

4. PREPAYMENT

If permitted by the Lessor and if the Lessee is not in default in any obligation hereunder, at any time during the term, Lessee may prepay the Agreement by making all payments due for the remaining term, (Monthly average annual billings (X) remaining months), plus any unpaid charges (if any), subject to an additional prepayment fee equal to five percent (5%) of the total current fair market value of the equipment as determined by Lessor as the retail value of the equipment at the time of prepayment. When these payments have been fully paid, Lessee must surrender the equipment as described in Paragraph 19 at the end of the term, or earlier if agreed to in writing by Lessor and Lessee.

5. TRANSPORTATION AND DELIVERY

Placement, removal and any special rigging charges in effect on the date such tasks are performed shall be paid by the Lessee. These charges are applicable to machines and accessories. Lessor shall not be liable for direct, indirect, incidental or consequential damages, if for any reason Lessor fails to meet the requested delivery schedule.

6. INSTALLATION

The equipment shall be installed at the installation address shown on the face of this Agreement. The Lessee shall make available at that address a suitable place of installation, as specified by Lessor, with electrical service and space in accordance with UL requirements.

7. EQUIPMENT TITLE

The equipment is, and shall at all times be and remain the sole and exclusive property of the Lessor; and the Lessee shall have no right, title or interest therein or thereto except as expressly set forth in this Agreement. All replacements, substitutions and repairs thereto, shall become a component part of the Equipment and title thereto shall be immediately vested in Lessor and shall be included under the terms hereof. Lessee will not remove any ownership identification tags on the Equipment or suffer or permit any lien or encumbrances of any kind against the Equipment or allow it to become fixtures to real estate.

8. SECURITY INTEREST

Lessor reserves and Lessee hereby grants to Lessor a security interest in the Equipment and any and all additions, replacements, substitutions, and repairs thereto, as well as any products and proceeds of the foregoing for the purposes of securing the payments due hereunder and all other promises and obligations of Lessee to Lessor arising under this Agreement. Lessee agrees to sign and execute at any time alone or with Lessor any financing statements or other documents which Lessor deems reasonably necessary to protect and continue security interest under this Agreement. Lessor is also granted an irrevocable power of attorney to execute such financing statements or other documents on Lessee's behalf. Lessee shall prevent and hold Lessor harmless against the assertions of interests of claims by third parties.

9. MAINTENANCE SERVICES

If Lessee has Maintenance Service provided under this Agreement, the Lessor or an agent assigned by Lessor, agrees to maintain the Equipment stated above in good operating condition. Lessor or its agent shall provide parts and labor necessary to maintain equipment which has become unserviceable due to normal use. Services will be provided during normal business hours (8:00am to 5:00pm) Monday through Friday, except holidays. If services are provided at Lessee's request, not during regular business hours, the Lessee agrees to pay for such services at Lessor's then current rate. LESSOR OR ITS AGENTS SHALL NOT BE REQUIRED TO PERFORM SERVICES OR PROVIDE PARTS OR SUPPLIES IF MAINTENANCE SERVICES ARE NOT INCLUDED IN THIS AGREEMENT AND IF SERVICES ARE REQUESTED, THE LESSEE AGREES TO PAY FOR SUCH SERVICES AT LESSOR'S CURRENT RATES.

10. LIMITS OF SERVICE AND LOCATION OF EQUIPMENT

Lessee shall use the Equipment in a careful and proper manner and shall not use or deal with the Equipment in any manner which is inconsistent with the terms of this Agreement or any applicable laws and regulations. The Equipment will not be misused, abused, wasted or allowed to deteriorate, except for ordinary wear and tear resulting from its intended use. Lessee agrees to pay for service calls resulting from accessories or consumables not provided by Lessor. Lessor shall have the right to inspect the Equipment at any reasonable time, wherever located. Lessor may mark the Equipment to conspicuously show that it has a security interest therein and Lessee shall place no conflicting marks or permit the Lessor mark to be removed or defaced. Lessee shall be responsible for loss or damage to Equipment. Lessee shall pay for any repairs or replacements made necessary by Lessee's intentional or negligent acts. The Equipment shall be kept at the installation address(es) and shall not be moved from that location without the prior written consent of Lessor. The Lessee shall be liable for all costs associated with the relocation requested by Lessee and approved by Lessor. These costs will include all applicable installation, removal and special rigging charges and charges for the time spent by a Technical Representative at the rates in effect at the time of relocation. This Agreement does not extend to software, networking printing, scanning or any external interface not provided by Lessor unless stated above. The Lessee will be solely responsible for obtaining, installing and maintaining all required non-equipment related software, programming, design or coding. If service is provided by Lessor, the Lessee agrees to pay for such support at the then current rate.

11. EXCESS CHARGES AND METER READINGS

The Lessee is allowed the number of pages, copies or scans (referred to as copy or copies) as provided by the Copy / Page Allowance. In the event that the actual copies used exceed the allowance, the Lessee agrees to pay an additional amount equal to the excess copies times the current adjusted excess charge rate in effect. The Lessee also agrees to provide the Lessor true and accurate meter readings as requested. If meter readings are not provided on a timely basis, the Lessor reserves the right to estimate the meter reading based upon previous readings.

