

BizDoc, Inc.

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BizDoc STRAIGHT TALK DOCUMENT SYSTEMS RENTAL AGREEMENT

AGREEMENT No. _____

THIS ENTIRE AGREEMENT IS CONFIDENTIAL BETWEEN BizDoc AND CLIENT AS SPECIFIED ON THE REVERSE OF THIS PAGE

CLIENT INFORMATION

Form with fields for Client Name (The City of Kyle), Contact Person (Danielle Harvey), Title (IT Systems), Telephone (512-781-2158), and Email (dharvey@cityofkyle.com).

RENTAL SYSTEM INFORMATION

Table with columns: QTY, MFG, MODEL, Item/Description, Accessories. Row 1: 1 Kyocera 5551ci, 55 PPM COLOR MFP, 175 Sheet Dual Scan DP-772, Dual 1,500 Sheet Paper PF740B, 1,000 Sheet Finisher DF 770(D), Attachment Kit AK-731, FaxSystem (WJB).

MONTHLY RENTAL AGREEMENT PAYMENT INFORMATION

Table with columns: Item Code, Minimum Payment Per Month, Rental Term, Black Image Allowance, Black Supplies Included, Excess Charge Per Black Image Over Allowance, Color Image Allowance, Color Supplies Included, Excess Charge Per Color Image Over Allowance, Scan Allowance, Excess Charge Per Scan Over Allowance, Allowance Period Cycle MONTHLY, BIZDOC RENTAL DISCOUNT PRIVILEGE.

Summary table for charges: Security Deposit (-0-), Delivery/Install (Free), BizEd/Training (Free), Processing Fees (None), Pre-term Rent (None), Returned Check Fee (\$25.00), Late Fees (1 Free), Price Increases (See Para 8), Insurance (See Para 14), Property Tax (See Para 7), Return Freight (See Para 3 & 12), Paper / Staples (Not Included), Supplies Delivery (Free).

During the term of this Agreement, BizDoc provides Client with the following percentage discounts off MSRP for: Copier/Printer Mainframes: Accessories: Printers: Software: SALES TAX EXEMPT: [X] Yes [] No

YOUR OBLIGATION TO MAKE THE ABOVE MINIMUM PAYMENTS UNDER THIS AGREEMENT IS UNCONDITIONAL (except as provided herein) - THIS AGREEMENT CANNOT BE CANCELLED

See Additional Terms and Conditions on reverse side (or second page). Other Agreed Upon Term(s) include the following:

* Color Up To 1.2% billed @ \$.03 each Color 1.3% to 5.2% billed @ \$.05 each Color 5.3% and over billed @ \$.069 each

CLIENT ACCEPTANCE

BizDoc, Inc. ACCEPTANCE

Acceptance form with fields for Company Name (The City of Kyle), Rentor (BizDoc, Inc.), By (Signature), Title, and Date.

GUARANTY

The undersigned, jointly and severally if more than one, unconditionally guarantee(s) that the Client will timely perform all obligations under the above agreement. The undersigned also waive(s) any notice if Client is in default and consent(s) to any extensions or modifications granted to Client.

By (Please Print): Signature: Date:

DELIVERY AND ACCEPTANCE

System has been received, put in use, is in good working order and is satisfactory. All conditions and terms of this Agreement have been reviewed, acknowledged and are now irrevocable and unconditional.

By (Please Print): Signature: Title: Date:

BizDoc RENTAL AGREEMENT ADDITIONAL TERMS AND CONDITIONS

1. **AGREEMENT.** Client agrees to rent from Rentor (*BizDoc*), the property described under "RENTAL SYSTEM INFORMATION," on the front page and as modified by Addendums or Supplements to this Master Agreement from time to time signed by Client and Rentor (such property and any upgrades, replacements, repairs, and additions referred to as "System"), for business purposes only. Client agrees to all terms and conditions contained in this Agreement and any Addendum or Supplement, which together are a complete statement of agreement regarding the listed System ("Agreement") and supersedes any purchase order, agreement, or other documents. Client authorizes *BizDoc* to insert or correct information on this Agreement including Client's proper legal name, serial numbers, and any other numbers describing the System. This Agreement is NON-CANCELABLE FOR THE ENTIRE AGREEMENT TERM and may be modified only by written agreement and not by course of performance. This Agreement becomes valid upon execution by Rentor and will begin on the rent commencement date and will continue for the number of consecutive months shown as the "Rental Term." The term will automatically **renew month to month** thereafter, subject to termination upon **thirty (30) days written notice during renewal**, ceable in any jurisdiction, the other provisions herein shall remain in full force and effect in that jurisdiction and all others.
2. **RENT.** The "minimum payment per month" ("Minimum Payment") shown on the front page of this Agreement includes payment for the System rent, and for the Maintenance and Supplies as described in Section 5 of this Agreement. In addition, Client will pay any applicable sales tax, use tax, and, if applicable, the amount reasonably estimated or determined by Rentor to be personal property tax on the System for each year of this Agreement. Client will pay the applicable Excess Charge for each Image and Scan that exceeds the applicable allowance per month, all as indicated on the first page of this Agreement. Client will pay the security deposit, if applicable, on the date the Client signs this Agreement. Subsequent payments will be payable on the first day of each rental payment period. Rentor will have the right to apply all sums received from Client to any amounts due and owed to Rentor, under the terms of this Agreement. If a check is returned for nonpayment, a \$25.00 returned check charge will be assessed.
3. **BIZDOC RENTAL DISCOUNT PRIVILEGE.**
 - a) Client may **cancel *BizDoc's* service under Section 5 if Client is not completely satisfied with the service provided.** If Client cancels the services, Client will receive a discount off of the Minimum Payment going forward, which discount will be equal to the *BizDoc* Rental Discount Privilege shown on the face of this Agreement, applied to the Minimum Payment. If Client cancels the *BizDoc* services, *BizDoc* shall no longer be responsible for maintenance, nor for providing supplies, and Client must find an alternative, factory-authorized maintenance and supply provider to ensure the System is kept in good working order so the value of the System is maintained for the full term of this Agreement.
 - b) Client may terminate **this Agreement at any time by paying the original "Minimum Payment Per Month," less the *BizDoc* Rental Discount Privilege percentage, multiplied by the number of remaining payments and then returning the System as described in paragraph 12.**
 - c) At the conclusion of the initial Rental Term, after eight (8) renewal payments are made, the **Minimum Payment Per Month will be reduced by the inverse percentage of the *BizDoc* Discount Privilege. The obligation to pay freight to return the System will be waived.**
 - d) The *BizDoc* Discount Privilege is only applicable in the event all previously invoiced amounts have been paid and Client is not, nor has ever been, in default.
4. **BIZDOC SYSTEM DISCOUNT OFF MANUFACTURER SUGGESTED RETAIL PRICE (MSRP).** *BizDoc* will provide Client a **discount off the then current MSRP for additional products** acquired by Client during the term of this Agreement at the discounts shown on the face of this Agreement.
5. **MAINTENANCE AND SUPPLIES (SERVICES).** Maintenance is included for the listed System. Maintenance includes, and is limited to, parts repair or replacement and associated labor, for service required as a result of normal wear and tear. **Supplies, excluding throughput stocks and staples, are included** unless otherwise indicated. **There is no charge for normal delivery of supplies.** Supplies included remain the property of Rentor. Work associated with Client's Information Technologies not listed on this Agreement, including but not limited to Software, Computer, Data, Files, Loading Print or Other Drivers and Network is NOT covered by Rentor, and is billable to Client. Rentor is NOT responsible for any damage to Client's Information Technologies.
6. **OWNERSHIP OF SYSTEM.** The Rentor is the Owner of the System and has sole title to the System (excluding software). Client agrees to keep the System free and clear of all liens and claims.
