

Xerox Financial Services LLC
201 Merritt 7
Norwalk, CT 06851

STATE AND LOCAL GOVERNMENT MASTER LEASE AGREEMENT



Supplier Name & Address:		Master Agreement No:	
Owner: XEROX FINANCIAL SERVICES LLC – 201 Merritt 7, Norwalk, CT 06851			
CUSTOMER INFORMATION			
Full Legal Name: City of Vernon		Phone Number:	
Billing Address: 4305 S. Santa Fe Ave	City: Vernon	State: CA	Zip: 90058
Contact Name: Ernesto Smith	Contact Email: ESmith@cityofvernonCA.gov		
Accounts Payable Contact Name: Sara Sandoval	Accounts Payable Contact Email: SSandoval@cityofvernonCA.gov		
CUSTOMER ACCEPTANCE			
BY YOUR SIGNATURE BELOW, YOU ACKNOWLEDGE THAT YOU ARE ENTERING INTO A NON-CANCELLABLE AGREEMENT AND THAT YOU HAVE READ AND AGREED TO ALL APPLICABLE TERMS AND CONDITIONS SET FORTH ON PAGES 1 AND 2 (AND 3 IF APPLICABLE) HEREOF.			
Authorized Signer X: See Attached Signature Page	Date:	Federal Tax ID: (Required)	
Print Name:	Title:		
OWNER ACCEPTANCE			
Accepted By: Xerox Financial Services LLC	Name and Title:	Date:	
TERMS & CONDITIONS			

1. Definitions. The words “You” and “Your” mean the legal entity identified in “Customer Information” above, and “XFS,” “We,” “Us,” “Owner” and “Our” mean Xerox Financial Services LLC. “Supplier” means the entity identified as “Supplier” on one or more Schedules related to and incorporating this Agreement executed by the Parties from time to time (“Schedule”). “Acceptance Date,” for each Schedule, means the date You irrevocably determine Equipment under a Schedule has been delivered, installed and operating satisfactorily. “Agreement” means this Master Lease Agreement, including one or more Schedules. “Commencement Date” will be a date after the Acceptance Date, as set forth in Our first invoice, for the purpose of facilitating an orderly transition and to provide a uniform billing cycle. “Discount Rate” means 3% per annum. “Equipment” means the items identified as such in any Schedule, plus any Software (as defined in Section 3 hereof), attachments, accessories, replacements, replacement parts, substitutions, additions and repairs thereto. “Excess Charges” mean the applicable excess image/print charges on a Cost per Image Schedule. “Interim Period” means the period, if any, between the Acceptance Date and the Commencement Date. “Interim Payment” means one thirtieth of the Payment multiplied by the number of days in the Interim Period. “Payment” means the periodic Lease or Payment specified in one or more Schedules, which includes Taxes and other charges You, Supplier and XFS agree will be invoiced by XFS, and may include the fixed component of maintenance charges payable to Supplier under the Maintenance Agreement and Excess Charges (unless otherwise agreed by You, Supplier and XFS). “Maintenance Agreement” means a separate agreement between You and Supplier for maintenance and support purposes. “Origination Fee” means a one-time fee per Schedule of \$125 billed on Your first invoice which You agree to pay, covering the origination, documentation, processing and other initial costs. “Party” means You or XFS, and “Parties” means both You and XFS. “Term” means the Interim Period, if any, together with the Initial Term for each Schedule plus any subsequent renewal or extension terms. “UCC” means the Uniform Commercial Code of the State(s) where XFS must file UCC-1 financing statements to perfect its interest in the Equipment. “Freight Fee” means a fee that We may charge on behalf of the Supplier to cover their costs of shipping supplies to You.

