

ARLINGTON COUNTY, VIRGINIA  
OFFICE OF THE PURCHASING AGENT  
2100 CLARENDON BOULEVARD  
ARLINGTON, VIRGINIA 22201

**NOTICE OF CONTRACT RENEWAL**

TO: Meridian Imaging Solutions, Inc.  
5775 General Washington Drive  
Alexandria, VA 22312

DATE ISSUED: June 5, 2017  
CONTRACT NO: 592-14  
CONTRACT TITLE: Multi-Function Devices,  
Maintenance Services & Solutions

**THIS IS A NOTICE OF CONTRACT RENEWAL AND NOT AN ORDER. NO WORK IS AUTHORIZED UNTIL THE VENDOR RECEIVES A VALID COUNTY PURCHASE ORDER ENCUMBERING CONTRACT FUNDS.**

This is your notice that the above referenced contract has been renewed. The "subsequent contract term" covered by this Notice of Renewal is effective July 1, 2017, and expires June 30, 2022.

This is the **FIRST of a possible ONE, five-year (5) renewal of the "subsequent contract term."**

However, if Fairfax County, Virginia does NOT renew their agreement, this Agreement shall automatically expire on the date of the Fairfax County, Virginia's contract expiration date.

The contract documents consist of the terms and conditions of Arlington County Rider Agreement No. 592-14, dated July 19, 2016, and Fairfax County, Virginia Contract No. 4400003990, including any exhibits, attachments or amendments thereto.

**CONTRACT PRICING:**

1. REFER TO FAIRFAX COUNTY, VIRGINIA CONTRACT NO. 4400003990, DATED 06/27/2013
2. SEE ATTACHMENT B ("MANAGED PRINT SERVICES PRICING SHEET")

**ATTACHMENT/S:**

1. FAIRFAX COUNTY, VIRGINIA CONTRACT NO. 4400003990, AMENDMENT NO. 3, DATED 06/02/2017
2. ARLINGTON COUNTY RIDER AGREEMENT NO. 592-14, DATED 07/19/2016

**EMPLOYEES NOT TO BENEFIT:**

NO COUNTY EMPLOYEES SHALL RECEIVE ANY SHARE OR BENEFIT OF THIS CONTRACT NOT AVAILABLE TO THE GENERAL PUBLIC.

**VENDOR CONTACT:** Juliana McKee

**TELEPHONE NO:** (571) 282-2346

**EMAIL ADDRESS:** jmckee@whymeridian.com

**COUNTY CONTACT:** Niki Levy

**TELEPHONE NO:** (703) 228-4365

**EMAIL ADDRESS:** nslevy@arlingtonva.us

**CONTRACT AUTHORIZATION**

**DISTRIBUTION:**

VENDOR: 1  
BID FOLDER 2

  
MICHAEL BEVIS  
PURCHASING AGENT

6/5/17  
DATE

**ORIGINAL**

C.R.



# County of Fairfax, Virginia

## AMENDMENT

Date: JUN - 2 2017

### AMENDMENT NO. 3

CONTRACT TITLE: Multi-Function Devices and Related Services

CONTRACTOR

Meridian Imaging Solution  
5775 General Washing Dr.  
Alexandria, VA 22312

SUPPLIER CODE

1000012109

CONTRACT NO.

4400003990

By mutual agreement, Contract 4400003990 is amended as follows:

1. To renew the contract for five (5) years, effective July 1, 2017 through June 30, 2022.
2. To incorporate the attached sample Master Equipment Lease Agreement (MELA).

All other terms and conditions remain the same.

ACCEPTANCE:

BY: *Juliana McKee* *J.P.*  
(Signature) (Title)  
*Juliana McKee* *5/25/17*  
(Printed) (Date)

*Cathy A. Muse*  
Cathy A. Muse, CPPO  
Director/County Purchasing Agent

DISTRIBUTION:

Finance - Accounts Payable/e  
DIT - Melania Quinn/e  
DIT - Renu Loomba/e  
DIT - David Foachter/e  
DIT - Michael Franks/e

Contractor  
Contract Specialist - L. Robinson  
ACS, Team 1 - J. Waysome-Tomlin  
FCPS/OPS - Michele Pratt/e  
FCPS/IT - Jaan Welsh/e

Department of Procurement & Material Management  
12000 Government Center Parkway, Suite 427  
Fairfax, VA 22035-3313  
Website: [www.fairfaxcounty.gov/dpmm](http://www.fairfaxcounty.gov/dpmm)  
Phone (703) 324-3201, TTY: 711, Fax: (703) 324-3228

## Master Equipment Lease Agreement

Between:	Meridian Imaging Solutions, Inc. (the "Lessor") 5775 General Washington Drive Alexandria, VA 22312
And:	Fairfax County, VA (the "Lessee") 12000 Government Center Parkway Fairfax, VA 22030
Dated:	May _____, 2017

### ARTICLE I

1.01 **Definitions.** The following terms will have the meanings indicated below unless the context clearly requires otherwise:

"Agent" means any agent for the Registered Owners, if any, to which all or a portion of Lessor's right, title and interest in, and under a Property Schedule and the Property under such Property Schedule may be assigned for the benefit of the Registered Owners of Lease Participation Certificates in such Property Schedules.

"Agreement" means this Master Equipment Lease Agreement, including all exhibits and schedules attached hereto.

"Appraisal Procedure" shall mean the following procedure for obtaining an appraisal of the Fair Market Value. Lessor shall provide Lessee with an appraisal amount based upon the assumptions specified in the definition of Fair Market Value that will be determined by an appraiser of Lessor's choosing.

"Appraiser" shall mean a person engaged in the business of appraising property who has at least ten (10) years of experience in appraising property similar to the Property.

"Commencement Date" is the date when the term of a Property Schedule and Lessee's obligation to pay rent thereunder commences, which date shall be set forth in the Property Schedule.

"Event of Non-appropriation" is defined in Section 6.05.

"Event of Default" is defined in Section 13.01.

"Fair Market Value" or "FMV" shall mean the price for each item of Property for sale, unless otherwise specified herein as determined between Lessor and Lessee, or, if Lessor and Lessee are unable to agree pursuant to the Appraisal Procedure, which would be obtained in an arms-length transaction between an informed and willing seller (under no compulsion to sell) and an informed and willing buyer (under no compulsion to purchase). In determining the Fair Market Value of the Property, such Fair Market Value shall be determined on the assumption that the Property is in the condition and repair required by Section 11.03 hereof.

"Governmental Authority" shall mean any Federal, state, county, municipal or other governmental authority, agency, board or court.

"Lease Participation Certificates" means certificates entitling the holder to receive a share of Rental Payments payable under a Property Schedule and Purchase Price Payments payable under a Property Schedule, and any other rights set forth herein with respect to the Property under said Property Schedule.

"Lease Term" means, with respect to a Property Schedule, the Original Term and all Renewal Terms. The Lease Term for each Property Schedule executed hereunder shall be set forth in such Property Schedule, as provided in Section 4.32.

"Lessee" means the entity identified in such the first paragraph hereof, and its permitted successors and assigns.

"Lessor" means the entity identified in such the first paragraph hereof, and its successors and assigns.

"Original Term" means, with respect to a Property Schedule, the period from the Commencement Date until the end of the budget year of Lessee in effect at the Commencement Date.

"Property" means, collectively, the property leased pursuant to this Agreement, and with respect to each Property Schedule, the property described in such Property Schedule, and all replacements, repairs, restorations, modifications and improvements thereof or thereto made pursuant to Section 3.01 or Article IX.

"Property Schedule" means a Property Schedule in the form attached hereto for Property Schedule 1. Subsequent Property Schedules pursuant to this Agreement shall be numbered consecutively, beginning with Property Schedule 2.

"Purchase Agreement" shall mean any purchase agreement or other contract entered into between the Supplier and Lessee for the acquisition of the Property to be leased hereunder. For the purposes of this Master Lease Agreement, this contract shall be Fairfax County Contract # 440003990, unless otherwise agreed to in an individual Property Schedule.

"Purchasing Agent" means the county representative employed by the Board of Supervisors of Fairfax County, Virginia. The Purchasing Agent has the sole responsibility and authority for negotiating, placing, and when necessary modifying every solicitation, contract, and purchase order issued by the County of Fairfax.

"Registered Owners" means the registered owners of Lease Participation Certificates in a Property Schedule as shown on the registration books maintained by the Agent.

"Renewal Terms" means the yearly appropriation of payments for a Property Schedule, each having a duration of one year and a term coextensive with Lessee's budget year and Purchase Agreement.

