

**PARTICIPATING ADDENDUM to  
WSCA-NASPO COOPERATIVE PURCHASING ORGANIZATION  
COPIERS, PRINTERS & RELATED DEVICES 14-19  
MASTER AGREEMENT (Nevada RFP 3091)  
Administered by the State of Nevada (hereinafter "Lead State")**

between

Sharp Electronics Corporation  
(hereinafter "Contractor")

And

State of Utah Contract Number AR455  
(hereinafter "Participating State/Entity")

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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. The State's chief procurement official has authorized all state and local governmental entities within the State to enter into this Participating Addendum.

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

Group A – Convenience Copiers

Group B – Production Copiers

2. **Participation:** Use of specific WSCA-NASPO 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.)

**STATE OF UTAH STANDARD PARTICIPATING ADDENDUM TERMS AND CONDITIONS FOR INFORMATION  
TECHNOLOGY**

**1. DEFINITIONS:**

- a. "Access to Secure Facilities, Public Data, and Technology" means Contractor will (A) enter upon secure premises controlled, held, leased, or occupied by the State of Utah or an Eligible User; (B) maintain, develop, or have access to any deployed hardware, software, firmware, or any other technology, that is in use by the State of Utah or an Eligible User; or (C) have access to or receive any Public Data or Confidential Information during the course of performing this Contract.
- b. "Authorized Persons" means the Contractor's employees, officers, partners, Subcontractors or other agents of Contractor who need to access Public Data to enable the Contractor to perform its responsibilities under this Contract.
- c. "Confidential Information" means information that is deemed as confidential under applicable record laws. The State of Utah and the Eligible Users reserves the right to identify, during and after this Contract, additional reasonable types of categories of information that must be kept confidential under federal and state laws by Contractor.
- d. "Contract" means the Contract Signature Page(s), including all referenced attachments and documents incorporated by reference. This Contract may include any purchase orders that result from the parties entering into this Contract.
- e. "Contract Signature Page(s)" means the cover page that Division and Contractor sign.
- f. "Contractor" means the individual or entity delivering the Goods, Custom Deliverables, or performing the Services identified in this Contract. The term "Contractor" shall include Contractor's agents, officers, employees, partners, and/or any other person or entity for which Contractor may be liable under federal, state, or local laws.
- g. "Custom Deliverable" means the Work Product that Contractor is required to deliver to Eligible Users under this Contract.

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- h. "Data Breach" means the unauthorized access by a non-authorized person(s) of Contractor which results in unauthorized acquisition of Public Data and compromises the security, confidentiality, or integrity of Public Data. It is within an Eligible User's sole discretion to determine whether the unauthorized access is a Security Incident or a Data Breach.
- i. "Division" means the State of Utah Division of Purchasing.
- j. "DTS" means the Department of Technology Services.
- k. "Eligible User(s)" means the State of Utah's government departments, institutions, agencies, political subdivisions (i.e., colleges, school districts, counties, cities, etc.), and, as applicable, nonprofit organizations, agencies of the federal government, or any other entity authorized by the laws of the State of Utah to participate in State Cooperative Contracts will be allowed to use this Contract.
- l. "Federal Criminal Background Check" means an in depth background check conducted and processed by the FBI that covers all states. Federal Criminal Background Check reports will show if applicant has had any criminal cases filed against them that violated federal criminal law.
- m. "Good" means any deliverable not classified as a Custom Deliverable or Service that Contractor is required to deliver to the Eligible Users under this Contract.
- n. "Non-Public Data" means data, other than personal data, that is not subject to distribution to the public as public information. It is deemed to be sensitive and confidential by the State of Utah and the federal government because it contains information that is exempt by state, federal and local statutes, ordinances, or administrative rules from access by the general public as public information.
- o. "Personal Data" means data that includes information relating to a person that identifies the person by a person's first name or first initial and last name and has any of the following personally identifiable information (PII): government-issued identification numbers (e.g., Social Security, driver's license, passport); financial account information; including account number, credit or debit card numbers; or protected health information (PHI) relating to a person.
- p. "Protected Health Information" (PHI) means individually identifiable health information transmitted by electronic media, maintained in electronic media, or transmitted or maintained in any other form or medium. PHI excludes education records covered by the Family Educational Rights and Privacy Act (FERPA), as amended, 20 U.S.C. 1232g, records described at 20 U.S.C. 1232g(a)(4)(B)(iv) and employment records held by a covered entity in its role as employer.
- q. "Public Data" means all Confidential Information, Non-Public Data, Personal Data, and Protected Health Information that is created or in any way originating with the State of Utah or an Eligible User whether such data or output is stored on the State of Utah's or an Eligible User's hardware, Contractor's hardware, or exists in any system owned, maintained or otherwise controlled by the State of Utah, an Eligible User, or by Contractor. Public Data includes any federal data, that the State of Utah or an Eligible User controls or maintains, that is protected under federal laws, statutes, and regulations.
- r. "Security Incident" means the potentially unauthorized access by non-authorized persons to Public Data that Contractor believes could reasonably result in the use, disclosure or theft of Public Data within the possession or control of the Contractor. A Security Incident may or may not turn into a Data Breach. It is within an Eligible User's sole discretion to determine whether the unauthorized access is a Security Incident or a Data Breach.
- s. "Services" means the furnishing of labor, time, or effort by Contractor as set forth in this Contract, including but not limited to installation, configuration, implementation, technical support, warranty maintenance, and other support services.
- t. "State of Utah" means the State of Utah, in its entirety, including its institutions, agencies, departments, divisions, authorities, instrumentalities, boards, commissions, elected or appointed officers, employees, agents, and authorized volunteers.
- u. "Subcontractors" means subcontractors or subconsultants, at any tier, that are under the direct or indirect control or responsibility of Contractor, and includes all independent contractors, agents, employees, or anyone else for whom the Contractor may be liable, at any tier, including a person or entity that is, or will be, providing or performing an essential aspect of this Contract, including Contractor's manufacturers, distributors, and suppliers.
- v. "Work Product" means every invention, modification, discovery, design, development, customization, configuration, improvement, process, software program, work of authorship, documentation, formula, datum,

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technique, know how, secret, or intellectual property right whatsoever or any interest therein (whether patentable or not patentable or registerable under copyright or similar statutes or subject to analogous protection) that is specifically made, conceived, discovered, or reduced to practice by Contractor or Contractor's Subcontractors (either alone or with others) pursuant to this Contract. Work Product shall be considered a work made for hire under federal, state, and local laws; and all interest and title shall be transferred to and owned by the ordering Eligible User. Notwithstanding anything in the immediately preceding sentence to the contrary, Work Product does not include any Eligible User intellectual property, Contractor's intellectual property (that it owned or licensed prior to this Contract) or Third Party intellectual property.

2. **CONTRACT JURISDICTION, CHOICE OF LAW, AND VENUE:** This Contract shall be governed by the laws, rules, and regulations of the State of Utah. Any action or proceeding arising from this Contract shall be brought in a court of competent jurisdiction in the State of Utah. Venue shall be in Salt Lake City, in the Third Judicial District Court for Salt Lake County.
3. **LAWS AND REGULATIONS:** At all times during this Contract, Contractor and all the Goods delivered under this Contract will comply with all applicable federal and state constitutions, laws, rules, codes, orders, and regulations, including applicable licensure and certification requirements.
4. **NO WAIVER OF SOVEREIGN IMMUNITY:** In no event shall this Contract be considered a waiver by the Division, an Eligible User, or the State of Utah of any form of defense or immunity, whether sovereign immunity, governmental immunity, or any other immunity based on the Eleventh Amendment to the Constitution of the United States or otherwise, from any claim or from the jurisdiction of any court.
5. **RECORDS ADMINISTRATION:** Contractor shall maintain or supervise the maintenance of all records necessary to properly account for Contractor's performance and the payments made by an Eligible User to Contractor under this Contract. These records shall be retained by Contractor for at least six (6) years after final payment, or until all audits initiated within the six (6) years have been completed, whichever is later. Contractor agrees to allow, at no additional cost, State of Utah and federal auditors, and the Division access to all such records.
6. **CERTIFY REGISTRATION AND USE OF EMPLOYMENT "STATUS VERIFICATION SYSTEM":** This Status Verification System, also referred to as "E-verify", requirement only applies to contracts issued through a Request for Proposal process and to sole sources that are included within a Request for Proposal.
  - (1) Contractor certifies as to its own entity, under penalty of perjury, that Contractor has registered and is participating in the Status Verification System to verify the work eligibility status of Contractor's new employees that are employed in the State of Utah in accordance with applicable immigration laws including Section 63G-12-302, Utah Code, as amended.
  - (2) Contractor shall require that the following provision be placed in each subcontract at every tier: "The subcontractor shall certify to the main (prime or general) contractor by affidavit that the subcontractor has verified through the Status Verification System the employment status of each new employee of the respective subcontractor, all in accordance with applicable immigration laws including Section 63G-12-302, Utah Code, as amended, and to comply with all applicable employee status verification laws. Such affidavit must be provided prior to the notice to proceed for the subcontractor to perform the work."
  - (3) Contractor's failure to comply with this section will be considered a material breach of this Contract.
  - (4) Contractor shall protect, indemnify, and hold harmless the Division, the Eligible Users, and the State of Utah, and anyone that the State of Utah may be liable for, against any claim, damages, or liability arising out of or resulting from violations of the above Status Verification System Section whether violated by employees, agents, or contractors of the

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following: (a) Contractor; (b) Subcontractor at any tier; and/or (c) any entity or person for whom the Contractor or Subcontractor may be liable.