2. Agreement, Payments and Late Payments. You agree and represent that the Equipment was selected, configured and negotiated by You based on Your judgment and supplied by Supplier. At Your request, XFS will acquire same from Supplier to lease to You under one or more Schedules and You agree to lease same from XFS. XFS may refuse to pay Supplier for Equipment, whether or not the Equipment has been delivered to You, if (i) there shall be, in Our reasonable judgment, a material adverse change in Your financial condition or credit standing since the date of Our approval of the transaction, or (ii) You fail to provide any documents as We may reasonably require within 10 days of Our request, including but not limited to releases, subordinations, financing statements/searches, good standing certificates, evidence of authority, and landlord’s/mortgagee’s waivers. The Initial Term commences on the Acceptance Date. You agree to remit to XFS each Payment as invoiced by Us according to the frequency set forth above. You agree to pay Us all sums due under each invoice via check, Automated Clearing House debit, Electronic Funds Transfer or direct debit from Your bank account by the due date. With Our consent, alternate forms of payment may be accepted subject to a nominal fee. **If any Payment is not paid in full within 15 days of its due date, You will pay a late charge of the greater of 10% of the amount due or \$25. We will make any required adjustment aforesaid invoicing/late charge practices in accordance with any applicable prompt payment laws in the state of your formation once you provide notice thereof.** For each dishonored or returned Payment, You will be assessed the applicable fee, not to exceed \$35. Restrictive covenants on any method of payment will be ineffective.

3. Equipment and Software. To the extent that the Equipment includes intangible property such as software licenses, such intangible property shall be referred to as “Software.” You acknowledge and agree that XFS is not the licensor of such Software, and therefore has no right, title or interest in it, and You will comply throughout the applicable Term with any applicable license and/or other agreement (“Software License”) with the Software supplier (“Software Supplier”). You are responsible for determining with the Supplier whether any Software Licenses are required and entering into them with the Software Supplier no later than 30 days after the applicable Acceptance Date. **YOU AGREE THE EQUIPMENT IS FOR YOUR LAWFUL BUSINESS USE IN THE UNITED STATES, WILL NOT BE USED FOR PERSONAL, HOUSEHOLD OR FAMILY PURPOSES, AND IS NOT BEING ACQUIRED FOR RESALE.** You will not attach the Equipment as a fixture to real estate or make any permanent alterations to it.

4. Non-Cancellable Agreement. EXCEPT FOR A NON-APPROPRIATION EVENT AS MORE FULLY DESCRIBED IN SECTION 21 HEREOF, NEITHER THIS AGREEMENT NOR ANY SCHEDULE CAN BE CANCELLED OR TERMINATED BY YOU PRIOR TO THE END OF THE APPLICABLE INITIAL TERM. YOUR OBLIGATION TO MAKE ALL PAYMENTS, AND TO PAY A, L OTHER AMOUNTS DUE OR TO BECOME DUE, IS ABSOLUTE AND UNCONDITIONAL AND NOT SUBJECT TO DELAY, REDUCTION, SET-OFF, DEFENSE, COUNTERCLAIM OR RECOURSEMENT, IRRESPECTIVE OF THE PERFORMANCE OF THE EQUIPMENT, SUPPLIER, XFS, OR ANY THIRD PARTY. Any pursued claim by You against XFS for alleged breach of Our obligations hereunder shall be asserted solely in a separate action; **provided, however, that Your obligations hereunder shall continue unabated.**

5. End of Agreement Options. Schedules may have stated or no purchase options. If a \$1 Purchase Option is designated, You will be deemed to have exercised Your option to purchase the Equipment as of the Acceptance Date. If the purchase option is designated as a Fixed Purchase Amount, at the end of the Initial Term XFS will invoice You, and You will be obligated to pay, the applicable Fixed Purchase Amount, plus Taxes. For any other purchase option designated, if You are not in default and if You provide no greater than 150 days and no less than 60 days’ written notice prior to the end of term to XFS, You may, at the end of the Initial Term, or any renewal term (“End Date”), either (a) purchase all, but not less than all, of the Equipment by paying its fair market value, as determined by XFS in its sole but reasonable discretion (“Determined FMV”), plus Taxes, or (b) return the Equipment within 30 days of the End Date, at Your expense, fully insured, to a continental US location XFS shall specify. You cannot return Equipment more than 30 days prior to the End Date without Our consent. If We consent, We may charge You, in addition to all undiscounted amounts due under this Agreement, an early termination fee. If You have not elected one of the above options, this Agreement shall renew for month-to-month terms. Either party may terminate the Agreement as of the end of any renewal term on 30 days’ prior written notice and by taking one of the actions identified in (a) or (b) in the third sentence of this Section. The purchase options shall be exercised, and the Fixed Purchase Amounts paid, with respect to each item of Equipment on the day immediately following the date of expiration of the Term of such item, and by the delivery at such time by You to XFS of payment, in form acceptable to XFS, of the amount of the applicable purchase price. Upon payment of the applicable amount, XFS shall transfer Our interest in the Equipment to You on an “AS IS,” “WHERE IS,” “WITH ALL FAULTS” basis, without representation or warranty of any kind or nature whatsoever.