12. INSURANCE

Lessee assumes the entire risk of loss from hazard and no such loss shall relieve Lessee of its obligations hereunder. Only to the extent allowed by North Dakota law, Lessee agrees to and does hereby indemnify and hold Lessor harmless from and against all claims, costs, expenses, damages and liabilities, including reasonable attorney fees resulting from or pertaining to the use or operation of the equipment during the term of this Agreement and while said equipment is in possession of the Lessee. Lessee agrees to keep the equipment insured to protect all interests of Lessor, at Lessee's expense, against all risks of loss or damage from every cause whatsoever for not less than the unpaid balance of the lease rentals due hereunder or 80% of the then current value of said equipment, whichever is higher, and including the liability of Lessor for public liability and property damage; and Lessor may, but shall not be obligated to, insure said property at expense of Lessee. Where applicable, all claims against Lessee by Lessor shall be subrogated under the proceeds of those insurance policies and Lessor shall be given first right of subrogation up to the then-current value of the equipment. The proceeds of such insurance, whether resulting from loss or damage or return premium or otherwise, shall be applied toward the replacement or repair of the said property or the payment of obligations of Lessee hereunder at the option of Lessor. Lessee hereby appoints Lessor as Lessee's attorney-in-fact to make claim for, receive payment of and execute or endorse all documents, checks or drafts for loss or damage or return premium under any insurance policy issued on said equipment.

13. ALTERATIONS AND ATTACHMENTS

Lessee shall not make any alterations, additions, attachments or improvements to the Equipment without the prior written consent of Lessor. All additions, alterations, attachments or improvements of whatsoever kind or nature which become permanently attached to the Equipment shall belong to and become the property of Lessor.

14. WARRANTY

Lessor warrants that when installed the Equipment will be in good operating condition. THE FOREGOING WARRANTY CONSTITUTES THE SOLE WARRANTY MADE BY LESSOR AND IS IN LIEU OF ALL OTHER WARRANTIES EXPRESSED OR IMPLIED OR STATUTORY, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OR MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

15. Flat-Rate

Rates for any flat-rate agreements that do not require the capture, reporting and billing of device meters are calculated off of customers' previous usage history and may be revised during the term of the Agreement if necessitated by an unusual increase in overall usage.

16. LIMITATION OF REMEDIES AND DAMAGES

LESSOR'S SOLE AND EXCLUSIVE LIABILITY UNDER THE WARRANTY SPECIFIED IN PARAGRAPH 14 UNDER ANY SERVICE OBLIGATION ASSUMED HEREUNDER OR UNDER ANY PROVISION OF THIS AGREEMENT SHALL BE TO MAKE ALL NECESSARY ADJUSTMENTS, REPAIRS AND REPLACEMENTS TO MAINTAIN THE EQUIPMENT IN GOOD OPERATING CONDITION IN ACCORDANCE WITH THE TERMS AND CONDITIONS HEREOF. LESSOR SHALL NOT BE LIABLE FOR ANY LOSS OF PROFITS, LOSS OF USE, OR DIRECT, INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND, IN CONNECTION WITH OR ARISING OUT OF THE FURNISHING, PERFORMANCE, MAINTENANCE, OR USE OF ANY ITEM OF EQUIPMENT OR SERVICES PROVIDED FOR IN THIS LEASE, OR FOR ANY TORTIOUS CONDUCT RESULTING THEREFROM.

17. FORCE MAJEURE

Lessor is excused from performance and shall not be liable for any delay in delivery or for non-delivery, in whole or in part caused by the occurrence of any contingency beyond the control of Lessor including, but not limited to, work stoppages, fires, civil disobedience, riots, rebellions, accident, explosion, flood, storm, acts of God, pandemic, epidemic, and similar occurrences.

18. BREACH OR DEFAULT

(A) If Lessee does not pay the lease rent payments due hereunder or other amount required herein to be paid, breaches any of the terms or conditions of this Agreement, ceases doing business as a going concern, has a petition filed by or against it under any of the provisions or chapters of the Bankruptcy Act or Amendments thereto, makes an assignment for the benefit of creditors, calls a general meeting of the creditors, or attempts an informal arrangement or composition with creditors or if a receiver or any officer of a court is appointed to have control of any of the property, or if Lessor in its reasonable business discretion deems the Agreement to be in jeopardy, Lessor shall have the right to exercise any one or more of the following remedies in order to protect the interests and reasonable expected profits and bargains of Lessor.

