

NASPO ValuePoint

PARTICIPATING ADDENDUM



MULTI-FUNCTION DEVICES AND RELATED SOFTWARE, SERVICES AND CLOUD SOLUTIONS

Led by the State of Colorado

Master Agreement #: **187646**

Contractor: **CANON U.S.A., INC.**

Participating Entity: **STATE OF NORTH DAKOTA**

Participating Addendum Number: **131-CANON**

The following Products and Services are included in this contract portfolio:

- Group A – MFD, A3
- Group B – MFD, A4
- Group C – Production Equipment
- Group D – Single-function Printers
- Group E – Large/Wide Format Equipment
- Group F – Scanners
- Group G – Software
- Group H – Consumable Supplies
- Group I - Managed Print Services (MPS)
- Sub-Group G1 – Software Related Services
- Sub-Group C1 – Standalone Production Devices
- Sub-Group C2 – Industrial Print Equipment
- Sub-Group D1 – Specialty Printers
- Accessories for Discontinued Base Units
- Maintenance Services for new, remanufactured, refurbished, and legacy devices

Master Agreement Terms and Conditions:

1. Scope: This addendum covers the *Multi-Function Devices and Related Software, Software and Cloud Solutions portfolio* led by the State of Colorado, for use by state agencies and other government entities located in North Dakota authorized by that State's statutes to utilize State contracts with the prior approval of the State's Chief Procurement Official.
2. Term: The term of this Participating Addendum shall be coterminous with the NASPO ValuePoint Master Agreement Number 187646 (terminate, renew, or extend), unless the Participating Addendum is terminated sooner in accordance with the terms set forth herein.
3. Participation: This Participating Addendum, established pursuant to North Dakota Century Code (N.D.C.C.) § 54-44.4-13, may be used by all state agencies, institutions under the jurisdiction of the State Board of Higher Education, other government entities (including counties, cities, townships, public primary and secondary educational entities, governmental boards and commissions), nonprofit entities established on behalf of public entities, tribal

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agencies, transportation providers under N.D.C.C. ch. 39-04.2, and the International Peace Garden. Participating Entity has sole authority to determine which additional entities authorized by state statute are eligible to use this Participating Addendum. If Contractor becomes aware that an entity's use of this Participating Addendum is not authorized, Contractor will notify NASPO ValuePoint to initiate outreach to the appropriate parties.

4. Primary Contacts: The primary contact individuals for this Participating Addendum are as follows (or their named successors):

Contractor

Name:	Samantha Owens
Address:	1 Canon Park, Melville, NY, 11747
Telephone:	631.330.2754
Email:	isgbidadmin@cusa.canon.com

Participating Entity

Name:	Abigail Dschaak
Address:	600 East Boulevard Ave, Dept 012 Bismarck, ND 58505
Telephone:	701-328-4912
Email:	aadschaak@nd.gov

5. Participating Entity Modifications or Additions to The Master Agreement: The following changes are modifying or supplementing the Master Agreement terms and conditions.

- a. Equipment Placements: All purchases or leases made pursuant to this Participating Addendum must meet all of the following requirements:
 - i. Shall be from:
 1. Group A, Segments 2 through 5
 2. Group B, Segments 2 through 5
 3. Group D, Segments 1 through 3
 - a. Sub-Group D1
 4. Group E, Segments Low through High
 5. Group F, Segments 1 through 7
 - ii. If from: Group A, Segments 6 through 7; Group B, Segment 6; any segment from Group C; Sub-Groups C1 and C2; or Group D, Segment 4, the Purchasing Entity must obtain written approval from Contract

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Administrator in the form of a Contract Exemption Request prior to order placement. Non-state agencies are not subject to this provision.

- b. Termination (Supplements Master Agreement Terms and Conditions, Item XIV 14.6):

Termination for Lack of Funding or Authority

Participating Entity, by written notice to Contractor, may terminate the whole or any part of this Participating Addendum under any of the following conditions:

- a. If funding from federal, state, or other sources is not obtained or continued at levels sufficient to allow for purchase of the services or goods in the indicated quantities or term.
- b. If federal or state laws or rules are modified or interpreted in a way that the services or good are no longer allowable or appropriate for purchase under this Participating Addendum or are no longer eligible for the funding proposed for payments authorized by this Participating Addendum.
- c. If any license, permit, or certificate required by law or rule, or by the terms of this Participating Addendum, is for any reason denied, revoked, suspended, or not renewed.

Termination of this Participating Addendum under this subsection is without prejudice to any obligations or liabilities of either Party already accrued prior to termination.

- c. Nondiscrimination and Compliance with Laws: Contractor agrees to comply with all applicable federal and state laws, rules, and policies, including those relating to nondiscrimination, accessibility, and civil rights. (See N.D.C.C. Title 34 – Labor and Employment, specifically N.D.C.C. ch. 34-06.1 Equal Pay for Men and Women.)

Contractor agrees to timely file all required reports, make required payroll deductions, and timely pay all taxes and premiums owed, including sales and use taxes, unemployment compensation and workers' compensation premiums.

Contractor shall have and keep current all licenses and permits required by law during the Term of this Participating Addendum all licenses and permits required by law.

Contractor is prohibited from boycotting Israel for the duration of this Participating Addendum. (See N.D.C.C. § 54-44.4-15.) Contractor represents that it does not and will not engage in a boycotting Israel during the term of this Participating Addendum. If Participating Entity receives evidence that Contractor boycotts Israel, Participating Entity shall determine whether the company boycotts Israel.

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The foregoing does not apply to contracts with a total value of less than \$100,000 or if Contractor has fewer than ten full-time employees.

Contractor's failure to comply with this section may be deemed a material breach by Contractor entitling Participating Entity to terminate in accordance with the Termination for Cause section of the Master Agreement, Master Agreement Terms and Conditions, Item XIV 14.6.

- d. Injunctive Relief (Supplements Master Agreement Terms and Conditions, Item XIV 14.2): Contractor shall immediately report to Participating Entity any and all unauthorized disclosures or uses of Participating Entity's confidential information or proprietary information of which Contractor or its staff is aware or has knowledge. Contractor acknowledges that any unauthorized publication or disclosure of Participating Entity's confidential information or proprietary information to others may cause immediate and irreparable harm to Participating Entity. If Contractor should publish or disclose such confidential information or proprietary information without authorization, Participating Entity shall immediately be entitled to injunctive relief or any other remedies to which it is entitled under law or equity without requiring a cure period. Contractor shall indemnify, defend, and hold harmless Participating Entity from all damages, costs, liabilities, and expenses (including without limitation reasonable attorneys' fees) caused by or arising from Contractor's unauthorized use or disclosure of Participating Entity's confidential information or proprietary information. As a condition to these indemnity obligations, Participating Entity will provide Contractor with prompt notice of any claim of which Participating Entity is aware and for which indemnification shall be sought under this Participating Addendum and shall cooperate in all reasonable respects with Contractor in connection with any such claim and grants Contractor sole defense of such claims. In connection with such claims, Contractor will pay all defense costs, settlement amounts, court awarded damages (including court costs and reasonable attorneys' fees), and third-party costs incurred by Participating Entity at the request of Contractor in connection with the defense of the claim.
- e. Confidentiality (Replaces Master Agreement Terms and Conditions, Item XIV 14.2.1): Contractor shall not use or disclose any information it receives from Participating Entity under this Participating Addendum that Participating Entity has previously identified as confidential or exempt from mandatory public disclosure except as necessary to carry out the purposes of this Participating Addendum or as authorized in advance by Participating Entity. Participating Entity shall not disclose any information it receives from Contractor that Contractor has previously identified as confidential and that Participating Entity determines in its sole discretion is protected from mandatory public disclosure under a specific exception to the North Dakota public records law, [N.D.C.C. CH. 44-04](#). The duty of Participating Entity and Contractor to maintain confidentiality of information under this section continues beyond the Term of this Participating Addendum.

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- f. Compliance with Public Record Laws: Under the North Dakota public records law and subject to the Confidentiality clause of this Participating Addendum, certain records may be open to the public upon request.

Public records may include: (a) records Participating Entity receives from Contractor under this Participating Addendum, (b) records obtained by either Party under this Participating Addendum, and (c) records generated by either Party under this Participating Addendum.

Contractor agrees to contact Participating Entity immediately upon receiving a request for information under the public records law and to comply with Participating Entity's instructions on how to respond to such request.