6. Equipment Return. If the Equipment is returned to XFS, it shall be in the same condition as when delivered to You, except for “ordinary wear and tear” and, if not in such condition, You will be liable for all expenses XFS incurs to return the Equipment to such condition. **IT IS SOLELY YOUR RESPONSIBILITY TO SECURE ANY SENSITIVE DATA AND PERMANENTLY DELETE SUCH DATA FROM THE INTERNAL MEDIA STORAGE PRIOR TO RETURNING THE EQUIPMENT TO XFS. YOU SHALL HOLD XFS HARMLESS FROM YOUR FAILURE TO SECURE AND PERMANENTLY DELETE ALL SUCH CUSTOMER DATA AS OUTLINED HEREIN.** XFS, Your Supplier or an XFS affiliate may, but are not required to, offer to securely remove all data from all disk drives or magnetic media upon return of the Equipment for an additional fee to cover the cost of the service and/or any replacement parts required.

7. Equipment Delivery and Maintenance. You should arrange with Supplier to have the Equipment delivered to You at the location specified on the first page hereof or in the applicable Schedule, and You agree to execute Delivery & Acceptance Certificates at Our request (and confirm same via telephone or electronically) confirming when You have received, inspected and irrevocably accepted the Equipment, and authorize XFS to fund Supplier for the Equipment. If You fail to accept the Equipment, You shall no longer have any obligations under the applicable Schedule. Equipment may not be moved to another physical address or removed from service without Our prior written consent, which shall not be unreasonably withheld or delayed. You shall permit XFS or its agents to inspect Equipment and any related maintenance records during Your normal business hours upon reasonable notice. You represent You have entered or will enter into a Maintenance Agreement to maintain the Equipment in good working order in accordance with the manufacturer’s maintenance guidelines and to provide You with Equipment supplies. **You acknowledge that XFS is acting solely as an administrator for Supplier with respect to the billing and collecting of the charges under the Maintenance Agreement. XFS SHALL NOT BE LIABLE TO YOU FOR ANY BREACH BY THE SUPPLIER OF ANY OF ITS OBLIGATIONS TO YOU, NOR WILL ANY OF YOUR OBLIGATIONS UNDER THIS AGREEMENT OR ANY SCHEDULE BE MODIFIED, RELEASED OR EXCUSED BY ANY ALLEGED BREACH BY SUPPLIER.**

8. Equipment Ownership, Labeling and UCC Filing. If an FMV purchase option is applicable, the Equipment subject thereto (except the Software) shall be and remain XFS’s sole and exclusive property; You shall have no right, title or interest therein except as expressly set forth herein. If and to the extent a court deems any Schedule to be a security agreement under the UCC, and otherwise for precautionary purposes only, You shall be deemed to have granted XFS, as of the applicable Schedule date, a first priority security interest in the Equipment as defined above in order to secure Your performance under this Agreement and each Schedule. XFS is and shall remain the sole Owner of the Equipment, except the Software, and XFS may label the Equipment to identify Our ownership interest in it. You authorize XFS to file by any permissible means a UCC financing statement to show, and to do all other acts to protect, Our interest in the Equipment. You agree to pay any filing fees and administrative costs for the filing of such financing statements, not to exceed \$75. You agree to keep the Equipment free from any liens or encumbrances and to promptly notify XFS if there is any change in Your organization such that a re-filing or amendment to XFS’s UCC financing statements against You becomes necessary.

