

## **COPY MACHINE LEASE AND SERVICE AGREEMENT**

THIS AGREEMENT is made effective as of June 1, 2008, between Frank Dustin Office Supply, Inc., a Texas corporation referred to in this Lease as Lessor, located at 105 East California, Gainesville, Cooke County, Texas 76240 and Wise County, Texas referred to in this Lease as Lessee, located at Wise County Juvenile Probation Department, Decatur, TX 76234. In consideration of the mutual promises contained in this Agreement, the contracting parties agree as follows:

### **ARTICLE 1**

#### **LEASE AND TERM**

Lessor agrees to lease to Lessee and Lessee agrees to lease from Lessor the Copy Machine(s), referred to in this Agreement as the Copy Machine(s), listed on the Schedule(s) attached to this Agreement, and any Copy Machine(s) listed on any other Schedule(s) or other additions subsequently executed by the parties and attached to and made a part of this Agreement. Lessee's execution of the attached Schedule or Schedules shall constitute Lessee's authorization to Lessor to acquire the Copy Machine(s). This Agreement shall become effective with respect to each Copy Machine(s) on the date that the copy machine is tendered by Lessor to Lessee. This Agreement shall continue for the term specified on the attached Schedule(s) unless terminated earlier as provided below.

### **ARTICLE 2**

#### **COPY MACHINES**

##### **Substitution**

2.01. Lessor agrees to furnish a substitute copy machine at no extra charge for any Copy Machine, that does not, in Lessee's sole opinion, function properly or which a technician is unable to effectively repair. The substitute Copy Machine will be as nearly as practicable the same size and appearance as the Copy Machine, except that no special painting, lettering, or other alterations need by made. The substitute Copy Machine will be furnished to Lessee whenever possible at the place at which the Copy Machine was disabled. Lessor's failure to furnish a substitute Copy Machine within a reasonable time, when obligated to do so, shall cause the charges applicable to the inoperable Copy Machine to abate until the Copy Machine is returned to Lessee's service or until a substitute is tendered to Lessee. A substitute Copy Machine shall be subject to all of the terms and conditions of this Agreement while in Lessee's service.

## **Title to Copy Machines**

2.02. Title to all Copy Machine(s) leased under this Agreement shall be and remain in Lessor, or if this is a sublease, in the party from whom Lessor is leasing the Copy Machine(s) and Lessee shall acquire no right, title, equity, or other interest in the Copy Machine(s).

## **Registration**

2.03 All Copy Machine(s) leased under this Agreement shall at all times remain under the roistered ownership of Lessor, or if this is a sublease, in the party from whom Lessor is leasing the Copy Machine(s).

## **ARTICLE 3**

### **PAYMENTS BY LESSEE**

#### **Rent**

3.01. Lessee agrees to pay Lessor for each Copy Machine(s) the Total Rental designated on the attached Schedule(s). Rental payments shall be made at Lessor's place of business or at any other place of business as Lessor or an assignee of the rent may direct, monthly, on the last day of the month.

#### **Licenses and Taxation**

3.02. All taxes and license charges levied on, or assessed against, Copy Machine(s) leased under this Agreement shall be borne by Lessor, including taxes and license charges levied or assessed by any tax or licensing authority on account of ownership, lease, or operation of the Copy Machine(s) during the term of the lease.

## **ARTICLE 4**

### **OPERATION AND MAINTENANCE**

#### **Lessee to Provide Maintenance**

4.01. Lessor agrees to provide the following at Lessor's sole expense:

(a) All toner or other products that are necessary for proper and efficient operation of the Copy Machine(s).

(b) Service, maintenance and repairs, including all labor and parts that may be required to keep the Copy Machine(s) in good operating condition.

(c) Lessee shall be charged an additional \$.0125 per copy for any copy made by Lessee in excess of 5,000 during a calendar month.

## **ARTICLE 5**

### **TERMINATION**

5.01. Lessee may terminate the lease before the expiration of its term on any anniversary of its delivery date, other than the expiration date, by giving Lessor at least sixty (60) days prior written notice.

## **ARTICLE 6**

### **GENERAL PROVISIONS**

#### **Parties Bound**

6.01. This Agreement shall be binding on, and inure to, the benefit of the contracting parties and their respective heirs, successors, legal representatives, and assigns, when permitted by this Agreement. Lessee must promptly notify Lessor in writing before any substantial changes in ownership or any material disposition of the assets of Lessee's business.

#### **Notices**

6.02. All notices, consents, waivers, or other communication, except invoices, required under this Agreement shall be sent by certified mail, return receipt requested, and shall be deemed to have been given when mailed to the parties at their respective addresses as set forth above or when mailed to the last address provided in writing to the other party by the addressee.

## **ARTICLE 7**

### **LEGAL CONSTRUCTION**

#### **Governing Law**

7.01. This Agreement is to be construed under, and in accordance with, the laws of the State of Texas, and all obligations of the parties created by this Agreement are to be performed in Wise County, Texas.

### **Entire Agreement**

7.02. This Agreement and the attached Schedule(s), incorporated by reference and made an integral part of the Agreement, constitute the entire agreement between the parties with respect to its subject matter. All previous negotiations, understandings, or written or oral agreements have been merged in this Agreement. The terms and conditions of this Agreement shall prevail notwithstanding any variance in this Agreement from the terms and conditions of any other document relating to this transaction, whether prepared and submitted by Lessor or by Lessee.

### **Effect of Partial Invalidity**

7.03. In case any one or more provisions of this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, the remaining provisions shall nevertheless be valid, binding and effective as if the invalid, illegal, or unenforceable provisions had never been contained in this Agreement.

### **Headings**

7.04. The headings and subheadings of the various Articles and Paragraphs of this Agreement are inserted merely for the purpose of convenience and do not express or imply any limitation, definition, or extension of the specific terms of the Article and Paragraph so designated.

### **Effective Date**

7.05. This contract is executed on the date below, but shall be and for all purposes has been effective as of June 1, 2008.

Dated this 1st day of June, 2008.

**LESSOR**

FRANK DUSTIN OFFICE SUPPLY, INC.

By *Jay Leath*

Printed Name *Sonny Lotz*(7)

**LESSEE**

WISE COUNTY, TEXAS

By *Bill McEwan*

Printed Name *Bill McEwan*

SCHEDULE A - COPY MACHINE LEASE

UNIT NUMBER

COPY MACHINE LEASE DATED JUNE 1

Year: 2008

Make: Copystar 2560 Copier With Stapler and Fax

Serial Number:

Monthly Rental Fee: \$168.00

Delivery Date: June 1, 2008.

Lease Term: Sixty (60) months, commencing on June 1, 2008, with options to cancel this lease with no further obligation at the end of any twelve (12) month period.

This Schedule is agreed to and executed on June 1, 2008, and is attached to, and incorporated as, an integral part of that certain COPY MACHINE LEASE AND SERVICE AGREEMENT between the parties dated June 1, 2008.

**LESSOR**

FRANK DUSTIN OFFICE SUPPLY, INC.

By *John L. Pritch*

Printed Name *John L. Pritch*

**LESSEE**

WISE COUNTY, TEXAS

By *Brian McElaney*

Printed Name *Brian McElaney*