



**GFC LEASING**

A division of the Gordon Flesch Company

[gfcleasing.com](http://gfcleasing.com)

## **Financing Proposal**

**PRESENTED TO:**



# **North Boone**

**Community Unit School District 200**

**SUBMITTED BY:**



**GFC LEASING**

A DIVISION OF THE GORDON FLESCH COMPANY

April 11, 2019

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Customer initials\_\_\_\_\_

## I. Project Summary:

North Boone School District 200 would acquire Chromebook devices of their choosing, from their preferred supplier, and GFC Leasing would finance the devices over a four year period allowing North Boone School District 200 to spread the payment of the devices out over the useful life of the devices.

## II. Background Information on GFC Leasing:

GFC Leasing, headquartered in Madison Wisconsin, has been in the equipment financing business since 1974. GFC Leasing and its parent company, the Gordon Flesch Company, Inc., established in 1956, has locations in Wisconsin, Illinois, Indiana, and Ohio. We are a locally, family owned business that has supported the Midwest area with employment and charitable support through the Gordon Flesch Charitable Foundation in excess of \$1.5 million dollars since 1956. For more information about GFC Leasing and the Gordon Flesch Company please go to [www.gflesch.com](http://www.gflesch.com).

## III. Available Financing Options:

- \$1 buyout leases:
  - Also known as a lease to own, are often selected by a customer who wants to own the equipment at contract end.
  - Because ownership of the equipment is already determined at lease inception, \$1 buyout leases typically offer a lower total cost of ownership, and allow the customer to take depreciation up-front at the time of delivery.
- FMV (Fair Market Value) leases:
  - Allow the customer to utilize the equipment for a designated number of months with end of lease options of:
    - Extending the lease to continue use of the equipment
    - Return the equipment and upgrade to new equipment
    - Purchase the equipment
  - A very common practice in the leasing industry is to quote a very low FMV monthly payment and not disclose the end of term buyout options or equipment return requirements. Some leasing companies quote payments that do not even cover the cost of the initial project investment, not to mention a profit for the leasing company, which means a substantial end of term return fee or purchase price may be waiting.
    - GFC Leasing does not play end of term games with their clients. We are very transparent and we disclose what our buyout option will be ahead of time.
    - Because the end of lease status is not determined until lease end, the leasing company (Lessor) retains ownership of the equipment during the term of the lease and the lessor takes depreciation on the equipment.

Customer initials\_\_\_\_\_

- HaaS (Hardware as a Service) leases:
  - Designed for the business that intends to replace and upgrade the equipment after it has reached the end of its reliable useful life. HaaS leases are similar to the FMV lease with the exception that at contract end there are no purchase options available. HaaS program highlights include:
    - A. Planned replacement cycles for equipment. This is ideal for equipment with shorter useful life cycles.
    - B. Customer does not have to deal with storage or responsible recycling of outdated equipment.
    - C. Reduces or eliminates the need to track assets and associated software and services of devices purchased at irregular intervals.

#### IV. The Numbers:

- 465 Chromebooks at \$235.00 per device for a total of \$109,275.00.
  - 48 month HaaS lease:
    - A. \$2650.06 per month, total finance costs of \$17,927.88.
    - B. \$30,667.55 per year for 4 annual payments, total finance costs of \$13,395.20. This annual payment option offers a finance savings of \$4,532.48 compared to the monthly payment option over the 4 years.
  - 48 month \$1 buyout lease:
    - A. \$2,686.77 per month, total finance costs of \$19,689.96.
    - B. \$30,988.05 per year for 4 annual payments, total finance costs of \$14,677.20. This annual payment option offers a finance savings of \$5,012.76 compared to the monthly payment option over the 4 years.

Because GFC Leasing is a local, family owned operation, we can incorporate the flexibility needed that can make your lives easier. Aside from matching your monthly payment closer to the actual usage and life of equipment, we can also structure options including deferred, seasonal and annual billing, or other invoicing options based on your specific needs.

Customer initials\_\_\_\_\_

General terms and conditions:

- First payment due: 20 days after receipt of equipment
- Security Deposit:
  - Monthly payment plan: equal to one payment, due at contract signing. Security Deposit would be applied toward final payment if requested by customer, or refunded at lease maturity.
  - Annual Payment plan: \$5,000 due at lease signing. Security deposit would be applied toward first annual payment.
- Payments would be made via ACH payment processing and electronic invoice delivery, unless otherwise agreed upon.

V. Fees and other charges:

North Boone School District 200 will not have any surprise fees or additional charges from GFC Leasing. We provide competitive rates without nickeling and diming our customers like the leasing and lending industry likes seems to enjoy. We do not deploy tactics such as low monthly payment quotes only to follow up with additional fees, or extreme buyouts at lease end.

Documentation fees: \$0.00  
Administrative fees: \$0.00  
Termination fees: \$0.00  
Early buyout penalties: \$0.00

UCC Filing fees: \$0.00  
Annual Maintenance fees: \$0.00  
Extension Processing fees: \$0.00  
Restructuring fees/adding equip: \$0.00

GFC Leasing also allows our clients to pay their lease off early without penalty or without having to pay all of the future interest.

Customer initials\_\_\_\_\_

VI. Final Approval and Acceptance:

Final approval of this proposal would require proper authorization from North Boone School District 200, a completed application, reviewed or audited financial statements from previous 2 years. GFC Leasing would comply with signing a non-disclosure agreement and keeping all customer, credit and financial information confidential and sharing it with GFC personnel on a need to know basis only.

To accept this proposal, initial each page in the bottom right corner, indicate financing choice by circling the preferred financing option, complete below, scan and email to Scott Kelbel at skelbel@gfcleasing.com, along with completed lease application and requested financial information listed above.

