

Dell Financial Services



Dell Financial Services and Pharos Financial Services

Complete Sample Document Package

Proprietary to Dell Financial Services, LLC

Dell Financial Services



Dell Financial Services Public Master Lease Agreement

EFFECTIVE DATE:
MASTER LEASE AGREEMENT NO.

LESSOR: DELL FINANCIAL SERVICES L.L.C.

LESSEE:

Mailing Address:One Dell Way
Round Rock, TX 78682Principal Address:Fax:
Attention:

This Master Lease Agreement ("Agreement"), effective as of the Effective Date set forth above, is between the Lessor and Lessee named above. Capitalized terms have the meaning set forth in this Agreement.

1. LEASE.

Lessor hereby leases to Lessee and Lessee hereby leases the equipment ("Products"), Software (defined below), and services or fees, where applicable, as described in any lease schedule ("Schedule"). Each Schedule shall incorporate by reference the terms and conditions of this Agreement and contain such other terms as are agreed to by Lessee and Lessor. Each Schedule shall constitute a separate lease of Products ("Lease"). In the event of any conflict between the terms of a Schedule and the terms of this Agreement, the terms of the Schedule shall prevail. Lessor reserves all rights to the Products not specifically granted to Lessee in this Agreement or in a Schedule. Execution of this Agreement does not create an obligation of either party to lease to or from the other.

2. ACCEPTANCE DATE; SCHEDULE.

(a) Subject to any right of return provided by the Product seller ("Seller"), named on the Schedule, Products are deemed to have been irrevocably accepted by Lessee upon delivery to Lessee's ship to location ("Acceptance Date"). Lessee shall be solely responsible for unpacking, inspecting and installing the Products.

(b) Lessor shall deliver to Lessee a Schedule for Products. Lessee agrees to sign or otherwise authenticate (as defined under the Uniform Commercial Code, "UCC") and return each Schedule by the later of the Acceptance Date or five (5) days after Lessee receives a Schedule from Lessor. If the Schedule is not signed or otherwise authenticated by Lessee within the time provided in the prior sentence, then upon written notice from Lessor and Lessee's failure to cure within five (5) days of such notice, Lessor may require the Lessee to purchase the Products by paying the Product Cost charged by the Seller, plus any shipping charges, Taxes or Duties (defined below) and interest at the Overdue Rate accruing from the date the Products are shipped through the date of payment. If Lessee returns any leased Products in accordance with the Seller's return policy, it will notify Lessor. When Lessor receives a credit from the Seller for the returned Product, the Schedule will be deemed amended to reflect the return of the Product and Lessor will adjust its billing records and Lessee's invoice for the applicable Lease. In addition, Lessee and Lessor agree that a signed Schedule may be amended by written notice from Lessor to Lessee provided such notice is (i) to correct the serial (or service tag) number of Products or (ii) to adjust the related Rent (defined below) on the Schedule (any increase up to 15% or any decrease) caused by any change made by Lessee in Lessee's order with the Seller.

3. TERM.

The initial term (the "Primary Term") for each Lease shall begin on the date set forth on the Schedule as the Commencement Date (the "Commencement Date"). The period beginning on the Acceptance Date and ending on the last day of the Primary Term, together with any renewals or extensions thereof, is defined as the "Lease Term". The Lease is non-cancelable by Lessee, except as expressly provided in Section 5.

4. RENT; TAXES; PAYMENT OBLIGATION.

(a) The rental payment amount ("Rent") and the payment period for each installment of Rent ("Payment Period") shall be stated in the Schedule. A prorated portion of Rent calculated based on a 30-day month, 90-day quarter or 360-day year (as appropriate) for the period from the Acceptance Date to the Commencement Date shall be added to the first payment of Rent. All Rent and other amounts due and payable under this Agreement or any Schedule shall be paid to Lessor in lawful funds of the United States of America at the payment address for Lessor set forth above or at such other address as Lessor may designate in writing from time to time. Whenever Rent and other amounts payable under a Lease are not paid when due, Lessee shall pay interest on such amounts at a rate equal to the lesser of 1% per month or the highest such rate permitted by applicable law ("Overdue Rate"). Rent shall be due and payable whether or not Lessee has received an invoice showing such Rent is due. Late charges and reasonable attorney's fees necessary to recover Rent and other amounts owed hereunder are considered an integral part of this Agreement. The rate factors used for the calculation of the payment are based in part on similar or like term swap or T-bill rates as published by the US Federal Reserve Board. In the event the applicable rates change between Lessor initially providing the rate factors and the commencement of a Schedule, Lessor reserves the right to change the applicable rate factor commensurate with the change in the applicable rates.

(b) EACH LEASE SHALL BE A NET LEASE. In addition to Rent, Lessee shall pay sales, use, excise, purchase, property, added value or other taxes, fees, levies or assessments lawfully assessed or levied against Lessor or with respect to the Products and the Lease (collectively "Taxes"), and customs, duties or surcharges on imports or exports (collectively, "Duties"), plus all expenses incurred in connection with Lessor's purchase and Lessee's use of the Products, including but not limited to shipment, delivery, installation, and insurance. Unless Lessee provides Lessor with a tax exemption certificate acceptable to the relevant taxing authority prior to Lessor's payment of such Taxes, Lessee shall pay to Lessor all Taxes and Duties upon demand by Lessor. Lessor may, at its option, invoice Lessee for estimated personal property tax with the Rent Payment. Lessee shall pay all utility and other charges incurred in the use and maintenance of the Products.

(c) EXCEPT AS EXPRESSLY PROVIDED IN SECTION 5, LESSEE'S OBLIGATION TO PAY ALL RENT AND OTHER AMOUNTS WHEN DUE AND TO OTHERWISE PERFORM AS REQUIRED UNDER THIS AGREEMENT AND EACH SCHEDULE SHALL BE ABSOLUTE AND UNCONDITIONAL, AND SHALL NOT BE SUBJECT TO ANY ABATEMENT, REDUCTION, SET-OFF, DEFENSE, COUNTERCLAIM, INTERRUPTION, DEFERMENT OR RECOUPMENT FOR ANY REASON WHATSOEVER WHETHER ARISING OUT OF ANY CLAIMS BY LESSEE AGAINST LESSOR, LESSOR'S ASSIGNS, THE SELLER, OR THE SUPPLIER OR MANUFACTURER OF THE PRODUCTS, TOTAL OR PARTIAL LOSS OF THE PRODUCTS OR THEIR USE OR POSSESSION, OR OTHERWISE. If any Product is unsatisfactory for any reason, Lessee shall make its claim solely against the Seller of such Product (or the Licensor in the case of Software, as defined below) and shall nevertheless pay Lessor or its assignee all amounts due and payable under the Lease.

5. APPROPRIATION OF FUNDS.

(a) Lessee intends to continue each Schedule for the Primary Term and to pay the Rent and other amounts due thereunder. Lessee reasonably believes that legally available funds in an amount sufficient to pay all Rent during the Primary Term can be obtained and agrees to do all things lawfully within its power to obtain and maintain funds from which the Rent and other amounts due may be paid.

(b) Lessee may terminate a Schedule in whole, but not in part by giving at least sixty (60) days' notice prior to the end of the then current Fiscal Period (as defined in the Lessee's Secretary/Clerk's Certificate provided to Lessor) certifying that: (1) sufficient funds were not appropriated and budgeted by Lessee's governing body or will not otherwise be available to continue the Lease beyond the current Fiscal Period; and (2) that the Lessee has exhausted all funds legally available for payment of the Rent beyond the current Fiscal Period. Upon termination of the Schedule, Lessee's obligations under the Schedule (except those that expressly survive the end of the Lease Term) and any interest in the Products shall cease and Lessee shall surrender the Products in accordance with Section 8. Notwithstanding the foregoing, Lessee agrees that, without creating a pledge, lien or encumbrance upon funds available to Lessee in other than its current Fiscal Period, it will use its best efforts to take all action necessary to avoid termination of a Schedule, including making budget requests for each Fiscal Period during each applicable Lease Term for adequate funds to meet its Lease obligations and to continue the Schedule in force..

(c) Lessor and Lessee intend that the obligation of Lessee to pay Rent and other amounts due under a Lease constitutes a current expense of Lessee and is not to be construed to be a debt in contravention of any applicable constitutional or statutory limitation on the creation of indebtedness or as a pledge of funds beyond Lessee's current Fiscal Period.

6. LICENSED MATERIALS.

Software means any operating system software or computer programs included with the Products (collectively, "Software"). "Licensed Materials" are any manuals and documents, end user license agreements, evidence of licenses, including, without limitation, any certificate of authenticity and other media provided in connection with such Software, all as delivered with or affixed as a label to the Products. Lessee agrees that this Agreement and any Lease (including the sale of any Product pursuant to any purchase option) does not grant any title or interest in Software or Licensed Materials. Any use of the terms "sell," "purchase," "license," "lease," and the like in this Agreement or any Schedule with respect to Software shall be interpreted in accordance with this Section 6.

7. USE; LOCATION; INSPECTION.

Lessee shall: (a) comply with all terms and conditions of any Licensed Materials; and (b) possess and operate the Products only (i) in accordance with the Seller's supply contract and any service provider's maintenance and operating manuals, the documentation and applicable laws; and (ii) for the business purposes of Lessee. Lessee agrees not to move Products from the location specified in the Schedule without providing Lessor with at least 30 days prior written notice, and then only

to a location within the continental United States and at Lessee's expense. Without notice to Lessor, Lessee may temporarily use laptop computers at other locations, including outside the United States, provided Lessee complies with the United States Export Control Administration Act of 1979 and the Export Administration Act of 1985, as those Acts are amended from time to time (or any successor or similar legislation). Provided Lessor complies with Lessee's reasonable security requirements, Lessee shall allow Lessor to inspect the premises where the Products are located from time to time during reasonable hours after reasonable notice in order to confirm Lessee's compliance with its obligations under this Agreement.

8. RETURN.

At the expiration or earlier termination of the Lease Term of any Schedule, and except for Products purchased pursuant to any purchase option under the Lease, Lessee will (a) remove all proprietary data from the Products and (b) return them to Lessor at a place within the contiguous United States designated by Lessor. Upon return of the Products, Lessee's right to the operating system Software in returned Products will terminate and Lessee will return the Products with the original certificate of authenticity (attached and unaltered) for the original operating system Software. Lessee agrees to deinstall and package the Products for return in a manner which will protect them from damage. Lessee shall pay all costs associated with the packing and return of the Products and shall promptly reimburse Lessor for all costs and expenses for missing or damaged Products or operating system Software. If Lessee fails to return all of the Products at the expiration of the Lease Term or earlier termination (other than for non-appropriation) in accordance with this Section, the Lease Term with respect to the Products that are not returned shall continue to be renewed as described in the Schedule.

9. RISK OF LOSS; MAINTENANCE; INSURANCE.

(a) From the date the Products are delivered to Lessee's ship to location until the Products are returned to Lessor's designated return location or purchased by Lessee, Lessee agrees: (i) to assume the risk of loss or damage to the Products; (ii) to maintain the Products in good operating condition and appearance, ordinary wear and tear excepted; (iii) to comply with all requirements necessary to enforce all warranty rights; and (iv) to promptly repair any repairable damage to the Products. During the Lease Term, Lessee at its sole discretion has the option to purchase a maintenance agreement from the provider of its choice (including, if it so chooses, to self-maintain the Products) or to forgo such maintenance agreement altogether; regardless of Lessee's choice, Lessee will continue to be responsible for its obligations as stated in the first sentence of this Section. At all times, Lessee shall provide the following insurance: (x) casualty loss insurance for the Products for no less than the Stipulated Loss Value (defined below) naming Lessor as loss payee; and (y) liability insurance with respect to the Products for no less than an amount as required by Lessor, with Lessor named as an additional insured; and (z) such other insurance as may be required by law which names Lessee as an insured and Lessor as an additional insured. Upon Lessor's prior written consent, Lessee may provide this insurance pursuant to Lessee's existing self-insurance policy or as provided for under state law. Lessee shall provide Lessor with either an annual certificate of third party insurance or a written description of its self-insurance policy or relevant law, as applicable. The certificate of insurance will provide that Lessor shall receive at least ten (10) days prior written notice of any material change to or cancellation of the insurance policy or Lessee's self-insurance program, if previously approved by Lessor. If Lessee does not give Lessor evidence of insurance in accordance with the standards herein, Lessor has the right, but not the obligation, to obtain such insurance covering Lessor's interest in the Products for the Lease Term, including renewals. If Lessor obtains such insurance, Lessor will add a monthly, quarterly or annual charge (as appropriate) to the Rent to reimburse Lessor for the insurance premium and Lessor's then current insurance administrative fee.

(b) If the Products are lost, stolen, destroyed, damaged beyond repair or in the event of any condemnation, confiscation, seizure or expropriation of such Products ("Casualty Products"), Lessee shall promptly (i) notify Lessor of the same and (ii) pay to Lessor the Stipulated Loss Value for the Casualty Products. The Stipulated Loss Value is an amount equal to the sum of (a) all Rent and other amounts then due and owing (including

interest at the Overdue Rate from the due date until payment is received) under the Lease, plus (b) the present value of all future Rent to become due under the Lease during the remainder of the Lease Term, plus (c) the present value of the estimated in place Fair Market Value of the Product at the end of the Primary Term as determined by Lessor; plus (d) all other amounts to become due and owing during the remaining Lease Term. Unless priced as a tax-exempt Schedule, each of (b) and (c) shall be calculated using the federal funds rate target reported in the Wall Street Journal on the Commencement Date of the applicable Schedule. The discount rate applicable to tax-exempt Schedules shall be federal funds rate target reported in the Wall Street Journal on the Commencement Date of the applicable Schedule less 100 basis points.

10. ALTERATIONS.

Lessee shall, at its expense, make such alterations to Products during the Lease Term as are legally required or provided at no charge by Seller. Lessee may make other alterations, additions or improvements to Products provided that any alteration, addition or improvement shall be readily removable and shall not materially impair the value or utility of the Products. Upon the return of any Product to Lessor, any alteration, addition or improvement that is not removed by Lessee shall become the property of Lessor free and clear of all liens and encumbrances.

11. REPRESENTATIONS AND WARRANTIES OF LESSEE.

Lessee represents, warrants and covenants to Lessor and will provide to Lessor at Lessor's request all documents deemed necessary or appropriate by Lessor, including Certificates of Insurance, financial statements, Secretary or Clerk Certificates, essential use information or documents (such as affidavits, notices and similar instruments in a form satisfactory to Lessor) and Opinions of Counsel (in substantially such form as provided to Lessee by Lessor and otherwise satisfactory to Lessor) to the effect that, as of the time Lessee enters into this Agreement and each Schedule that:

(a) Lessee is an entity duly organized and existing under and by virtue of the authorizing statute or constitutional provisions of its state and is a state or political subdivision thereof as described in Section 103(a) of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder as in effect and applicable to the Agreement or any Schedule, with full power and authority to enter into this Agreement and any Schedules and perform all of its obligations under the Leases;

(b) This Agreement and each Schedule have been duly authorized, authenticated and delivered by Lessee by proper action of its governing board at a regularly convened meeting and attended by the requisite majority of board members, or by other appropriate official authentication, as applicable, and all requirements have been met and procedures have occurred in order to ensure the validity and enforceability of this Agreement against Lessee;

(c) This Agreement and each Schedule constitute the valid, legal and binding obligations of Lessee, enforceable in accordance with their terms;

(d) No other approval, consent or withholding of objection is required from any federal, state or local governmental authority or instrumentality with respect to the entering into or performance by Lessee of the Agreement or any Schedule and the transactions contemplated thereby;

(e) Lessee has complied with such public bidding requirements and other state and federal laws as may be applicable to the Agreement and any Schedule and the acquisition by Lessee of the Products;

(f) The entering into and performance of the Agreement or any Schedule will not (i) violate any judgment, order, law or regulation applicable to Lessee; (ii) result in any breach of, or constitute a default under, any instrument to which the Lessee is a party or by which it or its assets may be bound; or (iii) result in the creation of any lien, charge, security interest or other encumbrance upon any assets of the Lessee or on the Products, other than those created pursuant to this Agreement;

(g) There are no actions, suits, proceedings, inquiries or investigations, at law or in equity, before or by any court, public board or body, pending or threatened against or affecting Lessee, nor to the best of Lessee's knowledge and belief is there any basis therefor, which if determined

adversely to Lessee will have a material adverse effect on the ability of Lessee to fulfill its obligations under the Agreement or any Schedule;

(h) The Products are essential to the proper, efficient and economic operation of Lessee or to the services which Lessee provides to its citizens. Lessee expects to make immediate use of the Products, for which it has an immediate need that is neither temporary nor expected to diminish during the applicable Lease Term. The Products will be used for the sole purpose of performing one or more of Lessee's governmental or proprietary functions consistent within the permissible scope of Lessee's authority; and

(i) Lessee has, in accordance with the requirements of law, fully budgeted and appropriated sufficient funds to make all Rent payments and other obligations under this Agreement and any Schedule during the current Fiscal Period, and such funds have not been expended for other purposes.

12. WARRANTY ASSIGNMENT; EXCLUSION OF WARRANTIES; LIMITATION OF LIABILITY; FINANCE LEASE.

(a) Provided no Event of Default has occurred and is continuing, Lessor assigns to Lessee for the Lease Term the benefit of any Product warranty and any right of return provided by any Seller.

(b) LESSEE ACKNOWLEDGES THAT LESSOR DID NOT SELECT, MANUFACTURE, SUPPLY OR LICENSE ANY PRODUCT AND THAT LESSEE HAS MADE THE SELECTION OF PRODUCTS BASED UPON ITS OWN JUDGMENT AND EXPRESSLY DISCLAIMS ANY RELIANCE ON STATEMENTS MADE BY LESSOR OR ITS AGENTS. LESSOR LEASES THE PRODUCTS AS-IS AND MAKES NO WARRANTY, EXPRESS, IMPLIED, OR OTHERWISE, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF DESIGN, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE. LESSEE HEREBY WAIVES ANY CLAIM IT MIGHT HAVE AGAINST LESSOR OR ITS ASSIGNEE FOR ANY LOSS, DAMAGE OR EXPENSE CAUSED BY OR WITH RESPECT TO ANY PRODUCTS.

(c) IN NO EVENT SHALL LESSOR BE LIABLE FOR ANY ACTUAL, SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR RELATED TO THIS AGREEMENT, ANY SCHEDULE OR THE SALE, LEASE OR USE OF ANY PRODUCTS EVEN IF LESSOR IS ADVISED IN ADVANCE OF THE POSSIBILITY OR CERTAINTY OF SUCH DAMAGES AND EVEN IF LESSEE ASSERTS OR ESTABLISHES A FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY PROVIDED IN THIS AGREEMENT.

(d) Lessee agrees that it is the intent of both parties that each lease qualify as a statutory finance lease under Article 2A of the UCC. Lessee acknowledges either (i) that Lessee has reviewed and approved any written supply contract covering the Products purchased from the Seller for lease to Lessee or (ii) that Lessor has informed or advised Lessee, in writing, either previously or by this Agreement, that Lessee may have rights under the supply contract evidencing the purchase of the Products and that Lessee should contact the Seller for a description of any such rights. TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, LESSEE HEREBY WAIVES ALL RIGHTS AND REMEDIES CONFERRED UPON A LESSEE BY ARTICLE 2A OF THE UCC.

13. EVENTS OF DEFAULT.

It shall be an event of default hereunder and under any Schedule ("Event of Default") if:

(a) Lessee fails to pay any Rent or other amounts payable under this Agreement or any Schedule within 15 days after the date that such payment is due;

(b) Any representation or warranty made by Lessee to Lessor in connection with this Agreement, any Schedule or any other Document is at the time made materially untrue or incorrect;

(c) Lessee fails to comply with any other obligation or provision of this Agreement or any Schedule and such failure shall have continued for 30 days after notice from Lessor;

(d) Lessee (i) is generally not paying its debts as they become due or (ii) takes action for the purpose of invoking the protection of any bankruptcy or insolvency law, or any such law is invoked against or with respect to Lessee or its property and such petition is not dismissed within 60 days; or

(e) Any provision of this Agreement ceases to be valid and binding on Lessee, is declared null and void, or its validity or enforceability is contested by Lessee or any governmental agency or authority whereby the loss of such provision would materially adversely affect the rights or security of Lessor, or Lessee denies any further liability or obligation under this Agreement; or

(f) Lessee is in default under any other lease, contract, or obligation now existing or hereafter entered into with Lessor or Seller or any assignee of Lessor.

14. REMEDIES: TERMINATION

(a) Upon an Event of Default under any Schedule all of Lessee's rights (including its rights to the Products), but not its obligations thereunder, shall automatically be cancelled without notice and Lessor may exercise one or more of the following remedies in its sole discretion:

(i) require Lessee to return any and all such Products in accordance with Section 8, or if requested by Lessor, to assemble the Products in a single location designated by Lessor and to grant Lessor the right to enter the premises where such Products are located (regardless of where assembled) for the purpose of repossession;

(ii) sell, lease or otherwise dispose of any or all Products (as agent and attorney-in-fact for Lessee to the extent necessary) upon such terms and in such manner (at public or private sale) as Lessor deems advisable in its sole discretion (a "Disposition");

(iii) declare immediately due and payable as a pre-estimate of liquidated damages for loss of bargain and not as a penalty, the Stipulated Loss Value of the Products in lieu of any further Rent, in which event Lessee shall pay such amount to Lessor within 10 days after the date of Lessor's demand; or

(iv) proceed by appropriate court action either at law or in equity (including an action for specific performance) to enforce performance by Lessee or recover damages associated with such Event of Default or exercise any other remedy available to Lessor in law or in equity.

(b) Lessee shall pay all costs and expenses arising or incurred by Lessor, including reasonable attorney fees, in connection with or related to an Event of Default or the repossession, transportation, re-furbishing, storage and Disposition of any or all Products ("Default Expenses"). In the event Lessor recovers proceeds (net of Default Expenses) from its Disposition of the Products, Lessor shall credit such proceeds against the owed Stipulated Loss Value. Lessee shall remain liable to Lessor for any deficiency. With respect to this Section, to the extent the proceeds of the Disposition (net of Default Expenses) exceed the Stipulated Loss Value owed under the Lease, or Lessee has paid Lessor the Stipulated Loss Value, the Default Expenses and all other amounts owing under the Lease, Lessee shall be entitled to such excess and shall have no further obligations with respect to such Lease. All rights of Lessor are cumulative and not alternative and may be exercised by Lessor separately or together.

15. QUIET ENJOYMENT.

Lessor shall not interfere with Lessee's right to possession and quiet enjoyment of Products during the relevant Lease Term, provided no Event of Default has occurred and is continuing. Lessor represents and warrants that as of the Commencement Date of the applicable Schedule, Lessor has the right to lease the Products to Lessee.

16. INDEMNIFICATION.

To the extent permitted by law, Lessee shall indemnify, defend and hold Lessor, its assignees, and their respective officers, directors, employees, representatives and agents harmless from and against, all claims, liabilities, costs or expenses, including legal fees and expenses (collectively, "Claims"), arising from or incurred in connection with this

Agreement, any Schedule, or the selection, manufacture, possession, ownership, use, condition, or return of any Products (including Claims for personal injury or death or damage to property, and to the extent Lessee is responsible, Claims related to the subsequent use or Disposition of the Products or any data in or alteration of the Products. This indemnity shall not extend to any loss caused solely by the gross negligence or willful misconduct of Lessor. Lessee shall be responsible for the defense and resolution of such Claim at its expense and shall pay any amount for resolution and all costs and damages awarded against or incurred by Lessor or any other person indemnified hereunder; provided, however, that any person indemnified hereunder shall have the right to participate in the defense of such Claim with counsel of its choice and at its expense and to approve any such resolution. Lessee shall keep Lessor informed at all times as to the status of the Claim.

17. OWNERSHIP; LIENS AND ENCUMBRANCES; LABELS.

As between Lessor and Lessee, title to Products (other than any Licensed Materials) is and shall remain with Lessor. Products are considered personal property and Lessee shall, at Lessee's expense, keep Products free and clear of liens and encumbrances of any kind (except those arising through the acts of Lessor) and shall immediately notify Lessor if Lessor's interest is subject to compromise. Lessee shall not remove, cover, or alter plates, labels, or other markings placed upon Products by Lessor, Seller or any other supplier.

18. NON PERFORMANCE BY LESSEE.

If Lessee fails to perform any of its obligations hereunder or under any Schedule, Lessor shall have the right but not the obligation to effect such performance and Lessee shall promptly reimburse Lessor for all out of pocket and other reasonable expenses incurred in connection with such performance, with interest at the Overdue Rate.

19. NOTICES.

All notices shall be given in writing and, except for billings and communications in the ordinary course of business, shall be delivered by overnight courier service, delivered personally or sent by certified mail, return receipt requested, and shall be effective from the date of receipt unless mailed, in which case the effective date will be four (4) Business Days after the date of mailing. Notices to Lessor by Lessee shall be sent to: Dell Financial Services L.L.C., Attn. Legal Department, One Dell Way, Round Rock, TX 78682, or such other mailing address designated in writing by Lessor. Notice to Lessee shall be to the address on the first page of this Agreement or such other mailing address designated in writing by Lessee.

20. ASSIGNMENT.

(a) LESSEE MAY ASSIGN THIS AGREEMENT OR ANY SCHEDULE, OR SUBLEASE ANY PRODUCT(S) WITH THE PRIOR WRITTEN CONSENT OF LESSOR (SUCH CONSENT NOT TO BE UNREASONABLY WITHHELD). LESSOR, AT ITS SOLE DISCRETION, MAY ASSESS AN ADMINISTRATIVE FEE FOR ANY APPROVED ASSIGNMENT OR SUBLEASE. No assignment or sublease shall in any way discharge Lessee's obligations to Lessor under this Agreement or Schedule.

(b) Lessor may at any time without notice to Lessee, but subject to the rights of Lessee, transfer, assign, or grant a security interest in any Product, this Agreement, any Schedule, or any rights and obligations hereunder or thereunder in whole or in part. Lessee hereby consents to such assignments, agrees to comply fully with the terms thereof, and agrees to execute and deliver promptly such acknowledgments, opinions of counsel and other instruments reasonably requested to effect such assignment.

(c) Subject to the foregoing, this Agreement and each Schedule shall be binding upon and inure to the benefit of Lessor, Lessee and their successors and assigns.

21. GOVERNING LAW; JURISDICTION AND VENUE; WAIVER OF JURY TRIAL.

THIS AGREEMENT AND EACH SCHEDULE SHALL BE GOVERNED BY LAW WITHOUT REGARD TO ITS CONFLICTS OF LAWS PRINCIPLES AND, TO THE EXTENT APPLICABLE, THE ELECTRONIC SIGNATURES IN GLOBAL AND NATIONAL COMMERCE ACT. LESSEE CONSENTS TO THE JURISDICTION OF ANY FEDERAL COURT LOCATED IN , AND WAIVES ANY OBJECTION TO VENUE IN SUCH COURT, AND FURTHER WAIVES ANY RIGHT TO A TRIAL BY JURY.

22. MISCELLANEOUS.

(a) The headings used in this Agreement are for convenience only and shall have no legal effect. This Agreement shall be interpreted without any strict construction in favor of or against either party.

(b) The provisions of Sections 6, 8, 11, 12(b), 12(c), 12(d), 16, 21 and 22 shall continue in full force and effect even after the term or expiration of this Agreement or any Schedule.

(c) Failure of Lessor at any time to require Lessee's performance of any obligation shall not affect the right to require performance of that obligation. No term, condition or provision of this Agreement or any Schedule shall be waived or deemed to have been waived by Lessor unless it is in writing and signed by a duly authorized representative of Lessor. A valid waiver is limited to the specific situation for which it was given.

(d) Lessee shall furnish such financial statements of Lessee (prepared in accordance with generally accepted accounting principles) and other information as Lessor may from time to time reasonably request.

(e) If any provision(s) of this Agreement is deemed invalid or unenforceable to any extent (other than provisions going to the essence of this Agreement) the same shall not in any respect affect the validity, legality or enforceability (to the fullest extent permitted by law) of the remainder of this Agreement, and the parties shall use their best efforts to replace such illegal, invalid or unenforceable provisions with an enforceable provision approximating, to the extent possible, the original intent of the parties.

(f) Unless otherwise provided, all obligations hereunder shall be performed or observed at the respective party's expense.

(g) Lessee shall take any action reasonably requested by Lessor for the purpose of fully effectuating the intent and purposes of this Agreement or any Schedule. If any Lease is determined to be other than a true lease, Lessee hereby grants to Lessor a first priority security interest in the Products and all proceeds thereof. Lessee acknowledges that by signing this Agreement, Lessee has authorized Lessor to file any financing statements or related filings as Lessor may reasonably deem necessary or appropriate. Lessor may file a copy of this Agreement or any Schedule in lieu of a financing statement.

(h) This Agreement and any Schedule may be signed in any number of counterparts each of which when so executed or otherwise authenticated and delivered shall be an original but all counterparts shall together constitute one and the same instrument. To the extent each Schedule would constitute chattel paper as such term is defined in the UCC, no security interest may be created through the transfer or control or possession, as applicable, of a counterpart of a Schedule other than the original in Lessor's possession marked by Lessor as either "Original" or "Counterpart Number 1".

(i) This Agreement and the Schedules hereto between Lessor and Lessee set forth all of the understandings and agreements between the parties and supersede and merge all prior written or oral communications, understandings, or agreements between the parties relating to the subject matter contained herein. Except as permitted herein, this Agreement and any Schedule may be amended only by a writing duly signed or otherwise authenticated by Lessor and Lessee.

(j) If Lessee delivers this signed Master Lease, or any Schedule, amendment or other document related to the Master Lease (each a "Document") to Lessor by facsimile transmission, and Lessor does not

receive all of the pages of that Document, Lessee agrees that, except for any pages which require a signature, Lessor may supply the missing pages to the Document from Lessor's database which conforms to the version number at the bottom of the page. If Lessee delivers a signed Document to Lessor as an e-mail attachment, facsimile transmission or by U.S. mail, Lessee acknowledges that Lessor is relying on Lessee's representation that the Document has not been altered. Lessee further agrees that, notwithstanding any rule of evidence to the contrary, in any hearing, trial or proceeding of any kind with respect to a Document, Lessor may produce a tangible copy of the Document transmitted by Lessee to Lessor by facsimile or as an e-mail attachment and such signed copy shall be deemed to be the original of the Document. To the extent (if any) that the Document constitutes chattel paper under the Uniform Commercial Code, the authoritative copy of the Document shall be the copy designated by Lessor or its assignee, from time to time, as the copy available for access and review by Lessee, Lessor or its assignee. All other copies are deemed identified as copies of the authoritative copy. In the event of inadvertent destruction of the authoritative copy, or corruption of the authoritative copy for any reason or as the result of any cause, the authoritative copy may be restored from a backup or archive copy, and the restored copy shall become the authoritative copy. At Lessor's option, this electronic record may be converted into paper form. At such time, such paper copy will be designated or marked as the authoritative copy of the Document.

EXECUTED by the undersigned on the dates set forth below, to be effective as of the Effective Date.

"Lessee"

BY: _____

NAME: _____

TITLE: _____

DATE: _____

Dell Financial Services L.L.C.

"Lessor"

BY: _____

NAME: _____

TITLE: _____

DATE: _____



Secretary/Clerk Certificate Instructions

1. In the blocks under paragraph (ii) with the headings "NAME OF AUTHORIZED SIGNATORY", "TITLE OF AUTHORIZED SIGNATORY" and "SIGNATURE OF AUTHORIZED SIGNATORY", all persons who are authorized to execute and deliver the Master Lease Agreement and any related Lease Schedule(s) from time to time thereunder between the Public Entity and Dell Financial Services L.P. should write or type his/her name under the "Name of Authorized Signatory" heading, write or type his/her title under the "Title of Authorized Signatory" heading, and sign his/her name under the "Signature of Authorized Signatory" heading in the block across from his/her name and title. **The person(s) listed and executing in the blocks under paragraph (ii) must not be the same person executing the Certificate on behalf of the Public Entity (Clerk, Secretary, etc.) listed at the top of the Certificate and executing in the signature block at the bottom of the Certificate under the "In Witness Whereof" language;**
2. The Clerk, Secretary, etc. should insert the Master Lease Agreement No. in paragraph (iii), if known;
3. The Clerk, Secretary, etc. should strike paragraph (v) of the Certificate if this paragraph is not applicable to the Public Entity;
4. If paragraph (v) of the Certificate is applicable to the Public Entity, the Clerk, Secretary, etc. should insert "regular" or "special" in the first blank and then insert the date of the meeting of the governing body of the Public Entity in the second blank;
5. The Clerk, Secretary, etc. should write or type the Fiscal Period of the Public Entity in paragraph (ix);
6. The Clerk, Secretary, etc. should write or type his/her name, title, name and State of the Public Entity in the top portion of the Certificate and date, sign & print his/her name and title at the bottom of the Certificate under the "In Witness Whereof" language; and
7. If required by local law, the Certificate should be notarized by a notary public. The notary public should be a person other than the Clerk, Secretary, etc. executing under the "In Witness Whereof" language of the Certificate.

SECRETARY/CLERK CERTIFICATE

I, _____, do hereby certify that:

(i) I am the duly elected, qualified, and acting _____ (Clerk, Secretary, etc.) of _____, a _____ public entity (the "Public Entity").

(ii) Each of the persons whose name, title and signature appear below is a duly authorized representative of the Public Entity and holds on the date of this Certificate the formal title set forth opposite his/her name and the signature appearing opposite each such person's name is his/her genuine signature:

NAME OF AUTHORIZED SIGNATORY	TITLE OF AUTHORIZED SIGNATORY	SIGNATURE OF AUTHORIZED SIGNATORY
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

(iii) Each such representative is duly authorized for and on behalf of the Public Entity to execute and deliver any Lease Schedules entered into from time to time (the "Schedules") between the Public Entity and Dell Financial Services L.P. or its assignee (collectively, "Lessor") under that certain Master Lease Agreement No. _____ (the "Agreement") between Public Entity and Dell Marketing L.P., and later assigned to Lessor, and all agreements, documents, and instruments in connection therewith, including without limitation, schedules, riders and certificates of acceptance.

(iv) The execution and delivery of any such Schedule and all agreements, documents, and instruments in connection therewith for and on behalf of the Public Entity are not prohibited by or in any manner restricted by the terms of the Charter or other document pursuant to which it is organized or of any loan agreement, indenture or contract to which the Public Entity is a party or by which it or any of its property is bound.

(v) **[STRIKE IF NOT APPLICABLE]** The Public Entity did, at a duly called _____ (regular or special) meeting of the governing body of the Public Entity attended throughout by the requisite majority of the members thereof held on _____, 200_, by motion duly made, seconded and carried, in accordance with all requirements of law, approve and authorize the execution and delivery of the applicable Schedule(s) pursuant to the Agreement, that previously was authorized and executed at a duly called _____ (regular or special) meeting of the governing body of the Public Entity attended throughout by the requisite majority of the members thereof held on _____, 200_, by motion duly made, seconded and carried, in accordance with all requirements of law, and all agreements, documents, and instruments in connection therewith on its behalf by the authorized representative(s) of the Public Entity named in paragraph (ii) above. Such action approving the Agreement, the related Schedule(s) and all agreements, documents, and instruments in connection therewith and authorizing the execution thereof has not been altered or rescinded by the Public Entity.

(vi) 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 (as such term is defined in the Agreement) exists at the date hereof.

(vii) All insurance required in accordance with the Agreement is currently maintained by the Public Entity.

(viii) The Public Entity has, in accordance with the requirements of law, fully budgeted and appropriated sufficient funds for the current budget year to make the Lease payments scheduled to come due during the first Fiscal Period and to meet its other obligations for the first fiscal year and such funds have not been expended for other purposes.

(ix) The fiscal year of the Public Entity is from _____ to _____.

(x) The foregoing authority and information shall remain true and in full force and effect, and Lessor shall be entitled to rely upon same, until written notice of the modification, rescission, or revocation of same, in whole or in part, has been delivered to Lessor, but in any event, shall be effective with respect to any documents executed or actions taken in reliance upon the foregoing authority prior to the delivery to Lessor of said written notice of said modification, rescission or revocation.

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of _____, 200__.

By: _____

Name: _____

Title: _____

Subscribed to and sworn before me this ____ day of _____, 200__.

Notary Public

My commission expires _____

Dell Financial Services



DFS Public Master Lease Agreement Lease Schedules

Fair Market Value Lease
\$1 Out Purchase Option Lease
Tax Exempt Lease Purchase Lease
Dell Flex Lease Purchase
PCaaS Schedule
Software Schedule

[Customer Name]
TRUE LEASE SCHEDULE NO.
MASTER LEASE AGREEMENT NO.

THIS SCHEDULE IS SUBJECT TO AND INCORPORATES THE TERMS AND CONDITIONS OF MASTER LEASE AGREEMENT NO. ("Agreement") DATED BETWEEN DELL FINANCIAL SERVICES L.L.C. ("Lessor") AND ("Lessee").

Lessor hereby agrees to lease and/or make available to Lessee subject to the terms, conditions and provisions set forth in this Schedule and in the Agreement, the Products described below. Any capitalized term used herein and not defined herein shall have the meaning ascribed to it in the Agreement.

PRODUCT DESCRIPTION AND LOCATION: See below or Exhibit "A" attached to and made a part hereof.

PRODUCT SELLER:

<u>Product Description</u>	<u>Product Location</u>	<u>Lessee Purchase Order No.</u>	<u>Rent*</u>	<u>Primary Term (Mos.)</u>	<u>Commencement Date**</u>
See Exhibit 'A'	See Exhibit 'A'				

Total Product Acquisition Cost:

Rent is payable: in

Payment Period:

*Lessee is responsible for applicable taxes, shipping and other amounts as described in the Agreement, and, with the first payment of Rent, any prorated Rent if applicable. Such amounts are further described in Exhibit "A".

**The Commencement Date may be extended for one Payment Period until the Schedule is returned in accordance with the terms in the Agreement. Lessor may charge Lessee prorated Rent accruing from the Acceptance Date to the Commencement Date, as such date is finally determined.

TRUE LEASE PROVISIONS

The following provisions shall apply with respect to this Schedule in addition to those provisions in the Agreement:

1. **TRUE LEASE:** The parties intend for this lease to constitute a true lease of Products under the UCC and all applicable laws. If this Lease is determined to be a lease intended as security, in no event shall Lessee be obligated to pay any time price balance differential in excess of the maximum amount permitted by applicable law (as specified herein or the state where the Products are located, whichever law permits the greater amount). In the event Lessor shall receive anything of value under a Lease that is deemed interest which would exceed the maximum amount of interest allowed under the law, the excess amount shall be applied to the reduction of the unpaid time price balance or shall be refunded to Lessee. In order to reduce the unpaid time price balance, any amount deemed interest shall, to the fullest extent permitted by applicable law, be amortized and spread uniformly throughout the Lease Term.

2. **END OF LEASE OPTIONS.**

(a) Provided that no Event of Default has occurred and is continuing, and at least 90 days but no more than 180 days prior to the expiration of the Primary Term (the "Expiration Date"), Lessee will give irrevocable written notice to Lessor of its intention to either:

- (i) purchase all of the Products at the Fair Market Value (as defined below);
- (ii) renew the Lease Term for a minimum of six (6) months at a rate and for a term agreed upon by both parties; or
- (iii) return all of the Products in accordance with the Agreement.

(b) If Lessee exercises the option to purchase the Products then, upon receipt of payment of the "Fair Market Value" (defined below), plus applicable taxes, Lessor will sell the Products to Lessee AS IS-WHERE IS, WITHOUT WARRANTY OR RECOURSE, EXPRESS, IMPLIED OR OTHERWISE, INCLUDING ANY WARRANTIES OF DESIGN, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR AGAINST INFRINGEMENT. The Fair Market Value purchase price shall be paid on or before the last day of the Primary Term. "Fair Market Value" means the price of the Products, installed, in use and in the condition required by the Agreement as determined by Lessor in its reasonable judgment. If Lessee disagrees with the Fair Market Value, Lessee shall notify Lessor in writing within 60 days prior to the Expiration Date and, upon Lessee's request, and within ten (10) days after receipt of Lessee's notice, Lessor shall appoint a qualified appraiser reasonably acceptable to Lessee to appraise the retail value of the Products. The amount determined by such appraiser shall be the final Fair Market Value. Lessor and Lessee shall share the expense of such appraisal equally.

(c) If Lessee desires to renew a lease, Lessee and Lessor shall enter into a supplement to this Schedule describing the length of the renewal Lease Term and the renewal Rent provided, however, all other terms of this Schedule and the Agreement shall remain in full force and effect.

(d) Whether or not Lessee has given Lessor notice if its intent as described above, if Lessee does not return or purchase the Products or renew the Lease as required above, the Lease Term shall automatically extend on a month-to-month basis at the Rent in effect on the Expiration Date (prorated on a monthly basis if the Payment Period was other than monthly during the Primary Term). Such extension shall continue until Lessee: (i) provides thirty (30) days prior written notice of its intention to return or purchase the Products (to take effect on the next Rent payment date that is at least 30 days after the notice is received by Lessor) and (ii) either returns or purchases all of the Products in accordance with the End of Lease options above. Payments of Rent during the month-to-month extension are due and payable monthly as specified in Lessor's invoice. If Lessee fails to return or purchase any Products, the Schedule and associated Rent for the Products that have not been returned or purchased shall extend on a month-to-month basis in accordance with the prior sentence.

3. COMPLETION OF SCHEDULE. Lessee hereby authorizes Lessor to insert or update the serial numbers of the Products from time to time if necessary.

If Lessee delivers this signed Schedule, any amendment or other document related to this Schedule or the Master Lease (each a "Document") to Lessor by facsimile transmission, and Lessor does not receive all of the pages of that Document, Lessee agrees that, except for any pages which require a signature, Lessor may supply the missing pages to the Document from Lessor's database which conforms to the version number at the bottom of the page. If Lessee delivers a signed Document to Lessor as an e-mail attachment, facsimile transmission or by U.S. mail, Lessee acknowledges that Lessor is relying on Lessee's representation that the Document has not been altered. Lessee further agrees that, notwithstanding any rule of evidence to the contrary, in any hearing, trial or proceeding of any kind with respect to a Document, Lessor may produce a tangible copy of the Document transmitted by Lessee to Lessor by facsimile or as an e-mail attachment and such signed copy shall be deemed to be the original of the Document. To the extent (if any) that the Document constitutes chattel paper under the Uniform Commercial Code, the authoritative copy of the Document shall be the copy designated by Lessor or its assignee, from time to time, as the copy available for access and review by Lessee, Lessor or its assignee. All other copies are deemed identified as copies of the authoritative copy. In the event of inadvertent destruction of the authoritative copy, or corruption of the authoritative copy for any reason or as the result of any cause, the authoritative copy may be restored from a backup or archive copy, and the restored copy shall become the authoritative copy. At Lessor's option, this electronic record may be converted into paper form. At such time, such paper copy will be designated or marked as the authoritative copy of the Document.

By signing below, each of the parties hereto agrees to be bound by the terms of the Agreement, this Schedule and the attached Exhibit "A".

"Lessee"

DELL FINANCIAL SERVICES L.L.C.

"Lessor"

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

**[LESSEE LEGAL NAME]
MASTER LEASE AGREEMENT SCHEDULE NO. _____**

THIS SCHEDULE IS SUBJECT TO AND INCORPORATES THE TERMS AND CONDITIONS OF MASTER LEASE AGREEMENT NO. _____ ("Agreement") DATED _____, 20__ BETWEEN DELL FINANCIAL SERVICES L.L.C. ("Lessor") AND _____ ("Lessee"). If the entity named on this Schedule is not the Lessee named under the Agreement, then such entity, if an affiliate of Lessee approved in writing in advance by Lessor, shall be deemed the Lessee under this Schedule.

Lessor hereby agrees to lease and/or make available to Lessee subject to the terms, conditions and provisions set forth in this Schedule and in the Agreement, the Products described below. Any capitalized term used herein and not defined herein shall have the meaning ascribed to it in the Agreement.

PRODUCT DESCRIPTION AND LOCATION: See below or Exhibit "A" attached to and made a part hereof.

PRODUCT SELLER:

<u>Product Description</u>	<u>Product Location</u>	<u>Lessee Purchase Order No.</u>	<u>Rent*</u>	<u>Primary Term (Mos.)</u>	<u>Commencement Date**</u>

Total Product Acquisition Cost: \$ _____

Rent is payable: _____ in advance; _____ in arrears [specify]

Payment Period: _____ Monthly _____ Quarterly _____ Annually _____ Other (specify _____)

Pro-rated Rent: _____ applies \$ _____ (amount); _____ does not apply

*Lessee is responsible for applicable taxes, shipping and other amounts as described in the Agreement, and, with the first payment of Rent, any prorated Rent if applicable. Such amounts are further described in Exhibit "A".

**The Commencement Date may be extended for one Payment Period until the Schedule is returned in accordance with the terms stated in the Agreement. Lessor may charge Lessee prorated Rent accruing from the Acceptance Date to the Commencement Date, as such date is finally determined.

END OF LEASE OPTIONS: Provided that no Event of Default has occurred and is continuing at the expiration of the Lease Term, Lessee shall have the option to (i) purchase the Products for \$1.00; or (ii) return the Products in accordance with the MLA for a disposal fee agreed upon by both parties.

SECTION 4. RENT; PAYMENT OBLIGATION.

