Ray Morgan Company

3131 Esplanade, Chico, CA 95973 PH: (530) 343-6065 FAX: (530) 343-9470

MAINTENANCE AGREEMENT

Date: 6/1/2017

Contract #

Purchase Order#

(Include hard copy if PO is required)

RMC Account Rep: Martin Soares

BILL TO:

Company Name:	San Leandro Unified School District		
Department:			
Address:	835 E 14th Street		
City:	San Leandro	**County:**	Alameda
State:	Ca	**Zip:**	94577
Phone #:	510-667-3500	**Fax:**	510-678-5303
Contact:			
Email Address:			

SHIP TO:

Company Name:	San Leandro Unified School District		
Department:			
Address:	835 E. 14th Street		
City:	San Leandro	**County:**	Alameda
State:	CA	**Zip:**	94577
Phone #:	510-667-3500	**Fax:**	510-678-5303
Contact:			
Email Address:			

AGREEMENT START DATE: 6/1/2017

This maintenance plan is effective for 51 months from the agreement start date (install date if applicable). Base charges are payable in advance with overages billed in arrears

Meter Contact Information: **(for those not pulling electronically)**

Contact Name:	
Phone Number:	
Email Address:	
Primary Service Tech:	

COVERAGE TYPE: (Network support and related technical services are NOT covered by this agreement. Such services are offered with optional TSA agreement.)

- [ ] **STANDARD (GF)** *(Includes all parts & labor; Excludes ALL consumables.)* [ ] **Excludes Drum (GP)**
- [XX] **BUNDLED (AI)-** including KIP Wide Format w/o paper *(Includes all parts, labor and consumable toner. Consumables such as, but not limited to staples, ink stamps, paper or specialty media are excluded)*
- [ ] **Wide Format "Plus" (AIP)** *(Includes all parts, labor & supplies, including 20 lb standard bond paper)*
- [ ] **NON-STANDARD (TO)** *(Includes consumable toner cartridges only. Excludes all parts, labor, and consumables such as, but not limited to staples, ink stamps, paper or specialty media)*

COVERED EQUIPMENT

COVERED EQUIPMENT	ESTIMATED ANNUAL VOLUME	MANUFACTURER'S PUBLISHED YIELD PER CONTAINER	MINIMUM VOLUME CHARGE PER MONTH	MINIMUM CHARGE PER MONTH	OVERAGE/PER COPY CHARGE
Canon B/W copiers see spreadsheet	B/W		1,281,000		
Canon Color copier see spreadsheet	Color		10,000		
HP and Samsung B/W printers see spreadsheet	B/W		276,500		
HP and Samsung color printers see spreadsheet	Color		27,000		

Minimum Total Per MONTH (Plus Applicable Taxes) $12,713.50

QUANTITY OF TONER INCLUDED IN AGREEMENT:

In the case of supply inclusive agreements, RMC will supply to the Customer toner free of charge according to the **Manufacturer's Published Yield per Container**. At RMC's discretion, RMC may perform a Toner Usage Reconciliation audit from time to time. If Customer's toner usage exceeds the manufacturer's published yields, RMC will bill the Customer for excess toner usage at its lowest published price.

RENEWAL: YES [ ] NO [ ]

SPECIAL INSTRUCTIONS

Includes Staples per Ron Yee. This is a base line contract volumes to be reset annual we will reset in Jan of each year based upon actuals.

BILLING CYCLE - Bases

- [X] Monthly [ ] Annual
- [ ] Quarterly [ ] Semi-Annual
- [ ] No base billing

BILLING CYCLE - Meters

- [ ] Monthly [X] Annual
- [ ] Quarterly [ ] Semi-Annual

Customer agrees to purchase and RAY MORGAN COMPANY agrees to provide maintenance service for the equipment listed above, in accordance with the terms and conditions of this agreement. No terms or conditions, expressed or implied, are authorized unless they appear on the original of this agreement and are signed by the customer and an officer of RAY MORGAN COMPANY. The additional terms and conditions of this agreement listed on the reverse side are incorporated in and made part of this agreement. No change, alteration or amendment of these terms and conditions are authorized or effective unless agreed upon in writing by an officer of RAY MORGAN COMPANY. No course or dealing or other conduct or custom shall constitute an amendment to the terms hereof nor alter or vary the terms of this agreement.