Accepted by: \_\_\_\_\_

|            |             |      |
|------------|-------------|------|
| Signature  | Title       | Date |
| _____      |             |      |
| Print Name | Print Title |      |

VII. Attachments:

Gordon Flesch Charitable Foundation brochure  
Why GFC Leasing brochure  
GFC Leasing credit application  
Blank Lease (terms and conditions)

Customer initials\_\_\_\_\_



# *A spirit of generosity*



GORDON FLESCH

Charitable Foundation



## THE GORDON FLESCH CHARITABLE FOUNDATION:

*Supporting the communities we do business  
in for more than a decade.*



*It all began with  
a passionate leader.*

The spirit of generosity has always run deep at the Gordon Flesch Company. And we have Gordon Flesch himself to thank for that. Because he cared profoundly about his customers, he understood that their businesses could thrive only if the communities that surrounded them were also thriving.

The events of September 11, 2001, transformed Gordon Flesch's personal spirit of generosity into something more formal and enduring. The company decided to forego its annual employee recognition dinners and use those funds to help the families of first responders from the New York City police and fire departments. This effort, led by Gordon's sons, marked the beginning of what would become the Gordon Flesch Charitable Foundation.



*In Carmel, Indiana,  
Children's TherAplay  
Foundation was awarded  
\$5,000 to help fund equine*

therapy for children with a wide range of conditions, including autism, cerebral palsy, Down syndrome, spinal cord injuries and genetic disorders. Also known as hippotherapy, this technique uses the movement of a horse to help treat movement dysfunction. According to Raquel Ravient, executive director of the Children's TherAplay Foundation, "Donations like these allow us to share our unique therapies with deserving children and families, regardless of their ability to pay."



*A \$5,000 grant for the  
Royal Family Kids' Camp of  
Kane County* paid the camp fees for 14 abused, neglected or abandoned boys and girls

living in foster or at-risk homes. "With a ratio of no more than two kids per counselor, volunteers are able to model a positive lifestyle as an alternative to the negative and sometimes abusive situations many of these children have faced," said Bill Krueger, director of the Kane County Camp.



*Guided by our associates,  
focused on community need.*

Unlike most corporate giving programs, the Gordon Flesch Charitable Foundation is managed entirely by company associates. Each year, associates nominate organizations that are close to their hearts and close to their communities. The foundation's board of directors then reviews nominations and selects award recipients. Grants are generally awarded to nonprofits that assist people dealing with disease, illness or disaster. Today, the foundation has the capacity to give \$100,000 each year.



*The North Central  
Regional Center of Canine  
Companions for  
Independence® (CCI)  
located in Delaware, Ohio,  
used \$5,000 toward the*

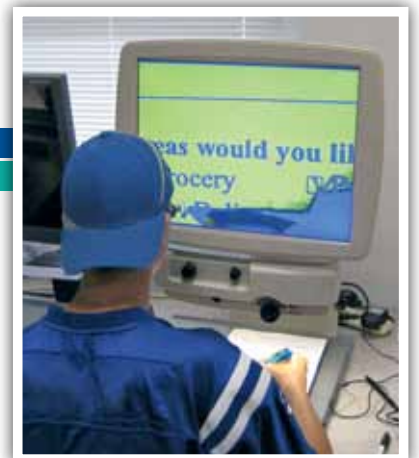
breeding, raising and training of companion dogs. "We provide exceptional dogs for exceptional people at no cost," said Judy Myers, North Central Development Director of CCI. "The donation from the Gordon Flesch Company will help us continue to improve lives by providing a canine companion to people with disabilities."



*The Women's Center of  
Waukesha was awarded  
\$5,000 to provide safety,  
shelter and support to women  
and families recovering from  
domestic violence, sexual  
assault and abuse. "This donation helps our center continue to offer women  
and children our services for free," said Ken Genin, development director of  
The Women's Center.*



*Wisconsin Council of the Blind &  
Visually Impaired used a \$3,500 grant  
toward the "Accessible Websites 101"  
project, which trains web developers to  
make sites accessible to those who are  
visually challenged. "At this time, most  
nonprofit, government and business websites are not accessible to the visually  
impaired," said Melanie McIntosh, grant coordinator for the Council. "This donation  
will help us provide training in basic coding and design, as well as a 'best practices'  
manual for developing visually impaired accessible websites."*



*People who perform.  
People who care.*

Because our employees are so closely involved in the gift-giving process, the spirit of generosity isn't just a corporate one. It's a personal one.

In response to a recent gift awarded to AWARE, an organization that provides social services to struggling families, seniors and disabled adults, Lissa Berndt and Cathy Durkin from our Madison office said, "We are fortunate to work for a company that understands the importance of giving back to the communities that their employees live in, even in these challenging times."

In response to her participation in a gift that was awarded to the Wisconsin Conservatory of Music, Carla Mazar from our Milwaukee office said, "It was great to experience this as a GFC Associate and to be part of the GFC generosity."



*In Wisconsin, the Urban League of Greater Madison used a \$5,000 grant to aid 21st Century Careers.*

"Through academic support services, 21st Century Careers helps students make the link between academics and their career dreams," said Kaleem Caire,

president and CEO of the Urban League of Greater Madison. "With this generous contribution, we will have the resources available to help even more students realize their dreams and build their road to economic success."

*Fore Hope, a Columbus, Ohio-based nonprofit, received a grant of \$5,000 to help rehabilitate*

people with disabilities by using the game of golf to expose them to physical activities, social opportunities, outdoor experiences and a return to life's mainstream. According to Mindy Derr, executive director of Fore Hope, "This donation is crucial to the success of our outreach to persons with disabilities."