- g. Indemnification (Supplements Master Agreement Terms and Conditions, Item XII): Any attorney appointed to represent the State must first qualify as and be appointed by the North Dakota Attorney General as a Special Assistant Attorney General as required under N.D.C.C. § 54-12-08. Contractor also agrees to reimburse the State for all costs, expenses and attorneys' fees incurred if the State prevails in an action against Contractor in establishing and litigating the indemnification coverage provided herein. This obligation shall continue after the termination of this Participating Addendum.
- h. Insurance (Replaces Master Agreement Terms and Conditions, Item XIII 13.2.1): Commercial general liability, including premises or operations, contractual, and products or completed operations coverages (if applicable), with minimum liability limits of \$2,000,000 per occurrence. These limits may be satisfied through a combination of primary and Umbrella/Excess.
- i. Spoliation – Notice of Potential Claims: Contractor shall promptly notify Participating Entity of all potential claims that arise or result from this Participating Addendum. Contractor shall also take all reasonable steps to preserve all physical evidence and information that may be relevant to the circumstances surrounding a potential claim, while maintaining public safety, and grants to Participating Entity the opportunity to review and inspect such evidence, including the scene of an accident.
- j. Severability: If any term of this Participating Addendum is declared to be illegal or unenforceable by a court having competent jurisdiction, the validity of the remaining terms is unaffected and, if possible, the rights and obligations of the Parties are to be construed and enforced as if this Participating Addendum did not contain that term.
- k. Applicable Law and Venue (Replaces Master Agreement Terms and Conditions, Item XIV 14.12): This Participating Addendum is governed by and construed in accordance with the laws of the State of North Dakota. Any action to enforce this Participating Addendum must be adjudicated exclusively in the state District Court of Burleigh County, North Dakota. Each Party consents to the exclusive

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jurisdiction of such court and waives any claim of lack of jurisdiction or *forum non conveniens*.

- l. Alternative Dispute Resolution – Jury Trial: By entering this Participating Addendum, Participating Entity does not agree to binding arbitration, mediation, or any other form of mandatory Alternative Dispute Resolution. The Parties may enforce the rights and remedies in judicial proceedings. STATE does not waive any right to a jury trial.
 - m. State Audit: Pursuant to N.D.C.C. § 54-10-19, all records, regardless of physical form, and the accounting practices and procedures of Contractor relevant to this Participating Addendum are subject to examination by the North Dakota State Auditor, the Auditor's designee, or Federal auditors, if required. Contractor shall maintain these records for at least three (3) years following completion of this Participating Addendum and be able to provide them upon reasonable notice. Participating Entity, State Auditor, or Auditor's designee shall provide reasonable notice to Contractor prior to conducting examination.
 - n. Supplemental Documents (Supplements Master Agreement Terms and Conditions, Item VII 7.20): Any End User License Agreements (EULA's), clickwrap agreements, or third-party software agreements required for an Order placed must be submitted to the Contract Administrator for approval.
- 6. Orders: Any order placed by a Purchasing Entity for a Product and/or Service available from this Master Agreement shall be deemed to be a sale under (and governed by the prices and other terms and conditions) of the Master Agreement.

All orders should contain the following (1) "PO subject to NASPO ValuePoint Contract #187646 & State Contract #131" (2) Purchaser's Address, Contact, & Phone-Number (3) Purchase order amount (4) Type of Lease or rental and monthly payment (5) Itemized list of accessories (6) Service program and rates (7) Attached SOW Template if applicable.
- 7. Software: Purchasing Entities that acquire software shall be subject to the license agreements distributed with such software. Software subscriptions shall not be subject to automatic renewals, unless otherwise agreed to in an Order. Purchasing Entities shall have the option to finance software subscriptions by utilizing Contractor lease and rental rates. Notwithstanding the foregoing, in the event of a conflict in language between an end user license agreement (EULA) and the Master Agreement, the language in the Master Agreement will supersede and control, unless otherwise agreed to by a Participating State or Entity. In addition, any language in a EULA which violates a Participating State's constitution or a statute of that state; or violates the laws of a local entity making a purchase, will be deemed void, and of no force or effect.

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8. SAAS and Data Security: Remote access to Data from outside the continental United States, including remote access to Data by authorized support staff in identified support centers, is prohibited. If Contractor is unable to comply, a Request for Exemption from Information Technology Standards or Statutory Policies (SFN 51687) must be submitted in coordination with Participating Entity and Contractor for the North Dakota Information Technology Department's review and approval or disapproval.
9. Participating Entity Reporting Requirements: Quarterly reports will be provided by Contractor to Participating Entity showing a summary of each sale to include Purchasing Entity, description, and amount.
10. Attachments: The following attachments are subject to the Master Agreement and this Participating Addendum:
 - a. Attachment 1 – Canon Lease Agreement
 - b. Attachment 2 – Canon Maintenance Agreement
 - c. Attachment 3 – Canon Sample MPS Agreement Terms and Conditions
 - d. Attachment 4 – Canon Sample MPS Customer Expectations Document
 - e. Attachment 5 – Canon Digital Press Production and Large Format Equipment Master Services Agreement Terms and Conditions

IN WITNESS, WHEREOF, the parties have executed this Addendum as of the date of execution by both parties below.

Participating Entity: North Dakota	Contractor: Canon U.S.A., Inc
Signature: 	Signature: 
Name: Abigail Dschaak	Name: Mason Olds
Title: State Procurement Officer	Title: EVP
Date: 12/11/2024	Date: 12/10/2024

[Additional signatures may be added if required by the Participating Entity]

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For questions on executing a participating addendum, please contact:

NASPO ValuePoint

Cooperative Portfolio Manager:	Joel Atkinson
Telephone:	(850) 848-1250
Email:	jatkinson@naspovaluepoint.org

***[Please email fully executed PDF copy of this
document to***

PA@naspovaluepoint.org

***to support documentation of participation and posting
in appropriate data bases.]***



COMMENTS	AUTHORIZED CUSTOMER SIGNATURE		
	By: X _____	Title: _____	
	Printed Name: _____	Email Address: _____	
	By: X _____	Title: _____	
	Printed Name: _____	Email Address: _____	
ACCEPTANCE CERTIFICATE			
Customer certifies that (a) the Equipment referred to in this Agreement has been received, (b) installation has been completed, (c) the Equipment has been examined by Customer and is in good operating order and condition and is, in all respects, satisfactory to Customer, and (d) the Equipment is irrevocably accepted by Customer for all purposes under this Agreement. Accordingly, Customer hereby authorizes billing under this Agreement.			
Signature: _____	Printed Name: _____	Title (if any): _____	Date: _____

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of the initial lease term, Customer may do one of the following: (1) Renew the lease on a month-to-month basis, or a 12-month basis, at the discretion of Customer, or; (2) Return the Equipment to CFS, or have CFS pick the Equipment up. If Customer desires to exercise a purchase, renewal, or return of the Equipment, it shall give CFS at least thirty (30) days written notice prior to the expiration of such lease term. Notwithstanding anything to the contrary, if Customer fails to notify CFS of its intent with respect to the exercise of a purchase, renewal, or return of the Equipment, the initial lease term shall be terminated on the date as stated in the Order and removal of the Equipment will be mutually arranged, unless otherwise specified in a Participating Addendum. If Customer does not exercise the purchase or renewal option, it will immediately make the Equipment available to Contractor in as good of condition as when Customer received it, except for ordinary wear and tear. Equipment Payments for renewal terms shall never exceed Master Agreement pricing. If Customer enters into a renewal term, then the Equipment Payment will be subject to the lease rates listed in the most recent Price List(s) posted on the NASPO ValuePoint website. Customers under FMV or Capital Leases shall have a Buyout to Keep Option. Customers under FMV, Capital or Straight Leases shall have a Buyout to Return Option. The Buyout to Return Option price shall be the Remaining Lease Balance (as hereinafter defined). The Buyout to Keep Option shall be the Remaining Lease Balance, less the Fair Market Value (as hereinafter defined).

Customer must notify the CFS, in writing, at least thirty (30) days in advance, if it wishes to exercise the Buyout to Keep option on an FMV or Capital Lease. Customer must notify CFS, in writing, at least thirty (30) days in advance, if it wishes to exercise the Buyout to Return option on an FMV, Capital or Straight Lease, and return the Equipment to CFS in good working condition (ordinary wear and tear excepted).

4. PAYMENTS: Customer agrees to pay to CFS, as invoiced, during the term of this Agreement the payments specified under "Number and Amount of Payments" above ("Payments"). Such Payments are comprised of the principal and interest thereon. Customer's obligation to pay all amounts due under this Agreement and all other obligations hereunder shall be absolute and unconditional and is not subject to any abatements, set-off, defense or counterclaim for any reason whatsoever.

5. APPLICATION OF PAYMENTS: All Payments received by CFS from Customer under this Agreement will be applied to amounts due and payable hereunder chronologically, based on the date of the charge as shown on the invoice for each such amount, and among amounts having the same date in such order as CFS, in its discretion, may determine.

