

COPY MACHINE LEASE AND SERVICE AGREEMENT

THIS AGREEMENT (the "Agreement") (the "Lease") is made effective as of March 10, 2011, 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, a local governmental entity operating under the Constitution of the State of Texas, (referred to hereafter as "Lessee"), with Lessee's Financial Office being located at Wise County Auditor's Office, situated in Decatur, TX, with physical address being 207 North Church Street, Decatur, Texas and mailing address of P.O. Box 899, Decatur, Texas 76234. In consideration of the mutual promises contained in this Agreement, the contracting parties (collectively the "parties") (singular the "party") 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) (the "Copy Machine(s)"), referred to within this Agreement as the Copy Machine(s), being more particularly described and listed on the Schedule(s) and/or Exhibits attached hereto and made a part hereof. Lessee's execution of this Agreement and signatory of the associated attached Schedule or Schedules, by its authorized representative, shall constitute Lessee's authorization to Lessor to lease 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 and unto the possession of Lessee. This Agreement shall continue for the term specified on the attached Schedule(s) unless terminated earlier by Lessee under those terms and conditions provided within ARTICLE 5; subsection 5.01 of this Agreement.

ARTICLE 2

COPY MACHINES

Substitution

2.01. Lessor agrees to furnish to Lessee 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 be made. The substitute Copy Machine will be furnished to Lessee in a timely manner and delivered to 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 said Copy Machine is returned to Lessee's service or until a suitable substitute is tendered to Lessee's possession. A substitute Copy Machine shall be subject to all of the terms and conditions of this Agreement while in Lessee's service and possession.

Title to Copy Machines

2.02. Title to all Copy Machine(s) leased under this Agreement, and any Agreement amendment and/or renewal terms agreed by the parties hereafter (if any), shall be and remain to Lessor, and Lessee shall acquire no right, title, equity, or other interest in the Copy Machine(s) under the terms and conditions of this Lease.

Registration

2.03. All Copy Machine(s) leased under this Agreement, Agreement amendment or any sublease, shall at all times remain under the roistered ownership of Lessor.

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 its 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) leases 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 old expense:

- (a) All toner or other products that are necessary and/or required 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) The Maintenance Agreement will include up to 5,000 copies monthly, \$.0125 per copy over 5,000 copies monthly.

ARTICLE 5

TERMINATION

5.01. Lessee may terminate this Lease before the expiration of the termination date of its term (being 11:59 p.m. March 9, 2012) or before expiration of the termination date of subsequent renewal terms (if any) (being 11:59 p.m. March 9 of each subsequent year's anniversary of the initial term's delivery date to Lessee of March 10, 2011), 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. 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 hereinbelow and within Schedule "A", attached hereto and made a part hereof, but the parties acknowledge and agree this Agreement shall be and for all purposes effective as of March 10, 2011 (the "Effective Date").

LESSOR

FRANK DUSTIN OFFICE SUPPLY, INC.

By *Jay Lopez*

Printed Name *Sophia Lopez*

LESSEE

WISE COUNTY, TEXAS

By *Bill McElhaney*

Printed Name Bill McElhaney

Date: *03/10/11*

SCHEDULE A – COPY MACHINE LEASE

UNIT NUMBER: _____

Located in the office of Wise County Public Works

COPY MACHINE LEASE DATED: MARCH 10

Year: 2011

Make: Copystar CS300i Copier/Printer/Scanner with Document Feeder, 2 Paper Trays and Stand

Serial Number: Q220201997

Monthly Rental Fee: \$129.50

Delivery Date: March 2011

Lease Term: The initial term of this Lease will commence with an Effective Date of March 10, 2011 and terminate 11:59 p.m., March 9, 2012. Unless terminated early by Lessee as provided under ARTICLE 5; subsection 5.01 herein, a subsequent twelve (12) month renewal term will immediately commence on March 10, 2012. This Agreement may then renew annually for four (4) consecutive additional twelve (12) month periods if mutually agreed by both parties thirty (30) days prior to the Effective Date of each renewal term (if any). In any event, Lessee has the option to terminate this Lease or subsequent renewal lease terms (if any) under the terms and conditions provided under said ARTICLE 5; 5.01 of this Lease Agreement.

This Schedule is agreed to as being effective on March 10, 2011 (the "Effective Date"), and is attached to, and incorporated as, an integral part of that certain COPY MACHINE LEASE AND SERVICE AGREEMENT between the parties dated March 10, 2011.

LESSOR

FRANK DUSTIN OFFICE SUPPLY, INC.

By Jon Lopez

Printed Name Jonny Lopez

LESSEE

WISE COUNTY, TEXAS

By Bill McElhenny 03(10)11

Printed Name Bill McElhenny