*A \$5,230 donation to the Easter Seals DuPage and the Fox Valley Region*

was used to purchase new equipment to help the organization identify and rehabilitate infants and young children with hearing loss. "We now have the equipment necessary to give hearing

impaired infants the same advantages as everyone else," said Debbie Smith, an audiologist for the Easter Seals.

*The spirit is strong,  
now and forever.*

“Spirit and generosity have been a part of our company’s culture since the beginning, and the Charitable Foundation reflects that,” said Barb Anderson, president of the Gordon Flesch Charitable Foundation. “Year after year, our work and these donations provide a tremendous opportunity to be good corporate citizens by improving the quality of life in the communities where we work and live. And we look forward to continuing the tradition for years to come.”



*For more information about the  
Gordon Flesch Charitable Foundation,  
visit [gflesch.com](http://gflesch.com), or talk to your local  
sales representative.*



**GORDON FLESCH**  
Charitable Foundation

# WHY GFC LEASING?



## GFC LEASING

A division of the Gordon Flesch Company



## More Than Office Equipment

When you think of the Gordon Flesch Company, you probably think of copiers and office equipment. But GFC Leasing can finance almost anything your growing business needs.

- Telephone Systems
- Networking & IT Equipment
- Lab Equipment
- Communication Platforms
- Forklifts
- Brewing Equipment
- Office Furniture
- Access Control & Security Systems

### *And much more...*

Financing your purchases with GFC Leasing helps conserve capital for non-financeable business needs, smooth your operating budgets and minimize the risk that your equipment will become obsolete.

Whether you are a medical professional, mechanic, software developer, retailer or a brewer, we can help you get you the equipment you need to grow your business.

*Even if you already do business with us, you may not know all the ways we can help.*



## The GFC Leasing Advantage

### FAMILY OWNED

Three generations of the Flesch family have helped move our business into four Midwestern states. That makes us big enough to offer a variety of services while remaining responsive to the needs our individual customers.

### SINGLE POINT OF CONTACT.

Our local service team will work with you to meet your unique business needs.

### FLEXIBLE

GFC Leasing will help you find whatever equipment you need with terms that fit your budget. Choose from our lease to own plans, financing with flexible end of term options, or other financing options we offer.

### FAIR

You can pay your contract off early without penalty and without paying all of the future finance charges.

### STABLE

Our leases are never sold to third parties. GFC Leasing will service your lease through the end of the terms.

### EXPERIENCED

GFC Leasing has more than 8,500 leases and 47,000 assets, totaling more \$143 million.

### COMPETITIVE PRICING

We offer competitive rates and unique value so you can pay for your equipment over time and realize the benefits of your investment more quickly.

### PROFESSIONAL

Leasing is not our sole source of revenue, so we don't need to rely on tactics such as auto renewals, underwriting fees, or hidden charges to enhance our yields. We will treat you as a respected business partner.

## SCOTT KELBEL

Sales Manager – Leasing Services

skelbel@gfcleasing.com | 608.441.6525

800.677.7877 | [gfcleasing.com](http://gfcleasing.com)

## BUSINESS INFORMATION:

|  |                           |             |                     |                    |   |
|--|---------------------------|-------------|---------------------|--------------------|---|
| Full Business Legal Name   |                           | DBA         |                     | Phone              |   |
| Address  |                           | City        | State               | Zip                |   |
| Parent Company   |                           | City        | State               | Zip                |   |
| Contact Person   |                           | Title       | Phone               | Email              |   |
| Type of<br><input type="checkbox"/> Corporation<br><input type="checkbox"/> Limited Liability<br><input type="checkbox"/> Proprietor<br><input type="checkbox"/> Partnership | State of<br>Incorporation | DUNS Number | Federal Tax ID      | Nature of Business | Date Established under<br>Current Ownership |
| Current Year Sales   | Current Year Net Income   |             | Previous Year Sales |                    | Previous Year Net Income                    |

## OWNERSHIP & BANKING INFORMATION:

|   |      |      |                   |                    |                              |
|---|------|------|-------------------|--------------------|------------------------------|
| President   |      |      | Vice President    |                    |                              |
| Treasurer   |      |      | Secretary         |                    |                              |
| For proprietorships, partnerships, and corporations, please show name, residence address, and social security number of principals or officers. |      |      |                   |                    |                              |
| First   | M.I. | Last | Residence Address |                    | Social Security Number       |
| 1.  |      |      |                   |                    |                              |
| 2.  |      |      |                   |                    |                              |
| Bank Reference (Exact Branch)<br>List All Banks Used in the Last 5 Years  |      |      | Account Number    | Type of<br>Account | Bank Contact<br>Phone Number |
| 1.  |      |      |                   |                    |                              |
| 2.  |      |      |                   |                    |                              |

## LEASE REQUEST INFORMATION:

|   |                   |                |
|---|-------------------|----------------|
| Equipment Cost \$                             | Type of Equipment | Requested Term |
| Equipment Supplier (Company & Contact Person) |                   |                |