"Rental Payments" means the rental payments payable by Lessee under Article VI of this Agreement and each Property Schedule, as set forth in each Property Schedule.

"Rental Payment Dates" means the Rental Payment Dates for the Rental Payments as set forth in each Property Schedule.

"State" means the state in which Lessee is situated

"Supplier" means the manufacturer or contractor of the Property as well as the agents or dealers of the manufacturer or contractor from whom all or any portion of the Property is being acquired for lease hereunder and may include the lessor.

## ARTICLE II

2.01 **Property Schedules Separate Leases.** Each Property Schedule executed and delivered under this Agreement shall be deemed as a separate lease, distinct from other Property Schedules. Without limiting the foregoing, upon the occurrence of an Event of Default or an Event of Non-appropriation with respect to a Property Schedule, Lessor shall have the rights and remedies specified herein with respect to the Property leased and the Rental Payments payable under such Property Schedule, and except as expressly provided in Section 2.02 below, Lessor shall have no rights or remedies with respect to Property leased or Rental Payments payable under any other Property Schedules unless an Event of Default or Event of Non-appropriation has also occurred under such other Property Schedules, unless otherwise permitted by applicable law.

## ARTICLE III

3.01 **Covenants of Lessee.** As of the Commencement Date for each Property Schedule executed and delivered hereunder, Lessee shall be deemed to represent, covenant and warrant for the benefit of Lessor, the Agent, and the Registered Owners, as follows:

- a) Lessee is a public body corporate and politic duly organized and existing under the constitution and laws of the State with full power and authority to enter into this Agreement and the Property Schedule and the transactions contemplated thereby and to perform all of its obligations thereunder.
- b) Lessee will do or cause to be done all things necessary to preserve and keep in full force and effect its existence as a body corporate and politic. To the extent Lessee should merge with another entity under the laws of the State, Lessee agrees that as a condition to such merger it will require that the remaining or resulting entity shall be assigned Lessee's name and shall assume Lessee's obligations hereunder.
- c) Lessee has been duly authorized to execute and deliver this Agreement and the Property Schedule by proper action by its governing body, or by other appropriate official approval, and all requirements have been met and procedures have occurred in order to ensure the validity and enforceability of this Agreement and the Property Schedule, and Lessee has complied with such public bidding requirements as may be applicable to this Agreement and the Property Schedule and the leasing by Lessee of the Property thereunder. This Purchasing Agent, as defined in the Fairfax County Purchasing Resolution, shall have the authority to enter into such agreement, as outlined and detailed in the Fairfax County Purchasing Resolution.
- d) During the Lease Term for the Property Schedule, the Property thereunder will perform and will be used by Lessee only for the purpose of performing essential governmental uses and public functions within the permissible scope of Lessee's authority.
- e) Lessee will provide Lessor with current financial statements, budgets and proof of appropriation for the ensuing budget year and other financial information relative to the ability of Lessee to continue this Agreement and the Property Schedule in such form and containing such information as may be reasonably requested by Lessor. Proof of appropriation shall be based on the Fairfax County Purchasing Resolution, Article One, Section Two, subsection 3 which states that the County Purchasing Agent may also act as purchasing agent for the Northern Virginia Workforce Investment Board (NVWIB). The County Purchasing Agent shall have the authority to approve all contract awards up to \$100,000 and the NVWIB shall have the authority to approve all contract awards that exceed \$100,000.
- f) The execution, delivery and performance of this Agreement and the Property Schedule and compliance with the provisions hereof and thereof by Lessee shall not conflict with or result in a violation or breach or constitute a default under, any resolution, bond, agreement, indenture, mortgage, note, lease or other instrument to which Lessee is a party or by which it is bound by any law or any rule, regulation, order or decree of any court, governmental agency or body having jurisdiction over Lessee or any of its activities or properties resulting in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any property or assets of Lessee or to which it is subject.

## ARTICLE IV

4.01 **Lease of Property.** On the Commencement Date of each Property Schedule executed hereunder, Lessor will be deemed to demise, lease and let to Lessee, and Lessee will be deemed to rent, lease and hire from Lessor, the Property described in such Property Schedule, in accordance with this Agreement and such Property Schedule, for the Lease Term set forth in such Property Schedule.

4.32 **Lease Term.** The term of each Property Schedule shall commence on the Commencement Date set forth therein and shall terminate upon payment of the final Rental Payment and conclusion of the final Rental Payment period set forth in such Property Schedule, unless terminated sooner pursuant to this Agreement or the Property Schedule.

4.33 **Delivery, Installation and Acceptance of Property.** Lessee shall order the Property, shall cause the Property to be delivered and installed at the locations specified in the applicable Property Schedule and shall pay all taxes, delivery costs and installation costs, if any, in connection therewith. Any taxes, including but not limited to sales and property taxes, associated with the ownership of the Property, shall be included within the payment amounts of each Property Schedule. If the tax rates increase during the term of a given Property Schedule, Lessee will be notified of said increase and make the determination if funding has been appropriated. To the extent funds are deposited under an escrow agreement or trust agreement for the acquisition of the Property, such funds shall be disbursed as provided therein. When the Property described in such Property Schedule is delivered, installed and accepted as to Lessee's specifications, Lessee shall immediately accept the Property and evidence said acceptance by executing and delivering to Lessor the Acceptance Certificate substantially in the form attached to the Property Schedule. Lessee has selected and ordered the Property from the Supplier and, if appropriate, has entered into a Purchase Agreement with respect thereto. Lessor may accept an assignment from Lessee of Lessee's rights, but none of Lessee's obligations, under any such Purchase Agreement. The parties acknowledged that Fairfax County is a political subdivision of the Commonwealth of Virginia and is exempt from many tax obligations. In no event shall any Property Schedule affect payments for taxes that are not properly owed by Fairfax County.

#### ARTICLE V

5.01 **Enjoyment of Property.** Lessee shall during the Lease Term peaceably and quietly have, hold and enjoy the Property, without any trouble or hindrance from Lessor, except as expressly set forth in this Agreement. No Registered Owner shall interfere with such use and enjoyment during the Lease Term so long as Lessee is not in default under the subject Property Schedule.

5.02 **Location; Inspection.** The Property will be initially located or based at the location specified in the applicable Property Schedule. Lessor shall have the right at all reasonable times during business hours to enter into and upon the property of Lessee for the purpose of inspecting the Property with ten (10) business days' notice to Lessee.

#### ARTICLE VI

6.01 **Rental Payments to Constitute a Current Expense of Lessee.** Lessor and Lessee understand and agree that the obligation of Lessee to pay Rental Payments hereunder shall constitute a current expense of Lessee and shall not in any way be construed to be a debt of Lessee in contravention of any applicable constitutional, statutory or charter limitation or requirement governing the creation of indebtedness by Lessee, nor shall anything contained herein constitute a pledge of the faith and credit or taxing power of Lessee. Upon the appropriation of Rental Payments for a fiscal year, the Rental Payments for said fiscal year, and only the Rental Payments for that current fiscal year, shall be a binding obligation of Lessee; provided that such obligation shall not include a pledge of the taxing power of Lessee.

6.02 **Payment of Rental Payments.** Lessee shall promptly pay Rental Payments under each Property Schedule, exclusively from legally available funds, in lawful money of the United States of America, to Lessor in such amounts and on such dates as described in the applicable Property Schedule, at Lessor's address set forth on the first page of this Agreement, unless Lessor instructs Lessee otherwise. All invoices shall contain the contract number and the applicable payment amounts due. To the extent permitted by applicable law, Lessee shall pay Lessor a charge on any delinquent Rental Payments under a Property Schedule, in an amount sufficient to cover all additional costs and expenses incurred by Lessor and Agent from such delinquent Rental Payment. In addition, Lessee shall pay a late charge of five percent (5%) or the highest amount permitted by applicable law, whichever is lower, on all delinquent Rental Payments that are more than 10 days past due.