Insert as a new last sentence to subsection (a) the following:

"For the purposes of this Schedule, the Rent, as well as the principal and interest portions of each Rent payment are shown in the chart provided on Exhibit "B", attached to and made a part hereof.

SECTION 17. OWNERSHIP; LIENS AND ENCUMBRANCES; LABELS.

Insert at the end of this paragraph the following: "Notwithstanding the first sentence of this Section, upon Lessee's acceptance of the Products under this Schedule, title to the Products shall vest in Lessee subject to Lessor's rights under the Agreement; provided that, upon an Event of Default or any termination of this Schedule, other than by Lessee's purchase of the Products, title to the Products shall immediately and without any action by either party vest in Lessor, and Lessee shall immediately surrender possession of the Products to Lessor. Any such transfer of title shall occur automatically without the necessity of any bill of sale, certificate of title or other instrument of conveyance. Lessee shall, nevertheless, execute and deliver any such instruments as Lessor may request to evidence such transfer.

COMPLETION OF SCHEDULE: Lessee hereby authorizes Lessor to insert or update the serial numbers of the Products from time to time as necessary.

If Lessee delivers this signed Schedule, any amendment or other document related to this Schedule or the Master Lease (each a "Document") to Lessor by facsimile transmission, and Lessor does not receive all of the pages of that Document, Lessee agrees that, except for any pages which require a signature, Lessor may supply the missing pages to the Document from Lessor's database which conforms to the version number at the bottom of the page. If Lessee delivers a signed Document to Lessor as an e-mail attachment, facsimile transmission or by U.S. mail, Lessee acknowledges that Lessor is relying on Lessee's representation that the Document has not been altered. Lessee further agrees that, notwithstanding any rule of evidence to the contrary, in any hearing, trial or proceeding of any kind with respect to a Document, Lessor may produce a tangible copy of the Document transmitted by Lessee to Lessor by facsimile or as an e-mail attachment and such signed copy shall be deemed to be the original of the Document. To the extent (if any) that the Document constitutes chattel paper under the Uniform Commercial Code, the authoritative copy of the Document shall be the copy designated by Lessor or its assignee, from time to time, as the copy available for access and review by Lessee, Lessor or its assignee. All other copies are deemed identified as copies of the authoritative copy. In the event of inadvertent destruction of the authoritative copy, or corruption of the authoritative copy for any reason or as the result of any cause, the authoritative copy may be restored from a backup or archive copy, and the restored copy shall become the authoritative copy. At Lessor's option, this electronic record may be converted into paper form. At such time, such paper copy will be designated or marked as the authoritative copy of the Document.

By signing below, each of the parties hereto agrees to be bound by the terms of the Agreement, this Schedule and the attached Exhibit "A" and Exhibit "B".

[LESSEE LEGAL NAME]

(Lessee)

By: _____
 (Authorized Signature)

 (Name/Title)

 (Date)

DELL FINANCIAL SERVICES L.L.C.

(Lessor)

By: _____
 (Authorized Signature)

 (Name/Title)

 (Date)

**LEASE PURCHASE SCHEDULE NO.
TO MASTER LEASE AGREEMENT NO.**

THIS SCHEDULE IS SUBJECT TO AND INCORPORATES THE TERMS AND CONDITIONS OF MASTER LEASE AGREEMENT NO. ("Agreement") DATED BETWEEN DELL FINANCIAL SERVICES L.L.C. ("Lessor") AND ("Lessee").

Lessor hereby agrees to lease and/or make available to Lessee subject to the terms, conditions and provisions set forth in this Schedule and in the Agreement, the Products described below. Any capitalized term used herein and not defined herein shall have the meaning ascribed to it in the Agreement.

PRODUCT DESCRIPTION AND LOCATION: See below or Exhibit "A" attached to and made a part hereof.

PRODUCT SELLER:

<u>Product Description</u>	<u>Product Location</u>	<u>Lessee Purchase Order No.</u>	<u>Primary Term (Mos.)</u>	<u>Commencement Date</u>
See Exhibit 'A'	See Exhibit 'A'			

Rent is payable: in

Payment Period:

LEASE PURCHASE PROVISIONS

The following provisions shall apply with respect to this Schedule in addition to those provisions in the Agreement:

1. SECTION 4. RENT; TAXES; PAYMENT OBLIGATION.

Insert as a new last sentence to subsection (a) the following:

"For the purposes of this Schedule, the Rent, as well as the principal and interest portions of each Rent payment are shown in the chart provided on Exhibit "B", attached to and made a part hereof.

2. SECTION 11. REPRESENTATIONS AND WARRANTIES OF LESSEE.

For purposes of this Schedule, add paragraphs (j) through (t) as follows:

"(j) Lessee will comply with the information reporting requirements of Section 149(e) of the Code, including but not limited to, the execution and delivery to Lessor of information statements requested by Lessor;

(k) Lessee will not do, cause to be done or fail to do any act if such act or failure to act will cause this Agreement, or any transaction hereunder, to be an Arbitrage Bond within the meaning of Section 148 of the Code or a Private Activity Bond within the meaning of Section 141 of the Code;

(l) The total cost of the Products listed in this Schedule will not be less than the total Principal Portion of the Rent listed in this Schedule; :

(m) The Products listed in this Schedule have or will be ordered within six months of the date hereof in order to commence such Schedule;

(n) The Products listed in this Schedule are expected to be delivered and installed, and the Seller fully paid, within one year from the date hereof;

(o) No fund or account which secures or otherwise relates to the Rent has been established;

(p) Lessee will not sell, encumber or otherwise dispose of any property comprising this Schedule prior to the final maturity or termination of such Schedule without a written opinion of nationally recognized bond counsel to the effect that any such disposition will not adversely affect the exclusion of interest on the Rent from gross income for federal income tax purposes;

(q) Lessee agrees to execute, deliver and provide Lessor with satisfactory evidence of the filing of such documentation, as may be required for the purposes of properly reporting this Schedule, including, without limitation, IRS forms 8038-G or 8038-GC, as required under the Code;

(r) It is expected that Rent under this Schedule will be paid from periodic appropriations of the Lessee deposited into the general fund of the Lessee, that such appropriations will equal the Rent due during each Fiscal Period of Lessee, and that all amounts paid for Rent will be from an appropriation made by the Lessee during the Fiscal Period in which such Rent is made;

(s) To the best of Lessee's knowledge, information and belief, the above expectations are reasonable; and

(t) Lessee will comply with all applicable provisions of the Code, including without limitation Sections 103, 141 and 148 thereof, and the applicable regulations of the Treasury Department to maintain the exclusion of the interest components of Rent from gross income for purposes of federal income taxation.

Without limiting the generality of the foregoing, Lessor hereby gives notice to Lessee that, upon execution of this Schedule by Lessor, Lessor shall assign all of its right, title and interest in, to and under this Schedule, including all Products and all payments owing under such Schedule, to Dell Equipment Funding L.P. ("DEF") pursuant to a purchase agreement between the Lessor and DEF. Lessee hereby acknowledges and consents to such assignment and shall keep, or cause to be kept, a complete and accurate record of all such assignments in a manner and form necessary to comply with Section 149(a) of the Code and the Treasury Regulations promulgated thereunder. Lessor hereby directs Lessee to continue to make any and all payments required to be made under this Schedule directly to Lessor, as servicing agent for DEF, at the same address to which Lessee is currently making payments unless and until Lessor is directed by DEF to make such payments to a different address or payee."

TO THE EXTENT PERMITTED BY LAW, AND IN ADDITION TO LESSEE'S OBLIGATION UNDER SECTION 16 OF THE AGREEMENT AND ANY AMENDMENTS THERETO, LESSEE HEREBY ASSUMES LIABILITY FOR, AND SHALL PAY WHEN DUE, AND SHALL DEFEND LESSOR AND ITS SUCCESSORS AND ASSIGNS AGAINST, ANY AND ALL LIABILITIES, LOSSES, DAMAGES, CLAIMS AND EXPENSES (INCLUDING REASONABLE ATTORNEY FEES) RELATING TO OR ARISING OUT OF LESSEE'S BREACH OF ANY OF ITS REPRESENTATIONS, WARRANTIES, OR COVENANTS CONTAINED IN SECTION 11 OF THE AGREEMENT AS SUPPLEMENTED HEREIN.

3. SECTION 12. WARRANTY ASSIGNMENT; EXCLUSION OF WARRANTIES; LIMITATIONS ON LIABILITY; FINANCE LEASE.

For purposes of this Schedule, delete "FINANCE LEASE" in the title of this Section and delete the first and last sentences of paragraph (d).

4. SECTION 17. OWNERSHIP; LIENS AND ENCUMBRANCES; LABELS.

Insert at the end of this paragraph the following: "Notwithstanding the first sentence of this Section, upon Lessee's acceptance of the Products under this Schedule, title to the Products shall vest in Lessee subject to Lessor's rights under the Agreement; provided that, upon an Event of Default or any termination of this Schedule, other than by Lessee's purchase of the Products, title to the Products shall immediately and without any action by either party vest in Lessor, and Lessee shall immediately surrender possession of the Products to Lessor. Any such transfer of title shall occur automatically without the necessity of any bill of sale, certificate of title or other instrument of conveyance. Lessee shall, nevertheless, execute and deliver any such instruments as Lessor may request to evidence such transfer.

5. PURCHASE OPTION.

Provided that no Event of Default has occurred and is continuing, and upon satisfaction of all payment obligations herein by Lessee, Lessee shall be entitled to Lessor's interest in the Products, AS IS, WHERE IS, WITHOUT WARRANTY OR RECOURSE, EXPRESS, IMPLIED OR OTHERWISE, BY OR AGAINST LESSOR, INCLUDING ANY WARRANTIES OF

DESIGN, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR AGAINST INFRINGEMENT, other than the absence of any liens by, through or under Lessor.

As continuing security for Lessee’s obligations hereunder, Lessee hereby grants to Lessor, a first-priority security interest in all of Lessee’s rights and interest in and to the Products and all proceeds thereof, free and clear of all security interests, liens or encumbrances whatsoever.

6. COMPLETION OF SCHEDULE: Lessee hereby authorizes Lessor to insert or update the serial numbers of the Products from time to time as necessary.

If Lessee delivers this signed Schedule, any amendment or other document related to this Schedule or the Master Lease (each a “Document”) to Lessor by facsimile transmission, and Lessor does not receive all of the pages of that Document, Lessee agrees that, except for any pages which require a signature, Lessor may supply the missing pages to the Document from Lessor’s database which conforms to the version number at the bottom of the page. If Lessee delivers a signed Document to Lessor as an e-mail attachment, facsimile transmission or by U.S. mail, Lessee acknowledges that Lessor is relying on Lessee’s representation that the Document has not been altered. Lessee further agrees that, notwithstanding any rule of evidence to the contrary, in any hearing, trial or proceeding of any kind with respect to a Document, Lessor may produce a tangible copy of the Document transmitted by Lessee to Lessor by facsimile or as an e-mail attachment and such signed copy shall be deemed to be the original of the Document. To the extent (if any) that the Document constitutes chattel paper under the Uniform Commercial Code, the authoritative copy of the Document shall be the copy designated by Lessor or its assignee, from time to time, as the copy available for access and review by Lessee, Lessor or its assignee. All other copies are deemed identified as copies of the authoritative copy. In the event of inadvertent destruction of the authoritative copy, or corruption of the authoritative copy for any reason or as the result of any cause, the authoritative copy may be restored from a backup or archive copy, and the restored copy shall become the authoritative copy. At Lessor’s option, this electronic record may be converted into paper form. At such time, such paper copy will be designated or marked as the authoritative copy of the Document.

By signing below, each of the parties hereto agrees to be bound by the terms of the Agreement, this Schedule and the attached Exhibits “A” and “B”.

"Lessee"	DELL FINANCIAL SERVICES L.L.C. "Lessor"
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

**DELL FLEX LEASE PURCHASE SCHEDULE NO.
TO MASTER LEASE AGREEMENT NO.**

THIS SCHEDULE IS SUBJECT TO AND INCORPORATES THE TERMS AND CONDITIONS OF MASTER LEASE AGREEMENT NO. ("Agreement") DATED BETWEEN DELL FINANCIAL SERVICES L.L.C. ("Lessor") AND ("Lessee").

Lessor hereby agrees to lease and/or make available to Lessee subject to the terms, conditions and provisions set forth in this Schedule and in the Agreement, the Products described below. Any capitalized term used herein and not defined herein shall have the meaning ascribed to it in the Agreement.

PRODUCT DESCRIPTION AND LOCATION: See below or Exhibit "A" attached to and made a part hereof.

PRODUCT SELLER:

<u>Product Description</u>	<u>Product Location</u>	<u>Lessee Purchase Order No.</u>	<u>Primary Term (Mos.)</u>	<u>Commencement Date*</u>
See Exhibit 'A'	See Exhibit 'A'			

Rent is payable: in

Payment Period:

*The Commencement Date may be extended for one Payment Period until the Schedule is returned in accordance with the terms in the Agreement.

LEASE PURCHASE PROVISIONS

The following provisions shall apply with respect to this Schedule in addition to those provisions in the Agreement:

1. SECTION 4. RENT; TAXES; PAYMENT OBLIGATION.

Insert as a new last sentence to subsection (a) the following:

"For the purposes of this Schedule, the Rent, as well as the principal and interest portions of each Rent payment are shown in the chart provided on Exhibit "B", attached to and made a part hereof.

Add as a new last sentence to subsection (b) the following:

"Because the Products will be used for a governmental or proprietary purpose of Lessee, they are exempt from all sales, use and property taxes."

2. SECTION 3. TERM.

Insert as a new second paragraph the following:

"TECHNOLOGY REFRESH WITH NEW FINANCING OPTION.

(a) Provided no Event of Default has occurred or is continuing under this Schedule and the Agreement, and upon giving written notice to Lessor at least 120 days prior to the expiration of the Primary Term, Lessee may elect to either: (1) refresh the Products on this Schedule in accordance with the terms below ("Tech Refresh Option") or (2) purchase the Products on this Schedule in accordance with the terms of Section 6 hereof ("Purchase Option").

(b) For the Tech Refresh Option, Lessee must complete each of the following requirements (collectively, the "Tech Refresh Requirements") on or before the beginning of the last month of the Primary Term (the "Tech Refresh Date"):

- (i) Make all payments (excluding the Dell Flex Payment, as defined below) and perform all other obligations under this Schedule;
- (ii) Return all of the Products on this Schedule ("Original Products") to Lessor in the same manner as described in the Schedule; and
- (iii) Execute a new Schedule (the "New Lease") with a primary term of at least 24 months for new equipment ("New Products") which are, as determined by Lessor, of the same manufacture, type and quality as the

Original Products and which have a Total Product Cost that is at least 75% of the Total Product Cost of the Original Products.

(c) If Lessee exercises the Tech Refresh Option and satisfies all the Tech Refresh Requirements above, then this Schedule will terminate, and Lessee will not be liable for the Dell Flex Payment as set forth in Exhibit B of this Schedule.

(d) If Lessee (i) exercises the Purchase Option; or (ii) fails to either (1) exercise the Tech Refresh Option or (2) satisfy all the Tech Refresh Requirements, then the Tech Refresh Option will be null and void and Lessee will be liable for and will pay to Lessor the Dell Flex Payment by the Tech Refresh Date. "Dell Flex Payment" shall mean the last payment amount listed on Exhibit B of this Schedule and is only due and payable to Lessor by Lessee in accordance with the terms defined in this section entitled Technology Refresh with New Financing Option.

3. SECTION 11. REPRESENTATIONS, WARRANTIES AND COVENANTS OF LESSEE.

For purposes of this Schedule, add paragraphs (j) through (t) as follows:

"(j) Lessee will comply with the information reporting requirements of Section 149(e) of the Code, including but not limited to, the execution (and delivery to Lessor) of information statements requested by Lessor;

(k) Lessee will not do, cause to be done or fail to do any act if such act or failure to act will cause this Agreement, or any transaction hereunder, to be an Arbitrage Bond within the meaning of Section 148 of the Code or a Private Activity Bond within the meaning of Section 141 of the Code;

(l) The total cost of the Products listed in this Schedule will not be less than the total Principal Portion of the Rent listed in this Schedule;

(m) The Products listed in this Schedule have or will be ordered within six months of the date hereof in order to commence such Schedule;

(n) The Products listed in this Schedule are expected to be delivered and installed, and the Seller fully paid, within one year from the date hereof;

(o) No fund or account which secures or otherwise relates to the Rent has been established;

(p) Lessee will not sell, encumber or otherwise dispose of any property comprising this Schedule prior to the final maturity or termination of such Schedule without a written opinion of nationally recognized bond counsel to the effect that any such disposition will not adversely affect the exclusion of interest on the Rent from gross income for federal income tax purposes;

(q) Lessee agrees to execute, deliver and provide Lessor with satisfactory evidence of the filing of such documentation, as may be required for the purposes of properly reporting this Schedule, including, without limitation, IRS forms 8038-G or 8038-GC, as required under the Code;

(r) It is expected that Rent under this Schedule will be paid from periodic appropriations of the Lessee deposited into the general fund of the Lessee, that such appropriations will equal the Rent due during each Fiscal Period of Lessee, and that all amounts paid for Rent will be from an appropriation made by the Lessee during the Fiscal Period in which such Rent is made;

(s) To the best of our knowledge, information and belief, the above expectations are reasonable; and

(t) Lessee will comply with all applicable provisions of the Code, including without limitation Sections 103, 141 and 148 thereof, and the applicable regulations of the Treasury Department to maintain the exclusion of the interest components of Rent from gross income for purposes of federal income taxation.

Without limiting the generality of the foregoing, Lessor hereby gives notice to Lessee that, upon execution of this Schedule by Lessor, Lessor shall assign all of its right, title and interest in, to and under this Schedule, including all Products and all payments owing under such Schedule, to Dell Equipment Funding L.P. ("DEF") pursuant to a purchase agreement between the Lessor and DEF. Lessee hereby acknowledges and consents to such assignment and shall keep, or cause to be kept, a complete and accurate record of all such assignments in a manner and form necessary to comply with Section 149(a) of the Code and the Treasury Regulations promulgated thereunder. Lessor hereby directs Lessee to continue to make any

and all payments required to be made under this Schedule directly to Lessor, as servicing agent for DEF, at the same address to which Lessee is currently making payments unless and until Lessor is directed by DEF to make such payments to a different address or payee."

4. SECTION 12. WARRANTY ASSIGNMENT; EXCLUSION OF WARRANTIES; LIMITATIONS ON LIABILITY; FINANCE LEASE.

For purposes of this Schedule, delete "FINANCE LEASE" in the title of this Section and delete paragraph (d).

5. SECTION 17. OWNERSHIP; LIENS AND ENCUMBRANCES; LABELS.

Insert at the end of this paragraph the following:

"If Lessee has not terminated the Lease in accordance with Section 5 of the Agreement and no Event of Default has occurred and is continuing, then upon payment of all Rent and other amounts due under this Schedule and the Agreement, at the end of the Lease Term, Lessee is entitled to Lessor's interest in the Products "AS IS, WHERE IS," without any warranty or representation by Lessor, express or implied, other than the absence of any liens by, through or under Lessor. Lessee will deliver to Lessor documents reasonably requested by Lessor to give public notice of Lessor's interest in the Products."

6. PURCHASE OPTION.

Provided that no Event of Default has occurred and is continuing, and provided that Lessee does not elect to exercise the Tech Refresh Option or fails to satisfy all the Tech Refresh Requirements, and upon satisfaction of all payment obligations herein by Lessee including, but not limited to, Lessee's payment to Lessor of the Dell Flex Payment, Lessee shall be entitled to Lessor's interest in the Products, AS IS, WHERE IS, WITHOUT WARRANTY OR RECOURSE, EXPRESS, IMPLIED OR OTHERWISE, BY OR AGAINST LESSOR, INCLUDING ANY WARRANTIES OF DESIGN, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR AGAINST INFRINGEMENT, other than the absence of any liens by, through or under Lessor.

As continuing security for Lessee's obligations hereunder, Lessee hereby grants to Lessor, a first-priority security interest in all of Lessee's rights and interest in and to the Products and all proceeds thereof, free and clear of all security interests, liens or encumbrances whatsoever.

7. COMPLETION OF SCHEDULE: Lessee hereby authorizes Lessor to insert or update the serial numbers of the Products from time to time as necessary.

If Lessee delivers this signed Schedule, any amendment or other document related to this Schedule or the Master Lease (each a "Document") to Lessor by facsimile transmission, and Lessor does not receive all of the pages of that Document, Lessee agrees that, except for any pages which require a signature, Lessor may supply the missing pages to the Document from Lessor's database which conforms to the version number at the bottom of the page. If Lessee delivers a signed Document to Lessor as an e-mail attachment, facsimile transmission or by U.S. mail, Lessee acknowledges that Lessor is relying on Lessee's representation that the Document has not been altered. Lessee further agrees that, notwithstanding any rule of evidence to the contrary, in any hearing, trial or proceeding of any kind with respect to a Document, Lessor may produce a tangible copy of the Document transmitted by Lessee to Lessor by facsimile or as an e-mail attachment and such signed copy shall be deemed to be the original of the Document. To the extent (if any) that the Document constitutes chattel paper under the Uniform Commercial Code, the authoritative copy of the Document shall be the copy designated by Lessor or its assignee, from time to time, as the copy available for access and review by Lessee, Lessor or its assignee. All other copies are deemed identified as copies of the authoritative copy. In the event of inadvertent destruction of the authoritative copy, or corruption of the authoritative copy for any reason or as the result of any cause, the authoritative copy may be restored from a backup or archive copy, and the restored copy shall become the authoritative copy. At Lessor's option, this electronic record may be converted into paper form. At such time, such paper copy will be designated or marked as the authoritative copy of the Document.

By signing below, each of the parties hereto agrees to be bound by the terms of the Agreement, this Schedule and the attached Exhibits "A" and "B".



"Lessee"

By: _____

Name: _____

Title: _____

Date: _____

DELL FINANCIAL SERVICES L.L.C.
"Lessor"

By: _____

Name: _____

Title: _____

Date: _____



**[LESSEE LEGAL NAME]
PUBLIC PC as a SERVICE
MASTER AGREEMENT SCHEDULE NO. _____**

THIS SCHEDULE IS SUBJECT TO AND INCORPORATES THE TERMS AND CONDITIONS OF MASTER AGREEMENT NO. _____ ("Agreement") DATED _____, 20__ BETWEEN DELL FINANCIAL SERVICES L.L.C. ("Lessor") AND _____ ("Lessee").

Lessor hereby agrees to lease and/or make available to Lessee subject to the terms, conditions and provisions set forth in this Schedule and in the Agreement, the Products described below. Any capitalized term used herein and not defined herein shall have the meaning ascribed to it in the Agreement.

PRODUCT DESCRIPTION AND LOCATION: See below or Exhibit A attached to and made a part hereof.

PRODUCT SELLER: Dell Marketing LP, One Dell Way, Round Rock, TX 78682

Description	Number of Seats	Per Seat Fee	Rent
[Example: Equipment and Soft Cost Items set forth in Dell Quote # 123456]	[Example: 1,000]	[Example: \$50.00]	[Example: \$50,000]
Total:			\$

Total Product Acquisition Cost: \$ _____

Primary Term: _____

Rent is payable: _____ in advance; _____ in arrears [specify]

Payment Period: _____ Monthly _____ Quarterly _____

Pro-rated Rent: does not apply

* Lessee is responsible for applicable taxes, shipping and other amounts as described in the Agreement, and, with the first payment of Rent, any prorated Rent if applicable. Such amounts are further described in Exhibit A.

** The Commencement Date may be extended for one Payment Period until the Schedule is returned in accordance with the terms stated in the Agreement. Lessor may charge Lessee prorated Rent accruing from the Acceptance Date to the Commencement Date, as such date is finally determined.

For the purposes of this Schedule: a "Seat" means a unit of Equipment and the Soft Cost Items linked with that unit.

Flexible Consumption Terms:

Provided that no Event of Default has occurred and is continuing, Lessee may give irrevocable written notice to Lessor of its intention to exercise one of the following three options: Flex Up; Flex Down; or a combination of Flex Up and Flex Down.

Flex Up

At any time during the Primary Term, Lessee may add additional Seats at any time by executing a new Schedule (subject to credit and pricing approval).

Flex Down

Once, at any time after the half-way point of the Primary Term, and Provided that no Event of Default has occurred and is continuing, Lessee may remove up to _____% of the Seats by providing at least 90 days' notice to Lessor with such notice listing the Equipment to be returned by serial number. If the Lessee has contracted with Product Seller for asset return services for the Seat, then the removal of the Seat will be at no additional cost to the Lessee. Otherwise, Lessee is responsible for the costs of returning the Seat in accordance with the Agreement. Upon Lessor's receipt of the Seat, Lessee's Rent over the remainder of the Primary Term will be lowered to reflect the Seats received.

Combination

Once, at any time after the half-way point of the Primary Term, and Provided that no Event of Default has occurred and is continuing, Customer may add additional Seats at any time by executing a new Schedule (subject to credit and pricing approval)

MASTER LEASE AGREEMENT SCHEDULE NO. _____

while at the same time removing up to ____% of the Seats by providing at least 90 days' notice to Lessor with such notice listing the Equipment to be returned by serial number. If the Lessee has contracted with Product Seller for asset return services for the Seat, then the removal of the Seat will be at no additional cost to the Lessee. Otherwise, Customer is responsible for the costs of returning the Seat in accordance with the Agreement. Upon Lessor's receipt of the Seat, Lessee's Rent over the remainder of the Primary Term will be lowered to reflect the Seats received.

Extension Option

Provided that no Event of Default has occurred and is continuing, Lessee has two options upon giving notice at least 30 days prior to the expiration of the Primary Term: (1) renew the Schedule for a mutually agreeable term, or (2) renew the Schedule on a month-to-month basis, terminable upon 30 days notice from either party to the other. For both Renewal Terms, the Rent shall be the same as the Rent during the Initial Term.

Holdover Period

If the Lessee has contracted with Dell for asset return services for a Seat, then Lessee is not liable for any amount beyond the Base Term unless Lessee has exercised the above Extension Option or, through its actions or inactions, prevented Dell from retrieving the Seat. Where Lessee prevented Dell from retrieving the Seat or has not contracted with Dell for asset return services for a Seat, then in the event Lessee has not returned the Seat in accordance with the Agreement, the Term will automatically extend for successive one-month terms in which case Lessee will pay Lessor the same Rent as during the Initial Term. Such one-month terms will continue until Lessor's receipt of the Seat.

COMPLETION OF SCHEDULE: Lessee hereby authorizes Lessor to insert or update the serial numbers of the Products from time to time as necessary.

If Lessee delivers this signed Schedule, any amendment or other document related to this Schedule or the Master Lease (each a "Document") to Lessor by facsimile transmission, and Lessor does not receive all of the pages of that Document, Lessee agrees that, except for any pages which require a signature, Lessor may supply the missing pages to the Document from Lessor's database which conforms to the version number at the bottom of the page. If Lessee delivers a signed Document to Lessor as an e-mail attachment, facsimile transmission or by U.S. mail, Lessee acknowledges that Lessor is relying on Lessee's representation that the Document has not been altered. Lessee further agrees that, notwithstanding any rule of evidence to the contrary, in any hearing, trial or proceeding of any kind with respect to a Document, Lessor may produce a tangible copy of the Document transmitted by Lessee to Lessor by facsimile or as an e-mail attachment and such signed copy shall be deemed to be the original of the Document. To the extent (if any) that the Document constitutes chattel paper under the Uniform Commercial Code, the authoritative copy of the Document shall be the copy designated by Lessor or its assignee, from time to time, as the copy available for access and review by Lessee, Lessor or its assignee. All other copies are deemed identified as copies of the authoritative copy. In the event of inadvertent destruction of the authoritative copy, or corruption of the authoritative copy for any reason or as the result of any cause, the authoritative copy may be restored from a backup or archive copy, and the restored copy shall become the authoritative copy. At Lessor's option, this electronic record may be converted into paper form. At such time, such paper copy will be designated or marked as the authoritative copy of the Document.

By signing below, each of the parties hereto agrees to be bound by the terms of the Agreement, this Schedule and the attached Exhibit A.

[LESSEE LEGAL NAME]

(Lessee)

DELL FINANCIAL SERVICES L.L.C.

(Lessor)

By: _____

(Authorized Signature)

(Name/Title)

(Date)

By: _____

(Authorized Signature)

(Name/Title)

(Date)

**LEASE PURCHASE SCHEDULE NO.
TO MASTER LEASE AGREEMENT NO.
(SOFTWARE AND/OR MAINTENANCE ONLY FINANCING SCHEDULE)**

THIS SCHEDULE IS SUBJECT TO AND INCORPORATES THE TERMS AND CONDITIONS OF MASTER LEASE AGREEMENT NO. _____ and any amendments, if applicable ("Agreement") DATED _____ BETWEEN DELL FINANCIAL SERVICES L.L.C. ("Lessor") AND _____ ("Lessee").

Lessor hereby agrees to lease and/or make available to Lessee subject to the terms, conditions and provisions set forth in this Schedule and in the Agreement, the Products described below. Any capitalized term used herein and not defined herein shall have the meaning ascribed to it in the Agreement.

PRODUCT DESCRIPTION AND LOCATION: See below or Exhibit "A" attached to and made a part hereof.

PRODUCT SELLER:

<u>Product Description</u>	<u>Product Location</u>	<u>Lessee Purchase Order No.</u>	<u>Rent*</u>	<u>Primary Term (Mos.)</u>	<u>Commencement Date</u>
See Exhibit 'A'	See Exhibit 'A'				

Total Product Acquisition Cost:

Rent is payable: in

Interest Rate:

Payment Period:

*Lessee is responsible for applicable taxes, shipping and other amounts as described in the Agreement, and, with the first payment of Rent, any prorated Rent if applicable. Such amounts are further described in Exhibit "A".

The following provisions shall apply with respect to this Schedule in addition to those provisions in the Agreement:

1. SECTION 4. RENT; TAXES; PAYMENT OBLIGATION:

Insert as a new last sentence to subsection (a) the following:

"For the purposes of this Schedule, the Rent, as well as the principal and interest comprising the Rent, and Purchase Price as of the applicable Purchase Date are shown in the chart on Exhibit "B", attached to and made a part hereof.

2. NATURE OF SCHEDULE. Lessee and Lessor acknowledge that this Schedule is strictly a financing arrangement providing for the repayment of a lease purchase in the amount of the Lessor's Basis (as defined below) made by Lessor to Lessee by performing Lessee's payment obligations to the Product Seller under Lessee's Purchase Order referenced above and is to be repaid as and when set forth herein. The amount of the Rent payments provided for herein represents payments of principal and interest on such lease purchase.

3. PRODUCTS CONSISTING SOLELY OF SOFTWARE AND RELATED SERVICES. The Products covered by this Schedule consist exclusively of the Software identified on Exhibit A; that Lessee hereby acknowledges has been delivered, installed, and accepted by Lessee. Lessee and Lessor agree that (i) any language in the Agreement pertaining to Lessor's ownership of the Products and (ii) the following sections of the Agreement shall not apply to this Schedule: 8 (Return); 10 (Alterations); 14(a)(ii) (in so far as it purports to provide Lessor a right to sell, lease, or otherwise dispose of the Products consisting of Software licenses that would violate the underlying license agreement); and, 17 (Ownership; Liens and Encumbrances; Labels). Notwithstanding the foregoing, Lessee acknowledges that the remaining terms and conditions of the Agreement shall apply to this Schedule including without limitation: Sections 4 (Rent; Taxes; Payment Obligation); 5 (Appropriation of Funds); 6 (Licensed Materials); 12 (Warranty Assignment; Exclusion of Warranties; Limitation of Liability;

Finance Lease); and 16 (Indemnification). This Schedule shall terminate upon the expiration of the Primary Term without extension or renewal; provided, however, that such termination of the Schedule shall not effect obligations of Lessee accruing prior to the termination.

4. ADDITIONAL PROVISIONS. For purposes of this Schedule, the "Lessor's Basis" shall consist of the following amounts: (i) the Total Product Acquisition Cost set forth above; plus (ii) all other amounts that become due and owing under this Schedule that are not included in the amounts paid to Lessor pursuant to clause (i). As security for Lessee's obligations hereunder and subject to applicable law and the Software license agreement, Lessee grants Lessor, a first-priority security interest in all of Lessee's rights and interest in and to the Products (including with respect to any Software or services, Lessee's right to use the Software and right to obtain the services) and all proceeds thereof (including without limitation any refunds with respect to the Software or associated services financed under this Schedule (each a "Refund") that are received by Lessee or that Lessee has a right to receive), free and clear of all security interests, liens or encumbrances whatsoever. Upon Lessor's written instructions after an Event of Default or a non-appropriation pursuant to Section 5 with respect to this Schedule, Lessee agrees to (a) immediately cease using the Software, (b) deinstall and delete all copies of the Software from any computer systems owned or controlled by Lessee or used for Lessee's benefit, and (c) provide Lessor with a certificate signed by an authorized representative of Lessee attesting to such cessation of use and maintenance, deinstallation, deletion and destruction. In the event that Lessee shall be entitled to a Refund from the Software licensor, Lessee authorizes Lessor to deliver a copy of this Schedule to the licensor as evidence of Lessee's consent to Lessor's collection and receipt of the Refund directly; provided, however, nothing herein shall obligate Lessor to pursue Lessee's Refund rights (if any do exist) or modify, excuse or limit Lessee's obligations pursuant to this Schedule that Lessee acknowledges and agrees are absolute and unconditional, subject to Lessee's right to non-appropriate pursuant to Section 5 of the Agreement. Lessor shall apply any Refund actually received by Lessor against the next scheduled Rent payment(s) and all other amounts owed under this Schedule. Lessee agrees that, except in the case of a non-appropriation pursuant to Section 5, it shall owe any unpaid amounts hereunder remaining after application of such Refund. Finally, pursuant to applicable laws, the Stipulated Loss Value that Lessee may be required to pay Lessor upon an Event of Default under this Schedule shall equal the total sum of the then remaining payments due and unpaid under this Schedule for the Primary Term discounted at the lesser of (x) the discount rate of the Federal Reserve Bank of Chicago on the Commencement Date of this Schedule and (y) the interest rate set forth above.

5. ASSIGNMENT. Lessor hereby gives notice to Lessee that, upon execution of this Schedule by Lessor, Lessor shall assign all of its right, title and interest in, to and under this Schedule, including all Products and all payments owing under such Schedule, to Dell Equipment Funding L.P. ("DEF") pursuant to a purchase agreement between the Lessor and DEF. Lessee hereby acknowledges and consents to such assignment and shall keep, or cause to be kept, a complete and accurate record of all such assignments in a manner and form necessary to comply with all applicable laws. Lessor hereby directs Lessee to continue to make any and all payments required to be made under this Schedule directly to Lessor, as servicing agent for DEF, at the same address to which Lessee is currently making payments unless and until Lessor is directed by DEF to make such payments to a different address or payee.

6. COMPLETION OF SCHEDULE. Lessee hereby authorizes Lessor to insert or update the serial numbers of the Products as necessary.

If Lessee delivers this signed Schedule, any amendment or other document related to this Schedule or the Master Lease (each a "Document") to Lessor by facsimile transmission, and Lessor does not receive all of the pages of that Document, Lessee agrees that, except for any pages which require a signature, Lessor may supply the missing pages to the Document from Lessor's database which conforms to the version number at the bottom of the page. If Lessee delivers a signed Document to Lessor as an e-mail attachment, facsimile transmission or by U.S. mail, Lessee acknowledges that Lessor is relying on Lessee's representation that the Document has not been altered. Lessee further agrees that, notwithstanding any rule of evidence to the contrary, in any hearing, trial or proceeding of any kind with respect to a Document, Lessor may produce a tangible copy of the Document transmitted by Lessee to Lessor by facsimile or as an e-mail attachment and such signed copy shall be deemed to be the original of the Document. To the extent (if any) that the Document constitutes chattel paper under the Uniform Commercial Code, the authoritative copy of the Document shall be the copy designated by Lessor or its assignee, from time to time, as the copy available for access and review by Lessee, Lessor or its assignee. All other copies are deemed identified as copies of the authoritative copy. In the event of inadvertent destruction of the authoritative copy, or corruption of the authoritative copy for any reason or as the result of any cause, the authoritative copy may be restored from a backup or archive copy, and the restored copy shall become the authoritative copy. At Lessor's option, this electronic record may be converted into paper form. At such time, such paper copy will be designated or marked as the authoritative copy of the Document.



By signing below, each of the parties hereto agrees to be bound by the terms of the Agreement, this Schedule and the attached Exhibits "A" and "B".

"Lessee"

By: _____

Name: _____

Title: _____

Date: _____

DELL FINANCIAL SERVICES L.L.C.

"Lessor"

By: _____

Name: _____

Title: _____

Date: _____

Dell Financial Services



Ancillary Documents

Validity Opinion
8038 G
8038 GC

**SAMPLE VALIDITY OPINION LETTER
TO BE EXECUTED ON COUNSEL'S LETTERHEAD**

To:

Ladies and Gentlemen:

We are counsel to _____ (the "Lessee") and, in that capacity, we have examined Master Lease Agreement No. _____, dated as of _____, and the Lease Schedule No. _____ to Master Lease Agreement No. _____ thereto, dated as of the Commencement Date [or Effective Date] (collectively the "Agreement"), between the Lessee and Dell Financial Services L.L.C. (the "Lessor").

Based on our examination of the Agreement and such other examinations as we have deemed appropriate, we are of the opinion as follows:

(a) The Lessee is an entity duly organized and existing under and by virtue of the authorizing statute or constitutional provisions of the State of _____ and is a state or political subdivision thereof as described in Section 103(a) of the Internal Revenue Code of 1986, as amended, with full power and authority to enter into the Agreement and the transactions contemplated thereby and to perform all of its obligations thereunder;

(b) The Agreement has been duly authorized, executed and delivered by _____*, _____ of the Lessee by proper action of its governing board at a meeting duly called, regularly convened and attended throughout by the requisite majority of the members thereof 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 the Agreement against the Lessee;

(c) The Agreement constitutes the valid, legal and binding obligation of the Lessee, enforceable in accordance with its terms;

(d) No approval, consent or withholding of objection is required from any federal, state or local governmental authority or instrumentality with respect to the entering into or performance by the Lessee of the Agreement and the transactions contemplated thereby;

(e) Lessee has complied with any applicable public bidding requirements and other applicable state and federal laws in connection with the Agreement and the transactions contemplated thereby;

(f) The entering into and performance of the Agreement will not violate any judgment, order, law or regulation applicable to the Lessee or result in any breach of, or constitute a default under, any instrument to which the Lessee is a party or by which it or its assets may be bound, or result in the creation of any lien, charge, security interest or other encumbrance upon any assets of the Lessee or on the Products, other than those created by the Agreement;

(g) The Products are tangible personal property and when subject to use by the Lessee will not be or become fixtures or real property under the laws of the State of _____;

(h) There are no actions, suits, proceedings, inquiries or investigations, at law or in equity, before or by any court, public board or body, pending or threatened against or affecting, nor to the best of our knowledge and belief is there any basis therefor, which, if determined adversely to Lessee, will have a material adverse effect on the ability of the Lessee to fulfill its obligations under the Agreement; and

(i) Lessee has, in accordance with the requirements of law, fully budgeted and appropriated sufficient funds for Lessee's current Fiscal Period to make the Rent payments scheduled to come due during Lessee's current Fiscal Period and to meet its other obligations under the Agreement for the current Fiscal Period, and such funds have not been expended for other purposes.

This opinion is delivered to the addressee for its benefit and the benefit of its assigns for the purpose contemplated by the Agreement.

Very truly yours,

*Authorized Signatory of Lessee under the Agreement.

Form **8038-G**

(Rev. October 2021)

Department of the Treasury
Internal Revenue Service**Information Return for Tax-Exempt Governmental Bonds**

► Under Internal Revenue Code section 149(e)

► See separate instructions.

Caution: If the issue price is under \$100,000, use Form 8038-GC.► Go to www.irs.gov/F8038G for instructions and the latest information.

OMB No. 1545-0047

Part I Reporting AuthorityCheck box if Amended Return ► ☐

1 Issuer's name		2 Issuer's employer identification number (EIN)	
3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions)		3b Telephone number of other person shown on 3a	
4 Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	5 Report number (For IRS Use Only)	
6 City, town, or post office, state, and ZIP code		7 Date of issue	
8 Name of issue		9 CUSIP number	
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information		10b Telephone number of officer or other employee shown on 10a	

Part II Type of Issue (Enter the issue price.) See the instructions and attach schedule.

11	Education	11	
12	Health and hospital	12	
13	Transportation	13	
14	Public safety	14	
15	Environment (including sewage bonds)	15	
16	Housing	16	
17	Utilities	17	
18	Other. Describe ►	18	
19a If bonds are TANs or RANs, check only box 19a		<input type="checkbox"/>	
b If bonds are BANs, check only box 19b		<input type="checkbox"/>	
20 If bonds are in the form of a lease or installment sale, check box		<input type="checkbox"/>	

Part III Description of Bonds. Complete for the entire issue for which this form is being filed.

	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21		\$	\$	years	%

Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)

22	Proceeds used for accrued interest	22	
23	Issue price of entire issue (enter amount from line 21, column (b))	23	
24	Proceeds used for bond issuance costs (including underwriters' discount)	24	
25	Proceeds used for credit enhancement	25	
26	Proceeds allocated to reasonably required reserve or replacement fund	26	
27	Proceeds used to refund prior tax-exempt bonds. Complete Part V	27	
28	Proceeds used to refund prior taxable bonds. Complete Part V	28	
29	Total (add lines 24 through 28)	29	
30	Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	30	

Part V Description of Refunded Bonds. Complete this part only for refunding bonds.

31	Enter the remaining weighted average maturity of the tax-exempt bonds to be refunded	years
32	Enter the remaining weighted average maturity of the taxable bonds to be refunded	years
33	Enter the last date on which the refunded tax-exempt bonds will be called (MM/DD/YYYY)	
34	Enter the date(s) the refunded bonds were issued (MM/DD/YYYY)	

For Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 63773S

Form **8038-G** (Rev. 10-2021)

Part VI Miscellaneous

- 35** Enter the amount of the state volume cap allocated to the issue under section 141(b)(5) **35**
- 36a** Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC). See instructions **36a**
- b** Enter the final maturity date of the GIC ▶ (MM/DD/YYYY) _____
- c** Enter the name of the GIC provider ▶ _____
- 37** Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units **37**
- 38a** If this issue is a loan made from the proceeds of another tax-exempt issue, check box ▶ ☐ and enter the following information:
- b** Enter the date of the master pool bond ▶ (MM/DD/YYYY) _____
- c** Enter the EIN of the issuer of the master pool bond ▶ _____
- d** Enter the name of the issuer of the master pool bond ▶ _____
- 39** If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box▶ ☐
- 40** If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box▶ ☐
- 41a** If the issuer has identified a hedge, check here ▶ ☐ and enter the following information:
- b** Name of hedge provider ▶ _____
- c** Type of hedge ▶ _____
- d** Term of hedge ▶ _____
- 42** If the issuer has superintegrated the hedge, check box▶ ☐
- 43** If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box.....▶ ☐
- 44** If the issuer has established written procedures to monitor the requirements of section 148, check box▶ ☐
- 45a** If some portion of the proceeds was used to reimburse expenditures, check here ▶ ☐ and enter the amount of reimbursement.....▶ _____
- b** Enter the date the official intent was adopted ▶ (MM/DD/YYYY) _____

Signature and Consent

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.

▶ Signature of issuer's authorized representative Date ▶ Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no.	

Form **8038-GC**

(Rev. October 2021)

Department of the Treasury
Internal Revenue Service**Information Return for Small Tax-Exempt
Governmental Bond Issues, Leases, and Installment Sales**► **Under Internal Revenue Code section 149(e)****Caution:** If the issue price of the issue is \$100,000 or more, use Form 8038-G.► **Go to www.irs.gov/Form8038GC for instructions and the latest information.**

OMB No. 1545-0047

Part I Reporting AuthorityCheck box if **Amended Return** ► ☐

1 Issuer's name

2 Issuer's employer identification number (EIN)

3 Number and street (or P.O. box if mail isn't delivered to street address)

Room/suite

4 City, town, or post office, state, and ZIP code

5 Report number (For IRS Use Only)

6 Name and title of officer or other employee of issuer or designated contact person whom the IRS may call for more information

7 Telephone number of officer or legal representative

Part II Description of Obligations Check one box: ☐ Single issue ☐ Consolidated return

8a Issue price of obligation(s) (see instructions)	8a
b Issue date (single issue) or calendar date (consolidated). Enter date in MM/DD/YYYY format (for example, 01/01/2009) (see instructions) ►	
9 Amount of the reported obligation(s) on line 8a that is:	
a For leases for vehicles	9a
b For leases for office equipment	9b
c For leases for real property	9c
d For leases for other (see instructions)	9d
e For bank loans for vehicles	9e
f For bank loans for office equipment	9f
g For bank loans for real property	9g
h For bank loans for other (see instructions)	9h
i Used to refund prior issue(s)	9i
j Representing a loan from the proceeds of another tax-exempt obligation (for example, bond bank)	9j
k Other	9k
10 If the issuer has designated any issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check this box	<input type="checkbox"/>
11 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check this box (see instructions)	<input type="checkbox"/>
12 Vendor's or bank's name:	
13 Vendor's or bank's employer identification number:	

Signature and Consent

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person(s) that I have authorized above.

Signature of issuer's authorized representative _____ Date _____ Type or print name and title _____

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
Firm's name ►	Firm's EIN ►			
Firm's address ►	Phone no.			

