

MODIFICATION

State of Maine**Master Agreement****Effective Date:** 06/08/16**Expiration Date:** 12/31/19**Master Agreement Description:** Canon Copiers, Printers and Related Devices (NASPO VP)**Buyer Information**

Justin Franzose 207-624-7337 ext. justin.franzose@maine.gov

Issuer Information

THERESA LABRECQUE 207-287-3991 ext. Theresa.LaBrecque@maine.gov

Requestor Information

Grace Fecteau 207-287-4257 ext. grace.fecteau@maine.gov

Authorized Departments

ALL

Vendor Information**Vendor Line #:** 1**Vendor ID**

VC1000012205

Vendor Name

CANON USA INC

Alias/DBA**Vendor Address Information**

4100 N FAIRFAX DRIVE SUITE 200

ARLINGTON, VA 22203

US

Vendor Contact Information

DAVE ROTHUSER

631-330-5443 ext.

isgbidadmin@cusa.canon.com

Commodity Information

Vendor Line #: 1

Vendor Name: CANON USA INC

Commodity Line #: 1

Commodity Code: 60072

Commodity Description: Canon Copiers, Printers and Related Devices (NASPO VP)

Commodity Specifications: WSCA-NASPO Contract # 3091 Website for NASPO master agreement and product lists (see group pricing documents): <https://www.naspo.valuepoint.org/portfolio/copiers-printers/canon/>

Commodity Extended Description: This Master Agreement is available for any state department or public entity to participate in. Delivery Orders for specific agreements will be submitted to this MA, including Copy Center agreements. Canon Solutions America is a wholly owned subsidiary of Canon USA and is allowed to take orders under this NASPO agreement. For quotes and invoices from Canon Solutions America that are subject to this NASPO agreement, please submit POs for invoices and quotes that are less than \$5,000. For invoices and quotes that are more than \$5,000, please submit a requisition, so that a buyer purchase order can be submitted to allow payment of the invoices. The POs and requisitions should include VC0000204468 for Canon Solutions America.

Quantity 0.00000	UOM	Unit Price \$0.00
Delivery Days	Free on Board	
Contract Amount \$0.00	Service Start Date 06/08/16	Service End Date 12/31/19
Catalog Name	Discount 0.0000 %	
	Discount Start Date	Discount End Date

Commodity Information

Vendor Line #: 1

Vendor Name: CANON USA INC

Commodity Line #: 2

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Commodity Extended Description: This Master Agreement is available for any state department or public entity to participate in. Delivery Orders for specific agreements will be submitted to this MA, including Copy Center agreements. Canon Solutions America is a wholly owned subsidiary of Canon USA and is allowed to take orders under this NASPO agreement. For quotes and invoices from Canon Solutions America that are subject to this NASPO agreement, please submit POs for invoices and quotes that are less than \$5,000. For invoices and quotes that are more than \$5,000, please submit a requisition, so that a buyer purchase order can be submitted to allow payment of the invoices. The POs and requisitions should include VC0000204468 for Canon Solutions America.

Quantity

0.00000

UOM

Free on Board

Unit Price

\$0.00

Delivery Days**Contract Amount**

\$0.00

Service Start Date**Service End Date****Catalog Name**

Canon

Discount

0.0000 %

Discount Start Date

06/08/16

Discount End Date

12/31/19

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

MASTER AGREEMENT
Canon USA, Inc
Nevada RFP 3091
(hereinafter "Contractor")

And

State of Maine
(hereinafter "Participating State")

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

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

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

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

3. Participating State Modifications or Additions to Master Agreement:

(These modifications or additions apply only to actions and relationships within the Participating Entity.)

i. **EQUAL EMPLOYMENT OPPORTUNITY.** During the performance of this contract, the Contractor agrees as follows.