6.03 **Rental Payments to be Unconditional.** SUBJECT TO SECTION 6.05 AND PARAGRAPH 43 OF THE GENERAL CONDITIONS AND INSTRUCTIONS TO BIDDERS, THE OBLIGATIONS OF LESSEE TO PAY THE RENTAL PAYMENTS DUE UNDER THE PROPERTY SCHEDULES AND TO PERFORM AND OBSERVE THE OTHER COVENANTS AND AGREEMENTS CONTAINED HEREIN SHALL BE ABSOLUTE AND UNCONDITIONAL IN ALL EVENTS WITHOUT ABATEMENT, DIMINUTION, DEDUCTION, SET-OFF OR DEFENSE, FOR ANY REASON, INCLUDING WITHOUT LIMITATION, ANY DEFECTS, MALFUNCTIONS, BREAKDOWNS OR INFIRMITIES IN THE PROPERTY OR ANY ACCIDENT, CONDEMNATION OR UNFORESEEN CIRCUMSTANCES. THIS PROVISION SHALL NOT LIMIT LESSEE'S RIGHTS OR ACTIONS AGAINST ANY VENDOR AS PROVIDED IN SECTION 6.05.

6.04 **Continuation of Lease by Lessee.** Lessee intends to continue all Property Schedules entered into pursuant to this Agreement and to pay the Rental Payments thereunder if Lessee reasonably believes that legally available funds in an amount sufficient to make all Rental Payments during the term of all Property Schedules entered into hereunder. Lessee agrees that any Rental Payments due under the Property Schedules have been budgeted based on the Fairfax County Purchasing Resolution, Article One, Section Two, Subset C which states that the County Purchasing Agent may also act as purchasing agent for the Fairfax County Virginia Workforce Investment Board (NVWIB). The County Purchasing Agent shall have the authority to approve all contract awards up to \$100,000 and the NVWIB shall have the authority to approve all contract awards that exceed \$100,000. Notwithstanding this covenant, if Lessee fails to appropriate the Rental Payments for a Property Schedule pursuant to Section 6.05, such Property Schedule shall terminate.

6.05 **Non-Appropriation of Funds.** If sufficient funds are not appropriated to make Rental Payments required under a Property Schedule, such Property Schedule shall terminate and Lessee shall not be obligated to make Rental Payments under said Property Schedule beyond the then current fiscal year for which funds have been appropriated. Upon the occurrence of such non-appropriation (an "Event of Non-appropriation") Lessee shall, no later than the end of the fiscal year for which Rental Payments have been appropriated, deinstall and package the Property under said Property Schedule and make available to Lessor so that they may pick up said Property. If Lessee fails to deinstall, package, and make the Property available to Lessor upon termination of said Property Schedule by reason of an Event of Non-appropriation, the termination shall nevertheless be effective but Lessee shall be responsible for the payment of damages in an amount equal to the portion of Rental Payments thereafter coming due that is attributable to the number of days after the termination during which the Lessee fails to make said Equipment available to Lessor and for any other loss suffered by Lessor as a result of Lessee's failure to make said Equipment available to Lessor as required. Lessee shall notify Lessor in writing within fifteen (15) days after the failure of the Lessee to appropriate funds sufficient for the payment of the Rental Payments, but failure to provide such notice shall not operate to extend the Lease Term or result in any liability to Lessee.

## ARTICLE VII

**7.01 Title to and Location of Property.** Title to each item of Property leased hereunder shall remain with the Lessor at all times and Lessee shall have no right, title or interest therein except as expressly set forth in this Lease. Lessee, will take reasonable efforts to protect and defend Lessor's title to the Property and will keep the Property free and clear from any and all claims, liens, encumbrances and legal processes of Lessee's creditors and other persons. All items of Property shall at all times be and remain personal property notwithstanding that any such Property may now or hereafter be affixed to realty.

The Property shall be delivered to the location specified in the Schedule with respect thereto and shall not thereafter be moved from such location without the prior written consent of Lessor. Without limitation of the foregoing, Lessee shall not permit the Property or any part thereof to be removed outside the United States. Lessor agrees to affix to each item of Property, in a reasonably prominent place, such indicia of Lessor's ownership if requested and supplied by Lessor. Lessee will not alter, deface, cover or remove such ownership identification.

**7.02 Tax Benefits.** Lessee acknowledges that unless otherwise agreed by Lessor, Lessor intends to claim all available tax benefits of ownership with respect to the Property (the "Tax Benefits"). Notwithstanding anything herein to the contrary, if Lessor shall not be entitled to, or shall be subject to recapture of, the Tax Benefits, as a result of any act, omission or misrepresentation of Lessee, Lessee shall pay to Lessor upon demand an amount or amounts sufficient to reimburse Lessor for such loss, together with any related interest and penalties to the extent permitted by applicable law, based on the highest marginal corporate income tax rate prevailing during the Lease Term, regardless of whether Lessor or any member of an affiliated group of which Lessor is also a member is then subject to any increase in tax as a Lease Term, regardless.

**7.03 Personal Property.** The Property is and will remain personal property and will not be deemed to be affixed to or a part of the real estate on which it may be situated, notwithstanding that the Property or any part thereof may be or hereafter become in any manner physically attached or attached to real estate or any building thereon. If requested by Lessor, Lessee will, at Lessee's expense, furnish a waiver of any interest in the Property from any party having an interest in any such real estate or building.

**7.04 Financing, Security Interest.**

- a) *In the event that this Lease is deemed to constitute a secured transaction organized as a lease, Lessee grants to Lessor a first priority security interest in the Property and any additions (excluding any software, memory and any other such items purchased separately from the leased equipment), attachments, upgrades, accessories, repairs, modifications, replacements thereof and proceeds thereof, including insurance proceeds, to secure Lessee's payment of the Rental Payments and all other payment obligations hereunder and Lessee's performance of all of the terms and conditions of this Lease.*
- b) *If under applicable law any part of the Rental Payments are deemed or determined to be imputed interest, finance charges or time-price differential ("Interest"), the parties agree that the Rental Payments shall be deemed to be level payments of principal and interest, with such interest accruing on principal amounts outstanding from time to time. The rate of such interest is not intended to exceed the maximum amount of interest permitted by applicable law. If the interest exceeds such maximum, then at Lessor's option, if permitted by law, the interest payable will be reduced to the legally permitted maximum amount of interest, and any excessive interest will be used to reduce the principal amount of Lessee's obligation or refunded.*

**7.05 Lessee's Waiver.** TO THE EXTENT PERMITTED BY APPLICABLE LAW, LESSEE WAIVES ANY RIGHTS NOW OR HEREAFTER CONFERRED BY STATUTE OR OTHERWISE TO RECOVER INCIDENTAL OR CONSEQUENTIAL DAMAGES FROM LESSOR FOR ANY BREACH OF WARRANTY OR FOR ANY OTHER REASON, TO RECOVER OR DEDUCT AS, OR ANY PART OF ANY CLAIMED DAMAGES RESULTING FROM LESSOR'S DEFAULT, IF ANY, UNDER THIS LEASE PROVIDED, HOWEVER, THAT NO SUCH WAIVER SHALL PRECLUDE LESSEE FROM ASSERTING ANY SUCH CLAIM AGAINST LESSOR IN A SEPARATE CAUSE OF ACTION INCLUDING, WITHOUT LIMITATION, ANY CLAIM ARISING AS A RESULT OF LESSOR'S BREACH OF SECTION 3.01 HEREOF.

## ARTICLE VIII

**8.01 Maintenance of Property by Lessee.** Lessee shall keep and maintain the Property in good condition and working order and in compliance with the manufacturer's specifications, shall use, operate and maintain the Property in conformity with all laws and regulations concerning the Property's ownership, possession, use and maintenance and shall keep the Property free and clear of all liens and claims, other than those created by this Agreement. Lessee shall have sole responsibility to maintain and repair the Property. Should Lessee fail to maintain, preserve and keep the Property in good repair and working order and in accordance with manufacturer's specifications, and if requested by Lessor, Lessee will enter into maintenance contracts for the Property from approved by Lessor and the approved providers.

**8.02 Taxes, Fees and Governmental Charges and Utility Charges.** Lessee shall keep the Property free of all levies, liens and encumbrances, except for the liability of Lessor under this Agreement. The Lessee's Rental Payments shall include all applicable taxes. To the extent permitted by applicable law, Lessee shall indemnify and hold Lessor harmless from and against (on an after-tax basis) any and all taxes, fees, withholdings, levies, imposts, duties, assessments and charges of any kind and nature arising out of or related to this Agreement imposed upon or against Lessor, any assignee of Lessor, Lessee or any Property or any Governmental Authority with respect to any Property or the manufacturing, ordering, sale, purchase, shipment, delivery, acceptance, possession, ownership, titling, registration, leasing, subleasing, possession, use, operation, removal, return or other dispossession thereof or upon the rental payments or earnings arising therefrom or upon or with respect to this Agreement, excepting only all Federal, state and local taxes on or measured by Lessor's net income (other than income tax resulting from making any alterations, improvements, modifications, additions, upgrades, attachments, replacements or substitutions by Lessee).