Future DevelopmentsFor the latest information about developments related to Form 8038-GC and its instructions, such as legislation enacted after they were published, go to www.irs.gov/Form8038GC.**General Instructions**

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

Form 8038-GC is used by the issuers of tax-exempt governmental obligations to provide the IRS with the information required by section 149(e) and to monitor the requirements of sections 141 through 150.

Who Must File

Issuers of tax-exempt governmental obligations with issue prices of less than \$100,000 must file Form 8038-GC.

Issuers of a tax-exempt governmental obligation with an issue price of \$100,000 or more must file Form 8038-G, Information Return for Tax-Exempt Governmental Bonds.

Filing a separate return for a single issue. Issuers have the option to file a separate Form 8038-GC for any tax-exempt governmental obligation with an issue price of less than \$100,000.

An issuer of a tax-exempt bond used to finance construction expenditures must file a separate Form 8038-GC for each issue to give notice to the IRS that an election was made to

pay a penalty in lieu of arbitrage rebate. See the instructions for line 11, later.

Filing a consolidated return for multiple issues. For all tax-exempt governmental obligations with issue prices of less than \$100,000 that aren't reported on a separate Form 8038-GC, an issuer must file a consolidated information return including all such issues issued within the calendar year.

Thus, an issuer may file a separate Form 8038-GC for each of a number of small issues and report the remainder of small issues issued during the calendar year on one consolidated Form 8038-GC. However, if the issue is a construction issue, a separate Form 8038-GC must be filed to give the IRS notice of the election to pay a penalty in lieu of arbitrage rebate.

When To File

To file a separate return for a single issue, file Form 8038-GC on or before the 15th day of the 2nd calendar month after the close of the calendar quarter in which the issue is issued.

To file a consolidated return for multiple issues, file Form 8038-GC on or before February 15 of the calendar year following the year in which the issue is issued.

Late filing. An issuer may be granted an extension of time to file Form 8038-GC under section 3 of Rev. Proc. 2002-48, 2002-37 I.R.B. 531, if it is determined that the failure to file on time isn't due to willful neglect. Write at the top of the form, "Request for Relief under section 3 of Rev. Proc. 2002-48." Attach to the Form 8038-GC a letter briefly stating why the form wasn't submitted to the IRS on time. Also, indicate whether the obligation in question is under examination by the IRS. Don't submit copies of any bond documents, leases, or installment sale documents. See *Where To File* next.

Where To File

File Form 8038-GC and any attachments at the following address.

Department of the Treasury
Internal Revenue Service Center
Ogden, UT 84201

Private delivery services (PDS). You can use certain PDS designated by the IRS to meet the "timely mailing as timely filing/paying" rule for tax returns and payments. These PDS include only the following:

- DHL Express (DHL): DHL Same Day Service.
- Federal Express (FedEx): FedEx Priority Overnight, FedEx Standard Overnight, FedEx 2Day, FedEx International Priority, and FedEx International First.
- United Parcel Service (UPS): UPS Next Day Air, UPS Next Day Air Saver, UPS 2nd Day Air, UPS 2nd Day Air A.M., UPS Worldwide Express Plus, and UPS Worldwide Express.

The PDS can tell you how to get written proof of the mailing date.

Other Forms That May Be Required

For rebating arbitrage (or paying a penalty in lieu of arbitrage rebate) to the federal government, use Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate. For private activity bonds, use Form 8038, Information Return for Tax-Exempt Private Activity Bond Issues.

For a tax-exempt governmental obligation with an issue price of \$100,000 or more, use Form 8038-G.

Rounding to Whole Dollars

You may show the money items on this return as whole-dollar amounts. To do so, drop any amount less than 50 cents and increase any amount from 50 to 99 cents to the next higher dollar. For example, \$1.49 becomes \$1 and \$2.50 becomes \$3. If two or more amounts must be added to figure the amount to enter on a line, include cents when adding the amounts and round off only the total.

Definitions

Obligations. This refers to a single tax-exempt governmental obligation if Form 8038-GC is used for separate reporting or to multiple tax-exempt governmental obligations if the form is used for consolidated reporting.

Tax-exempt obligation. This is any obligation including a bond, installment purchase agreement, or financial lease on which the interest is excluded from income under section 103.

Tax-exempt governmental obligation. A tax-exempt obligation that isn't a private activity bond (see below) is a tax-exempt governmental obligation. This includes a bond issued by a qualified volunteer fire department under section 150(e).

Private activity bond. This includes an obligation issued as part of an issue in which:

- More than 10% of the proceeds are to be used for any private activity business use, and
- More than 10% of the payment of principal or interest of the issue is either (a) secured by an interest in property to be used for a private business use (or payments for such property) or (b) to be derived from payments for property (or borrowed money) used for a private business use.

It also includes a bond, the proceeds of which (a) are to be used to make or finance loans (other than loans described in section 141(c)(2)) to persons other than governmental units and (b) exceeds the lesser of 5% of the proceeds or \$5 million.

Issue. Generally, obligations are treated as part of the same issue only if they are issued by the same issuer, on the same date, and as part of a single transaction, or a series of related transactions. However, obligations issued during the same calendar year (a) under a loan agreement under which amounts are to be advanced periodically (a "draw-down loan") or (b) with a term not exceeding 270 days, may be treated as part of the same issue if the obligations are equally and ratably secured under a single indenture or loan agreement and are issued under a common financing arrangement (for example, under the same official statement periodically updated to reflect changing factual circumstances). Also, for obligations issued under a draw-down loan that meets the requirements of the preceding sentence, obligations issued during different calendar years may be treated as part of the same issue if all of the amounts to be advanced under the draw-down loan are reasonably expected to be advanced within 3 years of the date of issue of the first obligation. Likewise, obligations (other than private activity bonds) issued under a single agreement that is in the form of a lease or installment sale may be treated as part of the same issue if all of the property covered by that agreement is reasonably expected to be delivered within 3 years of the date of issue of the first obligation.

Arbitrage rebate. Generally, interest on a state or local bond isn't tax-exempt unless the issuer of the bond rebates to the United States arbitrage profits earned from investing proceeds of the bond in higher yielding nonpurpose investments. See section 148(f).

Construction issue. This is an issue of tax-exempt bonds that meets both of the following conditions:

1. At least 75% of the available construction proceeds of the issue are to be used for construction expenditures with respect to property to be owned by a governmental unit or a 501(c)(3) organization, and
2. All of the bonds that are part of the issue are qualified 501(c)(3) bonds, bonds that aren't private activity bonds, or private activity bonds issued to finance property to be owned by a governmental unit or a 501(c)(3) organization.

In lieu of rebating any arbitrage that may be owed to the United States, the issuer of a construction issue may make an irrevocable election to pay a penalty. The penalty is equal to 1-1/2% of the amount of construction proceeds that do not meet certain spending requirements. See section 148(f)(4)(C) and the Instructions for Form 8038-T.

Specific Instructions

In general, a Form 8038-GC must be completed on the basis of available information and reasonable expectations as of the date of issue. However, forms that are filed on a consolidated basis may be completed on the basis of information readily available to the issuer at the close of the calendar year to which the form relates, supplemented by estimates made in good faith.

Part I—Reporting Authority

Amended return. An issuer may file an amended return to change or add to the information reported on a previously filed return for the same date of issue. If you are filing to correct errors or change a previously filed return, check the *Amended Return* box in the heading of the form.

The amended return must provide all the information reported on the original return, in addition to the new corrected information. Attach an explanation of the reason for the amended return and write across the top "Amended Return Explanation."

Line 1. The issuer's name is the name of the entity issuing the obligations, not the name of the entity receiving the benefit of the financing. In the case of a lease or installment sale, the issuer is the lessee or purchaser.

Line 2. An issuer that doesn't have an employer identification number (EIN) should apply for one online by visiting the IRS website at www.irs.gov/EIN. The organization may also apply for an EIN by faxing or mailing Form SS-4 to the IRS.

Lines 3 and 4. Enter the issuer's address or the address of the designated contact person listed on line 6. If the issuer wishes to use its own address and the issuer receives its mail in care of a third party authorized representative (such as an accountant or attorney), enter on the street address line "C/O" followed by the third party's name and street address or P.O. box. Include the suite, room, or other unit number after the street address. If the post office doesn't deliver

mail to the street address and the issuer has a P.O. box, show the box number instead of the street address. If a change in address occurs after the return is filed, use Form 8822, Change of Address, to notify the IRS of the new address.

Note: The address entered on lines 3 and 4 is the address the IRS will use for all written communications regarding the processing of this return, including any notices. By authorizing a person other than an authorized officer or other employee of the issuer to communicate with the IRS and whom the IRS may contact about this return, the issuer authorizes the IRS to communicate directly with the individual listed on line 6, whose address is entered on lines 3 and 4 and consents to disclose the issuer's return information to that individual, as necessary, to process this return.

Line 5. This line is for IRS use only. Don't make any entries in this box.

Part II—Description of Obligations

Check the appropriate box designating this as a return on a single issue basis or a consolidated return basis.

Line 8a. The issue price of obligations is generally determined under Regulations section 1.148-1(b). Thus, when issued for cash, the issue price is the price at which a substantial amount of the obligations are sold to the public. To determine the issue price of an obligation issued for property, see sections 1273 and 1274 and the related regulations.

Line 8b. For a single issue, enter the date of issue (for example, 03/15/2020 for a single issue issued on March 15, 2020), generally the date on which the issuer physically exchanges the bonds that are part of the issue for the underwriter's (or other purchaser's) funds; for a lease or installment sale, enter the date interest starts to accrue. For issues reported on a consolidated basis, enter the first day of the calendar year during which the obligations were issued (for example, for calendar year 2020, enter 01/01/2020).

Lines 9a through 9h. Complete this section if property other than cash is exchanged for the obligation, for example, acquiring a police car, a fire truck, or telephone equipment through a series of monthly payments. (This type of obligation is sometimes referred to as a "municipal lease.") Also, complete this section if real property is directly acquired in exchange for an obligation to make periodic payments of interest and principal.

Don't complete lines 9a through 9d if the proceeds of an obligation are received in the form of cash even if the term "lease" is used in the title of the issue. For lines 9a through 9d, enter the amount on the appropriate line that represents a lease or installment

purchase. For line 9d, enter the type of item that is leased. For lines 9e through 9h, enter the amount on the appropriate line that represents a bank loan. For line 9h, enter the type of bank loan.

Lines 9i and 9j. For line 9i, enter the amount of the proceeds that will be used to pay principal, interest, or call premium on any other issue of bonds, including proceeds that will be used to fund an escrow account for this purpose. Several lines may apply to a particular obligation. For example, report on lines 9i and 9j obligations used to refund prior issues which represent loans from the proceeds of another tax-exempt obligation.

Line 9k. Enter on line 9k the amount on line 8a that doesn't represent an obligation described on lines 9a through 9j.

Line 10. Check this box if the issuer has designated any issue as a "small issuer exception" under section 265(b)(3)(B)(i)(III).

Line 11. Check this box if the issue is a construction issue and an irrevocable election to pay a penalty in lieu of arbitrage rebate has been made on or before the date the bonds were issued. The penalty is payable with a Form 8038-T for each 6-month period after the date the bonds are issued. Don't make any payment of penalty in lieu of rebate with Form 8038-GC. See Rev. Proc. 92-22, 1992-1 C.B. 736, for rules regarding the "election document."

Line 12. Enter the name of the vendor or bank who is a party to the installment purchase agreement, loan, or financial lease. If there are multiple vendors or banks, the issuer should attach a schedule.

Line 13. Enter the employer identification number of the vendor or bank who is a party to the installment purchase agreement, loan, or financial lease. If there are multiple vendors or banks, the issuer should attach a schedule.

Signature and Consent

An authorized representative of the issuer must sign Form 8038-GC and any applicable certification. Also, write the name and title of the person signing Form 8038-GC. The authorized representative of the issuer signing this form must have the authority to consent to the disclosure of the issuer's return information, as necessary to process this return, to the person(s) that has been designated in this form.

Note: If the issuer authorizes on line 6 the IRS to communicate with a person other than an officer or other employee of the issuer (such authorization shall include contact both in writing regardless of the address entered on lines 3 and 4, and by telephone), by signing this form, the issuer's authorized representative consents to the disclosure of the issuer's return information, as necessary to process this return, to such person.

Paid Preparer

If an authorized representative of the issuer filled in its return, the paid preparer's space should remain blank. Anyone who prepares the return but does not charge the organization shouldn't sign the return. Certain others who prepare the return shouldn't sign. For example, a regular, full-time employee of the issuer, such as a clerk, secretary, etc., shouldn't sign.

Generally, anyone who is paid to prepare a return must sign it and fill in the other blanks in the *Paid Preparer Use Only* area of the return. A paid preparer cannot use a social security number in the *Paid Preparer Use Only* box. The paid preparer must use a preparer tax identification number (PTIN). If the paid preparer is self-employed, the preparer should enter his or her address in the box.

The paid preparer must:

- Sign the return in the space provided for the preparer's signature, and
- Give a copy of the return to the issuer.

Paperwork Reduction Act Notice

We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated burden for tax exempt organizations filing this form is approved under OMB control number 1545-0047 and is included in the estimates shown in the instructions for their information return.

If you have suggestions for making this form simpler, we would be happy to hear from you. You can send us comments through www.irs.gov/FormComments. Or you can write to:

Internal Revenue Service
Tax Forms and Publications
1111 Constitution Ave. NW, IR-6526
Washington, DC 20224

Do not send Form 8038-GC to this address. Instead, see *Where To File*, earlier.

Dell Financial Services



Dell Financial Services Private/Commercial Entity Master Lease Agreement

Proprietary to Dell Financial Services, LLC



NO.
EFFECTIVE DATE:

MASTER LEASE AGREEMENT

LESSOR: DELL FINANCIAL SERVICES L.L.C.

LESSEE:

Principal Address:

Mailing Address:

One Dell Way
Round Rock, TX 78682

Fax:

Attention:

This Master Lease Agreement ("Agreement"), effective as of the Effective Date set forth above, is between the Lessor and Lessee named above. Capitalized terms have the meaning set forth in this Agreement.

of the Primary Term, together with any renewals or extensions thereof, is defined as the "Lease Term". The Lease is non-cancelable by Lessee.

1. LEASE.

Lessor hereby leases to Lessee and Lessee hereby leases from Lessor the equipment ("Products"), software, services or fees described in any lease schedule ("Schedule"). Each Schedule shall incorporate by reference the terms and conditions of this Agreement and contain such other terms as are agreed by Lessee and Lessor. Each Schedule signed or otherwise authenticated by Lessee and Lessor shall constitute a separate lease of Products ("Lease"). In the event of any conflict between the terms of a Schedule and the terms of this Agreement, the terms of the Schedule shall prevail. Lessor reserves all rights to the Products not specifically granted to Lessee in this Agreement or in a Schedule. Execution of this Agreement does not create an obligation of either party to lease to or from the other.

2. ACCEPTANCE DATE; SCHEDULE.

(a) Subject to any right of return provided by the Product seller ("Seller"), named on the Schedule, Products are deemed to have been irrevocably accepted by Lessee upon delivery to Lessee's ship to location ("Acceptance Date"). Lessee shall be solely responsible for unpacking, inspecting and installing the Products.

(b) Lessor shall deliver to Lessee a Schedule for Products. Provided that the Schedule contains no material error, Lessee agrees to sign or otherwise authenticate and return each Schedule by the later of the Acceptance Date or 5 days after Lessee receives a Schedule from Lessor. If the Schedule is not signed or otherwise authenticated by Lessee and returned to Lessor within the time provided in the prior sentence, then upon written notice from Lessor and Lessee's failure to cure within 5 days of such notice, Lessor may require the Lessee to purchase the Products by paying the Product cost charged by the Seller, plus any shipping charges, Taxes and Duties (defined below) and interest at the Overdue Rate (defined below) accruing from the date the Products are shipped through the date of payment. If Lessee returns any leased Products in accordance with the Seller's return policy, it will notify Lessor. When Lessor receives a credit from Seller for the returned Product, the Schedule will be deemed amended to reflect the return of the Product and Lessor will adjust its billing records and Lessee's invoice for the applicable Lease. In addition, Lessee and Lessor agree that a signed Schedule may be amended by written notice from Lessor to Lessee provided such notice is (i) to correct the serial (or service tag) number of Products or (ii) to adjust the related Rent (defined below) on the Schedule (any increase up to 15% or any decrease) caused by any change made by Lessee in Lessee's order with the Seller.

3. TERM.

The initial term ("Primary Term") for each Lease shall begin on the date set forth on the Schedule as the Commencement Date ("Commencement Date") and continue for the number of months set forth in the Schedule. The period beginning on the Acceptance Date and ending on the last day

4. RENT; TAXES; PAYMENT OBLIGATION.

(a) The rental payment amount ("Rent") and the payment period for each installment of Rent ("Payment Period") shall be stated in the Schedule. A prorated portion of Rent, calculated on a 30-day month, 90-day quarter or 360-day year as appropriate, for the period from the Acceptance Date to the Commencement Date shall be added to the first payment of Rent. All Rent and other amounts due and payable under this Agreement or any Schedule shall be paid to Lessor in lawful funds of the United States of America at the payment address set forth above or at such other address as Lessor may designate from time to time in writing. Whenever Rent and other amounts payable under a Lease are not paid when due, Lessee shall pay interest on such amounts at a rate equal to the lesser of 1-1/2% per month or the highest rate permitted by applicable law ("Overdue Rate"). Lessor shall use reasonable commercial efforts to invoice Lessee for all amounts due. The rate factors used for the calculation of the payment are based in part on similar or like term swap or T-bill rates as published by the US Federal Reserve Board. In the event the applicable rates change between Lessor initially providing the rate factors and the commencement of a Schedule, Lessor reserves the right to change the applicable rate factor commensurate with the change in the applicable rates.

(b) Each Lease shall be a net lease. In addition to Rent, Lessee shall pay sales, use, property, added value or other taxes (excepting taxes based on Lessor's income), fees, levies or assessments (collectively, "Taxes"), and customs, duties or surcharges on imports or exports (collectively, "Duties") plus all expenses incurred in connection with Lessor's purchase of the Products, including but not limited to shipment, delivery, installation, and insurance. Unless Lessee provides Lessor with a tax exemption certificate acceptable to the relevant taxing authority prior to Lessor's payment of such Taxes, Lessee shall pay Lessor all Taxes upon demand by Lessor. Unless otherwise set forth in the Schedule and where applicable, Lessee agrees to pay a periodic personal property tax fee ("PPT Fee") calculated by Lessor as a prorated portion of the annual estimated property tax assessed by the applicable taxing authority on the Products during the Lease Term. The PPT Fee shall be payable with each installment of Rent.

(c) LESSEE'S OBLIGATION TO PAY ALL RENT AND OTHER AMOUNTS WHEN DUE AND TO OTHERWISE PERFORM AS REQUIRED UNDER THIS AGREEMENT AND EACH SCHEDULE SHALL BE ABSOLUTE AND UNCONDITIONAL, AND SHALL NOT BE SUBJECT TO ANY ABATEMENT, REDUCTION, SET-OFF, DEFENSE, COUNTERCLAIM, INTERRUPTION, DEFERMENT OR RECOUPMENT FOR ANY REASON WHATSOEVER WHETHER ARISING OUT OF ANY CLAIMS BY LESSEE AGAINST LESSOR, SELLER, OR THE SUPPLIER OR MANUFACTURER OF THE PRODUCTS, TOTAL OR PARTIAL LOSS OF THE PRODUCTS OR THEIR USE OR POSSESSION, OR OTHERWISE. If any Product is unsatisfactory for any reason, Lessee shall make its claim solely against the Seller of such Product (or the Licensor in the case of Software, each as defined below) and shall,

nevertheless, pay Lessor or its assignee all amounts due and payable under the Lease.

5. LICENSED MATERIALS.

Software means any operating system software or computer programs included with the Products (collectively, "Software"). "Licensed Materials" are any manuals and documents, end user license agreements, evidence of licenses, including, without limitation, any certificate of authenticity and other media provided in connection with such Software, all as delivered with or affixed as a label to the Products. Lessee agrees that this Agreement and any Lease (including the sale of any Product pursuant to any purchase option) does not grant any title or interest in Software or Licensed Materials. Any use of the terms "sell," "purchase," "license," "lease," and the like in this Agreement or any Schedule with respect to Software shall be interpreted in accordance with this Section 5.

6. USE; LOCATION; INSPECTION.

Lessee shall: (a) comply with all terms and conditions of any Licensed Materials; and (b) possess and operate the Products only (i) in accordance with the Seller's supply contract and any service provider's maintenance and operating manuals, the documentation and applicable laws; and (ii) for the business purposes of Lessee. Lessee may move Products from the location specified in the Schedule provided that Lessee notifies Lessor by the following May 31st or November 30th (whichever occurs next), and then only to a location within the United States and at Lessee's expense. Without notice to Lessor, Lessee may temporarily use laptop computers at other locations, including outside of the United States, provided Lessee complies with the United States Export Control Administration Act of 1979 and the Export Administration Act of 1985, as those Acts are amended from time to time (or any successor or similar legislation). Provided Lessor complies with Lessee's reasonable security requirements, Lessee shall allow Lessor to inspect the premises where the Products are located from time to time during reasonable hours after reasonable notice in order to confirm Lessee's compliance with its obligations under this Agreement.

7. RETURN.

At the expiration or earlier termination of the Lease Term of any Schedule, and except for Products purchased pursuant to any purchase option under the Lease, Lessee will (a) remove all proprietary data from the Products and (b) return them to Lessor at a place within the contiguous United States designated by Lessor. Upon return of the Products, Lessee's right to the operating system Software in returned Products will terminate and Lessee will return the Products with the original certificate of authenticity (attached and unaltered) for the original operating system Software. Lessee agrees to deinstall and package the Products for return in a manner which will protect them from damage. Lessee shall pay all costs associated with the packing and return of the Products and shall promptly reimburse Lessor for all costs and expenses for missing or damaged Products or operating system Software. If Lessee fails to return all of the Products at the expiration of any applicable Lease Term, the Lease Term with respect to the Products that are not returned shall continue to be renewed as described in the Schedule.

8. RISK OF LOSS; MAINTENANCE; INSURANCE.

(a) From the date the Products are delivered to Lessee's ship to location until the Products are returned to Lessor's designated return location or purchased by Lessee, Lessee agrees: (i) to assume the risk of loss or damage to the Products; (ii) to maintain the Products in good operating condition and appearance, ordinary wear and tear excepted; (iii) to comply with all requirements necessary to enforce all warranty rights; and (iv) to promptly repair any repairable damage to the Products. During the Lease Term, Lessee at its sole discretion has the option to purchase a maintenance agreement from the provider of its choice (including, if it so chooses, to self-maintain the Products) or to forgo such maintenance agreement altogether; regardless of Lessee's choice, Lessee will continue to be responsible for its obligations as stated in the first sentence of this Section. At all times, Lessee shall provide the following insurance: (i) casualty loss insurance for the Products for no less than the Stipulated Loss Value (defined below) naming Lessor as loss payee; and (ii) liability insurance with respect to the Products in an amount as required by Lessor, naming Lessor as an additional insured. Upon Lessor's prior written consent, Lessee may provide this insurance pursuant to Lessee's existing

self insurance policy. Lessee shall either provide Lessor with an annual certificate of third party insurance or a written description of its self insurance policy, as applicable. The certificate of insurance will provide that Lessor shall receive at least ten (10) days prior written notice of any material change to or cancellation of the insurance policy.

(b) If the Products are lost, stolen, destroyed, damaged beyond repair or in the event of any condemnation, confiscation, seizure or expropriation of any Products ("Casualty Products"), Lessee shall promptly (i) notify Lessor of the same, and (ii) pay to Lessor the Stipulated Loss Value for the Casualty Products. The "Stipulated Loss Value" of any Product is an amount equal to the sum of (a) all Rent and other amounts then due and owing (including interest at the Overdue Rate from the due date until payment is received) under the Lease, plus (b) the present value of all future Rent to become due under the Lease during the remainder of the Lease Term, plus (c) the present value of the estimated in place Fair Market Value of the Product at the end of the Primary Term as determined by Lessor. Each of (b) and (c) shall be calculated using the discount rate of the Federal Reserve Bank of Chicago on the Commencement Date of the applicable Schedule.

9. ALTERATIONS.

Lessee shall, at its expense, make such alterations to Products during the Lease Term as are legally required or provided at no charge by Seller. Lessee may make other alterations, additions or improvements to Products provided that any alteration, addition or improvement shall be readily removable and shall not materially impair the value or utility of the Product. Upon the return of any Product to Lessor, any alteration, addition or improvement that is not removed by Lessee shall become the property of Lessor, free and clear of all liens and encumbrances.

10. REPRESENTATIONS AND WARRANTIES OF LESSEE.

(a) Lessee represents, warrants and covenants to Lessor at the time Lessee enters into this Agreement and each Schedule that:

(i) Lessee is an entity duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization and in all jurisdictions with respect to which its ownership or its conduct of business or leasing of property requires such qualification;

(ii) The execution and delivery of and performance under this Agreement, any Schedules, Certificates of Incumbency or other documents related to a Lease ("Documents") to which Lessee is a party have been authorized by all necessary action, and have been executed and delivered on Lessee's behalf by persons duly authorized in that regard. The Documents constitute legal, valid and binding agreements of Lessee, enforceable against Lessee in accordance with their respective terms except as limited by bankruptcy or other similar laws;

(iii) The execution and delivery of or performance under the Documents do not contravene Lessee's charter or bylaws or any law, regulation, order, writ, decree, judgment, or other form of prohibition of which Lessee is aware is binding on it or its assets; and does not and will not contravene the provisions of, or constitute a default under, or result in the creation of a lien upon the Products under any material indenture, mortgage, contract, or other instrument to which it is a party or by which it or its assets are bound;

(iv) To the best of Lessee's knowledge, there is no action, suit or proceeding pending or, to the knowledge of Lessee, threatened in any court or tribunal or before any competent authority against Lessee or any of its property or assets which challenges the Documents or any of the transactions contemplated hereunder or which may have a material adverse effect on the financial condition or business of Lessee; and

(v) The financial statements and other information furnished and to be furnished to Lessor by Lessee are and shall be true and correct in all material respects, and since the date that such financial statements or information were prepared, there has not been any material adverse change in Lessee's business or condition, financial or otherwise.

(b) If any person guarantees payment or performance by Lessee of any liabilities or obligations of Lessee under this Agreement or any Schedule (a "Guarantor"), the preceding representations, warranties and covenants

shall be deemed to be made by Lessee on behalf of such Guarantor as if such Guarantor were named in addition to Lessee therein.

11. WARRANTY ASSIGNMENT; EXCLUSION OF WARRANTIES; LIMITATION OF LIABILITY; FINANCE LEASE.

(a) Provided no Event of Default has occurred and is continuing, Lessor assigns to Lessee for the Lease Term the benefit of any Product warranty and any right of return provided by any Seller.

(b) LESSEE ACKNOWLEDGES THAT LESSOR DID NOT SELECT, MANUFACTURE, SUPPLY OR LICENSE ANY PRODUCT AND THAT LESSEE HAS MADE THE SELECTION OF PRODUCTS BASED UPON ITS OWN JUDGMENT AND EXPRESSLY DISCLAIMS ANY RELIANCE ON STATEMENTS MADE BY LESSOR OR ITS AGENTS. LESSOR LEASES THE PRODUCTS AS-IS AND MAKES NO WARRANTY, EXPRESS, IMPLIED, OR OTHERWISE, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF DESIGN, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE. LESSEE HEREBY WAIVES ANY CLAIM IT MIGHT HAVE AGAINST LESSOR OR ITS ASSIGNEE FOR ANY LOSS, DAMAGE OR EXPENSE CAUSED BY OR WITH RESPECT TO ANY PRODUCTS.

(c) IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR ANY SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR RELATED TO THIS AGREEMENT, ANY SCHEDULE OR THE SALE, LEASE OR USE OF ANY PRODUCTS, EVEN IF THE OTHER PARTY IS ADVISED IN ADVANCE OF THE POSSIBILITY OR CERTAINTY OF SUCH DAMAGES AND EVEN IF THAT PARTY ASSERTS OR ESTABLISHES A FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY PROVIDED IN THIS AGREEMENT.

(d) Lessee agrees that it is the intent of both parties that each Lease qualify as a statutory finance lease under Article 2A of the Uniform Commercial Code ("UCC"). Lessee acknowledges either (i) that Lessee has reviewed and approved any written supply contract covering the Products purchased from the Seller for lease to Lessee or (ii) that Lessor has informed or advised Lessee, in writing, either previously or by this Agreement, that Lessee may have rights under the supply contract evidencing the purchase of the Products and that Lessee should contact the Seller for a description of any such rights. TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, LESSEE HEREBY WAIVES ALL RIGHTS AND REMEDIES CONFERRED UPON A LESSEE BY ARTICLE 2A of the UCC.

12. EVENTS OF DEFAULT.

It shall be an event of default hereunder and under any Schedule ("Event of Default") if:

(a) Lessee fails to pay any Rent or other amounts payable under this Agreement or any Schedule within 30 days after the date that such payment is due;

(b) Any representation or warranty made by Lessee or any Guarantor to Lessor in connection with this Agreement, any Schedule or any other Document is at the time made materially untrue or incorrect;

(c) Lessee fails to comply with any other obligation or provision of this Agreement or any Schedule and such failure shall have continued for 30 days after notice from Lessor;

(d) Lessee (i) is generally not paying its debts as they become due or (ii) takes action for the purpose of invoking the protection of any bankruptcy or insolvency law, or any such law is invoked against or with respect to Lessee or its property and such petition is not dismissed within 60 days; or

(e) Lessee or any Guarantor is in default under any other lease, contract, or obligation now existing or hereafter entered into with Lessor or Seller or any assignee of Lessor.

13. REMEDIES.

(a) Upon an Event of Default under any Schedule, all of Lessee's rights (including its rights to the Products), but not its obligations thereunder,

shall automatically be cancelled without notice and Lessor may exercise one or more of the following remedies in its sole discretion:

(i) require Lessee to return any or all Products as provided in Section 7 and/or if requested by Lessor, assemble the Products in a single location designated by Lessor granting Lessor the right to enter the premises where such Products are located for the purpose of repossession;

(ii) sell, lease or otherwise dispose of any or all Products (as agent and attorney-in-fact for Lessee to the extent necessary) upon such terms and in such manner (at public or private sale) as Lessor deems advisable in its sole discretion (a "Disposition");

(iii) declare immediately due and payable as a pre-estimate of liquidated damages for loss of bargain and not as a penalty, the Stipulated Loss Value of the Products in lieu of any further Rent, in which event Lessee shall pay such amount to Lessor within 10 days after the date of Lessor's demand; or

(iv) proceed by appropriate court action either at law or in equity (including an action for specific performance) to enforce performance by Lessee or recover damages associated with such Event of Default or exercise any other remedy available to Lessor in law or in equity.

(b) Lessee shall pay all costs incurred by Lessor in connection with an Event of Default, including reasonable legal fees and expenses, and all costs related to the repossession, transportation, re-furbishing, storage and Disposition of any or all Products ("Default Expenses"). In the event Lessor recovers proceeds from its Disposition of the Products, Lessor shall credit such proceeds (net of Default Expenses) against the owed Stipulated Loss Value. Lessee shall remain liable to Lessor for any deficiency. With respect to this Section, to the extent the proceeds of a Disposition (net of Default Expenses) exceed the Stipulated Loss Value owed under the Lease, or if Lessee has paid Lessor the Stipulated Loss Value, the Default Expenses and all other amounts owing under the Lease, Lessee shall be entitled to such excess and shall have no further obligations with respect to such Lease. All rights of Lessor are cumulative and not alternative and may be exercised by Lessor separately or together.

14. QUIET ENJOYMENT.

Lessor shall not interfere with Lessee's right to possession and quiet enjoyment of Products during the relevant Lease Term, provided no Event of Default has occurred and is continuing. Lessor represents and warrants that as of the Commencement Date of the applicable Schedule, Lessor has the right to lease the Products to Lessee.

15. INDEMNIFICATION.

Lessee is responsible for losses, damages, penalties, claims, costs (including attorneys' fees and expenses), actions, suits and proceedings of every kind, (collectively "Claims") whether based on a theory of strict liability or otherwise caused by or related to this Lease or the Products, (including any defects in the Products). Upon Lessor's request Lessee will reimburse and defend Lessor against any Claims.

16. OWNERSHIP; LIENS AND ENCUMBRANCES; LABELS.

As between Lessor and Lessee, title to Products (other than any Licensed Materials) is and shall remain with Lessor. Products are considered personal property and Lessee shall, at Lessee's expense, keep Products free and clear of liens and encumbrances of any kind (except those arising through the acts of Lessor) and shall immediately notify Lessor if Lessor's interest is subject to compromise. Lessee shall not remove, cover, or alter plates, labels, or other markings placed upon Products by Lessor, Seller or any other supplier.

17. NON PERFORMANCE BY LESSEE.

If Lessee fails to perform any of its obligations hereunder or under any Schedule, Lessor shall have the right but not the obligation to effect such performance and Lessee shall promptly reimburse Lessor for all out of pocket and other reasonable expenses incurred in connection with such performance, with interest at the Overdue Rate.

18. NOTICES.

All notices shall be given in writing and, except for billings and communications in the ordinary course of business, shall be delivered by

overnight courier service, delivered personally or sent by certified mail, return receipt requested and shall be effective from the date of receipt unless mailed, in which case the effective date will be 4 Business Days after the date of mailing. Notices to Lessor by Lessee shall be sent to: Dell Financial Services L.L.C., Legal Department, One Dell Way, Round Rock, TX 78682, or such other mailing address designated in writing by Lessor. Notice to Lessee shall be to the address on the first page of this Agreement or such other mailing address designated in writing by Lessee.

19. ASSIGNMENT.

(a) LESSEE MAY ASSIGN THIS AGREEMENT OR ANY SCHEDULE, OR SUBLEASE ANY PRODUCT(S) WITH THE PRIOR WRITTEN CONSENT OF LESSOR (SUCH CONSENT NOT TO BE UNREASONABLY WITHHELD). LESSOR, AT ITS SOLE DISCRETION, MAY ASSESS AN ADMINISTRATIVE FEE FOR ANY APPROVED ASSIGNMENT OR SUBLEASE. No assignment or sublease shall in any way discharge Lessee's obligations to Lessor under this Agreement or any Schedule.

(b) Lessor may at any time and without notice, but subject to the rights of Lessee, transfer, assign, or grant a security interest in any Product, this Agreement, any Schedule, or any rights and obligations hereunder or thereunder, in whole or in part.

(c) Subject to the foregoing, this Agreement and each Schedule shall be binding upon and inure to the benefit of Lessor, Lessee and their successors and assigns.

20. GOVERNING LAW; JURISDICTION AND VENUE; WAIVER OF JURY TRIAL.

THIS AGREEMENT AND EACH SCHEDULE SHALL BE GOVERNED BY TEXAS LAW WITHOUT REGARD TO ITS CONFLICTS OF LAWS PRINCIPLES AND, TO THE EXTENT APPLICABLE, THE ELECTRONIC SIGNATURES IN GLOBAL AND NATIONAL COMMERCE ACT. LESSEE CONSENTS TO THE JURISDICTION OF ANY FEDERAL COURT LOCATED IN TRAVIS COUNTY, TEXAS AND WAIVES ANY OBJECTION TO VENUE, AND FURTHER WAIVES ANY RIGHT TO A TRIAL BY JURY.

21. MISCELLANEOUS.

(a) The headings used in this Agreement are for convenience only and shall have no legal effect. This Agreement shall be interpreted without any strict construction in favor of or against either party.

(b) The provisions of Sections 5, 10, 11(b), 11(c), 11(d), 15, 20 and 21 shall continue in full force and effect even after the term or expiration of this Agreement or any Schedule.

(c) Failure of Lessor at any time to require Lessee's performance of any obligation shall not affect the right to require performance of that obligation. No term, condition or provision of this Agreement or any Schedule shall be waived or deemed to have been waived by Lessor unless it is in writing and signed by a duly authorized representative of Lessor. A valid waiver is limited to the specific situation for which it was given.

(d) Lessee shall furnish such financial statements of Lessee and any Guarantor (prepared in accordance with generally accepted accounting principles) and other financial information, Certificates of Incumbency or other documents related to a Lease as Lessor may from time to time reasonably request.

(e) If any provision(s) of this Agreement is deemed invalid or unenforceable to any extent (other than provisions going to the essence of this Agreement) the same shall not in any respect affect the validity, legality or enforceability (to the fullest extent permitted by law) of the remainder of this Agreement, and the parties shall use their best efforts to replace such illegal, invalid or unenforceable provisions with an enforceable provision approximating, to the extent possible, the original intent of the parties.

(f) Unless otherwise provided, all obligations hereunder shall be performed or observed at the respective party's expense.

(g) Lessee shall take any action reasonably requested by Lessor for the purpose of fully effectuating the intent and purposes of this Agreement or any Schedule. The parties intend for each Lease to constitute a true lease under the UCC and all applicable laws; however, if any Lease is determined to be other than a true lease, Lessee hereby grants to Lessor a first priority security interest in the Products and all proceeds thereof. Lessee acknowledges that by signing this Agreement, Lessee has authorized Lessor to file any financing statements or related filings as Lessor may reasonably deem necessary or appropriate. Lessor may file a copy of this Agreement or any Schedule in lieu of a financing statement.

(h) This Agreement and any Schedule may be signed in any number of counterparts each of which when so executed or otherwise authenticated and delivered shall be an original but all counterparts shall together constitute one and the same instrument. To the extent each Schedule would constitute chattel paper as such term is defined in the UCC, no security interest may be created through the transfer or control or possession, as applicable, of a counterpart of a Schedule other than the original in Lessor's possession marked by Lessor as either "Original" or "Counterpart Number 1".

(i) If any Lease is determined to be a lease intended as security, in no event shall Lessee be obligated to pay any time price balance differential in excess of the maximum amount permitted by applicable law (as specified herein or the state where the Products are located, whichever law permits the greater amount). In the event Lessor shall receive anything of value under a Lease that is deemed interest which would exceed the maximum amount of interest allowed under the law, the excess amount shall be applied to the reduction of the unpaid time price balance or shall be refunded to Lessee. In order to reduce the unpaid time price balance, any amount deemed interest shall, to the fullest extent permitted by applicable law, be amortized and spread uniformly throughout the Lease Term.

(j) This Agreement and the Schedules hereto between Lessor and Lessee set forth the entire agreement between the parties and supersede and merge all prior written or oral communications, understandings, or agreements between the parties relating to the subject matter contained herein. Except as permitted herein, this Agreement and any Schedule may be amended only by a writing duly signed or otherwise authenticated by Lessor and Lessee.

(k) If Lessee delivers this signed Master Lease, or any Schedule, amendment or other document related to the Master Lease (each a "Document") to Lessor by facsimile transmission, and Lessor does not receive all of the pages of that Document, Lessee agrees that, except for any pages which require a signature, Lessor may supply the missing pages to the Document from Lessor's database which conforms to the version number at the bottom of the page. If Lessee delivers a signed Document to Lessor as an e-mail attachment, facsimile transmission or by U.S. mail, Lessee acknowledges that Lessor is relying on Lessee's representation that the Document has not been altered. Lessee further agrees that, notwithstanding any rule of evidence to the contrary, in any hearing, trial or proceeding of any kind with respect to a Document, Lessor may produce a tangible copy of the Document transmitted by Lessee to Lessor by facsimile or as an e-mail attachment and such signed copy shall be deemed to be the original of the Document. To the extent (if any) that the Document constitutes chattel paper under the Uniform Commercial Code, the authoritative copy of the Document shall be the copy designated by Lessor or its assignee, from time to time, as the copy available for access and review by Lessee, Lessor or its assignee. All other copies are deemed identified as copies of the authoritative copy. In the event of inadvertent destruction of the authoritative copy, or corruption of the authoritative copy for any reason or as the result of any cause, the authoritative copy may be restored from a backup or archive copy, and the restored copy shall become the authoritative copy. At Lessor's option, this electronic record may be converted into paper form. At such time, such paper copy will be designated or marked as the authoritative copy of the Document.

EXECUTED by the undersigned on the dates set forth below, to be effective as of the Effective Date.

“Lessee”

BY: _____

NAME: _____

TITLE: _____

DATE: _____

Dell Financial Services L.L.C.

“Lessor”

BY: _____

NAME: _____

TITLE: _____

DATE: _____

**Instructions for completing the attached
Certificate of Incumbency and Authority form.**

1. The person named here should be able to attest to the authority of the signor to sign multi-year contracts on behalf of your business. Please include your title (i.e., CEO, CFO, CTO, President, Vice President or Secretary).

I, _____ do hereby certify that (i) I am the duly elected, qualified, and acting _____ of _____ (the "Lessee"); (ii) each of the persons whose name, title

2. The persons named/signatures in this section are those authorized to sign a multi-year contract that will create a liability for your business. The person who attests to this authority cannot be the same person as the authorized signatory/ies.

NAME OF AUTHORIZED
SIGNATORY

TITLE OF AUTHORIZED
SIGNATORY

SIGNATURE OF AUTHORIZED
SIGNATORY

3. Include here the signature, printed name, and title of the person identified in No. 1 above.

By: _____

Name: _____

Title: _____

Date: _____



LESSEE'S CERTIFICATE OF INCUMBENCY
AND AUTHORITY

I, _____, do hereby certify that (i) I am the duly elected, qualified, and acting _____ of _____ (the "Lessee"); (ii) each of the persons whose name, title and signature appear below is a duly authorized representative of the Lessee and holds on the date of this Certificate the formal title(s) set forth opposite his/her name; (iii) the signature appearing opposite each such person's name is his/her genuine signature; (iv) each such representative is duly authorized for and on behalf of the Lessee to execute and deliver that certain Master Lease Agreement No. _____ ("Agreement") and any related Schedules from time to time thereunder between the Lessee and _____, a _____ or its assignee and designee (collectively "Lessor"), and all agreements, documents and instruments in connection therewith, including without limitation, schedules, riders, and acceptance certificates, and (v) the execution and delivery of any such Agreement and/or Schedules and all agreements, documents, and instruments in connection therewith for and on behalf of the Lessee are not prohibited by or in any manner restricted by the terms of the Lessee's Certificate or Articles of Incorporation, By-laws or other document pursuant to which it is organized or of any loan agreement, indenture or contract to which the Lessee is a party or by which it or any of its property is bound. I do further certify that the foregoing authority shall remain in full force and effect, and Lessor shall be entitled to rely upon same, until written notice of the modification, rescission, or revocation of same, in whole or in part, has been delivered to Lessor, but in any event, shall be effective with respect to any documents executed or actions taken in reliance upon the foregoing authority prior to the delivery to Lessor of such written notice.

NAME OF AUTHORIZED SIGNATORY	TITLE OF AUTHORIZED SIGNATORY	SIGNATURE OF AUTHORIZED SIGNATORY
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

By: _____
Name: _____
Title: _____
Date: _____

Dell Financial Services



Dell Financial Services Private/Commercial Entity Lease Schedules

Fair Market Value Lease
\$1 Out Purchase Option Lease
Software Schedule

[Customer Name]
MASTER LEASE AGREEMENT SCHEDULE NO.

THIS SCHEDULE IS SUBJECT TO AND INCORPORATES THE TERMS AND CONDITIONS OF MASTER LEASE AGREEMENT NO. ("Agreement") DATED BETWEEN DELL FINANCIAL SERVICES L.L.C. ("Lessor") AND ("Lessee"). If the entity named on this Schedule is not the Lessee named under the Agreement, then such entity, if an affiliate of Lessee approved in writing in advance by Lessor, shall be deemed the Lessee under this Schedule.

Lessor hereby agrees to lease and/or make available to Lessee subject to the terms, conditions and provisions set forth in this Schedule and in the Agreement, the Products described below. Any capitalized term used herein and not defined herein shall have the meaning ascribed to it in the Agreement.

PRODUCT DESCRIPTION AND LOCATION: See below or Exhibit "A" attached to and made a part hereof.

PRODUCT SELLER:

<u>Product Description</u>	<u>Product Location</u>	<u>Lessee Purchase Order No.</u>	<u>Rent*</u>	<u>Primary Term (Mos.)</u>	<u>Commencement Date**</u>
See Exhibit 'A'	See Exhibit 'A'				

Total Product Acquisition Cost:

Rent is payable: in

Payment Period:

Pro-rated Rent:

*Lessee is responsible for applicable taxes, shipping and other amounts as described in the Agreement, and, with the first payment of Rent, any prorated Rent if applicable. Such amounts are further described in Exhibit "A".

**The Commencement Date may be extended for one Payment Period until the Schedule is returned in accordance with the terms stated in the Agreement. Lessor may charge Lessee prorated Rent accruing from the Acceptance Date to the Commencement Date, as such date is finally determined.

END OF LEASE OPTIONS: Provided that no Event of Default has occurred and is continuing, and at least 90 days but no more than 180 days prior to the expiration of the Primary Term (the "Expiration Date"), Lessee will give irrevocable written notice to Lessor of its intention to either:

- (i) purchase some or all of the Products, as long as the Products comprise a full system configuration (including CPU, monitor, keyboard and mouse for desktops and CPU, cables, modem and other essential accessories for laptops), at Fair Market Value (defined below);
- (ii) renew the Lease Term for a minimum of six (6) months at a rate and for a term agreed upon by both parties; or
- (iii) return Products not purchased or renewed pursuant to (i) or (ii) above in accordance with the Agreement.