(i) Terminate this Agreement in whole or in part; (ii) declare the remaining amount of the unpaid payments plus unpaid charges to be immediately due and payable; (iii) take possession of any or all items of Equipment, wherever the same may be located, without demand or notice, without any court order or other process of law and without liability to Lessee for any damages occasioned by such taking of possession and declare the entire amount of the unpaid payments and any unpaid charges to be immediately due and payable; (iv) enter upon the premises, where the Equipment may be and render the Equipment unusable, and remove, sell, rent, lease or otherwise dispose of the Equipment and from the proceeds retain all sums due under the terms of this Agreement as well as all costs and expenses relating to the enforcement or preservation of its rights hereunder including but not limited to reasonable attorney's fees; (v) and pursue any other remedies existing at law or in equity; and/or (vi) Lessor shall have all of the rights and remedies of a secured party upon default under the Uniform Commercial Code or any similar law as enacted in the state where the Equipment is located. (B) Notwithstanding any repossession of Equipment or any other action set forth above, which Lessor may take, Lessee shall be and remain liable for the full performance of all obligations on the part of Lessee to be performed under this lease. (C) In the event of default by Lessee, Lessor may require Lessee to assemble the Equipment and make it available to Lessor at a place and time convenient to Lessor. (D) Lessee agrees to pay Lessor all costs and expenses including reasonable attorney's fees incurred by Lessor in exercising any of its rights or remedies. (E) No delay or failure of Lessor to exercise any right or remedy will operate as a waiver of such right or remedy. (F) No right or remedy herein conferred upon or reserved to Lessor is exclusive of any right or remedy herein or by law or equity provided or permitted; but each shall be cumulative of every other right or remedy provided hereunder or now or hereafter existing at law or in equity or by statute or otherwise, and may be enforced concurrently therewith or from time to time, but Lessor shall not be entitled to recover a greater amount in damages that Lessor could have gained by receipt of Lessee's full, timely and complete performance of its obligations pursuant to the terms of this Agreement plus late charges under Paragraph 3, and all costs and expenses including reasonable attorney's fees incurred by Lessor in exercising any of its rights or remedies under this paragraph.

19. SURRENDER

Upon expiration of term or Prepayment of this Agreement as described under Paragraph 4, or upon demand made by Lessor pursuant to Paragraph 18 hereof, the Lessee shall return the Equipment and all Accessories prepaid and prepaid insured in "Average Saleable Condition", to a place and in a manner designated by Lessor. "Average Saleable Condition" means the Equipment is immediately available for use by another lessee without need for repair. If repair and/or replacement of missing and/or damaged Equipment is required, Lessee agrees to pay for such replacement or repairs. Should Lessee fail to return or surrender the Equipment at the end of this term, Lessee agrees to an Annual Renewal of this agreement until the Equipment and all Accessories are received and accepted by Lessor and or its agent.

20. ASSIGNMENT

Without the prior written consent of Lessor, the Lessee shall not (i) assign, transfer, pledge or hypothecate this Agreement, the Equipment or any part thereof, or any interest therein or (ii) sublet or lend the Equipment or permit it to be used by anyone other than Lessee or Lessee's employees. Lessor may assign this Agreement or Equipment in whole or in part without notice to Lessee. Lessee will assert any claim or defenses it may have against Lessor and not against any such assignee.

21. TAXES

Lessee shall pay all sales, use, privilege, excise or other taxes or assessments, however designated, imposed or levied with respect to the Equipment or its use, exclusive however, of personal property taxes.

22. OPTION TO UPGRADE, PURCHASE AND RENEW

Upon provision of written notice by Lessee to Lessor at least sixty (60) days prior to the end of the term of this Agreement and provided the Lessee is not in default of payments herein, the Lessor grants Lessee the option to (A) Upgrade the equipment at any time during the course of the original term; (B) Purchase and transfer title of all (not part) of the Equipment at the expiration of the term of this Agreement for fair market value which is the suggested list price at the end of the term, payable in cash to Lessor or its Assignee, AS IS, WHERE IS WITH NO EXPRESS OR IMPLIED WARRANTY. If Lessee chooses not to pursue the Option to Upgrade or Purchase pursuant to Paragraph 18 then, renewal of this Agreement will be automatic, and will be on an annual term, unless Lessee delivers to Lessor written notice at least sixty (60) days prior to the expiration of the term of Lessee's intent not to Upgrade, Purchase or Renew.

23. GENERAL

If a court finds any provision of this Agreement to be unenforceable, the remaining terms of this Agreement shall remain in effect. This Agreement will be governed and construed according to the domestic laws of the State of North Dakota. Notice shall be effective if delivered or mailed by registered or certified mail, postage prepaid to Lessor as set forth on the face of this Agreement or at such address as Lessor may notify the Lessee from time to time. This Agreement shall become effective only after execution by Lessor and Lessee in the places provided on the face of this agreement. It is expressly understood that no other form of acceptance, verbal or written, will be valid or binding. In the event any conflict between the provisions of this Agreement and the provisions of any schedule, the provisions of this Agreement shall control. Both parties agree that a facsimile copy of this Agreement shall have the same force and effect of the original. This constitutes the entire Agreement between the parties relating to the subject matter hereof and supersedes all previous communications, representations or agreements, either oral or written, with respect to the subject matter hereof. There are no covenants or conditions between the parties except as set forth in this Agreement.

