

De Lage Landen Financial Services, Inc.

Lease Agreement  
("Lease")

LESSEE	Full Legal Name <b>Kittitas County</b>				Purchase Order Requisition Number		Phone Number <b>(509) 962-7525</b>				
	Billing Address <b>205 W. 5th Ave Ste 105</b>				City <b>Ellensburg</b>	State <b>WA</b>	Zip <b>98926</b>	County <b>Kittitas</b>			
EQUIPMENT	Make	Model Number	Serial Number	Quantity	Description (Attach Separate Schedule A If Necessary)						
	<b>Sharp</b>	<b>MX-M453N</b>	<b>25006237</b>	<b>1</b>	<b>Sharp Digital MFP</b>						
PAYMENT INFORMATION	Number of Lease Payments	Lease Payment (PLUS)	Applicable Sales Tax (EQUALS)	Total Lease Payment	Term of Lease in Months	Payment Frequency: <input checked="" type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Other					
	<b>60</b>	<b>\$207.96</b>	<b>+</b>	<b>=</b>	<b>60</b>	End of Lease Option: <input checked="" type="checkbox"/> FMV <input type="checkbox"/> 10% <input type="checkbox"/> \$1 <input type="checkbox"/> Other					
		<b>+</b>	<b>=</b>		End of Lease Purchase Option shall be FMV unless another option is selected.						
		<b>+</b>	<b>=</b>		Security Deposit (PLUS)	First Period Payment (PLUS)	Other (EQUALS)	Total Payment Enclosed			
					<b>\$0.00</b>	<b>+</b>	<b>\$0.00</b>	<b>+</b>	<b>\$0.00</b>	<b>=</b>	<b>\$0.00</b>

TERMS AND CONDITIONS

1. **Lease:** You (the "Lessee") agree to lease from us (the "Lessor") the Equipment listed above and on any attached schedule. You authorize us to adjust the Lease payments by up to 15% if the cost of the Equipment or taxes differs from the supplier's estimate. This Lease is effective on the date that it is accepted and signed by us, and the term of this Lease begins on that date or any later date that we designate (the "Commencement Date") and continues thereafter for the number of months indicated above. Lease payments are due as invoiced by us. As you will have possession of the Equipment from the date of its delivery, if we accept and sign this Lease you will pay us interim rent for the period from the date the Equipment is delivered to you until the Commencement Date as reasonably calculated by us based on the Lease payment, the number of days in that period, and a month of 30 days. Your obligations to us are absolute, unconditional, and are not subject to cancellation, reduction, setoff or counterclaim. You agree to pay us a fee of \$75.00 to reimburse our expenses for preparing financing statements, other documentation costs and all ongoing administration costs during the term of this Lease. Security deposits are non-interest-bearing and may be applied to cure a Lease default. If you are not in default, we will return the deposit to you when the Lease is terminated. If a payment is not made when due, you will pay us a late charge of 5% of the payment or \$10.00, whichever is greater. We will charge you a fee of \$25.00 for any check that is returned. ONLY WE ARE AUTHORIZED TO WAIVE OR CHANGE ANY TERM, PROVISION OR CONDITION OF THE LEASE.

2. **Title:** Unless you have a \$1.00 purchase option, we will have title to the Equipment. If you have a \$1.00 purchase option and/or the Lease is deemed to be a security agreement, you grant us a security interest in the Equipment and all proceeds thereof. You authorize us to file Uniform Commercial Code ("UCC") financing statements on the Equipment.

3. **Equipment Use, Maintenance and Warranties:** We are leasing the Equipment to you "AS-IS" AND MAKE NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE. We transfer to you any manufacturer warranties. You are required at your cost to keep the Equipment in good working condition and to pay for all supplies and repairs. If the Lease payment includes the cost of maintenance and/or service provided by a third party, you agree that we are not responsible to provide the maintenance or service and you will make all claims related to maintenance and service to the third party. You agree that any claims related to maintenance or service will not impact your obligation to pay all Lease payments when due.

4. **Assignment:** You agree not to transfer, sell, sublease, assign, pledge or encumber either the Equipment or any rights under this Lease without our prior written consent. You agree that we may sell, assign, or transfer the Lease and the new owner will have the same rights and benefits we now have and will not have to perform any of our obligations and the rights of the new owner will not be subject to any claims, defenses, or setoffs that you may have against us or any supplier.