If Lessee exercises the option to purchase the Products then, on receipt of payment of the "Fair Market Value" (defined below) plus applicable taxes, Lessor will sell the Products to Lessee AS IS-WHERE IS, WITHOUT WARRANTY OR RECOURSE, EXPRESS, IMPLIED OR OTHERWISE, INCLUDING ANY WARRANTIES OF DESIGN, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR AGAINST INFRINGEMENT. The Fair Market Value purchase price shall be paid on or before the last day of the Primary Term. "Fair Market Value" means the price of the Products, installed, in use and in the condition required by the Agreement as determined by Lessor in its reasonable judgment. If Lessee disagrees with the Fair Market Value, Lessee shall notify Lessor in writing within 60 days prior to the Expiration Date and, upon Lessee's request and within ten (10) days after receipt of Lessee's notice, Lessor shall appoint a qualified appraiser

reasonably acceptable to Lessee to appraise the retail value of the Products. The amount determined by such appraiser shall be the final Fair Market Value. Lessor and Lessee shall share the expense of such appraisal equally.

If Lessee desires to renew a Lease, Lessee and Lessor shall enter into a supplement to this Schedule describing the length of the renewal Lease Term and the renewal Rent provided, however, all other terms of this Schedule and the Agreement shall remain in full force and effect.

Whether or not Lessee has given Lessor notice of its intent to purchase, renew or return as described above, if Lessee does not return or purchase the Products or renew the Lease as required above, the Lease Term shall automatically extend on a month-to-month basis at the Rent in effect on the last day of the Primary Term (prorated on a monthly basis if the Payment Period was other than monthly during the Primary Term). Such extension shall continue until Lessee: (i) provides 30 days prior written notice of its intention to return or purchase the Products (to take effect on the next Rent payment date that is at least 30 days after the notice is received by Lessor) and (ii) either returns or purchases all of the Products in accordance with the End of Lease options above. Payments of Rent during the month-to-month extension are due and payable monthly as specified in Lessor's invoice. If Lessee fails to return or purchase any Products, the Schedule and associated Rent for the Products that have not been returned or purchased shall extend on a month-to-month basis in accordance with the prior sentence.

COMPLETION OF SCHEDULE: Lessee hereby authorizes Lessor to insert or update the serial numbers of the Products from time to time as necessary.

If Lessee delivers this signed Schedule, any amendment or other document related to this Schedule or the Master Lease (each a "Document") to Lessor by facsimile transmission, and Lessor does not receive all of the pages of that Document, Lessee agrees that, except for any pages which require a signature, Lessor may supply the missing pages to the Document from Lessor's database which conforms to the version number at the bottom of the page. If Lessee delivers a signed Document to Lessor as an e-mail attachment, facsimile transmission or by U.S. mail, Lessee acknowledges that Lessor is relying on Lessee's representation that the Document has not been altered. Lessee further agrees that, notwithstanding any rule of evidence to the contrary, in any hearing, trial or proceeding of any kind with respect to a Document, Lessor may produce a tangible copy of the Document transmitted by Lessee to Lessor by facsimile or as an e-mail attachment and such signed copy shall be deemed to be the original of the Document. To the extent (if any) that the Document constitutes chattel paper under the Uniform Commercial Code, the authoritative copy of the Document shall be the copy designated by Lessor or its assignee, from time to time, as the copy available for access and review by Lessee, Lessor or its assignee. All other copies are deemed identified as copies of the authoritative copy. In the event of inadvertent destruction of the authoritative copy, or corruption of the authoritative copy for any reason or as the result of any cause, the authoritative copy may be restored from a backup or archive copy, and the restored copy shall become the authoritative copy. At Lessor's option, this electronic record may be converted into paper form. At such time, such paper copy will be designated or marked as the authoritative copy of the Document.

By signing below, each of the parties hereto agrees to be bound by the terms of the Agreement, this Schedule and the attached Exhibit "A".

"Lessee"

DELL FINANCIAL SERVICES L.L.C.
"Lessor"

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

MASTER LEASE AGREEMENT SCHEDULE NO.

THIS SCHEDULE IS SUBJECT TO AND INCORPORATES THE TERMS AND CONDITIONS OF MASTER LEASE AGREEMENT NO. ("Agreement") DATED BETWEEN DELL FINANCIAL SERVICES L.L.C. ("Lessor") AND ("Lessee"). If the entity named on this Schedule is not the Lessee named under the Agreement, then such entity, if an affiliate of Lessee approved in writing in advance by Lessor, shall be deemed the Lessee under this Schedule.

Lessor hereby agrees to lease and/or make available to Lessee subject to the terms, conditions and provisions set forth in this Schedule and in the Agreement, the Products described below. Any capitalized term used herein and not defined herein shall have the meaning ascribed to it in the Agreement.

PRODUCT DESCRIPTION AND LOCATION: See below or Exhibit "A" attached to and made a part hereof.

PRODUCT SELLER:

<u>Product Description</u>	<u>Product Location</u>	<u>Lessee Purchase Order No.</u>	<u>Rent*</u>	<u>Primary Term (Mos.)</u>	<u>Commencement Date**</u>
See Exhibit 'A'	See Exhibit 'A'				

Total Product Acquisition Cost:

Rent is payable: in

Payment Period:

Pro-rated Rent:

*Lessee is responsible for applicable taxes, shipping and other amounts as described in the Agreement, and, with the first payment of Rent, any prorated Rent if applicable. Such amounts are further described in Exhibit "A".

**The Commencement Date may be extended for one Payment Period until the Schedule is returned in accordance with the terms stated in the Agreement. Lessor may charge Lessee prorated Rent accruing from the Acceptance Date to the Commencement Date, as such date is finally determined.

END OF LEASE OPTIONS: Provided that no Event of Default has occurred and is continuing at the expiration of the Lease Term, Lessee shall have the option to (i) purchase the Products for \$1.00; or (ii) return the Products in accordance with the Agreement for a disposal fee agreed upon by both parties.

SECURITY INTEREST: As a continuing security interest for Lessee's obligation hereunder, Lessee hereby grants to Lessor a first priority security interest in all of Lessee's rights and interests in and to the Products and all proceeds thereof, free and clear of all security interests, liens or encumbrances whatsoever.

COMPLETION OF SCHEDULE: Lessee hereby authorizes Lessor to insert or update the serial numbers of the Products from time to time as necessary.

If Lessee delivers this signed Schedule, any amendment or other document related to this Schedule or the Master Lease (each a "Document") to Lessor by facsimile transmission, and Lessor does not receive all of the pages of that Document, Lessee agrees that, except for any pages which require a signature, Lessor may supply the missing pages to the Document from Lessor's database which conforms to the version number at the bottom of the page. If Lessee delivers a signed Document to Lessor as an e-mail attachment, facsimile transmission or by U.S. mail, Lessee acknowledges that Lessor is relying on Lessee's representation that the Document has not been altered. Lessee further agrees that, notwithstanding any rule of evidence to the contrary, in any hearing, trial or proceeding of any kind with respect to a Document, Lessor may produce a tangible copy of the Document transmitted by Lessee to Lessor by facsimile or as an e-mail attachment and such signed copy shall be deemed to be the original of the Document. To the extent (if any) that the Document constitutes chattel paper under the Uniform Commercial Code, the authoritative copy of the Document shall be the copy designated by Lessor

or its assignee, from time to time, as the copy available for access and review by Lessee, Lessor or its assignee. All other copies are deemed identified as copies of the authoritative copy. In the event of inadvertent destruction of the authoritative copy, or corruption of the authoritative copy for any reason or as the result of any cause, the authoritative copy may be restored from a backup or archive copy, and the restored copy shall become the authoritative copy. At Lessor's option, this electronic record may be converted into paper form. At such time, such paper copy will be designated or marked as the authoritative copy of the Document.

By signing below, each of the parties hereto agrees to be bound by the terms of the Agreement, this Schedule and the attached Exhibit "A".

"Lessee"	DELL FINANCIAL SERVICES L.L.C. "Lessor"
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

[LESSEE NAME]
MASTER LEASE AGREEMENT SCHEDULE NO.
(SOFTWARE AND/OR SERVICES ONLY FINANCING SCHEDULE)

THIS SCHEDULE IS SUBJECT TO AND INCORPORATES THE TERMS AND CONDITIONS OF MASTER LEASE AGREEMENT NO. AND ANY AMENDMENTS, IF APPLICABLE, ("Agreement") DATED BETWEEN DELL FINANCIAL SERVICES L.L.C. ("Lessor") AND ("Lessee"). If the entity named on this Schedule is not the Lessee named under the Agreement, then such entity, if an affiliate of Lessee approved in writing in advance by Lessor, shall be deemed the Lessee under this Schedule.

Lessor hereby agrees to lease and/or make available to Lessee subject to the terms, conditions and provisions set forth in this Schedule and in the Agreement, the Products described below. Any capitalized term used herein and not defined herein shall have the meaning ascribed to it in the Agreement.

PRODUCT DESCRIPTION AND LOCATION: See below or Exhibit "A" attached to and made a part hereof.

PRODUCT SELLER:

<u>Product Description</u>	<u>Product Location</u>	<u>Lessee Purchase Order No.</u>	<u>Rent*</u>	<u>Primary Term (Mos.)</u>	<u>Commencement Date**</u>
See Exhibit 'A'	See Exhibit 'A'				

Total Product Acquisition Cost:

Rent is payable: in

Interest Rate:

Payment Period:

*Lessee is responsible for applicable taxes, shipping and other amounts as described in the Agreement, and, with the first payment of Rent, any prorated Rent if applicable. Such amounts are further described in Exhibit "A".

**The Commencement Date may be extended for one Payment Period until the Schedule is returned in accordance with the terms stated in the Agreement. Lessor may charge Lessee prorated Rent accruing from the Acceptance Date to the Commencement Date, as such date is finally determined.

NATURE OF SCHEDULE: Lessee and Lessor acknowledge that this Schedule is strictly a financing arrangement providing for the repayment of a lease purchase in the amount of the Lessor's Basis (as defined below) made by Lessor to Lessee by performing Lessee's payment obligations to the Product Seller under Lessee's Purchase Order referenced above and is to be repaid as and when set forth herein. The amount of the Rent payments provided for herein represents payments of principal and interest on such lease purchase.

PRODUCTS CONSISTING SOLELY OF SOFTWARE AND/OR SERVICES: The Products covered by this Schedule consist exclusively of the Software and/or services identified on Exhibit A; that Lessee hereby acknowledges have been delivered, installed, and accepted by Lessee. Lessee and Lessor agree that (i) any language in the Agreement pertaining to Lessor's ownership of the Products and (ii) the following sections of the Agreement shall not apply to this Schedule: 7 (Return); 9 (Alterations); 13(a)(ii) (in so far as it purports to provide Lessor a right to sell, lease, or otherwise dispose of any Products that would violate the underlying license, service or similar agreement); and, 16 (Ownership; Liens and Encumbrances; Labels). Notwithstanding the foregoing, Lessee acknowledges that the remaining terms and conditions of the Agreement shall apply to this Schedule including without limitation: Sections 4 (Rent; Taxes; Payment Obligation); 5 (Licensed Materials); 11 (Warranty Assignment; Exclusion of Warranties; Limitation of Liability; Finance Lease); 15 (Indemnification); and, 21(i) (Limit on Interest Charges). This Schedule shall terminate upon the expiration of the Primary Term without extension or renewal; provided, however, that such termination of the Schedule shall not effect obligations of Lessee accruing prior to the termination.

ADDITIONAL PROVISIONS: For purposes of this Schedule, the "Lessor's Basis" shall consist of the following amounts: (i) the Total Product Acquisition Cost set forth above; plus (ii) all other amounts that become due and owing under this Schedule that are not included in the amounts paid to Lessor pursuant to clause (i). As security for Lessee's obligations hereunder, Lessee grants Lessor, a first-priority security interest in all of Lessee's rights and interest in and to the Products (including with respect to any Software or services, Lessee's right to use the Software and right to obtain the services) and all proceeds thereof (including without limitation any refunds with respect to the Software and services financed under this Schedule (each a "Refund") that are received by Lessee or that Lessee has a right to receive), free and clear of all security interests, liens or encumbrances whatsoever. Upon Lessor's written instructions after an Event of Default with respect to this Schedule, Lessee agrees to (a) immediately cease using the Software and obtaining the services, (b) deinstall and delete all copies of the Software from any computer systems owned or controlled by Lessee or used for Lessee's benefit, and (c) provide Lessor with a certificate signed by an authorized representative of Lessee attesting to such cessation of use and services, deinstallation, deletion and destruction. In the event that Lessee shall be entitled to a Refund from the Seller, Lessee authorizes Lessor to deliver a copy of this Schedule to the Seller as evidence of Lessee's consent to Lessor's collection and receipt of the Refund directly; provided, however, nothing herein shall obligate Lessor to pursue Lessee's Refund rights (if any do exist) or modify, excuse or limit Lessee's obligations pursuant to this Schedule that Lessee acknowledges and agrees are absolute and unconditional. Lessor shall apply any Refund actually received by Lessor against the next scheduled Rent payment(s) and all other amounts owed under this Schedule. Lessee agrees that it shall owe any unpaid amounts hereunder remaining after application of such Refund. Finally, notwithstanding anything in the Agreement to the contrary, the Stipulated Loss Value that Lessee may be required to pay Lessor upon an Event of Default under this Schedule shall equal the total sum of the then remaining payments due and unpaid under this Schedule for the Primary Term discounted at the lesser of (x) the discount rate of the Federal Reserve Bank of Chicago on the Commencement Date of this Schedule and (y) the interest rate set forth above.

COMPLETION OF SCHEDULE: Lessee hereby authorizes Lessor to insert or update the serial numbers of the Products as necessary.

If Lessee delivers this signed Schedule, any amendment or other document related to this Schedule or the Master Lease (each a "Document") to Lessor by facsimile transmission, and Lessor does not receive all of the pages of that Document, Lessee agrees that, except for any pages which require a signature, Lessor may supply the missing pages to the Document from Lessor's database which conforms to the version number at the bottom of the page. If Lessee delivers a signed Document to Lessor as an e-mail attachment, facsimile transmission or by U.S. mail, Lessee acknowledges that Lessor is relying on Lessee's representation that the Document has not been altered. Lessee further agrees that, notwithstanding any rule of evidence to the contrary, in any hearing, trial or proceeding of any kind with respect to a Document, Lessor may produce a tangible copy of the Document transmitted by Lessee to Lessor by facsimile or as an e-mail attachment and such signed copy shall be deemed to be the original of the Document. To the extent (if any) that the Document constitutes chattel paper under the Uniform Commercial Code, the authoritative copy of the Document shall be the copy designated by Lessor or its assignee, from time to time, as the copy available for access and review by Lessee, Lessor or its assignee. All other copies are deemed identified as copies of the authoritative copy. In the event of inadvertent destruction of the authoritative copy, or corruption of the authoritative copy for any reason or as the result of any cause, the authoritative copy may be restored from a backup or archive copy, and the restored copy shall become the authoritative copy. At Lessor's option, this electronic record may be converted into paper form. At such time, such paper copy will be designated or marked as the authoritative copy of the Document.

By signing below, each of the parties hereto agrees to be bound by the terms of the Agreement, this Schedule and the attached Exhibit "A".

<p>"Lessee"</p> <p>By: _____</p> <p>Name: _____</p> <p>Title: _____</p> <p>Date: _____</p>	<p>DELL FINANCIAL SERVICES L.L.C.</p> <p>"Lessor"</p> <p>By: _____</p> <p>Name: _____</p> <p>Title: _____</p> <p>Date: _____</p>
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Pharos Financial Services Public Master Lease Agreement



EFFECTIVE DATE:
MASTER LEASE AGREEMENT NO.

LESSOR: PHAROS FINANCIAL SERVICES L.P.

LESSEE:

Mailing Address:

One Dell Way
Round Rock, TX 78682

Principal Address:

Fax:
Attention:

This Master Lease Agreement ("Agreement"), effective as of the Effective Date set forth above, is between the Lessor and Lessee named above. Capitalized terms have the meaning set forth in this Agreement.

1. LEASE.

Lessor hereby leases to Lessee and Lessee hereby leases the equipment ("Products"), Software (defined below), and services or fees, where applicable, as described in any lease schedule ("Schedule"). Each Schedule shall incorporate by reference the terms and conditions of this Agreement and contain such other terms as are agreed to by Lessee and Lessor. Each Schedule shall constitute a separate lease of Products ("Lease"). In the event of any conflict between the terms of a Schedule and the terms of this Agreement, the terms of the Schedule shall prevail. Lessor reserves all rights to the Products not specifically granted to Lessee in this Agreement or in a Schedule. Execution of this Agreement does not create an obligation of either party to lease to or from the other.

2. ACCEPTANCE DATE; SCHEDULE.

(a) Subject to any right of return provided by the Product seller ("Seller"), named on the Schedule, Products are deemed to have been irrevocably accepted by Lessee upon delivery to Lessee's ship to location ("Acceptance Date"). Lessee shall be solely responsible for unpacking, inspecting and installing the Products.

(b) Lessor shall deliver to Lessee a Schedule for Products. Lessee agrees to sign or otherwise authenticate (as defined under the Uniform Commercial Code, "UCC") and return each Schedule by the later of the Acceptance Date or five (5) days after Lessee receives a Schedule from Lessor. If the Schedule is not signed or otherwise authenticated by Lessee within the time provided in the prior sentence, then upon written notice from Lessor and Lessee's failure to cure within five (5) days of such notice, Lessor may require the Lessee to purchase the Products by paying the Product Cost charged by the Seller, plus any shipping charges, Taxes or Duties (defined below) and interest at the Overdue Rate accruing from the date the Products are shipped through the date of payment. If Lessee returns any leased Products in accordance with the Seller's return policy, it will notify Lessor. When Lessor receives a credit from the Seller for the returned Product, the Schedule will be deemed amended to reflect the return of the Product and Lessor will adjust its billing records and Lessee's invoice for the applicable Lease. In addition, Lessee and Lessor agree that a signed Schedule may be amended by written notice from Lessor to Lessee provided such notice is (i) to correct the serial (or service tag) number of Products or (ii) to adjust the related Rent (defined below) on the Schedule (any increase up to 15% or any decrease) caused by any change made by Lessee in Lessee's order with the Seller.

3. TERM.

The initial term (the "Primary Term") for each Lease shall begin on the date set forth on the Schedule as the Commencement Date (the

"Commencement Date"). The period beginning on the Acceptance Date and ending on the last day of the Primary Term, together with any renewals or extensions thereof, is defined as the "Lease Term". The Lease is noncancelable by Lessee, except as expressly provided in Section 5.

4. RENT; TAXES; PAYMENT OBLIGATION.

(a) The rental payment amount ("Rent") and the payment period for each installment of Rent ("Payment Period") shall be stated in the Schedule. A prorated portion of Rent calculated based on a 30-day month, 90-day quarter or 360-day year (as appropriate) for the period from the Acceptance Date to the Commencement Date shall be added to the first payment of Rent. All Rent and other amounts due and payable under this Agreement or any Schedule shall be paid to Lessor in lawful funds of the United States of America at the payment address for Lessor set forth above or at such other address as Lessor may designate in writing from time to time. Whenever Rent and other amounts payable under a Lease are not paid when due, Lessee shall pay interest on such amounts at a rate equal to the lesser of 1% per month or the highest such rate permitted by applicable law ("Overdue Rate"). Rent shall be due and payable whether or not Lessee has received an invoice showing such Rent is due. Late charges and reasonable attorney's fees necessary to recover Rent and other amounts owed hereunder are considered an integral part of this Agreement. The rate factors used for the calculation of the payment are based in part on similar or like term swap or T-bill rates as published by the US Federal Reserve Board. In the event the applicable rates change between Lessor initially providing the rate factors and the commencement of a Schedule, Lessor reserves the right to change the applicable rate factor commensurate with the change in the applicable rates.

(b) EACH LEASE SHALL BE A NET LEASE. In addition to Rent, Lessee shall pay sales, use, excise, purchase, property, added value or other taxes, fees, levies or assessments lawfully assessed or levied against Lessor or with respect to the Products and the Lease (collectively "Taxes"), and customs, duties or surcharges on imports or exports (collectively, "Duties"), plus all expenses incurred in connection with Lessor's purchase and Lessee's use of the Products, including but not limited to shipment, delivery, installation, and insurance. Unless Lessee provides Lessor with a tax exemption certificate acceptable to the relevant taxing authority prior to Lessor's payment of such Taxes, Lessee shall pay to Lessor all Taxes and Duties upon demand by Lessor. Lessor may, at its option, invoice Lessee for estimated personal property tax with the Rent Payment. Lessee shall pay all utility and other charges incurred in the use and maintenance of the Products.

(c) EXCEPT AS EXPRESSLY PROVIDED IN SECTION 5, LESSEE'S OBLIGATION TO PAY ALL RENT AND OTHER AMOUNTS WHEN DUE AND TO OTHERWISE PERFORM AS REQUIRED UNDER THIS AGREEMENT AND EACH SCHEDULE SHALL BE ABSOLUTE AND UNCONDITIONAL, AND SHALL NOT BE SUBJECT TO ANY ABATEMENT, REDUCTION, SET-OFF, DEFENSE, COUNTERCLAIM, INTERRUPTION, DEFERMENT OR RECOUPMENT FOR ANY REASON WHATSOEVER WHETHER ARISING OUT OF ANY CLAIMS BY LESSEE

AGAINST LESSOR, LESSOR'S ASSIGNS, THE SELLER, OR THE SUPPLIER OR MANUFACTURER OF THE PRODUCTS, TOTAL OR PARTIAL LOSS OF THE PRODUCTS OR THEIR USE OR POSSESSION, OR OTHERWISE. If any Product is unsatisfactory for any reason, Lessee shall make its claim solely against the Seller of such Product (or the Licensor in the case of Software, as defined below) and shall nevertheless pay Lessor or its assignee all amounts due and payable under the Lease.

5. APPROPRIATION OF FUNDS.

(a) Lessee intends to continue each Schedule for the Primary Term and to pay the Rent and other amounts due thereunder. Lessee reasonably believes that legally available funds in an amount sufficient to pay all Rent during the Primary Term can be obtained and agrees to do all things lawfully within its power to obtain and maintain funds from which the Rent and other amounts due may be paid.

(b) Lessee may terminate a Schedule in whole, but not in part by giving at least sixty (60) days' notice prior to the end of the then current Fiscal Period (as defined in the Lessee's Secretary/Clerk's Certificate provided to Lessor) certifying that: (1) sufficient funds were not appropriated and budgeted by Lessee's governing body or will not otherwise be available to continue the Lease beyond the current Fiscal Period; and (2) that the Lessee has exhausted all funds legally available for payment of the Rent beyond the current Fiscal Period. Upon termination of the Schedule, Lessee's obligations under the Schedule (except those that expressly survive the end of the Lease Term) and any interest in the Products shall cease and Lessee shall surrender the Products in accordance with Section 8. Notwithstanding the foregoing, Lessee agrees that, without creating a pledge, lien or encumbrance upon funds available to Lessee in other than its current Fiscal Period, it will use its best efforts to take all action necessary to avoid termination of a Schedule, including making budget requests for each Fiscal Period during each applicable Lease Term for adequate funds to meet its Lease obligations and to continue the Schedule in force..

(c) Lessor and Lessee intend that the obligation of Lessee to pay Rent and other amounts due under a Lease constitutes a current expense of Lessee and is not to be construed to be a debt in contravention of any applicable constitutional or statutory limitation on the creation of indebtedness or as a pledge of funds beyond Lessee's current Fiscal Period.

6. LICENSED MATERIALS.

Software means any operating system software or computer programs included with the Products (collectively, "Software"). "Licensed Materials" are any manuals and documents, end user license agreements, evidence of licenses, including, without limitation, any certificate of authenticity and other media provided in connection with such Software, all as delivered with or affixed as a label to the Products. Lessee agrees that this Agreement and any Lease (including the sale of any Product pursuant to any purchase option) does not grant any title or interest in Software or Licensed Materials. Any use of the terms "sell," "purchase," "license," "lease," and the like in this Agreement or any Schedule with respect to Software shall be interpreted in accordance with this Section 6.

7. USE; LOCATION; INSPECTION.

Lessee shall: (a) comply with all terms and conditions of any Licensed Materials; and (b) possess and operate the Products only (i) in accordance with the Seller's supply contract and any service provider's maintenance and operating manuals, the documentation and applicable laws; and (ii) for the business purposes of Lessee. Lessee agrees not to move Products from the location specified in the Schedule without providing Lessor with at least 30 days prior written notice, and then only to a location within the continental United States and at Lessee's expense. Without notice to Lessor, Lessee may temporarily use laptop computers at other locations, including outside the United States, provided Lessee complies with the United States Export Control Administration Act of 1979 and the Export Administration Act of 1985, as those Acts are amended from time to time (or any successor or similar legislation). Provided Lessor complies with Lessee's reasonable security requirements, Lessee shall allow Lessor to inspect the premises where the Products are located from time to time during reasonable hours after

reasonable notice in order to confirm Lessee's compliance with its obligations under this Agreement.

8. RETURN.

At the expiration or earlier termination of the Lease Term of any Schedule, and except for Products purchased pursuant to any purchase option under the Lease, Lessee will (a) remove all proprietary data from the Products and (b) return them to Lessor at a place within the contiguous United States designated by Lessor. Upon return of the Products, Lessee's right to the operating system Software in returned Products will terminate and Lessee will return the Products with the original certificate of authenticity (attached and unaltered) for the original operating system Software. Lessee agrees to deinstall and package the Products for return in a manner which will protect them from damage. Lessee shall pay all costs associated with the packing and return of the Products and shall promptly reimburse Lessor for all costs and expenses for missing or damaged Products or operating system Software. If Lessee fails to return all of the Products at the expiration of the Lease Term or earlier termination (other than for non-appropriation) in accordance with this Section, the Lease Term with respect to the Products that are not returned shall continue to be renewed as described in the Schedule.

9. RISK OF LOSS; MAINTENANCE; INSURANCE.

(a) From the date the Products are delivered to Lessee's ship to location until the Products are returned to Lessor's designated return location or purchased by Lessee, Lessee agrees: (i) to assume the risk of loss or damage to the Products; (ii) to maintain the Products in good operating condition and appearance, ordinary wear and tear excepted; (iii) to comply with all requirements necessary to enforce all warranty rights; and (iv) to promptly repair any repairable damage to the Products. During the Lease Term, Lessee at its sole discretion has the option to purchase a maintenance agreement from the provider of its choice (including, if it so chooses, to self-maintain the Products) or to forgo such maintenance agreement altogether; regardless of Lessee's choice, Lessee will continue to be responsible for its obligations as stated in the first sentence of this Section. At all times, Lessee shall provide the following insurance: (x) casualty loss insurance for the Products for no less than the Stipulated Loss Value (defined below) naming Lessor as loss payee; and (y) liability insurance with respect to the Products for no less than an amount as required by Lessor, with Lessor named as an additional insured; and (z) such other insurance as may be required by law which names Lessee as an insured and Lessor as an additional insured. Upon Lessor's prior written consent, Lessee may provide this insurance pursuant to Lessee's existing self-insurance policy or as provided for under state law. Lessee shall provide Lessor with either an annual certificate of third party insurance or a written description of its self-insurance policy or relevant law, as applicable. The certificate of insurance will provide that Lessor shall receive at least ten (10) days prior written notice of any material change to or cancellation of the insurance policy or Lessee's self-insurance program, if previously approved by Lessor. If Lessee does not give Lessor evidence of insurance in accordance with the standards herein, Lessor has the right, but not the obligation, to obtain such insurance covering Lessor's interest in the Products for the Lease Term, including renewals. If Lessor obtains such insurance, Lessor will add a monthly, quarterly or annual charge (as appropriate) to the Rent to reimburse Lessor for the insurance premium and Lessor's then current insurance administrative fee.

(b) If the Products are lost, stolen, destroyed, damaged beyond repair or in the event of any condemnation, confiscation, seizure or expropriation of such Products ("Casualty Products"), Lessee shall promptly (i) notify Lessor of the same and (ii) pay to Lessor the Stipulated Loss Value for the Casualty Products. The Stipulated Loss Value is an amount equal to the sum of (a) all Rent and other amounts then due and owing (including interest at the Overdue Rate from the due date until payment is received) under the Lease, plus (b) the present value of all future Rent to become due under the Lease during the remainder of the Lease Term, plus (c) the present value of the estimated in place Fair Market Value of the Product at the end of the Primary Term as determined by Lessor; plus (d) all other amounts to become due and owing during the remaining Lease Term. Unless priced as a tax-exempt Schedule, each of (b) and (c) shall be calculated using the federal funds rate target reported in the Wall Street Journal on the Commencement Date of the applicable Schedule. The discount rate applicable to tax-exempt Schedules shall be federal funds

rate target reported in the Wall Street Journal on the Commencement Date of the applicable Schedule less 100 basis points.

10. ALTERATIONS.

Lessee shall, at its expense, make such alterations to Products during the Lease Term as are legally required or provided at no charge by Seller. Lessee may make other alterations, additions or improvements to Products provided that any alteration, addition or improvement shall be readily removable and shall not materially impair the value or utility of the Products. Upon the return of any Product to Lessor, any alteration, addition or improvement that is not removed by Lessee shall become the property of Lessor free and clear of all liens and encumbrances.

11. REPRESENTATIONS AND WARRANTIES OF LESSEE.

Lessee represents, warrants and covenants to Lessor and will provide to Lessor at Lessor's request all documents deemed necessary or appropriate by Lessor, including Certificates of Insurance, financial statements, Secretary or Clerk Certificates, essential use information or documents (such as affidavits, notices and similar instruments in a form satisfactory to Lessor) and Opinions of Counsel (in substantially such form as provided to Lessee by Lessor and otherwise satisfactory to Lessor) to the effect that, as of the time Lessee enters into this Agreement and each Schedule that:

(a) Lessee is an entity duly organized and existing under and by virtue of the authorizing statute or constitutional provisions of its state and is a state or political subdivision thereof as described in Section 103(a) of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder as in effect and applicable to the Agreement or any Schedule, with full power and authority to enter into this Agreement and any Schedules and perform all of its obligations under the Leases;

(b) This Agreement and each Schedule have been duly authorized, authenticated and delivered by Lessee by proper action of its governing board at a regularly convened meeting and attended by the requisite majority of board members, or by other appropriate official authentication, as applicable, and all requirements have been met and procedures have occurred in order to ensure the validity and enforceability of this Agreement against Lessee;

(c) This Agreement and each Schedule constitute the valid, legal and binding obligations of Lessee, enforceable in accordance with their terms;

(d) No other approval, consent or withholding of objection is required from any federal, state or local governmental authority or instrumentality with respect to the entering into or performance by Lessee of the Agreement or any Schedule and the transactions contemplated thereby;

(e) Lessee has complied with such public bidding requirements and other state and federal laws as may be applicable to the Agreement and any Schedule and the acquisition by Lessee of the Products;

(f) The entering into and performance of the Agreement or any Schedule will not (i) violate any judgment, order, law or regulation applicable to Lessee; (ii) result in any breach of, or constitute a default under, any instrument to which the Lessee is a party or by which it or its assets may be bound; or (iii) result in the creation of any lien, charge, security interest or other encumbrance upon any assets of the Lessee or on the Products, other than those created pursuant to this Agreement;

(g) There are no actions, suits, proceedings, inquiries or investigations, at law or in equity, before or by any court, public board or body, pending or threatened against or affecting Lessee, nor to the best of Lessee's knowledge and belief is there any basis therefor, which if determined adversely to Lessee will have a material adverse effect on the ability of Lessee to fulfill its obligations under the Agreement or any Schedule;

(h) The Products are essential to the proper, efficient and economic operation of Lessee or to the services which Lessee provides to its citizens. Lessee expects to make immediate use of the Products, for which it has an immediate need that is neither temporary nor expected to diminish during the applicable Lease Term. The Products will be used for the sole purpose of performing one or more of Lessee's governmental or

proprietary functions consistent within the permissible scope of Lessee's authority; and

(i) Lessee has, in accordance with the requirements of law, fully budgeted and appropriated sufficient funds to make all Rent payments and other obligations under this Agreement and any Schedule during the current Fiscal Period, and such funds have not been expended for other purposes.

12. WARRANTY ASSIGNMENT; EXCLUSION OF WARRANTIES; LIMITATION OF LIABILITY; FINANCE LEASE.

(a) Provided no Event of Default has occurred and is continuing, Lessor assigns to Lessee for the Lease Term the benefit of any Product warranty and any right of return provided by any Seller.

(b) LESSEE ACKNOWLEDGES THAT LESSOR DID NOT SELECT, MANUFACTURE, SUPPLY OR LICENSE ANY PRODUCT AND THAT LESSEE HAS MADE THE SELECTION OF PRODUCTS BASED UPON ITS OWN JUDGMENT AND EXPRESSLY DISCLAIMS ANY RELIANCE ON STATEMENTS MADE BY LESSOR OR ITS AGENTS. LESSOR LEASES THE PRODUCTS AS-IS AND MAKES NO WARRANTY, EXPRESS, IMPLIED, OR OTHERWISE, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF DESIGN, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE. LESSEE HEREBY WAIVES ANY CLAIM IT MIGHT HAVE AGAINST LESSOR OR ITS ASSIGNEE FOR ANY LOSS, DAMAGE OR EXPENSE CAUSED BY OR WITH RESPECT TO ANY PRODUCTS.

(c) IN NO EVENT SHALL LESSOR BE LIABLE FOR ANY ACTUAL, SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR RELATED TO THIS AGREEMENT, ANY SCHEDULE OR THE SALE, LEASE OR USE OF ANY PRODUCTS EVEN IF LESSOR IS ADVISED IN ADVANCE OF THE POSSIBILITY OR CERTAINTY OF SUCH DAMAGES AND EVEN IF LESSEE ASSERTS OR ESTABLISHES A FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY PROVIDED IN THIS AGREEMENT.

(d) Lessee agrees that it is the intent of both parties that each lease qualify as a statutory finance lease under Article 2A of the UCC. Lessee acknowledges either (i) that Lessee has reviewed and approved any written supply contract covering the Products purchased from the Seller for lease to Lessee or (ii) that Lessor has informed or advised Lessee, in writing, either previously or by this Agreement, that Lessee may have rights under the supply contract evidencing the purchase of the Products and that Lessee should contact the Seller for a description of any such rights. TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, LESSEE HEREBY WAIVES ALL RIGHTS AND REMEDIES CONFERRED UPON A LESSEE BY ARTICLE 2A OF THE UCC.

13. EVENTS OF DEFAULT.

It shall be an event of default hereunder and under any Schedule ("Event of Default") if:

(a) Lessee fails to pay any Rent or other amounts payable under this Agreement or any Schedule within 15 days after the date that such payment is due;

(b) Any representation or warranty made by Lessee to Lessor in connection with this Agreement, any Schedule or any other Document is at the time made materially untrue or incorrect;

(c) Lessee fails to comply with any other obligation or provision of this Agreement or any Schedule and such failure shall have continued for 30 days after notice from Lessor;

(d) Lessee (i) is generally not paying its debts as they become due or (ii) takes action for the purpose of invoking the protection of any bankruptcy or insolvency law, or any such law is invoked against or with respect to Lessee or its property and such petition is not dismissed within 60 days; or

(e) Any provision of this Agreement ceases to be valid and binding on Lessee, is declared null and void, or its validity or enforceability is contested by Lessee or any governmental agency or authority whereby the loss of such provision would materially adversely affect the rights or

security of Lessor, or Lessee denies any further liability or obligation under this Agreement; or

(f) Lessee is in default under any other lease, contract, or obligation now existing or hereafter entered into with Lessor or Seller or any assignee of Lessor.

14. REMEDIES: TERMINATION

(a) Upon an Event of Default under any Schedule all of Lessee's rights (including its rights to the Products), but not its obligations thereunder, shall automatically be cancelled without notice and Lessor may exercise one or more of the following remedies in its sole discretion:

(i) require Lessee to return any and all such Products in accordance with Section 8, or if requested by Lessor, to assemble the Products in a single location designated by Lessor and to grant Lessor the right to enter the premises where such Products are located (regardless of where assembled) for the purpose of repossession;

(ii) sell, lease or otherwise dispose of any or all Products (as agent and attorney-in-fact for Lessee to the extent necessary) upon such terms and in such manner (at public or private sale) as Lessor deems advisable in its sole discretion (a "Disposition");

(iii) declare immediately due and payable as a pre-estimate of liquidated damages for loss of bargain and not as a penalty, the Stipulated Loss Value of the Products in lieu of any further Rent, in which event Lessee shall pay such amount to Lessor within 10 days after the date of Lessor's demand; or

(iv) proceed by appropriate court action either at law or in equity (including an action for specific performance) to enforce performance by Lessee or recover damages associated with such Event of Default or exercise any other remedy available to Lessor in law or in equity.

(b) Lessee shall pay all costs and expenses arising or incurred by Lessor, including reasonable attorney fees, in connection with or related to an Event of Default or the repossession, transportation, re-furbishing, storage and Disposition of any or all Products ("Default Expenses"). In the event Lessor recovers proceeds (net of Default Expenses) from its Disposition of the Products, Lessor shall credit such proceeds against the owed Stipulated Loss Value. Lessee shall remain liable to Lessor for any deficiency. With respect to this Section, to the extent the proceeds of the Disposition (net of Default Expenses) exceed the Stipulated Loss Value owed under the Lease, or Lessee has paid Lessor the Stipulated Loss Value, the Default Expenses and all other amounts owing under the Lease, Lessee shall be entitled to such excess and shall have no further obligations with respect to such Lease. All rights of Lessor are cumulative and not alternative and may be exercised by Lessor separately or together.

15. QUIET ENJOYMENT.

Lessor shall not interfere with Lessee's right to possession and quiet enjoyment of Products during the relevant Lease Term, provided no Event of Default has occurred and is continuing. Lessor represents and warrants that as of the Commencement Date of the applicable Schedule, Lessor has the right to lease the Products to Lessee.

16. INDEMNIFICATION.

To the extent permitted by law, Lessee shall indemnify, defend and hold Lessor, its assignees, and their respective officers, directors, employees, representatives and agents harmless from and against, all claims, liabilities, costs or expenses, including legal fees and expenses (collectively, "Claims"), arising from or incurred in connection with this Agreement, any Schedule, or the selection, manufacture, possession, ownership, use, condition, or return of any Products (including Claims for personal injury or death or damage to property, and to the extent Lessee is responsible, Claims related to the subsequent use or Disposition of the Products or any data in or alteration of the Products. This indemnity shall not extend to any loss caused solely by the gross negligence or willful misconduct of Lessor. Lessee shall be responsible for the defense and resolution of such Claim at its expense and shall pay any amount for resolution and all costs and damages awarded against or incurred by Lessor or any other person indemnified hereunder; provided, however, that any person indemnified hereunder shall have the right to participate in

the defense of such Claim with counsel of its choice and at its expense and to approve any such resolution. Lessee shall keep Lessor informed at all times as to the status of the Claim.

17. OWNERSHIP; LIENS AND ENCUMBRANCES; LABELS.

As between Lessor and Lessee, title to Products (other than any Licensed Materials) is and shall remain with Lessor. Products are considered personal property and Lessee shall, at Lessee's expense, keep Products free and clear of liens and encumbrances of any kind (except those arising through the acts of Lessor) and shall immediately notify Lessor if Lessor's interest is subject to compromise. Lessee shall not remove, cover, or alter plates, labels, or other markings placed upon Products by Lessor, Seller or any other supplier.

18. NON PERFORMANCE BY LESSEE.

If Lessee fails to perform any of its obligations hereunder or under any Schedule, Lessor shall have the right but not the obligation to effect such performance and Lessee shall promptly reimburse Lessor for all out of pocket and other reasonable expenses incurred in connection with such performance, with interest at the Overdue Rate.

19. NOTICES.

All notices shall be given in writing and, except for billings and communications in the ordinary course of business, shall be delivered by overnight courier service, delivered personally or sent by certified mail, return receipt requested, and shall be effective from the date of receipt unless mailed, in which case the effective date will be four (4) Business Days after the date of mailing. Notices to Lessor by Lessee shall be sent to: Pharos Financial Services L.P., Attn. Legal Department, One Dell Way, Round Rock, TX 78682, or such other mailing address designated in writing by Lessor. Notice to Lessee shall be to the address on the first page of this Agreement or such other mailing address designated in writing by Lessee.

20. ASSIGNMENT.

(a) LESSEE MAY ASSIGN THIS AGREEMENT OR ANY SCHEDULE, OR SUBLEASE ANY PRODUCT(S) WITH THE PRIOR WRITTEN CONSENT OF LESSOR (SUCH CONSENT NOT TO BE UNREASONABLY WITHHELD). LESSOR, AT ITS SOLE DISCRETION, MAY ASSESS AN ADMINISTRATIVE FEE FOR ANY APPROVED ASSIGNMENT OR SUBLEASE. No assignment or sublease shall in any way discharge Lessee's obligations to Lessor under this Agreement or Schedule.

(b) Lessor may at any time without notice to Lessee, but subject to the rights of Lessee, transfer, assign, or grant a security interest in any Product, this Agreement, any Schedule, or any rights and obligations hereunder or thereunder in whole or in part. Lessee hereby consents to such assignments, agrees to comply fully with the terms thereof, and agrees to execute and deliver promptly such acknowledgments, opinions of counsel and other instruments reasonably requested to effect such assignment.

(c) Subject to the foregoing, this Agreement and each Schedule shall be binding upon and inure to the benefit of Lessor, Lessee and their successors and assigns.

21. GOVERNING LAW; JURISDICTION AND VENUE; WAIVER OF JURY TRIAL.

THIS AGREEMENT AND EACH SCHEDULE SHALL BE GOVERNED BY LAW WITHOUT REGARD TO ITS CONFLICTS OF LAWS PRINCIPLES AND, TO THE EXTENT APPLICABLE, THE ELECTRONIC SIGNATURES IN GLOBAL AND NATIONAL COMMERCE ACT. LESSEE CONSENTS TO THE JURISDICTION OF ANY FEDERAL COURT LOCATED IN , AND WAIVES ANY OBJECTION TO VENUE IN SUCH COURT, AND FURTHER WAIVES ANY RIGHT TO A TRIAL BY JURY.

22. MISCELLANEOUS.

(a) The headings used in this Agreement are for convenience only and shall have no legal effect. This Agreement shall be interpreted without any strict construction in favor of or against either party.

(b) The provisions of Sections 6, 8, 11, 12(b), 12(c), 12(d), 16, 21 and 22 shall continue in full force and effect even after the term or expiration of this Agreement or any Schedule.

(c) Failure of Lessor at any time to require Lessee's performance of any obligation shall not affect the right to require performance of that obligation. No term, condition or provision of this Agreement or any Schedule shall be waived or deemed to have been waived by Lessor unless it is in writing and signed by a duly authorized representative of Lessor. A valid waiver is limited to the specific situation for which it was given.

(d) Lessee shall furnish such financial statements of Lessee (prepared in accordance with generally accepted accounting principles) and other information as Lessor may from time to time reasonably request.

(e) If any provision(s) of this Agreement is deemed invalid or unenforceable to any extent (other than provisions going to the essence of this Agreement) the same shall not in any respect affect the validity, legality or enforceability (to the fullest extent permitted by law) of the remainder of this Agreement, and the parties shall use their best efforts to replace such illegal, invalid or unenforceable provisions with an enforceable provision approximating, to the extent possible, the original intent of the parties.

(f) Unless otherwise provided, all obligations hereunder shall be performed or observed at the respective party's expense.

(g) Lessee shall take any action reasonably requested by Lessor for the purpose of fully effectuating the intent and purposes of this Agreement or any Schedule. If any Lease is determined to be other than a true lease, Lessee hereby grants to Lessor a first priority security interest in the Products and all proceeds thereof. Lessee acknowledges that by signing this Agreement, Lessee has authorized Lessor to file any financing statements or related filings as Lessor may reasonably deem necessary or appropriate. Lessor may file a copy of this Agreement or any Schedule in lieu of a financing statement.

(h) This Agreement and any Schedule may be signed in any number of counterparts each of which when so executed or otherwise authenticated and delivered shall be an original but all counterparts shall together constitute one and the same instrument. To the extent each Schedule would constitute chattel paper as such term is defined in the UCC, no security interest may be created through the transfer or control or possession, as applicable, of a counterpart of a Schedule other than the original in Lessor's possession marked by Lessor as either "Original" or "Counterpart Number 1".

(i) This Agreement and the Schedules hereto between Lessor and Lessee set forth all of the understandings and agreements between the parties and supersede and merge all prior written or oral communications, understandings, or agreements between the parties relating to the subject matter contained herein. Except as permitted herein, this Agreement and any Schedule may be amended only by a writing duly signed or otherwise authenticated by Lessor and Lessee.

(j) If Lessee delivers this signed Master Lease, or any Schedule, amendment or other document related to the Master Lease (each a "Document") to Lessor by facsimile transmission, and Lessor does not receive all of the pages of that Document, Lessee agrees that, except for any pages which require a signature, Lessor may supply the missing pages to the Document from Lessor's database which conforms to the version number at the bottom of the page. If Lessee delivers a signed Document to Lessor as an e-mail attachment, facsimile transmission or by U.S. mail, Lessee acknowledges that Lessor is relying on Lessee's representation that the Document has not been altered. Lessee further agrees that, notwithstanding any rule of evidence to the contrary, in any hearing, trial or proceeding of any kind with respect to a Document, Lessor may produce a tangible copy of the Document transmitted by Lessee to Lessor by facsimile or as an e-mail attachment and such signed copy shall be deemed to be the original of the Document. To the extent (if any) that the Document constitutes chattel paper under the Uniform Commercial Code, the authoritative copy of the Document shall be the copy designated

by Lessor or its assignee, from time to time, as the copy available for access and review by Lessee, Lessor or its assignee. All other copies are deemed identified as copies of the authoritative copy. In the event of inadvertent destruction of the authoritative copy, or corruption of the authoritative copy for any reason or as the result of any cause, the authoritative copy may be restored from a backup or archive copy, and the restored copy shall become the authoritative copy. At Lessor's option, this electronic record may be converted into paper form. At such time, such paper copy will be designated or marked as the authoritative copy of the Document.