7. **CONFLICT OF INTEREST:** Contractor represents that none of its officers or employees are officers or employees of the State of Utah, unless disclosure has been made to the Division.
8. **CONFLICT OF INTEREST WITH STATE EMPLOYEES:** Contractor agrees to comply and cooperate in good faith will all conflict of interest and ethic laws.
9. **INDEPENDENT CONTRACTOR:** Contractor's legal status is that of an independent contractor, and in no manner shall Contractor be deemed an employee or agent of the Division, the Eligible Users, or the State of Utah, and therefore is not entitled to any of the benefits associated with such employment. Contractor, as an independent contractor, shall have no authorization, express or implied, to bind the Division, the Eligible Users, or the State of Utah to any agreements, settlements, liabilities, or understandings whatsoever, and agrees not to perform any acts as an agent for the Division, the Eligible Users, or the State of Utah. Contractor shall remain responsible for all applicable federal, state, and local taxes, and all FICA contributions.
10. **CONTRACTOR ACCESS TO SECURE FACILITIES, PUBLIC DATA, AND TECHNOLOGY:** In the event that an employee of Contractor or a Subcontractor is required to Access to Secure Facilities, Public Data, and Technology as part of this Contract then the Eligible User shall notify Contractor or a Subcontractor of any applicable requirements for access and may require said employee or Subcontractor to complete a Federal Criminal Background Check. Contractor may be required to provide the Eligible User with sufficient personal information (at Contractor's own expense) so that a Federal Criminal Background Check may be completed by the Eligible User, at the Eligible User's expense. The Eligible User may also provide Contractor with a disclosure form and confidentiality agreement which must be filled out by Contractor and returned to the Eligible User. Additionally, each employee of Contractor or a Subcontractor, who will have Access to Secure Facilities, Public Data, and Technology, will be scheduled by the Eligible User to be fingerprinted, at a minimum of one week prior to having such access. At the time of fingerprinting, said employee of Contractor or a Subcontractor will disclose, in full, any past record of felony or misdemeanor convictions. The Eligible User is authorized to conduct a Federal Criminal Background Check based upon the fingerprints and personal information provided. The Eligible User may use this same information to complete a Name Check in the Utah Criminal Justice Information System (UCJIS) every two years and reserves the right to revoke Access to Secure State Facilities, Data, and Technology granted in the event of any negative results. Contractor agrees to notify the Eligible User if an arrest or conviction of any employee of Contractor or a Subcontractor that has Access to Secure Facilities, Public Data and Technology occurs during this Contract. Contractor, in executing any duty or exercising any right under this Contract, shall not cause or permit any of its employees or employees of a Subcontractor (if any) who have been convicted of a felony or misdemeanor to have Access to Secure Facilities, Public Data, and Technology. A felony and misdemeanor are defined by the laws of the State of Utah, regardless of where the conviction occurred.
11. **DRUG-FREE WORKPLACE:** Contractor agrees to abide by the Eligible User's drug-free workplace policies while on the Eligible User's or the State of Utah's premises.
12. **CODE OF CONDUCT:** If Contractor is working at facilities controlled or owned by the State of Utah, Contractor may be required to follow and enforce the applicable code of conduct, which code of conduct will be provided to Contractor before work is performed, and provided that such code of conduct does not violate any state, local, or federal laws (including privacy laws), that such code of conduct is expressly applicable to Contractor's provision of services at the site at which Contractor is performing services under this Contract and that such code of conduct does not modify or amend the terms and conditions of this Contract or applicable ordering document.
13. **INDEMNITY CLAUSE:** Contractor shall be fully liable for the actions of its agents, employees, officers, partners, and

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Subcontractors, and shall fully indemnify, defend, and save harmless the Division, the Eligible Users, and the State of Utah from all third party claims, losses, suits, actions, damages, and costs of every name and description arising out of Contractor's performance of this Contract caused by any intentional act or negligence of Contractor, its agents, employees, officers, partners, or Subcontractors, without limitation; provided, however, that the Contractor shall not indemnify for that portion of any claim, loss, or damage arising hereunder due to the sole fault of the Division, the Eligible User, or the State of Utah. The foregoing indemnification obligations are subject to Contractor being notified in writing promptly of any such claim, loss or damage and Contractor is granted sole control over the defense or settlement thereof. The parties agree that if there are any limitations of the Contractor's liability, including a limitation of liability clause for anyone for whom the Contractor is responsible, such limitations of liability will not apply to injuries to persons, including death, or to damages to property caused by the Contractor, its agents, employees, officers, partners and Subcontractors.

14. **EMPLOYMENT PRACTICES:** Contractor agrees to abide by the following employment laws: (i) Title VI and VII of the Civil Rights Act of 1964 (42 U.S.C. 2000e) which prohibits discrimination against any employee or applicant for employment or any applicant or recipient of services, on the basis of race, religion, color, or national origin; (ii) Executive Order No. 11246, as amended, which prohibits discrimination on the basis of sex; (iii) 45 CFR 90 which prohibits discrimination on the basis of age; (iv) Section 504 of the Rehabilitation Act of 1973, or the Americans with Disabilities Act of 1990 which prohibits discrimination on the basis of disabilities; and (v) Utah's Executive Order, dated December 13, 2006, which prohibits unlawful harassment in the work place. Contractor further agrees to abide by any other laws, regulations, or orders that prohibit the discrimination of any kind of any of Contractor's employees.
15. **SEVERABILITY:** A declaration or order by any court that any provision of this Contract is illegal and void shall not affect the legality and enforceability of any other provision of this Contract, unless the provisions are mutually dependent.
16. **AMENDMENTS:** This Contract may only be amended by the mutual written agreement of the parties, which amendment will be attached to this Contract. Automatic renewals will not apply to this Contract.
17. **DEBARMENT:** Contractor certifies that it is not presently nor has ever been debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this Contract, by any governmental department or agency, whether international, national, state, or local. Contractor must notify the Division within thirty (30) days if debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in any contract by any governmental entity during this Contract.
18. **TERMINATION:** Unless otherwise stated in this Contract, this Contract may be terminated, with cause by either party, in advance of the specified termination date, upon written notice being given by the other party. The party in violation will be given fourteen (14) calendar days after notification to correct and cease the violations, after which this Contract may be terminated for cause at any time. This Contract may also be terminated without cause (for convenience), in advance of the specified expiration date, by either party, upon sixty (60) calendar days prior written notice being given the other party. The parties may also agree to terminate this Contract prior to the expiration of this Contract by written agreement.

If Services apply to this Contract, then Contractor shall be compensated for the Services properly performed under this Contract up to the effective date of the notice of termination. Contractor agrees that in the event of such termination for cause or without cause, Contractor's sole remedy and monetary recovery from the Division, the Eligible Users, or the State of Utah is limited to full payment for all work properly performed as authorized under this Contract up to the date of termination as well as any reasonable monies owed as a result of Contractor having to terminate other contracts necessarily and appropriately entered into by Contractor pursuant to this Contract. See Section 4 of this participating addendum for termination penalties of leases.

19. **SUSPENSION OF WORK:** Should circumstances arise which would cause the Division to suspend Contractor's responsibilities under this Contract, but not terminate this Contract, this will be done by formal written notice pursuant to the terms of this Contract. Contractor's responsibilities may be reinstated upon advance formal written notice from the Division.
20. **NONAPPROPRIATION OF FUNDS, REDUCTION OF FUNDS, OR CHANGES IN LAW:** Upon thirty (30) days written notice delivered to the Contractor, this Contract may be terminated in whole or in part at the sole discretion of the Division or an Eligible User, if it is reasonably determined that: (i) a change in Federal or State legislation or applicable

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laws materially affects the ability of either party to perform under the terms of this Contract; or (ii) that a change in available funds affects an Eligible User's ability to pay under this Contract. A change of available funds as used in this paragraph, includes, but is not limited to, a change in Federal or State funding, whether as a result of a legislative act or by order of the President or the Governor.

If a written notice is delivered under this section, the Eligible User will reimburse Contractor for the Goods or Services properly ordered until the effective date of said notice. The Eligible User will not be liable for any performance, commitments, penalties, or liquidated damages that accrue after the effective date of said written notice.

- 21. SALES TAX EXEMPTION:** The Goods, Custom Deliverables, or Services being purchased by the Eligible Users under this Contract are being paid from the Eligible User's funds and used in the exercise of the Eligible User's essential function as an Eligible User. The Eligible User will provide Contractor with a copy of its sales tax exemption number upon request. It is the Contractor's responsibility to request the sales tax exemption number from the Eligible User.
- 22. TITLE AND OWNERSHIP WARRANTY:** Contractor warrants, represents and conveys full ownership, clear title free of all liens and encumbrances to any Good or Custom Deliverable delivered to the Eligible Users under this Contract. Contractor fully indemnifies the Eligible Users for any loss, damages or actions arising from a breach of this warranty without limitation.
- 23. HARDWARE WARRANTY:** Contractor agrees to warrant and assume responsibility for all hardware portions of any Good or Custom Deliverable, that it licenses, contracts, or sells under this Contract, for a period of one (1) year. Contractor acknowledges that all warranties granted to the Division and Eligible Users by the Uniform Commercial Code of the State of Utah apply to this Contract. Product liability disclaimers and/or warranty disclaimers from Contractor are not applicable to this Contract. In general, the Contractor warrants that the hardware: (a) will live up to all specific claims; (b) will be suitable for the ordinary purposes for which the hardware is used; (c) will be suitable for any special purposes; (d) the hardware has been properly designed and manufactured; and (e) is free of significant defects or unusual problems.
- 24. SOFTWARE WARRANTY:** Contractor warrants that for a period of ninety (90) days from the date of Acceptance that the software portions of the Goods and Custom Deliverables, that Contractor licenses, contracts, or sells to the Eligible Users under this Contract, will: (a) perform in accordance with the specific claims provided in the Proposal; (b) be suitable for the ordinary purposes for which such Goods and Custom Deliverables are used; (c) be suitable for any special purposes that the Eligible User has relied on Contractor's skill or judgment to consider when it advised the Eligible User about the Goods or Custom Deliverables in its Proposal; (d) have been properly designed and manufactured; and (e) be free of significant defects or unusual problems. Contractor agrees to provide the Eligible Users with bug fixes, including informing the Eligible Users of any known software bugs or software defects that may affect the Eligible User's use of the software during the Contract.
- 25. WARRANTY REMEDIES:** Upon breach of the hardware or software warranty, Contractor will repair or replace (at no charge to the Eligible Users) the Goods or Custom Deliverables whose nonconformance is discovered and made known to Contractor. If the repaired and/or replaced products prove to be inadequate, or fail to meet the performance of its essential purpose, Contractor will refund the full amount of any payments that have been made for the failing products. The rights and remedies of the parties under this warranty are in addition to any other rights and remedies of the parties provided by law or equity.
- 26. UPDATES AND UPGRADES:** Contractor grants to the Eligible Users a non-exclusive, non-transferable license to use upgrades and updates provided by Contractor during the term of this Contract. Such upgrades and updates are subject to the terms of this Contract. The Eligible Users shall download, distribute, and install all updates as released by Contractor during this Contract, and Contractor strongly suggests that the Eligible Users also download, distribute, and install all upgrades as released by Contractor during this Contract.
- 27. BUG FIXING AND REMOTE DIAGNOSTICS:** Contractor shall use commercially reasonable efforts to provide work-around solutions or patches to reported software problems. With an Eligible User's prior written authorization, Contractor may perform remote diagnostics to work on reported problems, subject to Contractor's obligation of this Contract. In the event that an Eligible User declines remote diagnostics, Contractor and the Eligible User may agree to on-site technical support, subject to the terms of this Contract.