6. NO CFS WARRANTIES: CUSTOMER ACKNOWLEDGES THAT CFS IS NOT A MANUFACTURER, DEALER, OR SUPPLIER OF THE EQUIPMENT. CUSTOMER AGREES THAT THE EQUIPMENT IS LEASED "AS IS" AND IS OF A SIZE, DESIGN AND CAPACITY SELECTED BY CUSTOMER. CUSTOMER ACKNOWLEDGES THAT CFS HAS MADE NO REPRESENTATION OR WARRANTY WITH RESPECT TO THE SUITABILITY OR DURABILITY OF THE EQUIPMENT, THE ABSENCE OF ANY CLAIM OF INFRINGEMENT OR THE LIKE, OR ANY OTHER REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO THE EQUIPMENT INCLUDING, WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. Any warranty with respect to the Equipment made by the manufacturer, dealer, or supplier is separate from, and is not a part of, this Agreement and shall be for the benefit of CFS, Customer and CFS' successors or assignees, if any. So long as Customer is not in breach or default of this Agreement, CFS assigns to Customer any warranties (including those agreed to between Customer and the manufacturer, dealer, or supplier) which CFS may have with respect to any item of Equipment; provided that the scope and limitations of any such warranty shall be solely as set out in any agreement between Customer and such manufacturer, dealer, or supplier or as otherwise specified in warranty materials from such manufacturer, dealer, or supplier and shall not include any implied warranties arising solely from CFS' acquisition of the Equipment. CUSTOMER ACKNOWLEDGES THAT NEITHER THE SUPPLIER NOR ANY DEALER IS AUTHORIZED TO WAIVE OR ALTER ANY TERM OF THIS AGREEMENT OR ANY SCHEDULE, OR TO MAKE ANY REPRESENTATION OR WARRANTY WITH RESPECT TO THIS AGREEMENT OR THE EQUIPMENT ON BEHALF OF CFS.

7. NON-APPROPRIATION OF FUNDS: The continuation of any lease or rental agreement will be subject to, and contingent upon, sufficient funds being made available by the Participating State Legislature. The Customer may terminate any such lease or rental agreement, and CFS waives any and all claim(s) for damages, effective immediately upon receipt of written notice (or any date specified therein) if for any reason the Customer's funding sources are not available.

8. ACCEPTANCE; DELIVERY: Customer's execution of the Acceptance Certificate, or other confirmation of Customer's acceptance of the Equipment, shall conclusively establish that the Equipment has been delivered to and accepted by Customer for all purposes of this Agreement and Customer may not for any reason revoke that acceptance unless there is a breach of this agreement by CFS. CFS is the lessor and Customer is the lessee of the Equipment under this Agreement.

9. LOCATION; LIENS; NAMES; OFFICES: Customer shall not move the Equipment from the location specified herein except with the prior written consent of CFS. Customer shall keep the Equipment free and clear of all claims and liens other than those in favor of CFS. Customer's legal name (as set forth in its constituent documents filed with the

appropriate governmental office or agency) is as set forth herein. The chief executive office address of Customer is as set forth herein. Customer shall provide CFS with written notice at least thirty (30) days prior to any change of its legal name or chief executive office address and shall execute and deliver to CFS such documents as required or appropriate.

10. WARRANTY OF BUSINESS PURPOSE; USE; PERSONAL PROPERTY; FINANCING STATEMENTS: Customer represents that the Equipment will not be used for personal, family, or household purposes. Customer shall comply with all laws and regulations relating to the use and maintenance of the Equipment. Customer shall put the Equipment only to the use contemplated by the manufacturer. The Equipment shall remain personal property regardless of whether it becomes affixed to real property or permanently rests upon any real property or any improvement to real property. Customer authorizes CFS (and any third-party filing service designated by CFS) to execute and file (a) financing statements evidencing the interest of CFS in the Equipment (including forms containing a broader description of the Equipment than the description set forth herein), (b) continuation statements in respect thereof, and (c) amendments thereto, and Customer irrevocably waives any right to notice thereof.

11. RESERVED.

12. MAINTENANCE; ALTERATIONS: Customer shall at all times maintain and keep in effect a service contract, through one of Contractor's Authorized Dealers under the NASPO ValuePoint Master Agreement Number 187646 ("Master Agreement") or by other contractual arrangements, to keep and maintain the Equipment in good working order and to supply and install all replacement parts and accessories when required to maintain the Equipment in good working condition. Customer shall not, without the prior written consent of CFS, make any changes or substitutions to the Equipment. Any and all replacement parts, accessories, authorized changes to and/or substitutions for the Equipment shall become part of the Equipment and subject to the terms of this Agreement.

13. TAXES; OTHER FEES AND CHARGES: Notwithstanding the generality of the foregoing, Customer shall not be liable for property taxes, which shall be the sole responsibility of CFS.

14. INSURANCE: Customer is the State of North Dakota and therefore is self-insured for liability coverage through the State of North Dakota Risk Management Fund pursuant to North Dakota Century Code (N.D.C.C.) ch. 32-12.2. The Risk Management Fund carries equivalent minimum limits of \$1,000,000 per occurrence. Customer will provide a Certificate of Financial Responsibility upon request of CFS.

15. LOSS; DAMAGE: Customer assumes and shall bear the entire risk of loss, theft of, or damage to the Equipment from any cause whatsoever, effective upon delivery to the Customer, except that Customer shall be relieved of all risks of loss or damage to the Equipment during periods of transportation, installation, and de-installation. No such loss, theft or damage shall relieve Customer of any obligation with respect to its lease of the Equipment. If any Equipment is lost or stolen, Customer, at the option of CFS, will (a) replace the same with like equipment in a condition acceptable to CFS and convey clear title to such equipment to CFS (and such equipment will become "Equipment" and be subject to the terms of this Agreement), or (b) pay CFS the Remaining Lease Balance. Upon CFS' receipt of the Remaining Lease Balance, CFS shall transfer the applicable Equipment to Customer "AS-IS, WHERE-IS" without any representation or warranty whatsoever, except for title, and this Agreement shall terminate with respect to such Equipment.

16. DEFAULT: Any of the following events or conditions shall constitute an Event of Default under this Agreement: (a) Customer fails to pay any Payment within forty-five (45) days (or as otherwise agreed to in a Participating Addendum) of its due date; (b) Any representation made by Customer or CFS in these lease terms or in the Master Agreement is false or incorrect and Customer or CFS do not perform any of its obligations under these lease terms or in the Master Agreement, and this failure continues for forty-five (45) days (or as otherwise agreed to in a Participating Addendum) after CFS has notified Customer or Customer has notified CFS; or (c) Customer becomes insolvent or makes an assignment for the benefit of creditors.

17. REMEDIES: If Customer defaults on a lease, then CFS, in addition to, or in lieu of, the remedies set forth in the Master Agreement, and Participating Addendum, may do one or more of the following: (a) Cancel or terminate the Order; (b) Require Customer to immediately pay to Contractor, as compensation for loss of Contractor's bargain and not as a penalty, a sum equal to the Remaining Lease Balance.

18. ASSIGNMENT: (i) Customer has no right to sell, transfer, encumber, sublet, or assign the Equipment or any lease agreement without Contractor's prior written consent (which consent shall not be unreasonably withheld). (ii) CFS may not sell or assign any portion of CFS' interests in the Equipment or any Order for leases, without notice to Customer even if less than all the payments have been assigned. In that event, the assignee (the "Assignee") will have such rights as CFS assigns to them, but none of CFS' obligations (CFS will keep those obligations) and the rights of the Assignee will not be subject to any claims, defenses or set offs that Customer may have against CFS.

19. DATA: Customer acknowledges that the hard drive(s) on the Equipment, including attached devices, may retain images, content, or other data that Customer may store for purposes of normal operation of the Equipment ("Data"). Customer acknowledges that CFS is not storing Data on behalf of Customer and that exposure or access to the Data by CFS, if any, is purely incidental to the services performed by CFS. CFS does not have an obligation to erase or overwrite Data upon Customer's return of the Equipment to CFS. This section survives termination or expiration of the lease term under the applicable Order. The terms of this section are without limitation of Contractor's obligations with respect to Data under the Master Agreement, the applicable Participating Addendum, and the applicable Order.

20. MAXIMUM INTEREST; RECHARACTERIZED AGREEMENT: No Payment is intended to exceed the maximum amount of interest permitted to be charged or collected by applicable laws, and any such excess Payment will be applied to payments due under the applicable Order, in inverse order of maturity, and thereafter shall be refunded. If the lease

under any Order is characterized as a conditional sale or loan, Customer hereby grants to CFS, its successors and assigns, a security interest in the Equipment to secure payment and performance of Customer's obligations under such Order.

21. UCC-ARTICLE 2A: CUSTOMER ACKNOWLEDGES AND AGREES THAT THIS AGREEMENT IS INTENDED AS A "FINANCE LEASE" AS THAT TERM IS DEFINED IN ARTICLE 2A OF THE UNIFORM COMMERCIAL CODE ("UCC 2A") AND THAT CFS IS ENTITLED TO ALL BENEFITS, PRIVILEGES, AND PROTECTIONS OF A LESSOR UNDER A FINANCE LEASE. CUSTOMER WAIVES ITS RIGHTS AS A LESSEE UNDER UCC 2A SECTIONS 508-522.

22. WAIVER OF OFFSET: This Agreement is a net lease. If the Equipment is not properly installed, does not operate as represented or warranted, or is unsatisfactory for any reason, Customer shall make such claim solely against the supplier, dealer, or manufacturer. Customer waives any and all existing and future claims and offsets against any Payments or other charges due under this Agreement, and unconditionally agrees to pay such Payments and other charges, regardless of any offset or claim which may be asserted by Customer or on its behalf.