EXECUTED by the undersigned on the dates set forth below,
to be effective as of the Effective Date.

{Lessee Name}
"Lessee"

BY: _____
NAME: _____
TITLE: _____
DATE: _____

PHAROS FINANCIAL SERVICES L.P.
By: PHAROS FINANCIAL SERVICES, INC. ITS GENERAL
PARTNER
"Lessor"

BY: _____
NAME: _____
TITLE: _____
DATE: _____



Secretary/Clerk Certificate Instructions

1. In the blocks under paragraph (ii) with the headings "NAME OF AUTHORIZED SIGNATORY", "TITLE OF AUTHORIZED SIGNATORY" and "SIGNATURE OF AUTHORIZED SIGNATORY", all persons who are authorized to execute and deliver the **Agreement** and any related Lease Schedule(s) from time to time thereunder between the Public Entity and **Customer** should write or type his/her name under the "Name of Authorized Signatory" heading, write or type his/her title under the "Title of Authorized Signatory" heading, and sign his/her name under the "Signature of Authorized Signatory" heading in the block across from his/her name and title. **The person(s) listed and executing in the blocks under paragraph (ii) must not be the same person executing the Certificate on behalf of the Public Entity (Clerk, Secretary, etc.) listed at the top of the Certificate and executing in the signature block at the bottom of the Certificate under the "In Witness Whereof" language;**
2. The Clerk, Secretary, etc. should insert the **Agreement** No. in paragraph (iii), if known;
3. The Clerk, Secretary, etc. should strike paragraph (v) of the Certificate if this paragraph is not applicable to the Public Entity;
4. If paragraph (v) of the Certificate is applicable to the Public Entity, the Clerk, Secretary, etc. should insert "regular" or "special" in the first blank and then insert the date of the meeting of the governing body of the Public Entity in the second blank;
5. The Clerk, Secretary, etc. should write or type the Fiscal Period of the Public Entity in paragraph (ix);
6. The Clerk, Secretary, etc. should write or type his/her name, title, name and State of the Public Entity in the top portion of the Certificate and date, sign & print his/her name and title at the bottom of the Certificate under the "In Witness Whereof" language; and
7. If required by local law, the Certificate should be notarized by a notary public. The notary public should be a person other than the Clerk, Secretary, etc. executing under the "In Witness Whereof" language of the Certificate.



SECRETARY/CLERK CERTIFICATE

I, _____, do hereby certify that:

(i) I am the duly elected, qualified, and acting _____ (Clerk, Secretary, etc.)
of _____, a _____ public entity (the "Public Entity").

(ii) Each of the persons whose name, title and signature appear below is a duly authorized representative of the Public Entity and holds on the date of this Certificate the formal title set forth opposite his/her name and the signature appearing opposite each such person's name is his/her genuine signature:

NAME OF AUTHORIZED SIGNATORY (cannot be Clerk/Secretary authenticating this certificate)	TITLE OF AUTHORIZED SIGNATORY	SIGNATURE OF AUTHORIZED SIGNATORY
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

(iii) Each such representative is duly authorized for and on behalf of the Public Entity to execute and deliver that certain **Master Lease Agreement No. _____** (the "Agreement") and any related Lease Schedules from time to time thereunder (the "Schedules") between the Public Entity and Customer, or its assignee (collectively, "Lessor"), and all agreements, documents, and instruments in connection therewith, including without limitation, schedules, riders and certificates of acceptance.

(iv) The execution and delivery of any such Agreement and/or Schedule and all agreements, documents, and instruments in connection therewith for and on behalf of the Public Entity are not prohibited by or in any manner restricted by the terms of the Charter or other document pursuant to which the Public Entity is organized or of any loan agreement, indenture or contract to which the Public Entity is a party or by which it or any of its property is bound.

(v) [STRIKE IF NOT APPLICABLE] The Public Entity did, at a duly called _____ (regular or special) meeting of the governing body of the Public Entity attended throughout by the requisite majority of the members thereof held on the _____ day of _____ by motion duly made, seconded and carried, in accordance with all requirements of law, approve and authorize the execution and delivery of the Agreement, the related Schedule(s) and all agreements, documents, and instruments in connection therewith on behalf of the Public Entity by the authorized representative(s) of the Public Entity named in paragraph (ii) above. Such action approving the Agreement, the related Schedule(s) and all agreements, documents, and instruments in connection therewith and authorizing the execution thereof has not been altered or rescinded by the Public Entity.

(vi) No event or condition that constitutes (or with notice or lapse of time or both, would constitute) an Event of Default, as defined in the Agreement, exists at the date hereof.

(vii) All insurance required in accordance with the Agreement is currently maintained by the Public Entity.

(viii) The Public Entity has, in accordance with the requirements of law, fully budgeted and appropriated sufficient funds for the current budget year to make the Rent payments scheduled to come due during the first Fiscal Period and to meet the Public Entity's other obligations for the first Fiscal Period, as such terms are defined in the Agreement, and such funds have not been expended for other purposes.

(ix) The Fiscal Period of the Public Entity is from _____ to _____.

(x) The foregoing authority and information shall remain true and in full force and effect, and Lessor shall be entitled to rely upon same, until written notice of the modification, rescission, or revocation of same in whole or in part, has been delivered to Lessor, but in any event shall be effective with respect to any documents executed or actions taken in reliance upon the foregoing authority prior to the delivery to Lessor of said written notice of said modification, rescission or revocation.

IN WITNESS WHEREOF:

By: _____

Name: _____

Title: _____
(Clerk or Secretary)

Date: _____

Subscribed to and sworn before me:

Notary Public: _____
(Name)

Date: _____

My commission expires: _____



Pharos Financial Services Lease Schedules

Fair Market Value

Software



**TRUE LEASE SCHEDULE NO.
MASTER LEASE AGREEMENT NO.**

THIS SCHEDULE IS SUBJECT TO AND INCORPORATES THE TERMS AND CONDITIONS OF MASTER LEASE AGREEMENT NO. _____ ("Agreement") DATED _____ BETWEEN PHAROS FINANCIAL SERVICES L.P. ("Lessor") AND _____ ("Lessee").

Lessor hereby agrees to lease and/or make available to Lessee subject to the terms, conditions and provisions set forth in this Schedule and in the Agreement, the Products described below. Any capitalized term used herein and not defined herein shall have the meaning ascribed to it in the Agreement.

PRODUCT DESCRIPTION AND LOCATION: See below or Exhibit "A" attached to and made a part hereof.

PRODUCT SELLER:

<u>Product Description</u>	<u>Product Location</u>	<u>Lessee Purchase Order No.</u>	<u>Rent*</u>	<u>Primary Term (Mos.)</u>	<u>Commencement Date**</u>
See Exhibit 'A'	See Exhibit 'A'				

Total Product Acquisition Cost:

Rent is payable: in

Payment Period:

*Lessee is responsible for applicable taxes, shipping and other amounts as described in the Agreement, and, with the first payment of Rent, any prorated Rent if applicable. Such amounts are further described in Exhibit "A".

**The Commencement Date may be extended for one Payment Period until the Schedule is returned in accordance with the terms in the Agreement. Lessor may charge Lessee prorated Rent accruing from the Acceptance Date to the Commencement Date, as such date is finally determined.

TRUE LEASE PROVISIONS

The following provisions shall apply with respect to this Schedule in addition to those provisions in the Agreement:

1. **TRUE LEASE:** The parties intend for this lease to constitute a true lease of Products under the UCC and all applicable laws. If this Lease is determined to be a lease intended as security, in no event shall Lessee be obligated to pay any time price balance differential in excess of the maximum amount permitted by applicable law (as specified herein or the state where the Products are located, whichever law permits the greater amount). In the event Lessor shall receive anything of value under a Lease that is deemed interest which would exceed the maximum amount of interest allowed under the law, the excess amount shall be applied to the reduction of the unpaid time price balance or shall be refunded to Lessee. In order to reduce the unpaid time price balance, any amount deemed interest shall, to the fullest extent permitted by applicable law, be amortized and spread uniformly throughout the Lease Term."

2. **END OF LEASE OPTIONS.**

(a) Provided that no Event of Default has occurred and is continuing, and at least 90 days but no more than 180 days prior to the expiration of the Primary Term (the "Expiration Date"), Lessee will give irrevocable written notice to Lessor of its intention to either:

- (i) purchase all of the Products at the Fair Market Value (as defined below);
- (ii) renew the Lease Term for a minimum of six (6) months at a rate and for a term agreed upon by both parties; or
- (iii) return all of the Products in accordance with the Agreement.

(b) If Lessee exercises the option to purchase the Products then, upon receipt of payment of the "Fair Market Value" (defined below), plus applicable taxes, Lessor will sell the Products to Lessee AS IS-WHERE IS, WITHOUT WARRANTY OR RECOURSE, EXPRESS, IMPLIED OR OTHERWISE, INCLUDING ANY WARRANTIES OF DESIGN, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR AGAINST INFRINGEMENT. The Fair Market Value purchase price shall be paid on or before the last day of the Primary Term. "Fair Market Value" means the price of the Products, installed, in use and in the condition required by the Agreement as determined by Lessor in its reasonable judgment. If Lessee disagrees with the Fair Market Value, Lessee shall notify Lessor in writing within 60 days prior to the Expiration Date and, upon Lessee's request, and within ten (10) days after receipt of Lessee's notice, Lessor shall appoint a qualified appraiser reasonably acceptable to Lessee to appraise the retail value of the Products. The amount determined by such appraiser shall be the final Fair Market Value. Lessor and Lessee shall share the expense of such appraisal equally.

(c) If Lessee desires to renew a lease, Lessee and Lessor shall enter into a supplement to this Schedule describing the length of the renewal Lease Term and the renewal Rent provided, however, all other terms of this Schedule and the Agreement shall remain in full force and effect.

(d) Whether or not Lessee has given Lessor notice if its intent as described above, if Lessee does not return or purchase the Products or renew the Lease as required above, the Lease Term shall automatically extend on a month-to-month basis at the Rent in effect on the Expiration Date (prorated on a monthly basis if the Payment Period was other than monthly during the Primary Term). Such extension shall continue until Lessee: (i) provides thirty (30) days prior written notice of its intention to return or purchase the Products (to take effect on the next Rent payment date that is at least 30 days after the notice is received by Lessor) and (ii) either returns or purchases all of the Products in accordance with the End of Lease options above. Payments of Rent during the month-to-month extension are due and payable monthly as specified in Lessor's invoice. If Lessee fails to return or purchase any Products, the Schedule and associated Rent for the Products that have not been returned or purchased shall extend on a month-to-month basis in accordance with the prior sentence.

3. **COMPLETION OF SCHEDULE.** Lessee hereby authorizes Lessor to insert or update the serial numbers of the Products from time to time if necessary.

If Lessee delivers this signed Schedule, any amendment or other document related to this Schedule or the Master Lease (each a "Document") to Lessor by facsimile transmission, and Lessor does not receive all of the pages of that Document, Lessee agrees that, except for any pages which require a signature, Lessor may supply the missing pages to the Document from Lessor's database which conforms to the version number at the bottom of the page. If Lessee delivers a signed Document to Lessor as an e-mail attachment, facsimile transmission or by U.S. mail, Lessee acknowledges that Lessor is relying on Lessee's representation that the Document has not been altered. Lessee further agrees that, notwithstanding any rule of evidence to the contrary, in any hearing, trial or proceeding of any kind with respect to a Document, Lessor may produce a tangible copy of the Document transmitted by Lessee to Lessor by facsimile or as an e-mail attachment and such signed copy shall be deemed to be the original of the Document. To the extent (if any) that the Document constitutes chattel paper under the Uniform Commercial Code, the authoritative copy of the Document shall be the copy designated by Lessor or its assignee, from time to time, as the copy available for access and review by Lessee, Lessor or its assignee. All other copies are deemed identified as copies of the authoritative copy. In the event of inadvertent destruction of the authoritative copy, or corruption of the authoritative copy for any reason or as the result of any cause, the authoritative copy may be restored from a backup or archive copy, and the restored copy shall become the authoritative copy. At Lessor's option, this electronic record may be converted into paper form. At such time, such paper copy will be designated or marked as the authoritative copy of the Document.

By signing below, each of the parties hereto agrees to be bound by the terms of the Agreement, this Schedule and the attached Exhibit "A".

<p>"Lessee"</p> <p>By: _____</p> <p>Name: _____</p> <p>Title: _____</p> <p>Date: _____</p>	<p>PHAROS FINANCIAL SERVICES L.P.</p> <p>By: PHAROS FINANCIAL SERVICES, INC. ITS GENERAL PARTNER</p> <p>"Lessor"</p> <p>By: _____</p> <p>Name: _____</p> <p>Title: _____</p> <p>Date: _____</p>
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**MASTER LEASE AGREEMENT SCHEDULE NO.
(SOFTWARE AND/OR SERVICES ONLY FINANCING SCHEDULE)**

THIS SCHEDULE IS SUBJECT TO AND INCORPORATES THE TERMS AND CONDITIONS OF MASTER LEASE AGREEMENT NO. AND ANY AMENDMENTS, IF APPLICABLE, ("Agreement") DATED BETWEEN PHAROS FINANCIAL SERVICES L.P. ("Lessor") AND ("Lessee"). If the entity named on this Schedule is not the Lessee named under the Agreement, then such entity, if an affiliate of Lessee approved in writing in advance by Lessor, shall be deemed the Lessee under this Schedule.

Lessor hereby agrees to lease and/or make available to Lessee subject to the terms, conditions and provisions set forth in this Schedule and in the Agreement, the Products described below. Any capitalized term used herein and not defined herein shall have the meaning ascribed to it in the Agreement.

PRODUCT DESCRIPTION AND LOCATION: See below or Exhibit "A" attached to and made a part hereof.

PRODUCT SELLER: [REDACTED]

<u>Product Description</u>	<u>Product Location</u>	<u>Lessee Purchase Order No.</u>	<u>Rent*</u>	<u>Primary Term (Mos.)</u>	<u>Commencement Date**</u>
See Exhibit 'A'	See Exhibit 'A'				

Total Product Acquisition Cost:

Rent is payable: in

Interest Rate:

Payment Period:

*Lessee is responsible for applicable taxes, shipping and other amounts as described in the Agreement, and, with the first payment of Rent, any prorated Rent if applicable. Such amounts are further described in Exhibit "A".

**The Commencement Date may be extended for one Payment Period until the Schedule is returned in accordance with the terms stated in the Agreement. Lessor may charge Lessee prorated Rent accruing from the Acceptance Date to the Commencement Date, as such date is finally determined.

NATURE OF SCHEDULE: Lessee and Lessor acknowledge that this Schedule is strictly a financing arrangement providing for the repayment of a lease purchase in the amount of the Lessor's Basis (as defined below) made by Lessor to Lessee by performing Lessee's payment obligations to the Product Seller under Lessee's Purchase Order referenced above and is to be repaid as and when set forth herein. The amount of the Rent payments provided for herein represents payments of principal and interest on such lease purchase.

PRODUCTS CONSISTING SOLELY OF SOFTWARE AND/OR SERVICES: The Products covered by this Schedule consist exclusively of the Software and/or services identified on Exhibit A; that Lessee hereby acknowledges have been delivered, installed, and accepted by Lessee. Lessee and Lessor agree that (i) any language in the Agreement pertaining to Lessor's ownership of the Products and (ii) the following sections of the Agreement shall not apply to this Schedule: 7 (Return); 9 (Alterations); 13(a)(ii) (in so far as it purports to provide Lessor a right to sell, lease, or otherwise dispose of any Products that would violate the underlying license, service or similar agreement); and, 16 (Ownership; Liens and Encumbrances; Labels). Notwithstanding the foregoing, Lessee acknowledges that the remaining terms and conditions of the Agreement shall apply to this Schedule including without limitation: Sections 4 (Rent; Taxes; Payment Obligation); 5

(Licensed Materials); 11 (Warranty Assignment; Exclusion of Warranties; Limitation of Liability; Finance Lease); 15 (Indemnification); and, 21(i) (Limit on Interest Charges). This Schedule shall terminate upon the expiration of the Primary Term without extension or renewal; provided, however, that such termination of the Schedule shall not effect obligations of Lessee accruing prior to the termination.

ADDITIONAL PROVISIONS: For purposes of this Schedule, the "Lessor's Basis" shall consist of the following amounts: (i) the Total Product Acquisition Cost set forth above; plus (ii) all other amounts that become due and owing under this Schedule that are not included in the amounts paid to Lessor pursuant to clause (i). As security for Lessee's obligations hereunder, Lessee grants Lessor, a first-priority security interest in all of Lessee's rights and interest in and to the Products (including with respect to any Software or services, Lessee's right to use the Software and right to obtain the services) and all proceeds thereof (including without limitation any refunds with respect to the Software and services financed under this Schedule (each a "Refund") that are received by Lessee or that Lessee has a right to receive), free and clear of all security interests, liens or encumbrances whatsoever. Upon Lessor's written instructions after an Event of Default with respect to this Schedule, Lessee agrees to (a) immediately cease using the Software and obtaining the services, (b) deinstall and delete all copies of the Software from any computer systems owned or controlled by Lessee or used for Lessee's benefit, and (c) provide Lessor with a certificate signed by an authorized representative of Lessee attesting to such cessation of use and services, deinstallation, deletion and destruction. In the event that Lessee shall be entitled to a Refund from the Seller, Lessee authorizes Lessor to deliver a copy of this Schedule to the Seller as evidence of Lessee's consent to Lessor's collection and receipt of the Refund directly; provided, however, nothing herein shall obligate Lessor to pursue Lessee's Refund rights (if any do exist) or modify, excuse or limit Lessee's obligations pursuant to this Schedule that Lessee acknowledges and agrees are absolute and unconditional. Lessor shall apply any Refund actually received by Lessor against the next scheduled Rent payment(s) and all other amounts owed under this Schedule. Lessee agrees that it shall owe any unpaid amounts hereunder remaining after application of such Refund. Finally, notwithstanding anything in the Agreement to the contrary, the Stipulated Loss Value that Lessee may be required to pay Lessor upon an Event of Default under this Schedule shall equal the total sum of the then remaining payments due and unpaid under this Schedule for the Primary Term discounted at the lesser of (x) the discount rate of the Federal Reserve Bank of Chicago on the Commencement Date of this Schedule and (y) the interest rate set forth above.

COMPLETION OF SCHEDULE: Lessee hereby authorizes Lessor to insert or update the serial numbers of the Products as necessary.

If Lessee delivers this signed Schedule, any amendment or other document related to this Schedule or the Master Lease (each a "Document") to Lessor by facsimile transmission, and Lessor does not receive all of the pages of that Document, Lessee agrees that, except for any pages which require a signature, Lessor may supply the missing pages to the Document from Lessor's database which conforms to the version number at the bottom of the page. If Lessee delivers a signed Document to Lessor as an e-mail attachment, facsimile transmission or by U.S. mail, Lessee acknowledges that Lessor is relying on Lessee's representation that the Document has not been altered. Lessee further agrees that, notwithstanding any rule of evidence to the contrary, in any hearing, trial or proceeding of any kind with respect to a Document, Lessor may produce a tangible copy of the Document transmitted by Lessee to Lessor by facsimile or as an e-mail attachment and such signed copy shall be deemed to be the original of the Document. To the extent (if any) that the Document constitutes chattel paper under the Uniform Commercial Code, the authoritative copy of the Document shall be the copy designated by Lessor or its assignee, from time to time, as the copy available for access and review by Lessee, Lessor or its assignee. All other copies are deemed identified as copies of the authoritative copy. In the event of inadvertent destruction of the authoritative copy, or corruption of the authoritative copy for any reason or as the result of any cause, the authoritative copy may be restored from a backup or archive copy, and the restored copy shall become the authoritative copy. At Lessor's option, this electronic record may be converted into paper form. At such time, such paper copy will be designated or marked as the authoritative copy of the Document.

By signing below, each of the parties hereto agrees to be bound by the terms of the Agreement, this Schedule and the attached Exhibit "A".

EXECUTED by the undersigned on the dates set forth below, to be effective as of the Effective Date.

{Lessee Name}

“Lessee”

BY: _____

NAME: _____

TITLE: _____

DATE: _____

PHAROS FINANCIAL SERVICES L.P.
By: PHAROS FINANCIAL SERVICES, INC. ITS
GENERAL PARTNER

“Lessor”

BY: _____

NAME: _____

TITLE: _____

DATE: _____

SAMPLE VALIDITY OPINION LETTER
TO BE EXECUTED ON COUNSEL'S LETTERHEAD

To:

Ladies and Gentlemen:

We are counsel to _____ (the "Lessee") and, in that capacity, we have examined Master Lease Agreement No. _____, dated as of _____, and the Lease Schedule No. _____ to Master Lease Agreement No. _____ thereto, dated as of _____ (collectively the "Agreement"), between the Lessee and [LESSOR NAME HERE] (the "Lessor").

Based on our examination of the Agreement and such other examinations as we have deemed appropriate, we are of the opinion as follows:

(a) The Lessee is an entity duly organized and existing under and by virtue of the authorizing statute or constitutional provisions of the State of _____ and is a state or political subdivision thereof as described in Section 103(a) of the Internal Revenue Code of 1986, as amended, with full power and authority to enter into the Agreement and the transactions contemplated thereby and to perform all of its obligations thereunder;

(b) The Agreement has been duly authorized, executed and delivered by _____*, _____ of the Lessee by proper action of its governing board at a meeting duly called, regularly convened and attended throughout by the requisite majority of the members thereof 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 the Agreement against the Lessee;

(c) The Agreement constitutes the valid, legal and binding obligation of the Lessee, enforceable in accordance with its terms;

(d) No approval, consent or withholding of objection is required from any federal, state or local governmental authority or instrumentality with respect to the entering into or performance by the Lessee of the Agreement and the transactions contemplated thereby;

(e) Lessee has complied with any applicable public bidding requirements and other applicable state and federal laws in connection with the Agreement and the transactions contemplated thereby;

(f) The entering into and performance of the Agreement will not violate any judgment, order, law or regulation applicable to the Lessee or result in any breach of, or constitute a default under, any instrument to which the Lessee is a party or by which it or its assets may be bound, or result in the creation of any lien, charge, security interest or other encumbrance upon any assets of the Lessee or on the Products, other than those created by the Agreement;

(g) The Products are tangible personal property and when subject to use by the Lessee will not be or become fixtures or real property under the laws of the State of _____;

(h) There are no actions, suits, proceedings, inquiries or investigations, at law or in equity, before or by any court, public board or body, pending or threatened against or affecting, nor to the best of our knowledge and belief is there any basis therefor, which, if determined adversely to Lessee, will have a material adverse effect on the ability of the Lessee to fulfill its obligations under the Agreement; and

(i) Lessee has, in accordance with the requirements of law, fully budgeted and appropriated sufficient funds for Lessee's current Fiscal Period to make the Rent payments scheduled to come due during Lessee's current Fiscal Period and to meet its other obligations under the Agreement for the current Fiscal Period, and such funds have not been expended for other purposes.

This opinion is delivered to the addressee for its benefit and the benefit of its assigns for the purpose contemplated by the Agreement.

Very truly yours,

*Authorized Signatory of Lessee under the Agreement.



Pharos Financial Services Private Entity/Commercial Master Lease Agreement



NO.
EFFECTIVE DATE:

MASTER LEASE AGREEMENT

LESSOR: PHAROS FINANCIAL SERVICES L.P.

LESSEE:

Mailing Address:

One Dell Way
Round Rock, TX 78682

Principal Address:

Fax:
Attention:

This Master Lease Agreement ("Agreement"), effective as of the Effective Date set forth above, is between the Lessor and Lessee named above. Capitalized terms have the meaning set forth in this Agreement.

1. LEASE.

Lessor hereby leases to Lessee and Lessee hereby leases from Lessor the equipment ("Products"), software, services or fees described in any lease schedule ("Schedule"). Each Schedule shall incorporate by reference the terms and conditions of this Agreement and contain such other terms as are agreed by Lessee and Lessor. Each Schedule signed or otherwise authenticated by Lessee and Lessor shall constitute a separate lease of Products ("Lease"). In the event of any conflict between the terms of a Schedule and the terms of this Agreement, the terms of the Schedule shall prevail. Lessor reserves all rights to the Products not specifically granted to Lessee in this Agreement or in a Schedule. Execution of this Agreement does not create an obligation of either party to lease to or from the other.

2. ACCEPTANCE DATE; SCHEDULE.

(a) Subject to any right of return provided by the Product seller ("Seller"), named on the Schedule, Products are deemed to have been irrevocably accepted by Lessee upon delivery to Lessee's ship to location ("Acceptance Date"). Lessee shall be solely responsible for unpacking, inspecting and installing the Products.

(b) Lessor shall deliver to Lessee a Schedule for Products. Provided that the Schedule contains no material error, Lessee agrees to sign or otherwise authenticate and return each Schedule by the later of the Acceptance Date or 5 days after Lessee receives a Schedule from Lessor. If the Schedule is not signed or otherwise authenticated by Lessee and returned to Lessor within the time provided in the prior sentence, then upon written notice from Lessor and Lessee's failure to cure within 5 days of such notice, Lessor may require the Lessee to purchase the Products by paying the Product cost charged by the Seller, plus any shipping charges, Taxes and Duties (defined below) and interest at the Overdue Rate (defined below) accruing from the date the Products are shipped through the date of payment. If Lessee returns any leased Products in accordance with the Seller's return policy, it will notify Lessor. When Lessor receives a credit from Seller for the returned Product, the Schedule will be deemed amended to reflect the return of the Product and Lessor will adjust its billing records and Lessee's invoice for the applicable Lease. In addition, Lessee and Lessor agree that a signed Schedule may be amended by written notice from Lessor to Lessee provided such notice is (i) to correct the serial (or service tag) number of Products or (ii) to adjust the related Rent (defined below) on the Schedule (any increase up to 15% or any decrease) caused by any change made by Lessee in Lessee's order with the Seller.

3. TERM.

The initial term ("Primary Term") for each Lease shall begin on the date set forth on the Schedule as the Commencement Date ("Commencement Date") and continue for the number of months set forth in the Schedule. The period beginning on the Acceptance Date and ending on the last day of the Primary Term, together with any renewals or extensions thereof, is defined as the "Lease Term". The Lease is non-cancelable by Lessee.

4. RENT; TAXES; PAYMENT OBLIGATION.

(a) The rental payment amount ("Rent") and the payment period for each installment of Rent ("Payment Period") shall be stated in the Schedule. A prorated portion of Rent, calculated on a 30-day month, 90-day quarter or 360-day year as appropriate, for the period from the Acceptance Date to the Commencement Date shall be added to the first payment of Rent. All Rent and other amounts due and payable under this Agreement or any Schedule shall be paid to Lessor in lawful funds of the United States of America at the payment address set forth above or at such other address as Lessor may designate from time to time in writing. Whenever Rent and other amounts payable under a Lease are not paid when due, Lessee shall pay interest on such amounts at a rate equal to the lesser of 1-1/2% per month or the highest rate permitted by applicable law ("Overdue Rate"). Lessor shall use reasonable commercial efforts to invoice Lessee for all amounts due. The rate factors used for the calculation of the payment are based in part on similar or like term swap or T-bill rates as published by the US Federal Reserve Board. In the event the applicable rates change between Lessor initially providing the rate factors and the commencement of a Schedule, Lessor reserves the right to change the applicable rate factor commensurate with the change in the applicable rates.

(b) Each Lease shall be a net lease. In addition to Rent, Lessee shall pay sales, use, property, added value or other taxes (excepting taxes based on Lessor's income), fees, levies or assessments (collectively, "Taxes"), and customs, duties or surcharges on imports or exports (collectively, "Duties") plus all expenses incurred in connection with Lessor's purchase of the Products, including but not limited to shipment, delivery, installation, and insurance. Unless Lessee provides Lessor with a tax exemption certificate acceptable to the relevant taxing authority prior to Lessor's payment of such Taxes, Lessee shall pay Lessor all Taxes upon demand by Lessor. Unless otherwise set forth in the Schedule and where applicable, Lessee agrees to pay a periodic personal property tax fee ("PPT Fee") calculated by Lessor as a prorated portion of the annual estimated property tax assessed by the applicable taxing authority on the Products during the Lease Term. The PPT Fee shall be payable with each installment of Rent.

(c) LESSEE'S OBLIGATION TO PAY ALL RENT AND OTHER AMOUNTS WHEN DUE AND TO OTHERWISE PERFORM AS REQUIRED UNDER THIS AGREEMENT AND EACH SCHEDULE SHALL BE ABSOLUTE AND UNCONDITIONAL, AND SHALL NOT BE SUBJECT

TO ANY ABATEMENT, REDUCTION, SET-OFF, DEFENSE, COUNTERCLAIM, INTERRUPTION, DEFERMENT OR RECOUPMENT FOR ANY REASON WHATSOEVER WHETHER ARISING OUT OF ANY CLAIMS BY LESSEE AGAINST LESSOR, SELLER, OR THE SUPPLIER OR MANUFACTURER OF THE PRODUCTS, TOTAL OR PARTIAL LOSS OF THE PRODUCTS OR THEIR USE OR POSSESSION, OR OTHERWISE. If any Product is unsatisfactory for any reason, Lessee shall make its claim solely against the Seller of such Product (or the Licensor in the case of Software, each as defined below) and shall, nevertheless, pay Lessor or its assignee all amounts due and payable under the Lease.

5. LICENSED MATERIALS.

Software means any operating system software or computer programs included with the Products (collectively, "Software"). "Licensed Materials" are any manuals and documents, end user license agreements, evidence of licenses, including, without limitation, any certificate of authenticity and other media provided in connection with such Software, all as delivered with or affixed as a label to the Products. Lessee agrees that this Agreement and any Lease (including the sale of any Product pursuant to any purchase option) does not grant any title or interest in Software or Licensed Materials. Any use of the terms "sell," "purchase," "license," "lease," and the like in this Agreement or any Schedule with respect to Software shall be interpreted in accordance with this Section 5.

6. USE; LOCATION; INSPECTION.

Lessee shall: (a) comply with all terms and conditions of any Licensed Materials; and (b) possess and operate the Products only (i) in accordance with the Seller's supply contract and any service provider's maintenance and operating manuals, the documentation and applicable laws; and (ii) for the business purposes of Lessee. Lessee may move Products from the location specified in the Schedule provided that Lessee notifies Lessor by the following May 31st or November 30th (whichever occurs next), and then only to a location within the United States and at Lessee's expense. Without notice to Lessor, Lessee may temporarily use laptop computers at other locations, including outside of the United States, provided Lessee complies with the United States Export Control Administration Act of 1979 and the Export Administration Act of 1985, as those Acts are amended from time to time (or any successor or similar legislation). Provided Lessor complies with Lessee's reasonable security requirements, Lessee shall allow Lessor to inspect the premises where the Products are located from time to time during reasonable hours after reasonable notice in order to confirm Lessee's compliance with its obligations under this Agreement.

7. RETURN.

At the expiration or earlier termination of the Lease Term of any Schedule, and except for Products purchased pursuant to any purchase option under the Lease, Lessee will (a) remove all proprietary data from the Products and (b) return them to Lessor at a place within the contiguous United States designated by Lessor. Upon return of the Products, Lessee's right to the operating system Software in returned Products will terminate and Lessee will return the Products with the original certificate of authenticity (attached and unaltered) for the original operating system Software. Lessee agrees to deinstall and package the Products for return in a manner which will protect them from damage. Lessee shall pay all costs associated with the packing and return of the Products and shall promptly reimburse Lessor for all costs and expenses for missing or damaged Products or operating system Software. If Lessee fails to return all of the Products at the expiration of any applicable Lease Term, the Lease Term with respect to the Products that are not returned shall continue to be renewed as described in the Schedule.

8. RISK OF LOSS; MAINTENANCE; INSURANCE.

(a) From the date the Products are delivered to Lessee's ship to location until the Products are returned to Lessor's designated return location or purchased by Lessee, Lessee agrees: (i) to assume the risk of loss or damage to the Products; (ii) to maintain the Products in good operating condition and appearance, ordinary wear and tear excepted; (iii) to comply with all requirements necessary to enforce all warranty rights; and (iv) to promptly repair any repairable damage to the Products. During the Lease Term, Lessee at its sole discretion has the option to purchase a

maintenance agreement from the provider of its choice (including, if it so chooses, to self-maintain the Products) or to forgo such maintenance agreement altogether; regardless of Lessee's choice, Lessee will continue to be responsible for its obligations as stated in the first sentence of this Section. At all times, Lessee shall provide the following insurance: (i) casualty loss insurance for the Products for no less than the Stipulated Loss Value (defined below) naming Lessor as loss payee; and (ii) liability insurance with respect to the Products in an amount as required by Lessor, naming Lessor as an additional insured. Upon Lessor's prior written consent, Lessee may provide this insurance pursuant to Lessee's existing self insurance policy. Lessee shall either provide Lessor with an annual certificate of third party insurance or a written description of its self insurance policy, as applicable. The certificate of insurance will provide that Lessor shall receive at least ten (10) days prior written notice of any material change to or cancellation of the insurance policy.

(b) If the Products are lost, stolen, destroyed, damaged beyond repair or in the event of any condemnation, confiscation, seizure or expropriation of any Products ("Casualty Products"), Lessee shall promptly (i) notify Lessor of the same, and (ii) pay to Lessor the Stipulated Loss Value for the Casualty Products. The "Stipulated Loss Value" of any Product is an amount equal to the sum of (a) all Rent and other amounts then due and owing (including interest at the Overdue Rate from the due date until payment is received) under the Lease, plus (b) the present value of all future Rent to become due under the Lease during the remainder of the Lease Term, plus (c) the present value of the estimated in place Fair Market Value of the Product at the end of the Primary Term as determined by Lessor. Each of (b) and (c) shall be calculated using the discount rate of the Federal Reserve Bank of Chicago on the Commencement Date of the applicable Schedule.

9. ALTERATIONS.

Lessee shall, at its expense, make such alterations to Products during the Lease Term as are legally required or provided at no charge by Seller. Lessee may make other alterations, additions or improvements to Products provided that any alteration, addition or improvement shall be readily removable and shall not materially impair the value or utility of the Product. Upon the return of any Product to Lessor, any alteration, addition or improvement that is not removed by Lessee shall become the property of Lessor, free and clear of all liens and encumbrances.

10. REPRESENTATIONS AND WARRANTIES OF LESSEE.

(a) Lessee represents, warrants and covenants to Lessor at the time Lessee enters into this Agreement and each Schedule that:

(i) Lessee is an entity duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization and in all jurisdictions with respect to which its ownership or its conduct of business or leasing of property requires such qualification;

(ii) The execution and delivery of and performance under this Agreement, any Schedules, Certificates of Incumbency or other documents related to a Lease ("Documents") to which Lessee is a party have been authorized by all necessary action, and have been executed and delivered on Lessee's behalf by persons duly authorized in that regard. The Documents constitute legal, valid and binding agreements of Lessee, enforceable against Lessee in accordance with their respective terms except as limited by bankruptcy or other similar laws;

(iii) The execution and delivery of or performance under the Documents do not contravene Lessee's charter or bylaws or any law, regulation, order, writ, decree, judgment, or other form of prohibition of which Lessee is aware is binding on it or its assets; and does not and will not contravene the provisions of, or constitute a default under, or result in the creation of a lien upon the Products under any material indenture, mortgage, contract, or other instrument to which it is a party or by which it or its assets are bound;

(iv) To the best of Lessee's knowledge, there is no action, suit or proceeding pending or, to the knowledge of Lessee, threatened in any court or tribunal or before any competent authority against Lessee or any of its property or assets which challenges the Documents or any of the

transactions contemplated hereunder or which may have a material adverse effect on the financial condition or business of Lessee; and

(v) The financial statements and other information furnished and to be furnished to Lessor by Lessee are and shall be true and correct in all material respects, and since the date that such financial statements or information were prepared, there has not been any material adverse change in Lessee's business or condition, financial or otherwise.

(b) If any person guarantees payment or performance by Lessee of any liabilities or obligations of Lessee under this Agreement or any Schedule (a "Guarantor"), the preceding representations, warranties and covenants shall be deemed to be made by Lessee on behalf of such Guarantor as if such Guarantor were named in addition to Lessee therein.

11. WARRANTY ASSIGNMENT; EXCLUSION OF WARRANTIES; LIMITATION OF LIABILITY; FINANCE LEASE.

(a) Provided no Event of Default has occurred and is continuing, Lessor assigns to Lessee for the Lease Term the benefit of any Product warranty and any right of return provided by any Seller.

(b) LESSEE ACKNOWLEDGES THAT LESSOR DID NOT SELECT, MANUFACTURE, SUPPLY OR LICENSE ANY PRODUCT AND THAT LESSEE HAS MADE THE SELECTION OF PRODUCTS BASED UPON ITS OWN JUDGMENT AND EXPRESSLY DISCLAIMS ANY RELIANCE ON STATEMENTS MADE BY LESSOR OR ITS AGENTS. LESSOR LEASES THE PRODUCTS AS-IS AND MAKES NO WARRANTY, EXPRESS, IMPLIED, OR OTHERWISE, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF DESIGN, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE. LESSEE HEREBY WAIVES ANY CLAIM IT MIGHT HAVE AGAINST LESSOR OR ITS ASSIGNEE FOR ANY LOSS, DAMAGE OR EXPENSE CAUSED BY OR WITH RESPECT TO ANY PRODUCTS.

(c) IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR ANY SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR RELATED TO THIS AGREEMENT, ANY SCHEDULE OR THE SALE, LEASE OR USE OF ANY PRODUCTS, EVEN IF THE OTHER PARTY IS ADVISED IN ADVANCE OF THE POSSIBILITY OR CERTAINTY OF SUCH DAMAGES AND EVEN IF THAT PARTY ASSERTS OR ESTABLISHES A FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY PROVIDED IN THIS AGREEMENT.

(d) Lessee agrees that it is the intent of both parties that each Lease qualify as a statutory finance lease under Article 2A of the Uniform Commercial Code ("UCC"). Lessee acknowledges either (i) that Lessee has reviewed and approved any written supply contract covering the Products purchased from the Seller for lease to Lessee or (ii) that Lessor has informed or advised Lessee, in writing, either previously or by this Agreement, that Lessee may have rights under the supply contract evidencing the purchase of the Products and that Lessee should contact the Seller for a description of any such rights. TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, LESSEE HEREBY WAIVES ALL RIGHTS AND REMEDIES CONFERRED UPON A LESSEE BY ARTICLE 2A OF THE UCC.

12. EVENTS OF DEFAULT.

It shall be an event of default hereunder and under any Schedule ("Event of Default") if:

(a) Lessee fails to pay any Rent or other amounts payable under this Agreement or any Schedule within 30 days after the date that such payment is due;

(b) Any representation or warranty made by Lessee or any Guarantor to Lessor in connection with this Agreement, any Schedule or any other Document is at the time made materially untrue or incorrect;

(c) Lessee fails to comply with any other obligation or provision of this Agreement or any Schedule and such failure shall have continued for 30 days after notice from Lessor;

(d) Lessee (i) is generally not paying its debts as they become due or (ii) takes action for the purpose of invoking the protection of any bankruptcy or insolvency law, or any such law is invoked against or with respect to Lessee or its property and such petition is not dismissed within 60 days; or

(e) Lessee or any Guarantor is in default under any other lease, contract, or obligation now existing or hereafter entered into with Lessor or Seller or any assignee of Lessor.

13. REMEDIES.

(a) Upon an Event of Default under any Schedule, all of Lessee's rights (including its rights to the Products), but not its obligations thereunder, shall automatically be cancelled without notice and Lessor may exercise one or more of the following remedies in its sole discretion:

(i) require Lessee to return any or all Products as provided in Section 7 and/or if requested by Lessor, assemble the Products in a single location designated by Lessor granting Lessor the right to enter the premises where such Products are located for the purpose of repossession;

(ii) sell, lease or otherwise dispose of any or all Products (as agent and attorney-in-fact for Lessee to the extent necessary) upon such terms and in such manner (at public or private sale) as Lessor deems advisable in its sole discretion (a "Disposition");

(iii) declare immediately due and payable as a pre-estimate of liquidated damages for loss of bargain and not as a penalty, the Stipulated Loss Value of the Products in lieu of any further Rent, in which event Lessee shall pay such amount to Lessor within 10 days after the date of Lessor's demand; or

(iv) proceed by appropriate court action either at law or in equity (including an action for specific performance) to enforce performance by Lessee or recover damages associated with such Event of Default or exercise any other remedy available to Lessor in law or in equity.

(b) Lessee shall pay all costs incurred by Lessor in connection with an Event of Default, including reasonable legal fees and expenses, and all costs related to the repossession, transportation, re-furbishing, storage and Disposition of any or all Products ("Default Expenses"). In the event Lessor recovers proceeds from its Disposition of the Products, Lessor shall credit such proceeds (net of Default Expenses) against the owed Stipulated Loss Value. Lessee shall remain liable to Lessor for any deficiency. With respect to this Section, to the extent the proceeds of a Disposition (net of Default Expenses) exceed the Stipulated Loss Value owed under the Lease, or if Lessee has paid Lessor the Stipulated Loss Value, the Default Expenses and all other amounts owing under the Lease, Lessee shall be entitled to such excess and shall have no further obligations with respect to such Lease. All rights of Lessor are cumulative and not alternative and may be exercised by Lessor separately or together.

14. QUIET ENJOYMENT.

Lessor shall not interfere with Lessee's right to possession and quiet enjoyment of Products during the relevant Lease Term, provided no Event of Default has occurred and is continuing. Lessor represents and warrants that as of the Commencement Date of the applicable Schedule, Lessor has the right to lease the Products to Lessee.

15. INDEMNIFICATION.

Lessee is responsible for losses, damages, penalties, claims, costs (including attorneys' fees and expenses), actions, suits and proceedings of every kind, (collectively "Claims") whether based on a theory of strict liability or otherwise caused by or related to this Lease or the Products, (including any defects in the Products). Upon Lessor's request Lessee will reimburse and defend Lessor against any Claims.

16. OWNERSHIP; LIENS AND ENCUMBRANCES; LABELS.

As between Lessor and Lessee, title to Products (other than any Licensed Materials) is and shall remain with Lessor. Products are considered personal property and Lessee shall, at Lessee's expense, keep Products free and clear of liens and encumbrances of any kind (except those arising through the acts of Lessor) and shall immediately notify Lessor if Lessor's interest is subject to compromise. Lessee shall not remove, cover, or alter

plates, labels, or other markings placed upon Products by Lessor, Seller or any other supplier.

17. NON PERFORMANCE BY LESSEE.

If Lessee fails to perform any of its obligations hereunder or under any Schedule, Lessor shall have the right but not the obligation to effect such performance and Lessee shall promptly reimburse Lessor for all out of pocket and other reasonable expenses incurred in connection with such performance, with interest at the Overdue Rate.

18. NOTICES.

All notices shall be given in writing and, except for billings and communications in the ordinary course of business, shall be delivered by overnight courier service, delivered personally or sent by certified mail, return receipt requested and shall be effective from the date of receipt unless mailed, in which case the effective date will be 4 Business Days after the date of mailing. Notices to Lessor by Lessee shall be sent to: PHAROS FINANCIAL SERVICES L.P., Legal Department, One Dell Way, Round Rock, TX 78682, or such other mailing address designated in writing by Lessor. Notice to Lessee shall be to the address on the first page of this Agreement or such other mailing address designated in writing by Lessee.

19. ASSIGNMENT.

(a) LESSEE MAY ASSIGN THIS AGREEMENT OR ANY SCHEDULE, OR SUBLEASE ANY PRODUCT(S) WITH THE PRIOR WRITTEN CONSENT OF LESSOR (SUCH CONSENT NOT TO BE UNREASONABLY WITHHELD). LESSOR, AT ITS SOLE DISCRETION, MAY ASSESS AN ADMINISTRATIVE FEE FOR ANY APPROVED ASSIGNMENT OR SUBLEASE. No assignment or sublease shall in any way discharge Lessee's obligations to Lessor under this Agreement or any Schedule.

(b) Lessor may at any time and without notice, but subject to the rights of Lessee, transfer, assign, or grant a security interest in any Product, this Agreement, any Schedule, or any rights and obligations hereunder or thereunder, in whole or in part.

(c) Subject to the foregoing, this Agreement and each Schedule shall be binding upon and inure to the benefit of Lessor, Lessee and their successors and assigns.

20. GOVERNING LAW; JURISDICTION AND VENUE; WAIVER OF JURY TRIAL.

THIS AGREEMENT AND EACH SCHEDULE SHALL BE GOVERNED BY TEXAS LAW WITHOUT REGARD TO ITS CONFLICTS OF LAWS PRINCIPLES AND, TO THE EXTENT APPLICABLE, THE ELECTRONIC SIGNATURES IN GLOBAL AND NATIONAL COMMERCE ACT. LESSEE CONSENTS TO THE JURISDICTION OF ANY FEDERAL COURT LOCATED IN TRAVIS COUNTY, TEXAS AND WAIVES ANY OBJECTION TO VENUE, AND FURTHER WAIVES ANY RIGHT TO A TRIAL BY JURY.