5. **Risk of Loss and Insurance:** You are responsible for all risks of loss or damage to the Equipment and if any loss occurs you are required to satisfy all of your Lease obligations. You will keep the Equipment insured against all risks of loss or damage for an amount equal to its replacement cost. You will list us as the sole loss payee for the insurance and give us written proof of the insurance. If you do not provide such insurance, you agree that we have the right, but not the obligation, to obtain such insurance, and add an insurance fee to the amount due from you, on which we may make a profit. We are not responsible for any losses or injuries caused by the Equipment and you will reimburse us and defend us against any such claims. This indemnity will continue after the termination of this Lease. You will obtain and maintain comprehensive public liability insurance naming us as an additional insured with coverages and amounts acceptable to us.

6. **Taxes:** You agree to pay when due, either directly or as reimbursement to us, all sales, use and personal property taxes and charges in connection with ownership and use of the Equipment. We may charge you a processing fee for administering property tax filings. You will indemnify us on an after-tax basis against the loss of any tax benefits anticipated at the Commencement Date arising out of your acts or omissions.

7. **End of Lease:** You will give us at least 60 days but not more than 120 days written notice (to our address below) before the expiration of the initial lease term (or any renewal term) of your intention to purchase or return the Equipment. With proper notice you may: a) purchase all the Equipment as indicated above under "End of Lease Option" (fair market value purchase option amounts will be determined by us based on the Equipment's in place value); or b) return all the Equipment in good working condition at your cost in a timely manner, and to a location we designate. If you fail to notify us, or if you do not (i) purchase or (ii) return the Equipment as provided herein, this Lease will automatically renew at the same payment amount for consecutive 60-day periods.

8. **Default and Remedies:** You are in default on this Lease if: a) you fail to pay a Lease payment or any other amount when due; or b) you breach any other obligation under the Lease or any other Lease with us. If you are in default on the Lease we may: (i) declare the entire balance of unpaid Lease payments for the full Lease term immediately due and payable to us; (ii) sue you for and receive the total amount due on the Lease plus the Equipment's anticipated end of Lease fair market value or fixed price purchase option (the "Residual") with future Lease payments and the Residual discounted to the date of default at the lesser of (A) a per annum interest rate equivalent to that of a U.S. Treasury constant maturity obligation (as reported by the U.S. Treasury Department) that would have a repayment term equal to the remaining Lease term, all as reasonably determined by Lessor, or (B) 3% per annum, plus reasonable collection and legal costs; (iii) charge you interest on all monies due at the rate of 18% per year or the highest rate permitted by law from the date of default; and (iv) require that you immediately return the Equipment to us or we may peaceably repossess it. Any return or repossession will not be considered a termination or cancellation of the Lease. If the Equipment is returned or repossessed we will sell or re-rent the Equipment at terms we determine, at one or more public or private sales, with or without notice to you, and apply the net proceeds (after deducting any related expenses) to your obligations. You remain liable for any deficiency with any excess being retained by us.

9. **Miscellaneous:** You agree the Lease is a Finance Lease as defined in Article 2A of the UCC. You acknowledge we have given you the name of the Equipment supplier and that you may have rights under the contract with the supplier and may contact the supplier for a description of these rights. If requested, you will sign a separate Equipment acceptance certificate. This Lease was made in Pennsylvania ("PA"), is to be performed in PA and shall be governed and construed in accordance with the laws of PA. You consent to jurisdiction, personal or otherwise, in any state or federal court in PA and irrevocably waive a trial by jury. You agree to waive any and all rights and remedies granted to you under Sections 2A-508 through 2A-522 of the UCC. You agree that the Equipment will only be used for business purposes and not for personal, family or household use, and will not be moved from the above location without our consent. You agree that a facsimile copy of the Lease with facsimile signatures may be treated as an original and will be admissible as evidence of the Lease. We may inspect the Equipment during the Lease term.

LESSEE SIGNATURE	You agree that this is a non-cancelable lease. The Equipment is: <input type="checkbox"/> NEW <input type="checkbox"/> USED	
	Signature <i>[Signature]</i>	Date <b>11-6-12</b>
LESSOR	De Lage Landen Financial Services, Inc. Lease Processing Center, 1111 Old Eagle School Road, Wayne, PA 19087 PHONE: (800) 735-3273 • FAX: (800) 776-2329	
	Commencement Date <b>12/1/12</b>	Lease Number
ACCEPTANCE	The Equipment has been received, put in use, is in good working order and is satisfactory and acceptable.	
	Signature <i>[Signature]</i>	Date <b>11-6-12</b>
GUARANTY	I unconditionally guaranty prompt payment of all the Lessee's obligations under the Lease. The Lessor is not required to proceed against the Lessee or the Equipment or enforce other remedies before proceeding against me. I waive notice of acceptance and all other notices or demands of any kind to which I may be entitled. I consent to any extensions or modification granted to the Lessee and the release and/or compromise of any obligations of the Lessee or any other guarantors without releasing me from my obligations. This is a continuing guaranty and will remain in effect in the event of my death and may be enforced by or for the benefit of any assignee or successor of the Lessor. This guaranty is governed by and constituted in accordance with the laws of the Commonwealth of PA and I consent to non-exclusive jurisdiction of any state or federal court in PA and waive trial by jury.	
	Signature <i>[Signature]</i>	Date <b>11-6-12</b>

