STATE OF GEORGIA
USER AGENCY VEHICLE OPEN END (FINANCIAL) LEASE AGREEMENT

This lease agreement is entered into between the User Agency and the Contractor as noted below pursuant to the Statewide Contract by and between Contractor and the Georgia Department of Administrative Services (hereinafter "DOAS"), which lease agreement shall be effective as of the date it is fully executed.

STATE OF GEORGIA STATEWIDE CONTRACT	
Statewide Contract #:	
Solicitation #:	
Solicitation Title:	
User Agency/Lessee:	
Contractor/Lessor:	

WHEREAS, DOAS issued the above referenced solicitation to identify one or more qualified contractors to lease vehicles and provide related services as further described therein;

WHEREAS, Contractor submitted a response to the solicitation which resulted in a contract by and between Contractor and DOAS;

WHEREAS, User Agency desires to lease a vehicle from Contractor; and

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties do hereby agree as follows:

1. **LEASED VEHICLE**. The User Agency will lease the vehicle described below from the Contractor subject to the terms and conditions of the Statewide Contract and this lease agreement:

VEHICLE DESCRIPTION	
Model Name:	
Manufacturer:	
Model No.:	
Vehicle Year:	
VIN:	
Additional Description:	

The initial condition of the vehicle shall be new.

2. **VEHICLE DELIVERY AND ACCEPTANCE.** The vehicle shall be delivered to the User Agency at the address identified below on the Delivery Date.

DELIVERY ADDRESS & USER AGENCY CONTACT	
User Agency Delivery Address:	
User Agency Delivery Date:	NOTE: In determining the delivery date, User Agency should ensure it will be able to deliver the required Certificate of Insurance to Contractor prior to delivery.

The vehicle shall be at the Contractor's risk until the vehicle has been delivered to and accepted by the User Agency. User Agency shall be entitled to inspect the vehicle upon delivery. If the delivered vehicle has been damaged, does not conform to the User Agency's order (e.g. requested options not included, wrong model, etc.), User Agency shall identify such damage and/or nonconformity in writing to Contractor in a timely manner.

3. **LEASE TERM.** The initial term of this lease agreement is for 2 calendar year(s) from the date of User Agency's acceptance of delivery. The User Agency is hereby granted successive options to renew this lease agreement for one or more additional terms, as defined below with a final payment of $1,000.00. Renewals will be executed with the same terms and conditions, provided, that such option(s) to renew shall be exercisable solely and exclusively by the User Agency.

Further, in accordance with Official Code of Georgia Annotated (O.C.G.A.) Section 50-5-64, the parties acknowledge that the User Agency's obligations under this lease agreement are payable solely from appropriations from the General Assembly of the State of Georgia. The parties further

48 MONTH LEASE TERM	
Total Lease Term:	48 MONTHS
Initial 2 Year Term:	Date of User Agency Acceptance* through (last day of one year term)
First Renewal:	Insert Date
Final Renewal:	Insert Date
Final Payment:	**$1,000.00*
*The Date of User Agency Acceptance shall be the date that the User Agency accepts delivery of a vehicle, which is operational and complies with the terms and conditions of this lease **agreement and the Statewide Contract.**	

agree that notwithstanding any other provision of this lease agreement, if the source of payment for any obligation under this lease agreement no longer exists or is insufficient with respect to the leased vehicle, this lease agreement shall terminate without further obligation of the User Agency as of that moment. The determination of the User Agency of the events stated above shall be conclusive; provided, however, if the User Agency declares a nonappropriation event pursuant to this Section, User Agency agrees to not replace the vehicle subject to the nonappropriation event with another vehicle in the same State of Georgia fiscal year. User Agency will endeavor to notify the Contractor in writing within ten (10) days of receipt of non-appropriation notice but failure to do so shall not be deemed a waiver.

4. **LEASE PAYMENT.** In consideration for the lease of the vehicle identified herein, the User Agency shall pay to the Contractor the sum of **$_____** per month during the term of this lease agreement or any renewal hereof. Contractor shall submit a monthly written invoice, which invoice

shall be paid by User Agency within thirty (30) days of User Agency's receipt of the written invoice. If the User Agency in good faith determines that the Contractor has failed to perform as required by the Contract, the User Agency may withhold that portion of the Contractor's compensation which represents payment for goods and/or services which were not delivered or performed. In the event the Contractor owes the User Agency any sum under the term of the lease agreement, pursuant to any judgment, or pursuant to any law, the User Agency may, at its sole discretion, set off the sum owed against any sum owed by the User Agency to the Contractor.

Prior to executing this lease agreement, Contractor shall provide User Agency a written schedule which (1) identifies the monthly payments for the Total Lease Term, (2) identifies the principal portion, service fees and the interest portion for each monthly payment, and (3) shall be attached to this lease agreement.

