

Lease Agreement



Supplier Name & Address: PAHODA IMAGE PRODUCTS			
Owner: XEROX FINANCIAL SERVICES LLC - 201 Merritt 7, Norwalk, CT 06851			Agreement Number:
CUSTOMER INFORMATION			
Full Legal Name: Sample Company			Phone: (222) 333-4444
Billing Address: 123 Main St		Contact Name: Bill Sample	
City: Anytown	State: CO	Zip Code: 56789	Contact Email: bill@samplecompany.com
EQUIPMENT			
Quantity	Model and Description	Quantity	Model and Description
1	Xerox Example Copier 1234		
Equipment Location (if different from Billing Address):			
TERM	LEASE PAYMENT - (Monthly frequency unless otherwise noted)	PURCHASE OPTION - ('FMV' unless otherwise noted)	
Initial Term: 60 (in months)	Lease Payment (plus applicable taxes): \$149 Frequency: Monthly <input checked="" type="checkbox"/> Quarterly <input type="checkbox"/> Annually <input type="checkbox"/>	<input checked="" type="checkbox"/> Fair Market Value Purchase Option ("FMV") <input type="checkbox"/> \$1 Purchase Option	
CUSTOMER ACCEPTANCE			
BY YOUR SIGNATURE BELOW, YOU ACKNOWLEDGE THAT YOU ARE ENTERING INTO A NON-CANCELLABLE AGREEMENT AND THAT YOU HAVE READ AND AGREED TO ALL APPLICABLE TERMS AND CONDITIONS SET FORTH ON PAGES 1 AND 2 HEREOF.			
Authorized Signer X:		Date:	Federal Tax ID # (Required):
Print Name:		Title:	
OWNER ACCEPTANCE			
Accepted By: Xerox Financial Services LLC	Name and Title:		Date:
TERMS & CONDITIONS			

1. Definitions. The words "you" and "your" mean the legal entity identified in "Customer Information" above, and "XFS," "we," "us," "Owner" and "our" mean Xerox Financial Services LLC. "Party" means you or XFS, and "Parties" means both you and XFS. "Supplier" means the entity identified as "Supplier" above. "Acceptance Date" means the date you irrevocably determine Equipment has been delivered, installed and operating satisfactorily. "Agreement" means this Lease Agreement, including any attached Equipment schedule. "Commencement Date" will be a date after the Acceptance Date, as set forth in our first invoice, for the purpose of facilitating an orderly transition and to provide a uniform billing cycle. "Discount Rate" means 3% per annum. "Equipment" means the items identified in "Equipment" above and in any attached Equipment schedule, plus any Software (as defined in Section 3 hereof), attachments, accessories, replacements, replacement parts, substitutions, additions and repairs thereto. "Interim Period" means the period, if any, between the Acceptance Date and the Commencement Date. "Interim Payment" means one thirtieth of the Lease Payment multiplied by the number of days in the Interim Period. "Payment" means the Lease Payment specified above, Taxes and other charges you, Supplier and XFS agree will be invoiced by XFS. "Maintenance Agreement" means a separate agreement between you and Supplier for maintenance and support purposes. "Origination Fee" means a one-time fee of \$125 billed on your first invoice, which you agree to pay, covering origination, documentation, processing and other initial costs. "Term" means the Interim Period, if any, together with the Initial Term plus any subsequent renewal or extension terms. "UCC" means the Uniform Commercial Code of the State(s) where XFS must file UCC-1 financing statements to perfect its security interest in the Equipment.

2. Agreement, Payments and Late Payments. You agree and represent that the Equipment was selected, configured and negotiated by you based on your judgment and supplied by Supplier. At your request, XFS will acquire same from Supplier to lease to you hereunder and you agree to lease same from XFS. The Initial Term commences on the Commencement Date. You agree to pay XFS the first Payment plus any applicable Interim Payment no later than 30 days after the Commencement Date; each subsequent Payment shall be payable on the same date of each month thereafter. You agree to pay us all sums due under each invoice via check, Automated Clearing House debit, Electronic Funds Transfer or direct debit from your bank account by the due date. **If any Payment is not paid in full within 5 days after its due date, you will pay a late charge of the greater of 10% of the amount due or \$25, not to exceed the maximum amount permitted by law.** For each dishonored or returned Payment, you will be assessed the applicable fee, not to exceed \$35. Restrictive covenants on any method of payment will be ineffective.

3. Equipment and Software. To the extent that Equipment includes intangible property or associated services such as software licenses, such intangible property shall be referred to as "Software." You acknowledge and agree that XFS is not the licensor of such Software, and therefore has no right, title or interest in it, and you will comply throughout the Term with any license and/or other agreement ("Software License") with the supplier of the Software ("Software Supplier"). You are responsible for determining with the Supplier whether any Software Licenses are required, and entering into them with Software Supplier(s) no later than 30 days after the Acceptance Date. **YOU AGREE THE EQUIPMENT IS FOR YOUR LAWFUL BUSINESS USE IN THE UNITED STATES, WILL NOT BE USED FOR PERSONAL, HOUSEHOLD OR FAMILY PURPOSES, AND IS NOT BEING ACQUIRED FOR RESALE.** You will not attach the Equipment as a fixture to real estate or make any permanent alterations to it.