Customer Initials: _____



Advanced Business Methods Equipment Lease and Maintenance Agreement

Number: _____

Lessee: (full legal name) City of Dickinson			Lessor: Advanced Business Methods		
Address: 38 1st St W			Address: 2674 Sims St Suite A		
City Dickinson	State: ND	Zip Code: 58601	City: Dickinson	State: ND	Zip Code: 58601
Telephone: 701/456-7744	Contact Person: Aaron Meyer	e-mail Address: aaron.meyer@dickinsongov.com	Salesperson: Mike Knuth	Reference:	PO Number:

Equipment Location Name: (if other than above) City of Dickinson Police Department			Telephone:		
Equipment Location Address: 2475 State Ave. North		City: Dickinson	State: ND	Zip Code: 58601	
Contact Person: Darnyl Malkowski		Contact e-mail Address: Darnyl.malkowski@dickinsongov.com			

Description of Lease Equipment and Accessories

TYPE, MAKE, MODEL NUMBER, SERIAL NUMBER, AND INCLUDED ACCESSORIES	NOT FINANCED UNDER THIS AGREEMENT	BEGINNING METER READING		MONTHLY IMAGE ALLOWANCE		EXCESS PER IMAGE CHARGE	
		B&W	COLOR	B&W	COLOR	B&W	COLOR
Ricoh IMC300F-RS	<input type="checkbox"/>			1,990	1,387	0.01282	0.07391
	<input type="checkbox"/>						
	<input type="checkbox"/>						
	<input type="checkbox"/>						
	<input type="checkbox"/>						
	<input type="checkbox"/>						
	<input type="checkbox"/>						
	<input type="checkbox"/>						

Add Network Support to your maintenance contract for \$per month Yes No Customers initials _____

METER FREQUENCY: monthly	COMMENCEMENT DATE:	PURCHASE OPTION:
TERM IN MONTHS:	MONTHLY BASE PAYMENT AMOUNT: <u>n/a</u>	(*PLUS TAX)

Special Installation Instructions:
 Adding to Combined Service Contract C119438-01
 Replacing Police Admin MP C3504ex ID 9479-4

Equipment Maintenance Service
 USMA - Ultimate Service Maintenance Agreement: Provides support for all equipment listed on this agreement, including trip charges, inspections, on-call repair service, all parts and supplies, (Excludes Networking support and paper)

Note: Equipment Maintenance Services listed above are for the equipment listed on this page. See Schedule A for additional units and Maintenance Service types.

1. Agreement
 The Lessee (Lessee or you) wants the Lessor (Lessor, we or Advanced Business Methods) to pay for the equipment listed above or listed on the Equipment Schedule A (together with all accessories, attachments, replacements, substitutions referred to therein as the Equipment) and the Lessee agrees pay the amounts payable under this agreement. Further, the Lessee agrees that these terms and conditions are a complete and exclusive statement of this agreement, and that they supersede all prior oral or written negotiations.

2. Term
 The term of this Agreement shall become effective on the date that the Equipment is delivered to the Lessee, and shall continue through the term as specified above. The Lessee agrees that the Lessor may conduct a credit investigation, including the preparation of a credit investigative report. The Lessor shall have the right to cancel this Agreement if the Lessee's credit standing is not in accordance to Lessor standards. **THIS AGREEMENT CANNOT BE CANCELLED BY THE LESSEE FOR ANY REASON OTHER THAN AS SET FORTH IN THE TERMS BELOW.**

3. Payments
 Payments are exclusive of any tax and the first payment will begin on the date of installation, or any later date that we designate, and will continue for each billing period for the term of this agreement. If you have entered into a Maintenance Services relative to the Equipment listed on this Agreement or on the Equipment Schedule A, (i) Lessor will include the costs of maintenance and/or supplies as part of the Payment and Rate Amount. (ii) Such costs may be based on additional copy charges for copies in excess of the stated copy allowance listed on the Agreement. (iii) Payment and Rate amounts may be adjusted annually by the Lessor for such services. (iv) Lessee obligations under this Agreement (including without limitation to make complete and timely payments of all amounts due there under) are unconditional and notwithstanding any dispute regarding the equipment performance under the terms and conditions of this Agreement. If Lessee fails to pay when due any amount herein, Lessor shall assess a late charge, for the maximum permitted by applicable law after the expiration of any required grace period.

Additional Terms and Conditions continues on page 2

THIS AGREEMENT IS NON-CANCELLABLE AND IRREVOCABLE. IT CANNOT BE TERMINATED OTHER THAN AS SET FORTH IN THE TERMS BELOW. PLEASE READ CAREFULLY BEFORE SIGNING.

The undersigned affirms that he/she is a duly authorized representative, officer, partner or proprietor of Lessee, understanding the terms and conditions contained herein and has the authority to execute this Agreement on its behalf.