23. AUTHORITY AND AUTHORIZATION: Customer represents and agrees that (a) Customer is a state or a political subdivision, institution of higher education, or agency of a state; (b) that entering into and performance of the Agreement 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 party; and (c) Customer has complied with any bidding requirements and, where necessary, has properly presented this Agreement for approval and adoption as a valid obligation on Customer's part. Upon request, Customer agrees to provide CFS with an opinion of counsel as to clauses (a) through (c) above, an incumbency certificate, and other documents that CFS may request, with all such documents being in a form satisfactory to CFS.

24. GOVERNMENT USE: Customer agrees that the use of the Equipment is essential for Customer's proper, efficient, and economic operation, Customer will be the only entity to use the Equipment during the term of this Agreement and Customer will use the Equipment only for Customer's governmental purposes.

ATTACHMENT 2 – CANON MAINTENANCE AGREEMENT

NASPO MASTER AGREEMENT: 187646

**MAINTENANCE AGREEMENT**

Related PO / Acquisition Agreement # _____

Customer ("you"):		Customer Account:		Equipment Location:		Customer Account:	
Purchasing Entity:				Purchasing Entity:			
Address:				Address:			
City:		County:		City:		County:	
State:	Zip:	Phone #:		State:	Zip:	Phone #:	
Contact:		Fax #:		Contact:		Fax #:	
Email:				For each unit of Equipment listed, you shall indicate specific contact and location (if different than above) in the table below or in any Addendum to this Agreement.			

Maintenance Billing Entity		PO Required	Meter Read Collection Options
Base Charge: ☐ Dealer ☐ Canon Financial Services, Inc. ("CFS") Per Image Charge: ☐ Dealer ☐ Canon Financial Services, Inc. ("CFS")		☐ Yes ☐ No PO#	Remote Reporting Software unless noted in table below*
Base Charge Billing Cycle	Initial Term	Coverage Plan	
☐ Monthly ☐ Quarterly ☐ Other _____ _____ Months (min. 12)		☐ Per Unit ☐ Fleet ☐ Aggregate If adding the Equipment below to existing an Aggregate, provide either a contract # or serial # under Aggregate.	
Excess Per Image* Charge Billing Cycle	Price Plan	Consumables Inclusive	Toner Fulfillment Method
☐ Monthly ☐ Quarterly ☐ Other _____ ☐ Fixed		☐ Toner ☐ Other _____	Customer order unless noted for Equipment below**

Subject to the terms and conditions of this Agreement as may be amended, Dealer agrees to service the Equipment listed below or in any Addendum(s) to this Agreement at the charges stated herein or therein. For newly installed Equipment, the Start Date is provided in Paragraph 1 of the Additional Terms and Conditions. The Start Date for previously in place Equipment is ____ / ____ / ____.

Model	Serial #	Start Meter		Covered Images per unit or Fleet included in Base Charge All aggregate images should be listed per unit.			Per Image Charge in excess of Covered Images			Base Charge per unit or Fleet	Alt Meter Method*
		B & W	Color	B & W	Color	Long Sheet	B & W	Color	Long Sheet		
Contact:				Phone #:		Fax #:		Email:			
Location:								Auto Toner Fulfillment: ☐ **(Requires Remote Software)			
Contact:				Phone #:		Fax #:		Email:			
Location:								Auto Toner Fulfillment: ☐ **(Requires Remote Software)			
Contact:				Phone #:		Fax #:		Email:			
Location:								Auto Toner Fulfillment: ☐ **(Requires Remote Software)			
Contact:				Phone #:		Fax #:		Email:			
Location:								Auto Toner Fulfillment: ☐ **(Requires Remote Software)			
										Subtotal from Supplemental Addendum	
COMMENTS:										Subtotal	
										Tax	
										Total	

BY YOUR SIGNATURE BELOW, YOU AGREE TO PURCHASE THE MAINTENANCE SERVICES SPECIFIED ABOVE. YOU ACKNOWLEDGE RECEIPT OF A COPY OF THIS AGREEMENT.

Customer's Authorized Signature _____

Printed Name _____ Title _____ Date _____

ADDITIONAL TERMS AND CONDITIONS

1. **MAINTENANCE / TERM / CHARGES.** DEALER will keep the Equipment in good working order subject to the terms of this Agreement. Maintenance shall include emergency break fix service, routine preventative maintenance, including inspection, adjustment, parts replacement, drums, and cleaning material required for proper Equipment operation. Maintenance shall start on the date (the "Start Date") of installation for newly installed Equipment (inclusive of standard embedded Firmware). Unless otherwise set forth on the Face Page, Service Charges shall start billing and Customer shall start payment upon the completion of installation. Maintenance Base Charge(s) and Per Image Charge(s) as listed on the Face Page (collectively "Service Charges") are billed for full calendar month periods, with Maintenance Base Charge(s) billed in advance and Per Image Charge(s) billed in arrears. Invoices shall be due and payable within 45 days of the invoice date unless otherwise stated on the invoice. If Aggregate plan is indicated on the Face Page, the Maintenance Base Charge and the Covered Images listed on the Face Page apply to all of the Equipment listed, unless otherwise indicated. When Fleet Plan is indicated on the Face Page, the Maintenance Base Charge and the Covered Images listed Face Page apply to all of the Equipment ordered schedule and other orders referencing Fleet plan for the Equipment. If the Listed Items on the Face Page are added to an existing Fleet Coverage Plan under a previous transaction or contract between you and DEALER, (i) the fleet shall include the equipment listed under the previous order or contract, and all other order schedules or contracts for which the add to existing fleet option was selected, and (ii) the maintenance term for all Listed Items under this Agreement shall be the same as the maintenance term for all listed items under all such previous orders or contracts. If the Listed Items on an order are added to an existing Aggregate Coverage Plan under a previous order or contract between you and DEALER, the Covered Images shall apply to all of the Equipment on the Face Page, unless otherwise indicated, plus the listed items under previous order(s) or contract(s), and all other orders or contracts for which the add to existing Aggregate Coverage Plan was selected, on an aggregated basis, for so long as the maintenance term for all such listed items continues. If the Per Unit is indicated in the Equipment Maintenance Information Section on an order, the Maintenance Base Charge and the Covered Images listed in each Section of the Face Page shall apply on a per unit basis for the Equipment listed in that Section. Any networked features of the Equipment and remote reporting software ("Remote Software") will be disabled.
2. **HOURS OF OPERATION AND ACCESS TO EQUIPMENT.** Maintenance shall be performed during DEALER's local regular business hours (8:30 A.M. to 5:00 P.M. Monday through Friday, excluding DEALER holidays). For all Maintenance service calls outside normal business hours, DEALER shall quote you on an as needed basis, but at no time will pricing exceed what is listed in the NASPO ValuePoint Master Agreement Number 187646 ("Master Agreement") Price List(s). You shall give DEALER reasonable and safe access to the Equipment and DEALER shall provide labor or routine, remedial, and preventive Maintenance as well as remedial parts. DEALER may terminate its Maintenance obligations for any Equipment you relocate to a site outside DEALER's service territory.
3. **ITEMS NOT COVERED UNDER MAINTENANCE.** Service calls not covered under this maintenance agreement shall be quoted on an as needed basis, but at no time will pricing exceed what is listed in the Master Agreement Price List(s). The following items are NOT covered under Maintenance unless otherwise set forth on the Face Page: (a) all consumable supply items not provided as part of toner inclusive service, including, without limitation, paper, staples, other media, print heads and puncher dies; (b) repairs resulting from factors other than normal use including, without limitation, any willful act, negligence, abuse, accident, disaster (e.g., effects of water, wind, lightning, etc.) or misuse of the Equipment; (c) repairs due to the use of parts, supplies, or software which are not supplied by DEALER and which cause abnormally frequent service calls or service problems; (d) repairs to fix problems resulting from service performed by personnel other than DEALER personnel; (e) repairs due to use of the Equipment with non-compatible hardware or software components; electrical power malfunction or heating, cooling or humidity ambient conditions; (f) relocation of Equipment including de-installation and re-installation, which is a separate chargeable service, per the pricing in the Master Agreement; (g) repairs to or realignment of Equipment, and related training, necessitated by changes you made to your system configuration or network environment; (h) work which you request to be performed outside of DEALER's regular business hours; (i) repair of network/system connection device, except when listed on the Face Page; or (j) repairs due to the use of paper/media not in compliance with manufacturer's published specifications.

4. CONSUMABLE INCLUSIVE (INCLUDING TONER ABUSE). Consumable Supplies: All consumables are the property of DEALER until used. Consumables Inclusive Maintenance includes replenishment of toner only (unless other consumables are specified on the Face Page and applicable to the unit of Equipment). Toner is supplied for exclusive use with the unit of Equipment for which it is provided. DEALER may terminate the Maintenance under this Agreement if you use the consumables in a different manner. If your use of consumables exceeds the typical use pattern (as determined solely by DEALER) for these items by more than 10% of the published manufacturer specifications for conventional office image coverage, or should DEALER, in its sole discretion, determine that consumables are being misused in any fashion, DEALER may invoice you for such excess usage and you agree to pay for such improper or excess use, provided that DEALER shall not invoice you for excess toner usage as aforementioned unless and until DEALER has first notified you of the excess toner usage, and until you and DEALER have consulted in good faith in an attempt to identify the reason(s) for the excess toner usage and you have had a reasonable opportunity, if practicable, to rectify the excess toner usage. Consumable Inclusive Maintenance is predicated upon deployment of DEALER's remote reporting software, which may include Auto-Toner Replenishment. If expiration dates are indicated on your consumable containers, you shall use the oldest container(s) first. You shall bear all risk of loss, theft, or damage to unused consumables, which shall remain DEALER's property and shall be returned promptly upon termination of Maintenance for the applicable unit of Equipment.