**8.03 Insurance.** At its own expense, Lessee shall maintain

- (a) casualty insurance insuring the Property against loss or damage by fire and all other risks covered by the standard extended coverage endorsement then in use in the State and any other risks reasonably required by Lessor in an amount equal to at least the replacement value of the Property, and
- (b) liability insurance that protects Lessor from liability in all events in an amount reasonably acceptable to Lessor, and
- (c) worker's compensation insurance covering all employees working on, in, near or about the Property; provided that Lessee may self-insure against all such risks

All insurance proceeds from casualty losses shall be payable as hereinafter provided in this Agreement. Lessee shall furnish to Lessor, on or before the Commencement Date for each Property Schedule, and thereafter at Lessor's request, certificates evidencing such coverage, or, if Lessee self-insures, a written description of its self-insurance program together with a certification from Lessee's risk manager or insurance agent or consultant to the effect that Lessee's self-insurance program provides adequate coverage against the risks listed above subject to the approval of Lessor.

**8.04 Advances.** Lessee agrees to keep all Equipment covered by insurance during the lease term. In the event Lessee shall fail to either maintain the insurance required by this Agreement or keep the Property in good repair and working order, Lessor may, but shall be under no obligation to, purchase the required insurance and pay the cost of the premiums thereof or maintain and repair the Property and pay the cost thereof. All amounts so advanced by Lessor shall constitute additional rent for the Lease Term for the Property Schedule for which the Property is under and shall be due and payable on the next Rental Payment Date and Lessee covenants and agrees to pay such amounts so advanced by Lessor.

## ARTICLE IX

**9.01 Damage or Destruction.** Lessee shall bear the entire risk of loss (including without limitation, theft, destruction, disappearance of or damage to any and all Property ("Loss") from any cause whatsoever, whether or not insured against, during the Lease Term and any extensions thereof until the Property is returned to Lessor in accordance with Section 11.03 hereof. No Loss shall relieve Lessee of the obligation to pay Rental Payments or of any other obligation under this Master Agreement and the applicable Property Schedule. If (a) the Property under a Property Schedule or any portion thereof is destroyed, in whole or in part, or is damaged by fire or other casualty, or (b) title to, or the temporary use of, the Property under a Property Schedule or any part thereof shall be taken under the exercise or threat of the power of eminent domain by any governmental body or any person, firm or corporation acting pursuant to governmental authority, Lessor and Lessee will cause the Net Proceeds (as hereinafter defined) of any claim satisfied through self-insurance, condemnation award or sale under threat of condemnation to be applied to the prompt replacement, repair, restoration, modification or improvement of the Property. In lieu of replacement, repair, restoration, modification or improvement of the Property, Lessee may also elect to pay to Lessor, or its assign, an amount equal to the remaining balance of payments under the lease plus the Fair Market Value of the Property. The balance of the Net Proceeds remaining after such work has been completed shall be paid to Lessee. For purposes of Section 8.03 and this Article, the term "Net Proceeds" shall mean the amount remaining from the gross proceeds of any claim satisfied through self-insurance, condemnation award or sale under threat of condemnation after deducting all expenses, including attorneys' fees, incurred in the collection thereof.

## ARTICLE X

**10.01 Disclaimer of Warranties.** LESSOR MAKES NO (AND SHALL NOT BE DEEMED TO HAVE) ANY WARRANTIES, EXPRESS OR IMPLIED RELATED TO THE EQUIPMENT, INCLUDING THE STATE OF TITLE, AND LESSOR HAS EXPRESSLY MADE NO WARRANTY AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, OR THE ABSENCE OF LATENT OR OTHER DEFECTS OF THE EQUIPMENT AS TO ANY MATTER WHATSOEVER, INCLUDING, WITHOUT LIMITATION, THE DESIGN, OPERATION OR CONDITION OF, OR THE QUALITY OF THE MATERIAL, PROPERTY OR WORKMANSHIP IN, THE PROPERTY, ITS MERCHANTABILITY OR ITS FITNESS FOR ANY PARTICULAR PURPOSE; IT BEING UNDERSTOOD THAT THE PROPERTY IS LEASED TO LESSEE "AS IS" ON THE DATE OF THIS AGREEMENT OR THE DATE OF DELIVERY, WHICHEVER IS LATER, AND ALL SUCH RISKS, IF ANY, ARE TO BE BORNE BY LESSEE. Lessee acknowledges that it has made (or will make) the selection of the Property from the Supplier based on its own judgment and expressly disclaims any reliance upon any statements or representations made by Lessor. Lessee understands and agrees that (a) neither the Supplier nor any sales representative or other agent of Supplier, is (i) an agent of Lessor or (ii) authorized to make, alter any term or condition of this Agreement, and (b) no such waiver or alteration shall vary the terms of this Agreement as expressly set forth herein. In no event shall Lessor be liable for any incidental, indirect, special or consequential damage in connection with or arising out of this Agreement, the Property Schedules, or the existence, furnishing, functioning or use of any item, product or service provided for in this Agreement or the Property Schedules. The Lessee shall be entitled to the benefit of any applicable manufacturer's warranties and rights, including rights and warranties that it may have under the agreement with the Equipment Vendor.

**10.02 Supplier's Warranties.** Lessee's sole remedy for breach of such warranty, indemnification or representation shall be against the Supplier of the Property, as defined in this Agreement, and not against Lessor, nor shall such matter have any effect whatsoever on the rights and obligations of Lessor with respect to this Agreement, including the right to receive full and timely payments hereunder. Lessee expressly acknowledges that Lessor makes, and has made, no representations or warranties whatsoever as to the existence or the availability of such warranties of the Supplier of the Property.

**10.03 Use of the Property.** Lessee will not install, use, operate or maintain the Property improperly, carelessly, in violation of any applicable law or in a manner contrary to that contemplated in this Agreement and the applicable Property Schedule. Lessee shall provide all permits and licenses, if any, necessary for the installation and operation of the Property. In addition, Lessee agrees to comply in all respects with all laws of the jurisdiction in which its operation involving any item of Property may extend and any legislative, executive, administrative or judicial body exercising any power or jurisdiction over the laws of the Property. Lessee shall notify Lessor in writing of any pending or threatened investigation, inquiry, claim or action by any governmental authority which could adversely affect this Agreement, any Property Schedule or the Property thereunder.

**10.04 Modifications.** Subject to the provisions of this Section, Lessee shall have the right, at its own expense, to make alterations, additions, modifications or improvements to the Property. All such alterations, additions, (except software memory and any other such items purchased separately from the leased equipment) modifications and improvements shall thereafter comprise part of the Property and shall be subject to the provisions of this Agreement. Such alterations, additions, modifications and improvements shall not in any way damage the Property, substantially alter its nature or cause it to be used for purposes other than those authorized under the provisions of state and federal law; and the Property, on completion of any alterations, additions, modifications or improvements made pursuant to this Section, shall be of a value which is equal to or greater than the value of the Property immediately prior to the making of such alterations, additions, modifications and improvements. Lessee shall, at its own expense, make such alterations, additions, modifications and improvements, to the Property as may be required from time to time by applicable law or by any governmental authority.

## ARTICLE XI

**11.01 Extension Terms.** So long as no Default or Event of Default shall have occurred and be continuing and Lessee shall have given Lessor at least ninety (90) days but not more than one hundred eighty (180) days prior written notice (the "Option Notice"), Lessee shall have the following extension options at the expiration of the Lease Term, or any Extension Term, to: (i) renew this Lease on a Monthly basis at the same Rental Payments payable at the expiration of the Lease Term; or (ii) return such Property to Lessor pursuant to, and in the condition required by, the Master Agreement. If Lessee fails



to give Lessor the Option Notice, Lessee shall be deemed to have chosen option (i) above, if Lessee fails to reinstall, package, and make the Property available to Lessor at such time agreed upon by Lessee and Lessor. Lessee shall be responsible for the payment of damages in an amount equal to the portion of Rental Payments thereafter coming due that is attributable to the number of days after the agreed upon date of original return during which the Lessee fails to deliver possession.