070EDOC220

# FISCAL FUNDING ADDENDUM

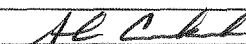
LESSEE	Full Legal Name	Kittitas County		DBA Name (If Any)		
	Billing Address	205 W 5th Ave Suite 105		Phone Number	5099627525	
	City	Ellensburg	County	98926	State	WA
	Zip Code	98926				
	Lease Number	HFS361592-001		Lease Date		


Lessee warrants that it has funds available to pay all rents (the "Lease Payments") payable under the above - identified Lease until the end of Lessee's current appropriation periods. If Lessee's legislative body or other funding authority does not appropriate funds for Lease Payments for any subsequent appropriation period and Lessee does not otherwise have funds available to lawfully pay the Lease Payments (a "Non-Appropriation Event") Lessee may, subject to the conditions herein and upon prior written notice to Lessor (the "Non-Appropriation Notice"), effective 60 days after the later of Lessor's receipt of same or the end of the Lessee's current appropriation period (the "Non-Appropriation Date"), terminate the Lease and be released of its obligation to make all Lease Payments due Lessor coming due after the Non-Appropriation Date. As a condition to exercising its rights under the Addendum Lessee shall (1) provide in the Non-Appropriation Notice a certification of a responsible official that a Non-Appropriation Event has occurred, (2) deliver to Lessor an opinion of Lessee's counsel (addressed to Lessor) verifying that the Non-Appropriation Event as set forth in the Non-Appropriation Notice has occurred, (3) return the equipment subject to the Lease (the "Equipment") on or before the Non-Appropriation Date to Lessor or a location designated by Lessor, in the condition required by, and in accordance with the return provisions of, the Lease and at Lessee's expense, and (4) pay Lessor all sums payable to Lessor under the Lease up to the Non-Appropriation Date.

In the event of any Non-Appropriation Event, Lessor shall retain all sums paid hereunder or under the Lease by Lessee, including the Security Deposit (if any) specified in the Lease.

This Addendum is not intended to permit Lessee to terminate the Lease at will or for convenience.

YOU AGREE THAT A FACSIMILE COPY OF THIS DOCUMENT WITH FACSIMILE SIGNATURES MAY BE TREATED AS AN ORIGINAL AND WILL BE ADMISSIBLE AS EVIDENCE IN A COURT OF LAW.

LESSEE SIGNATURE	Signature X		
	<small>(MUST BE SIGNED BY AUTHORIZED REPRESENTATIVE OR OFFICER OF GOVERNMENT ENTITY)</small>		
	Print Name	Alan Crankovich	
	Title	Becc Chair	Date
	Name of Government Entity	Kittitas County	

ACCEPTED BY LESSOR	Signature X			
	Print Name			
	Title		Date	12/1/12
	Name of Corporation or Partnership			