5. BILLING / METER COLLECTION. (a) You agree to provide timely meter readings to DEALER and to comply with the billing procedures designated by DEALER. If DEALER does not receive timely meter readings from you, you agree to pay invoices that reflect DEALER's estimates of meter readings. DEALER reserves the right to verify the accuracy of any meter readings from time to time, and to invoice you for any shortfall in the invoice for the next periodic billing cycle. In accordance with DEALER's normal procedures and the meter read option selected; (b) You agree that DEALER shall be entitled to acquire meter readings using DEALER's remote reporting software, however if it does not communicate with DEALER for any reason, you agree to timely provide manual meter readings.

6. DEFAULT. You shall be in default of this Agreement if you fail to perform any of your obligations under this Agreement, including making prompt undisputed payments when due. DEALER may withhold service under this Agreement in whole or in part until any delinquent payment is received by DEALER. DEALER may terminate this Agreement in whole or in part upon your default with thirty (30) days' notice to you unless such default is cured by you within the thirty (30) day period. If an overdue payment is disputed in good faith within forty-five (45) days after the due date thereof, you shall pay all undisputed amounts and promptly make a good faith effort to resolve such dispute with DEALER. In the event of your default, DEALER may, without limiting its other rights and remedies available under applicable law and this Agreement, require you to pay all charges then due but unpaid, including any applicable late charges or early termination fees as allowed under the Master Agreement.

7. LIMITED WARRANTY. All Equipment is provided with a manufacturer's end user limited warranty from Canon U.S.A., Inc. Authorized Dealer is an authorized Canon service dealer and provides warranty service under the Canon U.S.A., Inc. limited warranties. All other Products are provided subject to such end user warranties and license terms as are provided by the manufacturer or developer as packaged or otherwise provided with the Listed Items. Authorized Dealer shall upon your request provide to you copies of all such end user warranties and license. SUCH WARRANTIES, TOGETHER WITH WARRANTIES AS PROVIDED IN THE MASTER AGREEMENT AND THE APPLICABLE NASPO VALUEPOINT PARTICIPATING ADDENDUM, ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY IMPLIED WARRANTIES REGARDING MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, RELATING TO THE USE OR PERFORMANCE OF THE PRODUCTS, AND ALL SUCH OTHER WARRANTIES ARE HEREBY EXPRESSLY DISCLAIMED. YOU EXPRESSLY ACKNOWLEDGE THAT SUCH WARRANTIES DO NOT ASSURE UNINTERRUPTED OPERATION AND USE OF THE PRODUCTS.

8. LIMITATION OF LIABILITY. SUBJECT TO A PARTY'S FRAUD OR INTENTIONAL MISCONDUCT, NEITHER AUTHORIZED DEALER NOR CONTRACTOR SHALL BE LIABLE FOR LOSS OF REVENUE OR PROFIT, LOSS, CORRUPTION OR RELEASE OF DATA, FAILURE TO REALIZE SAVINGS OR OTHER BENEFITS, STORAGE CHARGES OR INCIDENTAL, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT REGARDLESS OF THE LEGAL THEORY ON WHICH THE CLAIM IS BASED AND EVEN IF AUTHORIZED DEALER OR CONTRACTOR HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. AUTHORIZED DEALER AND CONTRACTOR MAY BE LIABLE FOR OTHER, DIRECT DAMAGES THAT MAY BE INCURRED BY YOU IN AN AMOUNT NOT EXCEED TWICE THE AMOUNT PAID UNDER THIS AGREEMENT. THE FOREGOING LIMITATIONS DO NOT APPLY TO YOU THAT CANNOT BE LIMITED UNDER N.D.C.C. § 32-12.2-15(4), INCLUDING LOSS RESULTING FROM FRAUD OR OTHER INTENTIONAL OR WILLFUL MISCONDUCT, BREACH OF CONFIDENTIALITY OBLIGATIONS, OR DAMAGE TO TANGIBLE PROPERTY OR PERSONAL INJURY.

ATTACHMENT 3, CANON SAMPLE MPS AGREEMENT TERMS AND CONDITIONS

1. **TERM.** The Managed Print Services (“MPS”) shall begin on the Start Date and continue for the initial term specified above.
2. **CHARGES.** Authorized Dealer agrees that pricing shall remain firm for the initial terms of the Maintenance Agreement. Upon expiration of the initial contract term, or during any renewal period, Dealer reserves the right to increase the pricing upon thirty (30) days prior written notice, based on any changes to the fleet, or services being delivered, provided these changes are outside the scope of the original statement of work, and provided the pricing does not exceed Master Agreement pricing. If you have selected the Fleet Coverage Plan, the Base Charge, Covered Images and Per Image Charges noted above shall apply to all of the Equipment on the Schedule. If you have selected the Per Unit Coverage Plan, the Base Charge, Covered Images and the Per Image Charges for each unit shall be reflected on the Schedule.
3. **PRIOR ASSESSMENT.** As part of an initial assessment, Authorized Dealer has performed a network and system discovery analysis of your IT environment in which services are to be rendered under this Agreement. Additionally, as part of the initial assessment, Authorized Dealer has used certain discovery tools to identify the components and conditions of your IT environment.
4. **COVERED PRINTERS.** This agreement is intended to provide services for your entire fleet of printers; however, certain models of printers may not be eligible for services under this contract due to age, geographic location or other reasons determined by Authorized Dealer. At Authorized Dealer’s discretion, the ineligible printers may be placed under a “Standard Plan” and identified on the associated schedule (“Schedule B”) and shall only receive toner cartridges and monitoring services. The “Premier” scope of services as defined in Paragraph 7 covers only the printers identified on the associated schedule (“Schedule A” or “Schedule A-MICR”). The parties may agree to add or remove printers from time to time during the Term by mutual execution of an Authorized Dealer MPS Change Order. Customer shall provide Authorized Dealer a standard device configuration sheet showing the start meter reading of the added printer(s) as of the start date of this contract. Otherwise, Authorized Dealer may compute a start reading for the printer(s) utilizing the current meter reading and subtracting an estimated monthly volume per printer, as determined by Authorized Dealer. In the event Customer acquires additional devices subsequent to the start date of this Agreement, the start meter shall be zero. If the quantity of printers changes during the Term from the original quantity listed on Schedule A, Schedule A-MICR or Schedule B, Authorized Dealer reserves the right to adjust the pricing accordingly.
5. **YOUR RESPONSIBILITIES. As a condition precedent to Authorized Dealer’s duties:**
 - (a) The Printers shall meet the “Fit for Service” requirements outlined in the MPS Customer Expectation Document (CED) and shall be in good working condition on the Start Date (as determined solely by Authorized Dealer in its reasonable discretion.)
 - (b) You shall provide Authorized Dealer with an accurate location and printed configuration page for each printer placed under this Agreement. You shall notify Authorized Dealer if you relocate any printers from the address indicated on Schedule A, A-MICR, B or any related Change Order.
 - (c) You shall use only Authorized Dealer-approved parts and supplies for the Printers.
 - (d) You shall have proper electrical and network connections, install, and use Authorized Dealer approved surge protector where appropriate.
 - (e) You shall provide a Key Operator responsible for designated duties in the operator’s manual and insure that the proper supplies are being installed and/or used correctly with the printers.
 - (f) You are solely responsible for security of your electronic and other data.
 - (g) You must install and keep the Data Collection Agent (“DCA”) installed on your network for networked devices and locally for non-networked devices throughout the Term of this Agreement. If the DCA does not communicate with Authorized Dealer, you agree to provide manual meter readings upon request.

- (h) You agree that Authorized Dealer may use estimated meter readings if it does not receive timely meter reading on any Printers covered by this Agreement.
- (i) You shall utilize the Authorized Dealer ordering procedures for adding or deleting printers and ordering Toner Cartridges. You acknowledge that Authorized Dealer will not deliver services or toner for printers not listed on Schedule A, Schedule A-MICR, Schedule B or any related Change Order until you complete the proper ordering procedure to add the printer to the Agreement.
- (j) You shall provide timely meter readings for any printer not connected to the DCA for any reason.