Lessee: <u>Customer Signature</u>	Lessor: <u>Advanced Business Methods</u>
By: _____	By: _____
Date: _____	Date: _____
Name: _____	
Title: _____	

4. PREPAYMENT

If permitted by the Lessor and if the Lessee is not in default in any obligation hereunder, at any time during the term, Lessee may prepay the Agreement by making all payments due for the remaining term, (Monthly average annual billings (X) remaining months), plus any unpaid charges (if any), subject to an additional prepayment fee equal to five percent (5%) of the total current fair market value of the equipment as determined by Lessor as the retail value of the equipment at the time of prepayment. When these payments have been fully paid, Lessee must surrender the equipment as described in Paragraph 19 at the end of the term, or earlier if agreed to in writing by Lessor and Lessee.

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10. LIMITS OF SERVICE AND LOCATION OF EQUIPMENT

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Lessee is excused from performance and shall not be liable for any delay in delivery or for non-delivery, in whole or in part caused by the occurrence of any contingency beyond the control of Lessor including, but not limited to, work stoppages, fires, civil disobedience, riots, rebellions, accident, explosion, flood, storm, acts of God, pandemic, epidemic, and similar occurrences.

18. BREACH OR DEFAULT

(A) If Lessee does not pay the lease rent payments due hereunder or other amount required herein to be paid, breaches any of the terms or conditions of this Agreement, ceases doing business as a going concern, has a petition filed by or against it under any of the provisions or chapters of the Bankruptcy Act or Amendments thereto, makes an assignment for the benefit of creditors, calls a general meeting of the creditors, or attempts an informal arrangement or composition with creditors or if a receiver or any officer of a court is appointed to have control of any of the property, or if Lessor in its reasonable business discretion deems the Agreement to be in jeopardy, Lessor shall have the right to exercise any one or more of the following remedies in order to protect the interests and reasonable expected profits and bargains of Lessor.

(i) Terminate this Agreement in whole or in part; (ii) declare the remaining amount of the unpaid payments plus unpaid charges to be immediately due and payable; (iii) take possession of any or all items of Equipment, wherever the same may be located, without demand or notice, without any court order or other process of law and without liability to Lessee for any damages occasioned by such taking of possession and declare the entire amount of the unpaid payments and any unpaid charges to be immediately due and payable; (iv) enter upon the premises, where the Equipment may be and render the Equipment unusable, and remove, sell, lease or otherwise dispose of the Equipment and from the proceeds retain all sums due under the terms of this Agreement as well as all costs and expenses relating to the enforcement or preservation of its rights hereunder including but not limited to reasonable attorney's fees; (v) and pursue any other remedies existing at law or in equity; and/or (vi) Lessor shall have all of the rights and remedies of a secured party upon default under the Uniform Commercial Code or any similar law as enacted in the state where the Equipment is located. (B) Notwithstanding any repossession of Equipment or any other action set forth above, which Lessor may take, Lessee shall be and remain liable for the full performance of all obligations on the part of Lessee to be performed under this lease. (C) In the event of default by Lessee, Lessor may require Lessee to assemble the Equipment and make it available to Lessor at a place and time convenient to Lessor. (D) Lessee agrees to pay Lessor all costs and expenses including reasonable attorney's fees incurred by Lessor in exercising any of its rights or remedies. (E) No delay or failure of Lessor to exercise any right or remedy will operate as a waiver of such right or remedy. (F) No right or remedy herein conferred upon or reserved to Lessor is exclusive of any right or remedy herein or by law or equity provided or permitted; but each shall be cumulative of every other right or remedy provided hereunder or now or hereafter existing at law or in equity or by statute or otherwise, and may be enforced concurrently therewith or from time to time, but Lessor shall not be entitled to recover a greater amount in damages that Lessor could have gained by receipt of Lessee's full, timely and complete performance of its obligations pursuant to the terms of this Agreement plus late charges under Paragraph 3, and all costs and expenses including reasonable attorney's fees incurred by Lessor in exercising any of its rights or remedies under this paragraph.

19. SURRENDER

Upon expiration of term or Prepayment of this Agreement as described under Paragraph 4, or upon demand made by Lessor pursuant to Paragraph 18 hereof, the Lessee shall return the Equipment and all Accessories prepaid and prepaid insured in "Average Saleable Condition", to a place and in a manner designated by Lessor. "Average Saleable Condition" means the Equipment is immediately available for use by another lessee without need for repair. If repair and/or replacement of missing and/or damaged Equipment is required, Lessee agrees to pay for such replacement or repairs. Should Lessee fail to return or surrender the Equipment at the end of this term, Lessee agrees to an Annual Renewal of this agreement until the Equipment and all Accessories are received and accepted by Lessor and or its agent.

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Without the prior written consent of Lessor, the Lessee shall not (i) assign, transfer, pledge or hypothecate this Agreement, the Equipment or any part thereof, or any interest therein or (ii) sublet or lend the Equipment or permit it to be used by anyone other than Lessee or Lessee's employees. Lessor may assign this Agreement or Equipment in whole or in part without notice to Lessee. Lessee will assert any claim or defenses it may have against Lessor and not against any such assignee.

21. TAXES

Lessee shall pay all sales, use, privilege, excise or other taxes or assessments, however designated, imposed or levied with respect to the Equipment or its use, exclusive however, of personal property taxes.