### THIS APPLICATION DOES NOT OBLIGATE GFC TO ENTER INTO ANY LEASE, RENTAL OR PURCHASE AGREEMENT.

By signing this application the Applicant and the undersigned affirm that you are authorized to sign this application for the Applicant, and you certify that this Provision constitutes an authorized and express, written instruction to Gordon Flesch Company, Inc. ("GFC"), its designee (and any assignee or potential assignee thereof) authorizing review of the personal credit profile of the Applicant's profile as well as the personal profile of the undersigned, from a national credit bureau or public information database. This express authorization shall extend to obtaining a credit profile in considering the application of the Applicant and subsequently for the purposes of update, renewal or extension of any lease agreement, and for reviewing or collecting the resulting account. Furthermore, you the Applicant and the undersigned certify that this application is for the extension of commercial credit only, and any equipment subsequently leased, rented, or purchased will be used exclusively for commercial purposes and not for personal, family or household purposes. You acknowledge and understand that the information being gathered by GFC pursuant to this application is to be used by GFC for the purpose of: (1) determining the Applicant's eligibility, as determined by GFC in its sole discretion, to lease certain business equipment from GFC, (2) future review of the account for the purpose stated above, and (3) comply with Federal laws and regulations. The Applicant and undersigned hereby waive and release any and all claims and causes of action of every kind and nature that Applicant or its principals or personal guarantors may have against GFC, its employees, agents, officers and shareholders arising, either directly or indirectly, from GFC's investigation, and agree to indemnify GFC from any suit or claims arising from such investigation, including costs and reasonable attorney fees. A PDF or facsimile copy of this authorization shall be valid as the original. **I FURTHER CERTIFY that I have not withheld ANY information on our financial condition that would have a material effect on our ability to perform and comply with the terms and conditions of any GFC lease, rental, or purchase agreements.**

**ECOA Statement:** The Federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status, age (provided the applicant has the capacity to enter into a binding contract), because all of or part of the applicants income is derived from any public assistance program, or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act. The Federal Agency that administers compliance with this law is the Federal Trade Commission, ECOA Compliance, Washington D.C. 20281.

**FACSIMILE SIGNATURES/COUNTERPART SIGNATURES:** GFC and You agree that a facsimile, scanned, and/or e-mailed or otherwise reproduced signature on this application shall be a binding signature and carry the same legal force as an original signature. This application may be executed in counterparts, which collectively shall be deemed one application.

X \_\_\_\_\_  
Applicants Signature

X \_\_\_\_\_  
Co-Applicants Signature

Print Name

Date

Print Name

Date



P.O. Box 2290 - MADISON, WISCONSIN 53701 - (800) 677-7877

DATE WRITTEN

SALES REPRESENTATIVE

|  |  |  |       |  |           |  |
|--|--|--|-------|--|-----------|--|
| <b>C<br/>U<br/>S<br/>T<br/>O<br/>M<br/>E<br/>R</b>   | Full Business Legal Name ("you" or "Lessee") |  | DBA   |  | Phone     |  |
|  | Address                                      |  | City  |  | State Zip |  |
|  | Parent Company                               |  | City  |  | State Zip |  |
|  | Contact Person                               |  | Title |  | Phone     |  |
|  | Email Invoices To:                           |  |       |  |           |  |
| FEDERAL TAX ID # <input type="checkbox"/> CORPORATION <input type="checkbox"/> LLC <input type="checkbox"/> PROPRIETORSHIP <input type="checkbox"/> PARTNERSHIP <input type="checkbox"/> MUNICIPALITY <input type="checkbox"/> ASSOCIATION |  |  |       |  |           |  |

|  |  |               |                            |   |
|--|--|---------------|----------------------------|---|
| <b>E<br/>Q<br/>U<br/>I<br/>P<br/>M<br/>E<br/>N<br/>T</b> | Equipment Location If Other Than Lessee Address: |               |                            | LEASE<br>EQUIPMENT IS:<br><input type="checkbox"/> NEW<br><input type="checkbox"/> USED |
|  | Quantity   | SERIAL NUMBER | MODEL NUMBER & DESCRIPTION |   |

|  |   |  |                     |  |  |  |
|--|---|--|---------------------|--|--|--|
| <b>P<br/>A<br/>Y<br/>M<br/>E<br/>N<br/>T</b> | TERM OF LEASE:  |  | NUMBER OF PAYMENTS: |  | END OF LEASE OPTION: <input checked="" type="checkbox"/> HaaS No Purchase Option |  |
|  | <input checked="" type="checkbox"/> MONTHLY <input type="checkbox"/> QUARTERLY  |  | \$                  |  | FIRST PAYMENT ** \$ DUE : LESSEE INITIALS  |  |
|  | SERVICE & MISC.   |  | \$                  |  | SECURITY DEPOSIT ** \$ DUE : LESSEE INITIALS                                     |  |
|  | TOTAL PAYMENT**   |  | \$                  |  | **PLUS TAXES , FEES AND MISCELLANEOUS CHARGES                                    |  |
|  | <b>AUTOMATED CLEARING HOUSE (ACH) AUTHORIZATION:</b> Lessee hereby authorizes GFC Leasing to automatically withdraw from Lessee's bank account the full amount due for charges accruing in each billing period when due. Such charges may vary for each billing period based on applicable sales/use taxes, fees & misc. charges. Lessee will be notified of actual charges due via monthly invoices. <b>LESSEE INITIALS</b> <b>VOIDED CHECK MUST ACCOMPANY LEASE FORM</b><br>Check this box <input type="checkbox"/> to use existing email and bank account information on file. This authorization shall continue until this agreement expires unless revoked in writing. |  |                     |  |  |  |

**1. LEASE.** The lessor, GORDON FLESCH COMPANY, INC, d/b/a GFC Leasing ("GFC"), hereby leases to you as lessee ("you" or "Lessee") the personal property described herein, including all parts, additions, repairs and accessories incorporated therein and/or affixed thereto, and software, embedded or otherwise, and software licenses (collectively, the "Equipment"). The software, embedded in the Equipment or otherwise, and software licenses are also separately referred to herein as the "Software." This Lease shall commence on the date of execution by GFC ("Commencement Date") and the first rental payment shall be made on or before \_\_\_\_\_, or in any event not later than 10 days after delivery of equipment, and a like amount shall be payable on the same day of each and every calendar month thereafter until the total number of rental payments specified under "number of payments" above have been made. If you elect to have this Lease subject to the Fair Market Value End of Lease Option, the term will be extended automatically, without notice, for successive month-to-month terms unless you provide GFC written notice that you do not want to extend, at least one calendar month before the end of the scheduled Term or any renewal term. Any Purchase Order issued by you to GFC regarding the Equipment, is solely for authorization. You expressly agree that the terms of any such Purchase Order shall not modify the terms of this Agreement.