4. Non-Cancellable Agreement. THIS AGREEMENT CANNOT BE CANCELLED OR TERMINATED BY YOU PRIOR TO THE END OF THE INITIAL TERM. YOUR OBLIGATION TO MAKE ALL PAYMENTS IS ABSOLUTE AND UNCONDITIONAL AND NOT SUBJECT TO DELAY, REDUCTION, SET-OFF, DEFENSE, COUNTERCLAIM OR RECOUPMENT FOR ANY REASON WHATSOEVER, IRRESPECTIVE OF THE PERFORMANCE OF THE EQUIPMENT, SUPPLIER, ANY THIRD PARTY OR XFS. Any pursued claim by you against XFS for alleged breach of our obligations hereunder shall be asserted solely in a separate action; provided, however, that your obligations hereunder shall continue unabated.

5. End of Agreement Options. If a \$1 Purchase Option is designated, you will be deemed to have exercised your option to purchase the Equipment as of the Acceptance Date. If an FMV purchase option is designated, if you are not in default and if you provide no greater than 150 days and no less than 60 days' prior written notice to XFS, you may, at the end of the Initial Term or any renewal term ("End Date"), either (a) purchase all, but not less than all, of the Equipment by paying its fair market value, as determined by XFS in its sole but reasonable discretion ("Determined FMV"), plus Taxes, or (b) return the Equipment within 30 days of the End Date, at your expense, fully insured, to a continental US location XFS shall specify. You cannot return Equipment more than 30 days prior to the End Date without our consent. If we consent, we may charge you, in addition to all undiscounted amounts due hereunder, an early termination fee. If you have not elected one of the above options, this Agreement shall renew for successive 3-month terms. Either party may terminate the Agreement as of the end of any 3-month renewal term on 30 days' prior written notice and by taking one of the actions identified in (a) or (b) in the preceding sentence of this section. Any FMV purchase option shall be exercised with respect to each item of Equipment on the day immediately following the date of expiration of the Term of such item, and by the delivery at such time by you to XFS of payment, in form acceptable to XFS, of the amount of the applicable purchase price. Upon payment of the applicable amount, XFS shall transfer our interest in the Equipment to you on an "AS IS, WHERE IS," "WITH ALL FAULTS" basis, without representation or warranty of any kind.

6. Equipment Delivery and Maintenance. You should arrange with Supplier to have the Equipment delivered to you at the location(s) specified herein, and you agree to execute a Delivery & Acceptance Certificate at XFS's request (and confirm same via telephone and/or electronically) confirming when you have received, inspected and irrevocably accepted the Equipment, and authorize XFS to fund the Supplier for the Equipment. If you fail to accept the Equipment, you shall no longer have any obligations hereunder; however, you remain liable for any Equipment purchase order or other contract issued on your behalf directly with Supplier. Equipment may not be moved to another physical address without XFS's prior written consent, which shall not be unreasonably withheld or delayed. You agree that you will not take the Equipment out of service during the Term. You shall permit XFS or its agent to inspect Equipment and any maintenance records relating thereto during your normal business hours upon reasonable notice. You represent you have entered into a Maintenance Agreement to maintain the Equipment in good working order in accordance with the manufacturer's maintenance guidelines and to provide you with Equipment supplies. **You acknowledge that XFS is acting solely as an administrator for Supplier with respect to the billing and collecting of the charges under any Maintenance Agreement.** XFS IS NOT LIABLE FOR ANY BREACH BY SUPPLIER OF ANY OF ITS OBLIGATIONS TO YOU, NOR WILL ANY OF YOUR OBLIGATIONS HEREUNDER BE MODIFIED, RELEASED OR EXCUSED BY ANY ALLEGED BREACH BY SUPPLIER.

7. Equipment Ownership, Labeling and UCC Filing. If and to the extent a court deems this Agreement to be a security agreement under the UCC, and otherwise for precautionary purposes only, you grant XFS a first priority security interest in your interest in the Equipment as defined above in order to secure your performance hereunder. Unless a \$1 Purchase Option is applicable, XFS is and shall remain the sole owner of the Equipment, except the Software. You authorize XFS to file a UCC financing statement to show, and to do all other acts to protect, our interest in the Equipment. You agree to pay any filing fees and administrative costs for the filing of such financing statements. You agree to keep the Equipment free from any liens or encumbrances and to promptly notify XFS if there is any change in your organization such that a refiling or amendment to XFS's financing statement against you becomes necessary.