X

CUSTOMER SIGNATURE | TITLE | DATE

Print Name

X

RMC APPROVAL | TITLE | DATE

RMC MAINTENANCE AGREEMENT - TERMS & CONDITIONS

1 During the term of this agreement, and for each unit of equipment listed on the front of this document or any subsequent amendment or Schedule, the Ray Morgan Company (RMC) will provide, without additional charge, emergency repair service, preventative service, replacement parts (except under the conditions noted in this agreement) and in case of supply inclusive agreements (see front page for this agreement's specific coverage) all supplies (except, as applicable, paper, staples, and clear toner) under the usage limitation conditions listed in the front page of this document. The initial term of this agreement shall be for a period of 51 months and shall be automatically renewed for additional 12 month periods unless written notice is received by either party at least 90 days prior to the expiration of the initial term of the Agreement or any renewal thereof. This agreement shall NOT be assignable by customer without RMC's prior written consent. RMC shall have the right to cancel this agreement if any item is sold to a third party without such consent.

2 Maintenance charges provided herein are based upon the current costs of parts and labor and are subject to periodic increases and the effect of inflation. After the first year anniversary date of this agreement and any subsequent twelve month period, the minimum annual or monthly maintenance charges and charges for any overage copies/prints will increase a minimum of 5% over the charges of the previous year. In addition, the minimum billing charge, on any single billing period shall be $35.00. In addition, RMC may assess an additional fuel and/or freight surcharge to offset higher than normal service costs as a result of adverse economic conditions.

3 It is understood that should customer wish to add additional, recently acquired but not "new", printers (HP, Kyocera and the like) to this agreement that RMC reserves the right to inspect and approve the addition of each. Such approval is contingent on age and overall condition of the printers in question. RMC might, after inspection, require that certain reconditioning or repairs be made before the equipment in question is covered under this maintenance agreement.

4 All routine preventative maintenance and emergency service necessary to keep the equipment in efficient operating order will be performed by RMC staff during its regular business hours (8:00 AM to 5:00 PM Monday through Friday except holidays) at no cost to Customer provided that such services shall not include the following:

a) repairs resulting from causes other than normal use; Customer's willful act, use of any paper stock that does not meet machine specifications, negligence or misuse including, without limitation, damage to any part or mechanisms and/or use or supplies or spare parts not manufactured and/or use or supplies or spare parts not manufactured by the original equipment manufacturer and which cause abnormally high service calls or service problems; accident, transportation, failure of electrical power, air conditioning or humidity control related problems, acts of nature (fire, flood etc), theft or
b) repairs made necessary by service performed by personnel other than an RMC representative, or
c) work which the customer requests to be performed outside regular business hours, or
d) reconditioning or modification to the equipment except those specified by RMC's Technical Service Department to assure greater performance of the equipment.

All of the foregoing shall be invoiced in accordance with RMC's established per call rates and part charges then in effect.
Additionally, RMC shall have the right, when reasonably in need for reasons of significant equipment failure, to substitute equivalent Equipment (age, model, accessories and meter) at any time during the term thereof. Any removed parts replaced by RMC shall become the property of RMC. RMC shall have full and free access to the Equipment in order to provide service thereon and customer shall from time to time advise RMC of the names of its employees who shall act as "key operators," with responsibility for performing basic operator maintenance as described by RMC personnel.

5 Certain "housekeeping" duties as outlined in the Owners Instruction Manual provided with the equipment (such as cleaning the glass, clearing misfeeds, if possible, etc) are the customer's responsibility. If a representative of RMC is called to do servicing of this nature the customer will be charged at the established rates for this service. Customer responsible for providing manufacturer recommended, adequate power supply.

6 Meter reading(s) must be provided by customer in accordance to the frequency stated on the reverse side of this Agreement. Customer agrees to provide correct meter readings to insure accurate and timely billing to the customer by RMC. If correct meter readings are not provided timely, RMC will calculate an estimated meter reading(s) and bill the Customer in accordance to the frequency contracted for. RMC may assess an additional surcharge to offset administrative costs should calls need to be made to Customer in order to secure meter readings. In addition, RMC may automatically collect from the Equipment, via electronic transmission to a secure off-site location, certain data to be used for servicing the equipment, billing meters, supply replenishment or product improvement purposes. Automatic transmitted data may include, but is not limited to, product registration, meter reads, supply level, equipment settings, and problem/fault code data. All such data shall be transmitted in a secure manner specified by RMC.