A. The Contractor will not discriminate against any employee or applicant for employment because of race, color, religious creed, sex, national origin, ancestry, age, physical or mental disability, or sexual orientation, unless related to a bona fide occupational qualification. The Contractor shall take affirmative action to ensure that applicants are employed and employees are treated during their employment, without regard to their race, color, religion, sex, age, national origin, physical or mental disability, or sexual orientation.

Such action shall include, but not be limited to, the following: employment, upgrading, demotions, transfers, recruitment or recruitment advertising; layoffs or terminations; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

B. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive

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consideration for employment without regard to race, color, religious creed, sex, national origin, ancestry, age, physical or mental disability, or sexual orientation.

C. The Contractor will send to each labor union or representative of the workers with which he has a collective or bargaining agreement, or other contract or understanding, whereby he is furnished with labor for the performances of his contract, a notice, to be provided by the contracting department or agency, advising the said labor union or workers' representative of the Contractor's commitment under this section and shall post copies of the notice in conspicuous places available to employees and to applicants for employment.

D. The Contractor will cause the foregoing provisions to be inserted in all contracts for any work covered by this agreement so that such provisions will be binding upon each subcontractor.

E. Contractors and subcontractors with contracts in excess of \$50,000 will also pursue in good faith affirmative action programs.

ii. **GOVERNING LAW** This Agreement shall be governed in all respects by the laws, statutes, and regulations of the United States of America and of the State of Maine. Any legal proceeding against the State regarding this Agreement shall be brought in State of Maine administrative or judicial forums. The Contractor consents to personal jurisdiction in the State of Maine.

iii. **STATE HELD HARMLESS** The contractor shall release, protect, indemnify and hold the Participating State and their officers, agencies, employees, harmless from and against any damage, cost or liability, including reasonable attorney's fees for any or all injuries to persons, property or claims for money damages ("Claim") to the extent resulting from the negligent or wilful acts or omissions of the contractor, his employees or subcontractors or volunteers; and provided that the Participating State provides contractor (i) prompt written notice of any Claim; (ii) sole control of the defense of a Claim; and (iii) reasonable cooperation to the extent requested by contractor in defending a Claim.

iv. **NON-APPROPRIATION** Notwithstanding any other provision of this Agreement, if the State does not receive sufficient funds to fund this Agreement and other obligations of the State, if funds are de-appropriated, or if the State does not receive legal authority to expend funds from the Maine State Legislature or Maine courts, then the State is not obligated to make payment under this Agreement.

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- v. With respect to 3.7.4 of the Master Agreement, Contractor can provide Customer with specific options to enhance data security in addition to the 3-pass overwrite feature that will be included with the equipment at no additional charge. Some of these options are at an additional cost, including hard drive removal under Section 5.4.6 of the Master Agreement. Customer is responsible for choosing what, if any, options it wants Contractor to provide beyond the 3-pass overwrite, including whatever erasure standards may be required by applicable law.
- vi. The notification requirements of Section 5.4.7.2 of the Master Agreement, "Special Promotions," shall apply exclusively to Contractor in the event Contractor provides special promotion or pricing as a supplement to the applicable Attachment I Price Schedule.
- vii. Notwithstanding the warranty provisions set forth in Sections 11.4.1 and 11.4.2 of the Master Agreement, the State and Participating Entities shall instead be entitled to the benefits of the generally available Canon warranty (or, in the case of third party products, the manufacturer's or developer's warranty), as applicable, for the hardware and software, including all warranty remedies.
- viii. Under Section 11.4.2.3 of the Master Agreement, "Infringement Indemnity," and Section 14.b. of Attachment D to the Master Agreement (WSCA-NASPO Master Agreement Terms and Conditions), "Indemnification-Intellectual Property," Contractor's indemnification obligations for infringement apply exclusively with respect to a claimant's United States Intellectual Property rights and Canon or Océ brand manufactured equipment furnished hereunder.
- ix. For the avoidance of doubt, Participating State acknowledges that the "work for hire" provision in Section 19 of Appendix D to the Master Agreement, "Pre-Existing Intellectual Property," does not apply to the Equipment and Services furnished under the Agreement.
- x. In no event shall Contractor, its Authorized Dealers, or the Participating State, including Participating Entities, be liable under this Participating Addendum for any

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special, incidental, consequential or indirect damages of any kind, regardless of whether such party knew or should have known of the possibility of such damages.