9. Assignment. YOU MAY NOT ASSIGN, SELL, PLEDGE, TRANSFER, SUBLEASE OR PART WITH POSSESSION OF THE EQUIPMENT, THIS AGREEMENT, ANY SCHEDULE, OR ANY OF YOUR RIGHTS OR OBLIGATIONS THEREUNDER (COLLECTIVELY "ASSIGNMENT") WITHOUT XFS'S PRIOR WRITTEN CONSENT, WHICH SHALL NOT BE UNREASONABLY WITHHELD, BUT SUBJECT TO THE SOLE BUT REASONABLE EXERCISE OF XFS'S CREDIT DISCRETION AND EXECUTION OF ANY NECESSARY ASSIGNMENT DOCUMENTATION. IF XFS AGREES TO AN ASSIGNMENT, YOU AGREE TO PAY THE APPLICABLE ASSIGNMENT FEE AND REIMBURSE XFS FOR ANY COSTS WE INCUR IN CONNECTION WITH THAT ASSIGNMENT. XFS MAY SELL, ASSIGN OR TRANSFER ALL OR ANY PART OF THE EQUIPMENT, THE AGREEMENT, AND/OR ANY OF OUR RIGHTS AT NO COST TO YOU. XFS'S ASSIGNEE WILL HAVE THE SAME RIGHTS THAT WE HAVE TO THE EXTENT ASSIGNED, HOWEVER, XFS SHALL REMAIN LIABLE FOR OUR OBLIGATIONS. YOU AGREE NOT TO ASSERT AGAINST SUCH ASSIGNEE ANY CLAIMS, DEFENSES, COUNTERCLAIMS, RECOUPMENTS OR SET-OFFS THAT YOU MAY HAVE AGAINST XFS, AND YOU AGREE TO REMIT PAYMENTS DUE UNDER ONE OR MORE SCHEDULES TO SUCH ASSIGNEE IF SO DESIGNATED. XFS AGREES AND ACKNOWLEDGES THAT ANY ASSIGNMENT BY US WILL NOT MATERIALLY CHANGE YOUR OBLIGATIONS UNDER THIS AGREEMENT OR ANY SCHEDULE. FOR THE EXPRESS AND LIMITED PURPOSE OF PLEDGING, ASSIGNING, SECURITIZING, GRANTING PARTICIPATIONS IN, OR OTHERWISE DISPOSING OF THIS AGREEMENT OR ANY SCHEDULES HEREUNDER, WHETHER AS CHATTEL PAPER OR OTHERWISE, EACH SCHEDULE DESIGNATED AS AN ORIGINAL, TOGETHER WITH A CERTIFIED COPY OF THIS AGREEMENT, SHALL CONSTITUTE A SEPARATE AGREEMENT FOR SUCH PURPOSES.

10. Taxes. You have represented to XFS that you are currently, and shall continue to be, a tax-exempt entity. In the event you are no longer tax-exempt (or are unable to provide proof thereof to XFS), you will be responsible for all applicable taxes, fees or charges (including sales, use, personal property and transfer taxes (other than net income taxes), plus interest and penalties) assessed by any governmental entity on You, the Equipment, this Agreement, any Schedule, or the amounts payable thereunder (collectively, "Taxes"), which will be included in Our invoices to You unless You provide proof of Your tax-exempt status no later than thirty (30) days following the commencement of this Agreement. Regardless of Your tax-exempt status, XFS reserves the right to pass through, and You agree to pay, any such Taxes that are actually assessed by the applicable State on XFS as lessor of the Equipment. For jurisdictions where certain taxes are calculated and paid at the time of agreement initiation, You authorize XFS to finance and adjust Your Payment to include such Taxes over the Initial Term unless You require otherwise. Unless and until XFS notifies You in writing to the contrary, the following shall apply to personal property taxes and returns. If an FMV purchase option is applicable, XFS will file all personal property tax returns covering the Equipment, pay the personal property taxes levied or assessed thereon, and collect from Your account all personal property taxes on the Equipment. As compensation for Our internal and external costs in the administration of taxes related to this Agreement, You agree to pay Us a processing fee by asset per year during the Term, "Tax Administration Fee", not to exceed the maximum permitted by applicable law. If a \$1 purchase option or Fixed Purchase Option is applicable, You will file all personal property tax returns covering the Equipment and will pay the personal property taxes levied or assessed thereon. Upon XFS's request, You shall provide XFS with copies of all such personal property tax returns, together with evidence of payment therefor. XFS MAKES NO WARRANTY, EXPRESS OR IMPLIED, REGARDING THE TAX OR ACCOUNTING TREATMENT OF THIS AGREEMENT OR ANY SCHEDULE.