22. OPTION TO UPGRADE, PURCHASE AND RENEW

Upon provision of written notice by Lessee to Lessor at least sixty (60) days prior to the end of the term of this Agreement and provided the Lessee is not in default of payments herein, the Lessor grants Lessee the option to (A) Upgrade the equipment at any time during the course of the original term; (B) Purchase and transfer title of all (not part) of the Equipment at the expiration of the term of this Agreement for fair market value which is the suggested list price at the end of the term, payable in cash to Lessor or its Assignee, AS IS, WHERE IS WITH NO EXPRESS OR IMPLIED WARRANTY. If Lessee chooses not to pursue the Option to Upgrade or Purchase pursuant to Paragraph 18 then, renewal of this Agreement will be automatic, and will be on an annual term, unless Lessee delivers to Lessor written notice at least sixty (60) days prior to the expiration of the term of Lessee's intent not to Upgrade, Purchase or Renew.

23. GENERAL

If a court finds any provision of this Agreement to be unenforceable, the remaining terms of this Agreement shall remain in effect. This Agreement will be governed and construed according to the domestic laws of the State of North Dakota. Notice shall be effective if delivered or mailed by registered or certified mail, postage prepaid to Lessor as set forth on the face of this Agreement or at such address as Lessor may notify the Lessee from time to time. This Agreement shall become effective only after execution by Lessor and Lessee in the places provided on the face of this agreement. It is expressly understood that no other form of acceptance, verbal or written, will be valid or binding. In the event any conflict between the provisions of this Agreement and the provisions of any schedule, the provisions of this Agreement shall control. Both parties agree that a facsimile copy of this Agreement shall have the same force and effect of the original. This constitutes the entire Agreement between the parties relating to the subject matter hereof and supersedes all previous communications, representations or agreements, either oral or written, with respect to the subject matter hereof. There are no covenants or conditions between the parties except as set forth in this Agreement.

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Lease Agreement #:

4. PREPAYMENT

If permitted by the Lessor and if the Lessee is not in default in any obligation hereunder, at any time during the term, Lessee may prepay the Agreement by making all payments due for the remaining term, (Monthly average annual billings (X) remaining months), plus any unpaid charges (if any), subject to an additional prepayment fee equal to five percent (5%) of the total current fair market value of the equipment as determined by Lessor as the retail value of the equipment at the time of prepayment. When these payments have been fully paid, Lessee must surrender the equipment as described in Paragraph 19 at the end of the term, or earlier if agreed to in writing by Lessor and Lessee.

5. TRANSPORTATION AND DELIVERY

Placement, removal and any special rigging charges in effect on the date such tasks are performed shall be paid by the Lessee. These charges are applicable to machines and accessories. Lessor shall not be liable for direct, indirect, incidental or consequential damages, if for any reason Lessor fails to meet the requested delivery schedule.

6. INSTALLATION

The equipment shall be installed at the installation address shown on the face of this Agreement. The Lessee shall make available at that address a suitable place of installation, as specified by Lessor, with electrical service and space in accordance with UL requirements.

7. EQUIPMENT TITLE

The equipment is, and shall at all times be and remain the sole and exclusive property of the Lessor; and the Lessee shall have no right, title or interest therein or thereto except as expressly set forth in this Agreement. All replacements, substitutions and repairs thereto, shall become a component part of the Equipment and title thereto shall be immediately vested in Lessor and shall be included under the terms hereof. Lessee will not remove any ownership identification tags on the Equipment or suffer or permit any lien or encumbrances of any kind against the Equipment or allow it to become fixtures to real estate.

8. SECURITY INTEREST

Lessor reserves and Lessee hereby grants to Lessor a security interest in the Equipment and any and all additions, replacements, substitutions, and repairs thereto, as well as any products and proceeds of the foregoing for the purposes of securing the payments due hereunder and all other promises and obligations of Lessee to Lessor arising under this Agreement. Lessee agrees to sign and execute at any time alone or with Lessor any financing statements or other documents which Lessor deems reasonably necessary to protect and continue security interest under this Agreement. Lessor is also granted an irrevocable power of attorney to execute such financing statements or other documents on Lessee's behalf. Lessee shall prevent and hold Lessor harmless against the assertions of interests of claims by third parties.

9. MAINTENANCE SERVICES

If Lessee has Maintenance Service provided under this Agreement, the Lessor or an agent assigned by Lessor, agrees to maintain the Equipment stated above in good operating condition. Lessor or its agent shall provide parts and labor necessary to maintain equipment which has become unserviceable due to normal use. Services will be provided during normal business hours (8:00am to 5:00pm) Monday through Friday, except holidays. If services are provided at Lessee's request, not during regular business hours, the Lessee agrees to pay for such services at Lessor's then current rate. LESSOR OR ITS AGENTS SHALL NOT BE REQUIRED TO PERFORM SERVICES OR PROVIDE PARTS OR SUPPLIES IF MAINTENANCE SERVICES ARE NOT INCLUDED IN THIS AGREEMENT AND IF SERVICES ARE REQUESTED, THE LESSEE AGREES TO PAY FOR SUCH SERVICES AT LESSOR'S CURRENT RATES.