6. AUTHORIZED DEALER RESPONSIBILITIES

- (a) Authorized Dealer may tag each Printer initially listed on Schedule A, Schedule A-MICR or Schedule B with an Authorized Dealer Service tag indicating serial # and Authorized Dealer contact information.
- (b) Printers listed on Schedule A, A-MICR and B are provided replenishment of Original Equipment Manufacturer ("OEM") or 3rd Party manufactured toner cartridges, as indicated on Page 1, for exclusive use with the Printers specified on Schedule A, A-MICR and B. The pricing in this agreement is based upon 5% toner coverage for black & white and 20% for color letter size pages. You agree that Authorized Dealer may invoice you for excess usage in the event your actual toner usage exceeds these assumptions by more than 10%. Excess toner charges shall be computed using the expected print volume ("EPV") minus the actual print volume reported. The EPV = actual number of cartridges shipped x the toner yield per cartridge x 90%. You shall bear all risk of loss, theft or damage to unused toner cartridges provided to you under this Agreement, which shall remain Authorized Dealer's property and shall be returned promptly upon termination of this Agreement.
- (c) Authorized Dealer may perform an initial walkthrough of Customer locations covered under this Agreement. Customer shall identify each networked and non-networked device to be covered under this agreement. Authorized Dealer will deliver, install, configure and test its network Data Collection Agent ("DCA") with your IT staff assistance. Authorized Dealer will provide all technical support, updates and maintenance for the DCA.
- (d) You acknowledge that Authorized Dealer's ability to deliver the services is dependent upon your full and timely cooperation with Authorized Dealer, as well as the accuracy and completeness of the information provided by you to Authorized Dealer. If, during the initial three (3) months of the Term, the assumptions used to develop the pricing and any related Statement of Work is found to be incorrect or misstated, the parties agree to meet and in good faith negotiate equitable changes in the scope of work and associated charges. You agree to follow the detailed operational procedures and program guidelines, which are explained in the MPS Customer Expectation Document, which you hereby acknowledge, receipt of at the time of executing this agreement.

7. SERVICES. YOU SHALL RECEIVE THE SERVICES DESCRIBED IN THIS PARAGRAPH 7 ONLY FOR THE EQUIPMENT LISTED ON A SCHEDULE A, SCHEDULE A-MICR, CHANGE ORDER FORM A, OR CHANGE ORDER FORM A-MICR . SUCH SERVICES ARE SUBJECT TO THE EXCLUSIONS HERINAFTER DESCRIBED.

8. COVERED SERVICES

- (a) Authorized Dealer shall provide all routine preventive maintenance, maintenance kits and emergency service necessary to keep the Printers in good working order in accordance with this Agreement and Authorized Dealer's normal practice. Such service shall be performed during Authorized Dealer's local regular business hours (8:00 A.M. to 5:00 P.M. Monday through Friday, except holidays).
- (b) You shall afford Authorized Dealer full, free and safe access to the Printers to perform on-site service. Authorized Dealer may terminate its maintenance obligations as to any Printers if you relocate it to a site outside Authorized Dealer's authorized service territory. If, in Authorized Dealer's opinion, any Printers cannot be maintained in good working order through Authorized Dealer's routine maintenance services, Authorized Dealer shall, at its option, either (i) substitute comparable Printers or (ii) cancel the balance of any remaining term of this Agreement as to such

Printers and refund the unearned portion of any prepaid charges hereunder. Parts replaced or removed by Authorized Dealer in connection with maintenance services hereunder shall become the property of Authorized Dealer and you disclaim any interest therein.

- 9. NON-COVERED SERVICE.** You acknowledge that Authorized Dealer shall not have obligations related to i) overhauls and/or reconditioning of printers; ii) printer user errors; (iii) the alteration, modification or customization of any software controlling, used by, installed on or embedded in the Printers; (iv) the service or repair of devices, accessories, power, data or communication lines or other instruments which are external to or otherwise not a component part of the Printers; (v) hard drive removal or (vi) supplying external communications or data transfer lines, paper or other throughput, staples, cassettes, exit trays or other like items or supplies (other than toner cartridges as defined in section 3) used or consumed in the normal operations of the Printers ("Excluded Items"). The following services, and any other work beyond the scope of this Agreement, shall be invoiced in accordance with Canon's then current contract pricing:
- (a) replacement of any consumable supply item other than toner;
 - (b) repairs necessitated by factors other than normal use including, without limitation, any willful act, negligence, abuse or misuse of the Printers; the use of parts, supplies or software which are not supplied by Authorized Dealer and which cause abnormally frequent service calls or service problems; service performed by personnel other than Authorized Dealer personnel; transportation of the Printers; accident; use of the Printers with non-compatible hardware or software components; electrical power malfunction or heating, cooling or humidity ambient conditions;
 - (c) re-installation or relocation of Printers;
 - (d) repairs to or realignment of Printers, and related training, necessitated by changes you made to your system configuration or network environment;
 - (e) repairs or service required because of inadequate operation of the Printers (e.g., Authorized Dealer technician is dispatched to rectify a problem described in the operator manual); and
 - (f) work that you request to be performed outside of Authorized Dealer's regular business hours.
- 10. DATA.** You acknowledge that the hard drive(s) on the Equipment may retain images, content or other data that you may store for purposes of normal operation of the Equipment ("Data"). You acknowledge that Authorized Dealer is not storing Data on your behalf and that exposure or access to the Data by Authorized Dealer, if any, is purely incidental to the services performed by Authorized Dealer. You are solely responsible for the Data. The Canon branded Equipment contains various security features that you can utilize. Upon your request, Authorized Dealer will work with you to provide information regarding your options and offer services to assist you. Please note that Canon offers basic data security options free of charge; however, other optional services may have an additional cost associated. The terms of this Section shall solely govern as to Data, notwithstanding that any provisions of this Agreement or any separate confidentiality or data security or other agreement now or hereafter entered into between you and Authorized Dealer could be construed to apply to Data.
- 11. TERMINATION.** Either party may terminate this Agreement, with or without cause, by providing thirty (30) days written notice to the other party.

ATTACHMENT 4, CANON SAMPLE MPS CUSTOMER EXPECTATIONS DOCUMENT

1. **Introduction.** This Customer Expectation Document is designed to provide details related to the Canon Managed Print Services ("MPS") Program and to answer commonly asked questions. The terms and conditions of the MPS program can be found in the associated Managed Print Services Agreement.
2. **Program Objectives.** The MPS program is designed to help organizations achieve business efficiencies and cost savings through better management and administration of print environments. Our unique consulting process contemplates collaboration with our customers to identify areas for print optimization, increased productivity and cost savings. Critical to this process is the availability of print volume data from all sources within the print enterprise. The success of the program is dependent on uninterrupted communication with the printers or alternative sources of data capture in order for Authorized Dealer to perform the services and provide accurate and timely billing under the MPS Agreement.
3. **Initial Contract Set-up**
 - a) **Start Date.** The contract becomes effective approximately ten (10) days after the Customer executes the MPS Agreement accompanied by a complete listing of the covered Printers on Schedule A and Schedule B, if applicable. This allows Authorized Dealer ample time to prepare its systems to accept customer calls and begin to provide services.
 - b) **Initial Printer Listing.** Schedule A and B contain all relevant information on each printer initially covered under the MPS Agreement. Printers listed in Schedule B will only be eligible for toner fulfillment and monitoring services. The Customer is responsible for discovering and identifying the required information for all printers to be covered under this MPS Agreement. Although Authorized Dealer software tools may help discover devices based on detection of activity, idle units and units with no network connection may not be detected during this discovery process. In the event a customer identifies additional equipment which was mistakenly excluded from the original schedules, additional printers can be added using the Change Order form along with a printed configuration page for each printer added and made retroactive to the start date. Customers who call for services or toner for units not yet added to the contract may be told their printer is not covered since it will not appear in the Authorized Dealer system.
 - c) **"Fit for Service" Requirements.** Prior to the start of the contract, the following must be confirmed:
 - i. Each printer must have a minimum of 25% toner remaining in the cartridge;
 - ii. Each printer must have a minimum of 25% life remaining for other consumable maintenance items (fuser kit, maintenance kit, drums);
 - iii. Any printer displaying a service or supplies alert (error codes, low consumables, etc.) or demonstrating a technical or performance issue (regardless of alert status) must have the condition corrected;
 - iv. Any printer with an image quality issue must have the condition corrected; and
 - v. Any printer inadvertently placed on an MPS contract that does not meet "Fit for Service" requirements, must have the issues promptly remediated or the Printer must be removed from the MPS contract.
 - d) Customers can contact Authorized Dealer Customer Service (see Section 5 below) to purchase the required consumable items (toner cartridge, maintenance kit, fuser kit, drum, etc.) and/or request a service call to remediate technical issues, so the printer can be added to an MPS contract.
 - e) **Tagging.** Each printer initially covered under the MPS Agreement may be tagged with an Authorized Dealer Service tag by an Authorized Dealer representative. The tag includes the serial # of the printer, the phone # for service and supplies and other relevant information. The

tag should not be removed from the printer during the term of the MPS Agreement. Authorized Dealer may mail tags to the customer for placement on the printers for machine additions or remote locations during the term of the contract.

- f) **Installation of DCA Software.** Authorized Dealer will work with the Customer's IT staff to perform the initial installation of the Data Collection Agent ("DCA") software for networked devices. Additionally, Authorized Dealer may assist the Customer's IT staff to push the local client version of the DCA software for use with any non-networked printers. It is the Customer's responsibility to keep the DCA installed during the term including any reinstallation that may be required because of change in the Customer's infrastructure or environment.