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- 28. TECHNICAL SUPPORT AND MAINTENANCE:** If technical support and maintenance is a part of the Goods or Custom Deliverables that Contractor provides under this Contract, Contractor will use commercially reasonable efforts to respond, in a reasonable time, when technical support or maintenance requests regarding the Goods or Custom Deliverables are made to Contractor.
- 29. SECURE PROTECTION AND HANDLING OF PUBLIC DATA:** Eligible Users should not submit any Public Data (including any data that an Eligible User determines to be sensitive based on its specific requirements) to Contractor. In the event that Contractor has access to an Eligible User's Public Data, such access will likely be incidental and the Eligible User will remain the controller of the Public Data at all times. However, if Contractor is given Public Data, as the controller of the Public Data, as part of this Contract, the protection of Public Data shall be an integral part of the business activities of Contractor to ensure that there is no inappropriate or unauthorized use of Public Data. To the extent that Contractor is given Public Data, Contractor shall safeguard the confidentiality, integrity and availability of the Public Data and comply with the following conditions:
1. **Network Security:** Contractor agrees at all times to maintain network security that - at a minimum - includes: network firewall provisioning, intrusion detection, and regular third party penetration testing. Contractor also agrees to maintain network security that conforms to one of the following:
    - (1) Those standards the State of Utah applies to its own network, found outlined in *DTS Policy 5000-0002 Enterprise Information Security Policy* (copy available upon request);
    - (2) Current standards set forth and maintained by the National Institute of Standards and Technology, includes those at: <http://nvlpubs.nist.gov/nistpubs/SpecialPublications/NIST.SP.800-53r4.pdf>; or
    - (3) Any generally recognized comparable standard that Contractor then applies to its own network and approved by DTS in writing.
  2. **Public Data Security:** Contractor agrees to protect and maintain the security of Public Data with protection that is at least as good as or better than that maintained by the State of Utah. These security measures included but are not limited to maintaining secure environments that are patched and up to date with all appropriate security updates as designated (ex. Microsoft Notification).
  3. **Public Data Transmission:** Contractor agrees that any and all transmission or exchange of system application data with the Eligible Users and State of Utah and/or any other parties expressly designated by the State of Utah, shall take place via secure means (ex. HTTPS or FTPS).
  4. **Public Data Storage:** Contractor agrees that all Public Data will be stored and maintained in data centers in the United States. Contractor agrees that no Public Data at any time will be processed on or transferred to any portable or laptop computing device or any portable storage medium, except for devices that are used and kept only at Contractor's United States data centers, unless such medium is part of the Contractor's designated backup and recovery process. Contractor shall permit its employees and Subcontractors to access non-Public Data remotely only as required to provide technical support. Contractor may provide technical user support on a 24/7 basis using a Follow the Sun model, unless otherwise prohibited by this contract.
  5. **Public Data Encryption:** Contractor agrees to store all data provided to Contractor, including State, as part of its designated backup and recovery process in encrypted form, using no less than 128 bit key.
  6. **Password Protection:** Contractor agrees that any portable or laptop computer that has access to the Eligible Users or State of Utah networks, or stores any Public Data is equipped with strong and secure password protection.

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7. **Public Data Re-Use:** Contractor agrees that any and all data exchanged shall be used expressly and solely for the purpose enumerated in this Contract. Contractor further agrees that no Public Data of any kind shall be transmitted, exchanged, or otherwise passed to other Contractors or interested parties except on a case-by-case basis as specifically agreed to in writing by the Eligible Users.

8. **Public Data Destruction:** The Contractor agrees that upon expiration or termination of this Contract it shall erase, destroy, and render unreadable all Public Data from all non-state computer systems and backups, and certify in writing that these actions have been completed within thirty (30) days of the expiration or termination of this Contract or within seven (7) days of the request of the Eligible User, whichever shall come first, unless the Eligible User provides Contractor with a written directive. It is understood by the parties that the Eligible User's written directive may request that certain data be preserved in accordance with applicable law.

9. **Services Shall Be Performed Within United States:** Contractor agrees that all of the Services related to Public Data that it provides to the Eligible Users will be performed by Contractor and Subcontractor(s) within the borders and jurisdiction of the United States.

**30. SECURITY INCIDENT OR DATA BREACH NOTIFICATION:** In the event that Contractor is the controller of Public Data, then Contractor shall immediately inform an Eligible User of any Security Incident or Data Breach.

1. **Incident Response:** Contractor may need to communicate with outside parties regarding a Security Incident, which may include contacting law enforcement and seeking external expertise as mutually agreed upon, defined by law or contained in this Contract. Discussing Security Incidents with the Eligible User should be handled on an urgent as-needed basis, as part of Contractor's communication and mitigation processes, defined by law or contained in this Contract.

2. **Security Incident Reporting Requirements:** Contractor shall report a Security Incident to the Eligible User immediately if Contractor reasonably believes there has been a Security Incident.

3. **Breach Reporting Requirements:** If Contractor has actual knowledge of a confirmed Data Breach that affects the security of any Public Data that is subject to applicable data breach notification law, Contractor shall: (a) promptly notify the Eligible User as soon as reasonably possible; (b) take commercially reasonable measures to address the Data Breach in a timely manner; and (c) be responsible for its Data Breach responsibilities, as provided in the next Section.

**31. DATA BREACH RESPONSIBILITIES:** Eligible Users should not submit any Public Data (including any data that an Eligible User determines to be sensitive based on its specific requirements) to Contractor. In the event that Contractor has access to an Eligible User's Public Data, such access will likely be incidental and the Eligible User will remain the controller of the Public Data at all times. However, if Contractor is given Public Data, as the controller of the Public Data, then this Section only applies when a Data Breach occurs and arises out of Contractor's equipment or services provided by Contractor; and only if Contractor is aware of such Data Breach; and providing such Data Breach does not arise from Eligible Users' negligent act or omission or willful misconduct or failure to comply with Contractor's documentation on proper use of equipment or services provided by Contractor. In such event, Contractor agrees to comply with all applicable laws that require the notification of individuals in the event of a Data Breach or other events requiring notification in accordance with DTS Policy 5000-0002 Enterprise Information Security Policy (copy available upon request). In the event of a Data Breach or other event requiring notification under applicable law (Utah Code § 13-44-101 thru 301 et al), Contractor shall: (a) cooperate with the Eligible User by sharing information relevant to the Data Breach; (b) promptly implement necessary remedial measures, if necessary; (c) document responsive actions taken related to the Data Breach, including any post-incident review of events and actions taken to make changes in business practices in relation to the Data Breach; and (d) in accordance with applicable laws indemnify, hold harmless, and defend DTS and the State of Utah against any claims, damages, or other harm related to such Data Breach. If the Data Breach requires public notification, all communication shall be coordinated with the Eligible User. Contractor shall be responsible for all notification and remedial costs and damages of Data Breaches arising out of or related to Contractor's equipment or services provided by Contractor.



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Administered by the State of Nevada (hereinafter "Lead State")**

between  
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(hereinafter "Contractor")  
And  
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**32. CHANGE MANAGEMENT:** INTENTIONALLY DELETED.

**33. PUBLIC INFORMATION:** Contractor agrees that this Contract, any related purchase orders, related invoices, related pricing lists, and the Proposal will be public documents, and may be available for distribution in accordance with the State of Utah's Government Records Access and Management Act (GRAMA). Contractor gives the Division, the Eligible Users, and the State of Utah express permission to make copies of this Contract, any related purchase orders, related invoices, related pricing lists, and Proposal in accordance with GRAMA. The permission to make copies as noted will take precedence over any statements of confidentiality, proprietary information, copyright information, or similar notation. The Division, the Eligible Users, or the State of Utah will not inform Contractor of any request for a copy of this Contract, including any related purchase orders, related invoices, related pricing lists, or the Proposal.

**34.** INTENTIONALLY DELETED.

**35.** INTENTIONALLY DELETED.

**36. DELIVERY:** Unless otherwise specified in this Contract, all deliveries will be F.O.B. destination with all transportation and handling charges paid by Contractor. Contractor is responsible for including any freight charges due by the Eligible User to Contractor when providing quotes to the Eligible User unless otherwise specified in this Contract. Invoices listing freight charges that were not identified in the quote prior to shipment, unless otherwise specified in this Contract, will be returned to the Contractor to remove such costs. Responsibility and liability for loss or damage will remain with Contractor until final inspection and acceptance when responsibility will pass to the Eligible Users except as to latent defects, fraud, and Contractor's warranty obligations.

**37. ELECTRONIC DELIVERY:** Contractor may electronically deliver any Good or Custom Deliverable to Eligible Users or provide any Good and Custom Deliverable for download from the Internet, if approved in writing by the Eligible Users. Contractor should take all reasonable and necessary steps to ensure that the confidentiality of those electronic deliveries is preserved in the electronic delivery process, and are reminded that failure to do so may constitute a breach of obligations owed to the Eligible Users under this Contract. Contractor warrants that all electronic deliveries will be free of known, within reasonable industry standards, malware, bugs, Trojan horses, etc. Any electronic delivery that includes Public Data that Contractor processes or stores must be delivered within the specifications of this Contract.

**38. ACCEPTANCE PERIOD:** A Good, Custom Deliverable, or Service furnished under this Contract shall function in accordance with the specifications identified in this Contract and Solicitation. If the Goods and Custom Deliverables delivered do not conform to the specifications identified in this Contract and Solicitation ("Defects"), the Eligible Users shall within thirty (30) calendar days of the delivery date ("Acceptance Period") to notify Contractor in writing of the Defects. Contractor agrees that upon receiving such notice, it shall use reasonable efforts to correct the Defects within fifteen (15) calendar days ("Cure Period"). The Eligible User's acceptance of a Good, Custom Deliverable, or Services occurs at the end of the Acceptance Period or Cure Period.

If after the Cure Period, a Good, Custom Deliverable, or Service still has Defects, then the Eligible User may, at its option: (a) declare Contractor to be in breach and terminate this Contract; (b) demand replacement conforming Goods, Custom Deliverables, or Services from Contractor at no additional cost to the Eligible User; or (c) continue the Cure Period for an additional time period agreed upon by the Eligible User and Contractor in writing. Contractor shall pay all costs related to the preparation and shipping of the products returned pursuant to this section. No products shall be accepted and no charges shall be paid until acceptance is met. The warranty period will begin upon the end of the Acceptance Period.

**39. ORDERING AND INVOICING:** All orders will be shipped promptly in accordance with the delivery schedule. Contractor will promptly submit invoices (within 30 days of shipment or delivery of services) to the appropriate Eligible User. The contract number shall be listed on all invoices, freight tickets, and correspondence relating to an order under this Contract. The prices paid by the Eligible Users will be those prices listed in this Contract. The Eligible Users have the right to adjust or return any invoice reflecting incorrect pricing.

**40. PROMPT PAYMENT DISCOUNT:** Contractor may quote a prompt payment discount based upon early payment. Contractor shall list payment discount terms on invoices. The prompt payment discount will apply to payments made

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with purchasing cards and checks. The date from which discount time is calculated will be the date a correct invoice is received.