**11.02 Nature of Transaction: True Lease.** (a) It is the express intent of the parties that all Property Schedules to this Agreement constitute true leases and not sale of Property. Title to the Property shall at all times remain in Lessor, and Lessee shall acquire no ownership, title, property, right, equity, or interest in the Property other than its leasehold interest solely as Lessee subject to all the terms and conditions hereof. To the extent that Article 2A ("Article 2A") of the Uniform Commercial Code ("UCC") applies to the characterization of a Property Schedule, the parties hereby agree that the Property Schedule is a "Finance Lease" as defined therein. Lessee acknowledges: (i) that Lessee has selected the "Supplier" (as defined in the UCC) and has directed Lessor to purchase the Property from the Supplier in connection with this Lease, and (ii) that Lessee has been informed in writing, before Lessee's execution of a Property Schedule, that Lessee is entitled under Article 2A to the promises and warranties, including those of any third party, provided to Lessor by the Supplier in connection with or as part of the Purchase Agreement, and that Lessee may communicate with the Supplier and receive an accurate and complete statement of those promises and warranties, including any disclaimers and limitations of scope or of remedies. The filing of UCC financing statements pursuant to Section 7.04 is precautionary and shall not be deemed to have any effect on the characterization of the Property Schedules. NOTWITHSTANDING THE FOREGOING, LESSOR HAS NOT MADE AND HEREBY DISCLAIMS ANY ADVICE, REPRESENTATIONS, WARRANTIES AND COVENANTS, EITHER EXPRESSED OR IMPLIED WITH RESPECT TO ANY LEGAL, ECONOMIC, ACCOUNTING, TAX OR OTHER EFFECTS OF THE LEASE AND THE TRANSACTION(S) CONTEMPLATED THEREBY, AND LESSEE HEREBY DISCLAIMS ANY RELIANCE ON ANY SUCH WARRANTIES, STATEMENTS OR REPRESENTATIONS MADE BY LESSOR WITH RESPECT THEREBY.

(b) Notwithstanding the express intent of Lessor and Lessee that the Property Schedules constitute a true lease and not sale of Property, should a court of competent jurisdiction determine that a Property Schedule is not a true lease, but rather one intended as security, then solely in that event and for the expressly limited purposes thereof, Lessee shall be deemed to have hereby granted Lessor a security interest in the Property and all accessions, substitutions and replacements thereto and therefor, and proceeds (cash and non-cash, including, without limitation, insurance proceeds thereof (but without power of sale), to secure the prompt payment and performance as and when due of all obligations and indebtedness of Lessee, now existing or hereafter created, to Lessee pursuant to this Lease or otherwise. In furtherance of the foregoing, Lessee shall execute and deliver to Lessor, to be filed at Lessee's expense, Uniform Commercial Code financing statements, statements of amendment and statements of continuation as reasonably may be required by Lessor to perfect and maintain perfected such security interest.

(c) Personal Property Tax. Unless otherwise directed in writing by Lessor or required by applicable law, Lessee will register itself as owner of any Property for property tax purposes. Upon receipt by Lessee of any property tax bill pertaining to such Property from the appropriate taxing authority, Lessee will promptly forward such property tax bill to Lessor.

**11.03 Return of Property.** Upon the expiration (subject to Section 11.02 hereof and except as otherwise provided in a Property Schedule) or earlier termination of this Lease due to an Event of Non-Appropriation, Lessee, at its sole expense, shall reinstall, package, and make available the Property to Lessor's carrier. Lessee agrees that the Property, when picked up by Lessor, shall be in the condition required by Section 8.01 hereof. All components of the Property shall contain no damage, excluding normal wear and tear, and must be in working order. In the event title to the Equipment reverts back to Lessor, Lessee, at its own expense will remove all alterations, additions and attachments, and repair the Equipment as necessary so as to return the Equipment to the condition in which it was furnished, reasonable wear and tear excepted. If Lessee fails to return any Property as required hereunder, then, all of Lessee's obligations under this Master Agreement and the applicable Property Schedule (including, without limitation, Lessee's obligation to pay Rental Payments for such Property at the rate then applicable under the Property Schedule) shall continue in full force and effect until such Property shall have been returned in the condition required hereunder.

## ARTICLE XII

**12.01 Assignment by Lessor.** Lessor's right, title and interest in, to and under each Property Schedule and the Property under such Property Schedule may be assigned and reassigned in whole or in part to one or more assignees or sub-assignees by Lessor and, to the extent of their interest, by any Registered Owner, without the necessity of obtaining the consent of Lessee; provided that (i) any assignment, other than an assignment to or by a Registered Owner, shall not be effective until Lessee has received written notice, signed by the assignor, of the name, address and tax identification number of the assignee, and (ii) any assignment, other than an assignment to or by a Registered Owner shall not be effective until it is registered on the registration books kept by the Agent. Lessee shall retain all such notices and register all assignees (other than Registered Owners) and shall make all payments to the assignee or assignees registered on such registration books in the case of Registered Owners, to the Agent. In the event that Lessor's interest in a Property Schedule and the Property thereunder is assigned to the Agent, Lease Participation Certificates in that Property Schedule may be executed and delivered by the Agent to Registered Owners. Lessee agrees to execute all documents, including notices of assignment and chattel mortgages and financing statements that may be reasonably requested by Lessor or any assignee to protect its interests in this Agreement and the Property Schedules.

**12.02 Property Schedules Separate Financings.** Assignees of the Lessor's rights in one Property Schedule shall have no rights in any other Property Schedules unless such rights have been separately assigned.

**12.03 Assignment and Sublease by Lessee.** NONE OF LESSEE'S RIGHT, TITLE AND INTEREST IN, TO AND UNDER THIS AGREEMENT AND IN THE PROPERTY MAY BE ASSIGNED, SUBLEASED OR ENCUMBERED BY LESSEE FOR ANY REASON, WITHOUT THE PRIOR WRITTEN CONSENT OF LESSOR, WHICH SHALL NOT BE UNREASONABLY WITHHELD, WHICH SHALL BE DEPENDANT UPON THE CREDIT RATING OF SUCH THIRD PARTY. THE CREDIT RATING MUST BE DEEMED THE SAME OR BETTER THAN THE LESSEE'S CREDIT RATING AT THE INCEPTION OF THE LEASE.

## ARTICLE XIII

**13.01 Events of Default Defined.** Any of the following shall constitute an "Event of Default" under a Property Schedule:

- a) Failure by Lessee to pay any Rental Payment under the Property Schedule or other payment required to be paid with respect thereto at the time specified therein.



- b) Failure by Lessee to observe and perform any covenant, condition or agreement on its part to be observed or performed with respect to the Property Schedule, other than as referred to in subparagraph (a) above, for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied is given to Lessee by Lessor, unless Lessor shall agree in writing to an extension of such time prior to its expiration, provided that, if the failure stated in the notice cannot be corrected within the applicable period, Lessor will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by Lessee within the applicable period and diligently pursued until the default is corrected;
- c) Any statement, representation made by the Parties in or pursuant to the Property Schedule or its execution, delivery or performance proven to have been false, incorrect, misleading or breached in any material respect on the date when made;
- d) Lessee shall (i) apply for or consent to the appointment of a receiver, trustee, custodian or liquidator of Lessee, or of all or a substantial part of the assets of Lessee, (ii) be unable, fail or admit in writing its inability generally to pay its debts as they become due, (iii) make a general assignment for the benefit of creditors, (iv) have an order for relief entered against it under applicable federal bankruptcy law, or (v) file a voluntary petition in bankruptcy or a petition of an answer seeking reorganization or an arrangement with creditors, taking advantage of any insolvency law or any answer admitting the material allegations of a petition filed against Lessee in any bankruptcy, reorganization or insolvency proceeding; or
- e) An order, judgment or decree shall be entered by any court of competent jurisdiction, approving a petition or appointing a receiver, trustee, custodian or liquidator of Lessee or of all or a substantial part of the assets of Lessee, in each case without its participation, approval or consent, and such order, judgment or decree shall continue unstayed and in effect for any period of 90 consecutive days.

The foregoing provisions of Section 13.01 are subject to the following limitation: If by reason of force majeure Lessee is unable in whole or in part to perform its agreements under this Agreement and the Property Schedule (other than the obligations on the part of Lessee contained in Article VI hereof) Lessee shall not be in default during the continuance of such inability. The term "force majeure" as used herein shall mean the following: result of fire, flood, strike, the transportation carrier, act of God, act of Government, act of an alien enemy or by any other circumstances which in the Purchasing Agent's opinion are beyond the control of the contractor.