**2. LEASE PAYMENTS.** You shall pay GFC the rental payments specified under "Lease Payment Schedule" above, every calendar month or quarterly as the case may be, until all such payments have been made. All payment obligations herein are collectively referred to as the "Rent." If you elect to have this Lease subject to the Fair Market Value End of Lease Option, upon expiration of the Lease Term you shall pay to GFC one monthly rental payment for each monthly billing period, or portion thereof, that you fail to return the Equipment to the location designated by GFC. Payments shall be made in advance and sent to GFC at P.O. Box 2290 Madison, Wisconsin 53701, or as otherwise designated by GFC in writing. You shall also pay a prorated amount for any partial monthly billing period based on a 30-day month and the number of days between the Delivery Date/Acceptance Date and the date of the first full monthly rental period. If you prepay this Lease such that you have no further payment obligation to GFC hereunder, GFC is released from all obligations hereunder. If you fail to pay any part of the Rent or any other sum to GFC within ten (10) days after the due date thereof you shall pay to GFC a late fee of 5% of the overdue amount plus accrued interest on the late payment from the expiration of said ten (10) days until paid, at a rate equal to the lesser of 1.5% per month or the highest legal rate permitted.

**3. SELECTION OF EQUIPMENT AND DISCLAIMER OF WARRANTY.** You acknowledge that you have selected the type, size, design, capacity, quantity, manufacturer, model and supplier of the Equipment on the basis of your own judgment and expressly disclaim reliance on GFC. GFC agrees to purchase the Equipment from the supplier but assumes no liability in connection with the Equipment or delivery. You authorize GFC to add to this Lease the serial numbers of Equipment subject hereto. Delay in delivery of the Equipment shall not affect the validity hereof. You shall inspect the Equipment and provide GFC with written notice specifying any claimed defect or omission within five (5) business days of delivery. If you do not timely provide such notice you acknowledge that you accept the Equipment and are satisfied that the Equipment is in good condition. **GFC MAKES NO WARRANTIES, ORAL OR WRITTEN, EXPRESS OR IMPLIED AS TO ANY MATTER WHATSOEVER, INCLUDING, WITHOUT LIMITATION, WARRANTIES AS TO THE CONDITION, QUALITY, CAPACITY, WORKMANSHIP, MERCHANTABILITY, DESIGN OR OPERATION OF THE EQUIPMENT, INCLUDING SOFTWARE, AND FITNESS FOR ANY PARTICULAR PURPOSE, ALL OF WHICH ARE HEREBY EXPRESSLY WAIVED BY YOU. YOU SHALL HAVE THE BENEFIT OF ANY MANUFACTURER'S PROMISES AND WARRANTIES TO THE EXTENT SUCH WARRANTIES APPLY TO YOU. GFC SHALL NOT BE LIABLE TO YOU FOR ANY LIABILITY, CLAIM, LOSS, DAMAGE OR EXPENSE OF ANY KIND**

**THIS LEASE CONTAINS THE TERMS BETWEEN THE GORDON FLESCH COMPANY, INC. d/b/a GFC LEASING ("GFC") AND YOU ("you" or "Lessee") AS SET FORTH HEREIN ON PAGES 1 AND 2 OF THIS LEASE, WHICH YOU ACKNOWLEDGE YOU HAVE HAD THE OPPORTUNITY TO READ.** Any Purchase Order issued by you to GFC regarding the Equipment, is solely for authorization. You expressly agree that the terms of any such Purchase Order shall not modify the terms of this Agreement. The terms "Lease", "hereof", "herein", and "hereunder", shall mean this Lease together with each schedule and rider. GFC and you agree that a facsimile, scanned and/or e-mailed or otherwise reproduced signature on this Lease shall be a binding signature and carry the same legal force as an original signature. This Lease may be executed in counterparts, which collectively shall be deemed one agreement. **THIS LEASE IS NON-CANCELABLE BY YOU FOR THE TERM HEREOF.**

|  |
|--|
| ACCEPTED:<br><br><b>GFC LEASING</b><br>A DIVISION OF THE GORDON FLESCH COMPANY, INC.<br><br>By _____<br>AUTHORIZED SIGNATURE |
|--|

**THIS IS A NON-CANCELABLE LEASE FOR THE TERM INDICATED ABOVE**

DATE \_\_\_\_\_

LESSEE NAME \_\_\_\_\_  
 THE UNDERSIGNED AFFIRMS THAT HE IS A DULY AUTHORIZED CORPORATE OFFICER, PARTNER OR PROPRIETOR OF THE ABOVE NAMED LESSEE.