4. Leases

Leases will be provided to Purchasers under this Participating Addendum from Canon USA's subsidiary, Canon Financial Services, Inc. ("CFS"), pursuant to the lease terms set forth in the Master Agreement, this Participating Addendum, and Attachment A ("Lease"). To initiate a lease, Purchaser may issue an Order and reference the type of Lease Agreement on the Order, and such Order may be issued directly to CFS or may be issued to a Canon Authorized Dealer, in which case, the Authorized Dealer will assign the Order to CFS. Notwithstanding anything to the contrary in this Participating Addendum, in the event of a conflict between an executed Lease and this Agreement, the terms of the Lease Agreement will supersede and control. Each Order for leasing issued prior to the termination of this Participating Addendum shall survive the termination of this Participating Addendum for any reason whatsoever, and each Order to the extent for leasing shall be non-cancellable except to the extent if at all as provided in the Master Agreement, this Participating Addendum and its Attachments.

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

Contractor

Name	Canon USA, Dave Rothausser, Sr. Bid & Contract Specialist
Address	1 Canon Park, Melville, NY 11747
Telephone	631-330-5443
Fax	631-330-5459
E-mail	isgbidadmin@cusa.canon.com

Participating Entity – Contract Grant Specialist

Name	Justin Franzose
Address	111 Sewall St, SHS #9, Augusta, ME 04333-0009
Telephone	207-624-7337
Fax	207-287-6578
E-mail	Justin.Franzose@maine.gov

Participating Entity – Procurement Manager

Name	Terry Demerchant
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Address	111 Sewall St, SHS #9, Augusta, ME 04333-0009
Telephone	207-624-7334
Fax	207-287-6678
E-mail	Terry.Demerchant@maine.gov

6. Authorized Dealers:

All Canon USA authorized dealers in the State of Maine, as shown on the dedicated Canon USA (cooperative contract) website ("Authorized Dealers"), are approved to accept orders from Participating Entities for the sale of Goods and the performance of Services under the Master Agreement and this Participating Addendum and, with respect to all orders accepted by an Authorized Dealer, shall have all of the rights and obligations of "Contractor" under the Master Agreement and this Participating Addendum, including sole responsibility for fulfilling such orders. Charges for orders may be invoiced individually by each Authorized Dealer to its purchasing entities. In the event of any disputes between an Authorized Dealer and a Purchaser, Canon USA shall investigate, shall consult with Participating State and the Purchasing Entity as appropriate, and shall use commercially reasonable efforts to resolve the dispute.

7. Purchase Order Instructions:

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

8. Price Agreement Number:

All purchase orders issued by purchasing entities within the jurisdiction of this participating addendum shall include the Participating State contract number: **MA 18P 1604270000000000169** and the Lead State price agreement number: 3091.

9. Individual Customer:

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

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recover any costs allowed in the contract for their purchases. The Contractor will apply the charges to each Participating Entity individually.

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

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

Participating State: Maine	Contractor: Canon U.S.A., INC.
By: 	By: 
Name: Terry DeMerchant	Name: Shinichi Yoshida
Title: Procurement Analyst Manager	Title: Executive V.P. + G.M., BISC
Date: 12/14/18	Date: 12/12/18

[Additional signatures as required by Participating State]

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

NASPO ValuePoint COOPERATIVE PURCHASING ORGANIZATION

Name	Shannon Berry, Cooperative Development Coordinator
Telephone	775-720-3404
E-mail	sberry@naspovaluepoint.org