8. Equipment Return. If the Equipment is returned to XFS, it shall be in the same condition as when delivered to you, except for "ordinary wear and tear" and, if not in such condition, you will be liable for all expenses XFS incurs to return the Equipment to such condition. **IT IS SOLELY YOUR RESPONSIBILITY TO SECURE ANY SENSITIVE DATA AND PERMANENTLY DELETE SUCH DATA FROM THE INTERNAL MEDIA STORAGE PRIOR TO RETURNING THE EQUIPMENT TO XFS. YOU SHALL HOLD XFS HARMLESS FROM YOUR FAILURE TO SECURE AND PERMANENTLY DELETE ALL SUCH CUSTOMER DATA AS OUTLINED IN THIS SECTION.**

9. Assignment. YOU MAY NOT ASSIGN, SELL, PLEDGE, TRANSFER, SUBLEASE OR PART WITH POSSESSION OF THE EQUIPMENT, THIS AGREEMENT OR ANY OF YOUR RIGHTS OR OBLIGATIONS UNDER THIS AGREEMENT (COLLECTIVELY "ASSIGNMENT") WITHOUT XFS'S PRIOR WRITTEN CONSENT, WHICH SHALL NOT BE UNREASONABLY WITHHELD, BUT SUBJECT TO THE SOLE EXERCISE OF XFS'S REASONABLE CREDIT DISCRETION AND EXECUTION OF ANY NECESSARY ASSIGNMENT DOCUMENTATION. If XFS agrees to an Assignment, you agree to pay the applicable assignment fee and reimburse XFS for any costs we incur in connection with that Assignment, which in the aggregate shall not exceed \$250. XFS may sell, assign or transfer all or any part of the Equipment, this Agreement and/or any of our rights (but none of our obligations except for invoicing and tax administration) hereunder. XFS's assignee will have the same rights that we have to the extent assigned. YOU AGREE NOT TO ASSERT AGAINST SUCH ASSIGNEE ANY CLAIMS, DEFENSES, COUNTERCLAIMS, RECOUPMENTS, OR SET-OFFS THAT YOU MAY HAVE AGAINST XFS, and you agree to remit Payments to such Assignee if so designated. XFS agrees and acknowledges that any Assignment by us will not materially change your obligations hereunder.

10. Taxes. You will be responsible for, indemnify and hold XFS harmless from, all applicable taxes, fees or charges (including sales, use, personal property and transfer taxes (other than net income taxes), plus interest and penalties) assessed by any governmental entity on you, the Equipment, this Agreement, or the amounts payable hereunder (collectively, "Taxes"), which will be included in XFS's invoices to you unless you timely provide continuing proof of your tax exempt status. Regardless of your tax-exempt status, XFS reserves the right to pass through, and you agree to pay, any such Taxes that are actually assessed by the applicable State on XFS as lessor of the Equipment. For jurisdictions where certain taxes are calculated and paid at the time of agreement initiation, you authorize XFS to finance and adjust your Payment to include such Taxes over the Term. Unless and until XFS notifies you in writing to the contrary, the following shall apply to personal property taxes and returns. If an FMV purchase option is applicable, XFS will file all personal property tax returns covering the Equipment, pay the personal property taxes levied or assessed thereon, and collect from your account all personal property taxes on the Equipment. If a \$1 purchase option is applicable, you will file all personal property tax returns covering the Equipment, pay the personal property taxes levied or assessed thereon, and provide us proof thereof upon our request. XFS MAKES NO WARRANTY, EXPRESS OR IMPLIED, REGARDING THE TAX OR ACCOUNTING TREATMENT OF THIS AGREEMENT.

11. Equipment Warranty Information and Disclaimers. XFS HAS NO INVOLVEMENT IN THE DESIGN, MANUFACTURE, SALE, DELIVERY, INSTALLATION, USE OR MAINTENANCE OF THE EQUIPMENT. THEREFORE, XFS DISCLAIMS, AND YOU WAIVE SOLELY AGAINST XFS, ALL EQUIPMENT WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY, NON-INFRINGEMENT AND FITNESS FOR PARTICULAR PURPOSE, AND XFS MAKES NO REPRESENTATIONS WHATSOEVER, INCLUDING, BUT NOT LIMITED TO, THE EQUIPMENT'S SUITABILITY, FUNCTIONALITY, DURABILITY OR CONDITION. Since you have selected the Equipment and Supplier, you acknowledge that you are aware of the name of the manufacturer of each item of Equipment, Supplier's contact information, and agree that you will contact manufacturer and/or Supplier for a description of any warranty rights you may have under the Equipment supply contract, sales order, or otherwise. Provided you are not in default hereunder, XFS hereby assigns to you any Equipment warranty rights we may have against Supplier or manufacturer. If the Equipment is returned to XFS or you are in default, such rights are deemed reassigned by you to XFS. **IF THE EQUIPMENT IS NOT PROPERLY INSTALLED, DOES NOT OPERATE AS WARRANTED, BECOMES OBSOLETE, OR IS UNSATISFACTORY FOR ANY REASON WHATSOEVER, YOU SHALL MAKE ALL RELATED CLAIMS SOLELY AGAINST MANUFACTURER OR SUPPLIER AND NOT AGAINST XFS, AND YOU SHALL NEVERTHELESS CONTINUE TO PAY ALL PAYMENTS AND OTHER SUMS PAYABLE UNDER THIS AGREEMENT.**

12. Liability and Indemnification. XFS IS NOT RESPONSIBLE FOR ANY LOSSES, DAMAGES, EXPENSES OR INJURIES OF ANY KIND OR TYPE, INCLUDING, BUT NOT LIMITED TO, ANY SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES (COLLECTIVELY, "CLAIMS") TO YOU OR ANY THIRD PARTY CAUSED BY THE EQUIPMENT OR ITS USE. You assume the risk of liability for, and hereby agree to indemnify and hold safe and harmless, and covenant to defend, XFS, its employees, officers and agents from and against: (a) any and all Claims (including legal expenses of every kind and nature) arising out of the acceptance or rejection, ownership, leasing, possession, operation, use, return or other disposition of the Equipment; and (b) any and all loss or damage of or to the Equipment. Neither sentence in this Section shall apply to Claims arising directly and proximately from XFS's gross negligence or willful misconduct.