21. MISCELLANEOUS.

(a) The headings used in this Agreement are for convenience only and shall have no legal effect. This Agreement shall be interpreted without any strict construction in favor of or against either party.

(b) The provisions of Sections 5, 10, 11(b), 11(c), 11(d), 15, 20 and 21 shall continue in full force and effect even after the term or expiration of this Agreement or any Schedule.

(c) Failure of Lessor at any time to require Lessee's performance of any obligation shall not affect the right to require performance of that obligation. No term, condition or provision of this Agreement or any Schedule shall be waived or deemed to have been waived by Lessor unless it is in writing and signed by a duly authorized representative of Lessor. A valid waiver is limited to the specific situation for which it was given.

(d) Lessee shall furnish such financial statements of Lessee and any Guarantor (prepared in accordance with generally accepted accounting principles) and other financial information, Certificates of Incumbency or other documents related to a Lease as Lessor may from time to time reasonably request.

(e) If any provision(s) of this Agreement is deemed invalid or unenforceable to any extent (other than provisions going to the essence of this Agreement) the same shall not in any respect affect the validity, legality or enforceability (to the fullest extent permitted by law) of the remainder of this Agreement, and the parties shall use their best efforts to replace such illegal, invalid or unenforceable provisions with an enforceable provision approximating, to the extent possible, the original intent of the parties.

(f) Unless otherwise provided, all obligations hereunder shall be performed or observed at the respective party's expense.

(g) Lessee shall take any action reasonably requested by Lessor for the purpose of fully effectuating the intent and purposes of this Agreement or any Schedule. The parties intend for each Lease to constitute a true lease under the UCC and all applicable laws; however, if any Lease is determined to be other than a true lease, Lessee hereby grants to Lessor a first priority security interest in the Products and all proceeds thereof. Lessee acknowledges that by signing this Agreement, Lessee has authorized Lessor to file any financing statements or related filings as Lessor may reasonably deem necessary or appropriate. Lessor may file a copy of this Agreement or any Schedule in lieu of a financing statement.

(h) This Agreement and any Schedule may be signed in any number of counterparts each of which when so executed or otherwise authenticated and delivered shall be an original but all counterparts shall together constitute one and the same instrument. To the extent each Schedule would constitute chattel paper as such term is defined in the UCC, no security interest may be created through the transfer or control or possession, as applicable, of a counterpart of a Schedule other than the original in Lessor's possession marked by Lessor as either "Original" or "Counterpart Number 1".

(i) If any Lease is determined to be a lease intended as security, in no event shall Lessee be obligated to pay any time price balance differential in excess of the maximum amount permitted by applicable law (as specified herein or the state where the Products are located, whichever law permits the greater amount). In the event Lessor shall receive anything of value under a Lease that is deemed interest which would exceed the maximum amount of interest allowed under the law, the excess amount shall be applied to the reduction of the unpaid time price balance or shall be refunded to Lessee. In order to reduce the unpaid time price balance, any amount deemed interest shall, to the fullest extent permitted by applicable law, be amortized and spread uniformly throughout the Lease Term.

(j) This Agreement and the Schedules hereto between Lessor and Lessee set forth the entire agreement between the parties and supersede and merge all prior written or oral communications, understandings, or agreements between the parties relating to the subject matter contained herein. Except as permitted herein, this Agreement and any Schedule may be amended only by a writing duly signed or otherwise authenticated by Lessor and Lessee.

(k) If Lessee delivers this signed Master Lease, or any Schedule, amendment or other document related to the Master Lease (each a "Document") to Lessor by facsimile transmission, and Lessor does not receive all of the pages of that Document, Lessee agrees that, except for any pages which require a signature, Lessor may supply the missing pages to the Document from Lessor's database which conforms to the version number at the bottom of the page. If Lessee delivers a signed Document to Lessor as an e-mail attachment, facsimile transmission or by U.S. mail, Lessee acknowledges that Lessor is relying on Lessee's representation that the Document has not been altered. Lessee further agrees that, notwithstanding any rule of evidence to the contrary, in any hearing, trial or proceeding of any kind with respect to a Document, Lessor may produce a tangible copy of the Document transmitted by Lessee to Lessor by facsimile or as an e-mail attachment and such signed copy shall be deemed to be the original of the Document. To the extent (if any) that

the Document constitutes chattel paper under the Uniform Commercial Code, the authoritative copy of the Document shall be the copy designated by Lessor or its assignee, from time to time, as the copy available for access and review by Lessee, Lessor or its assignee. All other copies are deemed identified as copies of the authoritative copy. In the event of inadvertent destruction of the authoritative copy, or corruption of the authoritative copy for any reason or as the result of any cause, the authoritative copy may be restored from a backup or archive copy, and the restored copy shall become the authoritative copy. At Lessor's option, this electronic record may be converted into paper form. At such time, such paper copy will be designated or marked as the authoritative copy of the Document.

EXECUTED by the undersigned on the dates set forth below, to be effective as of the Effective Date.

{Lessee Name}

"Lessee"

BY: _____

NAME: _____

TITLE: _____

DATE: _____

PHAROS FINANCIAL SERVICES L.P.
By: PHAROS FINANCIAL SERVICES, INC. ITS GENERAL PARTNER
"Lessor"

BY: _____

NAME: _____

TITLE: _____

DATE: _____



**Instructions for completing the attached
Certificate of Incumbency and Authority
form.**

1. The person named here should have the authority to designate one or more other people to sign multi-year contracts on behalf of your business. Please include your title (CEO, CFO, CTO, President, Vice President or Secretary).

I, _____ do hereby certify that (i) I am the duly elected, qualified, and acting _____ of _____, (the "Lessee"); (ii) each of the persons whose name, title

2. The persons named/signatures in this section are those authorized by the person listed above (CEO, CFO, etc.) to sign a multi-year contract that will create a liability for your business. The same person cannot designate authority and be an authorized signatory.

NAME OF AUTHORIZED SIGNATORY	TITLE OF AUTHORIZED SIGNATORY	SIGNATURE OF AUTHORIZED SIGNATORY
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

3. Include here the signature, printed name, and title of the person identified in No. 1 above.

By: _____
Name: _____
Title: _____
Date: _____



LESSEE'S CERTIFICATE OF
INCUMBENCY AND AUTHORITY

I, _____, do hereby certify that (i) I am the duly elected, qualified, and acting of {Lessee Name}, a {Governing State} {Business Entity Type} (the "Lessee"); (ii) each of the persons whose name, title and signature appear below is a duly authorized representative of the Lessee and holds on the date of this Certificate the formal title(s) set forth opposite his/her name; (iii) the signature appearing opposite each such person's name is his/her genuine signature; (iv) each such representative is duly authorized for and on behalf of the Lessee to execute and deliver that certain Master Lease Agreement No. _____ ("Agreement") and any related Schedules from time to time thereunder between the Lessee and Pharos Financial Services L.P., a limited partnership company or its assignee or designee (collectively "Lessor"), and all agreements, documents, and instruments in connection therewith, including without limitation, schedules, riders, and acceptance certificates, and (v) the execution and delivery of any such Agreement and/or Schedules and all agreements, documents, and instruments in connection therewith for and on behalf of the Lessee are not prohibited by or in any manner restricted by the terms of the Lessee's Certificate or Articles of Incorporation, By-laws or other document pursuant to which it is organized or of any loan agreement, indenture or contract to which the Lessee is a party or by which it or any of its property is bound. I do further certify that the foregoing authority shall remain in full force and effect, and Lessor shall be entitled to rely upon same, until written notice of the modification, rescission, or revocation of same, in whole or in part, has been delivered to Lessor, but in any event, shall be effective with respect to any documents executed or actions taken in reliance upon the foregoing authority prior to the delivery to Lessor of such written notice.

NAME OF AUTHORIZED SIGNATORY	TITLE OF AUTHORIZED SIGNATORY	SIGNATURE OF AUTHORIZED SIGNATORY
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

By: _____
Name: _____
Title: _____
Date: _____



Pharos Financial Services Private Entity Lease Schedules

Fair Market Value

\$ Out

Software



MASTER LEASE AGREEMENT SCHEDULE NO.

THIS SCHEDULE IS SUBJECT TO AND INCORPORATES THE TERMS AND CONDITIONS OF MASTER LEASE AGREEMENT NO. _____ ("Agreement") DATED _____ BETWEEN PHAROS FINANCIAL SERVICES L.P. ("Lessor") AND _____ ("Lessee"). If the entity named on this Schedule is not the Lessee named under the Agreement, then such entity, if an affiliate of Lessee approved in writing in advance by Lessor, shall be deemed the Lessee under this Schedule.

Lessor hereby agrees to lease and/or make available to Lessee subject to the terms, conditions and provisions set forth in this Schedule and in the Agreement, the Products described below. Any capitalized term used herein and not defined herein shall have the meaning ascribed to it in the Agreement.

PRODUCT DESCRIPTION AND LOCATION: See below or Exhibit "A" attached to and made a part hereof.

PRODUCT SELLER: _____

<u>Product Description</u>	<u>Product Location</u>	<u>Lessee Purchase Order No.</u>	<u>Rent*</u>	<u>Primary Term (Mos.)</u>	<u>Commencement Date**</u>
See Exhibit 'A'	See Exhibit 'A'				

Total Product Acquisition Cost:

Rent is payable: in _____

Payment Period: _____

Pro-rated Rent: _____

*Lessee is responsible for applicable taxes, shipping and other amounts as described in the Agreement, and, with the first payment of Rent, any prorated Rent if applicable. Such amounts are further described in Exhibit "A".

**The Commencement Date may be extended for one Payment Period until the Schedule is returned in accordance with the terms stated in the Agreement. Lessor may charge Lessee prorated Rent accruing from the Acceptance Date to the Commencement Date, as such date is finally determined.

END OF LEASE OPTIONS: Provided that no Event of Default has occurred and is continuing, and at least 90 days but no more than 180 days prior to the expiration of the Primary Term (the "Expiration Date"), Lessee will give irrevocable written notice to Lessor of its intention to either:

- (i) purchase some or all of the Products, as long as the Products comprise a full system configuration (including CPU, monitor, keyboard and mouse for desktops and CPU, cables, modem and other essential accessories for laptops), at Fair Market Value (defined below);
- (ii) renew the Lease Term for a minimum of six (6) months at a rate and for a term agreed upon by both parties; or
- (iii) return Products not purchased or renewed pursuant to (i) or (ii) above in accordance with the Agreement.

If Lessee exercises the option to purchase the Products then, on receipt of payment of the "Fair Market Value" (defined below) plus applicable taxes, Lessor will sell the Products to Lessee AS IS-WHERE IS, WITHOUT WARRANTY OR RECOURSE, EXPRESS, IMPLIED OR OTHERWISE, INCLUDING ANY WARRANTIES OF DESIGN, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR AGAINST INFRINGEMENT. The Fair Market Value purchase price shall be paid on or before the last day of the Primary Term. "Fair Market Value" means the price of the Products, installed, in use and in the condition required by the Agreement as determined by Lessor in its reasonable judgment. If Lessee disagrees with the Fair Market Value, Lessee shall notify Lessor in writing within 60 days prior to the Expiration Date and, upon Lessee's request and within ten (10) days after receipt of Lessee's notice, Lessor shall appoint a qualified appraiser reasonably acceptable to Lessee to appraise the retail value of the Products. The amount determined by such appraiser shall be the final Fair Market Value. Lessor and Lessee shall share the expense of such appraisal equally.

If Lessee desires to renew a Lease, Lessee and Lessor shall enter into a supplement to this Schedule describing the length of the renewal Lease Term and the renewal Rent provided, however, all other terms of this Schedule and the Agreement shall remain in full force and effect.

Whether or not Lessee has given Lessor notice of its intent to purchase, renew or return as described above, if Lessee does not return or purchase the Products or renew the Lease as required above, the Lease Term shall automatically extend on a month-to-month basis at the Rent in effect on the last day of the Primary Term (prorated on a monthly basis if the Payment Period was other than monthly during the Primary Term). Such extension shall continue until Lessee: (i) provides 30 days prior written notice of its intention to return or purchase the Products (to take effect on the next Rent payment date that is at least 30 days after the notice is received by Lessor) and (ii) either returns or purchases all of the Products in accordance with the End of Lease options above. Payments of Rent during the month-to-month extension are due and payable monthly as specified in Lessor's invoice. If Lessee fails to return or purchase any Products, the Schedule and associated Rent for the Products that have not been returned or purchased shall extend on a month-to-month basis in accordance with the prior sentence.

COMPLETION OF SCHEDULE: Lessee hereby authorizes Lessor to insert or update the serial numbers of the Products from time to time as necessary.

If Lessee delivers this signed Schedule, any amendment or other document related to this Schedule or the Master Lease (each a "Document") to Lessor by facsimile transmission, and Lessor does not receive all of the pages of that Document, Lessee agrees that, except for any pages which require a signature, Lessor may supply the missing pages to the Document from Lessor's database which conforms to the version number at the bottom of the page. If Lessee delivers a signed Document to Lessor as an e-mail attachment, facsimile transmission or by U.S. mail, Lessee acknowledges that Lessor is relying on Lessee's representation that the Document has not been altered. Lessee further agrees that, notwithstanding any rule of evidence to the contrary, in any hearing, trial or proceeding of any kind with respect to a Document, Lessor may produce a tangible copy of the Document transmitted by Lessee to Lessor by facsimile or as an e-mail attachment and such signed copy shall be deemed to be the original of the Document. To the extent (if any) that the Document constitutes chattel paper under the Uniform Commercial Code, the authoritative copy of the Document shall be the copy designated by Lessor or its assignee, from time to time, as the copy available for access and review by Lessee, Lessor or its assignee. All other copies are deemed identified as copies of the authoritative copy. In the event of inadvertent destruction of the authoritative copy, or corruption of the authoritative copy for any reason or as the result of any cause, the authoritative copy may be restored from a backup or archive copy, and the restored copy shall become the authoritative copy. At Lessor's option, this electronic record may be converted into paper form. At such time, such paper copy will be designated or marked as the authoritative copy of the Document.

By signing below, each of the parties hereto agrees to be bound by the terms of the Agreement, this Schedule and the attached Exhibit "A".

EXECUTED by the undersigned on the dates set forth below, to be effective as of the Effective Date.

{Lessee Name}

"Lessee"

BY: _____

NAME: _____

TITLE: _____

DATE: _____

PHAROS FINANCIAL SERVICES L.P.

**By: PHAROS FINANCIAL SERVICES, INC. ITS
GENERAL PARTNER**

"Lessor"

BY: _____

NAME: _____

TITLE: _____

DATE: _____



MASTER LEASE AGREEMENT SCHEDULE NO.

THIS SCHEDULE IS SUBJECT TO AND INCORPORATES THE TERMS AND CONDITIONS OF MASTER LEASE AGREEMENT NO. ("Agreement") DATED BETWEEN PHAROS FINANCIAL SERVICES L.P. ("Lessor") AND ("Lessee"). If the entity named on this Schedule is not the Lessee named under the Agreement, then such entity, if an affiliate of Lessee approved in writing in advance by Lessor, shall be deemed the Lessee under this Schedule.

Lessor hereby agrees to lease and/or make available to Lessee subject to the terms, conditions and provisions set forth in this Schedule and in the Agreement, the Products described below. Any capitalized term used herein and not defined herein shall have the meaning ascribed to it in the Agreement.

PRODUCT DESCRIPTION AND LOCATION: See below or Exhibit "A" attached to and made a part hereof.

PRODUCT SELLER: [REDACTED]

<u>Product Description</u>	<u>Product Location</u>	<u>Lessee Purchase Order No.</u>	<u>Rent*</u>	<u>Primary Term (Mos.)</u>	<u>Commencement Date**</u>
See Exhibit 'A'	See Exhibit 'A'				

Total Product Acquisition Cost:

Rent is payable: in

Payment Period:

Pro-rated Rent:

*Lessee is responsible for applicable taxes, shipping and other amounts as described in the Agreement, and, with the first payment of Rent, any prorated Rent if applicable. Such amounts are further described in Exhibit "A".

**The Commencement Date may be extended for one Payment Period until the Schedule is returned in accordance with the terms stated in the Agreement. Lessor may charge Lessee prorated Rent accruing from the Acceptance Date to the Commencement Date, as such date is finally determined.

END OF LEASE OPTIONS: Provided that no Event of Default has occurred and is continuing at the expiration of the Lease Term, Lessee shall have the option to (i) purchase the Products for \$1.00; or (ii) return the Products in accordance with the Agreement for a disposal fee agreed upon by both parties.

SECURITY INTEREST: As a continuing security interest for Lessee's obligation hereunder, Lessee hereby grants to Lessor a first priority security interest in all of Lessee's rights and interests in and to the Products and all proceeds thereof, free and clear of all security interests, liens or encumbrances whatsoever.

COMPLETION OF SCHEDULE: Lessee hereby authorizes Lessor to insert or update the serial numbers of the Products from time to time as necessary.

If Lessee delivers this signed Schedule, any amendment or other document related to this Schedule or the Master Lease (each a "Document") to Lessor by facsimile transmission, and Lessor does not receive all of the pages of that Document, Lessee agrees that, except for any pages which require a signature, Lessor may supply the missing pages to the Document from Lessor's database which conforms to the version number at the bottom of the page. If Lessee delivers a signed Document to Lessor as an e-mail attachment, facsimile transmission or by U.S. mail, Lessee acknowledges that Lessor is relying on Lessee's representation that the Document has not been altered. Lessee further agrees that, notwithstanding any rule of evidence to the contrary, in any hearing, trial or proceeding of any kind with respect to a Document, Lessor may

produce a tangible copy of the Document transmitted by Lessee to Lessor by facsimile or as an e-mail attachment and such signed copy shall be deemed to be the original of the Document. To the extent (if any) that the Document constitutes chattel paper under the Uniform Commercial Code, the authoritative copy of the Document shall be the copy designated by Lessor or its assignee, from time to time, as the copy available for access and review by Lessee, Lessor or its assignee. All other copies are deemed identified as copies of the authoritative copy. In the event of inadvertent destruction of the authoritative copy, or corruption of the authoritative copy for any reason or as the result of any cause, the authoritative copy may be restored from a backup or archive copy, and the restored copy shall become the authoritative copy. At Lessor's option, this electronic record may be converted into paper form. At such time, such paper copy will be designated or marked as the authoritative copy of the Document.

By signing below, each of the parties hereto agrees to be bound by the terms of the Agreement, this Schedule and the attached Exhibit "A".

"Lessee"	PHAROS FINANCIAL SERVICES L.P.
By: _____	By: PHAROS FINANCIAL SERVICES, INC. ITS
Name: _____	GENERAL PARTNER
Title: _____	"Lessor"
Date: _____	By: _____
	Name: _____
	Title: _____
	Date: _____



[LESSEE NAME]
MASTER LEASE AGREEMENT SCHEDULE NO. XXX-XXXXXX-XXX

THIS SCHEDULE IS SUBJECT TO AND INCORPORATES THE TERMS AND CONDITIONS OF MASTER LEASE AGREEMENT NO. [REDACTED] AND ANY AMENDMENTS, IF APPLICABLE, ("Agreement") DATED [REDACTED] BETWEEN PHAROS FINANCIAL SERVICES L.P., ("Lessor") AND [REDACTED] ("Lessee"). If the entity named on this Schedule is not the Lessee named under the Agreement, then such entity, if an affiliate of Lessee approved in writing in advance by Lessor, shall be deemed the Lessee under this Schedule.

Lessor hereby agrees to lease and/or make available to Lessee subject to the terms, conditions and provisions set forth in this Schedule and in the Agreement, the Products described below. Any capitalized term used herein and not defined herein shall have the meaning ascribed to it in the Agreement.

PRODUCT DESCRIPTION AND LOCATION: See below or Exhibit "A" attached to and made a part hereof.

PRODUCT SELLER: [VENDOR NAME]

Product Description	Product Location	Lessee Purchase Order No.	Rent*	Primary Term (Mos.)	Commencement Date**

Total Product Acquisition Cost: \$ [REDACTED]

Rent is payable: [REDACTED] in advance; [REDACTED] in arrears [specify]

Interest Rate: [REDACTED] %

Payment Period: [REDACTED] Monthly [REDACTED] Quarterly [REDACTED] Annually [REDACTED] Other (specify [REDACTED])

*Lessee is responsible for applicable taxes, shipping and other amounts as described in the Agreement, and, with the first payment of Rent, any prorated Rent if applicable. Such amounts are further described in Exhibit "A".

**The Commencement Date may be extended for one Payment Period until the Schedule is returned in accordance with the terms stated in the Agreement. Lessor may charge Lessee prorated Rent accruing from the Acceptance Date to the Commencement Date, as such date is finally determined.

NATURE OF SCHEDULE: Lessee and Lessor acknowledge that this Schedule is strictly a financing arrangement providing for the repayment of a lease purchase in the amount of the Lessor's Basis (as defined below) made by Lessor to Lessee by performing Lessee's payment obligations to the Product Seller under Lessee's Purchase Order referenced above and is to be repaid as and when set forth herein. The amount of the Rent payments provided for herein represents payments of principal and interest on such lease purchase.

ACCEPTANCE, MASTER AGREEMENT PROVISIONS, TERMINATION: Lessee agrees that for the purpose of this Schedule, all Products, Software and services covered by this Schedule and identified on Exhibit A have been delivered, installed, and accepted by Lessee. Upon Lessee's acceptance of the Products under this Schedule, title to the Products shall vest in Lessee. Lessee and Lessor agree that (i) any language in the Agreement pertaining to Lessor's ownership of the Products, Software and services and (ii) the following sections of the Agreement shall not apply to this Schedule: 7 (Return); 9 (Alterations); 13(a)(ii) (in so far as it purports to provide Lessor a right to sell, lease, or otherwise dispose of the Products consisting of Software licenses that would violate the underlying license agreement); and, 16 (Ownership; Liens and Encumbrances; Labels). Notwithstanding the foregoing, Lessee acknowledges that the remaining terms and conditions of the Agreement shall apply to this Schedule including without limitation: Sections 4 (Rent; Taxes; Payment Obligation); 5 (Licensed Materials); 11 (Warranty Assignment; Exclusion of Warranties; Limitation of Liability; Finance Lease); 15 (Indemnification); and, 21(i) (Limit on Interest Charges). This Schedule shall terminate upon the expiration of the Primary Term without extension or renewal; provided, however, that such termination of the Schedule shall not affect obligations of Lessee accruing prior to the termination.

ADDITIONAL PROVISIONS: For purposes of this Schedule, the "Lessor's Basis" shall consist of the following amounts: (i) the Total Product Acquisition Cost set forth above; plus (ii) all other amounts that become due and owing under this Schedule that are not

included in the amounts paid to Lessor pursuant to clause (i). As security for Lessee's obligations hereunder and subject to applicable law and the Software license agreement, Lessee grants Lessor, a first-priority security interest in all of Lessee's rights and interest in and to the Products (including with respect to any Software or services, Lessee's right to use the Software and right to obtain the services) and all proceeds thereof (including without limitation any refunds with respect to the Products, Software or services financed under this Schedule (each a "Refund") that are received by Lessee or that Lessee has a right to receive), free and clear of all security interests, liens or encumbrances whatsoever.

Upon Lessor's written instructions after an Event of Default with respect to this Schedule, Lessee agrees to (a) immediately cease using Software and services, (b) deinstall and delete all copies of the Software from any computer systems owned or controlled by Lessee or used for Lessee's benefit, and (c) provide Lessor with a certificate signed by an authorized representative of Lessee attesting to such cessation of use and maintenance, deinstallation, deletion and destruction. In the event that Lessee shall be entitled to a Refund from the Seller, Software licensor or service provider, Lessee authorizes Lessor to deliver a copy of this Schedule to the such party as evidence of Lessee's consent to Lessor's collection and receipt of the Refund directly; provided, however, nothing herein shall obligate Lessor to pursue Lessee's Refund rights (if any do exist) or modify, excuse or limit Lessee's obligations pursuant to this Schedule that Lessee acknowledges and agrees are absolute and unconditional. Lessor shall apply any Refund actually received by Lessor against the next scheduled Rent payment(s) and all other amounts owed under this Schedule. Lessee agrees that it shall owe any unpaid amounts hereunder remaining after application of such Refund.

Notwithstanding anything in the Agreement to the contrary, the Stipulated Loss Value that Lessee may be required to pay Lessor upon an Event of Default under this Schedule shall equal the total sum of the then remaining payments due and unpaid under this Schedule for the Primary Term, discounted at the lesser of (x) the discount rate of the Federal Reserve Bank of Chicago on the Commencement Date of this Schedule and (y) the interest rate set forth above.

COMPLETION OF SCHEDULE: Lessee hereby authorizes Lessor to insert or update the serial numbers (or similar information) of the Products, Software and services as necessary.

If Lessee delivers this signed Schedule, any amendment or other document related to this Schedule or the Master Lease (each a "Document") to Lessor by facsimile transmission, and Lessor does not receive all of the pages of that Document, Lessee agrees that, except for any pages which require a signature, Lessor may supply the missing pages to the Document from Lessor's database which conforms to the version number at the bottom of the page. If Lessee delivers a signed Document to Lessor as an e-mail attachment, facsimile transmission or by U.S. mail, Lessee acknowledges that Lessor is relying on Lessee's representation that the Document has not been altered. Lessee further agrees that, notwithstanding any rule of evidence to the contrary, in any hearing, trial or proceeding of any kind with respect to a Document, Lessor may produce a tangible copy of the Document transmitted by Lessee to Lessor by facsimile or as an e-mail attachment and such signed copy shall be deemed to be the original of the Document. To the extent (if any) that the Document constitutes chattel paper under the Uniform Commercial Code, the authoritative copy of the Document shall be the copy designated by Lessor or its assignee, from time to time, as the copy available for access and review by Lessee, Lessor or its assignee. All other copies are deemed identified as copies of the authoritative copy. In the event of inadvertent destruction of the authoritative copy, or corruption of the authoritative copy for any reason or as the result of any cause, the authoritative copy may be restored from a backup or archive copy, and the restored copy shall become the authoritative copy. At Lessor's option, this electronic record may be converted into paper form. At such time, such paper copy will be designated or marked as the authoritative copy of the Document.

By signing below, each of the parties agrees to be bound by the terms of the Agreement, this Schedule and the attached Exhibit "A".

EXECUTED by the undersigned on the dates set forth below, to be effective as of the Effective Date.

{Lessee Name}

"Lessee"

BY: _____

NAME: _____

TITLE: _____

DATE: _____

PHAROS FINANCIAL SERVICES L.P.

By: PHAROS FINANCIAL SERVICES, INC. ITS GENERAL PARTNER

"Lessor"

BY: _____

NAME: _____

TITLE: _____

DATE: _____

Dell Financial Services



Dell Financial Services Payment Agreement

Public
Commercial/Private Entity

Payment Agreement - PUBLIC

Contract Number xxx-xxxxxx-xxx

PAYMENT AGREEMENT – PUBLICCustomer:
Address:Billing Contact:
Billing Address:**Software Licensor:** [SW Licensor]**Vendor:** [Name of reseller/seller]**Products:** Software, equipment and services as described in [Description of Vendor Contract/Order/Agreement (s) #] ("**Agreement**")

This Payment Agreement ("**PA**") is made effective as of [DATE] between the Customer named above ("**Customer**") and Dell Financial Services L.L.C. ("**Payee**") pursuant to the following: Customer and the Software Licensor and/or Vendor have entered into the above referenced Agreement (including any addenda, amendments, exhibits and schedules attached thereto) in connection with the acquisition of "**Products**" including as applicable, certain equipment, software licenses ("**Licensed Software**"), and services to Customer. Pursuant to the Agreement, Customer is obligated to pay Vendor(s) the total fees described below ("**Fees**"). Payee and Customer have agreed that instead of Customer paying the Fees as described in the Agreement, Customer shall pay Payee installment payments ("**Payment Amounts**") as set forth in the Payment Schedule below and Payee shall pay the Vendor on Customer's behalf.

1. **FEES:** The Fees set forth in the Agreement consist of \$ [AMOUNT FUNDING TO VENDOR(s)] for Products. Customer hereby agrees to pay the Payment Amounts to Payee on an installment basis in accordance with the Payment Schedule set forth below.

2. **PAYMENT SCHEDULE:** Customer shall pay the Payment Amounts in accordance with the schedule ("**Payment Schedule**") below, with each Payment Amount due and payable on the date indicated ("**Due Date**"). Customer shall remit Payment Amounts to the address noted in the invoice from Payee. **PAYMENT AMOUNTS DO NOT INCLUDE APPLICABLE TAX, UNLESS SPECIFIED OTHERWISE.**

3. **OBLIGATIONS ABSOLUTE:** For the purposes of this PA Products shall be conclusively deemed accepted upon receipt, subject to any right of return provided by the Vendor, and upon Customer's execution of this PA, Customer acknowledges that (i) it has selected the Products based on its own judgment and (ii) Payee is entering into this PA as an accommodation to Customer, and the Agreement, including all obligations, rights and remedies hereunder are separate and distinct from this PA and any remedies which Customer may have, at law or in equity, against Vendor or Software Licensor shall be made independently and without regard to this PA and Customer's obligations hereunder, and (iii) Customer's obligation to remit Payment Amounts to Payee, in accordance with the Payment Schedule and subject only to Customer's right to non-appropriate under Section 7 herein, shall be absolute, unconditional, non-cancelable, and nonrefundable, and shall not be withheld or subject to any abatement, set-off, claim, counterclaim, adjustment, reduction, or defense that Customer may have arising out of or relating to the Agreement, the Products or otherwise for any reason whatsoever, including but not limited to requirements applicable to negotiable instruments (such as presentment for payment and notice of dishonor); termination of the Agreement or any change in, update to or transfer of the Products. If full payment of each Payment Amount and other amounts due and payable is not received by Payee within 10 days of the Due Date, Customer agrees to pay to Payee interest on the overdue amount at the lesser of 1.5% per month or as provided for under any applicable Prompt Payment Act. Customer hereby grants Payee a security interest in the Products (including Customer's right to use Licensed Software and to receive services, credits and refunds from Vendor) and all proceeds related to this PA, to the extent permitted by law. Payee may make related filings as Payee reasonably deems necessary. Customer agrees it is responsible for and will pay or reimburse Payee upon invoice for all government imposed taxes, duties, fines assessed or imposed on the PA, the Products and the Payment Amounts (but excluding taxes imposed on Payee's income) or any other amount payable with respect to the PA (collectively "Taxes").

4. **ASSIGNMENT; WAIVER OF DEFENSES, CLAIMS:** Customer hereby consents to Payee's assignment of Payee's rights and interests in and to all or a portion of the Payment Amounts to a third party ("Assignee"). Customer shall not transfer or assign any of Customer's rights or obligations under this PA or grant third-party liens or encumbrances in Products without Payee's prior written consent. Customer agrees that neither Payee nor any Assignee shall assume any of Vendor's or Software Licensor's obligations to Customer under the Agreement, and further, expressly waives, as against Payee and any Assignee, any rights Customer may have or claim related to any matter whatsoever including, without limitation, the design or condition of Products, their merchantability or fitness or capacity or durability for any particular purpose, the quality of the material or workmanship of the Products or conformity of the Products to the provisions and specifications of any purchase order or orders relating thereto, and Customer expressly disclaims the same, and, as to Payee and any Assignee, Customer accepts the Products "AS IS". Payee and any Assignee shall have no liability to Customer or third parties for any claim, loss or damage caused or alleged to be caused directly, indirectly, incidentally or consequentially by the Products, or by any inadequacy thereof or deficiency or defect therein, by any incident whatsoever in connection therewith, arising in strict liability, negligence or otherwise. Customer waives any claim that it may have against Payee for any loss, damage or expense caused by the Products or the Vendor or Software Licensor, even if holder has been advised of the possibility of such damage, loss, expense or cost. Customer acknowledges that Customer ordered the Products from Vendor, and that Customer may have rights under the Agreement and may be entitled to the benefit of warranties provided by Vendor or Software Licensor, and that Customer has received an accurate and complete description of any such rights including any disclaimers or limitations on them or of the remedies thereunder, and Customer shall make

Dell Financial Services



Payment Agreement - PUBLIC

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any claims under the Agreement solely and directly against Vendor or Software Licensor, but shall nevertheless pay Payee and any Assignee all amounts due and payable under this PA.

5. **DEFAULT, RIGHTS AND REMEDIES:** In the event (a) Customer fails to pay, when due, *any* Payment Amount on the Due Date, and such failure shall continue for a period of fifteen (15) days; (b) Customer materially breaches any term herein or other contract with Payee; (c) Customer materially breaches or terminates the Agreement; or (d) Customer invokes the protection of any bankruptcy or insolvency law (any of (a), (b), (c) or (d) above, a "**Default**"), then any and all Payment Amounts and all other amounts due hereunder and scheduled to become due hereunder shall become immediately due and payable by Customer, without demand or notice, and Vendor or Software Licensor may terminate (upon notification by Payee of Default) all of Customer's rights to use of the Licensed Software and services. After the occurrence of a Default hereunder by Customer, Customer agrees to immediately cease using the Licensed Software, to de-install and delete all copies of Licensed Software from any computer systems owned or controlled by Customer or used for Customer's benefit. Customer further agrees to provide a certificate signed by a Customer officer who is responsible for Customer's information systems attesting to such cessation of use and maintenance, de-installation and deletion of Licensed Software and services. With regard to Products comprised of hardware or tangible personal property and following an uncured Default, Customer shall at Customer's expense, ship such Products to or make them available at Payee's designated location for the purpose of repossession, with clear and unincumbered title reverting back to and vesting in Payee. In the event Payee shall institute any action for the enforcement of the collection of the Payment Amounts pursuant to applicable law, there shall be immediately due from Customer, in addition to the unpaid Payment Amounts, all costs and expenses of such action, including reasonable attorneys' fees. No failure or delay on the part of Payee to exercise any right or remedy hereunder shall operate as a waiver thereof. All remedies are cumulative and not exclusive.

6. **FUNDING INTENT:** Customer intends to continue this PA for the entire Term and to pay all Payment Amounts and other costs and fees due hereunder. Customer reasonably believes that legally available funds in an amount sufficient to make all Payment Amounts during the Term can be obtained and agrees to do all things lawfully within its power to obtain and maintain funds from which all Payment Amounts and other costs and fees due may be paid. Customer intends and Payee agrees that Customer's obligation to make Payment Amounts under the PA constitutes a current expense of Customer and is not to be construed to be a debt in contravention of applicable law or constitutional or statutory limitations or requirements on the creation of indebtedness or as a pledge of funds beyond Customer's current Fiscal Period.

7. **NON-APPROPRIATION OF FUNDS:** Customer may terminate this PA in whole, but not in part, by giving at least sixty (60) days written notice prior to the end of the then current Fiscal Period (as defined in the Customer's Secretary/Clerk's Certificate provided to Payee) certifying that: (a) sufficient funds were not appropriated and budgeted by Customer or will not otherwise be available beyond the current Fiscal Period for Payment Amounts or other costs and fees and (b) the Customer has exhausted all funds legally available for payment of such Payment Amounts or other costs and fees due under the PA beyond the current Fiscal Period. Upon termination of the PA, Customer's obligations under the PA (except those that expressly survive the end of the Term) and any interest in the Products shall cease and Customer shall surrender the Products in accordance with Section 5. Notwithstanding the foregoing, Customer agrees that, without creating a pledge, lien, or encumbrance upon funds available to Customer in other than its current Fiscal Period, it will use its best efforts to take all action necessary to avoid termination of this PA, including making budget requests for each Fiscal Period during each applicable PA Term for adequate funds to meet its obligations and to continue the PA in force.

8. **ESSENTIAL USE:** Customer represents that the use of the Products is essential to Customer's proper, efficient, and economic operation or to the service which Customer provides to its citizens. Customer expects to make immediate use of the Products, for which it has an immediate need that is neither temporary nor expected to diminish during the applicable PA Term. The Products will be used for the sole purpose of performing one or more of Customer's governmental or proprietary functions consistent within the permissible scope of Customer's authority.

9. **AUTHORITY AND AUTHORIZATION:** Customer represents and agrees that: (a) Customer is a state or a political subdivision or agency of a state pursuant to Section 103 of the U.S. Treasury Code; (b) the entering into and performance of the PA is authorized under Customer's state laws and Constitution and does not violate or contradict any judgment, law, order or regulation, or cause any default under any agreement to which Customer is a party; (c) Customer has complied with all public bidding requirements, if applicable, and, where necessary, has properly presented the PA for approval and adoption as a valid obligation on Customer's part; and (d) Customer has sufficient appropriated funds or other monies available to pay all amounts due under the PA for Customer's current fiscal period. Upon Payee's request, Customer agrees to provide us with an opinion of counsel as to clauses (a) through (d) above, a secretary's or clerk's certificate of incumbency and authority, and other documents that Payee reasonably requests from time to time in a form satisfactory to Payee.



Payment Agreement - PUBLIC

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10. CHOICE OF LAW: This PA will be governed by and construed in all respects in accordance with the laws of the state in which the Customer is located without regard to conflicts of law principles. Subject to applicable laws, the parties' consent and submit to the jurisdiction of federal courts located within or for the county within the State where Customer is located, or as may otherwise be required by applicable law. The parties waive any objection relating to improper venue or *forum non conveniens* to the conduct of any proceeding in any such courts. **EACH PARTY WAIVES ANY OBJECTION TO SUCH JURISDICTION AS WELL AS ITS RIGHT TO A TRIAL BY JURY.**

11. MISCELLANEOUS: This PA including riders, attachments and exhibits, constitutes the entire agreement regarding the subject matter herein between Customer and Payee and shall supersede any inconsistent terms set forth in the Agreement and all prior oral and written understandings. No term or provision of this PA may be amended except by a written instrument signed by both Payee and Customer; provided that the parties agree that this PA may be amended by written notice from Payee to Customer to adjust the related Payment Amount (any increase up to 15% or any decrease) caused by any change to the Agreement, or to update Product descriptions. Performance under this PA will not violate Customer's bylaws, other agreement or judgement to which it is bound, or any law or regulation. No part of this PA is intended to permit or provide for payment of any amount in excess of lawful amounts. In the event any unlawful excess is collected, Payee shall apply such excess as credit or otherwise refund it to Customer, and the rate or amount involved will automatically be reduced to the maximum lawful rate or amount. To the extent (if any) that this PA or related documentation constitutes chattel paper under the Uniform Commercial Code, the authoritative copy of this PA shall be the copy designated by Payee from time to time, as the copy available for access and review by Customer and Payee. All other copies are copies of the authoritative copy. In the event of inadvertent destruction of the authoritative copy, the authoritative copy may be restored from a backup, and the restored copy shall become the authoritative copy. Customer agrees to take actions and provide documentation (such as Certificates of Acceptance or financial information) reasonably requested by Payee to effect the intent of this PA. Customer agrees to maintain liability insurance naming Payee as loss payee and property insurance in commercially reasonable amounts adequate to cover repair or replacement of any equipment covered by this PA.

Payment Schedule

See attached Exhibit A.

Customer:	xxxxxxxxxxxxxxxxxxxxxxxxxxxx	Payee:	Dell Financial Services L.L.C.
By:	_____	By:	_____
Name:	_____	Name:	_____
Title:	_____	Title:	_____
Date:	_____	Date:	_____

Dell Financial Services



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SECRETARY OR CLERK'S CERTIFICATE OF INCUMBANCY AND AUTHORITY

Regarding the above referenced "**Contract**" between _____ ("**Customer**") and Dell Financial Services L.L.C. ("**DFS**")

The undersigned hereby certifies to DFS, including its successors and assigns, that:

- (a) the undersigned is the Secretary or Clerk of the Customer, which is a state or a political subdivision or agency of the state in which it is formed,
- (b) the signer on the Contract has full right, capacity and power and is duly authorized by all requisite governmental action to execute, deliver, and bind Customer to the Contract, and
- (c) the signature appearing on the Contract is in fact the signature of such signer.

By:* _____

Name: _____

Title: _____

Date: _____

** The signers on the Contract and this Secretary/Clerk's Certificate of Authority must be two different authorized signatories.*

SAMPLE OPINION LETTER FOR PAYMENT AGREEMENT TRANSACTIONS
TO BE EXECUTED ON COUNSEL'S LETTERHEAD

To: Dell Financial Services L.L.C.
Add correct address

Ladies and Gentlemen:

We are counsel to _____ (the "Customer" or "Maker") and, in that capacity, we have examined the Payment Agreement No. _____, dated as of _____, 20____, and the Payment Schedule thereto (collectively the "PA") between the Maker and Dell Financial Services L.L.C. (the "Payee").

Based on our examination of the PA and such other examinations as we have deemed appropriate, we are of the opinion as follows:

(a) The Maker is an entity duly organized and existing under and by virtue of the authorizing statute or constitutional provisions of the State of _____ and is a state or political subdivision thereof as described in Section 103(a) of the Internal Revenue Code of 1986, as amended, with full power and authority to enter into the PA and the transactions contemplated thereby and to perform all of its obligations thereunder;

(b) The PA has been duly authorized, executed and delivered by _____*, _____ of the Maker by proper action of its governing board at a meeting duly called, regularly convened and attended throughout by the requisite majority of the members thereof 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 the PA against the Maker;

(c) The PA constitutes the valid, legal and binding obligation of the Maker, enforceable in accordance with its terms;

(d) No approval, consent or withholding of objection is required from any federal, state or local governmental authority or instrumentality with respect to the entering into or performance by the Maker of the PA and the transactions contemplated thereby;

(e) Maker has complied with any applicable public bidding requirements and other applicable state and federal laws in connection with the PA and the transactions contemplated thereby;

(f) The entering into and performance of the PA will not violate any judgment, order, law or regulation applicable to the Maker or result in any breach of, or constitute a default under, any instrument to which the Maker is a party or by which it or its assets may be bound, or result in the creation of any lien, charge, security interest or other encumbrance upon any assets of the Maker or on the Products, other than those created by the PA;

(g) The Products are tangible personal property and when subject to use by the Maker will not be or become fixtures or real property under the laws of the State of _____;

(h) There are no actions, suits, proceedings, inquiries or investigations, at law or in equity, before or by any court, public board or body, pending or threatened against or affecting, nor to the best of our knowledge and belief is there any basis therefor, which, if determined adversely to Maker, will have a material adverse effect on the ability of the Maker to fulfill its obligations under the PA; and

(i) Maker has, in accordance with the requirements of law, fully budgeted and appropriated sufficient funds for Maker's current Fiscal Period to make the Payments scheduled to come due during Maker's current Fiscal Period and to meet its other obligations under the PA for the current Fiscal Period, and such funds have not been expended for other purposes.

This opinion is delivered to the addressee for its benefit and the benefit of its assigns for the purpose contemplated by the PA.

Very truly yours,

*Authorized Signatory of Lessee under the Agreement.

Dell Financial Services



Payment Agreement - PUBLIC

Contract Number xxx-xxxxxx-xxx

Exhibit A
Payment Schedule

[ADD AMORTIZATION TABLE HERE]

PAYMENT AGREEMENT

Customer:
Address:

Billing Contact:
Billing Address:

Software Licensor: [SW Licensor]

Vendor: [Name of reseller/seller]

Products: Software, equipment and services as described in [Description of Vendor Contract/Order/Agreement (s) #] ("**Agreement**")

This Payment Agreement ("**PA**") is made effective as of [DATE] between the Customer named above ("**Customer**") and Dell Financial Services L.L.C. ("**Payee**") pursuant to the following: Customer and the Software Licensor and/or Vendor have entered into the above referenced Agreement (including any addenda, amendments, and schedules attached thereto) in connection with the acquisition of "**Products**" including as applicable, certain equipment, software licenses ("**Licensed Software**"), and services to Customer. Pursuant to the Agreement, Customer is obligated to pay Vendor(s) the total fees described below ("**Fees**"). Payee and Customer have agreed that instead of Customer paying the Fees as described in the Agreement, Customer shall pay Payee installment payments ("**Payment Amounts**") as set forth in the Payment Schedule below and Payee shall pay the Vendor on Customer's behalf.

1. **FEES:** The Fees set forth in the Agreement consist of \$ [AMOUNT FUNDING TO VENDOR(s)] for Products. Customer hereby agrees to pay the Payment Amounts to Payee on an installment basis in accordance with the Payment Schedule set forth below.

2. **PAYMENT SCHEDULE:** Customer shall pay the Payment Amounts in accordance with the schedule ("**Payment Schedule**") below, with each Payment Amount due and payable on the date indicated ("**Due Date**"). Customer shall remit Payment Amounts to the address noted in the invoice from Payee. **PAYMENT AMOUNTS DO NOT INCLUDE APPLICABLE TAX, UNLESS SPECIFIED OTHERWISE.**

3. **OBLIGATIONS ABSOLUTE:** For the purposes of this PA Products shall be conclusively deemed accepted upon receipt, subject to any right of return provided by the Vendor, and upon Customer's execution of this PA, Customer acknowledges that (i) it has selected the Products based on its own judgment and (ii) Payee is entering into this PA as an accommodation to Customer, and the Agreement, including all obligations, rights and remedies hereunder are separate and distinct from this PA and any remedies which Customer may have, at law or in equity, against Vendor or Software Licensor shall be made independently and without regard to this PA and Customer's obligations hereunder, and (iii) Customer's obligation to remit Payment Amounts to Payee, in accordance with the Payment Schedule shall be absolute, unconditional, non-cancelable, and nonrefundable, and shall not be withheld or subject to any abatement, set-off, claim, counterclaim, adjustment, reduction, or defense that Customer may have arising out of or relating to the Agreement, the Products or otherwise for any reason whatsoever, including but not limited to requirements applicable to negotiable instruments (such as presentment for payment and notice of dishonor); termination of the Agreement or any change in, update to or transfer of the Products. If full payment of each Payment Amount and other amounts due and payable is not received by Payee within 10 days of the Due Date, Customer agrees to pay to Payee interest on the overdue amount at the lesser of 1.5% per month or the maximum rate allowed by applicable law. Customer hereby grants Payee a security interest in the Products (including Customer's right to use Licensed Software and to receive services, credits and refunds from Vendor) and all proceeds related to this PA, to the extent permitted by law. Payee may make related filings as Payee reasonably deems necessary. Customer agrees it is responsible for and will pay or reimburse Payee upon invoice for all government imposed taxes, duties, fines assessed or imposed on the PA, the Products and the Payment Amounts (but excluding taxes imposed on Payee's income) or any other amount payable with respect to the PA (collectively "Taxes").