**[Fully executed PDF copy of this document should be emailed to
PA@naspovaluepoint.org to support documentation of participation
and posting in appropriate data bases]**

LEASE TERMS AND CONDITIONS

These Terms and Conditions are an Attachment to the Participating Addendum (Statewide Contract MA 18P 1604270000000000169) between Canon U.S.A., Inc. (referred to herein as "Contractor"), and The State of Maine, Division of Purchases which was made pursuant to the Master Agreement, arising out of the WSCA/NASPO RFP #3091 issued by the State of Nevada, between Canon U.S.A., Inc., and the State of Nevada for Copiers, Printers & Related Devices. The aforementioned Participating Addendum and the WSCA/NASPO Master Agreement above together shall be referred to herein as the "Maine Agreement." Terms defined in the Maine Agreement will have that same meaning when used herein, unless these Lease Terms and Conditions specifically provide for a different meaning. The term "Customer," when used in this Agreement is synonymous with the term "Eligible Entities" for purposes of the Maine Agreement, and the "Equipment" when used herein is synonymous with the term "products" for purposes of the Maine Agreement.

This Agreement sets forth the terms and conditions under which Contractor will lease equipment to Eligible Entities, which will be provided under lease agreements, each of which is formed by Contractor or Authorized Dealer's acceptance of a Purchase Order for a lease issued by an Authorized Purchaser under the Maine Agreement. Each such Purchase Order shall specify that such Authorized Purchaser is utilizing the lease option under the Maine Agreement. Each such lease contract (referred to in the Terms and Conditions below as "this Agreement") is a separate contract, distinct from all other lease contracts entered into under the Maine Agreement. By issuing a Purchase Order for a Lease, a Customer acknowledges that (a) Contractor/Authorized Dealer will assign the lease payments associated therewith to Canon Financial Services, Inc. ("CFS") and hereby consents to such assignment; and (b) except as specifically referenced herein or is otherwise mutually agreed to by the parties, any terms or conditions set forth in such Purchase Order shall be of no force or effect, and shall not vary or add to the terms and conditions set forth below.

1. AGREEMENT PAYMENTS: Customer agrees to pay to Contractor or Authorized Dealer, as invoiced, during the term of this Agreement, (a) the number and amount of payments specified on the Purchase Order and (b) such other amounts permitted hereunder as invoiced (all such amounts, the "Payments").

2. APPLICATION OF PAYMENTS: All Payments received by Contractor or Authorized Dealer from Customer under this Agreement will be applied to amounts due and payable hereunder chronologically, based on the date of Contractor or Authorized Dealer's charge shown on the invoice for each such amount and among amounts having the same date in such order as Contractor, in its discretion, may determine.

3. TERM OF AGREEMENT: The term of this Agreement shall commence on the date the Customer accepts the Equipment as specified in this Agreement. The term of this Agreement shall end, unless sooner terminated (i) by Contractor after an event of default or (ii) pursuant to Paragraph 4 (Fiscal Funding), when all amounts required to be paid by Customer under this Agreement have been paid in full. Except as set forth herein, Customer has no right to return the Equipment to Contractor.