13. Default and Remedies. You will be in default hereunder if XFS does not receive any Payment within 10 days after its due date, or you breach any other material obligation hereunder or any other agreement with XFS. If you default, and such default continues for 10 days after XFS provides notice to you, XFS may, in addition to other remedies (including disabling or repossessing the Equipment and/or requesting Supplier to cease performing under the Maintenance Agreement), immediately require you to do one or more of the following: (a) as liquidated damages for loss of bargain and not as a penalty, pay the sum of (i) all amounts then past due, plus interest from the due date until paid at the rate of 1.5% per month; (ii) the Payments remaining in the Term (including the fixed maintenance component thereof, if permitted under the Maintenance Agreement), discounted at the Discount Rate to the date of default, (iii) the Equipment's booked residual, and (iv) Taxes; and (b) require you to return the Equipment as provided in Sections 5 and 8 hereof. You agree to pay all reasonable costs, including attorneys' fees and disbursements, incurred by XFS to enforce this Agreement.

14. Risk of Loss and Insurance. You assume and agree to bear the entire risk of loss, theft, destruction or other impairment of the Equipment upon delivery. You, at your own expense, (i) shall keep Equipment insured against loss or damage at a minimum of full replacement value thereof, and (ii) shall carry liability insurance against bodily injury, including death, and against property damage in the amount of at least \$2 million (collectively, "Required Insurance"). All such Equipment loss/damage insurance shall be with lender's loss payable to "XFS, its successors and/or assigns, as their interests may appear," and shall be with companies reasonably acceptable to XFS. XFS shall be named as an additional insured on all liability insurance policies. The Required Insurance shall provide for 30 days' prior notice to XFS of cancellation.

YOU MUST PROVIDE XFS OR OUR DESIGNEES WITH SATISFACTORY WRITTEN EVIDENCE OF REQUIRED INSURANCE WITHIN 30 DAYS OF THE ACCEPTANCE DATE AND ANY SUBSEQUENT WRITTEN REQUEST BY XFS OR OUR DESIGNEES. **IF YOU DO NOT DO SO, THEN IN LIEU OF OTHER REMEDIES FOR DEFAULT, XFS IN OUR DISCRETION AND AT OUR SOLE OPTION MAY (BUT IS NOT REQUIRED TO) OBTAIN INSURANCE FROM AN INSURER OF XFS'S CHOOSING, WHICH MAY BE AN XFS AFFILIATE, IN SUCH FORMS AND AMOUNTS AS XFS DEEMS REASONABLE TO PROTECT XFS'S INTERESTS (COLLECTIVELY "EQUIPMENT INSURANCE"). EQUIPMENT INSURANCE WILL COVER THE EQUIPMENT AND XFS; IT WILL NOT NAME YOU AS AN INSURED AND MAY NOT COVER ALL OF YOUR INTEREST IN THE EQUIPMENT AND WILL BE SUBJECT TO CANCELLATION AT ANY TIME. YOU AGREE TO PAY XFS PERIODIC CHARGES FOR EQUIPMENT INSURANCE (COLLECTIVELY "INSURANCE CHARGES") THAT INCLUDE: AN INSURANCE PREMIUM THAT MAY BE HIGHER THAN IF YOU MAINTAINED THE REQUIRED INSURANCE SEPARATELY; A FINANCE CHARGE OF UP TO 1.5% PER MONTH ON ANY ADVANCES MADE BY XFS OR OUR AGENTS; AND COMMISSIONS, BILLING AND PROCESSING FEES; ANY OR ALL OF WHICH MAY GENERATE A PROFIT TO XFS OR OUR AGENTS. XFS MAY ADD INSURANCE CHARGES TO EACH PAYMENT. XFS shall discontinue billing or debiting Insurance Charges for Equipment Insurance upon receipt and review of satisfactory evidence of Required Insurance.**

You must promptly notify XFS of any loss or damage to Equipment which makes any item of Equipment unfit for continued or repairable use. You hereby irrevocably appoint XFS as your attorney-in-fact to execute and endorse all checks or drafts in your name to collect under any such Required Insurance. Insurance proceeds from Required Insurance or Equipment Insurance received shall be applied, at XFS's option, to (x) restore the Equipment so that it is in the same condition as when delivered to you (normal wear and tear excepted), or (y) if the Equipment is not restorable, to replace it with like-kind condition Equipment from the same manufacturer, or (z) pay to XFS the greater of (i) the total unpaid Payments for the entire Term hereof (discounted to present value at the Discount Rate) plus, if an FMV purchase option is designated on the first page hereof, XFS's residual interest in such Equipment (herein agreed to be 20% of the Equipment's original cost to XFS) plus any other amounts due to XFS hereunder, or (ii) the Determined FMV immediately prior to the loss or damage. **NO LOSS OR DAMAGE TO EQUIPMENT, OR XFS'S RECEIPT AND APPLICATION OF INSURANCE PROCEEDS, SHALL RELIEVE YOU OF ANY OF YOUR REMAINING OBLIGATIONS UNDER THIS AGREEMENT.** Notwithstanding procurement of Equipment Insurance or Required Insurance, you remain primarily liable for performance under this Section in the event the applicable insurance carrier fails or refuses to pay any claim. **YOU AGREE (I) AT XFS'S SOLE ELECTION TO ARBITRATE ANY DISPUTE WITH XFS, OUR AGENTS OR ASSIGNS REGARDING THE EQUIPMENT INSURANCE UNDER THE RULES OF THE AMERICAN ARBITRATION ASSOCIATION IN FAIRFIELD COUNTY, CT, (II) THAT IF XFS MAKES THE FOREGOING ELECTION ARBITRATION (NOT A COURT) SHALL BE THE EXCLUSIVE REMEDY FOR SUCH DISPUTES; AND (III) THAT CLASS ARBITRATION IS NOT PERMITTED. This arbitration option does not apply to any other provision of this Agreement.**