11. Equipment Warranty Information and Disclaimers. XFS IS MERELY A FINANCIAL INTERMEDIARY, AND HAS NO INVOLVEMENT IN THE DESIGN, MANUFACTURE, SALE, DELIVERY, INSTALLATION, USE OR MAINTENANCE OF THE EQUIPMENT. THEREFORE, XFS DISCLAIMS, AND YOU WAIVE SOLELY AGAINST XFS, ALL EQUIPMENT WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY, NON-INFRINGEMENT AND FITNESS FOR PARTICULAR PURPOSE, AND XFS MAKES NO REPRESENTATIONS WHATSOEVER, INCLUDING, BUT NOT LIMITED TO, THE EQUIPMENT'S SUITABILITY, FUNCTIONALITY, DURABILITY OR CONDITION. Since You have selected the Equipment and the Supplier, You acknowledge that You are aware of the name of the manufacturer of each item of Equipment and agree that You will contact each manufacturer and/or Supplier for a description of any warranty rights You may have under the Equipment supply contract, sales order, or otherwise. XFS hereby assigns to You any Equipment warranty rights We may have against Supplier or manufacturer. If the Equipment is returned to XFS or You are in default, such rights are deemed reassigned by You to XFS. **IF THE EQUIPMENT IS NOT PROPERLY INSTALLED, DOES NOT OPERATE AS WARRANTED, BECOMES OBSOLETE, OR IS UNSATISFACTORY FOR ANY REASON WHATSOEVER AFTER ACCEPTANCE, YOU SHALL MAKE ALL RELATED CLAIMS SOLELY AGAINST MANUFACTURER OR SUPPLIER AND NOT AGAINST XFS, AND YOU SHALL NEVERTHELESS CONTINUE TO PAY ALL PAYMENTS AND OTHER SUMS PAYABLE HEREUNDER.**

12. Liability and Indemnification. XFS IS NOT RESPONSIBLE FOR ANY LOSSES, DAMAGES, EXPENSES OR INJURIES OF ANY KIND OR TYPE, INCLUDING, BUT NOT LIMITED TO, ANY SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES (COLLECTIVELY, "CLAIMS"), TO YOU OR ANY THIRD PARTY CAUSED BY THE EQUIPMENT OR ITS USE. Unless prohibited by applicable law, You assume the risk of liability for: (a) any and all Claims (including legal expenses of every kind and nature) arising out of the acceptance, rejection, ownership, leasing, possession, operation, use, return or other disposition of the Equipment; and (b) any and all loss or damage of or to the Equipment. Neither sentence in this Section shall apply to Claims arising directly and proximately from XFS's gross negligence or willful misconduct.

13. Default and Remedies. You will be in default under this Agreement and any applicable Schedule if XFS does not receive any Payment within 30 days after its due date, or You breach any other material obligation under this Agreement, any related Schedule or any other agreement with XFS. If You default, and such default continues for 10 days after XFS provides notice to You, XFS may, in addition to other remedies (including disabling or repossessing the Equipment and/or requesting the Supplier to cease performing under the Maintenance Agreement), immediately require You to do one or more of the following: as liquidated damages for loss of bargain and not as a penalty, pay the sum of (i) all amounts then past due, plus interest from the due date until paid at the rate in accordance with the laws or Your State of formation covering state agencies and the applicable codes covering political subdivisions; (ii) plus all the Payments remaining in the Term, discounted at the Discount Rate to the date of default; (iii) plus (if an FMV purchase option is applicable) the Equipment's booked residual, or if not purchased, require You to return the Equipment as provided in Sections 5 and 6 hereof and (iv) all Taxes. You agree to pay all reasonable costs, including attorneys' fees and disbursements, incurred by XFS to enforce this Agreement.