10. LIMITS OF SERVICE AND LOCATION OF EQUIPMENT

Lessee shall use the Equipment in a careful and proper manner and shall not use or deal with the Equipment in any manner which is inconsistent with the terms of this Agreement or any applicable laws and regulations. The Equipment will not be misused, abused, wasted or allowed to deteriorate, except for ordinary wear and tear resulting from its intended use. Lessee agrees to pay for service calls resulting from accessories or consumables not provided by Lessor. Lessor shall have the right to inspect the Equipment at any reasonable time, wherever located. Lessor may mark the Equipment to conspicuously show that it has a security interest therein and Lessee shall place no conflicting marks or permit the Lessor mark to be removed or defaced. Lessee shall be responsible for loss or damage to Equipment. Lessee shall pay for any repairs or replacements made necessary by Lessee's intentional or negligent acts. The Equipment shall be kept at the installation address(es) and shall not be moved from that location without the prior written consent of Lessor. The Lessee shall be liable for all costs associated with the relocation requested by Lessee and approved by Lessor. These costs will include all applicable installation, removal and special rigging charges and charges for the time spent by a Technical Representative at the rates in effect at the time of relocation. This Agreement does not extend to software, networking printing, scanning or any external interface not provided by Lessor unless stated above. The Lessee will be solely responsible for obtaining, installing and maintaining all required non-equipment related software, programming, design or coding. If service is provided by Lessor, the Lessee agrees to pay for such support at the then current rate.

11. EXCESS CHARGES AND METER READINGS

The Lessee is allowed the number of pages, copies or scans (referred to as copy or copies) as provided by the Copy / Page Allowance. In the event that the actual copies used exceed the allowance, the Lessee agrees to pay an additional amount equal to the excess copies times the current adjusted excess charge rate in effect. The Lessee also agrees to provide the Lessor true and accurate meter readings as requested. If meter readings are not provided on a timely basis, the Lessor reserves the right to estimate the meter reading based upon previous readings.

12. INSURANCE

Lessee assumes the entire risk of loss from hazard and no such loss shall relieve Lessee of its obligations hereunder. Only to the extent allowed by North Dakota law, Lessee agrees to and does hereby indemnify and hold Lessor harmless from and against all claims, costs, expenses, damages and liabilities, including reasonable attorney fees resulting from or pertaining to the use or operation of the equipment during the term of this Agreement and while said equipment is in possession of the Lessee. Lessee agrees to keep the equipment insured to protect all interests of Lessor, at Lessee's expense, against all risks of loss or damage from every cause whatsoever for not less than the unpaid balance of the lease rentals due hereunder or 80% of the then current value of said equipment, whichever is higher, and including the liability of Lessor for public liability and property damage; and Lessor may, but shall not be obligated to, insure said property at expense of Lessee. Where applicable, all claims against Lessee by Lessor shall be subrogated under the proceeds of those insurance policies and Lessor shall be given first right of subrogation up to the then-current value of the equipment. The proceeds of such insurance, whether resulting from loss or damage or return premium or otherwise, shall be applied toward the replacement or repair of the said property or the payment of obligations of Lessee hereunder at the option of Lessor. Lessee hereby appoints Lessor as Lessee's attorney-in-fact to make claim for, receive payment of and execute or endorse all documents, checks or drafts for loss or damage or return premium under any insurance policy issued on said equipment.

13. ALTERATIONS AND ATTACHMENTS

Lessee shall not make any alterations, additions, attachments or improvements to the Equipment without the prior written consent of Lessor. All additions, alterations, attachments or improvements of whatsoever kind or nature which become permanently attached to the Equipment shall belong to and become the property of Lessor.

14. WARRANTY

Lessor warrants that when installed the Equipment will be in good operating condition. THE FOREGOING WARRANTY CONSTITUTES THE SOLE WARRANTY MADE BY LESSOR AND IS IN LIEU OF ALL OTHER WARRANTIES EXPRESSED OR IMPLIED OR STATUTORY, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OR MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

15. Flat-Rate

Rates for any flat-rate agreements that do not require the capture, reporting and billing of device meters are calculated off of customers' previous usage history and may be revised during the term of the Agreement if necessitated by an unusual increase in overall usage.

16. LIMITATION OF REMEDIES AND DAMAGES

LESSOR'S SOLE AND EXCLUSIVE LIABILITY UNDER THE WARRANTY SPECIFIED IN PARAGRAPH 14 UNDER ANY SERVICE OBLIGATION ASSUMED HEREUNDER OR UNDER ANY PROVISION OF THIS AGREEMENT SHALL BE TO MAKE ALL NECESSARY ADJUSTMENTS, REPAIRS AND REPLACEMENTS TO MAINTAIN THE EQUIPMENT IN GOOD OPERATING CONDITION IN ACCORDANCE WITH THE TERMS AND CONDITIONS HEREOF. LESSOR SHALL NOT BE LIABLE FOR ANY LOSS OF PROFITS, LOSS OF USE, OR DIRECT, INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND, IN CONNECTION WITH OR ARISING OUT OF THE FURNISHING, PERFORMANCE, MAINTENANCE, OR USE OF ANY ITEM OF EQUIPMENT OR SERVICES PROVIDED FOR IN THIS LEASE, OR FOR ANY TORTIOUS CONDUCT RESULTING THEREFROM.