**41. PAYMENT:**

1. Payments will be made within thirty (30) days from a correct invoice is received, whichever is later. After sixty (60) days from the date a correct invoice is received by the appropriate State official, the Contractor may assess interest on overdue, undisputed account charges up to a maximum of the interest rate paid by the IRS on taxpayer refund claims, plus two percent, computed similarly as the requirements of Section 15-6-3, Utah Prompt Payment Act of Utah Code, as amended. The IRS interest rate is adjusted quarterly, and is applied on a per annum basis, on the invoice amount that is overdue.
2. Unless otherwise stated in this Contract, all payments to Contractor will be remitted by mail, by electronic funds transfer, or by the Eligible User's purchasing card (major credit card). The Division will not allow Contractor to charge electronic payment fees of any kind.
3. The acceptance by Contractor of final payment without a written protest filed with the Eligible User within ten (10) working days of receipt of final payment shall release the Eligible User, the Division, and the State of Utah from all claims and all liability to Contractor for fees and costs pursuant to this Contract.
4. Contractor agrees that if during, or subsequent to the Contract an audit determines that payments were incorrectly reported or paid by the Eligible Users to Contractor, then Contractor shall, upon written request, immediately refund to the Eligible Users any such overpayments.

**42. INDEMNIFICATION – INTELLECTUAL PROPERTY:** Contractor warrants that any Good, Custom Deliverable, or Service furnished by Contractor under this Contract, including its use by the Eligible Users in unaltered form, will not, to Contractor's knowledge, infringe any third party copyrights, patents, trade secrets, and/or other proprietary rights that exist on the effective date of this Contract and/or that arise or are enforceable under the law of the United States of America.

Contractor will release, indemnify, and hold the Division, the Eligible Users, and the State of Utah harmless from liability or damages of any kind or nature, including Contractor's use of any copyrighted or un-copyrighted composition, secret process, patented or un-patented invention, article, or appliance furnished or used in Contractor's performance of this Contract. Additionally, if such a claim or liability is based upon an allegation that a Good, Custom Deliverable, or Service furnished by Contractor infringes on any right protected by any patent, copyright, trademark, trade secret, and/or proprietary right of any third party, Contractor agrees to indemnify and hold harmless the Division, the Eligible Users, and the State of Utah for any final judgments or settlements resulting from such a claim or liability. Contractor shall defend all actions brought upon such matters to be indemnified hereunder and pay all costs and expenses incidental thereto. The Eligible Users shall be required to provide Contractor prompt written notice of the claim or liability, grant the Contractor sole control of the defense or settlement thereof and provide reasonable cooperation in response to Contractor's assistance in the defense of any such action. The parties agree that if there are any limitations of liability, including a limitation of liability clause in this Contract, such limitations of liability will not apply to this Section. Notwithstanding anything to the contrary, Contractor shall have no liability for any claims arising out of or related to: (a) installation, servicing or relocation of the equipment by any servicers other than Contractor or Subcontractors; (b) failure to use the equipment in accordance with its intended purposes or documentation; (c) breach of this Contract by the Division, the Eligible Users and the State of Utah; (d) any acts or omissions or willful misconduct on the part of the Division, the Eligible Users and the State of Utah; (e) any intellectual property or other equipment/software not purchased directly from Sharp pursuant to this Contract.

**43. OWNERSHIP IN INTELLECTUAL PROPERTY:** The parties each recognize that each has no right, title, or interest, proprietary or otherwise, in or to the name or any logo, or intellectual property owned or licensed by the other. Each agree that, without prior written consent of the other or as described in this Contract, it shall not use the name, any logo, or intellectual property owned or licensed by the other.

**44. OWNERSHIP IN CUSTOM DELIVERABLES:** In the event that Contractor provides Custom Deliverables to the Eligible Users, pursuant to this Contract, Contractor grants the ownership in Custom Deliverables, which have been developed

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and delivered by Contractor exclusively for Eligible Users and are specifically within the framework of fulfilling Contractor's contractual obligations under this contract. Custom Deliverables shall be deemed work made for hire, such that all intellectual property rights, title and interest in the Custom Deliverables shall pass to the Eligible Users, to the extent that the Custom Deliverables are not recognized as work made for hire, Contractor hereby assigns to the Eligible Users any and all copyrights in and to the Custom Deliverables, subject to the following:

1. Contractor has received payment for the Custom Deliverables,
2. Each party will retain all rights to patents, utility models, mask works, copyrights, trademarks, trade secrets, and any other form of protection afforded by law to inventions, models, designs, technical information, and applications ("Intellectual Property Rights") that it owned or controlled prior to the effective date of this contract or that it develops or acquires from activities independent of the services performed under this contract ("Background IP"), and
3. Contractor will retain all right, title, and interest in and to all Intellectual Property Rights in or related to the services, or tangible components thereof, including but not limited to (a) all know-how, intellectual property, methodologies, processes, technologies, algorithms, software, or development tools used in performing the Services (collectively, the "Utilities"), and (b) such ideas, concepts, know-how, processes and reusable reports, designs, charts, plans, specifications, documentation, forms, templates, or output which are supplied or otherwise used by or on behalf of Contractor in the course of performing the Services or creating the Custom Deliverables, other than portions that specifically incorporate proprietary or Confidential Information or Custom Deliverables of Eligible Users (collectively, the "Residual IP"), even if embedded in the Custom Deliverables.
4. Custom Deliverables, not including Contractor's Intellectual Property Rights, Background IP, and Residual IP, may not be marketed or distributed without written approval by the Eligible Users.

Contractor agrees to grant to the Eligible Users a perpetual, irrevocable, royalty-free license to use Contractor's Background IP, Utilities, and Residual IP, as defined above, solely for the Eligible Users and the State of Utah to use the Custom Deliverables. The Eligible Users reserves a royalty-free, nonexclusive, and irrevocable license to reproduce, publish, or otherwise use and to authorize others to use, for the Eligible User's internal purposes, such Custom Deliverables. For the Goods delivered that consist of Contractor's scripts and code and are not considered Custom Deliverables or Work Product, for any reason whatsoever, Contractor grants the Eligible User a non-exclusive, non-transferable, irrevocable, perpetual right to use, copy, and create derivative works from such, without the right to sublicense, for the Eligible User's internal business operation under this Contract. The Eligible User and the Division may not participate in the transfer or sale of, create derivative works from, or in any way exploit Contractor's Intellectual Property Rights, in whole or in part.

45. **OWNERSHIP, PROTECTION AND USE OF RECORDS:** Except for confidential medical records held by direct care providers, the Eligible Users shall own exclusive title to all information gathered, reports developed, and conclusions reached in performance of this Contract. Contractor may not use, except in meeting its obligations under this Contract, information gathered, reports developed, or conclusions reached in performance of this Contract without the express written consent of the Eligible User. Contractor agrees to maintain the confidentiality of records it holds for the Eligible Users as required by applicable federal, state, or local laws.
46. **PROTECTION, AND USE OF CONFIDENTIAL FEDERAL, STATE, OR LOCAL GOVERNMENT INTERNAL BUSINESS PROCESSES AND PROCEDURES:** In the event that the Eligible User provides Contractor with confidential federal or state business processes, policies, procedures, or practices, pursuant to this Contract, Contractor agrees to hold such information in confidence, in accordance with applicable laws and industry standards of confidentiality, and not to copy, reproduce, sell, assign, license, market, transfer, or otherwise dispose of, give, or disclose such information to third parties or use such information for any purpose whatsoever other than the performance of this Contract.
47. **PROTECTION, AND RETURN OF DOCUMENTS AND DATA UPON CONTRACT TERMINATION OR COMPLETION:** All documents and data pertaining to work required by this Contract will be the property of the Eligible Users, and must

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be delivered to the Eligible Users within thirty (30) working days after termination or expiration of this Contract, regardless of the reason for contract termination, and without restriction or limitation to their future use. The costs for returning documents and data to the Eligible Users are included in this Contract.

- 48. CONFIDENTIALITY:** Confidential Information may be disclosed to the Contractor under the terms of this Contract. If Confidential Information is disclosed to Contractor then Contractor agrees to adhere to the following:

Contractor will: (a) limit disclosure of any Confidential Information to Authorized Persons who have a need to know such Confidential Information in connection with the current or contemplated business relationship between the parties to which this Contract relates, and only for that purpose; (b) advise its Authorized Persons of the proprietary nature of the Confidential Information and of the obligations set forth in this Contract and require such Authorized Persons to keep the Confidential Information confidential; (c) shall keep all Confidential Information strictly confidential by using a reasonable degree of care, but not less than the degree of care used by it in safeguarding its own confidential information; and (d) not disclose any Confidential Information received by it to any third parties, except as otherwise agreed to in writing by the Eligible Users. Contractor will promptly notify the Eligible Users of any misuse or misappropriation of Confidential Information that comes to Contractor's attention.

Contractor shall be responsible for any breach of this duty of confidentiality contract by any of their officers, agents, subcontractors at any tier, and any of their respective representatives, including any required remedies and/or notifications under applicable law (Utah Code Section 13-44-101 thru 301 et al). Contractor shall indemnify, hold harmless, and defend the Division, the Eligible Users, and State of Utah from claims related to a breach of these confidentiality requirements by Contractor or anyone for whom the Contractor is liable. This duty of confidentiality shall be ongoing and survive the term of this Contract.

- 49. ASSIGNMENT/SUBCONTRACT:** Contractor will not assign, sell, transfer, subcontract or sublet rights, or delegate responsibilities under this Contract, in whole or in part, without the prior written approval of the Division.
- 50. DEFAULT AND REMEDIES:** Any of the following events will constitute cause for the Division to declare Contractor in default of this Contract: (a) nonperformance of contractual requirements or (b) a material breach of any term or condition of this Contract. The Division will issue a written notice of default providing a fourteen (14) day period in which Contractor will have an opportunity to cure. Time allowed for cure will not diminish or eliminate Contractor's liability for damages. If the default remains, after Contractor has been provided the opportunity to cure, the Division may do one or more of the following: (a) exercise any remedy provided by law or (b) terminate this Contract.
- 51. TERMINATION UPON DEFAULT:** In the event this Contract is terminated as a result of a default by Contractor, the Division may procure or otherwise obtain, upon such terms and conditions as the Division deems appropriate, Goods, Custom Deliverables, or Services similar to those terminated, and Contractor shall be liable to the Division for any and all cover costs and damages incurred by the Division in obtaining similar Goods, Custom Deliverables, or Services.
- 52. FORCE MAJEURE:** Neither party to this Contract will be held responsible for delay or default caused by fire, riot, acts of God and/or war which is beyond that party's reasonable control. The Division and the Eligible Users may immediately terminate this Contract after determining such delay will reasonably prevent successful performance of this Contract.
- 53. PROCUREMENT ETHICS:** Contractor understands that a person who is interested in any way in the sale of any supplies, services, products, construction, or insurance to the State of Utah is violating the law if the person gives or offers to give any compensation, gratuity, contribution, loan, or reward, or any promise thereof to any person acting as a procurement officer on behalf of the State of Utah, or who in any official capacity participates in the procurement of such supplies, services, products, construction, or insurance, whether it is given for their own use or for the use or benefit of any other person or organization.
- 54. WORKERS' COMPENSATION:** Contractor shall maintain during the term of this Contract, workers' compensation insurance for all its employees as well as any subcontractor employees related to this Contract. Worker's compensation insurance shall cover full liability under the worker's compensation laws of the jurisdiction in which the service is performed at the statutory limits required by said jurisdiction. Contractor acknowledges that within thirty (30) days of contract award, Contractor and/or Subcontractors must submit proof of certificate of insurance that meets the above requirements.