**PINNELL****Sales Agreement**5575 W. LINDEN AVE STE 100  
KITTITAS, WA 989261001 KITTITAS RD  
KITTITAS, WA 98926

Bill To Customer #				Equipment Location			
Company	Kittitas County Sheriff			Company	Kittitas County Sheriff		
Department				Department	0		
Address	205 W 5th Ave Ste 105			Address	205 W 5th Ave Ste 105		
City / State / Zip	Ellensburg WA 98926			City / State / Zip	Ellensburg WA 98926		
Billing Contact	Paula			Key Operator			
Phone #	509-962-7525			Phone #	509-962-7525		
Fax #	0			Fax #	0		
E-mail Address				E-mail Address			
Date	Representative	Purchase Type	Purchase Terms	IT Contact:			
10/8/12	Paul Crenshaw	Lease 60 mo. FMV		IT Phone:			
<b>New Equipment:</b>							
Qty	Description			Unit Price	ID#	Start Meter	Sales Amount
1	Sharp MX453 (State Contract 03706)						\$ 207.96
1	Sharp FXN9 Staple Finisher						Per month
1	Sharp PNX1B Punch Unit						\$ -
1	Sharp DEX9 Paper Trays						\$ -
1	Sharp TRX2 Exit tray						\$ -
1	Sharp PKX1 Postscript						\$ -
1	Sharp FXX2 Fax Unit						\$ -
<b>Professional Services:</b>							
Qty	Description			Unit Price	ID#	Start Meter	Sales Amount
							\$ -
							\$ -
							\$ -
							\$ -
							\$ -
<b>Pre-Existing Equipment to be added:</b>							
Qty	Description			Unit Price	ID#	Start Meter	Sales Amount
							\$ -
							\$ -
							\$ -
							\$ -
							\$ -
							\$ -
See Addendum <input checked="" type="checkbox"/> FEDERAL TAX ID NUMBER							
Additional Special Instructions: 60 mo. Lease FMV per month charge				SubTotal		\$ 207.96	
State-Contract-Pricing-and-Maintenance-Agreement-State#-03706				Tax		\$ -	
				Delivery		\$ -	
				TOTAL		\$ 207.96	
<b>Maintenance Plan - MFP</b>							
Overage Billing Frequency		Base Billed Monthly Unless Specified				Overage Cost per Copy	
Annual	Semi-An	Base B/W		Volume B/W		Overages B/W	\$ 0.0065
Quarterly	Monthly	Base Color		Volume Color		Overages Color	
Declined Maintenance		CBSI-Xerox will install software to automatically download meters for contract billing. CBSI-Xerox may charge additional fees for meter collection should customer decline installation.				Accept	<input checked="" type="checkbox"/> Decline
<b>Maintenance Plan - Printers</b>							
Overage Billing Frequency		Base Billed Monthly Unless Specified				Overage Cost per Copy	
Annual	Semi-An	Base B/W		Volume B/W		Overages B/W	
Quarterly	Monthly	Base Color		Volume Color		Overages Color	
Declined Maintenance		CBSI-Xerox will install software to automatically download meters for contract billing. CBSI-Xerox may charge additional fees for meter collection should customer decline installation.				Accept	<input checked="" type="checkbox"/> Decline
<b>Purchase Authorization</b>				<b>Pinnell Authorization</b>			
By signing this agreement, customer acknowledges having read all terms and conditions							
10/8/2012				10/8/2012			
Signature				Signature			
Print Name alan crankovich, BORRCHAIK				Print Name Ashley So			
Customer				Sales Rep			
<p>Cash Transactions Only: Title will be passed on to you when your cash transaction is paid in full. Until such time, to secure all of your obligations to us under this Agreement, you hereby grant us a security interest in (a) the Equipment to the extent of your interests in the Equipment, (b) anything attached or added to the Equipment at any time, (c) any money or property from the sale of the Equipment, and (d) any money from an insurance claim if the Equipment is lost or damaged. You agree that the security interest will not be affected if this Agreement is changed in any way. You hereby appoint us (our agents) as your true and lawful attorney-in-fact to affix your signature to UCC financing statements prepared and filed on your behalf by us (or our agent) with the same force and effect as if you had signed such financing statements. If we request, you agree to sign financing statements in order for us to publicly record our security interest. This Agreement or a copy of this Agreement shall be sufficient as a financing statement and may be filed as such.</p>							

#### Equipment Maintenance Agreement Terms & Conditions

1. This agreement covers both the labor and the materials or adjustments, repair and replacement of parts as necessitated by normal use of the equipment except as hereinafter provided. Damage to the equipment or its parts arising out of misuse, abuse, negligence or causes beyond Pinnell's control are not covered. Pinnell may terminate the agreement in the event the equipment is modified, damaged, altered or serviced by personnel other than those employed by Pinnell, or if parts, accessories, components or supplies not authorized by Pinnell are fitted to or used in the equipment.

2. Labor performed during a service call includes lubrication and cleaning of the equipment and the adjustments, repairs or replacement of parts described in Paragraph 4.

#### 3. Service Pinnell will perform:

Pinnell will remotely install print drivers on up to 5 desktop PC's or a Print Server for the device(s) evaluated by the customer.

Setup of up to 5 PCs to scan via FTP (File Transfer Protocol) or SMB (Scan to Network Folder), or setup of scan to email if an on-site Exchange server is available.

Pinnell will install automated meter reading software.

#### Services not performed by Pinnell IT Department:

Making changes to your network environment, server operation, or email server.

Making changes to any server or desktop applications like firewalls or anti-virus software.

Making any changes not approved by your external or internal IT department.