15. Finance Lease and Customer Waivers. The parties agree this Agreement shall be construed as a "finance lease" under UCC Article 2A. Customer waives its rights as a lessee under UCC 2A sections 508-522.

16. Authorization of Signer and Credit Review. You represent that you may lawfully enter into, and perform, this Agreement, that the individual signing this Agreement on your behalf has all necessary authority to do so, and that all financial information you provide accurately represents your financial condition. You agree to furnish financial information that XFS may request now, including your Federal Tax ID, and you authorize XFS to obtain credit reports on you in the future should you default or fail to make prompt payments hereunder.

17. Original and Sole Controlling Document. No Modifications Unless in Writing. This Agreement constitutes the entire agreement between the Parties as to the subjects addressed herein, and representations or statements not included herein are not part of this Agreement and are not binding on the Parties. You agree that an executed copy of this Agreement that is signed by your authorized representative and by XFS's authorized representative (an original manual signature or such signature reproduced by means of a reliable electronic form, such as electronic transmission of a facsimile or electronic signature) shall be marked "original" by XFS and shall constitute the only original document for all purposes. To the extent this Agreement constitutes UCC chattel paper, no security interest in this Agreement may be created except by the possession or transfer of the copy marked "original" by XFS. IF A PURCHASE ORDER OR OTHER DOCUMENT IS ISSUED BY YOU, NONE OF ITS TERMS AND CONDITIONS SHALL BE BINDING ON XFS, AS THE TERMS AND CONDITIONS OF THIS AGREEMENT EXCLUSIVELY GOVERN THE TRANSACTION DOCUMENTED HEREIN. **SUPPLIER AND ITS REPRESENTATIVES ARE NOT OUR AGENTS AND ARE NOT AUTHORIZED TO MODIFY OR NEGOTIATE THE TERMS OF THIS AGREEMENT. THIS AGREEMENT MAY NOT BE AMENDED OR SUPPLEMENTED EXCEPT IN A WRITTEN AGREEMENT SIGNED BY AUTHORIZED REPRESENTATIVES OF THE PARTIES AND NO PROVISIONS CAN BE WAIVED EXCEPT IN A WRITING SIGNED BY XFS.** You authorize XFS to insert or correct missing information on this Agreement, including but not limited to your proper legal name, agreement/numbers, serial numbers and other Equipment information, so long as there is no material impact to your financial obligations.

18. Governing Law, Jurisdiction, Venue and JURY TRIAL WAIVER. THIS AGREEMENT IS GOVERNED BY, AND SHALL BE CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF CONNECTICUT. THE JURISDICTION AND VENUE OF ANY ACTION TO ENFORCE THIS AGREEMENT, OR OTHERWISE RELATING TO THIS AGREEMENT, SHALL BE IN A FEDERAL OR STATE COURT IN FAIRFIELD COUNTY, CONNECTICUT OR, EXCLUSIVELY AT XFS'S OPTION, IN ANY OTHER FEDERAL OR STATE COURT WHERE THE EQUIPMENT IS LOCATED OR WHERE XFS'S OR YOUR PRINCIPAL PLACES OF BUSINESS ARE LOCATED, AND YOU HEREBY WAIVE ANY RIGHT TO TRANSFER VENUE. **THE PARTIES HEREBY WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY ACTION RELATED TO OR ARISING OUT OF THIS AGREEMENT.**

19. Miscellaneous. Your obligations under the "Taxes" and "Liability" Sections commence upon execution, and survive the expiration or earlier termination, of this Agreement. Notices hereunder must be in writing. Notices to you will be sent to the "Billing Address" provided on the first page hereof, and notices to XFS shall be sent to our address provided on the first page hereof. Notices will be deemed given 5 days after mailing by first class mail or 2 days after sending by nationally recognized overnight courier. Invoices are not considered notices and are not governed by the notice terms hereof. You authorize XFS to communicate with you by any electronic means (including cellular phone, email, automatic dialing and recorded messages) using any phone number (including cellular) or electronic address you provide to us. If a court finds any term of this Agreement unenforceable, the remaining terms will remain in effect. The failure by either Party to exercise any right or remedy will not constitute a waiver of such right or remedy. If more than one party has signed this Agreement as Customer, each such party agrees that its liability is joint and several. The following four sentences control over every other part of this Agreement: Both Parties will comply with applicable laws. XFS will not charge or collect any amounts in excess of those allowed by applicable law. Any part of this Agreement that would, but for the last four sentences of this Section, be read under any circumstances to allow for a charge higher than that allowed under any applicable legal limit, is modified by this Section to limit the amounts chargeable hereunder to the maximum amount allowed under the legal limit. If, in any circumstances, any amount in excess of that allowed by law is charged or received, any such charge will be deemed limited by the amount legally allowed and any amount received by XFS in excess of that legally allowed will be applied by us to the payment of amounts legally owed hereunder or refunded to you.