**13.02 Remedies on Default.** Whenever any Event of Default exists with respect to Property Schedule, Lessor shall have the right, at its sole option without any further demand or notice, to take one or any combination of the following remedial steps:

- (a) Declare the entire amount of unpaid Rental Payments under the appropriate Property Schedule for the current fiscal year and for any delinquent payments from a prior year to be immediately due and payable without further notice;
- (b) (i) Sell any Property at public or private sale; (ii) hold, keep, lease or otherwise any Property under the Property Schedule; (iii) by notice in writing to Lessee, cancel or terminate the Property Schedule without prejudice to any other remedies hereunder; (iv) demand that Lessee, and Lessee shall, upon written demand of Lessor and at Lessee's expense forthwith reinstall, package, and make all Property available to Lessor in the manner and condition required by Section 11.03 hereof, provided, however, that Lessee shall remain and be liable to Lessor for any amounts provided for hereof or other damages resulting from the Property not being in the condition required by Section 11.03, and otherwise in accordance with all of the provisions of this Agreement, except those provisions relating to periods of notice; (v) enter upon the premises of Lessee or other premises where any Property may be located and, with five (5) days notice to Lessee and with or without legal process, take possession of and remove any such Property without liability to Lessor by reason of such entry or taking possession, and without such entry or removal constituting a cancellation or termination of this Agreement unless Lessor notifies Lessee in writing to such effect;
- (c) Lessor may take any action, at law or in equity, that is required by applicable law and that may appear necessary or desirable to enforce or to protect and preserve its rights under the Property Schedule and this Agreement.

**13.03 No Remedy Exclusive.** No remedy herein conferred upon or reserved to Lessor is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Lease now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle Lessor to exercise any remedy reserved to it in this Article it shall not be necessary to give any notice, other than such notice as may be required in this Article.

#### ARTICLE XIV

**14.01 Notices.** All notices, demands or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or mailed by certified mail, postage prepaid, to the parties hereto at the addresses immediately after the signatures to this Agreement (or at such other address as either party hereto shall designate in writing to the other for notices to such party), to any assignee (other than a Registered Owner) at its address as it appears on the registration books maintained by Lessee and to any Registered Owner at its address as it appears on the registration books maintained by the Agent.

**14.02 Further Assurances.** Lessee agrees to execute such other and further documents, including, without limitation, confirmatory financing statements, continuation statements, certificates of title and the like, and to take all such action as may be necessary or appropriate, from time to time, in the reasonable opinion of Lessor, to perfect, confirm, establish, reestablish, continue, or complete the interests of Lessor in this Agreement and the Property Schedules, to consummate the transactions contemplated hereby and thereby, and to carry out the purposes and intentions of this Agreement and the Property Schedules.

**14.03 Binding Effect.** This Agreement shall inure to the benefit of and shall be binding upon Lessor and Lessee and their respective successors and assigns.

**14.04 Severability.** In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

14.05 **Waiver of Jury Trial.** Lessee and Lessor hereby irrevocably waive all right to trial by jury in any action, proceeding or counterclaim (whether based on contract, tort or otherwise) arising out of or relating to this Agreement or the actions of Lessor or Lessee in the negotiation, administration, performance or enforcement hereof. Lessor and Lessee agree that any trial shall be in the form of a bench trial.

14.06 **Amendments, Changes and Modification.** This Agreement may be amended in writing by Lessor and Lessee to the extent the amendment or modification does not apply to outstanding Property Schedules at the time of such amendment or modification. The consent of the applicable assignee or Agent, if any, shall be required to any amendment or modification before such amendment or modification shall be applicable to any outstanding Property Schedule.

14.07 **Execution in Counterparts.** This Agreement and the Property Schedules hereunder may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

14.08 **Applicable Law.** This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia, unless otherwise agreed to in an individual Property Schedule.

14.09 **Captions.** The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement.

IN WITNESS WHEREOF, Lessor and Lessee have caused this Agreement to be executed in their names by their duly authorized representatives as of the date first above written.

<b>Lessor: Meridian Imaging Solutions, Inc.</b>
By: _____
Name: _____
Title: _____

<b>Lessee: Fairfax County, VA</b>
By: _____
Name: _____
Title: _____

<b>Attest:</b>
By: _____
Name: _____
Title: _____

**STAMPED**

**Property Schedule No. 1  
Master Equipment Lease Agreement**

This Property Schedule No. 1 is entered into as of the Commencement Date set forth below, pursuant to that certain Master Equipment Lease Agreement (the "Master Agreement"), dated as of \_\_\_\_\_, between MERIDIAN IMAGING SOLUTIONS, INC. and FAIRFAX COUNTY, VA.

1. **Interpretation.** The terms and conditions of the Master Agreement are incorporated herein by reference as if fully set forth herein. Reference is made to the Master Agreement for all representations, covenants and warranties made by Lessee in the execution of this Property Schedule, unless specifically set forth herein. In the event of a conflict between the provisions of the Master Agreement and the provisions of this Property Schedule, the provisions of this Property Schedule shall control. All capitalized terms not otherwise defined herein shall have the meanings provided in the Master Agreement.
2. **Commencement Date.** The Commencement Date for this Property Schedule is 30 days after Equipment is accepted by Lessee.
3. **Property Description and Payment Schedule.** The Property subject to this Property Schedule is described in Exhibit 1 hereto. The Rental Payment Schedule for this Property Schedule is set forth in Exhibit 1. If the Rental Payment Dates are not defined in the Rental Payment Schedule, they shall be defined as the First day of each Month of the Rental Payment Schedule commencing with the first full month following the Acceptance Date.
4. **Lessee's Certificate.** The Lessee's Certificate is attached as Exhibit 2.
5. **Proceeds.** Lessor shall disburse the proceeds of this Property Schedule in accordance with the instructions attached hereto as Exhibit 3.
6. **Acceptance Certificate.** The form of Acceptance Certificate is attached as Exhibit 4.
7. **Essential Use.** The Essential Use is attached as Exhibit 5.
8. **Expiration.** Lessor, at its sole determination, may choose not to accept this Property Schedule if the fully executed, original Agreement (including this Property Schedule and all other documents) are not received by Lessor at its place of business by \_\_\_\_\_.
9. **Notice.** Lessee is entitled under Article 2A of the Uniform Commercial Code to the promises and warranties, including those of any third party, provided to Lessor by the Supplier in connection with or as part of the Purchase Agreement, and that Lessee may communicate with the Supplier and receive an accurate and complete statement of those promises and warranties, including any disclaimers and limitations of them or of remedies. The filing of UCC financing statement pursuant to Section 7.05 of the Master Agreement is precautionary and shall not be deemed to have any effect on the characterization of this Property Schedule. NOTWITHSTANDING THE FOREGOING, LESSOR HAS NOT MADE, AND HEREBY DISCLAIMS ANY ADVICE, REPRESENTATIONS, WARRANTIES AND COVENANTS, EITHER EXPRESSED OR IMPLIED, WITH RESPECT TO ANY LEGAL, ECONOMIC, ACCOUNTING OR OTHER EFFECTS OF THE LEASE AND THE TRANSACTION(S) CONTEMPLATED THEREBY, AND LESSEE HEREBY DISCLAIMS ANY RELIANCE ON ANY SUCH WARRANTIES, STATEMENTS OR REPRESENTATIONS MADE BY LESSOR WITH RESPECT THERETO. SUPPLIER WARRANTIES CAN BE FOUND IN THE APPLICABLE PURCHASE AGREEMENT.

IN WITNESS WHEREOF, Lessor and Lessee have caused this Property Schedule to be executed in their names by their duly authorized representatives as of the Commencement Date above.

Lessor: Meridian Imaging Solutions, Inc.
By: _____
Name: _____
Title: _____

Lessee: Fairfax County, VA
By: _____
Name: _____
Title: _____
Attest: _____
By: _____
Name: _____
Title: _____

**EXHIBIT 1**  
**Property Description and Payment Schedule**

Re: **Property Schedule No. 1 to Master Equipment Lease Agreement** dated \_\_\_\_\_ between **MERIDIAN IMAGING SOLUTIONS, INC. ("Lessor")** and **FAIRFAX COUNTY, VA ("Lessee")**.

<b>The PROPERTY:</b>	The Property as more fully described in Exhibit A incorporated herein by reference and attached hereto.
<b>PROPERTY LOCATION:</b>	
<b>USE:</b>	This use is essential to the proper, efficient and economic functioning of Lessee or to the services that Lessee provides, and Lessee has immediate need for and expects to make immediate use of substantially all of the Property, which need is not temporary or expected to diminish in the foreseeable future.
<b>INITIAL COMMENCEMENT DATE:</b>	
<b>LEASE TERM:</b>	
<b>PAYMENT TYPE:</b>	
<b>END OF TERM OPTION:</b>	
<b>RENTAL PAYMENT:</b>	
<b>RENTAL PAYMENT SCHEDULE:</b>	

City: Fairfax County, VA

By:

Name:

Title:

SAMPLE

EXHIBIT 2

Lessee's Certificate

Re. Property Schedule No. 1 to Master Equipment Lease Agreement between Meridian Imaging Solutions, Inc. and Fairfax County, VA.