4. FISCAL FUNDING: The Customer warrants that it has funds available to pay Payments payable pursuant to this Agreement until the end of its current appropriation period and warrants that it presently intends to make Payments in each appropriation period from now until the end of this Agreement. If such legislative body or funding authority does not appropriate funds to be paid to Contractor for the Equipment, Customer may, upon prior written notice to Contractor, effective upon the exhaustion of the funding authorized for the then current appropriation period, return the Equipment to Contractor, at Customer's expense and in accordance with this Agreement, and thereupon, Customer shall be released of its obligation to make Payments to Contractor due thereafter and title in the Equipment shall be vested in Contractor, provided: (1) the Equipment is returned to Contractor as provided for in the Agreement; (2) the above described notice states the failure of the legislative body or funding authority to appropriate the necessary funds as the reason for cancellation; and (3) such notice is accompanied by payment of all amounts then due to Contractor under this Agreement; and (4) Customer executes a bill of sale and other documents requested by Contractor to evidence the return of title in the Equipment to Contractor if applicable. In the event Customer returns the Equipment pursuant to the terms of this Agreement, Contractor shall retain all sums paid by Customer. Customer's Payment obligations under this Agreement in any fiscal year shall constitute a current expense of Customer for such fiscal year, and shall not constitute indebtedness or a multiple fiscal year obligation of Customer under Customer's state constitution, state law or home rule charter. Nothing in this Agreement shall constitute a pledge by Customer of any taxes or other monies, other than as appropriated for a specific fiscal year for this Agreement and the Equipment. Such non-appropriation provisions included in this Section 4 do not apply to the extent a Customer is not an instrumentality of the State of Maine.

5. ACCEPTANCE; DELIVERY: Customer's confirmation of its acceptance of the Equipment, shall conclusively establish that the Equipment has been delivered to and accepted by Customer for all purposes of this Agreement and Customer may not for any reason revoke that acceptance; however, if Customer has not, within ten (10) days after delivery of the Equipment, delivered to Contractor written notice of non-acceptance of any of the Equipment, specifying the reasons therefore and specifically referencing this Agreement, Customer shall be deemed to have irrevocably accepted the Equipment. Contractor is the lessor and Customer is the lessee of the Equipment under this Agreement. Customer agrees that any delay in delivery of the Equipment shall not affect the validity of this Agreement.

6. LOCATION; LIENS; NAMES; OFFICES: Customer shall not move the Equipment from the location specified herein except with the prior written consent of CFS. Customer agrees that it will keep the Equipment free and clear of all claims and liens other than those created as a result of this Agreement. Customer's legal name (as set forth in its constituent documents filed with the appropriate governmental office or agency) is set forth herein. Upon request, Customer will deliver to CFS certified constituent documents. The chief executive office of Customer is located at the address set forth herein. Customer will not change its name or the location of its chief executive office unless CFS has been given at least 30 days prior written notice thereof and Customer has executed and delivered to CFS such financing statements and other instruments required or appropriate.

7. USE; FINANCING STATEMENTS: Customer shall comply with all laws or regulations relating to the use or maintenance of the Equipment. Customer shall put the Equipment only to the use contemplated by the manufacturer of such Equipment. Customer authorizes Contractor (and any third party

filing service designated by Contractor) to execute and file, (a) financing statements evidencing the interest of Contractor in the Equipment, (b) continuation statements in respect thereof, and (c) amendments (including forms containing a broader description of the Equipment than the description set forth herein) and Customer irrevocably waives any right to notice thereof.

8. MAINTENANCE; ALTERATIONS: Customer will keep and maintain the Equipment in good working order and shall, at Customer's expense, supply and install all replacement parts and accessories when required to maintain the Equipment in good working condition. Customer shall not, without the prior written consent of Contractor, make any changes or substitutions to the Equipment. Any and all replacement parts, accessories, authorized changes and/or substitutions for the Equipment shall become part of the Equipment and subject to the terms of this Agreement.

9. LOSS; DAMAGE: Customer assumes and shall bear the entire risk of loss, theft of, or damage to the Equipment from any cause whatsoever, effective upon delivery to Customer. No such loss, theft or damage shall relieve Customer of any obligation under this Agreement. In the event of damage to any item of Equipment, Customer shall immediately repair such damage at Customer's expense. If any item of Equipment is lost, stolen, or damaged beyond repair, Customer, at the option of CFS, will (a) replace the same with like equipment in a condition acceptable to CFS and convey clear title to such equipment to CFS (such equipment will become "Equipment" subject to the terms of this Agreement), or (b) pay CFS the Remaining Lease Balance. Upon CFS' receipt of the Remaining Lease Balance, Customer shall be entitled to whatever interest CFS may have in the Equipment, in its then condition and location, without warranties of any kind.