PagePack™ Cost Per Print Agreement

THIS IS A LEGALLY
BINDING CONTRACT –

Agreement No: _____

Customer – Use EXACT registered name if a corp., LLC or LP Sample Company		Customer's Contact Person: Bill Sample		Contact Person's E-mail: bill@samplecompany.com	
Street 123 Main St		City Anytown	State CO	County	Zip Code 56789
				Customer's Telephone (222) 333-4444	

In this PagePack Cost Per Print Agreement, as it may be amended or supplemented from time to time (the "Agreement"), the words "You" and "Your" mean the Customer named above. "We," "Us" and "Our" mean Pahoda Image Products, an authorized Xerox PagePack Channel Partner. "Xerox" means Xerox Corporation. **The Agreement represents the final and only agreement between You and Us and may not be contradicted by evidence of prior, contemporaneous or subsequent oral agreements. The Agreement can be changed only by a written agreement between You and Us. Other agreements not stated herein (including, without limitation, those contained in any purchase agreement or order between You and Xerox) are not binding on Us.**

1. PAGEPACK EQUIPMENT. Under a separate written agreement, You have purchased or leased the office equipment listed below from Us, Xerox or a third party leasing company (together with all existing and future accessories, attachments, replacements and additions, the "Equipment"). You desire to enter into this Agreement for PagePack supplies and service (if applicable) for the Equipment. You promise to pay to Us the "Base Monthly Charge(s)" shown below each month, any excess print charges and all other amounts stated herein. This Agreement is binding on You as of the date You sign it and cannot be cancelled by You.

Equipment Description: <input type="checkbox"/> See Attached Schedule	PagePack Program *	Base Monthly Charge:	Black and White Prints (Duplex Prints = 2 Prints)		Color Prints** (Duplex Prints = 2 Prints)***	
			Number of Copies/Prints Included in Base Monthly Charge:	Cost For Each Additional Print:	Number of Copies/Prints Included in Base Monthly Charge:	Cost For Each Additional Print:
Xerox Copier 1234	PP <input checked="" type="checkbox"/>	\$15	0	.011	0	.069

* PP = Original PagePack; GA = PagePack Graphics Arts; NX = Non-Xerox brand device w/service; and NXT = Non-Xerox brand device w/o service
 ** Color Prints – If any color print is on a page, it counts as a color page. Note that grey scale images printed with the composite black setting on (the default setting on most devices) count as color pages because color consumables are used.
 ***Duplex Prints – Note that duplex prints counts as two (2) pages

Equipment Location (if different than Customer's address shown above):	
Term for PP and GA: <input type="checkbox"/> One year or <input type="checkbox"/> Two Years or <input type="checkbox"/> Three Years or <input type="checkbox"/> Four Years <input type="checkbox"/> Five Years	Commencement Date (start of Term):
<i>If blank, the Term shall be One year. Term for NX or NXT is One year.</i>	

THE TERMS OF THIS AGREEMENT ARE CONTINUED ON THE NEXT PAGE.

Accepted by [Pahoda Image Products]	Customer: Sample Company
By: _____ / _____ (Date)	By: X _____ Date: _____
	Print Name: _____ Title: _____

Credit Card Authorization
<i>Not required with ACH Authorization – Please notify us if ACH is preferred</i>
I agree to make my first payment through Zoho Books credit card system to keep my information private. I authorize Pahoda Image Products to use this card for future bills. In the event I choose to pay by check, I agree to be moved to credit card payments immediately if our company is 30 days past due more than twice
Signature/Date

2. TERM; TERMINATION AND RENEWAL *The term of this Agreement will begin on the date We accept and sign the Agreement (the “**Commencement Date**”) and will continue for the term shown above (“**Term**”). (Note the Term for NX or NXT devices is one year). We may terminate any unit of Equipment covered by this Agreement at the end of the Term if Xerox gives Us notice that such device is no longer supported by the PagePack Program. This Agreement will automatically renew for devices then supported by the PagePack Program for additional one-year terms unless either party provides the other party with written notice of non-renewal at least 45 days, but not more than 90 days, before the end of the existing term. Upon Your request, We will provide You with revised pricing for the renewal term within 90 days before the end of the existing term for the devices that will be supported at the time of renewal and will use reasonable efforts to notify you of the devices that are no longer supported by the PagePack Program. Early termination, not allowed as part of the standard contract, is acceptable if you pay a \$895, per device, “early termination fee”. This contract, and all billing for prints/copies, cannot be cancelled without this fee being paid and formal approval of cancellation (takes 14 days to approve). Will be billed at the standard contract rates. **All agreements will reflect a 0% price inflation per year for the life of the agreement.**