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- 55. LIABILITY INSURANCE:** Contractor agrees to provide and to maintain during the performance of this Contract, at its sole expense, a policy of general liability insurance. The limits of the policy shall be no less than \$1,000,000.00 for each occurrence and \$3,000,000.00 aggregate. It shall be the responsibility of Contractor to require any of their Subcontractor(s) to secure the same insurance coverage as prescribed herein for the Contractor.
- Contractor must provide proof of insurance to the Division and must add the State of Utah as an additional insured with notice of cancellation. Contractor acknowledges that within thirty (30) days of contract award, Contractor and/or Contractor's Subcontractors must submit proof of certificate of insurance that meets the above requirements. Failure to provide proof of insurance, as required, could result in this Contract being terminated for cause.
- 56. CONFLICT OF TERMS:** Contractor terms and conditions that apply must be in writing and attached to this Contract. No other terms and conditions will apply to this Contract including terms listed or referenced on a Contractor's website, terms listed in a Contractor quotation/sales order, purchase orders, etc. In the event of any conflict in the contract terms and conditions, the order of precedence shall be: (a) this Attachment A; (b) Contract Signature Page(s); (c) State of Utah's Additional Terms and Conditions, if any; and (d) Contractor Terms and Conditions, if any. Attachment A will be given precedence over any provisions including, limitation of liability, indemnification, standard of care, insurance, or warranty, and will not be nullified by or exception created by more specific terms elsewhere in this Contract.
- 57. ENTIRE AGREEMENT:** This Contract shall constitute the entire agreement between the parties, and supersedes any and all other prior and contemporaneous agreements and understandings between the parties, whether oral or written.
- 58. SURVIVORSHIP:** This paragraph defines the specific contractual provisions that will remain in effect after expiration of, the completion of, or termination of this Contract, for whatever reason: (a) Contract Jurisdiction, Choice of Law, and Venue; (b) Secure Protection and Handling of Public Data; (c) Data Breach Responsibilities; (d) Ownership in Custom Deliverables; (e) Ownership, Protection, and Use of Records, including Residuals of such records; and (f) Ownership, Protection, and Use of Confidential Federal, State, or Local Government Internal Business Processes, including Residuals of such confidential business processes; (g) Ownership, Protection, and Return of Documents and Data Upon Contract Termination or Completion; (h) Confidentiality; (i) Conflict of Terms; and (j) any other terms that by their nature would survive the expiration of, completion, or termination of this contract.
- 59. WAIVER:** The waiver by either party of any provision, term, covenant, or condition of this Contract shall not be deemed to be a waiver of any other provision, term, covenant, or condition of this Contract nor any subsequent breach of the same or any other provision, term, covenant, or condition of this Contract.
- 60. CONTRACT INFORMATION:** During the duration of this Contract, the Division of Purchasing is required to make available contact information of Contractor to the State of Utah Department of Workforce Services. The State of Utah Department of Workforce Services may contact Contractor during the duration of this Contract to inquire about Contractor's job vacancies.
- 61. COMPLIANCE WITH ACCESSIBILITY STANDARDS:** Contractor shall comply with and adhere to Accessibility Standards of Section 508 Amendment to the Rehabilitation Act of 1973. Contractor acknowledges that all Goods and Custom Deliverables that it licenses, contracts, or sells to the Eligible Users under this contract are accessible to people with disabilities.
- 62. RIGHT TO EXAM:** Contractor agrees to, upon written request, permit Division, or a mutually agreed upon third party designated by the Division (any such agreement by the Contractor to not be unreasonably withheld), to perform an assessment, examination, or review of all of Contractor's sites and environments - including physical, technical, and virtual sites and environments - in order to confirm Contractor's compliance with this Contract; associated Scopes of Work; and applicable laws, regulations, and industry standards. Contractor shall fully cooperate with such assessment by providing access to knowledgeable personnel; physical premises; records; technical and physical infrastructures; and any other person, place, or object which may assist the Division or its designee in completing such assessment. However, such assessment, examination or review must be scheduled in advance and at a time convenient for the Contractor.

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63. **LARGE VOLUME DISCOUNT PRICING:** Eligible Users may seek to obtain additional volume discount pricing for large orders provided Contractor is willing to offer additional discounts for large volume orders. No amendment to this Contract is necessary for Contractor to offer discount pricing to an Eligible User for large volume purchases.
64. **ELIGIBLE USER PARTICIPATION:** Participation under this Contract by Eligible Users is voluntarily determined by each Eligible User. Contractor agrees to supply each Eligible User with Goods based upon the same terms, conditions and prices of this Contract.
65. **INDIVIDUAL CUSTOMERS:** Each Eligible User that purchases Goods from this Contract will be treated as if they were individual customers. Each Eligible User will be responsible to follow the terms and conditions of this Contract. Contractor agrees that each Eligible User will be responsible for their own charges, fees, and liabilities. Contractor shall apply the charges to each Eligible User individually. The Division is not responsible for any unpaid invoice.
66. **QUANTITY ESTIMATES:** The Division does not guarantee any purchase amount under this Contract. Estimated quantities are for Solicitation purposes only and are not to be construed as a guarantee.
67. **ORDERING:** Orders will be placed by the using Eligible User directly with Contractor. All orders will be shipped promptly in accordance with the terms of this Contract.
68. **REPORTS AND FEES:**
1. **Administrative Fee:** Contractor agrees to provide a quarterly administrative fee to the State in the form of a Check or EFT payment. The fee will be payable to the "State of Utah Division of Purchasing" and will be sent to State of Utah, Division of Purchasing, 3150 State Office Building, Capitol Hill, PO Box 141061, Salt Lake City, UT 84114. The Administrative Fee will be one percent (1%) and will apply to all purchases (net of any returns, credits, or adjustments) made under this Contract.
  2. **Quarterly Reports:** Contractor agrees to provide a quarterly utilization report, reflecting net sales to the State during the associated fee period. The report will show the quantities and dollar volume of purchases by each agency and political subdivision. The quarterly report will be provided in secure electronic format and/or submitted electronically to the Utah reports email address: salesreports@utah.gov.
  3. **Report Schedule:** Quarterly utilization reports shall be made in accordance with the following schedule:

<u>Period End</u>	<u>Reports Due</u>
March 31	April 30
June 30	July 31
September 30	October 31
December 31	January 31
  4. **Fee Payment:** After the Division receives the quarterly utilization report it will send Contractor an invoice for the total quarterly administrative fee owed to the Division. Contractor shall pay the quarterly administrative fee within thirty (30) days from receipt of invoice.
  5. **Timely Reports and Fees:** If the quarterly administrative fee is not paid by thirty (30) days of receipt of invoice or quarterly utilization reports are not received by the report due date, then Contractor will be in material breach of this Contract.
69. **DISPOSAL OF SURPLUS GOODS AND DELIVERABLES:** The Division and Contractor have determined that the improper disposal or sale of the Goods and Deliverables identified in this Contract pose a substantial security risk of potential Data Breaches to the Eligible Users. Contractor and Eligible Users agree to follow the applicable state and federal laws, rules, or policies in disposing of the surplus Goods and Deliverables under this Contract.

**If Services are applicable to this Contract, the following terms and conditions apply to this Contract:**

70. **TIME IS OF THE ESSENCE:** The Services shall be completed by any applicable deadline stated in this Contract. For all Services, time is of the essence.

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- 71. PERFORMANCE EVALUATION:** The Division may conduct a performance evaluation of Contractor's Services, including Contractor's Subcontractors, if any. Results of any evaluation may be made available to the Contractor upon Contractor's request.
- 72. ADDITIONAL INSURANCE REQUIREMENTS:**
1. Professional liability insurance in the amount as described in the Solicitation for this Contract, if applicable.
  2. Any other insurance policies described or referenced in the Solicitation for this Contract.
  3. Any type of insurance or any increase of limits of liability not described in this Contract which the Contractor requires for its own protection or on account of any federal, state, or local statute, rule, or regulation shall be its own responsibility, and shall be provided at Contractor's own expense.
  4. The carrying of insurance required by this Contract shall not be interpreted as relieving the Contractor of any other responsibility or liability under this Contract or any applicable law, statute, rule, regulation, or order. Contractor must provide proof of the above listed policies within thirty (30) days of being awarded this Contract.
- 73. STANDARD OF CARE:** The Services of Contractor and its Subcontractors shall be performed in accordance with the standard of care exercised by licensed members of their respective professions having substantial experience providing similar services which similarities include the type, magnitude, and complexity of the Services that are the subject of this Contract.
- 74. STATE REVIEWS, LIMITATIONS:** The Division reserves the right to perform plan checks, plan reviews, other reviews, and/or comment upon the Services of Contractor.