The undersigned, being the duly elected, qualified and acting keeper of records for the Fairfax County, VA ("Lessee") do hereby certify, as of \_\_\_\_\_, as follows.

1. Lessee did by resolution or ordinance duly enacted, in accordance with all requirements of law, approve and authorize the execution and delivery of the above-referenced Property Schedule (the "Property Schedule") and the Master Equipment Lease Agreement (the "Master Agreement") by the following named representative or representatives of Lessee, to wit:

NAME OF EXECUTING OFFICIAL	TITLE OF EXECUTING OFFICIAL	SIGNATURE OF EXECUTING OFFICIAL
And / Or		

2. The above-named representative(s) of the Lessee held at the time of such authorization and holds at the present time the office set forth above.

3. No event or condition that constitutes, or with the giving of notice or the lapse of time, or both, would constitute, an Event of Default or an Event of Non-appropriation (as such terms is defined in the Master Equipment Lease Agreement) exists at the date hereof with respect to this Property Schedule or any other Property Schedules under the Equipment Lease Agreement.

4. Lessee has, in accordance with the requirements of law, fully budgeted and appropriated sufficient funds for the current budget year to make the Rental Payments scheduled to come due during the current budget year under the Property Schedule and to meet its other obligations for the current budget year and such funds have not been expended for other purposes.

5. As of the date hereof, no litigation is pending, (or, to my knowledge, threatened) against Lessee in any court (a) seeking to restrain or enjoin the delivery of the Master Equipment Lease Agreement or the Property Schedule or of other agreements similar to the Master Equipment Lease Agreement, (b) questioning the authority of Lessee to execute the Master Equipment Lease Agreement or the Property Schedule, or the validity of the Master Equipment Lease Agreement or the Property Schedule, or the payment of principal or interest on, the Property Schedule; (c) questioning the constitutionality of any statute, or the validity of any proceedings, authorizing the execution of the Master Equipment Lease Agreement and the Property Schedule; or (d) affecting the provisions made for the payment of the Master Equipment Lease Agreement and the Property Schedule.

By \_\_\_\_\_

Title \_\_\_\_\_

**SIGNER MUST NOT BE THE SAME AS THE EXECUTING OFFICIAL(S) SHOWN ABOVE.**

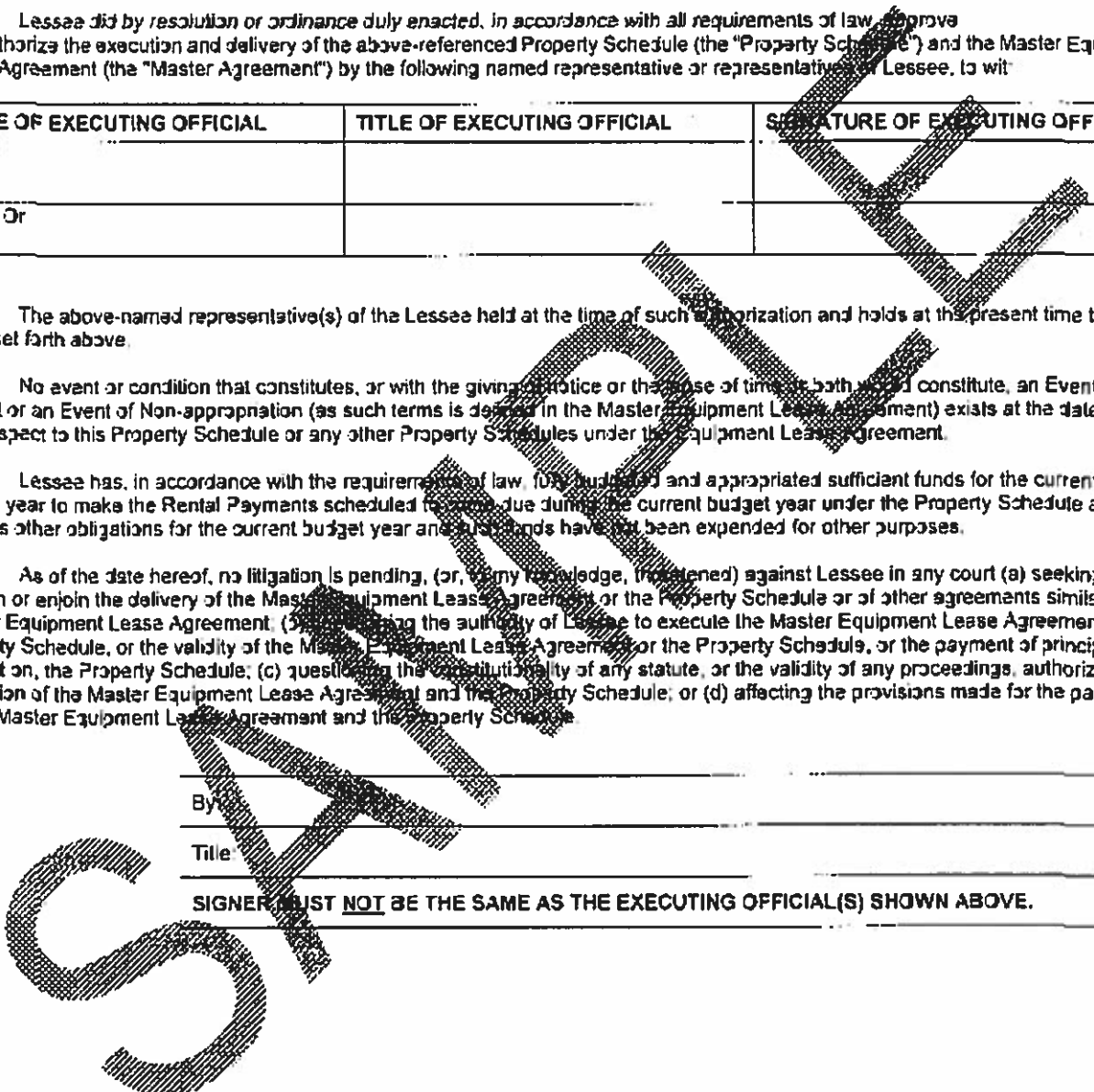


EXHIBIT 3

Payment of Proceeds Instructions

Meridian Imaging Solutions, Inc.  
5775 General Washington Drive  
Alexandria, VA 22312

Re: Property Schedule No. 1 (the "Property Schedule") to Master Equipment Lease Agreement between Meridian Imaging Solutions, Inc. ("Lessor") and Fairfax County, VA ("Lessee").

Ladies and Gentlemen:

The undersigned, an Authorized Representative of the Lessee, hereby requests and authorizes Lessor to disburse the net proceeds of the Property Schedule as follows:

Name of Payee:	
----------------	--

Payment Method (check one)			
By check	<input type="checkbox"/>	By wire transfer	<input type="checkbox"/>

If by check, Payee's address:	
Name	
Address	
City, ST ZIP	

If by wire transfer, instructions as follows:	
Pay to Bank Name:	
Bank Address:	
Bank Phone #:	
For Account of:	
Account No.:	
ABA No.:	

Lessee: Fairfax County, VA
By:
Name:
Title:

STANDARD



EXHIBIT 4

Acceptance Certificate

Meridian Imaging Solutions, Inc.  
5775 General Washington Drive  
Alexandria, VA 22312

Re: **Property Schedule No. 1** to Master Equipment Lease Agreement between Meridian Imaging Solutions, Inc. and Fairfax County, VA.

Ladies and Gentlemen:

In accordance with the above-referenced Master Equipment Lease Agreement, the undersigned ("Lessee") hereby certifies and represents to, and agrees with, Meridian Imaging Solutions, Inc. ("Lessor") as follows:

- 1) The Property, as such terms are defined in the above-referenced Property Schedule, has been made, delivered, installed and accepted on the date indicated below.
- 2) Lessee has conducted such inspection and/or testing of the Property as it deems necessary and appropriate and hereby acknowledges that it accepts the Property for all purposes.
- 3) No event or condition that constitutes, or with notice, or lapse of time, or both, would constitute, an Event of Default or an Event of Non-appropriation (as such terms are defined in the Master Agreement) exists at the date hereof.

