Agreement. This Master Lease and the Schedule represents the entire agreement between the parties and supersedes all oral or other written agreements or understandings between the parties concerning the Equipment. This Master Lease and the Schedule may not be modified unless in writing and signed by the party against whom enforcement of the modification is sought. If any provision of this Master Lease or the Schedule is held to be invalid or unenforceable, the validity and

enforceability of the remaining provisions shall not in any way be affected or impaired.

I. Law. THIS MASTER LEASE AND THE SCHEDULE ARE GOVERNED BY THE LAWS OF THE STATE OF THE LESSEE'S DOMICILE WITHOUT REGARD TO ITS CONFLICT OF LAWS PROVISIONS. All parties agree that no convention of the United Nations, including the Convention on Contracts for the International Sale of Goods, shall apply to the Schedule. If there is any dispute or litigation as a result of this Master Lease and the Schedule, the prevailing party will be entitled to reasonable attorney's fees.

J. Counterparts. This Master Lease and the Schedule may be executed in counterparts, each of which shall be deemed an original, with all of the counterparts together constituting one and the same instrument.

K. Binding Effect. This Master Lease shall be binding upon and shall inure to the benefit of Lessor, Lessee and their respective successors and permitted assigns.

L. Lessor's Discharge of Lessee's Obligations. Subject to all other provisions of this Master Lease, including, without limitation, requirements for notice and opportunity to cure pursuant to Section 13 herein, if Lessee fails to comply with any provision of the Schedule, Lessor has the right, but not the obligation, to effect such compliance on behalf of Lessee upon ten (10) days prior written notice to Lessee. In such event, all monies advanced or extended by Lessor, and all expenses incurred by Lessor in affecting such compliance, together with an amount equal to the Overdue Rate shall be paid by Lessee to Lessor on the first day of the next Rent Interval. No such performance by Lessor shall be deemed a waiver of any rights or remedies of Lessor or be deemed to cure the default by Lessee.

M. Electronic Chattel Paper. Lessor and Lessee agree that the written version of this Master Lease and any Schedule hereto containing the original, fax, or machine copy signatures may constitute the original authoritative version, and that the electronic version of this Master Lease and such Schedule which has been authenticated by Lessor and Lessee in accordance with applicable law and controlled by the Lessor (or any Assignee identified pursuant to Section 7 hereof) shall (pursuant to the rules and regulations of eOriginal, Inc.) constitute the original authoritative version of this Master Lease and such Schedule; provided that if the "Paper Out" process shall have occurred pursuant to the eOriginal Product Reference Guide, and there shall simultaneously exist both the "Paper Out" printed version and an electronic version of this Master Lease and such Schedule, then the "Paper Out" printed version of this Master Lease and such Schedule as identified in the eOriginal audit record and corresponding affidavit shall constitute the sole authoritative version. Both Lessor and Lessee hereby agree that this Master Lease and any Schedule may be authenticated by electronic means, and expressly consent to the use of the electronic version of this Master Lease and such Schedule to embody the entire agreement and the understanding between Lessor and Lessee. Reference herein to eOriginal shall mean eOriginal, Inc., Baltimore, MD, or any successor electronic custodian appointed by Lessor and Lessee.

## 19. Definitions

A. "Acceptance Date" is defined in the Schedule.

B. "Affiliates" means any entity directly or indirectly owned or controlled by, or under common ownership or control with the Master Lessee who is party to this Master Lease.

C. [Reserved.]

D. "Assignee" means an entity to which Lessor has sold, assigned or transferred its rights in the Schedule, the receivables and/or the Equipment covered thereby and has been granted a security interest in the Schedule and/or related Equipment for the purpose of securing a loan. In no event, regardless of circumstances, shall the Lessee be cumulatively liable to the Lessor, any Assignee, and/or any Secured Party to any

greater extent than the Lessee would be liable to the Lessor in connection with this Master Lease.

E. "Base Term" means the period of time beginning on the first day of the full Rent Interval following the Acceptance Date and continuing for the number of Rent Intervals indicated on the Schedule.

F. "Casualty Loss" means that the Equipment has suffered irreparable damage or destruction or has otherwise been irretrievably lost or stolen or taken in condemnation.

G. "Casualty Value" means the aggregate Rent remaining for the balance of the Base Term plus the Fair Market Value of the Equipment.

H. "Default Costs" means reasonable costs and expenses, including court costs, reasonable collection and attorney's fees and costs, as well as any costs of repossession, repairing, refurbishing and remarketing resulting from a Lessee Event of Default.

I. "Equipment" means all the tangible personal property made available by Lessor to Lessee under this Master Lease and the Schedule together with all replacements and renewals and the component parts thereof.

J. "Events of Default" means the events described in Section 13.

K. "Fair Market Value" means the price or rent (as applicable) obtainable for the Equipment in an arm's-length sale or lease transaction (as applicable) between informed and willing parties, neither under compulsion to contract, for the sale or lease of Equipment utilizing an assumption that the Equipment is installed and under continuous and uninterrupted use by the buyer/user.

L. "Intangibles" means non-hardware items including, but not limited to, software license fees, services, maintenance, installation and deinstallation costs.

M. "Interim Rent" means the prorata portion of Rent due for the period from the Acceptance Date through but not including the first day of the first full Rent Interval of the Base Term.