4. Ordering Procedures

- a) **Toner.** Printer toner cartridges may be ordered from Authorized Dealer by either calling Customer Service or by placing an on-line order (if applicable). Customers who wish to use on-line ordering must first register through Authorized Dealer's on-line customer portal. Customers will be asked to provide the related serial # or asset tag# located on the asset tag placed on the printer. The maximum toner order is limited to one (1) cartridge per serial#. Authorized Dealer Reserves the right to limit toner shipments based upon print volume/utilization. Canon's Managed Print Services program does not contemplate the provision of "shelf stock" at Customer locations. Customers that require extra toner stored onsite may purchase shelf stock by contacting Customer Service (see Section 5 below).
- b) **Service Calls.** Requests for repair may be placed by either calling Authorized Dealer's Dispatch Center or by placing a service request on-line within the Authorized Dealer's on-line customer portal (if applicable).
- c) **Add/Remove.** Additions or deletions of printers covered under the MPS Agreement are made by executing and submitting an MPS Change Order form indicating the pertinent information on the specific units being added or removed from the MPS Agreement or submitting such request on-line within the customer portal (if applicable). Additionally, Customers must provide a printed configuration page from each added or removed unit that provides Authorized Dealer necessary meter, quality and other information necessary to make the change effective. Please note that changes to the printer fleet configuration may impact the price per copy reflected in the contract on a prospective basis.

5. Customer Service.

For any questions or contract changes, please reference the following contact information:

Email: _____
 Phone: _____

- 6. **Relocations.** If Customers relocate any printers under the MPS Agreement, they must promptly notify Authorized Dealer in order to change the location information in the Authorized Dealer database. Customers are responsible for de-installing and reinstalling all relocated printers including installation of the DCA in order to keep the printers communicating with Authorized Dealer. Please note that printers relocated outside of Authorized Dealer's Servicing geography may not be eligible to be covered under this MPS Agreement.
- 7. **Meter Collection.** The MPS program is designed to automatically collect periodic meter readings from the printers covered under this MPS Agreement using the DCA software program. The DCA program is initially installed on the Customer network for connectivity to networked printing devices. A local DCA program must be installed on individual networked computers in order to communicate with non-networked printers. It is extremely important to keep the DCA software connected in order for Authorized Dealer to capture information in order to provide the services under the MPS Agreement. Customers are responsible to maintain this critical connection that may require reinstallation of the local DCA software when upgrading, replacing or repairing related computers.
- 8. **Fixed Volume.** If Authorized Dealer does not receive timely meter readings from the DCA software or alternatively from the Customer through other means of communication, Authorized Dealer will

estimate the usage on the related devices utilizing predetermined average monthly volume information, which are based on Authorized Dealer standard usage rates by model.

- 9. Toner Usage Reconciliation.** The MPS program includes replenishment of toner cartridges based upon toner page coverage of 5% for black toner and 20% for color toner. Customers who print images with more toner average coverage should expect to pay additional charges. Toner usage reconciliation is done separately for black toner, color toner, and MICR toner. Please see the reconciliation example below:

Toner Manufacturer Yield per Cartridge	3,000
# of Cartridges shipped to Customer*	<u>x 10</u>
Manufacturer Expected Print Volume	30,000
Extra 10% provided by Authorized Dealer	<u>3,000</u>
Authorized Dealer Expected Print Volume	27,000
Actual Print Volume	<u>25,500</u>
Volume Reconciliation	1,500
Price per Page	<u>x \$.0200</u>
Toner Usage Reconciliation Charge	\$30.00

* **Note 1:** Certain cartridges for the same models may contain different manufacturer yields.

* **Note 2:** Cartridge yield associated with "Unused Toner Cartridges" (see definition in Section 12 below) purchased from Authorized Dealer for purposes of "shelf stock" may be considered during toner reconciliation, when the Actual Print Volume exceeds the Authorized Dealer Expected Print Volume.

- 10. Quarterly Review Process.** Customers are entitled to a quarterly review discussion to review expectations, charges, print volume data and recommendations for further optimization of the print environment.

11. Renewal and End of Term Process

- The MPS agreement will not automatically renew. If the Customer wishes to renew, then Authorized Dealer shall promptly provide a renewal quote for the renewal period. Upon mutual agreement, a new MPS Agreement shall be executed for the renewal term.
- If the Customer does not choose to renew, the Customer may return unused toner cartridges within thirty (30) days of the end of term and Authorized Dealer will adjust the # of cartridges shipped for computing the final toner reconciliation described above.
- Customers must contact Authorized Dealer's Customer Service to obtain return instructions and return authorization # prior to mailing the returned supplies back to Authorized Dealer. In the event Authorized Dealer is unable to obtain a final meter reading from the DCA or other reasonable means, Authorized Dealer will estimate the final meter reading using customer volume history or utilizing the Authorized Dealer standard usage rates by model.

- 12. Unused Toner Cartridges.** Unused toner cartridges are defined as the original items shipped to Customers, which:

- were provided to the Customer by Authorized Dealer;
- are in the original box, which is unopened and undamaged;
- the contents (toner cartridges) are sealed and undamaged; and
- are deemed resalable, in Authorized Dealer's sole discretion.

- 13. Restocking Fee.** A restocking fee of 10 percent (10%) of the MSRP value shall be charged for all unused toner cartridges returned to Authorized Dealer, unless the returned cartridge is deemed defective or the restocking fee is prohibited by law.

- 14. Toner Availability.** Authorized Dealer shall use commercially reasonable efforts to procure toner cartridges for the printer(s) covered by the MPS contract. In the event OEM toner is no longer readily available (discontinued by the manufacturer, restricted distribution, exhausted inventory, etc.) Authorized Dealer shall, at its option, either (i) substitute OEM cartridges with compatible (3rd party)

toner cartridges, or (ii) substitute comparable printer(s) at your expense, with your prior written approval.

ARTICLE II

DCA Software & Technical Requirements

Authorized Dealer must utilize data collection software to provide services under this MPS Agreement. Authorized Dealer is responsible to maintain the software, provide updates when necessary, and assist with the initial installation as necessary. The detailed technical information with respect to the Data Collection Agent (DCA) is as follows:

The DCA collects usage data on Products from predefined Management Information Bases (MIBs), using Simple Network Management Protocol (SNMP). For greater security, the DCA initiates communication solely with the Authorized Dealer Data Repository. Communication sessions are conducted via HTTPS (port 443), the universal standard in secure transactions. The DCA sends and receives data in a single hourly session.

Authorized Dealer does not provide root access or local edit access to the DCA and Authorized Dealer does not permit scripts to be run against the DCA.

Customers must provide the following technical information in conjunction with the implementation of the Canon Managed Print Services program. This information is required specifically for the expressed purposes of configuration and implementation of the DCA. Requirements and details below may be subject to change based on modifications to the existing software or a change to the DCA software being utilized.

INFORMATION

DCA Server (must be able to access all subnets with devices under contract)

Hostname

IP Address

Default Gateway

Fully Qualified Domain Name

DNS Server (primary and secondary)

Subnet Mask

Network

Subnet Range(s)

Proxy (if applicable)

Proxy Name

Port Number

Username / Password (if required)

SNMP

Public (READ)

Any non-public SNMP community strings

CONFIGURATION

In addition to the information above to function properly, the DCA requires the following network configuration

Port 80 TCP (outbound access)

Port 443 TCP (outbound access)

SNMP (access to all subnets with devices on contract) Port 161 UDP (access to all subnets with devices on contract)

ADDITIONAL PORTS REQUIRED FOR MDS CLOUD CC AGENT

- ☐ Port 427 UDP (outbound access)
- ☐ Port 47545 UDP (outbound access) (Canon Devices)
- ☐ Port 47546 TCP (outbound access) (Canon Devices)
- ☐ Port 9007 TCP (outbound access) (Canon Devices)
- ☐ Port 50700 UDP (inbound access) (Canon Device event notifications)

- ☐ Port 11427 UDP (inbound access) (Canon Device power status notifications)
- ☐ Port 44301 TCP (inbound access) (Open CC Agent dashboard on network)

HARDWARE

Hardware: Non-dedicated server powered on 24 hours a day, 7 days a week

Network Card: 100mbit or higher

RAM 512 MB or higher

Internet connected browser

ADDITIONAL HARDWARE REQUIRED FOR MDS CLOUD CC AGENT

- ☐ Dual Core CPU 2.0GHz or faster
- ☐ RAM 4GB or more Recommended 8GB or more
- ☐ Available Storage 8GB or more Recommended 35GB or more

SOFTWARE

Computers where the DCA will be installed must meet the following software requirements:

Windows 7, 8, 10, Server 2008 R2, Server 2012, Server 2016 or higher and .NET Framework 3.5 SP1

Including .NET 3.0 and 2.0 Feature enabled

Virtualization software support: The following virtualization software will support the installation:

Microsoft Virtual Server 2005

VMware GSX

ADDITIONAL SOFTWARE REQUIRED FOR MDS CLOUD CC AGENT

- ☐ Virtual Environments:

VMware vSphere v6.0/v6.5

Microsoft Hyper-V: Windows Server 2008 R2/Server 2012/Server 2012 R2

- ☐ .NET Framework 4.5.2 or higher: <https://www.microsoft.com/en-US/download/details.aspx?id=42643>
- ☐ IIS 10.0 Express: <https://www.microsoft.com/en-us/download/details.aspx?id=48264>
- ☐ SQL Server Express 2014 SP2 or higher: <https://www.microsoft.com/en-US/download/details.aspx?id=53167>

COLLECTION INTERVALS FOR MDS CLOUD CC AGENT

- ☐ Errors and alerts – Every 5 minutes while not in sleep mode
- ☐ Consumable Supplies (Toner & Paper levels) – Every 60 minutes while not in sleep mode
- ☐ Counters – Every 8 hours

DATA TRANSMISSION

The DCA transmits small amounts of data to the central server. This data includes only statistical and alert condition information. NO IMAGE DATA IS TRANSMITTED. The following data estimates are provided to assist in the assessment of network impact.