14. Risk of Loss and Insurance. You assume and agree to bear the entire risk of loss, theft, destruction or other impairment of the Equipment upon delivery. You, at Your own expense, agree to (a) to keep the Equipment fully insured through a carrier acceptable to Us against loss at its replacement cost, with Us named as loss payee; (b) You also agree to obtain a general public liability insurance policy from anyone who is acceptable to Us and to include Us as an additional insured on the policy; (c) to provide proof of insurance satisfactory to Us no later than thirty (30) days following the commencement of this Agreement (or at commencement if We so elect), and thereafter upon Our written request. You must promptly notify XFS of any loss or damage to Equipment which makes any item of Equipment unfit for continued or repairable use. Any insurance proceeds received will be applied at Our option, (i) to repair, restore or replace the Equipment, or (ii) to pay Us the remaining balance of the Agreement plus Our estimated residual value, both discounted at the Discount Rate, provided We elect to apply this option. **NO LOSS OR DAMAGE TO EQUIPMENT, OR OUR RECEIPT AND APPLICATION OF INSURANCE PROCEEDS, SHALL RELIEVE YOU OF ANY OF YOUR REMAINING OBLIGATIONS UNDER THIS AGREEMENT OR THE APPLICABLE SCHEDULES.** You remain primarily liable for performance under this Section in the event the applicable insurance carrier fails or refuses to pay any claim. **NOTHING IN THIS SECTION WILL RELIEVE YOU OF YOUR OBLIGATION TO MAINTAIN LIABILITY INSURANCE COVERING THE EQUIPMENT.**

15. Meter Readings and Annual Adjustments. This Section applies solely to "Cost Per Image" Schedules. You agree that Meter Reading submittal will be covered by the corresponding Maintenance Agreement. At any time after 12 months from each Commencement Date and for each successive 12-month period thereafter during the Term, XFS may increase Your Payment and the Excess Charges by a maximum of fifteen percent (15%) of the then-current Payment therefor and You agree to pay such increased amounts.

16. Finance Lease and Customer Waivers. Unless the applicable Schedule is designated to have a \$1 purchase option, the parties agree that each Schedule shall be construed as a "finance lease" under UCC Article 2A. Customer waives its rights as a lessee under UCC 2A Sections 508-522.

17. Authorization of Signer and Credit Review, Incorporation of Policies. This Agreement and each Schedule has been duly authorized, executed and delivered by the Parties in accordance with all applicable laws, rules, ordinances and regulations (including all applicable laws governing open meetings, public bidding and appropriations required in connection herewith) and is valid, legal and binding in accordance with its terms. The person(s) signing this Agreement and each Schedule has the authority to do so, are acting with the full authorization of their governing body and hold the offices indicated below their signatures, each of which are genuine. You agree to furnish financial information, including Your Federal Tax ID, that XFS may request now, which shall accurately represent Your financial condition, and You authorize XFS to obtain credit reports on You in the future should You default or fail to make prompt payments hereunder. XFS represents that it is subject to, and shall abide by, the Xerox Corporation anti-discrimination, equal employment and other policies found at <https://www.xerox.com/en-us/jobs/diversity/policies-and-strategies> and the ethics and compliance policies found at <https://www.xerox.com/en-us/about/corporate-citizenship/ethics>, and that such policies shall control over any similar Customer policies in force.

18. Original and Sole Controlling Document; No Modifications Unless in Writing. This Agreement and each Schedule constitutes the entire agreement between the Parties as to the subjects addressed herein, and representations or statements not included herein are not part of this Agreement or any Schedule and are not binding on the Parties. You agree that an executed copy of this Agreement and each Schedule that is signed by Your authorized representative and by XFS's authorized representative (an original manual signature or such signature reproduced by means of a reliable electronic form, such as electronic transmission of a facsimile or electronic signature) shall be marked "original" by XFS and shall constitute the only original document for all purposes. All other copies shall be duplicates. To the extent this Agreement or any Schedule constitute UCC chattel paper, no security interest in this Agreement or any Schedule may be created except by the possession or transfer of the copy marked "original" by XFS. IF A PURCHASE ORDER OR OTHER DOCUMENT IS ISSUED BY YOU, NONE OF ITS TERMS AND CONDITIONS SHALL HAVE ANY FORCE OR EFFECT, AS THE TERMS AND CONDITIONS OF THIS AGREEMENT AND EACH SCHEDULE EXCLUSIVELY GOVERN THE TRANSACTIONS DOCUMENTED THEREIN. THE SUPPLIER AND ITS REPRESENTATIVES ARE NOT OUR AGENTS AND ARE NOT AUTHORIZED TO MODIFY OR NEGOTIATE THE TERMS OF THIS AGREEMENT OR ANY SCHEDULE. **NEITHER THIS AGREEMENT NOR ANY SCHEDULE MAY BE AMENDED OR SUPPLEMENTED EXCEPT IN A WRITTEN AGREEMENT SIGNED BY AUTHORIZED REPRESENTATIVES OF THE PARTIES AND NO PROVISIONS CAN BE WAIVED EXCEPT IN A WRITING SIGNED BY XFS.** XFS's failure to object to terms contained in any communication from You will not be a waiver or modification of the terms of this Agreement or any Schedule. You authorize XFS to insert or correct missing information on this Agreement, including but not limited to Your proper legal name, agreement numbers, serial numbers and other Equipment information, including Equipment substitutions or partial substitutions communicated to Us by the Supplier so long as there is no material impact to Your financial obligations.