4. **ASSIGNMENT; WAIVER OF DEFENSES, CLAIMS:** Customer hereby consents to Payee's assignment of Payee's rights and interests in and to all or a portion of the Payment Amounts to a third party ("Assignee"). Customer shall not transfer or assign any of Customer's rights or obligations under this PA or grant third-party liens or encumbrances in Products without Payee's prior written consent. Customer agrees that neither Payee nor any Assignee shall assume any of Vendor's or Software Licensor's obligations to Customer under the Agreement, and further, expressly waives, as against Payee and any Assignee, any rights Customer may have or claim related to any matter whatsoever including, without limitation, the design or condition of Products, their merchantability or fitness or capacity or durability for any particular purpose, the quality of the material or workmanship of the Products or conformity of the Products to the provisions and specifications of any purchase order or orders relating thereto, and Customer expressly disclaims the same, and, as to Payee and any Assignee, Customer accepts the Products "AS IS". Payee and any Assignee shall have no liability to Customer or third parties for any claim, loss or damage caused or alleged to be caused directly, indirectly, incidentally or consequentially by the Products, or by any inadequacy thereof or deficiency or defect therein, by any incident whatsoever in connection therewith, arising in strict liability, negligence or otherwise. Customer waives any claim that it may have against Payee for any loss, damage or expense caused by the Products or the Vendor or Software Licensor, even if holder has been advised of the possibility of such damage, loss, expense or cost. Customer acknowledges that Customer ordered the Products from Vendor, and that Customer may have rights under the Agreement and may be entitled to the benefit of warranties provided by Vendor or Software Licensor, and that Customer has received an accurate and complete description of any such rights including any disclaimers or limitations on them or of the remedies thereunder, and Customer shall make any claims under the Agreement solely and directly against Vendor or Software Licensor, but shall nevertheless pay Payee and any Assignee all amounts due and payable under this PA.

Contract Number xxx-xxxxxx-xxx

5. DEFAULT, RIGHTS AND REMEDIES: In the event (a) Customer fails to pay, when due, *any* Payment Amount on the Due Date, and such failure shall continue for a period of fifteen (15) days; (b) Customer materially breaches any term herein or other contract with Payee; (c) Customer materially breaches or terminates the Agreement; or (d) Customer invokes the protection of any bankruptcy or insolvency law (any of (a), (b), (c) or (d) above, a “Default”), then any and all Payment Amounts and all other amounts due hereunder and scheduled to become due hereunder shall become immediately due and payable by Customer, without demand or notice, and Vendor or Software Licensor may terminate (upon notification by Payee of Default) all of Customer’s rights to use of the Licensed Software and services. After the occurrence of a Default hereunder by Customer, Customer agrees to immediately cease using the Licensed Software, to de-install and delete all copies of Licensed Software from any computer systems owned or controlled by Customer or used for Customer’s benefit. Customer further agrees to provide a certificate signed by a Customer officer who is responsible for Customer’s information systems attesting to such cessation of use and maintenance, de-installation and deletion of Licensed Software and services. With regard to Products comprised of hardware or tangible personal property and following an uncured Default, Customer shall at Customer’s expense, ship such Products to or make them available at Payee’s designated location for the purpose of repossession. In the event Payee shall institute any action for the enforcement of the collection of the Payment Amounts, there shall be immediately due from Customer, in addition to the unpaid Payment Amounts, all costs and expenses of such action, including reasonable attorneys’ fees. No failure or delay on the part of Payee to exercise any right or remedy hereunder shall operate as a waiver thereof. All remedies are cumulative and not exclusive.

6. MISCELLANEOUS: This PA including riders, attachments and exhibits, constitutes the entire agreement regarding the subject matter herein between Customer and Payee and shall supersede any inconsistent terms set forth in the Agreement and all prior oral and written understandings. No term or provision of this PA may be amended except by a written instrument signed by both Payee and Customer; provided that the parties agree that this PA may be amended by written notice from Payee to Customer to adjust the related Payment Amount (any increase up to 15% or any decrease) caused by any change to the Agreement, or to update Product descriptions. Performance under this PA will not violate Customer’s bylaws, other agreement or judgement to which it is bound, or any law or regulation. No part of this PA is intended to permit or provide for payment of any amount in excess of lawful amounts. In the event any unlawful excess is collected, Payee shall apply such excess as credit or otherwise refund it to Customer, and the rate or amount involved will automatically be reduced to the maximum lawful rate or amount. To the extent (if any) that this PA or related documentation constitutes chattel paper under the Uniform Commercial Code, the authoritative copy of this PA shall be the copy designated by Payee from time to time, as the copy available for access and review by Customer and Payee. All other copies are copies of the authoritative copy. In the event of inadvertent destruction of the authoritative copy, the authoritative copy may be restored from a backup, and the restored copy shall become the authoritative copy. Customer agrees to take actions and provide documentation (such as Certificates of Acceptance or financial information) reasonably requested by Payee to effect the intent of this PA. Customer agrees to maintain liability insurance naming Payee as loss payee and property insurance in commercially reasonable amounts adequate to cover repair or replacement of any equipment covered by this PA. This PA shall be governed by the laws of Texas and shall be deemed executed in this state as of the effective date. Any legal action related to this PA must be brought in Williamson County, Texas. **EACH PARTY WAIVES ANY OBJECTION TO SUCH JURISDICTION AS WELL AS ITS RIGHT TO A TRIAL BY JURY.**

Payment Schedule

XX [monthly/quarterly/annual] payments of \$XXXX.XX with the first payment due on mm/dd/yyyy and on the same day of each period thereafter. Total Payment Amounts \$XX.XX.

Interest Rate: {{\$eir }}%

Customer:	xxxxxxxxxxxxxxxxxxxxxxxxxxxx	Payee:	Dell Financial Services L.L.C.
By:	_____	By:	_____
Name:	_____	Name:	_____
Title:	_____	Title:	_____
Date:	_____	Date:	_____

Contract Number xxx-xxxxxx-xxx

CERTIFICATE OF INCUMBANCY AND AUTHORITY

Regarding the above referenced “**Contract**” between _____ (“**Customer**”) and Dell Financial Services L.L.C. (“**DFS**”)

The undersigned hereby certifies to DFS, including its successors and assigns, that:

- (a) the undersigned is a Corporate Officer or authorized signatory of Customer,
- (b) the signer on the Contract has full right, capacity and power and is duly authorized by all requisite corporate action to execute, deliver and bind Customer to the Contract, and
- (c) the signature appearing on the Contract is in fact the signature of such signer.

By:* _____

Name: _____

Title: _____

Date: _____

** The signers on the Contract and this Certificate of Authority must be two different authorized signatories.*

Dell Financial Services



Pharos Financial Services Commercial/Private Entity Payment Agreement

Commercial/Private Entity



Contract Number xxx-xxxxxx-xxx

PAYMENT AGREEMENT

Customer:
Address:

Billing Contact:
Billing Address:

Software Licensor: [SW Licensor]

Vendor: [Name of reseller/seller]

Products: Software, equipment and services as described in [Description of Vendor Contract/Order/Agreement (s) #] ("**Agreement**")

This Payment Agreement ("**PA**") is made effective as of [DATE] between the Customer named above ("**Customer**") and Pharos Financial Services L.P. ("**Payee**") pursuant to the following: Customer and the Software Licensor and/or Vendor have entered into the above referenced Agreement (including any addenda, amendments, and schedules attached thereto) in connection with the acquisition of "**Products**" including as applicable, certain equipment, software licenses ("**Licensed Software**"), and services to Customer. Pursuant to the Agreement, Customer is obligated to pay Vendor(s) the total fees described below ("**Fees**"). Payee and Customer have agreed that instead of Customer paying the Fees as described in the Agreement, Customer shall pay Payee installment payments ("**Payment Amounts**") as set forth in the Payment Schedule below and Payee shall pay the Vendor on Customer's behalf.

1. **FEES:** The Fees set forth in the Agreement consist of \$ [AMOUNT FUNDING TO VENDOR(s)] for Products. Customer hereby agrees to pay the Payment Amounts to Payee on an installment basis in accordance with the Payment Schedule set forth below.

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3. **OBLIGATIONS ABSOLUTE:** For the purposes of this PA Products shall be conclusively deemed accepted upon receipt, subject to any right of return provided by the Vendor, and upon Customer's execution of this PA, Customer acknowledges that (i) it has selected the Products based on its own judgment and (ii) Payee is entering into this PA as an accommodation to Customer, and the Agreement, including all obligations, rights and remedies hereunder are separate and distinct from this PA and any remedies which Customer may have, at law or in equity, against Vendor or Software Licensor shall be made independently and without regard to this PA and Customer's obligations hereunder, and (iii) Customer's obligation to remit Payment Amounts to Payee, in accordance with the Payment Schedule shall be absolute, unconditional, non-cancelable, and nonrefundable, and shall not be withheld or subject to any abatement, set-off, claim, counterclaim, adjustment, reduction, or defense that Customer may have arising out of or relating to the Agreement, the Products or otherwise for any reason whatsoever, including but not limited to requirements applicable to negotiable instruments (such as presentment for payment and notice of dishonor); termination of the Agreement or any change in, update to or transfer of the Products. If full payment of each Payment Amount and other amounts due and payable is not received by Payee within 10 days of the Due Date, Customer agrees to pay to Payee interest on the overdue amount at the lesser of 1.5% per month or the maximum rate allowed by applicable law. Customer hereby grants Payee a security interest in the Products (including Customer's right to use Licensed Software and to receive services, credits and refunds from Vendor) and all proceeds related to this PA, to the extent permitted by law. Payee may make related filings as Payee reasonably deems necessary. Customer agrees it is responsible for and will pay or reimburse Payee upon invoice for all government imposed taxes, duties, fines assessed or imposed on the PA, the Products and the Payment Amounts (but excluding taxes imposed on Payee's income) or any other amount payable with respect to the PA (collectively "**Taxes**").

4. **ASSIGNMENT; WAIVER OF DEFENSES, CLAIMS:** Customer hereby consents to Payee's assignment of Payee's rights and interests in and to all or a portion of the Payment Amounts to a third party ("**Assignee**"). Customer shall not transfer or assign any of Customer's rights or obligations under this PA or grant third-party liens or encumbrances in Products without Payee's prior written consent. Customer agrees that neither Payee nor any Assignee shall assume any of Vendor's or Software Licensor's obligations to Customer under the Agreement, and further, expressly waives, as against Payee and any Assignee, any rights Customer may have or claim related to any matter whatsoever including, without limitation, the design or condition of Products, their merchantability or fitness or capacity or durability for any particular purpose, the quality of the material or workmanship of the Products or conformity of the Products to the provisions and specifications of any purchase order or orders relating thereto, and Customer expressly disclaims the same, and, as to Payee and any Assignee, Customer accepts the Products "**AS IS**". Payee and any Assignee shall have no liability to Customer or third parties for any claim, loss or damage caused or alleged to be caused directly, indirectly, incidentally or consequentially by the Products, or by any inadequacy thereof or deficiency or defect therein, by any incident whatsoever in connection therewith, arising in strict liability, negligence or otherwise. Customer waives any claim that it may have against Payee for any loss, damage or expense caused by the Products or the Vendor or Software Licensor, even if holder has been advised of the possibility of such damage, loss, expense or cost. Customer acknowledges that Customer ordered the Products from Vendor, and that Customer may have rights under the Agreement and may be



Contract Number xxx-xxxxxx-xxx

entitled to the benefit of warranties provided by Vendor or Software Licensor, and that Customer has received an accurate and complete description of any such rights including any disclaimers or limitations on them or of the remedies thereunder, and Customer shall make any claims under the Agreement solely and directly against Vendor or Software Licensor, but shall nevertheless pay Payee and any Assignee all amounts due and payable under this PA.

5. DEFAULT, RIGHTS AND REMEDIES: In the event (a) Customer fails to pay, when due, *any* Payment Amount on the Due Date, and such failure shall continue for a period of fifteen (15) days; (b) Customer materially breaches any term herein or other contract with Payee; (c) Customer materially breaches or terminates the Agreement; or (d) Customer invokes the protection of any bankruptcy or insolvency law (any of (a), (b), (c) or (d) above, a “Default”), then any and all Payment Amounts and all other amounts due hereunder and scheduled to become due hereunder shall become immediately due and payable by Customer, without demand or notice, and Vendor or Software Licensor may terminate (upon notification by Payee of Default) all of Customer’s rights to use of the Licensed Software and services. After the occurrence of a Default hereunder by Customer, Customer agrees to immediately cease using the Licensed Software, to de-install and delete all copies of Licensed Software from any computer systems owned or controlled by Customer or used for Customer’s benefit. Customer further agrees to provide a certificate signed by a Customer officer who is responsible for Customer’s information systems attesting to such cessation of use and maintenance, de-installation and deletion of Licensed Software and services. With regard to Products comprised of hardware or tangible personal property and following an uncured Default, Customer shall at Customer’s expense, ship such Products to or make them available at Payee’s designated location for the purpose of repossession. In the event Payee shall institute any action for the enforcement of the collection of the Payment Amounts, there shall be immediately due from Customer, in addition to the unpaid Payment Amounts, all costs and expenses of such action, including reasonable attorneys’ fees. No failure or delay on the part of Payee to exercise any right or remedy hereunder shall operate as a waiver thereof. All remedies are cumulative and not exclusive.

6. MISCELLANEOUS: This PA including riders, attachments and exhibits, constitutes the entire agreement regarding the subject matter herein between Customer and Payee and shall supersede any inconsistent terms set forth in the Agreement and all prior oral and written understandings. No term or provision of this PA may be amended except by a written instrument signed by both Payee and Customer; provided that the parties agree that this PA may be amended by written notice from Payee to Customer to adjust the related Payment Amount (any increase up to 15% or any decrease) caused by any change to the Agreement, or to update Product descriptions. Performance under this PA will not violate Customer’s bylaws, other agreement or judgement to which it is bound, or any law or regulation. No part of this PA is intended to permit or provide for payment of any amount in excess of lawful amounts. In the event any unlawful excess is collected, Payee shall apply such excess as credit or otherwise refund it to Customer, and the rate or amount involved will automatically be reduced to the maximum lawful rate or amount. To the extent (if any) that this PA or related documentation constitutes chattel paper under the Uniform Commercial Code, the authoritative copy of this PA shall be the copy designated by Payee from time to time, as the copy available for access and review by Customer and Payee. All other copies are copies of the authoritative copy. In the event of inadvertent destruction of the authoritative copy, the authoritative copy may be restored from a backup, and the restored copy shall become the authoritative copy. Customer agrees to take actions and provide documentation (such as Certificates of Acceptance or financial information) reasonably requested by Payee to effect the intent of this PA. This PA shall be governed by the laws of Texas and shall be deemed executed in this state as of the effective date. Any legal action related to this PA must be brought in Williamson County, Texas. **EACH PARTY WAIVES ANY OBJECTION TO SUCH JURISDICTION AS WELL AS ITS RIGHT TO A TRIAL BY JURY.**

Payment Schedule

XX [monthly/quarterly/annual] payments of \$XXXX.XX with the first payment due on mm/dd/yyyy and on the same day of each period thereafter. Total Payment Amounts \$XX.XX.

Interest Rate: {{Seir }}%

Customer:	xxxxxxxxxxxxxxxxxxxxxxxxxxxxxx	Payee:	Pharos Financial Services L.P. by and through its General Partner, Pharos Financial Services Inc.
By:	_____	By:	_____
Name:	_____	Name:	_____
Title:	_____	Title:	_____
Date:	_____	Date:	_____



Contract Number xxx-xxxxxx-xxx

CERTIFICATE OF AUTHORITY

Regarding the above referenced "**Contract**" between _____ ("**Customer**") and Pharos Financial Services L.P. ("**PFS**")

The undersigned hereby certifies to PFS, including its successors and assigns, that:

- (a) the undersigned is a Corporate Officer or authorized signatory of Customer,
- (b) the signer on the Contract has full right, capacity and power and is duly authorized by all requisite corporate action to execute, deliver and bind Customer to the Contract, and
- (c) the signature appearing on the Contract is in fact the signature of such signer.

By:* _____

Name: _____

Title: _____

Date: _____

** The signers on the Contract and this Certificate of Authority must be two different authorized signatories.*

Dell Financial Services



Dell Financial Services Public Framework Subscription Agreement

Sample Public Framework Subscription Agreement
Secretary/Clerk Certificate
Validity Opinion
Sample Payment Schedule
Sample Tech Rotation Schedule

Proprietary to Dell Financial Services, LLC

PUBLIC – FRAMEWORK SUBSCRIPTION AGREEMENT No. _____

CUSTOMER: Customer Name
[Customer Address]
[Customer Address]
City, State ZIP

DFS: Dell Financial Services L.L.C.
One Dell Way
Round Rock, TX 78682

1. SUBSCRIPTION: Customer has or will enter into a Supply Contract with a Supplier of its choice to acquire certain Products, which may be equipment, software, services or other rights. DFS agrees to provide to Customer and Customer agrees to acquire from DFS the use and possession of the Products set out in a Schedule. Each Schedule will incorporate this Agreement and may contain other terms. When signed by Customer and DFS, the Schedule will be a non-cancelable Subscription. In the event of any conflict between the Schedule and the Agreement, the Schedule will prevail.

2. ACCEPTANCE OF PRODUCTS; SIGNING OF SCHEDULE. Subject to any right of return under the Supply Contract, the irrevocable Acceptance Date will be the date the Products are delivered to the Customer. After delivery, DFS will send a Schedule to the Customer. If the Schedule has no material errors, Customer agrees to sign and return that Schedule by the later of the Acceptance Date or 10 days after Customer receives the Schedule.

3. SUBSCRIPTION FEES; TAXES; PAYMENT OBLIGATION. (a) The Fee amounts and payment dates for each Subscription will be specified in a related Schedule. Customer agrees to pay a prorated portion of Fees for the period from the Acceptance Date to the Commencement Date (set forth in a Schedule). All amounts due under any Subscriptions are payable in US dollars using the payment instructions provided by DFS. (b) In addition to Fees, Customer will pay all government charges, except taxes based on DFS's income, associated with a Subscription, unless Customer provides DFS with a tax-exemption certificate acceptable to the relevant taxing authority prior to DFS' payment of such taxes. Customer may choose to pay property tax through a charge that DFS will estimate based on existing property tax rates. This charge will be due each time a Fee is due. (c) Except as expressly provided in Section 15, Customer's obligation to pay all amounts when due and to otherwise perform as required under this Agreement and each Schedule are absolute and unconditional, and Customer will not withhold payment for any reason whatsoever including any claims by Customer against DFS, Supplier or manufacturer of the Products, total or partial loss of the Products or their use or possession, or otherwise, or the bankruptcy of any person.

4. USE; LOCATION. Customer may only use the Products only for business purposes and will comply with all applicable laws. Customer may permanently move Products from the location specified in the Schedule to any location in the same country if the Customer notifies DFS by the following May 31st or November 30th. Customer may also temporarily move other Products to other locations, including outside of the country, if Customer complies with all applicable laws.

5. RETURN. At the expiration or earlier cancellation or termination of a Subscription, and except for Products purchased pursuant to a purchase option under a Subscription, Customer agrees to (a) remove all data from the Products; (b) return the Products at a place reasonably designated by DFS; and (c) cease its use and/or receipt of any software or services provided with or as part of the Products. Customer will pay all costs associated with the return of the Products and will promptly pay DFS for all missing, incomplete, or damaged Products. Upon the return of any Product to DFS, any alteration will become the property of DFS, free and clear of all third-party rights or claims.

6. INSURANCE, RISK OF LOSS. (a) At all times, Customer will have a commercially reasonable amount of casualty-loss and liability insurance covering the Products. Customer may self-insure with DFS's consent. Customer will provide evidence of such insurance or self-insurance or relevant law as reasonably requested by DFS. Customer will provide DFS ten (10) days prior written notice of any material change to or cancellation of the insurance or self-insurance. (b) Customer agrees to be responsible for any damage to the Products upon delivery and until returned to DFS or purchased by Customer. If any Products are lost, stolen, or damaged beyond repair, Customer will promptly notify DFS, and pay to DFS the Total Subscription Value, or TSV, for such Products. The TSV of any Product is an amount equal to the sum of (i) all Subscription Fees and other amounts then due, plus (ii) the present value of all future Subscription Fees to become due, plus (iii) the present value of the estimated in place fair market value of the Product at the end of the Subscription as reasonably determined by DFS. Unless priced as a tax-exempt Schedule, DFS will calculate the present value under (ii) and (iii) using the H.15 federal funds rate as of the Commencement Date.

7. OWNERSHIP; ALTERATIONS. By paying the amount due under the Supply Contract, DFS will take title to all Products which are tangible personal property. DFS will remain the owner of such Products even if they are attached to other property. Customer agrees to keep at its expense, the Products free of liens and encumbrances or anyone other than DFS. If allowed under the Supply Contract, Customer may alter a Product so long as that alteration does not materially decrease the value of the Product.

8. DISCLAIMER AND DAMAGES Customer agrees that it has selected the Products. If any Product is unsatisfactory for any reason, Customer agrees to make its claim solely against the Supplier. To the extent permitted by applicable law, Customer is responsible for all damages caused by or related to this Subscription or the Products. Upon DFS's request Customer will reimburse and defend DFS against any such claim of damages. DFS MAKES NO WARRANTY, EXPRESS, IMPLIED, OR OTHERWISE, REGARDING ANY PRODUCT INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF DESIGN, MERCHANTABILITY, OR FITNESS FOR A

PARTICULAR PURPOSE. CUSTOMER AGREES THAT DFS WILL NOT BE LIABLE FOR ANY DAMAGES RELATED TO THE SALE OR USE OF ANY PRODUCTS.

9. DEFAULT. Customer will be in Default if (a) it fails to pay any amount due within 30 days of its due date; or (b) it makes a material misrepresentation related to this Agreement or any Subscription; or (c) if it is in material breach of this Agreement, a Subscription, or any other agreement with DFS and Customer fails to fix that breach within 30 days.

10. REMEDIES. (a) Upon a Default under a Subscription, all of Customer's rights, but not its obligations, will be automatically cancelled without notice and DFS may, in its sole discretion, exercise one or more of the following remedies: (i) require Customer to return, or cease use of, any or all Products as provided in Section 5; (ii) declare immediately due as a pre-estimate of liquidated damages for loss of bargain and not as a penalty, the TSV of the Products, less any net proceeds paid to DFS upon disposition of the Products; or (iii) exercise any other remedy available to DFS in law or in equity by appropriate court action or otherwise. (b) Customer will pay on demand all costs incurred by DFS in connection with any Default, including reasonable legal fees and expenses.

11. ASSIGNMENT. Customer may not assign this Agreement or any Subscription, nor may customer sublease any Product(s), without the prior written consent of DFS (such consent not to be unreasonably withheld). DFS may assess an administrative fee for any approved assignment or sublease. DFS may at any time and without notice, but subject to the rights of Customer, transfer, assign, or grant a security interest in any Product, this Agreement, any Schedule, or any related rights and obligations, in whole or in part. Subject to the above, this Agreement and each Schedule will be binding upon and inure to the benefit of DFS, Customer and their successors and assigns.

12. LAW AND VENUE. THIS AGREEMENT AND EACH SCHEDULE SHALL BE GOVERNED BY THE LAWS OF THE STATE IN WHICH THE CUSTOMER IS LOCATED WITHOUT REGARD TO ITS CONFLICTS OF LAWS PRINCIPLES AND, TO THE EXTENT APPLICABLE, THE ELECTRONIC SIGNATURES IN GLOBAL AND NATIONAL COMMERCE ACT. THE PARTIES' CONSENT TO THE JURISDICTION OF THE FEDERAL COURTS LOCATED WITHIN OR FOR THE COUNTY WITHIN THE STATE WHERE THE CUSTOMER IS LOCATED, OR AS MAY OTHERWISE BE REQUIRED BY APPLICABLE LAW. EACH PARTY WAIVES ANY OBJECTION TO SUCH JURISDICTION AS WELL AS ITS RIGHT TO A TRIAL BY JURY.

13. MISCELLANEOUS. (a) If the Schedule is not signed and returned by Customer under the terms of Section 2, then DFS may require the Customer to purchase the Products by paying the Total Acquisition Cost on the Schedule plus interest at a rate equal to the lesser of 1% per month or the highest such rate permitted by applicable law (e.g., the Prompt Payment Act). (b) Customer agrees to pay an Overdue Rate (as set forth above) on any amounts not paid within 15 days of when due. (c) The parties agree that if any provision of this Agreement, or any Schedule or Subscription is found to be unenforceable, that finding will not affect the enforceability of the remainder of the applicable document or any related document, and the parties will use their best efforts to replace such provision with an enforceable provision approximating the original intent of the parties. (d) Customer grants DFS a security interest in the Products and all related proceeds and authorizes DFS to file any related financing statements. (e) In the event DFS receives anything of value under a Subscription that is deemed interest which would exceed the maximum amount of interest allowed under the law, Customer's obligation to pay any such amounts will be limited to the maximum amount so allowed. (f) This Agreement and the Schedules under it contain the entire agreement between the parties. (g) This Agreement and any Schedule may only be amended in a document signed by both parties, except that a Schedule may be changed by written notice from DFS to Customer provided such notice is (1) to reflect a credit from Supplier for returned Product (2) to correct a Product's identification number or (3) to adjust the related Subscription Fees on the Schedule (any increase up to 15% or any decrease) caused by any change made by Customer in its' order with the Supplier. (h) This Agreement and any Schedule may be signed in any number of counterparts. (i) To the extent a Subscription would be chattel paper (1) the authoritative copy of a Subscription will be the copy in DFS's possession or control and designated by DFS as the copy available for access and review and (2) no security interest may be created through the control or possession of a counterpart of a Subscription other than the authoritative copy in DFS's possession or control. If the authoritative copy is destroyed, DFS may restore the authoritative copy from a backup, and the restored copy will become the authoritative copy. (j) The parties agree that predominant purpose of each Subscription is Customer's use and possession of the related Property.

14. FUNDING INTENT. Customer agrees to the Term (as defined in the Schedule) of each Schedule and to pay all Fees and other amounts due using funds made legally available through appropriate funding in Customer's annual budget by its governing body. Customer agrees to use reasonable efforts to obtain and maintain the funds to pay all Fees under each Schedule and to evidence any non-appropriation, as set forth in Section 15, if the Customer's governing body fails to appropriate funds for the Fees during the applicable fiscal year. Customer's obligation to pay Fees and other amounts due under a Schedule constitute a current expense and not a debt in contravention of applicable law or constitutional limitations or requirements or the creation of indebtedness or as a pledge of funds beyond Customer's current Fiscal Period (as defined in Customer's Secretary/Clerk Certificate) or interpreted as a pledge of Customer's general tax revenues, funds or monies.

15. NON-APPROPRIATIONS OF FUNDS. If (a) sufficient funds are not appropriated and/or budgeted by Customer's governing body to continue the Schedule beyond the current Fiscal Period and (b) Customer has exhausted all funds legally available for payment of such Fees or other costs due under the Schedule beyond the current Fiscal Period, then Customer may terminate a Schedule by giving sixty (60) days' prior written notice to DFS. Upon receipt by DFS, the Schedule will terminate as of the last day of Customer's current Fiscal Period and Customer's obligations under the Schedule and any interest in the Products will cease and Customer will surrender the Products in accordance with Section 5. Customer agrees to use its best efforts to take all action necessary to avoid termination of a Schedule, including making budget requests for each Fiscal Period during Term of each applicable Schedule for the funds required to pay all Fees and to continue the Schedule in full force and effect.

16. AUTHORITY AND AUTHORIZATION. Customer expressly represents and warrants to DFS that, as of the time Customer enters into this Agreement and each Schedule that: (a) Customer is a state or a political subdivision or agency of a state as described in Section

103(a) of the Internal Revenue Code of 1986, as amended, with full power and authority to enter into this Agreement and any Schedules and perform all of its obligations under the Schedules; (b) this Agreement and each Schedule have been duly authorized, authenticated and delivered by and under Customer's state laws and Constitution and does not violate or contradict any judgment, law, order or regulation, or cause any breach or default under any agreement to which Customer is a party; (c) Customer has complied with all public bidding requirements, if applicable, and where necessary, has properly presented this Agreement and each Schedule for approval and adoption as a valid, legal, and binding obligation on Customer's part enforceable with its terms; (d) No other approval, consent or withholding of objection is required from any federal, state or local governmental authority or instrumentality with respect to entering into or performance by Customer of the Agreement or any Schedule; (e) there are no actions, suits, proceedings, inquiries or investigations, at law or in equity, before or by any court, public board or body, pending or threatened against or affecting Customer; (f) the Products are essential to Customer's proper, efficient, and economic operation or to the services which Customer provides to its citizens and Customer will make immediate use of the Products and will be the only entity to operate and use the Products; and (g) Customer has, in accordance with applicable law, fully budgeted and appropriated sufficient funds to pay all Fees and other amounts due under the Agreement and any Schedule during the current Fiscal Period. Upon DFS' request, Customer agrees to provide DFS with an opinion of counsel as to clauses (a) through (g) above, a Secretary/Clerk Certificate, certificate of insurance, essential use, and any other documents requested in a form satisfactory to DFS.

ACCEPTED BY:

Dell Financial Services L.L.C. (DFS)

[CUSTOMER NAME FIELD]

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____



Secretary/Clerk Certificate Instructions

1. In the blocks under paragraph (ii) with the headings "NAME OF AUTHORIZED SIGNATORY", "TITLE OF AUTHORIZED SIGNATORY" and "SIGNATURE OF AUTHORIZED SIGNATORY", all persons who are authorized to execute and deliver the _____ and any related documents from time to time thereunder between the Public Entity and _____ should write or type his/her name under the "Name of Authorized Signatory" heading, write or type his/her title under the "Title of Authorized Signatory" heading, and sign his/her name under the "Signature of Authorized Signatory" heading in the block across from his/her name and title. **The person(s) listed and executing in the blocks under paragraph (ii) must not be the same person executing the Certificate on behalf of the Public Entity (Clerk, Secretary, etc.) listed at the top of the Certificate and executing in the signature block at the bottom of the Certificate under the "In Witness Whereof" language;**
2. The Clerk, Secretary, etc. should insert the _____ No. in paragraph (iii), if known;
3. The Clerk, Secretary, etc. should strike paragraph (v) of the Certificate if this paragraph is not applicable to the Public Entity;
4. If paragraph (v) of the Certificate is applicable to the Public Entity, the Clerk, Secretary, etc. should insert "regular" or "special" in the first blank and then insert the date of the meeting of the governing body of the Public Entity in the second blank;
5. The Clerk, Secretary, etc. should write or type the Fiscal Period of the Public Entity in paragraph (ix);
6. The Clerk, Secretary, etc. should write or type his/her name, title, name and State of the Public Entity in the top portion of the Certificate and date, sign & print his/her name and title at the bottom of the Certificate under the "In Witness Whereof" language; and
7. If required by local law, the Certificate should be notarized by a notary public. The notary public should be a person other than the Clerk, Secretary, etc. executing under the "In Witness Whereof" language of the Certificate.



SECRETARY/CLERK CERTIFICATE

I, _____, do hereby certify that:

(i) I am the duly elected, qualified, and acting _____ (Clerk, Secretary, etc.)
of _____, a _____ public entity (the "Public Entity").

(ii) Each of the persons whose name, title and signature appear below is a duly authorized representative of the Public Entity and holds on the date of this Certificate the formal title set forth opposite his/her name and the signature appearing opposite each such person's name is his/her genuine signature:

NAME OF AUTHORIZED SIGNATORY (cannot be Clerk/Secretary authenticating this certificate)	TITLE OF AUTHORIZED SIGNATORY	SIGNATURE OF AUTHORIZED SIGNATORY
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

(iii) Each such representative is duly authorized for and on behalf of the Public Entity to execute and deliver that certain Agreement No. _____ (the "Agreement") and any related Schedules from time to time thereunder (the "Schedules") between the Public Entity and _____, or its assignee (collectively, "DFS"), and all agreements, documents, and instruments in connection therewith, including without limitation, schedules, riders and certificates of acceptance.

(iv) The execution and delivery of any such Agreement and/or Schedule and all agreements, documents, and instruments in connection therewith for and on behalf of the Public Entity are not prohibited by or in any manner restricted by the terms of the Charter or other document pursuant to which the Public Entity is organized or of any loan agreement, indenture or contract to which the Public Entity is a party or by which it or any of its property is bound.

(v) [STRIKE IF NOT APPLICABLE] The Public Entity did, at a duly called _____ (regular or special) meeting of the governing body of the Public Entity attended throughout by the requisite majority of the members thereof held on the _____ day of _____ by motion duly made, seconded and carried, in accordance with all requirements of law, approve and authorize the execution and delivery of the Agreement, the related Schedule(s) and all agreements, documents, and instruments in connection therewith on behalf of the Public Entity by the authorized representative(s) of the Public Entity named in paragraph (ii) above. Such action approving the Agreement, the related Schedule(s) and all agreements, documents, and instruments in connection therewith and authorizing the execution thereof has not been altered or rescinded by the Public Entity.

(vi) No event or condition that constitutes (or with notice or lapse of time or both, would constitute) an Event of Default, as defined in the Agreement, exists at the date hereof.

(vii) All insurance required in accordance with the Agreement is currently maintained by the Public Entity.

(viii) The Public Entity has, in accordance with the requirements of law, fully budgeted and appropriated sufficient funds for the current budget year to make the Rent payments scheduled to come due during the first Fiscal Period and to meet the Public Entity's other obligations for the first Fiscal Period, as such terms are defined in the Agreement, and such funds have not been expended for other purposes.

(ix) The Fiscal Period of the Public Entity is from _____ to _____.

(x) The foregoing authority and information shall remain true and in full force and effect, and DFS shall be entitled to rely upon same, until written notice of the modification, rescission, or revocation of same in whole or in part, has been delivered to DFS, but in any event shall be effective with respect to any documents executed or actions taken in reliance upon the foregoing authority prior to the delivery to DFS of said written notice of said modification, rescission or revocation.

IN WITNESS WHEREOF:

By: _____

Name: _____

Title: _____
(Clerk or Secretary)

Date: _____

Subscribed to and sworn before me:

Notary Public: _____
(Name)

Date: _____

My commission expires: _____

SAMPLE VALIDITY OPINION LETTER
TO BE EXECUTED ON COUNSEL'S LETTERHEAD

To:

Ladies and Gentlemen:

We are counsel to _____ (the "Government Entity") and, in that capacity, we have examined [Name of Agreement] No. _____, dated as of _____, and the related Schedule No. _____, dated as of _____ the Commencement Date [or Effective Date] (collectively the "Agreement"), between the Government Entity and Dell Financial Services L.L.C.

Based on our examination of the Agreement and such other examinations as we have deemed appropriate, we are of the opinion as follows:

(a) The Lessee is an entity duly organized and existing under and by virtue of the authorizing statute or constitutional provisions of the State of _____ and is a state or political subdivision thereof as described in Section 103(a) of the Internal Revenue Code of 1986, as amended, with full power and authority to enter into the Agreement and the transactions contemplated thereby and to perform all of its obligations thereunder;

(b) The Agreement has been duly authorized, executed and delivered by _____*, _____ of the Government Entity by proper action of its governing board at a meeting duly called, regularly convened and attended throughout by the requisite majority of the members thereof 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 the Agreement against the Government Entity;

(c) The Agreement constitutes the valid, legal and binding obligation of the Government Entity, enforceable in accordance with its terms;

(d) No approval, consent or withholding of objection is required from any federal, state or local governmental authority or instrumentality with respect to the entering into or performance by the Government Entity of the Agreement and the transactions contemplated thereby;

(e) Government Entity has complied with any applicable public bidding requirements and other applicable state and federal laws in connection with the Agreement and the transactions contemplated thereby;

(f) The entering into and performance of the Agreement will not violate any judgment, order, law or regulation applicable to the Government Entity or result in any breach of, or constitute a default under, any instrument to which the Government Entity is a party or by which it or its assets may be bound, or result in the creation of any lien, charge, security interest or other encumbrance upon any assets of the Government Entity or on the Products, other than those created by the Agreement;

(g) The Products are tangible personal property and when subject to use by the Government Entity will not be or become fixtures or real property under the laws of the State of _____;

(h) There are no actions, suits, proceedings, inquiries or investigations, at law or in equity, before or by any court, public board or body, pending or threatened against or affecting, nor to the best of our knowledge and belief is there any basis therefor, which, if determined adversely to Government Entity, will have a material adverse effect on the ability of the Government Entity to fulfill its obligations under the Agreement; and

(i) Government Entity has, in accordance with the requirements of law, fully budgeted and appropriated sufficient funds for Government Entity's current Fiscal Period to make the Rent payments scheduled to come due during Government Entity's current Fiscal Period and to meet its other obligations under the Agreement for the current Fiscal Period, and such funds have not been expended for other purposes.

This opinion is delivered to the addressee for its benefit and the benefit of its assigns for the purpose contemplated by the Agreement.

Very truly yours,

*Authorized Signatory of Government Entity under the Agreement.



PUBLIC PAYMENT SCHEDULE NO.

This Schedule is subject to Framework Subscription Agreement No. _____.

The Product description and location can be found in the attached Exhibit A.

Supplier:

Customer Purchase Order No.	Fees	Term in months	Commencement Date	Total Product Acquisition Cost
_____	_____	_____	_____	_____

Fees are payable [monthly/quarterly/annually] in [arrears/advance]

The Fees and Purchase Price (as of the applicable Purchase Date) can be found in the chart below or on Exhibit B attached.

Payment Number	Purchase Date	Fees	Interest Portion	Principal Portion	Purchase Price
See Exhibit B					

At the end of the Term, Customer may return the Products that are personal property or purchase them for \$1.00. With DFS approval, Customer may purchase the Products prior to the end of the original Term as listed on Exhibit B, so long as all other amounts on the Purchase Date have been paid in full.

DFS may extend the Commencement Date to the first of the month following the day the Customer returns this Schedule. Total Product Acquisition Cost includes shipping and taxes which the Customer is responsible for. Any Product sale by DFS is made AS IS-WHERE IS, WITHOUT WARRANTY OR RECOURSE, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTIES OF DESIGN, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR AGAINST INFRINGEMENT.

By signing below, each party agrees to be bound by the Subscription Agreement, this Schedule and the attached Exhibits A and B.

ACCEPTED BY:

Dell Financial Services L.L.C.

[CUSTOMER NAME FIELD]

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____



PUBLIC TECHNOLOGY ROTATION SCHEDULE NO.

This Schedule is subject to Framework Subscription Agreement No. _____.

The Product description and location can be found in the attached Exhibit A.

Supplier:

<u>Customer Purchase Order No.</u>	<u>Fees</u>	<u>Term in months</u>	<u>Commencement Date</u>	<u>Total Product Acquisition Cost</u>
----------------------------------------	-------------	---------------------------	------------------------------	-------------------------------------------

See Exhibit A

Fees are payable [monthly/quarterly/annually] in [arrears/advance]

End of Term Options: At least 60 days before the end of the Term, the Customer will give DFS irrevocable notice of its intention to:

- (i) purchase some or all of the Products at their Fair Market Value (defined below); or
- (ii) return all Products not purchased.

If any Product is not returned or purchased, this Schedule for the unreturned Product will automatically renew month-to-month at the same amount of Fees (pro-rated, if applicable), or some other term and amount agreed by the parties, until the Products are returned or purchased at the then Fair Market Value. Payments of Fees during a month-to-month extension are due as specified in DFS's invoice.

Fair Market Value is the in-place price of the Products as reasonably determined by DFS. Customer agrees to notify DFS of its' disagreement with the Fair Market Value within 10 days of receipt. DFS will then select an appraiser, reasonably acceptable to Customer. The amount determined by such appraiser shall be final. The parties agree to share the costs of such appraiser equally. Customer agrees to pay the Fair Market Value net 30.

DFS may extend the Commencement Date to the first of the month following the day the Customer returns this Schedule. Total Product Acquisition Cost includes shipping and taxes which the Customer is responsible for. Any Product sale by DFS is made AS IS-WHERE IS, WITHOUT WARRANTY OR RECOURSE, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTIES OF DESIGN, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR AGAINST INFRINGEMENT.

By signing below, each party agrees to be bound by the Subscription Agreement, this Schedule and the attached Exhibit A.

ACCEPTED BY:

Dell Financial Services L.L.C.

[CUSTOMER NAME FIELD]

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Dell Financial Services



Dell Financial Services Framework Subscription Agreement

Framework Subscription Agreement- Commercial/Private Entity

Certification of Signature Authority

Framework Payment Schedule

Framework PCaaS Schedule

Framework Technology Rotation Schedule



FRAMEWORK SUBSCRIPTION AGREEMENT No. _____

CUSTOMER: Customer Name
[Customer Address]
[Customer Address]
City, State ZIP

DFS: Dell Financial Services L.L.C.
One Dell Way
Round Rock, TX 78682

1. SUBSCRIPTION: Customer has or will enter into a Supply Contract with a Supplier of its choice to acquire certain Products, which may be equipment, software, services or other rights. DFS agrees to provide to Customer and Customer agrees to acquire from DFS the use and possession of the Products set out in a Schedule. Each Schedule will incorporate this Agreement and may contain other terms. When signed by Customer and DFS, the Schedule will be a non-cancelable Subscription.

2. ACCEPTANCE OF PRODUCTS; SIGNING OF SCHEDULE. Subject to any right of return under the Supply Contract, the irrevocable Acceptance Date will be the date the Products are delivered to the Customer. After delivery, DFS will send a Schedule to the Customer. If the Schedule has no material errors, Customer agrees to sign and return that Schedule by the later of the Acceptance Date or 10 days after Customer receives the Schedule.

3. SUBSCRIPTION FEES; TAXES; PAYMENT OBLIGATION. (a) The Fee amounts and payment dates for each Subscription will be specified in a related Schedule. Customer agrees to pay a prorated portion of Fees for the period from the Acceptance Date to the Commencement Date (set forth in a Schedule). All amounts due under any Subscriptions are payable in US dollars using the payment instructions provided by DFS. (b) In addition to Fees, Customer will pay all government charges, except taxes based on DFS's income, associated with a Subscription. Customer may choose to pay property tax through a charge that DFS will estimate based on existing property tax rates. This charge will be due each time a Fee is due. (c) Customer's obligation to pay all amounts when due and to otherwise perform as required under this Agreement and each Schedule are absolute and unconditional, and Customer will not withhold payment for any reason whatsoever including any claims by Customer against DFS, Supplier or manufacturer of the Products, total or partial loss of the Products or their use or possession, or otherwise, or the bankruptcy of any person.

4. USE; LOCATION. Customer may only use the Products for business purposes and will comply with all applicable laws. Customer may permanently move Products from the location specified in the Schedule to any location in the same country if the Customer notifies DFS by the following May 31st or November 30th. Customer may also temporarily move other Products to other locations, including outside of the country, if Customer complies with all applicable laws.

5. RETURN. At the expiration or earlier cancellation or termination of a Subscription, and except for Products purchased pursuant to a purchase option under a Subscription, Customer agrees to (a) remove all data from the Products; (b) return the Products at a place reasonably designated by DFS; and (c) cease its use and/or receipt of any software or services provided with or as part of the Products. Customer will pay all costs associated with the return of the Products and will promptly pay DFS for all missing, incomplete, or damaged Products. Upon the return of any Product to DFS, any alteration will become the property of DFS, free and clear of all third-party rights or claims.

6. INSURANCE, RISK OF LOSS. (a) At all times, Customer will have a commercially reasonable amount of casualty-loss and liability insurance covering the Products. Customer may self-insure with DFS's consent. Customer will provide evidence of such insurance or self-insurance as reasonably requested by DFS. Customer will provide DFS ten (10) days prior written notice of any material change to or cancellation of the insurance or self-insurance. (b) Customer assumes the risk of loss of the Products upon delivery and until returned to DFS or purchased by Customer. If any Products are lost, stolen, or damaged beyond repair, Customer will promptly notify DFS, and pay to DFS the Total Subscription Value, or TSV, for such Products. The TSV of any Product is an amount equal to the sum of (i) all Subscription Fees and other amounts then due, plus (ii) the present value of all future Subscription Fees to become due, plus (iii) the present value of the estimated in place fair market value of the Product at the end of the Subscription as reasonably determined by DFS. DFS will calculate the present value under (ii) and (iii) using the H.15 federal funds rate as of the Commencement Date.