Installation of any software that isn't included with the Multifunction Device, or printer being installed

4. Service calls under this agreement will be made during Pinnell's normal business hours at the Installation address shown on the reverse side of this agreement. Normal business hours are Monday through Friday from 8:00 a.m. to 5:00 p.m. Travel and labor time for service calls after Pinnell's normal business hours, on weekends and holidays, if and when available, will be charged at Pinnell's overtime rates in effect at the time that the service call is made. All parts necessary to the operation of the equipment, with the exception of the parts listed below, and subject to the general scope of coverage, paragraph 1, will be furnished free of charge during a service call included in the maintenance service provided by this agreement: Photoconductor unit for facsimile, Copy Duplicators excludes supplies (ink and masters) and paper. Software, unless specified otherwise on the front of this document, connected equipment will be covered up to the computer/network connection, service calls caused by computer/network will be charged at the current published hourly labor rate.

5. This agreement shall become effective upon receipt of payment by Pinnell-Xerox of the maintenance charges provided on the reverse side hereof and coverage shall be consistent with the term of the lease or up to a 5 year period if purchased. This agreement shall be subject to annual price increases up to 10% at any twelve (12) month intervals thereafter.

6. This agreement may not be transferred if equipment is sold, or title is transferred. This agreement is non-refundable.

7. The initial charge for maintenance under this agreement shall be the amount set forth as the "Rate" on the reverse side hereof. Customer agrees to pay the total of all charges for maintenance during the initial term and any renewal term within ten (10) days of the date of invoice for such charges. Customer agrees that, should they have any past due balances with Pinnell for any reason, service under this agreement will be suspended until such past due balances have been satisfied.

8. If the customer does not pay all charges for maintenance or parts as provided hereunder, promptly when due: (1) Pinnell may (a) refuse to service the equipment or; (b) furnish service on a C.O.D. "Per Call" basis at published labor rates and (2) the customer agrees to pay Pinnell's costs and expenses of collection including the reasonable attorney's fee permitted by law in addition to all other rights and remedies available to Pinnell. All equipment sold by Pinnell is designed to give excellent performance when operated within the following guidelines: Equipment must be placed in a normal office setting, free from excessive dust, humidity, temperatures and ammonia or other corrosive fumes. Equipment must be operated on an isolated electrical line. Equipment must always be operated on a UL approved electrical circuit, with proper current, voltage and type of outlet. Equipment should be operated within the specified operational (including usage) specifications. Only supplies within manufacturer required specifications may be used (refer to paragraph 7). If the customer operates any equipment outside the above listed guidelines and thereby causes abnormally frequent service calls or service problems, then Pinnell may at its option, terminate this agreement immediately. In that event, the customer will be offered service on a "Per Call" basis at published rates. In the event that the equipment is moved from the installation address set forth on the reverse side of this agreement, then, at Pinnell's option, the agreement pertaining to the moved equipment may be terminated or an additional service charge may be added to the basic charge set forth on the reverse side of this agreement. If, in the course of moving the equipment the customer or his agent causes damage to the equipment, the customer will be responsible for any service charges necessary to bring the equipment back into full operational specification and operation.

9. Other than the obligations set forth herein, Pinnell disclaims all warranties, expressed or implied, including any implied warranties of merchantability, fitness for use, or fitness for a particular purpose. Pinnell shall not be responsible for direct, incidental or consequential damages, including, but not limited to, damages arising out of the performance of the equipment or the loss of use of the equipment and customer hereby waives any claims related thereby.

10. This agreement shall be governed by and construed according to the laws of the State of Washington applicable to agreements wholly negotiated, executed and performed in Washington. It constitutes the entire agreement between parties and may not be modified except in writing signed by duly authorized officers of Pinnell and the customer. If toner is included, the consumption shall be within 10% of the manufacturer's suggested yields (Charge begins at 16%). A charge for toner consumption exceeding 10% of the manufacturer's suggested yields will be charged at current retail price. In the event that the number of scans exceed the total page output, there may be an additional charge for excessive scanning. For all contracts including toner, a freight fee will be assessed based on volume of use. Full Service Maintenance is only available for equipment having a valid manufacturer serial number and UL certification. The customer agrees to make available and designate a suitable key operator for training in the use of the equipment. Should the employment status of a designated operator change so as to affect the operator's availability to perform the assignment, the customer shall inform Pinnell immediately. Key operator may also be responsible for providing Pinnell with monthly meter readings. Customer shall pay all federal, state and local sales, use, property, excise or other taxes imposed on or with respect to the purchase price listed on the reverse side of this agreement. Customer agrees that Pinnell shall have full and free access and sufficient workspace to provide service on the equipment covered by this agreement. This agreement shall not be effective until it has been approved and accepted by Pinnell. This agreement sets forth the entire understanding of the parties with respect to the subject matter contained herein and is binding upon both parties in accordance with the terms and conditions. There are no understandings, representations, and agreements other than those set forth herein. This agreement shall not be amended or altered except in writing signed by the authorized representatives of the parties.