N. "Notice Period" means 90 days prior to the expiration of the Base Term or any month thereafter.

O. "Master Lease" has the meaning set forth in the first sentence of this Master Lease Agreement.

P. "Master Lessee" means the party executing this Master Lease as the "Lessee".

Q. "Overdue Rate" means the lesser of one and one-half percent (1.5%) per month or the maximum amount permitted by law.

R. "Rent" means the rent, including Interim Rent, Lessee will pay for the Equipment as specified in the Schedule.

S. "Rent Interval" means a full calendar period as indicated on the Schedule.

T. "Schedule" means a document which is issued pursuant to this Master Lease and incorporates by reference certain terms and conditions of this Master Lease as indicated herein.

U. "UCC" means the Uniform Commercial Code as enacted in California.

IN WITNESS WHEREOF, the parties have caused this Master Lease to be executed by their duly authorized officers as of the day and year first set forth above.

INSIGHT INVESTMENTS, LLC

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

{00050244.DOC 1}

Master Lease Agreement – IT (MUNI-FMV-EOT)

Rev. 02/11/20

DAVIS JOINT UNIFIED SCHOOL DISTRICT

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_



DATE: \_\_\_\_\_

DATE: \_\_\_\_\_

**[NOTE – USE AALRR FORM OF OPINION LETTER]**

**SCHEDULE NO. 1**  
**DATED AS OF JUNE 18, 2020**  
**TO THE MASTER LEASE AGREEMENT NO. 9445**  
**DATED AS OF JUNE 18, 2020**  
**BY AND BETWEEN INSIGHT INVESTMENTS, LLC, LESSOR**  
**AND DAVIS JOINT UNIFIED SCHOOL DISTRICT, LESSEE**

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**Equipment Description and Location:** DESCRIBED ON ATTACHMENT "A"

**Equipment Cost:** \$951,037.50

**Base Term Start Date:** August 1, 2020

**Base Term:** 48 Months

**Rent:** \$243,055.91 Billed Annually, in Advance \*not including sales tax\*

**Contract No.:** Sourcewell: RFP #081419

CDW-G Quote LLMS793				
Equipment Description	Quantity	Unit Cost	Finance Amount	Annual Payment - 4 Years
HP Chromebook 11A G8	3750	192.00	\$720,000.00	\$181,800.00
Google Chrome Management	3750	25.00	\$93,750.00	\$25,153.13
CDW-G White Glove Service	3750	9.25	\$34,687.50	\$9,306.66
MaxCases Extreme Shell	3750	23.36	\$87,600.00	\$22,771.62
Recycling Fee	3750	4.00	\$15,000.00	\$4,024.50
Estimated Sales Tax				\$16,877.16
			\$951,037.50	\$259,933.07

**Serial Numbers:** Lessee hereby authorizes Lessor to insert and/or revise serial numbers and other information relevant to the proper identification and/or description of the Equipment subsequent to Lessee's execution of this Schedule and any Attachment A thereto.

IN WITNESS WHEREOF, the parties have caused this Schedule to be executed by their duly authorized officers as of the day and year first set forth above. This Schedule shall incorporate by reference all of the terms and conditions of the referenced Master Lease.

INSIGHT INVESTMENTS, LLC

DAVIS JOINT UNIFIED SCHOOL DISTRICT

BY: \_\_\_\_\_

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_

IF MANUALLY EXECUTED AND NOT SUBSEQUENTLY STORED IN AN ELECTRONIC VAULT, THIS IS COUNTERPART NO. \_\_\_ OF THREE (3) SERIALLY NUMBERED, MANUALLY EXECUTED COUNTERPARTS OF THIS SCHEDULE. NO SECURITY INTEREST IN THIS SCHEDULE MAY BE CREATED THROUGH THE TRANSFER AND POSSESSION OF ANY COUNTERPART OTHER THAN COUNTERPART NO. 1.

Payment #	Opening Balance	RENT	INTEREST	PRINCIPAL	Balance
1	\$ 951,037.50	\$ 243,055.91	\$ -	\$ 243,055.91	\$ 707,981.59
2	\$ 707,981.59	\$ 243,055.91	\$ 10,541.14	\$ 232,514.77	\$ 475,466.82
3	\$ 475,466.82	\$ 243,055.91	\$ 7,079.23	\$ 235,976.68	\$ 239,490.14
4	\$ 239,490.14	\$ 243,055.91	\$ 3,565.77	\$ 239,490.14	\$ -

**DISCLAIMER:** IT IS UNDERSTOOD AND AGREED BY THE PARTIES THIS AMORTIZATION SCHEDULE HAS BEEN PROVIDED AS A COURTESY TO THE LESSEE SOLELY FOR THE LESSEE'S ADMINISTRATIVE CONVENIENCE. NO TERM WITHIN THE AMORTIZATION SCHEDULE WILL MODIFY IN ANY WAY THE RIGHTS OR OBLIGATIONS OF THE PARTIES UNDER THE MASTER LEASE AGREEMENT OR ANY SCHEDULE, INCLUDING BUT NOT LIMITED TO LESSEE'S ABSOLUTE OBLIGATION TO PAY ALL AMOUNTS DUE AND TO BECOME DUE, PURSUANT TO THE TERMS OF SUCH LEASE DOCUMENTATION. ANY BALANCE FIGURES CONTAINED IN THE AMORITIZATION SCHEDULE SHALL NOT MODIFY IN ANY MANNER THE END OF TERM OBLIGATIONS OF THE LESSEE WITH RESPECT TO ANY SCHEDULE THAT DOES NOT CONTAIN A \$1.00 PURCHASE OPTION.