7. OWNERSHIP; ALTERATIONS. By paying the amount due under the Supply Contract, DFS will take title to all Products which are tangible personal property. DFS will remain the owner of such Products even if they are attached to other property. Customer agrees to keep at its expense, the Products free of liens and encumbrances or anyone other than DFS. If allowed under the Supply Contract, Customer may alter a Product so long as that alteration does not materially decrease the value of the Product.

8. DISCLAIMER AND DAMAGES. Customer agrees that it has selected the Products. If any Product is unsatisfactory for any reason, Customer agrees to make its claim solely against the Supplier. Customer is responsible for all damages caused by or related to this Subscription or the Products. Upon DFS's request Customer will reimburse and defend DFS against any such claim of damages. DFS MAKES NO WARRANTY, EXPRESS, IMPLIED, OR OTHERWISE, REGARDING ANY PRODUCT INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF DESIGN, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE. CUSTOMER AGREES THAT DFS WILL NOT BE LIABLE FOR ANY DAMAGES RELATED TO THE SALE OR USE OF ANY PRODUCTS.

9. DEFAULT. Customer will be in Default if (a) it fails to pay any amount due within 30 days of its due date or (b) it makes a material misrepresentation related to this Agreement or any Subscription or (c) if it is in material breach of this Agreement, a Subscription, or any other agreement with DFS and Customer fails to fix that breach within 30 days.

10. REMEDIES. (a) Upon a Default under a Subscription, all of Customer's rights, but not its obligations, will be automatically cancelled without notice and DFS may, in its sole discretion, exercise one or more of the following remedies: (i) require Customer to return, or cease use of, any or all Products as provided in Section 5; (ii) declare immediately due as a pre-estimate of liquidated damages for loss of bargain and not as a penalty, the TSV of the Products, less any net proceeds paid to DFS upon disposition of the Products; or (iii) exercise any other remedy available to DFS in law or in equity by appropriate court action or otherwise. (b) Customer will pay on demand all costs incurred by DFS in connection with any Default, including reasonable legal fees and expenses.

11. ASSIGNMENT. Customer may not assign this Agreement or any Subscription, nor may customer sublease any Product(s), without the prior written consent of DFS (such consent not to be unreasonably withheld). DFS may assess an administrative fee for any approved assignment or sublease. DFS may at any time and without notice, but subject to the rights of Customer, transfer, assign, or grant a security interest in any Product, this Agreement, any Schedule, or any related rights and obligations, in whole or in part. Subject to the above, this Agreement and each Schedule will be binding upon and inure to the benefit of DFS, Customer and their successors and assigns.

12. LAW AND VENUE. THIS AGREEMENT AND EACH SUBSCRIPTION WILL BE GOVERNED BY TEXAS LAW. CUSTOMER CONSENTS TO THE JURISDICTION OF ANY FEDERAL COURT LOCATED IN TRAVIS COUNTY, TEXAS AND WAIVES ANY OBJECTION TO VENUE.

13. MISCELLANEOUS. (a) If the Schedule is not signed and returned by Customer under the terms of Section 2, then DFS may require the Customer to purchase the Products by paying the Total Acquisition Cost on the Schedule plus interest at the Overdue Rate. (b) Customer agrees to pay an Overdue Rate of 1% per month on any amounts not paid within 15 days of when due. (c) The parties agree that if any provision of this Agreement, or any Schedule or Subscription is found to be unenforceable, that finding will not affect the enforceability of the remainder of the applicable document or any related document, and the parties will use their best efforts to replace such provision with an enforceable provision approximating the original intent of the parties. (d) Customer grants to DFS a security interest in the Products and all related proceeds and authorizes DFS to file any related financing statements. (e) In the event DFS receives anything of value under a Subscription that is deemed interest which would exceed the maximum amount of interest allowed under the law, Customer's obligation to pay any such amounts will be limited to the maximum amount so allowed. (f) This Agreement and the Schedules under it contain the entire agreement between the parties. (g) This Agreement and any Schedule may only be amended in a document signed by both parties, except that a Schedule may be changed by written notice from DFS to Customer provided such notice is (1) to reflect a credit from Supplier for returned Product (2) to correct a Product's identification number or (3) to adjust the related Subscription Fees on the Schedule (any increase up to 15% or any decrease) caused by any change made by Customer in its' order with the Supplier. (h) This Agreement and any Schedule may be signed in any number of counterparts. (i) To the extent a Subscription would be chattel paper (1) the authoritative copy of a Subscription will be the copy in DFS's possession or control and designated by DFS as the copy available for access and review and (2) no security interest may be created through the control or possession of a counterpart of a Subscription other than the authoritative copy in DFS's possession or control. If the authoritative copy is destroyed, DFS may restore the authoritative copy from a backup, and the restored copy will become the authoritative copy. (j) The parties agree that predominant purpose of each Subscription is Customer's use and possession of the related Property.

ACCEPTED BY:

Dell Financial Services L.L.C. (DFS)

[CUSTOMER NAME FIELD]

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

Dell Financial Services



Instructions for completing the attached Certification of Signature Authority- Do not sign this page.

NAME OF AUTHORIZED SIGNATORY	TITLE OF AUTHORIZED SIGNATORY	SIGNATURE OF AUTHORIZED SIGNATORY
<div></div>	<div></div>	<div></div>

2. The person named here should have the authority to designate the above to sign multi-year contracts on behalf of your business. Please include your title(CEO, CFO, CTO, President, Vice President or Secretary).

****Please note: The person signing here cannot be an authorized signatory designated above.***

By:

Name:

Title:

Date:



CERTIFICATION OF SIGNATURE AUTHORITY

Customer Name: [Lessee Name]
Agreement Description: Framework Lease Agreement, Subscription Agreement
DFS: Dell Financial Services L.L.C.

On behalf of the Customer, I certify that each of the people listed below are representatives of the Customer and each is authorized to enter into any of the above noted Agreements and any related documents with DFS. I also certify that this authority shall remain in effect until Customer notifies DFS otherwise. Such notice will not affect any Agreement signed prior to this notice.

NAME OF AUTHORIZED SIGNATORY	TITLE OF AUTHORIZED SIGNATORY	SIGNATURE OF AUTHORIZED SIGNATORY
<hr/>	<hr/>	<hr/>
<hr/>	<hr/>	<hr/>
<hr/>	<hr/>	<hr/>

By: _____
Name: _____
Title: _____
Date: _____



PAYMENT SCHEDULE NO.

This Schedule is subject to Framework Subscription Agreement No. _____.

The Product description and location can be found in the attached Exhibit A.

Supplier:

Customer Purchase Order No.	Fees	Term in months	Commencement Date	Total Product Acquisition Cost
_____	_____	_____	_____	_____

Fees are payable [monthly/quarterly/annually] in [arrears/advance]

At the end of the Term, Customer may return the Products that are personal property or purchase them for \$1.00.

DFS may extend the Commencement Date to the first of the month following the day the Customer returns this Schedule. Total Product Acquisition Cost includes shipping and taxes which the Customer is responsible for. Any Product sale by DFS is made AS IS-WHERE IS, WITHOUT WARRANTY OR RECOURSE, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTIES OF DESIGN, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR AGAINST INFRINGEMENT.

By signing below, each party agrees to be bound by the Subscription Agreement, this Schedule and the attached Exhibit A.

ACCEPTED BY:

Dell Financial Services L.L.C.

[CUSTOMER NAME FIELD]

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____



**SUBSCRIPTION AGREEMENT
PCaaS SCHEDULE NO.**

This Schedule is subject to Framework Subscription Agreement No. _____.

The Product description and location can be found below or in the attached Exhibit A.

Supplier:

<u>Customer Purchase Order No.</u>	<u>Rent</u>	<u>Term in months</u>	<u>Commencement Date</u>	<u>Total Product Acquisition Cost</u>
----------------------------------------	-------------	---------------------------	------------------------------	-------------------------------------------

See Exhibit A

Rent is payable [monthly/quarterly/annually] in [arrears/advance]

For this Schedule, as noted on Exhibit A, Number of Seats and the Per Seat Fee are only applicable where the Supplier's quote has a fee per Seat. A "Seat" is a unit of hardware and any services and software linked with that unit.

DFS may extend the Commencement Date to the first of the month following the day the Customer returns this Schedule. Total Product Acquisition Cost includes shipping and taxes which the Customer is responsible for. Any Product sale by DFS is made AS IS-WHERE IS, WITHOUT WARRANTY OR RECOURSE, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTIES OF DESIGN, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR AGAINST INFRINGEMENT.

Flexible Consumption Terms: Provided that no Event of Default has occurred and is continuing, Customer may give irrevocable written notice to DFS of its intention to exercise one of the following three options: Flex Up; Flex Down; or a combination of Flex Up and Flex Down.

- **Flex Up:** At any time during the initial Term, Customer may add additional Seats at any time by executing a new Schedule (subject to credit and pricing approval).
- **Flex Down:** Once, at any time after the half-way point of the initial Term, Customer may remove up to ___% of the Seats by providing at least 90 days' notice to DFS with such notice listing the Equipment to be returned by serial number. If the Customer has contracted with Product Seller for asset return services for the Seat, then the removal of the Seat will be at no additional cost to the Customer. Otherwise, Customer is responsible for the costs of returning the Seat in accordance with the Agreement. Upon DFS's receipt of the Seat, Customer's Rent over the remainder of the initial Term will be lowered to reflect the Seats received.
- **Combination:** Once, at any time after the half-way point of the initial Term, Customer may add additional Seats at any time by executing a new Schedule (subject to credit and pricing approval) while at the same time removing up to ___% of the Seats by providing at least 90 days' notice to DFS with such notice listing the Equipment to be returned by serial number. If the Customer has contracted with Product Seller for asset return services for the Seat, then the removal of the Seat will be at no additional cost to the Customer. Otherwise, Customer is responsible for the costs of returning the Seat in accordance with the Agreement. Upon DFS's receipt of the Seat, Customer's Rent over the remainder of the initial Term will be lowered to reflect the Seats received.

Extension Option: Provided that no Event of Default has occurred and is continuing, Customer has two options upon giving notice at least 30 days prior to the expiration of the initial Term: (1) renew the Schedule for a mutually agreeable term, or (2) renew the Schedule on a month-to-month basis, terminable upon 30 days notice from either party to the other. For both Renewal Terms, the Rent shall be the same as the Rent during the initial Term.

Holdover Period: If the Customer has contracted with Dell for asset return services for a Seat, then Customer is not liable for any amount beyond the initial Term unless Customer has exercised the above Extension Option or, through its actions or inactions, prevented Dell from retrieving the Seat. Where Customer prevented Dell from retrieving the Seat or has not contracted with Dell for asset return services for a Seat, then if Customer has not returned the Seat in accordance with the Agreement, the Term will automatically extend for successive one-month terms in which case Customer will pay DFS the same Rent as during the initial Term. Such one-month terms will continue until DFS’s receipt of the Seat.

By signing below, each party agrees to be bound by the Subscription Agreement, this Schedule and any Exhibit(s).

ACCEPTED BY:

Dell Financial Services L.L.C.

[CUSTOMER NAME FIELD]

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____



TECHNOLOGY ROTATION SCHEDULE NO.

This Schedule is subject to Framework Subscription Agreement No. _____.

The Product description and location can be found in the attached Exhibit A.

Supplier:

<u>Customer Purchase Order No.</u>	<u>Fees</u>	<u>Term in months</u>	<u>Commencement Date</u>	<u>Total Product Acquisition Cost</u>
----------------------------------------	-------------	---------------------------	------------------------------	-------------------------------------------

Fees are payable [monthly/quarterly/annually] in [arrears/advance]

End of Term Options: At least 60 days before the end of the Term, the Customer will give DFS irrevocable notice of its intention to:

- (i) purchase some or all of the Products at their Fair Market Value; or
- (ii) return all Products not purchased.

Fees for any unreturned or unpurchased Product under this schedule will automatically renew month to month at the same amount, or at a term and amount agreed by the parties, until the Products are returned or purchased. Fees during an extension are due as specified in DFS's invoice.

Fair Market Value is the in-place price of the Products as reasonably determined by DFS. Customer agrees to notify DFS of its' disagreement with the price within 10 days of receipt. DFS will then select an appraiser, reasonably acceptable to Customer. The amount determined by such appraiser shall be final. The parties agree to share the costs of such appraiser equally. Customer agrees to pay the Fair Market Value net 30.

DFS may extend the Commencement Date to the first of the month following the day the Customer returns this Schedule. Total Product Acquisition Cost includes shipping and taxes which the Customer is responsible for. Any Product sale by DFS is made AS IS-WHERE IS, WITHOUT WARRANTY OR RECOURSE, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTIES OF DESIGN, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR AGAINST INFRINGEMENT.

By signing below, each party agrees to be bound by the Subscription Agreement, this Schedule and the attached Exhibit A.

ACCEPTED BY:

Dell Financial Services L.L.C.

[CUSTOMER NAME FIELD]

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Dell Financial Services



Dell Financial Services Framework Lease Agreement- Commercial/Private Entity

Framework Lease Agreement
Certification of Signature Authority
Framework Payment Schedule
Framework PCaaS Schedule
Framework Tech Rotation Schedule

Proprietary to Dell Financial Services, LLC



FRAMEWORK LEASE AGREEMENT No. _____

CUSTOMER: Customer Name
[Customer Address]
[Customer Address]
City, State ZIP

DFS: Dell Financial Services L.L.C.
One Dell Way
Round Rock, TX 78682

1. LEASE: Customer has or will enter into a Supply Contract with a Supplier of its choice to acquire certain Products, which may be equipment, software, services or other rights. DFS agrees to provide to Customer and Customer agrees to acquire from DFS the use and possession of the Products set out in a Schedule. Each Schedule will incorporate this Agreement and may contain other terms. When signed by Customer and DFS, the Schedule will be a non-cancelable Lease.

2. ACCEPTANCE OF PRODUCTS; SIGNING OF SCHEDULE. Subject to any right of return under the Supply Contract, the irrevocable Acceptance Date will be the date the Products are delivered to the Customer. After delivery, DFS will send a Schedule to the Customer. If the Schedule has no material errors, Customer agrees to sign and return that Schedule by the later of the Acceptance Date or 10 days after Customer receives the Schedule.

3. RENT; TAXES; PAYMENT OBLIGATION. (a) The Rent amounts and payment dates for each Lease will be specified in a related Schedule. Customer agrees to pay a prorated portion of Rent for the period from the Acceptance Date to the Commencement Date (set forth in a Schedule). All amounts due under any Leases are payable in US dollars using the payment instructions provided by DFS. (b) In addition to Rent, Customer will pay all government charges, except taxes based on DFS's income, associated with a Lease. Customer may choose to pay property tax through a charge that DFS will estimate based on existing property tax rates. This charge will be due each time a Rent is due. (c) Customer's obligation to pay all amounts when due and to otherwise perform as required under this Agreement and each Schedule are absolute and unconditional, and Customer will not withhold payment for any reason whatsoever including any claims by Customer against DFS, Supplier or manufacturer of the Products, total or partial loss of the Products or their use or possession, or otherwise, or the bankruptcy of any person.

4. USE; LOCATION. Customer may only use the Products for business purposes and will comply with all applicable laws. Customer may permanently move Products from the location specified in the Schedule to any location in the same country if the Customer notifies DFS by the following May 31st or November 30th. Customer may also temporarily move other Products to other locations, including outside of the country, if Customer complies with all applicable laws.

5. RETURN. At the expiration or earlier cancellation or termination of a Lease, and except for Products purchased pursuant to a purchase option under a Lease, Customer agrees to (a) remove all data from the Products; (b) return the Products at a place reasonably designated by DFS; and (c) cease its use and/or receipt of any software or services provided with or as part of the Products. Customer will pay all costs associated with the return of the Products and will promptly pay DFS for all missing, incomplete, or damaged Products. Upon the return of any Product to DFS, any alteration will become the property of DFS, free and clear of all third-party rights or claims.

6. INSURANCE, RISK OF LOSS. (a) At all times, Customer will have a commercially reasonable amount of casualty-loss and liability insurance covering the Products. Customer may self-insure with DFS's consent. Customer will provide evidence of such insurance or self-insurance as reasonably requested by DFS. Customer will provide DFS ten (10) days prior written notice of any material change to or cancellation of the insurance or self-insurance. (b) Customer agrees to be responsible for any damage to the Products upon delivery and until returned to DFS or purchased by Customer. If any Products are lost, stolen, or damaged beyond repair, Customer will promptly notify DFS, and pay to DFS the Total Lease Value, or TLV, for such Products. The TLV of any Product is an amount equal to the sum of (i) all Rent and other amounts then due, plus (ii) the present value of all future Rent to become due, plus (iii) the present value of the estimated in place fair market value of the Product at the end of the Lease as reasonably determined by DFS. DFS will calculate the present value under (ii) and (iii) using the H.15 federal funds rate as of the Commencement Date.

7. OWNERSHIP; ALTERATIONS. By paying the amount due under the Supply Contract, DFS will take title to all Products which are tangible personal property. DFS will remain the owner of such Products even if they are attached to other property. Customer agrees to keep at its expense the Products free of liens and encumbrances of anyone other than DFS. If allowed under the Supply Contract, Customer may alter a Product so long as that alteration does not materially decrease the value of the Product.

8. DISCLAIMER AND DAMAGES Customer agrees that it has selected the Products. If any Product is unsatisfactory for any reason, Customer agrees to make its claim solely against the Supplier. Customer is responsible for all damages caused by or related to this Lease or the Products. Upon DFS's request Customer will reimburse and defend DFS against any such claim of damages. DFS MAKES NO WARRANTY, EXPRESS, IMPLIED, OR OTHERWISE, REGARDING ANY PRODUCT INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF DESIGN, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE. CUSTOMER AGREES THAT DFS WILL NOT BE LIABLE FOR ANY DAMAGES RELATED TO THE SALE OR USE OF ANY PRODUCTS.

9. DEFAULT. Customer will be in Default if (a) it fails to pay any amount due within 30 days of its due date or (b) it makes a material misrepresentation related to this Agreement or any Lease or (c) if it is in material breach of this Agreement, a Lease, or any other agreement with DFS and Customer fails to fix that breach within 30 days.

10. REMEDIES. (a) Upon a Default under a Lease, all of Customer's rights, but not its obligations, will be automatically cancelled without notice and DFS may, in its sole discretion, exercise one or more of the following remedies: (i) require Customer to return, or cease use of, any or all Products as provided in Section 5; (ii) declare immediately due as a pre-estimate of liquidated damages for loss of bargain and not as a penalty, the TLV of the Products, less any net proceeds paid to DFS upon disposition of the Products; or (iii) exercise any other remedy available to DFS in law or in equity by appropriate court action or otherwise. (b) Customer will pay on demand all costs incurred by DFS in connection with any Default, including reasonable legal fees and expenses.

11. ASSIGNMENT. Customer may not assign this Agreement or any Lease, nor may customer sublease any Product(s), without the prior written consent of DFS (such consent not to be unreasonably withheld). DFS may assess an administrative fee for any approved assignment or sublease. DFS may at any time and without notice, but subject to the rights of Customer, transfer, assign, or grant a security interest in any Product, this Agreement, any Schedule, or any related rights and obligations, in whole or in part. Subject to the above, this Agreement and each Schedule will be binding upon and inure to the benefit of DFS, Customer and their successors and assigns.

12. LAW AND VENUE. THIS AGREEMENT AND EACH LEASE WILL BE GOVERNED BY TEXAS LAW. CUSTOMER CONSENTS TO THE JURISDICTION OF ANY FEDERAL COURT LOCATED IN TRAVIS COUNTY, TEXAS AND WAIVES ANY OBJECTION TO VENUE.

13. MISCELLANEOUS. (a) If the Schedule is not signed and returned by Customer under the terms of Section 2, then DFS may require the Customer to purchase the Products by paying the Total Acquisition Cost on the Schedule plus interest at the Overdue Rate. (b) Customer agrees to pay an Overdue Rate of 1% per month on any amounts not paid within 15 days of when due. (c) The parties agree that if any provision of this Agreement, or any Schedule or Lease is found to be unenforceable, that finding will not affect the enforceability of the remainder of the applicable document or any related document, and the parties will use their best efforts to replace such provision with an enforceable provision approximating the original intent of the parties. (d) Customer grants to DFS a security interest in the Products and all related proceeds and authorizes DFS to file any related financing statements. (e) In the event DFS receives anything of value under a Lease that is deemed interest which would exceed the maximum amount of interest allowed under the law, Customer's obligation to pay any such amounts will be limited to the maximum amount so allowed. (f) This Agreement and the Schedules under it contain the entire agreement between the parties. (g) This Agreement and any Schedule may only be amended in a document signed by both parties, except that a Schedule may be changed by written notice from DFS to Customer provided such notice is (1) to reflect a credit from Supplier for returned Product (2) to correct a Product's identification number or (3) to adjust the related Rent on the Schedule (any increase up to 15% or any decrease) caused by any change made by Customer in its' order with the Supplier. (h) This Agreement and any Schedule may be signed in any number of counterparts. (i) To the extent a Lease would be chattel paper (1) the authoritative copy of a Lease will be the copy in DFS's possession or control and designated by DFS as the copy available for access and review and (2) no security interest may be created through the control or possession of a counterpart of a Lease other than the authoritative copy in DFS's possession or control. If the authoritative copy is destroyed, DFS may restore the authoritative copy from a backup, and the restored copy will become the authoritative copy. (j) The parties agree that the predominant purpose of each Lease is Customer's use and possession of the related Property.

ACCEPTED BY:

Dell Financial Services L.L.C.

[CUSTOMER NAME FIELD]

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Dell Financial Services



Instructions for completing the attached Certification of Signature Authority- Do not sign this page.

1. The person(s) named & signature(s) in this section are authorized to sign a multi-year contract that will create a liability for your business.

NAME OF AUTHORIZED SIGNATORY	TITLE OF AUTHORIZED SIGNATORY	SIGNATURE OF AUTHORIZED SIGNATORY
<div></div>	<div></div>	<div></div>

2. The person named here should have the authority to designate the above to sign multi-year contracts on behalf of your business. Please include your title(CEO, CFO, CTO, President, Vice President or Secretary).

****Please note: The person signing here cannot be an authorized signatory designated above.***

By:

Name:

Title:

Date:



CERTIFICATION OF SIGNATURE AUTHORITY

Customer Name: [Lessee Name]
Agreement Description: Framework Lease Agreement, Subscription Agreement
DFS: Dell Financial Services L.L.C.

On behalf of the Customer, I certify that each of the people listed below are representatives of the Customer and each is authorized to enter into any of the above noted Agreements and any related documents with DFS. I also certify that this authority shall remain in effect until Customer notifies DFS otherwise. Such notice will not affect any Agreement signed prior to this notice.

NAME OF AUTHORIZED SIGNATORY	TITLE OF AUTHORIZED SIGNATORY	SIGNATURE OF AUTHORIZED SIGNATORY
<hr/>	<hr/>	<hr/>
<hr/>	<hr/>	<hr/>
<hr/>	<hr/>	<hr/>

By: _____
Name: _____
Title: _____
Date: _____



PAYMENT SCHEDULE NO.

This Schedule is subject to Framework Lease Agreement No. _____.

The Product description and location can be found in the attached Exhibit A.

Supplier:

Customer Purchase Order No.	Rent	Term in months	Commencement Date	Total Product Acquisition Cost
_____	_____	_____	_____	_____

Rent is payable [monthly/quarterly/annually] in [arrears/advance]

At the end of the Term, Customer may return the Products that are personal property or purchase them for \$1.00.

DFS may extend the Commencement Date to the first of the month following the day the Customer returns this Schedule. Total Product Acquisition Cost includes shipping and taxes which the Customer is responsible for. Any Product sale by DFS is made AS IS-WHERE IS, WITHOUT WARRANTY OR RECOURSE, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTIES OF DESIGN, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR AGAINST INFRINGEMENT.

By signing below, each party agrees to be bound by the Framework Lease Agreement, this Schedule and the attached Exhibit A.

ACCEPTED BY:

Dell Financial Services L.L.C.

[CUSTOMER NAME FIELD]

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____



**FRAMEWORK LEASE AGREEMENT
PCaaS SCHEDULE NO.**

This Schedule is subject to Framework Lease Agreement No. _____.

The Product description and location can be found below or in the attached Exhibit A.

Supplier:

Customer Purchase Order No.	Rent	Term in months	Commencement Date	Total Product Acquisition Cost
----------------------------------------	-------------	---------------------------	------------------------------	-------------------------------------------

See Exhibit A

Rent is payable [monthly/quarterly/annually] in [arrears/advance]

For this Schedule, as noted on Exhibit A, Number of Seats and the Per Seat Fee are only applicable where the Supplier's quote has a fee per Seat. A "Seat" is a unit of hardware and any services and software linked with that unit.

DFS may extend the Commencement Date to the first of the month following the day the Customer returns this Schedule. Total Product Acquisition Cost includes shipping and taxes which the Customer is responsible for. Any Product sale by DFS is made AS IS-WHERE IS, WITHOUT WARRANTY OR RECOURSE, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTIES OF DESIGN, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR AGAINST INFRINGEMENT.

Flexible Consumption Terms: Provided that no Event of Default has occurred and is continuing, Customer may give irrevocable written notice to DFS of its intention to exercise one of the following three options: Flex Up; Flex Down; or a combination of Flex Up and Flex Down.

- **Flex Up:** At any time during the initial Term, Customer may add additional Seats at any time by executing a new Schedule (subject to credit and pricing approval).
- **Flex Down:** Once, at any time after the half-way point of the initial Term, Customer may remove up to ____% of the Seats by providing at least 90 days' notice to DFS with such notice listing the Equipment to be returned by serial number. If the Customer has contracted with Product Seller for asset return services for the Seat, then the removal of the Seat will be at no additional cost to the Customer. Otherwise, Customer is responsible for the costs of returning the Seat in accordance with the Agreement. Upon DFS's receipt of the Seat, Customer's Rent over the remainder of the initial Term will be lowered to reflect the Seats received.
- **Combination:** Once, at any time after the half-way point of the initial Term, Customer may add additional Seats at any time by executing a new Schedule (subject to credit and pricing approval) while at the same time removing up to ____% of the Seats by providing at least 90 days' notice to DFS with such notice listing the Equipment to be returned by serial number. If the Customer has contracted with Product Seller for asset return services for the Seat, then the removal of the Seat will be at no additional cost to the Customer. Otherwise, Customer is responsible for the costs of returning the Seat in accordance with the Agreement. Upon DFS's receipt of the Seat, Customer's Rent over the remainder of the initial Term will be lowered to reflect the Seats received.

Extension Option: Provided that no Event of Default has occurred and is continuing, Customer has two options upon giving notice at least 30 days prior to the expiration of the initial Term: (1) renew the Schedule for a mutually agreeable

term, or (2) renew the Schedule on a month-to-month basis, terminable upon 30 days notice from either party to the other. For both Renewal Terms, the Rent shall be the same as the Rent during the initial Term.

Holdover Period: If the Customer has contracted with Dell for asset return services for a Seat, then Customer is not liable for any amount beyond the initial Term unless Customer has exercised the above Extension Option or, through its actions or inactions, prevented Dell from retrieving the Seat. Where Customer prevented Dell from retrieving the Seat or has not contracted with Dell for asset return services for a Seat, then if Customer has not returned the Seat in accordance with the Agreement, the Term will automatically extend for successive one-month terms in which case Customer will pay DFS the same Rent as during the initial Term. Such one-month terms will continue until DFS's receipt of the Seat.

By signing below, each party agrees to be bound by the Framework Lease Agreement, this Schedule and any Exhibit(s).

ACCEPTED BY:

Dell Financial Services L.L.C.

[CUSTOMER NAME FIELD]

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____



TECHNOLOGY ROTATION SCHEDULE NO.

This Schedule is subject to Framework Lease Agreement No. _____.

The Product description and location can be found in the attached Exhibit A.

Supplier:

<u>Customer Purchase Order No.</u>	<u>Rent</u>	<u>Term in months</u>	<u>Commencement Date</u>	<u>Total Product Acquisition Cost</u>
----------------------------------------	-------------	---------------------------	------------------------------	-------------------------------------------

See Exhibit A

Rent is payable [monthly/quarterly/annually] in [arrears/advance]

End of Term Options: At least 60 days before the end of the Term, the Customer will give DFS irrevocable notice of its intention to:

- (i) purchase some or all of the Products at their Fair Market Value (defined below); or
- (ii) return all Products not purchased.

Fees for any unreturned or unpurchased Product under this schedule will automatically renew month to month at the same amount, or at a term and amount agreed by the parties, until the Products are returned or purchased. Fees during an extension are due as specified in DFS's invoice.

Fair Market Value is the in-place price of the Products as reasonably determined by DFS. Customer agrees to notify DFS of its' disagreement with the Fair Market Value within 10 days of receipt. DFS will then select an appraiser reasonably acceptable to Customer. The amount determined by such appraiser shall be final. The parties agree to share the costs of such appraiser equally. Customer agrees to pay the Fair Market Value net 30.

DFS may extend the Commencement Date to the first of the month following the day the Customer returns this Schedule. Total Product Acquisition Cost includes shipping and taxes which the Customer is responsible for. Any Product sale by DFS is made AS IS-WHERE IS, WITHOUT WARRANTY OR RECOURSE, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTIES OF DESIGN, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR AGAINST INFRINGEMENT.

By signing below, each party agrees to be bound by the Framework Lease Agreement, this Schedule and the attached Exhibit A.

ACCEPTED BY:

Dell Financial Services L.L.C.

[CUSTOMER NAME FIELD]

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Dell Financial Services



Pharos Financial Services Commercial/Private Entity Framework Lease Agreement

Pharos Framework Lease Agreement

Certificate of Authority

Framework Payment Schedule

Framework PCaaS Schedule

Framework Technology Rotation Schedule

Pharos Financial Services



FRAMEWORK LEASE AGREEMENT No. _____

CUSTOMER: Customer Name
[Customer Address]
[Customer Address]
City, State ZIP

PFS: Pharos Financial Services L.P.
One Dell Way
Round Rock, TX 78682

1. LEASE: Customer has or will enter into a Supply Contract with a Supplier of its choice to acquire certain Products, which may be equipment, software, services or other rights. PFS agrees to provide to Customer and Customer agrees to acquire from PFS the use and possession of the Products set out in a Schedule. Each Schedule will incorporate this Agreement and may contain other terms. When signed by Customer and PFS, the Schedule will be a non-cancelable Lease.

2. ACCEPTANCE OF PRODUCTS; SIGNING OF SCHEDULE. Subject to any right of return under the Supply Contract, the irrevocable Acceptance Date will be the date the Products are delivered to the Customer. After delivery, PFS will send a Schedule to the Customer. If the Schedule has no material errors, Customer agrees to sign and return that Schedule by the later of the Acceptance Date or 10 days after Customer receives the Schedule.

3. RENT; TAXES; PAYMENT OBLIGATION. (a) The Rent amounts and payment dates for each Lease will be specified in a related Schedule. Customer agrees to pay a prorated portion of Rent for the period from the Acceptance Date to the Commencement Date (set forth in a Schedule). All amounts due under any Leases are payable in US dollars using the payment instructions provided by PFS. (b) In addition to Rent, Customer will pay all government charges, except taxes based on PFS's income, associated with a Lease. Customer may choose to pay property tax through a charge that PFS will estimate based on existing property tax rates. This charge will be due each time a Rent is due. (c) Customer's obligation to pay all amounts when due and to otherwise perform as required under this Agreement and each Schedule are absolute and unconditional, and Customer will not withhold payment for any reason whatsoever including any claims by Customer against PFS, Supplier or manufacturer of the Products, total or partial loss of the Products or their use or possession, or otherwise, or the bankruptcy of any person.

4. USE; LOCATION. Customer may only use the Products for business purposes and will comply with all applicable laws. Customer may permanently move Products from the location specified in the Schedule to any location in the same country if the Customer notifies PFS by the following May 31st or November 30th. Customer may also temporarily move other Products to other locations, including outside of the country, if Customer complies with all applicable laws.

5. RETURN. At the expiration or earlier cancellation or termination of a Lease, and except for Products purchased pursuant to a purchase option under a Lease, Customer agrees to (a) remove all data from the Products; (b) return the Products at a place reasonably designated by PFS; and (c) cease its use and/or receipt of any software or services provided with or as part of the Products. Customer will pay all costs associated with the return of the Products and will promptly pay PFS for all missing, incomplete, or damaged Products. Upon the return of any Product to PFS, any alteration will become the property of PFS, free and clear of all third-party rights or claims.

6. INSURANCE, RISK OF LOSS. (a) At all times, Customer will have a commercially reasonable amount of casualty-loss and liability insurance covering the Products. Customer may self-insure with PFS's consent. Customer will provide evidence of such insurance or self-insurance as reasonably requested by PFS. Customer will provide PFS ten (10) days prior written notice of any material change to or cancellation of the insurance or self-insurance. (b) Customer agrees to be responsible for any damage to the Products upon delivery and until returned to PFS or purchased by Customer. If any Products are lost, stolen, or damaged beyond repair, Customer will promptly notify PFS, and pay to PFS the Total Lease Value, or TLV, for such Products. The TLV of any Product is an amount equal to the sum of (i) all Rent and other amounts then due, plus (ii) the present value of all future Rent to become due, plus (iii) the present value of the estimated in place fair market value of the Product at the end of the Lease as reasonably determined by PFS. PFS will calculate the present value under (ii) and (iii) using the H.15 federal funds rate as of the Commencement Date.

7. OWNERSHIP; ALTERATIONS. By paying the amount due under the Supply Contract, PFS will take title to all Products which are tangible personal property. PFS will remain the owner of such Products even if they are attached to other property. Customer agrees to keep at its expense the Products free of liens and encumbrances of anyone other than PFS. If allowed under the Supply Contract, Customer may alter a Product so long as that alteration does not materially decrease the value of the Product.

8. DISCLAIMER AND DAMAGES Customer agrees that it has selected the Products. If any Product is unsatisfactory for any reason, Customer agrees to make its claim solely against the Supplier. Customer is responsible for all damages caused by or related to this Lease or the Products. Upon PFS's request Customer will reimburse and defend PFS against any such claim of damages. PFS MAKES NO WARRANTY, EXPRESS, IMPLIED, OR OTHERWISE, REGARDING ANY PRODUCT INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF DESIGN, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE. CUSTOMER AGREES THAT PFS WILL NOT BE LIABLE FOR ANY DAMAGES RELATED TO THE SALE OR USE OF ANY PRODUCTS.

9. DEFAULT. Customer will be in Default if (a) it fails to pay any amount due within 30 days of its due date or (b) it makes a material misrepresentation related to this Agreement or any Lease or (c) if it is in material breach of this Agreement, a Lease, or any other agreement with PFS and Customer fails to fix that breach within 30 days.

10. REMEDIES. (a) Upon a Default under a Lease, all of Customer's rights, but not its obligations, will be automatically cancelled without notice and PFS may, in its sole discretion, exercise one or more of the following remedies: (i) require Customer to return, or cease use of, any or all Products as provided in Section 5; (ii) declare immediately due as a pre-estimate of liquidated damages for loss of bargain and not as a penalty, the TLV of the Products, less any net proceeds paid to PFS upon disposition of the Products; or (iii) exercise any other remedy available to PFS in law or in equity by appropriate court action or otherwise. (b) Customer will pay on demand all costs incurred by PFS in connection with any Default, including reasonable legal fees and expenses.

11. ASSIGNMENT. Customer may not assign this Agreement or any Lease, nor may customer sublease any Product(s), without the prior written consent of PFS (such consent not to be unreasonably withheld). PFS may assess an administrative fee for any approved assignment or sublease. PFS may at any time and without notice, but subject to the rights of Customer, transfer, assign, or grant a security interest in any Product, this Agreement, any Schedule, or any related rights and obligations, in whole or in part. Subject to the above, this Agreement and each Schedule will be binding upon and inure to the benefit of PFS, Customer and their successors and assigns.

12. LAW AND VENUE. THIS AGREEMENT AND EACH LEASE WILL BE GOVERNED BY TEXAS LAW. CUSTOMER CONSENTS TO THE JURISDICTION OF ANY FEDERAL COURT LOCATED IN TRAVIS COUNTY, TEXAS AND WAIVES ANY OBJECTION TO VENUE.

13. MISCELLANEOUS. (a) If the Schedule is not signed and returned by Customer under the terms of Section 2, then PFS may require the Customer to purchase the Products by paying the Total Acquisition Cost on the Schedule plus interest at the Overdue Rate. (b) Customer agrees to pay an Overdue Rate of 1% per month on any amounts not paid within 15 days of when due. (c) The parties agree that if any provision of this Agreement, or any Schedule or Lease is found to be unenforceable, that finding will not affect the enforceability of the remainder of the applicable document or any related document, and the parties will use their best efforts to replace such provision with an enforceable provision approximating the original intent of the parties. (d) Customer grants to PFS a security interest in the Products and all related proceeds and authorizes PFS to file any related financing statements. (e) In the event PFS receives anything of value under a Lease that is deemed interest which would exceed the maximum amount of interest allowed under the law, Customer's obligation to pay any such amounts will be limited to the maximum amount so allowed. (f) This Agreement and the Schedules under it contain the entire agreement between the parties. (g) This Agreement and any Schedule may only be amended in a document signed by both parties, except that a Schedule may be changed by written notice from PFS to Customer provided such notice is (1) to reflect a credit from Supplier for returned Product (2) to correct a Product's identification number or (3) to adjust the related Rent on the Schedule (any increase up to 15% or any decrease) caused by any change made by Customer in its' order with the Supplier. (h) This Agreement and any Schedule may be signed in any number of counterparts. (i) To the extent a Lease would be chattel paper (1) the authoritative copy of a Lease will be the copy in PFS's possession or control and designated by PFS as the copy available for access and review and (2) no security interest may be created through the control or possession of a counterpart of a Lease other than the authoritative copy in PFS's possession or control. If the authoritative copy is destroyed, PFS may restore the authoritative copy from a backup, and the restored copy will become the authoritative copy. (j) The parties agree that the predominant purpose of each Lease is Customer's use and possession of the related Property.

ACCEPTED BY:

**Pharos Financial Services L.P. by and through its'
General Partner, Pharos Financial Inc.**

[CUSTOMER NAME FIELD]

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Pharos Financial Services



CERTIFICATION OF SIGNATURE AUTHORITY

Customer Name:
Agreement Description: Framework Lease Agreement, Framework Subscription Agreement
PFS: Pharos Financial Services L.P.

On behalf of the Customer, I certify that each of the people listed below are representatives of the Customer and each is authorized to enter into any of the above noted Agreements and any related documents with PFS. I also certify that this authority shall remain in effect until Customer notifies PFS otherwise. Such notice will not affect any Agreement signed prior to this notice.

NAME OF AUTHORIZED SIGNATORY	TITLE OF AUTHORIZED SIGNATORY	SIGNATURE OF AUTHORIZED SIGNATORY
<hr/>	<hr/>	<hr/>
<hr/>	<hr/>	<hr/>
<hr/>	<hr/>	<hr/>

By:

Name:

Title:

Date:

Pharos Financial Services



PAYMENT SCHEDULE NO.

This Schedule is subject to Framework Lease Agreement No. _____.

The Product description and location can be found in the attached Exhibit A.

Supplier:

Customer Purchase Order No.	Rent	Term in months	Commencement Date	Total Product Acquisition Cost
_____	_____	_____	_____	_____

Rent is payable [monthly/quarterly/annually] in [arrears/advance]

At the end of the Term, Customer may return the Products that are personal property or purchase them for \$1.00.

PFS may extend the Commencement Date to the first of the month following the day the Customer returns this Schedule. Total Product Acquisition Cost includes shipping and taxes which the Customer is responsible for. Any Product sale by PFS is made AS IS-WHERE IS, WITHOUT WARRANTY OR RECOURSE, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTIES OF DESIGN, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR AGAINST INFRINGEMENT.

By signing below, each party agrees to be bound by the Framework Lease Agreement, this Schedule and the attached Exhibit A.

ACCEPTED BY:

**Pharos Financial Services L.P. by and through its'
General Partner, Pharos Financial Inc.**

[CUSTOMER NAME FIELD]

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Pharos Financial Services



FRAMEWORK LEASE AGREEMENT PCaaS SCHEDULE NO.

This Schedule is subject to Framework Lease Agreement No. _____.

The Product description and location can be found below or in the attached Exhibit A.

Supplier: _____

Description	Number of Seats	Term in Months	Per Seat Fee	Rent
[Example: Products set forth in Dell Quote # 123456]	[Example: 1,000]		[Example: \$50.00]	[Example: \$50,000]
				Total

Total Product Acquisition Cost: \$ _____

Commencement Date: _____

Rent is payable [monthly/quarterly/annually] in [arrears/advance]

For this Schedule, a "Seat" is a unit of hardware and any services and software linked with that unit.

PFS may extend the Commencement Date to the first of the month following the day the Customer returns this Schedule. Total Product Acquisition Cost includes shipping and taxes which the Customer is responsible for. Any Product sale by PFS is made AS IS-WHERE IS, WITHOUT WARRANTY OR RECOURSE, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTIES OF DESIGN, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR AGAINST INFRINGEMENT.

Flexible Consumption Terms: Provided that no Event of Default has occurred and is continuing, Customer may give irrevocable written notice to PFS of its intention to exercise one of the following three options: Flex Up; Flex Down; or a combination of Flex Up and Flex Down.

- **Flex Up:** At any time during the initial Term, Customer may add additional Seats at any time by executing a new Schedule (subject to credit and pricing approval).
- **Flex Down:** Once, at any time after the half-way point of the initial Term, Customer may remove up to ____% of the Seats by providing at least 90 days' notice to PFS with such notice listing the Equipment to be returned by serial number. If the Customer has contracted with Product Seller for asset return services for the Seat, then the removal of the Seat will be at no additional cost to the Customer. Otherwise, Customer is responsible for the costs of returning the Seat in accordance with the Agreement. Upon PFS's receipt of the Seat, Customer's Rent over the remainder of the initial Term will be lowered to reflect the Seats received.
- **Combination:** Once, at any time after the half-way point of the initial Term, Customer may add additional Seats at any time by executing a new Schedule (subject to credit and pricing approval) while at the same time removing up to ____% of the Seats by providing at least 90 days' notice to PFS with such notice listing the Equipment to be returned by serial number. If the Customer has contracted with Product Seller for asset return services for the Seat, then the removal of the Seat will be at no additional cost to the Customer. Otherwise, Customer is responsible for the costs of returning the Seat in accordance with the Agreement. Upon PFS's receipt of the Seat, Customer's Rent over the remainder of the initial Term will be lowered to reflect the Seats received.

Extension Option: Provided that no Event of Default has occurred and is continuing, Customer has two options upon giving notice at least 30 days prior to the expiration of the initial Term: (1) renew the Schedule for a mutually agreeable term, or (2) renew the Schedule on a month-to-month basis, terminable upon 30 days notice from either party to the other. For both Renewal Terms, the Rent shall be the same as the Rent during the initial Term.

Holdover Period: If the Customer has contracted with Dell for asset return services for a Seat, then Customer is not liable for any amount beyond the initial Term unless Customer has exercised the above Extension Option or, through its actions or inactions, prevented Dell from retrieving the Seat. Where Customer prevented Dell from retrieving the Seat or has not contracted with Dell for asset return services for a Seat, then if Customer has not returned the Seat in accordance with the Agreement, the Term will automatically extend for successive one-month terms in which case Customer will pay PFS the same Rent as during the initial Term. Such one-month terms will continue until PFS's receipt of the Seat.

By signing below, each party agrees to be bound by the Framework Lease Agreement, this Schedule and any Exhibit(s).

ACCEPTED BY:

**Pharos Financial Services L.P. by and through its'
General Partner, Pharos Financial Inc.**

[CUSTOMER NAME FIELD]

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____



Pharos Financial Services

TECHNOLOGY ROTATION SCHEDULE NO.

This Schedule is subject to Framework Lease Agreement No. _____.

The Product description and location can be found in the attached Exhibit A.

Supplier:

<u>Customer Purchase Order No.</u>	<u>Rent</u>	<u>Term in months</u>	<u>Commencement Date</u>	<u>Total Product Acquisition Cost</u>
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See Exhibit A

Rent is payable [monthly/quarterly/annually] in [arrears/advance]

End of Term Options: At least 60 days before the end of the Term, the Customer will give PFS irrevocable notice of its intention to:

- (i) purchase some or all of the Products at their Fair Market Value (defined below); or
- (ii) return all Products not purchased.

Fees for any unreturned or unpurchased Product under this schedule will automatically renew month to month at the same amount, or at a term and amount agreed by the parties, until the Products are returned or purchased. Fees during an extension are due as specified in PFS's invoice.

Fair Market Value is the in-place price of the Products as reasonably determined by PFS. Customer agrees to notify PFS of its' disagreement with the Fair Market Value within 10 days of receipt. PFS will then select an appraiser reasonably acceptable to Customer. The amount determined by such appraiser shall be final. The parties agree to share the costs of such appraiser equally. Customer agrees to pay the Fair Market Value net 30.

PFS may extend the Commencement Date to the first of the month following the day the Customer returns this Schedule. Total Product Acquisition Cost includes shipping and taxes which the Customer is responsible for. Any Product sale by PFS is made AS IS-WHERE IS, WITHOUT WARRANTY OR RECOURSE, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTIES OF DESIGN, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR AGAINST INFRINGEMENT.

By signing below, each party agrees to be bound by the Framework Lease Agreement, this Schedule and the attached Exhibit A.

ACCEPTED BY:

**Pharos Financial Services L.P. by and through its'
General Partner, Pharos Financial Inc.**

[CUSTOMER NAME FIELD]

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____