7. **TAXES.** Client agrees to pay when due all taxes (including sales and use tax and personal property tax), fees and governmental charges, related to this Agreement or the System. If Rentor pays any of the above for Client, Client agrees to reimburse Rentor for each payment Rentor makes on Client's behalf.
8. **EXCESS IMAGES AND COST ADJUSTMENTS.** Client will submit true and accurate System meter readings to Rentor for all Equipment by the end of the second work day of each billing period in any reasonable manner requested by Rentor. If Client fails to submit meter readings, Rentor may estimate meters and invoice. At the end of the first year of this Agreement, and once each successive twelve month period thereafter, Rentor may increase the Excess Images and Excess Scans Charge, as well as, **the *BizDoc* Service Portion of the Minimum Payment** equal to the number of Black Images, Color Images, and Scans multiplied by the then current respective per unit Excess Charge. **If increased, the amount is limited and cannot exceed six percent (6%) annually during years two and three, eight percent (8%) during year four, and ten percent (10%) annually thereafter,** of the then current existing charge. Image charges are based upon 8.5 x 11 page size. Rentor reserves the right to invoice separately the Minimum Payment Per Month and the charges for images and scans over the allowances.
9. **UPGRADE/DOWNGRADE PROVISION.** Rentor may review Client's image volume and propose options for upgrading or downgrading to accommodate Client's system needs.
10. **SECURITY DEPOSIT.** The security deposit is non interest bearing and is to secure Client's performance under this Agreement. Any security deposit made may be applied by Rentor to satisfy any amount owed by Client, in which event Client will promptly restore the security deposit to its full amount as set forth above. If all conditions herein are fully complied with and provided Client is not in default of this Agreement per Section 17, the security deposit will be refunded to Client after the return of the System in accordance with Section 12.
11. **WARRANTY DISCLAIMER.** RENTOR MAKES NO WARRANTY EXPRESS OR IMPLIED, INCLUDING THAT THE SYSTEM IS FIT FOR A PARTICULAR PURPOSE OR THAT THE SYSTEM IS MERCHANTABLE. CLIENT AGREES YOU HAVE SELECTED RENTOR AND EACH ITEM OF SYSTEM BASED UPON CLIENT'S OWN JUDGMENT AND DISCLAIM ANY RELIANCE UPON ANY STATEMENTS OR REPRESENTATIONS MADE BY RENTOR.
12. **LOCATION OF SYSTEM.** Client will keep and use the System, for business purposes only, at the installation address shown on the first page and Client will not move the System without Rentor's prior written consent, which consent shall not be unreasonably withheld. At the end of the Agreement's term, Client will return the System to a location Rentor specifies at Client's expense, in average resalable condition, good and full working order, and in complete repair. **Freight charges to return System will be borne by *BizDoc* if a replacement System is acquired from *BizDoc*.**
13. **LOSS OR DAMAGE.** Client is responsible for the risk of loss or for any destruction of or damage to the System. No such loss or damage relieves Client from the payment obligations under this Agreement with the exception of the *BizDoc* Rental Discount Privilege with respect to future payments. Client agrees to promptly notify Rentor in writing of any loss or damage, and Client will then pay to Rentor the present value of the total of all unpaid rental payments for the full rental term plus the estimated fair market value of the System at the end of the originally scheduled term, all discounted at six percent (6%) per year. Any proceeds of insurance will be paid to Rentor and credited, at Rentor's option, against any loss or damage.
14. **INSURANCE.** Client agrees: (a) to keep the System fully insured against loss at its replacement cost, with ***BizDoc* named as loss payee;** (b) to maintain comprehensive public liability insurance acceptable to Rentor; (c) to provide proof of insurance satisfactory to Rentor no later than thirty (30) days following the commencement of this Agreement, and thereafter upon our written request; (d) if Client fails to obtain and maintain property loss insurance satisfactory to Rentor and/or Client fails to provide proof of such insurance to Rentor within thirty (30) days of the commencement of the Agreement, Rentor has the option, but not the obligation, to secure property loss insurance on the System from a carrier of Rentor's choosing in such forms and amounts as Rentor deems reasonable to protect Rentor's interests; (e) if Rentor places insurance on the System, Rentor will not name Client as an insured and Client's interests may not be fully protected; (f) if Rentor secures insurance on the System, Client will pay Rentor an amount for the premium which may be higher than the premium that Client would pay if Client placed the insurance independently and may result in a profit to Rentor through an investment in reinsurance. Any insurance proceeds received will be applied, at Rentor's option, (i) to repair, restore or replace the ing balance of the Agreement plus Rentor's estimated residual value.