3. SUPPLIES AND SERVICE. Under this Agreement, We provide You with supplies and service as follows:

	Original PagePack	PagePack Graphic Arts	PagePack NX	PagePack NXT
Consumables Provided (“Consumables”)	Genuine Xerox consumables, including maintenance kits, imaging units, etc.	Genuine Xerox consumables, including maintenance kits, imaging units, etc.	Replacement toner cartridges and non-toner consumables (1)	Replacement toner only (2)
Service Included	Yes	Yes	Yes	No
Print Coverage	No limit	40% Total (10% per color)	No limit	No limit

(1) PagePack NX includes non-toner consumables (e.g. maintenance kits, imaging units, etc.) which may be provided by a Xerox service provider. (2) PagePack NXT does not include non-toner consumables (e.g. maintenance kits, imaging units, etc.).

You agree to use the Consumables provided under this Agreement only in the covered Equipment. You shall order Consumables only when needed. No “safety stock” of Consumables is permitted under this Agreement. **“Safety Stock” means more than one consumable item (e.g. toner cartridge) that is not installed in the device.** Xerox reserves the right to provide remanufactured or refurbished cartridges which will work as new. You agree to return any used cartridges or other used Consumables to Xerox per Xerox’s directions. Any use of Consumables in devices other than the Equipment constitutes a violation of this Agreement. Consumables are the property of Xerox until fully consumed by You in the Equipment. You shall return to Us all unused Consumables upon expiration or termination of this Agreement. We reserve the right to invoice You for any unused Consumables that are not returned at Our then established retail prices, plus shipping and handling charges. You acknowledge that Xerox reserves the right to audit Consumables orders and hold or deny shipments until the requests are validated. Shipping of consumables is included at no additional cost. You agree to order ALL Consumables through the PagePack password protected web portal during the Term of this Agreement. For PagePack Graphic Arts devices, if Your use of consumables exceeds 40% total coverage, We will notify You of excess Consumables usage and, at Our discretion, may charge You for excess Consumables at Our then established retail prices, plus shipping and handling charges, or increase pricing on Your PagePack Graphics Arts devices on a go forward basis. **You acknowledge that Xerox or a Xerox service provider will provide service for the Equipment pursuant to Xerox’s standard service agreement. The terms and conditions (including exclusions for accidents, misuse, abuse, unauthorized repair, unauthorized disassembly, etc.) of the applicable Equipment service agreement shall apply.** Upon Your request, We will provide You with a copy of any applicable Equipment service agreement. If You require service on Equipment during the Term, You may request service using the following methods: (x) placing a request using the PagePack web portal, (y) calling Xerox at 1-800-835-6100, or (z) contacting Us. You agree that: (a) You must separately purchase all supplies other than Consumables listed above, including, without limitation, paper, at Your own cost; (b) You must separately purchase Equipment service, parts or supplies required by Your negligence, misuse of the Equipment, failure to follow the Xerox’s suggested use instructions, or breach any warranty or service agreement provided by Xerox; and (c) We are a separate and independent company from Xerox and Xerox is NOT Our agent.

4. PRINT CHARGES; LATE FEES AND TAXES. Each month, You agree to pay Us, by the due date as set forth on Our invoice to You, all Base Monthly Charges, excess print charges and all other amounts due under this Agreement (including all applicable taxes). **You agree to pay the Base Monthly Charges each month even if You do not make the number of prints included with the Base Monthly Charge. You may not carry over a credit from any month during which You make fewer than the minimum number of prints.** If We do not receive a payment in full on or before its due date, You shall pay (i) a fee equal to the greater of 1.5% of the amount that is late or \$25, plus (ii) interest on the part of the payment that is late in the amount of 1.5% per month from the due date to the date paid. You are responsible for all taxes (including, without limitation, sales, use and personal property taxes, and excluding only taxes based on Our income), levies, assessments, license and registration fees and other governmental charges relating to this Agreement (collectively, “**Taxes**”). We may periodically bill You for, and You agree to promptly pay any Taxes. You authorize Us to pay any Taxes when and as they may become due, and You agree to reimburse Us promptly upon demand for the full amount (less any estimated amounts previously paid by You).

5. PAGEPACK ASSISTANT SOFTWARE. You agree (a) to install Xerox’s meter reading and Equipment device information software (including any updates, patches, or replacement software) (“**PagePack Assistant Software**”) on one or more of Your workstations that are connected to Your network so that meter reads and Equipment device information can be retrieved from the Equipment and transmitted via the Internet to Xerox, (b) to the end-user license agreement for such software, (c) to keep the workstations on which the software is installed powered on and connected to the Equipment via Your network at least five days a week and 6 hours a day, except during network outages and routine network maintenance, and (d) not to disable, disassemble, reverse engineer or otherwise interfere with the operation of the software. If Xerox fails to receive meter reads or device information on the Equipment, We will

give You notice that You are in breach of this Agreement. If You do not provide Xerox with meter readings within five (5) days of the date of Our request, then (i) We may estimate the number of prints used and invoice You accordingly, (ii) **We will charge a fee in the amount of \$75 per piece of Equipment that We do not receive meter readings for each month until We receive meter readings**, and (iii) We will adjust the estimated charge for excess prints upon receipt of actual meter readings. If You do not provide Xerox with meter readings within fifteen (15) days of the date of Our request, then We may terminate this Agreement by giving You written notice of such termination. **You acknowledge that if You do not provide meter readings that Xerox will not be able to provide You with Consumables and the Equipment may not function or produce prints. You also acknowledge that the PagePack Assistant Software will send meter reads and other information on all of your networked print devices automatically to Xerox from time to time.**