7 Additional service such as cosmetic, modification, or relocation, etc. requested and authorized by Customer and rendered by RMC will be charged at established rates for such service.

8 If customer's service and/or supply account becomes past due, RMC may (a) refuse service or delivery of supplies until account is made current or (b) provide service on a C.O.D. per call basis at the then current rate for time and materials. Additionally, Customer agrees to pay to RMC its cost and expense of collection including reasonable attorney's fees and all charges earned for service provided before the Customer went on a per call C.O.D. basis for non-payment per the terms of the agreement.

9 Liquidated damages: In the event that the customer defaults or chooses to cancel this Agreement before its original term or any extension thereof, Customer promises to pay to the Ray Morgan Company the following amounts as reasonable liquidated damages (and not as a penalty) for breach thereof:

a) Contracts with 24 or more months remaining: twelve times the monthly base (or as the case may be quarterly base divided by 3) plus six months average overages, if any. Overage average shall be determined as the average sum of overage billing the customer has been invoiced for during the current term or 6 months whichever is longer.
b) Contracts with 13 to 23 months remaining: nine times the monthly base plus six months average overages, if any. Overages average shall be determined as the average sum of overage billing the customer has been invoiced for the previous 6 months.
c) Contracts with 12 or less months remaining or any subsequent 12 month renewal: six times the monthly base plus six months average overages, if any. Overages average shall be determined as the average sum of overage billing the customer has been invoiced for during the previous 6 months.

10 Cancellation for Non-Performance: Customer may cancel the agreement for non-performance as follows: Customer must forward to RMC via registered mail, to the address listed on the front of this document, the specific problems with the system or other area(s) of non-performance and dissatisfaction. RMC shall have 30 days to correct the problem. If RMC has not corrected the problem within 30 days, Customer may notify RMC of their intent to cancel in 30 days, after which time the Customer is no longer bound by the Liquidated Damages portion of this agreement. Cancellation of the maintenance agreement for non-performance does not provide relief to the Customer from being obligated to make all remaining lease payments (if any) to the leasing company providing financing services for the equipment in question. This agreement may be cancelled by RMC for any reason.

11 Retained Title: Title to all supplies furnished hereunder, including consumable parts such as drums, remains with the Ray Morgan Company until said supplies are consumed to the extent they may not be further utilized in the copy/printing process. In the event this agreement is cancelled by either party, Customer agrees to return to the Ray Morgan Company all unused supplies provided under this agreement including toner and photoconductor.

12 RMC's obligation and warranties under this Agreement are in lieu of (a) all other warranties, expressed or implied, including implied warranties of merchantability and fitness for a particular purpose and (b) all other obligation or liabilities for damages including but not limited to personal injury or property damage, loss of profit or other consequential damages arising out of or in connection with this agreement of the maintenance service performed hereunder. Nor shall RMC be responsible for delays or inabilities to service caused directly or indirectly by strikes, accidents, climatic conditions or any other reason of similar nature beyond its control. This agreement shall be governed and construed according to the laws of the State of California.

13 Payment terms are upon receipt of invoice (URI) unless otherwise specified. Late charges will be assessed on the outstanding balance if payments are not received within 15 days of invoice date. The minimum late charge is $9.50. Late charges will not exceed the maximum permitted by law. Customer agrees to pay to RMC a charge of $25 for any returned checks per occurrence if any of seller's checks are returned to RMC unpaid. Upon default of any payment or any other aspect of this Agreement, RMC may at its option, declare the entire outstanding balance due and payable, including the Liquidated Damages stated in Section 9 of this Agreement.

14 In the event of any litigation arising out of this Agreement, the prevailing party shall be entitled to recover reasonable attorney's fees and costs from the other.

This agreement constitutes the entire agreement between the parties with respect to the furnishing of maintenance service superseding all previous proposals oral or written. No representation or statement not contained herein shall be binding upon RMC as a warranty or otherwise, nor shall this Agreement be modified or amended unless signed by RMC's General Manager

Customer Initials