BY (X) \_\_\_\_\_ TITLE \_\_\_\_\_  
**LESSEE'S SIGNATURE IN INK IS REQUIRED ON ALL LEASE COPIES**  
 Print Name \_\_\_\_\_

**GUARANTY.** For value received and to induce GFC to enter into this Lease, the undersigned guarantor ("Guarantor") hereby unconditionally guaranties the payment of all sums to be paid by you to GFC under this Lease and the performance by Lessee of its other obligations under this Lease, any other existing agreement(s) and future agreement(s). This is a guaranty of payment and performance and not of collection. GFC may enforce this guaranty against Guarantor even if GFC has not exhausted GFC's remedies against Lessee or the GFC Equipment. Guarantor expressly waives notice of acceptance, creation of any present or any future obligation, default, proceedings to collect and presentment, demand, notice and protest and any right to disclosures from GFC regarding the financial condition of Lessee. This is a continuing guaranty. Guarantor may revoke its guaranty under this agreement by written notice to the President of GFC signed by the Guarantor (a "Revocation"). A Revocation: (i) is effective upon its receipt by the President of GFC; and (ii) only applies to obligations incurred by Lessee after it is effective. Guarantor hereby expressly subordinates any claim such Guarantor may have against Lessee to any claim that GFC may now or hereafter have against Lessee. This guaranty is for the benefit of GFC, its successors and assigns. No waiver, variation, extension of time or modification of this Lease or any other action by GFC or its assignees will affect the liability of a Guarantor hereunder. If Guarantor is not an individual, the person(s) signing on behalf of the guaranteeing entity represent(s) that he/she has authority to bind said entity in so doing. Guarantor shall notify GFC in writing at least thirty (30) days prior to any change to Guarantor's name or state of organization.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ (SEAL)

(Signature - )

Witnessed by: \_\_\_\_\_ (Witness Signature) \_\_\_\_\_ (Witness - Print Name) (SEAL)

OR NATURE CAUSED DIRECTLY OR INDIRECTLY BY THE EQUIPMENT, BREACH OF WARRANTY OR CONTRACT, NEGLIGENCE, OR ANY OTHER LEGAL OR EQUITABLE THEORY. GFC'S RENTAL RATE FOR THE EQUIPMENT REFLECTS THE ALLOCATION OF RISK AND LIMITATION OF LIABILITY CONTAINED HEREIN. IN NO EVENT SHALL GFC'S LIABILITY TO YOU, WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE), BREACH OF WARRANTY OR PURSUANT TO ANY OTHER LEGAL OR EQUITABLE THEORY, EXCEED THE PAYMENTS MADE BY YOU TO GFC PURSUANT TO THIS LEASE DURING THE TWELVE (12) MONTH PERIOD IMMEDIATELY PRIOR TO GFC'S RECEIPT OF YOUR CLAIM. GFC may assign to you all rights GFC may have with respect to any manufacturer's warranty relating to the Equipment.

**4. SECURITY DEPOSIT, LOCATION, RIGHT OF INSPECTION AND PERSONAL PROPERTY.** The security deposit set forth above shall be held by GFC and does not earn interest unless required by law. If you default hereunder or the Equipment is damaged, GFC may apply the security deposit to cure such default and you shall restore the security deposit in full within ten (10) business days of demand by GFC. In the event you prepay this Lease any security deposit held by GFC, may in GFC's sole discretion, be applied to the balance due under this Lease. When you have met all requirements of this Lease as of the expiration or termination thereof, any remaining security deposit shall be returned to you. The Equipment at all times shall be located at the place installed, and shall not be moved without GFC's prior written consent. GFC, or a person selected by GFC, shall perform any such move and you shall pay all costs associated with such move. GFC shall have the right to enter your premises to inspect the Equipment and observe its use from time to time. You shall promptly notify GFC of any notice of any attachments or other judicial process affecting the location of, title to and/or the right to possession of the Equipment. The Equipment is, and shall at all times remain, personal property notwithstanding that the Equipment may become, in any manner affixed to, imbedded in, or permanently attached to real property or any building thereon.

**5. TITLE AND USE.** Except as otherwise provided herein, GFC holds title to the Equipment, except any Software, and you shall have no interest or claims thereto or therein. However, unless you are in default, you shall have the right to possession of the Equipment during the term of this Lease. You shall affix to and maintain any identifying markings on the Equipment indicating that the Equipment is the property of GFC. If you elect the \$1.00 Buyout End of Lease Option ("Dollar Buyout Option"), and you are not otherwise in default under this Lease, you shall, upon the expiration of this Lease, purchase the Equipment for one dollar (\$1.00) and will thereupon take title to the Equipment. In consideration for GFC permitting you to choose the Dollar Buyout Option, and in the event this Lease is deemed a conditional sales agreement, you hereby grant to GFC a security interest in and to the Equipment to secure payments due hereunder. If the Dollar Buyout Option is not selected, the Equipment is and shall remain GFC's sole property subject to your option, if selected, to purchase the Equipment at the end of the Lease. GFC shall reasonably determine the fair market value of the Equipment. GFC is not the owner nor licensor of any Software subject to this Lease, and GFC has no obligation to provide service to the Software. A default by the licensor of any Software pursuant to any Software license does not constitute a default by GFC and shall not relieve you of your obligations hereunder. Except as modified by this section, all of the terms and conditions of this Lease applicable to the Equipment shall apply to the Software. GFC and you agree that the Software is subject to this Lease, notwithstanding any provisions to the contrary in the Uniform Commercial Code.