17. FORCE MAJEURE

Lessor is excused from performance and shall not be liable for any delay in delivery or for non-delivery, in whole or in part caused by the occurrence of any contingency beyond the control of Lessor including, but not limited to, work stoppages, fires, civil disobedience, riots, rebellions, accident, explosion, flood, storm, acts of God, pandemic, epidemic, and similar occurrences.

18. BREACH OR DEFAULT

(A) If Lessee does not pay the lease rent payments due hereunder or other amount required herein to be paid, breaches any of the terms or conditions of this Agreement, ceases doing business as a going concern, has a petition filed by or against it under any of the provisions or chapters of the Bankruptcy Act or Amendments thereto, makes an assignment for the benefit of creditors, calls a general meeting of the creditors, or attempts an informal arrangement or composition with creditors or if a receiver or any officer of a court is appointed to have control of any of the property, or if Lessor in its reasonable business discretion deems the Agreement to be in jeopardy, Lessor shall have the right to exercise any one or more of the following remedies in order to protect the interests and reasonable expected profits and bargains of Lessor.

(i) Terminate this Agreement in whole or in part; (ii) declare the remaining amount of the unpaid payments plus unpaid charges to be immediately due and payable; (iii) take possession of any or all items of Equipment, wherever the same may be located, without demand or notice, without any court order or other process of law and without liability to Lessee for any damages occasioned by such taking of possession and declare the entire amount of the unpaid payments and any unpaid charges to be immediately due and payable; (iv) enter upon the premises, where the Equipment may be and render the Equipment unusable, and remove, sell, rent, lease or otherwise dispose of the Equipment and from the proceeds retain all sums due under the terms of this Agreement as well as all costs and expenses relating to the enforcement or preservation of its rights hereunder including but not limited to reasonable attorney's fees; (v) and pursue any other remedies existing at law or in equity; and/or (vi) Lessor shall have all of the rights and remedies of a secured party upon default under the Uniform Commercial Code or any similar law as enacted in the state where the Equipment is located. (B) Notwithstanding any repossession of Equipment or any other action set forth above, which Lessor may take, Lessee shall be and remain liable for the full performance of all obligations on the part of Lessee to be performed under this lease. (C) In the event of default by Lessee, Lessor may require Lessee to assemble the Equipment and make it available to Lessor at a place and time convenient to Lessor. (D) Lessee agrees to pay Lessor all costs and expenses including reasonable attorney's fees incurred by Lessor in exercising any of its rights or remedies. (E) No delay or failure of Lessor to exercise any right or remedy will operate as a waiver of such right or remedy. (F) No right or remedy herein conferred upon or reserved to Lessor is exclusive of any right or remedy herein or by law or equity provided or permitted; but each shall be cumulative of every other right or remedy provided hereunder or now or hereafter existing at law or in equity or by statute or otherwise, and may be enforced concurrently therewith or from time to time, but Lessor shall not be entitled to recover a greater amount in damages that Lessor could have gained by receipt of Lessee's full, timely and complete performance of its obligations pursuant to the terms of this Agreement plus late charges under Paragraph 3, and all costs and expenses including reasonable attorney's fees incurred by Lessor in exercising any of its rights or remedies under this paragraph.

19. SURRENDER

Upon expiration of term or Prepayment of this Agreement as described under Paragraph 4, or upon demand made by Lessor pursuant to Paragraph 18 hereof, the Lessee shall return the Equipment and all Accessories prepaid and prepaid insured in "Average Saleable Condition", to a place and in a manner designated by Lessor. "Average Saleable Condition" means the Equipment is immediately available for use by another lessee without need for repair. If repair and/or replacement of missing and/or damaged Equipment is required, Lessee agrees to pay for such replacement or repairs. Should Lessee fail to return or surrender the Equipment at the end of this term, Lessee agrees to an Annual Renewal of this agreement until the Equipment and all Accessories are received and accepted by Lessor and or its agent.

20. ASSIGNMENT

Without the prior written consent of Lessor, the Lessee shall not (i) assign, transfer, pledge or hypothecate this Agreement, the Equipment or any part thereof, or any interest therein or (ii) sublet or lend the Equipment or permit it to be used by anyone other than Lessee or Lessee's employees. Lessor may assign this Agreement or Equipment in whole or in part without notice to Lessee. Lessee will assert any claim or defenses it may have against Lessor and not against any such assignee.

21. TAXES

Lessee shall pay all sales, use, privilege, excise or other taxes or assessments, however designated, imposed or levied with respect to the Equipment or its use, exclusive however, of personal property taxes.

22. OPTION TO UPGRADE, PURCHASE AND RENEW

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