19. Governing Law, Jurisdiction, Venue and JURY TRIAL WAIVER. THIS AGREEMENT IS GOVERNED BY, AND SHALL BE CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE WHERE THE EQUIPMENT IS LOCATED. THE JURISDICTION AND VENUE OF ANY ACTION TO ENFORCE THIS AGREEMENT, ANY SCHEDULE, OR OTHERWISE RELATING THERETO, SHALL BE IN A FEDERAL OR STATE COURT WHERE THE EQUIPMENT IS LOCATED. **UNLESS SPECIFICALLY PROHIBITED BY THE APPLICABLE GOVERNING LAW REFERENCED ABOVE, THE PARTIES HEREBY WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY ACTION RELATED TO OR ARISING OUT OF THIS AGREEMENT.**

20. Miscellaneous. Your obligations under the "Taxes" and "Liability and Indemnification" Sections commence upon execution, and survive the expiration or earlier termination, of this Agreement and the applicable Schedule(s). Notices under this Agreement must be in writing. Notices to You will be sent to Your Billing Address, and notices to XFS shall be sent to Our address provided on the first page hereof. Notices will be deemed given 5 days after mailing by first class mail or 2 days after sending by nationally recognized overnight courier. Invoices are not considered notices and are not governed by the notice terms hereof. You authorize XFS to communicate with You by any electronic means (including cellular phone, email, automatic dialing and recorded messages) using any phone number or electronic address You provide to Us. If a court finds any term of this Agreement or Schedule unenforceable, the remaining terms will remain in effect. The failure by either Party to exercise any right or remedy will not constitute a waiver of such right or remedy. If more than one party has signed this Agreement or Schedule as Customer, each such party agrees that its liability is joint and several. The following four sentences control over every other part of this Agreement: Both Parties will comply with applicable laws. XFS will not charge or collect any amounts in excess of those allowed by applicable law. Any part of this Agreement or any Schedule that would, but for the last four sentences of this Section, be read under any circumstances to allow for a charge higher than that allowed under any applicable legal limit, is modified by this Section to limit the amounts chargeable to the maximum amount allowed under the legal limit. If, in any circumstances, any amount in excess of that allowed by law is charged or received, any such charge will be deemed limited by the amount legally allowed and any amount received by XFS in excess of that legally allowed will be applied by Us to the payment of amounts legally owed under this Agreement or the applicable Schedule or refunded to You.

21. Non-Appropriation. This Section is applicable only if the inclusion of a non-appropriation provision is legally required. Your obligation to pay all amounts due hereunder is contingent upon approval of the appropriation of funds by Your governing body. In the event funds are not appropriated for any fiscal period equal to amounts due hereunder, and You have no other funds legally available to be allocated to the payment of Your obligations hereunder, You may terminate the corresponding Schedule effective on the first day of such fiscal period ("Termination Date") if: (a) You have used due diligence to exhaust all funds legally available; and (b) We have received written notice from You at least thirty (30) days before the Termination Date. At Our request, You shall promptly provide supplemental documentation as to such non-appropriation. Upon the occurrence of such non-appropriation, You shall not be obligated for payment for any fiscal period for which funds have not been so appropriated, and You shall promptly deliver the corresponding Equipment to the Dealer (or such other party as We may designate).

Signature Page: Xerox Master Lease Agreement

City of Vernon, a California charter City
and California municipal corporation

XEROX- 2nd Authorized Signature:

By: _____

Brian Saeki, City Administrator

Signature

Date

Name

Attest:

Title

Yonnie Parker, Deputy City Clerk

Date

Approved as to Form:

Zaynah N. Moussa, City Attorney