**6. OPERATION OF EQUIPMENT AND INDEMNIFICATION.** You shall use the Equipment in a careful and proper manner and only in the normal course of your business and comply with all laws, ordinances and regulations relating to it, and manufacturer's recommendations relating to proper use and the environment, including temperature and humidity specifications, in which it is kept. You acknowledge that GFC may install certain hardware or Software on your computer, computer network and/or other office equipment. You acknowledge that it is advisable and is your sole responsibility to use virus protection software on all computer equipment and back up all data on your computer equipment that you deem necessary, prior to GFC's installation of the Equipment and Software. In the event any data is lost or corrupted at any time, it shall be your responsibility to restore such data at your sole cost. You assume all risks and liability for the Equipment and for the maintenance (unless otherwise provided herein), use, possession, operation, storage and condition thereof, and for injuries or death resulting to any persons and damage to any property or loss or corruption of data arising therefrom. You further agree to assume liability for, and to indemnify and hold GFC harmless against, all claims, losses, costs, expenses, damages, penalties and liabilities arising from or pertaining to the manufacture, purchase, financing, assembly, installation, ownership, delivery, rejection, non-delivery, possession, use, transportation, storage, operation, maintenance, repair, condition, or return or other disposition of the Equipment, and data loss or corruption, together with all legal fees and expenses incurred by GFC in connection with any liability asserted against it. The agreements and indemnities in this section shall survive the expiration or termination of this Lease. If this Lease is not subject to the Dollar Buyout Option, and you do not purchase the Equipment from GFC, upon expiration or termination of this Lease, you shall immediately terminate the use of the Software and return the Equipment to GFC at your expense and at such place as GFC may designate and in the same condition as when received, reasonable wear and tear excepted. Prior to your return of the Equipment, you shall remove any and all data regarding you and remove any and all data regarding your customers (collectively, the "Stored Data") from the electronic storage media in the Equipment and you hereby authorize GFC to remove any such Stored Data not so removed by you. You shall assume liability for and indemnify and hold GFC harmless against all claims, losses, costs, expenses, damages, penalties and liabilities arising from or pertaining to your failure to remove such Stored Data from the returned Equipment. Upon return of the Equipment, you shall also relinquish to GFC all Software subject hereto and you shall not retain any copies of the Software.

**7. MAINTENANCE, REPAIRS AND ALTERATIONS.** Unless otherwise provided herein, you shall maintain the Equipment in good and working order including all replacement parts and accessories which shall be the sole property of GFC. You shall not make any alterations, additions or improvements of any kind to the Equipment without prior written consent of GFC. However, if so authorized, any such alterations, additions, or improvements shall become property of GFC unless otherwise provided herein. This paragraph shall not apply to Software.

**8. INSURANCE.** During the term of this Lease, you shall keep the Equipment insured, at your expense, against all risks of loss or damage for the full replacement value thereof and shall carry public liability insurance covering the Equipment. Said insurance shall be in form and amount and with companies approved by GFC, and shall name GFC as loss payee and as an additional insured, respectively. You shall deliver proof of such coverage to GFC within thirty (30) days of the date of this Lease. You shall pay GFC all deductible amounts upon the occurrence of a loss. You shall obtain endorsements that will give GFC thirty (30) days written notice before said insurance is altered or cancelled and that said insurance to GFC shall not be invalidated by any act or omission by you. The proceeds of such insurance shall be used as determined by GFC in its sole discretion, to either repair or replace the Equipment or apply to your obligations under this Lease. You appoint GFC as your attorney-in-fact in connection with any said insurance proceeds. In the event you do not provide proof of insurance as set forth herein, GFC may acquire such insurance and the cost thereof, plus all reasonable fees, charges, and administrative costs related to acquiring such insurance, shall be included with and become due and payable with the next installment of Rent. Any duplication of such payments by GFC and you shall be your responsibility.

**9. TAXES AND LIENS.** You shall pay when due, all fees and taxes (such as personal property tax, sales or use tax), which are imposed in connection with the Equipment, and you shall keep the Equipment free from all liens and encumbrances. To the extent the State of Illinois or any other governmental entity in Illinois, assesses or otherwise imposes any of such taxes and fees regarding personal property, or otherwise arising from this Lease, you shall reimburse GFC for such sums upon demand. If this Lease is subject to the Dollar Buyout Option, you shall report the Equipment for purposes of personal property taxes. If this Lease is subject to the Fair Market Value Option, GFC may add to the rental payments, the estimated personal property tax due on the Equipment subject to this Lease. If you fail to pay said fees and taxes, GFC may pay them and the cost thereof

shall be included and become due and payable with the next installment of Rent. Any duplication of such payments by GFC and you shall be your responsibility.

**10. LOSS AND DAMAGE.** You shall bear the entire risk of loss, theft and damage to the Equipment and no such event shall relieve you of the obligation to pay Rent or of any other obligation under this Lease. If GFC determines that any item of Equipment is lost, stolen or damaged beyond repair, you shall, upon demand, pay GFC in cash the "Accelerated Rent" which shall be calculated as follows: (i) all past due and all other amounts then owed by you to GFC under this Lease; and (ii) the present value of the remaining total Rent for the term of this Lease, which shall equal the total remaining Rent for the term discounted at the rate of 5% per annum, less any proceeds of insurance thereon received by GFC. The parties hereto agree that the Accelerated Rent will equal the fair value of said item on the date of such loss, theft, damage or destruction.

**11. DEFAULT AND CROSS DEFAULT.** If you fail to pay any amount herein when it is due and payable, or fail to timely perform any other obligation as required herein, or if you suspend business, become insolvent, enter into or petition for a creditors' arrangement, or if a receiver is appointed for any of your property, or if you or Guarantor shall suffer an adverse material change in your or Guarantor's financial condition from the date hereof, and as a result GFC deems itself to be insecure, or if you shall be in default under any other agreement with GFC, you shall be in default pursuant to this Lease and any other agreement with GFC and the Accelerated Rent shall become immediately due and owing and GFC shall have all rights and remedies available to it, including but not limited to, the right to exercise any one or more of the following remedies: (i) take possession of the Equipment, including the Software, and your right to possession and use shall terminate; (ii) sell or lease the Equipment at public or private sale; (iii) terminate your right to possession as to any or all items of the Equipment; (iv) terminate this Lease. In the event GFC terminates this Lease, or your right to possession of some or all of the Equipment, you shall remain liable to GFC for the Accelerated Rent less the net sale or lease proceeds realized by GFC from the Equipment. All rights and remedies of GFC shall be cumulative and in addition to every other right and remedy available to GFC. You and Guarantor, in addition to the Accelerated Rent and all other amounts, agree to pay all reasonable attorneys' fees, costs and expenses incurred by GFC arising from your default. You hereby waive any and all existing and future claims and offsets against any rent or other payments due hereunder, and agree to pay all amounts due hereunder regardless of any such claim.