**4. Leases:**

- (a) **Lease Terms:** Capital Leases, Fair Market Value Leases and Operational Leases will be subject to the terms and conditions of the leasing terms and conditions attached hereto as Exhibit A (the "Lease Terms"), which is incorporated herein by this reference. A Purchasing Entity may lease Products pursuant to the Lease Terms and this Participating Addendum by issuance of a Purchase Order or Order (each, a "Lease Order"). If there is a conflict between the Lease Terms and this Participating Addendum, the Master Agreement or any other document referenced in Section 1 of the Master Agreement, the Lease Terms shall control. The Lease Terms and any lease Purchase Order or Order shall survive the termination of this Participating Addendum and the Master Agreement. Upon the Purchasing Entity's execution of a delivery and acceptance certificate, the Acceptance Testing period shall end and the Purchasing Entity shall not reject or revoke acceptance of the Product.
- (b) **Lease Renewals, End of Term Options and Title to Leased Products.** At the end of the applicable Lease term, Leases (*other than Capital Leases*) may be (1) renewed as provided in the Lease Terms; (2) end user may elect to purchase the equipment subject to Fair Market Value Leases; or (3) return the equipment, pursuant to Section 13 in Exhibit A (Sharp Master Lease Agreement). In the case of a renewal, or purchase of the equipment, the customer must provide written notice at least thirty (30) days prior to the expiration date of the lease. Notwithstanding anything to the contrary in RFP 3091 or the Master Agreement, title to leased Products shall remain with

**PARTICIPATING ADDENDUM to  
WSCA-NASPO COOPERATIVE PURCHASING ORGANIZATION  
COPIERS, PRINTERS & RELATED DEVICES 14-19  
MASTER AGREEMENT (Nevada RFP 3091)  
Administered by the State of Nevada (hereinafter "Lead State")**

between

Sharp Electronics Corporation  
(hereinafter "Contractor")

And

State of Utah Contract Number AR455  
(hereinafter "Participating State/Entity")

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Contractor unless and until the Purchasing Entity's payment of the applicable purchase option price. At the end of a *Capital Lease*, assuming all contractual obligations have been met, title of the equipment will be transferred to the end user.

**Note:** If the Purchasing Entity elects to retain the hard drive of any Product upon return of the Products to Contractor, *Purchasing Entity shall pay Contractor a hard drive replacement fee of \$500 per unit of Product.*

- (c) Lease Renewals, End of Term Options and Title to Leased Products. At the end of the applicable Lease term, Leases (other than Capital Leases) may be renewed as provided in the Lease Terms and Customer may elect to purchase Products subject to Fair Market Value Leases. Notwithstanding anything to the contrary in RFP 3091 or the Master Agreement, title to leased Products shall remain with Contractor unless and until the Purchasing Entity's payment of the applicable purchase option price. If the Purchasing Entity elects to retain the hard drive of any Product upon return of the Products to Contractor, Purchasing Entity shall pay Contractor a hard drive replacement fee of \$500 per unit of Product.
- (d) Termination Charges. The limitation on termination charges as specified in Section 5.4.2.3 of RFP 3091 is the balance of lease payments for leases and, for service and maintenance obligations, the lesser of four (4) months service and supply base charges or 25% of the service/supply payment for the remaining term.
- (e) NON-APPROPRIATION OF FUNDS. Customer intends to remit to Lessor all Lease Payments and other payments for the full Term specified in the applicable Lease Order if funds are legally available. In the event Customer is not granted an appropriation of funds at any time during the Term for the Product or for product which is functionally similar to the Product and operating funds are not otherwise available to Customer to pay Lease Payments and other payments due and to become due under the Lease, and there is no other legal procedure or available funds by or with which payment can be made to Lessor, and the non-appropriation did not result from an act or omission by Customer, Customer shall have the right to return the Product in accordance with these Lease Terms and terminate the Lease on the last day of the fiscal period for which appropriations were received without penalty or expense to Customer, except as to the portion of the Lease Payments for which funds shall have been appropriated and budgeted. At least thirty (30) days prior to the end of Customer's fiscal period, Customer's chief executive officer (or legal counsel) shall certify in writing that: (a) funds have not been appropriated for the fiscal period; (b)



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such non-appropriation did not result from any act or failure to act by Customer; and (c) Customer has exhausted all funds legally available to pay Lease Payments. If Customer terminates the Lease because of a non-appropriation of funds, Customer may not purchase, lease or rent, during the subsequent fiscal period, product performing the same functions as, or functions taking the place of, those performed by the Product; provided, however, that these restrictions shall not be applicable if or to the extent that the application of these restrictions would affect the validity of the Lease. This Section shall not permit Customer to terminate the Lease in order to acquire any other product or to allocate funds directly or indirectly to perform essentially the application for which the Product is intended.

(f) Assignment. Contractor may sell and assign to its affiliates and/or unaffiliated third parties from time to time its right, title and interest in and to: (a) Products subject to Lease Orders; (b) all payments and other amounts due and to become due under Lease Orders and this Participating Addendum with respect to the Products; and (c) all rights and remedies under this Participating Addendum and the Lease Terms with respect to the Products and such payments and other amounts due; but none of the obligations of Contractor under this Participating Addendum, the Lease Terms, the Master Agreement or any other document referenced in Section 1 of the Master Agreement, all of which obligations shall remain with Contractor.

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

**Contractor**

Name	Sharp Electronics, Craig Pulver, Government Account Executive
Address	One Sharp Plaza Suite 1, Mahwah, NJ 07495
Telephone	201-529-8200 602-300-0962
Fax	201-529-9454
E-mail	<a href="mailto:pulverc@sharpsec.com">pulverc@sharpsec.com</a>

**Local Contract**

Name	Sharp Electronics, Craig Pulver, Government Account Executive
Address	
Telephone	201-529-8200 602-300-0962
Fax	201-529-9454
E-mail	<a href="mailto:pulverc@sharpsec.com">pulverc@sharpsec.com</a>

**Participating Entity**

Name	Brenda Veldevere
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Address	3150 State Office Building, Capitol Hill Salt Lake City, UT 84114-1061
Telephone	801-538-3142
Fax	
E-mail	bveldevere@utah.edu

**6. Subcontractors:**

All Sharp dealers and resellers authorized in the State of Utah, as shown on the dedicated Sharp (cooperative contract) website, are approved to provide sales and service support to participants in the WSCA-NASPO Master Agreement. The Sharp dealer's participation will be in accordance with the terms and conditions set forth in the aforementioned Master Agreement.

**7. Purchase Order Instructions:**

Orders may be issued to Contractor or to Contractor's authorized dealers. All orders should contain the following (1) "PO is subject to WSCA-NASPO Contract resulting from RFP # 3091" or, for Lease Orders, "This Purchase Order (or Order) is issued pursuant to the WSCA-NASPO Master Agreement Terms and Conditions between The State of Nevada and Sharp Electronics Corporation resulting from RFP 3091 and the Participating Addendum thereto between <<PA state>> and Sharp Electronics Corporation <<insert PA number, if applicable>> and constitutes a "Lease Order" under the Participating Addendum." (2) Purchasing Entity's Name, Address, Contact, & Phone-Number (3) Purchase order amount (4) a description of the Products (5) for Lease Orders, the monthly payment amount, lease term, type of lease (Capital Lease, Fair Market Value Lease or Operational Lease), location of the Products; and cost per impression rates and minimum impression volumes, if applicable and (6) for Lease Orders for Capital Leases, the applicable lease rate factor or lease rate. Please channel Customer's PO through one of Contractor's authorized resellers so they can arrange for proper ordering and installation of Products.

**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: **AR455** and the Lead State RFP 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. 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



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any indemnity or to 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 resulting from RFP 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 unless accepted in writing by both Purchasing Entity and Contractor. 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:	Contractor: Sharp Electronics Corporation
By: 	By: 
Name: Paul F. Mash	Name: Laura J Blackmer
Title: Asst. Director	Title: Sr Vice President - Sales
Date: 6/18/15	Date: 6/17/15

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

WSCA-NASPO COOPERATIVE PURCHASING ORGANIZATION

Name	Paul Stembler, Cooperative Development Coordinator
Telephone	651-206-3858
E-mail	<a href="mailto:paul.stembler@wsca-naspo.org">paul.stembler@wsca-naspo.org</a>

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**[Fully executed PDF copy of this document should be emailed to  
[PA@wsca-naspo.org](mailto:PA@wsca-naspo.org) to support documentation of participation and  
posting in appropriate data bases]**

**Exhibit A**  
**STATE OF UTAH**  
**SERVICE LEVEL AGREEMENT (SLA)**

**1. Customer Level SLA**

**1.1 Purpose**

The purpose of this addendum is to define service levels; penalties for the performance of the service levels; as well as provide the Customer with a defined replacement process for equipment performing below expectations. This SLA does not implicate or involve lease related invoicing; it involves equipment performance and maintenance issues.

**1.2 Customer Service Level Agreement**

Contractor agrees to maintain the following service levels defined below as targets:

<b>Performance Criteria</b>	<b>Target Level</b>
Average Uptime	96% or Better
Average On-Site Response Time	4 Hours or Less
First Time Fix	80% of all service calls or better

These service levels will be measured on a quarterly basis between Contractor and Customer.

**1.3 Calculation of Service Level Points**

Upon written request of the Customer, the Contractor will produce reporting to be measured against the Service Level Agreement and points will be assigned according to the following chart for the previous quarter. These points will be added to produce a total Service Level score. This score will be used to determine the subsequent penalty according to the following schedule where the penalty can be up to 4% of the previous quarter's service and supplies billing only (expressed as a negative %). Penalty will not apply to lease payments.

	<b>Target Level</b>	<b>Below Target 1</b>	<b>Below Target 2</b>	<b>Below Target 3</b>	<b>Below Target 4</b>
<b>Average Uptime</b>	98% or Higher	97.9% - 96%	95.9% - 94%	94.9% - 94%	93.9% or lower
<b>Possible Points</b>	4	3	2	2	0
<b>Average On-Site Response Time (in Hours)</b>	4 or Less	4.1 - 5	5.1 - 6	6.1 - 7	7.1 or more

<b>Possible Points</b>	4	3	2	2	0
<b>First Time Fix</b>	80% or Higher	79.9% - 70%	69.9% - 60%	59.9% - 50%	Less than 50%
<b>Possible Points</b>	4	3	2	2	0

#### 1.4 Penalty

The penalty shall be awarded to the Customer as a credit on the following period's service and supplies invoice.

	<b>Target Level</b>	<b>Below Target 1</b>	<b>Below Target 2</b>	<b>Below Target 3</b>	<b>Below Target 4</b>
<b>Total Score</b>	12 – 10	9 – 7	6 - 4	3 – 1	0
<b>Penalty as a percentage of quarterly service and supplies billings</b>	0%	-2.5%	-3.0%	-3.5%	-4.0%

#### 1.5 Equipment Performance

Contractor guarantees each machine specified within any maintenance agreement will perform to either a) the monthly copies between service calls as measured by machine on a quarterly basis by group and segment listed below and/or b) the monthly uptime as measured by machine on a quarterly basis by segment listed below.

<b>Group</b>	<b>Devices</b>	<b>Segments</b>	<b>Quarterly Uptime</b>
A	Copiers Black & White	All	95%
B	Copiers Color	All	95%
C	Wide Format Devices	All	95%
D	Printers (Color and Black & White)	All	95%
E	Digital Duplicators	All	95%
F	Scanners	All	95%

If any unit fails to maintain this level of performance between calls and or the monthly uptime, excluding service calls caused by operator error that system will be subject to replacement at the Customers discretion on a like-for-like basis with then current technology. Prior to installing a substitute product, Contractor will be allowed 90 days to remedy any quality or reliability issues. A designated factory authorized technician must certify each unit's ability to produce acceptable impressions with acceptable copies between calls or uptime. The guarantee will remain in effect for the term of the contract or up to five (5) years from the date of purchase/lease, provided the equipment has not been subjected to abuse or neglect and has been continuously covered by a Maintenance Contract. This replacement policy will remain in effect for the term of the

contract and is subject to the Customer remaining current with supplier's payment requirements.