10. DEFAULT: Any of the following events or conditions shall constitute an Event of Default under this Agreement: (a) if Customer defaults in the payment when due arising under this Agreement; (b) if Customer or any Guarantor ceases doing business as a going concern; (c) if Customer or any Guarantor becomes insolvent or makes an assignment for the benefit of creditors; (d) if a petition or proceeding is filed by or against Customer or any Guarantor under any bankruptcy or insolvency law; (e) if a receiver, trustee, conservator, or liquidator is appointed for Customer, any Guarantor, or any of their property; or (f) if any statement, representation or warranty made by Customer or any Guarantor to Contractor is incorrect in any material respect. Customer shall be afforded a 15 day cure period after notice of default from Contractor to cure the Event of Default.

11. REMEDIES: Upon the happening of any one or more Events of Default, Contractor shall have the right to exercise any one or all of the following remedies (which shall be cumulative), simultaneously, or serially, and in any order: (a) to declare all unpaid Payments and other amounts due and payable under this Agreement, with Contractor retaining title to the Equipment; (b) to terminate this Agreement with Customer; (c) with reasonable notice, but without demand or legal process, to retake possession of any or all of the Equipment (and Customer authorizes and empowers Contractor to enter upon the premises during normal business hours wherever the Equipment may be found) and (i) retain such Equipment and all Payments and other sums paid under this Agreement, or (ii) re-lease the Equipment and recover from Customer the amount by which the Remaining Lease Balance exceeds the value attributed to the Equipment by Contractor for purposes of calculating the payment under the new Agreement, or (iii) sell the Equipment and recover from Customer the amount by which the Remaining Lease Balance exceeds the net amount received by Contractor from such sale; or (d) to pursue any other remedy permitted at law or in equity. Notwithstanding the foregoing, upon payment of such fees as are

authorized by MA 18P 1604270000000000169, Lessee shall be relieved of any and all further liability or any damages of any kind resulting solely from early termination of the lease. Contractor (i) may dispose of the Equipment in its then present condition or following such preparation and processing as Contractor deems commercially reasonable; (ii) shall have no duty to prepare the Equipment prior to sale; (iii) may disclaim warranties of title, possession, quiet enjoyment and the like; and (iv) may comply with any applicable state or federal law requirements in connection with a disposition of the Equipment and none of the foregoing actions shall be deemed to adversely affect the commercial reasonableness of the disposition of the Equipment. In the event the Equipment is not available for sale, the Customer shall be liable for the Remaining Lease Balance and any other amounts due under this Agreement. If the proceeds of the sale or re-leasing of the Equipment are not sufficient to pay the balance of any Payments owed by Customer during its then-current appropriation period, Contractor may take any other remedy available at law or in equity to require Customer to pay such Payments and perform any of its other obligations under this Agreement.

12. LATE CHARGES; EXPENSES OF ENFORCEMENT: If Customer fails to pay any sum to be paid by Customer to Contractor under this Agreement on or before the applicable due date, Contractor may assess late charges calculated under applicable Maine regulations at the then current interest rate established by the Office of the State Comptroller for each billing period or portion of a billing period such Payment is delayed to the extent permitted by law. The amounts specified above shall be paid as liquidated damages and as compensation for Contractor's internal operating expenses incurred in connection with such late payment.

13. ASSIGNMENT: CUSTOMER SHALL NOT ASSIGN OR PLEDGE THIS AGREEMENT IN WHOLE OR IN PART TO A NON-STATE AGENCY OR NON-GOVERNMENTAL OFFICE, NOR SHALL CUSTOMER SUBLET OR LEND ANY ITEM OF EQUIPMENT WITHOUT THE PRIOR WRITTEN CONSENT OF CONTRACTOR. Upon receipt of written consent by the State, Contractor may pledge or transfer this Agreement. Customer agrees that if Contractor transfers this Agreement, the new owner will have the same rights and benefits that Contractor has now and will not have to perform any of Contractor's obligations which Contractor will continue to perform. If Customer is given notice of any such transfer, Customer agrees, if so directed therein, to pay directly to the new owner all or any part of the amounts payable hereunder.