**12. NON-WAIVER AND NON-CANCELABLE.** No covenant or condition of this Lease can be waived except by the written consent of GFC. Forbearance or indulgence by GFC in any regard shall not constitute a waiver of your obligation to perform the covenant or condition, and until you completely perform said covenant or condition, GFC shall be entitled to invoke any remedy available to GFC under this Lease or by law or in equity. This Lease is irrevocable by you for the full term hereof and until you have paid all Rent payments and other charges herein required, even if your right to possession of the Equipment has terminated, or because the Equipment has been repossessed, or for any other reason. Rent shall not abate during the term hereof for any reason. Notwithstanding anything herein to the contrary, if Customer is a municipality or other governmental entity, and funds are not appropriated for any portion of the term of this Lease, you may terminate this Lease at the end of the time period for which funds have been appropriated.

**13. ASSIGNMENT, NOTICES AND MODIFICATION.** You shall not (a) assign, transfer, pledge or hypothecate this Lease or the Equipment, or (b) sublet or rent the Equipment or permit the Equipment to be used by anyone other than you or your employees. GFC may assign this Lease, and the assignee shall be entitled to all of the benefits of this Lease. Service of all notices under this Lease shall be sufficient if given personally or mailed to the party involved at its respective address herein, or at such address as such party may provide in writing from time to time. Notice shall be deemed delivered and effective: (a) in the case of personal delivery, on the date when personally delivered; (b) in the case of mail, on the date when deposited in the United States mail, duly addressed with first class postage to affect such delivery; or (c) in the case of electronic mailing, on the date when sent by GFC. Neither this Lease nor any schedule or rider can be modified or amended except by written agreement signed and currently dated by the parties hereto.

**14. OTHER DOCUMENTS.** If at any time a transaction subject to this Lease shall be construed to be a secured transaction or a conditional sale, this Lease shall be deemed to be the security agreement or conditional sales contract, and GFC shall be the secured party or seller, and you the debtor or purchaser, respectively. You consent to GFC filing one or more financing statements showing GFC's interest in the Equipment, and you authorize GFC to file or record this Lease with the governmental offices deemed appropriate by GFC. You shall pay GFC's filing and recording expenses upon demand. Neither the filing of said financing statements, or a continuation statement thereof, nor any provisions of this Lease, shall constitute an acknowledgment by either GFC or you that this transaction is subject to either Article 2 or Article 9 of the Uniform Commercial Code ("UCC").

**15. MISCELLANEOUS.** This Lease and the schedules and riders which are or may be attached hereto constitute the entire agreement between the parties regarding the subject matter hereof, and all agreements, representations, promises, inducements, statements and understandings, prior to and contemporaneous with this Lease, written or oral, are superseded by this Lease. **Time is of the essence regarding this Lease and its provisions. This Lease shall be governed by and construed in accordance with the internal laws of the State of Wisconsin. You and Guarantor agree that notwithstanding where you, Guarantor or the Equipment is located, jurisdiction for any dispute between the parties shall be in Wisconsin, and shall be venue in Dane County, Wisconsin. You and Guarantor expressly agree to submit to personal jurisdiction in Dane County, Wisconsin. You, Guarantor and GFC waive any right to a jury trial regarding any dispute arising from this Lease and/or the Guaranty.**

**16. BUSINESS PURPOSE, SUCCESSORS AND SEVERABILITY.** You represent and warrant to GFC that the Equipment will be used primarily (50% or more) for business or commercial purposes. This transaction is not primarily for personal, family, household or agricultural purposes. This Lease shall be binding upon and inure to the benefit of the heirs, administrators, successors and assigns of the parties hereto. If any portion of this Lease is deemed invalid, it shall not affect the balance of the Lease.

**17. FURTHER ASSURANCES.** You will, at your expense, promptly and duly execute and deliver to GFC such further documents and assurances and take such further action as requested by GFC to carry out the intent and purpose of this Lease. Your full legal name, address, state of organization and state-assigned organizational number, if any, are provided herein. You shall notify GFC in writing at least thirty (30) days prior to any change to your legal name, address, state of organization, or change in your state-assigned organization number.

**18. YOUR WAIVERS.** To the extent permitted by law, you hereby waive any and all rights and remedies conferred upon you by Article 2A of the UCC as set forth in Chapter 411 of the Wisconsin Statutes, as amended from time to time, including, but not limited to, your right to: (i) cancel this Lease; (ii) repudiate this Lease; (iii) reject the Equipment; (iv) obtain specific performance; (v) revoke acceptance of the Equipment; (vi) recover damages from GFC for any breaches of warranty or for any other reason; (vii) a security interest in the Equipment in your possession or control for any reason; (viii) accept partial delivery of the Equipment; (ix) "cover" by making any purchase or lease of or contract to purchase or lease equipment in substitution for that due from GFC; or (x) recover any general, special, incidental or consequential damages. To the extent permitted by law, you also hereby waive any rights now or hereafter conferred by statute or otherwise which may require GFC to sell, lease, or otherwise use any Equipment in mitigation of GFC's damages in the event of your default or which may otherwise limit or modify any of GFC's rights or remedies under this Lease.

**19. NO AGENCY.** You acknowledge and agree that neither the manufacturer, nor the supplier, nor any salesman, representative or other agent of the manufacturer or supplier is an agent of GFC. No salesman, representative or agent of the manufacturer or supplier is authorized to waive or alter any term or condition of this Lease, and no representation as to the Equipment or any other matter by the manufacturer or supplier shall in any way affect your duty to pay rent, meter charges and other amounts and perform your obligations as set forth herein.