## 1.6 Additional Contractor Guarantees

1.6.1 **Training** – On-going training as requested by the Customer to be performed within two (2) weeks of requested date for on-site training and two (2) hours for phone/technical support. A penalty of \$50 per incident that does not meet the turnaround time specified to be credited on the next service bill.

1.6.2 **Loaner Unit/Backup Production** – If any unit is inoperable due to equipment malfunction for a period in excess of 72 hours, Contractor shall provide the Customer with either:

- i) A loaner unit of similar speed and capabilities until such time as the unit(s) covered by this agreement are operable, or
- ii) Provide the Customer with off-site manned production capabilities to accomplish the work of the unit that is inoperable at the sole cost of the Contractor. Such costs shall be limited to cost of production (service and supplies), equipment, labor, power, transportation of jobs to and from the off-site production facility and facilities.

1.6.3 **Invoicing** – Contractor shall maintain timely, accurate invoicing, less service run impressions, as defined below. The assigned copy machine operators, back-up personnel, and office personnel shall respond in a timely manner to the Contractor's e-mails, facsimiles, and phone calls in providing the readings. Receiving meters from Customer is a necessary step in the process of generating a complete and accurate invoice. Invoices that are generated without receiving the proper meter read information, due to the Customer's failure to provide such meter by the last day of the month, are not considered inaccurate. Failure on the Contractor's part to maintain the Service levels as defined in the table below shall result in a \$50.00 per instance credit on the following invoice provided Customer has given written notice to Contractor of any such alleged invoicing problem and Contractor has been allowed a 30 day cure period after such notice to address any such issue.

Measurable	Service Level
Timely Invoicing	Invoices will be submitted no later than the 25 <sup>th</sup> of the month immediately following the close of a billing period
Accurate Invoicing	Invoices do not require any credits for miss-billing
Service Impressions	Contractor will credit all service run impressions within the same billing cycle

## 2. **Reporting and Billing**

- 2.1 **Timely Reporting** – Contractor shall produce reporting for the State within 30 days of the closing of the reporting period. Failure to do so may result in a penalty of \$5.00 per work day beyond the 30 day period.
- 2.2 **Accuracy of Reporting** – The State may request at any point proof of the reporting accuracy through the data set supporting the reporting. If the State has reason to believe that multiple and systemic reporting errors exist, that cannot be corrected to the State's satisfaction; the State may require an audit by a third party. If errors are found, the Contractor must reimburse the State for the cost of the auditor.
- 2.3 **Accuracy of Billing** – The State may request at any point proof of the billing accuracy through the data set supporting the billing. If the State has reason to believe that multiple and systemic billing errors exist, that cannot be corrected to the State's satisfaction; the State may require an audit by a third party. If errors are found, the Contractor must reimburse the State for the cost of the auditor as well as correcting any billing errors.
- 2.4 **Penalties** – All penalties under this, section two (2) of the Service Level Agreement, shall be payable to the State. ·





# Master Lease Agreement

<b>Master Lease Number:</b>	<b>Customer's Federal Tax ID#:</b>
<b>Customer Name (exact registered name if a corporation, LLC or LP):</b>	<b>Customer's Address (principal place of business):</b>
<b>Customer's d/b/a (if any):</b>	<b>Customer's Main Business Phone Number:</b>

In this Master Lease Agreement, as it may be amended from time to time (the "Master Agreement"), the words "You" and "Your" mean the Customer named above. "We," "Us" and "Our" mean Sharp Leasing USA Corporation ("SLUSA"). "Schedule" means a document, in the form attached hereto as Exhibit A or such other form as We may accept in Our sole discretion, to be entered into between You and Us for each individual transaction entered into between You and Us pursuant to this Master Agreement. "Sharp" means Sharp Electronics Corporation (either directly or through one of its branch dealers), the supplier of the Equipment to You. ***This Master Agreement, each Schedule and the other documents executed or delivered by Us in connection herewith and therewith represent the final and only agreement between You and Us regarding the subject matter herein and therein and shall supersede any other oral or written agreements between You and Us. This Master Agreement can be changed only by a written agreement between You and Us. Other agreements not stated herein (including, without limitation, those contained in any purchase agreement or other agreement between You and Sharp) are not binding on Us.*** This Master Agreement and each Schedule may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute the same document. You acknowledge that You have received a copy of this Master Agreement and agree that a facsimile or other copy containing Your faxed or copied signature shall be as enforceable as the original executed Master Agreement. You hereby represent that this Master Agreement is legally binding and enforceable against You in accordance with its terms.

**1. LEASE OF EQUIPMENT - GENERAL.** Each Schedule executed by You (and to be executed by You in the future) represents your agreement to lease from Us the personal property listed therein (together with all existing and future accessories, attachments, replacements, additions and embedded software, the "Equipment"), upon the terms stated in such Schedule and this Master Agreement, the terms and conditions of which are incorporated by reference into the Schedule (collectively, a "Lease"). Each Schedule, including the terms and conditions incorporated therein by reference, shall be considered a separate and independent Lease. If the Equipment includes any software, You agree that (i) We don't own the software, (ii) You are responsible for entering into any necessary software license agreements with the owners or licensors of such software, (iii) You shall comply with the terms of all such agreements, if any, and (iv) any default by You under any such agreements shall also constitute a default by You under this Master Agreement and the related Schedule. The initial term of each Lease will begin on a date designated by Us after We accept it (the "Commencement Date") and will continue for the number of months shown on such Schedule ("Initial Term"). You promise to pay to Us the periodic payments shown on each Schedule in accordance with the payment schedule set forth therein, plus all other amounts stated herein and therein. Each Schedule is binding on You as of the date You sign it. After You sign a Schedule, We may (i) insert the Schedule or contract number thereon and any other information missing in such Schedule, and (ii) change the payment amount by not more than 15% due to a change in the Equipment configuration, cost or tax amount, or a payment miscalculation.

**2. NON-CANCELABLE TERM; AUTOMATIC RENEWAL.** As used herein, "Present Term" means the term presently in effect at any time with respect to a Lease, whether it is the Initial Term or a Renewal Term (as defined below). With respect to each Lease, unless You notify Us in writing at least 30 days before the end of the Present Term (the "Notice Period") that You intend to return the Equipment at the end of such Present Term, then: (a) such Lease will automatically renew for an additional one-month period (each, a "Renewal Term"), and (b) the payment amount and other terms of such Lease will continue to apply. If You do notify Us in writing within the Notice Period that You intend to return the Equipment at the end of the Present Term, then, promptly upon the expiration of such Present Term, You shall return the Equipment pursuant to Section 13 below. Each Lease is non-cancelable during the Initial Term and any Renewal Term.

**3. UNCONDITIONAL OBLIGATIONS.** With respect to each Lease, You agree that: (a) We are a separate and independent company from Sharp, the manufacturer and any other vendor (collectively, "Vendors"), and the Vendors are NOT Our agents; (b) no statement, representation or warranty by any Vendor is binding on Us, and no Vendor has authority to waive or alter any term of this Master Agreement or any Schedule; (c) You, not We, selected all Equipment and the Vendors based on Your own judgment; (d) Your duty to perform Your obligations under this Master Agreement and each Schedule is unconditional and irrevocable despite any failure of any Equipment, the existence of any law restricting the use of any Equipment, or any other adverse condition; (e) if You are a party to any maintenance, service, supplies or other contract with any Vendor, We are NOT a party thereto, such contract is NOT part of this Master Agreement or any Schedule (even though We may, as a convenience to You and a Vendor, bill and collect monies owed by You to such Vendor), We have no obligations to You under such contract, and no breach by any Vendor will excuse You from performing Your obligations to Us under this Master Agreement or any Schedule; and (f) if the Equipment is unsatisfactory or if any Vendor fails to provide any service or fulfill any other obligation to You, You shall not make any claim against Us and shall continue to perform all of Your obligations to Us.

**4. PAYMENTS.** The payments due pursuant to each Schedule, plus applicable taxes and other charges provided for herein and in the Schedule, shall be due and payable by the due date set forth in Our invoice to You, subject to the Master Agreement and Participating Addendum. The payments due under a Schedule may include additional copy charges at the "Overage Copy Charge" rate specified in the Schedule for copies in excess of the Monthly Copy Allowance provided in the Schedule. You agree that We may increase the "Overage Copy Charge" but not more than once each year during the Initial Term and once each year for any Renewal Term (if any), by an amount not to exceed 10%. You agree to (a) provide Us or Sharp by telephone or facsimile with the actual meter readings whenever You are requested to do so, (b) allow Us or Sharp to attach an automatic meter reading device to the Equipment, which meter reading device You will not remove or alter without approval from Us or Sharp, and/or (c) give Us or Sharp access to the Equipment to obtain meter readings or audit the meter reading device. If We or Sharp request You to provide meter readings and You fail to do so within 7 days of the date of such request, then (i) the number of copies used by You may be estimated by Us or Sharp and We will invoice You accordingly, and (ii) We will adjust the estimated charge for excess copies upon receipt of actual meter readings. Restrictive endorsements on checks will not be binding on Us. All payments received will be applied to past due amounts and to the current amount due in such order as We determine. Any security deposit or estimated future Governmental Charge (as defined in Section 10 below) that You pay with respect to a Lease is non-interest bearing, may be commingled with Our funds, may be applied by Us at any time to past-due amounts, and the unused portion will be returned to You within 90 days after the end of this Lease. If We do not receive a payment in full on or before its due date, You shall pay (i) a fee equal to the greater of 10% of the amount that is late or \$29.00, plus (ii) interest on the part of the payment that is late in the amount of 1.5% per month ("Time-Value Interest") from the due date to the date paid. If any check is dishonored, You shall pay Us a fee of \$20.00. Promptly following Our request, from time to time, You shall furnish Us with current financial statements.

**5. INDEMNIFICATION.** With respect to each separate Lease, You agree to indemnify and defend Us against, and hold Us harmless for, any and all claims (including but not limited to claims for personal injury and death), actions, damages, liabilities, losses and costs (including but not limited to reasonable attorneys' fees) made against Us, or suffered or incurred by Us, arising directly or indirectly out of, or otherwise relating to, the delivery, installation, possession, ownership, use, loss of use, defect in or malfunction of any Equipment. This obligation shall survive the termination of this Master Agreement and each Schedule.