6. LOCATION AND USE OF EQUIPMENT. You shall give Us at least 15 days prior written notice before moving the Equipment from the location set forth above to a different location. The notice must include the mailing address of the new location so that Consumables are sent to the new location. You shall not sell or otherwise transfer any rights in the Equipment unless You first get Our permission. You shall use the Equipment in accordance with all laws, operating manuals and Xerox service agreements.

7. NO WARRANTIES; LIMITATION OF LIABILITY. THE ONLY WARRANTIES MADE WITH RESPECT TO THE EQUIPMENT IS BY XEROX AS SET FORTH IN THE APPLICABLE XEROX SERVICE AGREEMENT. ANY WARRANTY STATEMENT INCLUDED WITH THE EQUIPMENT IS SUPERSEDED BY THE APPLICABLE SERVICE AGREEMENT. WE HAVE NOT MADE AND HEREBY DISCLAIM ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, ARISING BY APPLICABLE LAW OR OTHERWISE, INCLUDING WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. Our liability to You for any cause whatsoever shall be limited to amounts paid by You to Us under this Agreement. This limitation shall apply regardless of the form of action, whether contract or tort, including without limitation negligence actions, provided, however, that this limitation shall not apply to damages resulting from personal injury caused by Our negligence. In no event shall We be liable to You for any special, indirect, incidental, consequential, exemplary or punitive damages in any way arising out of or relating to this Agreement. You agree to Indemnify Pahoda Image Products in a situation where market factors make it so we are unable to continue maintenance of products at the rates listed. In a case where the market changes and requires a change in agreement, client is not bound to accept the new agreement alternative and may seek out other options without any penalty to themselves. The only liability would be for the existing prints made and supplies on the shelf would be required to be returned.

8. LOSS AND DAMAGE. You shall bear the risk of loss and damage to the Equipment and shall continue performing all Your obligations to Us even if it becomes damaged or suffers a loss.

9. ASSIGNMENT. YOU SHALL NOT SELL, ASSIGN, OR OTHERWISE TRANSFER (collectively, "TRANSFER") THIS AGREEMENT, IN WHOLE OR IN PART, WITHOUT THE PRIOR WRITTEN CONSENT OF US AND XEROX. Any attempted assignment or delegation without the prior written consent of Us and Xerox shall be void. Although Xerox is not a party to this Agreement, Xerox is a third party beneficiary of this Agreement. You acknowledge that We may, without notice to You, Transfer this Agreement to Xerox or a third party reseller of Xerox products. In the event that your business is sold, a new contract will be established under the discretion and mutual approval of both us and the new owners. If mutual agreement of a new contract is not reached, all outstanding invoice balances must be paid by you; AND all base payments owed through the end of the contract, OR, a one time fee of \$199 (whichever is less), will also be due before ownership is transferred.

10. DEFAULT. You will be in default hereunder if You fail to pay any amount within 15 days of the due date as set forth in an invoice from Us to You or if You fail to perform any other obligation under this Agreement. If You default, We may do any or all of the following, at Our option: (a) terminate this Agreement, (b) require You to pay to Us, on demand, an amount equal to the sum of (i) all amounts then due and past due, (ii) all remaining Base Monthly Charges for the Term and (iii) all other amounts that may thereafter become due hereunder to the extent that We will be obligated to collect and pay such amounts to a third party, and/or (c) exercise any other remedy available to Us under law. You also agree to reimburse Us on demand for all reasonable expenses of enforcement (including, without limitation, reasonable attorneys' fees and other legal costs).

11. NOTICES. Notices must be in writing and will be deemed given five (5) days after mailing, or two (2) days after sending by nationally recognized overnight courier, to the other party's business address, or to such other address designated by either party to the other by written notice given pursuant to this sentence.

12. APPLICABLE LAW; VENUE; JURISDICTION. Any action related to this Agreement shall be governed by the laws of Denver, CO without regard to choice of law principles, and any litigation hereunder shall take place in the state or federal courts located in Denver, CO. Each term hereof shall be interpreted to the maximum extent possible so as to be enforceable under applicable law.

13. MISCELLANEOUS. This Agreement may be executed in counterparts, all of which together shall constitute the same document. You agree that a facsimile or other copy containing the signatures of both parties shall be as enforceable as the original executed Agreement. The failure of either party to enforce at any time any provision of this Agreement shall not be construed to be a waiver of such provision or the right thereafter to enforce each and every provision hereof. No waiver by either party, either express or implied, or any breach of these terms or conditions shall be construed as a waiver of any other term or condition. The provisions of this Agreement that by their nature continue in effect shall survive the termination or expiration of this Agreement. **You hereby represent to Us that this Agreement is legally binding and enforceable against You in accordance with its terms.**

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