15. **INDEMNITY.** Rentor is not responsible for any loss or injuries caused by the installation or use of the Equipment. Client agrees to hold Rentor harmless and reimburse Rentor for loss and to defend Rentor against any claims, losses, or damages (including attorney fees) related to Client's use or possession of the Equipment. This indemnity obligation will continue after the termination of this Agreement if the loss occurred during the term of the Agreement.
16. **ASSIGNMENT.** CLIENT HAS NO RIGHT TO SELL, TRANSFER, ASSIGN OR SUBLEASE THE SYSTEM OR THIS AGREEMENT. Rentor may sell, assign, or transfer this Agreement, in whole or in part, without notice to Client. Client agrees that if Rentor sells, assigns, or transfers this Agreement, either in whole or in part, the New Rentor will have the same rights and benefits the Original Rentor has now and will not have to perform any of *BizDoc's* obligations. Client agrees that the rights of the New Rentor will not be subject to any claims, defenses, or set offs that Client may have against Rentor. If this Agreement is assigned, Client will have the right to communicate directly with the New Rentor and, if Client has not been in default at any time, ***BizDoc* cannot add any amounts to payoff quotes by the New Rentor.**
17. **DEFAULT AND REMEDIES.** If Client does not pay any Minimum Payment or other sum due to Rentor or if Client breaks any of Client's promises in the Agreement or any other Agreement with Rentor, Client will be in default. If any part of a payment is late, Client agrees to pay a late charge of fifteen percent (15%) of the payment which is late or if less, the maximum charge allowed by law. If Client is ever in default, Rentor may retain Client's security deposit, and at Rentor's option, Rentor can terminate or cancel this Agreement and require Client to pay the sum of the following: (a) all past due amounts under this Agreement, (b) all future scheduled payments during the term of this Agreement discounted to present value at 6%, (c) Rentor's booked residual value discounted at 6%; and return the System to Rentor to a location designated by Rentor. Rentor may recover interest on any unpaid balance at the rate of one and one half percent (1.5%) per month. Rentor may also use any of the remedies available to Rentor under Article 2A of the Uniform Commercial Code (UCC). If Rentor refers this Agreement to an attorney for collection, Client agrees to pay Rentor's reasonable attorney's fees and actual court costs. In the event of default, Rentor reserves the right to remove any parts and supplies Rentor placed into the System inactive. Disabling System as described herein does not reduce Client's charges while the machine is disabled. If Rentor has to take possession of the System, Client agrees to pay the cost of repossession. The net proceeds of the sale of any repossessed System, if a sale will provide proceeds to Rentor net of selling expenses, will be credited against the amount Client owes Rentor under this Agreement. **CLIENT AGREES THAT RENTOR WILL NOT BE RESPONSIBLE TO PAY CLIENT ANY CONSEQUENTIAL OR INCIDENTAL DAMAGES FOR ANY DEFAULT BY RENTOR UNDER THIS AGREEMENT.** Client agrees that any delay or failure to enforce Rentor's rights under this Agreement does not prevent Rentor from enforcing any rights at a later time. It is further agreed that our arrangement is governed exclusively by this Agreement and Client waives Client's rights under Article 2A (508-522) of the UCC.
18. **UCC FILINGS.** Client grants Rentor a security interest in the System if this Agreement is deemed a secured transaction and Client authorizes Rentor to file a UCC-1 financing statement or similar document to show Rentor's interest in the System.
19. **LAW.** Any change to this Agreement must be in writing and signed by both parties. The original of this Agreement shall be that copy which bears a facsimile or original of Client's signature and which bears Rentor's original signature. **IF THIS AGREEMENT IS ASSIGNED BY RENTOR, CLIENT AGREES THAT ANY DISPUTE ARISING UNDER OR RELATED TO THIS AGREEMENT WILL BE ADJUDICATED IN THE FEDERAL OR STATE COURT WHERE THE NEW RENTOR'S CORPORATE HEADQUARTERS IS LOCATED AND WILL BE GOVERNED BY THE LAW OF THAT STATE. CLIENT HEREBY CONSENTS TO PERSONAL JURISDICTION AND VENUE IN THAT COURT AND WAIVES ANY RIGHT TO TRANSFER VENUE. EACH PARTY WAIVES ANY RIGHT TO A TRIAL BY JURY.**
20. **NO PRE-TERM RENTAL PAYMENTS.** This Agreement **does not allow the Rentor to charge rent prior to the commencement of the stated Rental Term (commonly referred to as "interim rent" or "transitional billing").**
21. **CONFIDENTIALITY and NON-DISCLOSURE.** Client acknowledges and agrees that certain terms of this Agreement are proprietary to *BizDoc* and give *BizDoc* a significant competitive advantage over other System vendors. Client agrees to exercise a level of effort commensurate with the level it exercises to protect its own confidential information to ensure that neither it, nor any persons to whom it has permitted access to the Agreement, discloses the terms or pricing of the Agreement to any other System vendor without *BizDoc's* prior written consent.