Acceptance Date:
Lessee, Fairfax County, VA
By
Name:
Title:

SAMPLE

**EXHIBIT 6**

**Essential Use**

<b>Lessee (Full Legal Name)</b>	
<b>Federal Tax ID#</b>	
<b>Street Address</b>	
<b>City, ST ZIP</b>	
<b>Department Using the Equipment</b>	

<b>Customer Contact</b>		<b>Contract Signer</b>	
<b>Title</b>		<b>Title</b>	
<b>Phone</b>		<b>Phone</b>	
<b>Fax</b>		<b>Fax</b>	
<b>Email</b>		<b>Email</b>	

<b>Invoices to be sent to:</b>	
<b>Contact</b>	
<b>Department</b>	
<b>Street Address</b>	
<b>City, ST ZIP</b>	
<b>Phone</b>	
<b>Phone</b>	
<b>Phone</b>	

<b>Special Instructions</b>
-----------------------------

<b>1. Equipment Description</b>		
<b>2. What is the purpose of the proposed equipment acquisition?</b>		
<b>3. Why is the equipment essential?</b>		
<b>4. What department is using the equipment?</b>		
<b>5. Is the new equipment replacement an upgrade or additional to the department?</b>		
<b>6. If replacement or upgrade, what is the age of the existing equipment?</b>		
<b>7. If you're upgrading existing equipment, is the existing equipment paid off?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No		
Source of Funds for proposed payments:	Fund Balance	Date of Most Recent Audited Financial Statement:
<input type="checkbox"/> General Fund	\$	Fiscal Year End:
<input type="checkbox"/> Other (provide detail)	As of (date):	

8. Have funds been appropriated for payments due on the proposed financing during the current budgetary period?

9. Will any loan or grant monies be directly used to make the payments? If so, provide detail.

10. Have you ever defaulted or non-appropriated on a lease or bond obligation?

General Liability Insurance Coverage limits in the amount of \$1 million is required. If applicable, automobile liability coverage of \$3 million required.

Self-insured? <input type="checkbox"/> Yes <input type="checkbox"/> No	General Liability Coverage Limits \$	Is the lessee a member of a managed risk pool? <input type="checkbox"/> Yes <input type="checkbox"/> No	If yes, provide the name:
---	---	--	---------------------------

If the lessee has additional commercial insurance coverage please provide limits.

Submitted by (Name):		Title:	
Signature	X	Date:	

SAMPLE

**Request for Certificate of Insurance**

**TO:**

Insurance Company:	
Contact Name:	
Phone:	
Fax:	

**FROM:**

Customer/Lessee Name:	
Contact Name:	
Phone:	
Fax:	

\_\_\_\_\_ (Customer/Lessee) is in the process of financing certain Property from Meridian Imaging Solutions, Inc. In order to facilitate this transaction, please provide a Certificate of Insurance to:

Meridian Imaging Solutions, Inc.  
5775 General Washington Drive  
Alexandria, VA 22312

\_\_\_\_\_ (Customer/Lessee) requests that Meridian Imaging Solutions, Inc. listed as Meridian Imaging Solutions, Inc. and named **ADDITIONAL INSURED** as to public liability coverage and **SOLE LOSS PAYEE** as to property coverage. A copy of said certificate should be forwarded to Meridian Imaging Solutions, Inc. as described below.

NOTE: Coverage is to include (1) insurance against all risks of physical loss or damage to the Property (including theft and collision of Property consisting of motor vehicles) and (2) commercial general liability insurance (including blanket contract liability coverage and products liability coverage) for personal and bodily injury and property damage. In addition, Meridian Imaging Solutions, Inc. is to receive 30 days' prior written notice of cancellation or material change in coverage.

Please fax the completed information to:

**Meridian Imaging Solutions, Inc.**  
Attention: Insurance  
Fax number: 866-405-8329  
Phone Number: 800-828-8248 ext 1513727

Please contact the person above if you have any questions. Thank you!

**Schedule 1**

SECURED PARTY: Meridian Imaging Solutions, Inc.

DEBTOR:

This financing statement covers all of Lessee's right, title and interest, now owned or hereafter acquired, in and to the following described Equipment, leased to Debtor under Property Schedule No. 1 dated \_\_\_\_\_, \_\_\_\_\_ to that certain Master Equipment Lease Agreement dated as of \_\_\_\_\_, in each case between Debtor, Lessee, and Secured Party, as lessor, together with any and all (1) substitutions, replacements or exchanges thereof, (2) replacement parts, additions, attachments and accessories incorporated therein or affixed thereto, or used in connection therewith, and (3) proceeds thereof (both cash and non-cash), including insurance proceeds, (but without power of sale by Debtor), and also including, without limitation, claims of the Debtor against third parties for loss or damage to, or destruction of, such Equipment.

All equipment described on Exhibit A attached hereto and made a part hereof.

Debtor has no right to dispose of the equipment during the term of this lease.

THIS FINANCING STATEMENT IS FILED SOLELY FOR NOTICE AND PRECAUTIONARY PURPOSES AND THE FILING HEREOF SHALL NOT BE DEEMED EVIDENCE OF ANY INTENTION OF THE PARTIES TO CREATE A SECURITY INTEREST UNDER THE UNIFORM COMMERCIAL CODE OR TO ENTER INTO ANY TRANSACTION OTHER THAN A TRUE LEASE TRANSACTION.

SAMPLE

SAMPLE





# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
10/06/2016

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Marsh USA, Inc. 1166 Avenue of the Americas New York, NY 10036  -Kon-AWP-16-17	<b>CONTACT NAME:</b> PHONE (A/C, No, Ext): E-MAIL ADDRESS:	FAX (A/C, No):																				
	<table border="1"> <thead> <tr> <th colspan="2">INSURER(S) AFFORDING COVERAGE</th> <th>NAIC #</th> </tr> </thead> <tbody> <tr> <td>INSURER A : Sampo Japan Insurance Company of America</td> <td></td> <td>11126</td> </tr> <tr> <td>INSURER B : Continental Insurance Company of New Jersey</td> <td></td> <td>35289</td> </tr> <tr> <td>INSURER C :</td> <td></td> <td></td> </tr> <tr> <td>INSURER D :</td> <td></td> <td></td> </tr> <tr> <td>INSURER E :</td> <td></td> <td></td> </tr> <tr> <td>INSURER F :</td> <td></td> <td></td> </tr> </tbody> </table>		INSURER(S) AFFORDING COVERAGE		NAIC #	INSURER A : Sampo Japan Insurance Company of America		11126	INSURER B : Continental Insurance Company of New Jersey		35289	INSURER C :			INSURER D :			INSURER E :			INSURER F :	
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**INSURED**  
Meridian Imaging Solutions, Inc  
5775 General Washington Dr  
Alexandra, VA 22312

**COVERAGES**      **CERTIFICATE NUMBER:** NYC-008508753-07      **REVISION NUMBER:8**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
B	<b>COMMERCIAL GENERAL LIABILITY</b> <input checked="" type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR <input checked="" type="checkbox"/> TECH E&O <input checked="" type="checkbox"/> SIR: \$250,000 GEN'L AGGREGATE LIMIT APPLIES PER <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	X	287233832	10/01/2016	10/01/2017	EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ LIMIT: \$ 10,000,000
A	<b>AUTOMOBILE LIABILITY</b> <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS	X	ADV40004E0 (AOS) ADV40003D0 (MA)	10/01/2016 10/01/2016	10/01/2017 10/01/2017	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	<b>UMBRELLA LIAB</b> <input type="checkbox"/> OCCUR <b>EXCESS LIAB</b> <input type="checkbox"/> CLAIMS-MADE DED    RETENTION \$					EACH OCCURRENCE \$ AGGREGATE \$ \$
A	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory In NH) If yes, describe under DESCRIPTION OF OPERATIONS below	<input type="checkbox"/> Y <input checked="" type="checkbox"/> N    N/A	WCN40006G0 WCD40000A0	10/01/2016 10/01/2016	10/01/2017 10/01/2017	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E L EACH ACCIDENT \$ 1,000,000 E L DISEASE - EA EMPLOYEE \$ 1,000,000 E L DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)  
Arlington County, and its officers, elected and appointed officials, employees, and agents are included as additional insured (except workers' compensation) where required by written contract.

### CERTIFICATE HOLDER

### CANCELLATION

Arlington County, Virginia Office of the Purchasing Agent 2100 Clarendon Boulevard, Suite 500 Arlington, VA 22201	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE of Marsh USA Inc. Teresa Gerwycki-Chaves <i>Teresa Gerwycki-Chaves</i>
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