DCA scan, blank IP: 5.2KB

DCA scan, 1 printer: 7.2KB

DCA scan, 1 printer, 254 local IP addresses: 96KB

DCA scan, network of 15 printers, 254 local IP addresses: 125KB

ATTACHMENT 5, DIGITAL PRESS PRODUCTION AND LARGE FORMAT EQUIPMENT MASTER SERVICES AGREEMENT TERMS AND CONDITIONS

This Attachment includes additional terms and conditions that apply to Maintenance Agreements for Purchasing Entities (referred to as “Customer” herein) for Océ Production Equipment and Large Format Equipment (referred to as “Equipment” herein).

In the event of a conflict between the NASPO ValuePoint Master Agreement Number 187646, the Canon Maintenance Terms and Conditions set forth in Attachment 2 and the terms and conditions in this Attachment 5, the documents shall govern in the below order:

- 1. NASPO ValuePoint Master Agreement Number 187646**
- 2. Attachment 5 - Digital Press Production and Large Format Equipment Master Services Agreement Terms and Conditions**
- 3. Attachment 2 - Canon Maintenance Terms and Conditions**

1. Installation and Site Preparation

1.1 Authorized Dealer shall install the Equipment at the location identified on the applicable Schedule ("Equipment Location"). Installation shall be deemed complete when the Equipment has been installed and is ready for commercial operation. Customer shall furnish a suitable installation site in accordance with Authorized Dealer's power, environmental, and other requirements. All site preparation, including appropriate space requirements, electrical wiring, air conditioning, required venting or special duct work and necessary permits or approvals, is Customer's responsibility.

1.2 For Software installed at a Customer location, installation shall be determined complete when the Software has been installed and is ready for commercial operation. For all of the Software, installation shall be deemed complete when Customer is provided instructions on how to access and/or download the Software.

2. Supplies

Customer is entitled to the amount of toner/supplies which, on average, covers six percent (6%) of the letter size media unless another coverage rate is specified in an Order. Unless otherwise agreed to in an Order, for cutsheet color products, Customer is entitled to the amount of toner/supplies which, on average, covers ten percent (10%) of the letter size media per color (black counts as a color). Unless specifically agreed to in an Order, supplies do not include staples. Reconciliation for overuse of toner/supplies shall be invoiced to and paid by Customer at the rates under the Master Agreement and will be calculated based on coverage/use.

3. Maintenance

3.1 Equipment Support: Authorized Dealer shall provide Customer: (a) Authorized Dealer's standard preventive maintenance services ("PM's"), including labor and replacement parts to be provided Monday – Friday during Authorized Dealer's standard business hours (the length and frequency of periods of time required for preventive maintenance will be determined by Authorized Dealer); (b) corrective maintenance coverage as indicated on the applicable Schedule, including labor and replacement parts (service on Authorized Dealer holidays is available with advance notice to Authorized Dealer and Authorized Dealer shall bill Customer at its then current hourly rates for holiday service) provided that repairs can be performed in the field; and (c) engineering changes, including safety changes, deemed necessary by Authorized Dealer. Preventive maintenance includes testing, adjusting, cleaning and replacement of components scheduled in accordance with the Equipment service specifications. PM's performed on weekends, holidays or between 5PM and 8:00AM (at Customer's request) will be billed at Authorized Dealer's holiday rates according to the Master Agreement Price Lists. If Customer refuses to permit installation of a safety change or removes one already installed, Authorized Dealer may discontinue maintenance support services for all Equipment until the hazard has been corrected. All defective parts removed during maintenance shall become the property of Authorized Dealer. Parts used for repair may be used or remanufactured in accordance with manufacturer's

specifications. The Equipment may contain software that allows Authorized Dealer to access the Equipment remotely ("Remote Software"). In such cases, Customer authorizes Authorized Dealer to use the Remote Software to (i) receive software updates and transmit use and service data accumulated by the Equipment over Customer's network by means of an HTTPS (or other) protocol and (ii) store and analyze such data solely for Authorized Dealer's own purposes related to servicing the Equipment and for product improvement.

3.2 Customer shall: (a) provide Authorized Dealer full, free and safe access, subject to Customer's safety and security regulations, to the Equipment for performance of maintenance as deemed necessary by Authorized Dealer; (b) allow Authorized Dealer to store reasonable quantities of maintenance equipment and/or parts on Customer's premises; (c) provide a suitable environment for the Equipment in accordance with manufacturer's environmental requirements; and (d) inform Authorized Dealer promptly of any operating problems

3.3 Remote Help Desk Support (applicable to cut sheet printers and Software under 5x8 service coverage)

If Customer purchases "Remote Help Desk Support", then the following terms are applicable:

- (a) Authorized Dealer provides Remote Help Desk Support via telephone, to access Authorized Dealer Support Specialists for operator questions, installation support, explanation of maintained software features and functionality, network connectivity questions, and other support issues ("Remote Support"). Remote Support is available Monday – Friday 8:00AM to 8:00PM EST, excluding holidays. By purchasing Remote Support, Customer has unlimited access to the help desk.
- (b) Authorized Dealer will provide Remote Support to those Customer employees who have been issued an ID code providing email/telephone access to the Authorized Dealer Software Support Center. Customer shall be responsible for controlling ID code access and for any unauthorized use of ID codes. ID codes are non-transferable.

3.4 Services for Additional Charge

- (a) The services listed in this Section are not included as part of Authorized Dealer's remedial or preventive maintenance services: Services for repair of Equipment (including the inkjet heads in Authorized Dealer's printers or the fuser rollers in Authorized Dealer's continuous feed printers) or replacement of parts (including the inkjet heads in Authorized Dealer's printers or the fuser rollers in Authorized Dealer's continuous feed printers) caused or made necessary, in Authorized Dealer's reasonable discretion, in whole or in part, by: (i) Customer's failure to continually provide a suitable environment in accordance with Authorized Dealer's requirements; (ii) neglect, misuse, or use of the Equipment for purposes other than for which it was designed, or failure to operate the Equipment in accordance with Authorized Dealer's or manufacturer's operating instructions or within manufacturer's specifications; (iii) accident, disaster, including effects of water, wind, lightning, or transportation; terrorism, vandalism or burglary; (d) alterations of Equipment, including any deviation from Equipment design, unless previously authorized in writing by Authorized Dealer; (iv) attachment(s) to the Equipment, including connection of devices not supplied by Authorized Dealer, which cause the Equipment to malfunction, unless previously authorized in writing by Authorized Dealer; (v) Customer's failure to perform or its failure to correctly perform the normal duties of Customer's operators; (vi) the use of any non-Authorized Dealer parts, toner, developer or inks; (vii) the use of forms not in compliance with Authorized Dealer's paper specifications; (viii) maintenance or repair services performed by Customer or a third party without written authorization from Authorized Dealer; or (ix) pre or post processing Equipment disconnected from the printing system to which it was originally installed unless previously authorized in writing by Authorized Dealer. If in Authorized Dealer's reasonable discretion, Equipment has been rendered un-repairable, then Authorized Dealer may refuse to render services under this Agreement and may terminate the appropriate Schedule.

- (b)** If repairs or replacements as set forth above are needed due to the causes listed in (a) above, Authorized Dealer's prices to provide any such repair or replacement will: (i) use the published hourly Master Agreement service rates and minimum charges for the service time, which includes travel and waiting time; (ii) use the current parts and material prices; and (iii) travel expenses. All repairs will be governed by the terms of this Agreement, however, Authorized Dealer reserves the right to decline to perform such services.
- (c)** Authorized Dealer may withdraw any item of Equipment from maintenance coverage (i) if such Equipment has been removed from the Equipment Location and Authorized Dealer does not offer maintenance services at the new Equipment location; or (ii) if Authorized Dealer declares end of life for such Equipment, and then only with at least ninety (90) days prior written notice. Customer shall pay monthly service charges up to the date of termination. For any prepaid amounts, Authorized Dealer shall refund or credit the pro rata amount of the remaining term from the effective date of termination.