**THE TERMS OF THIS MASTER AGREEMENT ARE CONTINUED ON THE REVERSE SIDE / NEXT PAGE. DO NOT SIGN THIS CONTRACT BEFORE YOU READ AND UNDERSTAND IT. PLEASE SEEK LEGAL COUNSEL BEFORE SIGNING IF YOU HAVE QUESTIONS.**

<b>Customer:</b>	Accepted by Sharp Leasing USA Corp., Mahwah, New Jersey
By: <b>X</b> _____ Date: ____ / ____ / ____	By: _____
Print name: _____ Title: _____	Acceptance Date: ____ / ____ / ____ (to be filled in by Sharp Leasing USA Corp.)

6. **NO WARRANTIES.** WE ARE LEASING ALL EQUIPMENT TO YOU "AS IS". We have not made and we hereby disclaim any and all warranties, express or implied, arising by applicable law or otherwise, including without limitation, the implied warranties of merchantability and fitness for a particular purpose. We hereby transfer to You, without recourse to Us, all automatically transferable warranties, if any, made to Us by the Vendor(s) of the Equipment. You agree that each Lease is a "finance lease" under the Uniform Commercial Code (the "UCC") unless otherwise expressly stated in the related Schedule or as provided by law. To the extent permitted by law, You hereby waive any and all rights and remedies conferred upon You under UCC Sections 2A-303 and 2A-508 through 522. You may be entitled under Article 2A of the UCC to the promises and warranties (if any) provided to Us by some or all of the Vendor(s) in connection with or as part of the contracts (if any) by which We acquire Equipment from such Vendor(s). You may contact such Vendor(s) for an accurate and complete statement of those promises and warranties (if any), including any disclaimers and limitations of them or of remedies. If it is determined that any Lease is a lease intended as security and/or the related Schedule grants to You a \$1.00 purchase option, then **You hereby grant to Us a security interest in the related Equipment and all proceeds thereof.** You authorize Us to record UCC financing statements to protect Our interests in the Equipment.
7. **DELIVERY, LOCATION, OWNERSHIP, USE, MAINTENANCE OF EQUIPMENT.** Sharp will install (and, with Our prior consent, remove) the Equipment in accordance with Sharp's service policies. You are responsible for all Equipment maintenance. You shall not remove any Equipment from the Equipment location specified in the related Schedule unless You first get Our permission. You shall give Us access to each Equipment location so that We may inspect the Equipment, and You agree to pay Our costs in connection therewith, whether performed prior to or after the Commencement Date of the related Lease. Unless otherwise stated in the related Schedule or as provided by law, **We will own and have title to all Equipment (excluding any software) during each Lease.** You agree that all Equipment is and shall remain personal property. Without Our prior written consent, You will not permit it to become (i) attached to real property or (ii) subject to any liens or encumbrances. **You represent that all Equipment will be used solely for commercial purposes and not for personal, family or household purposes.** You shall use all Equipment in accordance with all laws, operation manuals, any service contracts and insurance requirements, and shall not make any permanent alterations to it. At Your cost, You shall keep all Equipment in good working order and warrantable condition, ordinary wear and tear excepted ("**Good Condition**").
8. **LOSS; DAMAGE; INSURANCE.** With respect to each Lease, You shall, at all times during the Initial Term and any Renewal Term, (i) bear the risk of loss and damage to the Equipment and shall continue performing all Your obligations to Us even if it becomes damaged or suffers a loss, (ii) keep the Equipment insured against all risks of damage and loss ("**Property Insurance**") in an amount equal to its replacement cost, with Us named as sole "loss payee," and (iii) carry public liability insurance covering bodily injury and property damage ("**Liability Insurance**") in an amount acceptable to Us, with Us named as "additional insured." You have the choice of satisfying these insurance requirements by providing Us with satisfactory evidence of Property and Liability Insurance ("**Insurance Proof**"), within 30 days of the Commencement Date of such Lease. Such Insurance Proof must provide for at least 30 days prior written notice to Us before it may be cancelled or terminated and must contain other terms satisfactory to Us. **If you do not provide Us with Insurance Proof within 30 days of the Commencement Date of any Lease, or if such insurance terminates for any reason, then (a) You agree that We have the right, but not the obligation, to obtain such Property Insurance and/or Liability Insurance in such forms and amounts from an insurer of Our choosing in order to protect Our interests ("Other Insurance"), and (b) You agree that We may charge you a periodic charge for such Other Insurance. You may request that the Leased Equipment is covered for the value thereof against property loss or damage while in your possession by a program of self-insurance whereby the lessee agrees to reimburse the lessor (Sharp) for the replacement cost value of the equipment.** This periodic charge will include reimbursement for premiums advanced by Us to purchase Other Insurance, billing and tracking fees, charges for Our processing and related fees associated with the Other Insurance, and a finance charge of up to 18% per annum (or the maximum rate allowed by law, if less) on any advances We make for premiums, (collectively, the "**Insurance Charge**"). We and/or one or more of our affiliates and/or agents may receive a portion of the Insurance Charge, which may include a profit. We are not obligated to obtain, and may cancel, Other Insurance at any time without notice to You. Any Other Insurance need not name You as an insured or protect Your interests. The Insurance Charge may be higher than the amount You would pay if You obtained Property and Liability Insurance on Your own.
9. **ASSIGNMENT.** You shall not sell, transfer, assign or otherwise encumber (collectively, "**Transfer**") this Master Agreement or any Schedule, or Transfer or sublease any Equipment, in whole or in part. We may, without notice to You, Transfer Our interests in any Equipment and/or this Master Agreement or any Schedule, in whole or in part, to a third party ("**New Owner**"), and if so, the New Owner will, to the extent of the Transfer, have all of Our rights and benefits but will not have to perform Our obligations (if any). You agree not to assert against the New Owner any claim or defense You may have against Us or any predecessor in interest.
10. **TAXES AND OTHER FEES.** You are responsible for all taxes (including, without limitation, sales and personal property taxes, and excluding only taxes based on Our income), levies, assessments, license and registration fees and other governmental charges relating to this Master Agreement, unless you are exempt from paying taxes, each Schedule and/or the related Equipment (collectively "**Governmental Charges**"). You agree to promptly pay Us, on demand, estimated future Governmental Charges. You authorize Us to pay any Governmental Charges as they become due, and You agree to reimburse Us promptly upon demand for the full amount (less any estimated amounts previously paid by You). You agree to pay Us a fee for preparing and filing personal property tax returns, and You agree not to file any personal property tax returns. You also agree to pay Us upon demand (i) for all costs of filing, amending and releasing UCC financing statements, and (ii) a processing fee of \$75.00 (or as otherwise agreed) per Lease to cover Our investigation and other administrative costs in originating such transaction. You also agree to pay Us a fee, in accordance with Our current fee schedule, which may change from time to time, for additional services We may provide to You at Your request. **You agree that the fees set forth in this Master Agreement may include a profit.**
11. **SAVINGS CLAUSE.** If any amount charged or collected under this Master Agreement or any Lease is greater than the amount allowed by law, including, without limitation, any amount that exceeds applicable usury limits (an "**Excess Amount**"), then (i) any Excess Amount charged but not yet paid will be waived by Us and (ii) any Excess Amount collected will be refunded to You or applied to any other amount then due hereunder.
12. **DEFAULT.** With respect to each Lease, You will be in default if You (1) fail to pay any amount due within 15 days of the due date, (2) breach or attempt to breach any other term, representation or covenant set forth herein, the related Schedule or in any other agreement between You and Us, (3) die (if You are an individual), go out of business or commence dissolution proceedings, (4) become insolvent, admit Your inability to pay Your debts, make an assignment for the benefit of Your creditors (or enter into a similar arrangement), file (or there is filed against You) a bankruptcy, reorganization or similar proceeding or a proceeding for the appointment of a receiver, trustee or liquidator, or (5) suffer an adverse change in Your financial condition and, as a result thereof or for any other reason, We deem Ourselves insecure. If You default, We may do any or all of the following with respect to any one or more Schedules: (A) cancel the related Lease, (B) require You to return the Equipment pursuant to Section 13 below, (C) take possession of and/or render the Equipment (including any software) unusable, and for such purposes You hereby authorize Us and Our designees to enter Your premises, with or without prior notice or other process of law, (D) require You to pay to Us, on demand, an amount equal to the sum of (i) all payments and other amounts then due and past due, (ii) all remaining payments for the remainder of the then Present Term thereof discounted at a rate of 6% per annum, (iii) the residual value of the Equipment estimated by Us at the inception of the Lease (as shown in Our books and records), discounted at a rate of 6% per annum, (iv) Time-Value Interest on the amounts specified in clauses "i", "ii" and "iii" above from the date of demand to the date paid, and (v) all other amounts that may thereafter become due hereunder to the extent that We will be obligated to collect and pay such amounts to a third party (such amounts specified in sub-clauses "i" through "v" referred to below as the "**Balance Due**"), and/or (E) exercise any other remedy available to Us under law. You also agree to reimburse Us on demand for all reasonable expenses of enforcement (including, without limitation, reasonable attorneys' fees and other legal costs) and reasonable expenses of repossessing, holding, preparing for disposition, and disposition ("**Remarketing**") of Equipment, plus Time-Value Interest on the foregoing amounts from the date of demand to the date paid. In the event We are successful in Remarketing the Equipment, We shall give You a credit against the Balance Due in an amount equal to the present value of the proceeds received and to be received from Remarketing minus the above-mentioned costs (the "**Net Proceeds**"). **If the Net Proceeds are less than the Balance Due, You shall be liable for such deficiency.** Any delay or failure to enforce Our rights under a Lease shall not constitute a waiver thereof. If We are holding any money belonging to You at any time during a Lease, You agree We may retain and utilize such money to cure any default by You under any Lease.
13. **RETURN OF EQUIPMENT.** If You are required to return any Equipment pursuant to the terms hereof, You shall, at Your expense, promptly upon demand, send the Equipment to a location(s) designated by Us. The Equipment must be received in Good Condition (as defined in Section 7). If the Equipment is not received within 15 days of the date of demand, You agree to continue paying the scheduled payments and all other amounts due pursuant to the related Schedule until it is received by Us. You will be responsible for any loss or damage to the Equipment during the return.
14. **APPLICABLE LAW; VENUE; JURISDICTION.** Each Lease shall be deemed to be performed in Salt Lake City, Utah. This Lease shall be governed by the laws, rules, and regulations of the State of Utah. Any action or proceeding arising from this Lease shall be brought in a court of competent jurisdiction in the State of Utah. Venue shall be in Salt Lake City, in the Third Judicial District Court for Salt Lake County. Each provision hereof shall be interpreted to the maximum extent possible to be enforceable under applicable law. If any provision is construed to be unenforceable, such provision shall be ineffective only to the extent of such unenforceability without invalidating the remainder hereof.