14. RENEWAL; RETURN: In order for this Lease Agreement to be renewed, the Agreement must be renewed in writing by Customer. No lease shall extend more than 60 months beyond the final termination date of the Maine Agreement and no new leases may be agreed to after such Agreement has expired. Customer shall, at the termination of this Agreement, or upon termination of the lease of any item of Equipment as described in the Fiscal Funding provision hereof, return such Equipment at its sole cost and expense in good operating condition, ordinary wear and tear resulting from proper use excepted, to a location specified by Contractor. If for any reason Customer shall fail to return the Equipment to Contractor as provided in this Agreement by the last day of the applicable term, Customer shall pay to Contractor upon demand one billing period's Payment for each billing period or portion thereof that such delivery is delayed.

15. DATA: Customer acknowledges that the hard drive(s) on the Equipment, including attached devices, may retain images, content or other data that Customer may store for purposes of normal

operation of the Equipment ("Data"). Customer acknowledges that Contractor is not storing Data on behalf of Customer and has no access to the Data absent breach by Customer of its obligations under this Paragraph 18. Contractor will make a good faith effort to erase or overwrite Data on returned equipment, but Contractor has no obligation to erase or overwrite Data upon Customer's return of the Equipment to Contractor. As between Contractor and Customer, Customer is solely responsible for: (i) its compliance with applicable law and legal requirements pertaining to data privacy, storage, security, retention and protection; and (ii) all decisions related to erasing or overwriting Data. Without limiting the foregoing, Customer should, prior to return or other disposition of the Equipment, utilize 3-pass overwrite of data which is available from Contractor under the Maine Agreement or, if Customer has higher security requirements, Customer may purchase from Contractor an appropriate option for the Equipment, which may include (a) an HDD Data Encryption Kit option which disguises information before it is written to the hard drive using encryption algorithms, or (b) a replacement hard drive (in which case the Customer should properly destroy the replaced hard drive). This section survives termination or expiration of this Agreement.

16. WARRANTY OF BUSINESS PURPOSE: Customer represents and warrants that the Equipment will not be used for personal, family, or household purposes.

17. PERSONAL PROPERTY: The Equipment shall remain personal property regardless of whether it becomes affixed to real property or permanently rests upon any real property or any improvement to real property.

18. MAXIMUM INTEREST; RECHARACTERIZED AGREEMENT: No Payment is intended to exceed the maximum amount of time price differential or interest, as applicable, permitted to be charged or collected by applicable laws, and any such excess Payment will be applied to payments due under this Agreement, in inverse order of maturity, and thereafter shall be refunded. If this Agreement is recharacterized as a conditional sale or loan, Customer hereby grants to Contractor, its successors and assigns, a security interest in the Equipment to secure payment and performance of Customer's obligations under this Agreement.

19. UCC - ARTICLE 2A: CUSTOMER ACKNOWLEDGES AND AGREES THAT THIS AGREEMENT IS INTENDED AS A "FINANCE LEASE" AS THAT TERM IS DEFINED IN ARTICLE 2A OF THE UNIFORM COMMERCIAL CODE AND THAT CONTRACTOR IS ENTITLED TO ALL BENEFITS, PRIVILEGES AND PROTECTIONS OF A LESSOR UNDER A FINANCE LEASE TO THE EXTENT NOT EXPRESSLY WAIVED IN MA 18P 1604270000000000169.

20. WAIVER OF OFFSET: This Agreement is a net lease. If the Equipment is not properly installed, does not operate as represented or warranted, or is unsatisfactory for any reason, Customer shall make such claim solely against the supplier, dealer, or manufacturer. Customer waives any and all existing and future claims and offsets against any Payments or other charges due under this Agreement, and unconditionally agrees to pay such Payments and other charges, regardless of any offset or claim which may be asserted by Customer or on its behalf.

21. NOTICES: All notices required or permitted under this Agreement shall be sufficient if delivered personally in writing, sent via facsimile or other electronic transmission, or mailed to such party

at the address set forth in this Agreement, or at such other address as such party may designate in writing from time to time. Any notice shall be effective after it has been received via U.S. Mail, express delivery, facsimile or other electronic transmission.

22. AUTHORITY AND AUTHORIZATION: Customer represents and agrees that (a) Customer is an Eligible Entity as outlined in Section 2 of the Maine Agreement; (b) that entering into and performance of the Agreement is authorized under Customer's state laws and Constitution and does not violate or contradict any judgment, law, order, or regulation, or cause any default under any agreement to which Customer is party; and (c) Customer has complied with any bidding requirements and, where necessary, has properly presented this Agreement for approval and adoption as a valid obligation on Customer's part.

23. ELECTRONIC ACCEPTANCE: Unless otherwise agreed to by the parties, Customer agrees that Contractor may accept a facsimile or other electronic transmission of the Purchase Order for the lease of the Equipment under this Agreement or any MA 18P 1604270000000000169 PO Form as an original, and that facsimile or electronically transmitted copies of Customer's signature will be treated as an original for all purposes.

24. NON-WAIVER: No waiver of any of Customer's obligations, conditions or covenants shall be effective unless contained in a writing signed by Contractor. Failure to exercise any remedy which Contractor may have shall not constitute a waiver of any obligation with respect to which Customer is in default.

25. MISCELLANEOUS: If there should be more than one party executing the Purchase Order for the lease of the Equipment under this Agreement as Customer, all obligations to be performed by Customer shall be the joint and several liability of all such parties. Customer's representations, warranties, and covenants under this Agreement shall survive the delivery and return of the Equipment. Any provision of this Agreement which may be determined by competent authority to be prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Agreement. No such prohibition or unenforceability in any jurisdiction shall invalidate or render unenforceable such provision in any other jurisdiction. Customer agrees that Contractor may insert or correct Equipment's description, serial number, location and similar identifying information which is missing or incorrect on the Purchase Order for the lease of the Equipment under this Agreement. This Agreement and the Purchase Order contain the entire arrangement between Customer and Contractor (and following assignment of the payments to CFS) and no modifications of this Agreement shall be effective unless in writing and signed by the parties.

26. GOVERNMENT USE: Customer agrees that the use of the Equipment is essential for Customer's proper, efficient and economic operation, Customer, its employees, agents, and independent contractors, will be the only entity to use the Equipment during the term of this Agreement and Customer will use the Equipment only for Customer's governmental purposes (subject to any Eligible Entities that are private non-profit organizations). Upon request, Customer agrees to provide Contractor with an essential use letter in a form satisfactory to Contractor as to the preceding sentence.

28. GOVERNING LAW; VENUE: THIS AGREEMENT SHALL FOR ALL PURPOSES BE DEEMED A CONTRACT ENTERED INTO IN THE STATE OF MAINE. THE RIGHTS OF THE PARTIES UNDER THIS AGREEMENT AND EACH SCHEDULE SHALL BE GOVERNED BY THE LAWS OF THE STATE OF MAINE WITHOUT REFERENCE TO CONFLICT OF LAW PRINCIPLES. ANY ACTION BETWEEN CUSTOMER AND CONTRACTOR SHALL BE BROUGHT IN ANY STATE OR FEDERAL COURT LOCATED IN THE STATE OF MAINE, OR AT CONTRACTOR'S SOLE OPTION, IN THE STATE WHERE THE CUSTOMER OR THE EQUIPMENT IS LOCATED