5. VEHICLE PURCHASE. User Agency shall have the option to purchase the vehicle at any time. The purchase price of the vehicle shall be calculated as the sum of the remaining unpaid monthly payments, if any, in the Total Lease Term *excluding interest and service fees* plus one thousand dollars ($1, 000.00). There shall be no prepayment penalties assessed for early pay out.

6. EARLY TERMINATION FEE. The monthly payments set out herein are based upon the expectation of the parties that the User Agency will exercise all of the options to renew granted to it. Subject to the provisions of O.C.G.A. Section 50-5-64 and Section 3 of this lease agreement. The User Agency will not pay an early termination fee.

7. USE OF THE VEHICLE. User Agency shall use the vehicle for any and all of User Agency's business purposes. User Agency agrees to allow only duly authorized, licensed and insured drivers to use and operate the vehicle. User Agency agrees to comply with, and cause its drivers to comply with, all laws, statutes, rules, regulations and ordinances and the provisions of all insurance policies affecting or covering the vehicle or its use or operation. User Agency agrees to keep the vehicle free of all liens, charges and encumbrances. User Agency agrees that in no event will any vehicle be used or operated for transporting hazardous substances, for any illegal purpose or to pull trailers that exceed the manufacturer's trailer towing recommendations for that vehicle. User Agency agrees to pay all fines, tickets, or penalties incurred in connection with the unlawful use or operation of the vehicle by User Agency or its representatives.

8. MAINTENANCE OF VEHICLE. User Agency shall, at its expense, maintain the vehicle in good condition, repair, maintenance and in running order, unless the User Agency has opted to enroll in the Supplier provided maintenance program. In such instances the terms of the maintenance agreement will govern the User Agency's responsibility for maintaining vehicles.

9. VEHICLE ACCEPTANCE. USER AGENCY'S ACCEPTANCE OF DELIVERY AND USE OF EACH VEHICLE FOR TEN BUSINESS (10) DAYS WILL CONCLUSIVELY ESTABLISH THAT SUCH VEHICLE IS OF A SIZE, DESIGN, CAPACITY, TYPE AND MANUFACTURE SELECTED BY THE USER AGENCY AND IS SATISFACTORY IN ALL RESPECTS AND IS SUITABLE FOR THE USER AGENCY'S PURPOSE.

10. VEHICLE WARRANTY. USER AGENCY ACKNOWLEDGES THAT THE CONTRACTOR IS NOT A MANUFACTURER OF ANY VEHICLE OR AN AGENT OF A MANUFACTURER OF ANY VEHICLE. CONTRACTOR MAKES NO REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, WITH RESPECT TO ANY VEHICLE, INCLUDING WITHOUT LIMITATION, ANY REPRESENTATION OR WARRANTY AS TO CONDITION, MERCHANTABILITY OR FITNESSN FOR ANY PARTICULAR PURPOSE, IT BEING AGREED THAT ALL SUCH RISKS ARE TO BE BORNE BY THE USER AGENCY. THE VEHICLES ARE LEASED "AS IS," "WITH ALL FAULTS."

All warranties made by any supplier, vendor and /or manufacturer of a Vehicle are hereby assigned by Contractor to the User Agency for the applicable Term and User Agency's only remedy, if any is against the supplier, vendor or manufacturer of the Vehicle. However, in the event of any manufacturer defects or unfitness of any Scheduled Vehicles, Contractor, in good faith, agrees to work with manufacturers on a resolution.

11. RETURN OF THE VEHICLE. Upon the expiration or termination of this lease agreement and in the event User Agency elects not to purchase the vehicle, then, User Agency shall be responsible for ensuring the return of the vehicle to Contractor at User Agency's expense within thirty (30) days of the expiration or termination of the lease agreement. In the event the lease agreement is terminated by User Agency for cause, Contractor shall provide for the removal of the vehicle from the User Agency's location within a reasonable period of time not to exceed thirty (30) days from the termination of the lease agreement, which removal shall occur at Contractor's expense.

12. LICENSE, TITLE AND OWNERSHIP. This lease agreement is a lease only and Contractor will at all times remain the owner of the vehicle and User Agency will have no right, title or interest in or to the vehicle except for the use of the vehicle as described in this lease agreement. This lease agreement shall be treated as a true lease for federal and applicable state income tax purposes with Contractor having all benefits of ownership. The vehicle shall be licensed in User Agency's name. In the event User Agency elects to purchase the vehicle, title shall be transferred to the User Agency.

13. RISK OF LOSS. User Agency shall be responsible for any damage to the vehicle caused by the User Agency's negligence. All other risk of loss shall be borne by the Contractor.

14. INSURANCE. User Agency agrees to purchase and maintain in force throughout the duration of the lease agreement, insurance policies in at least the amounts listed below covering the vehicle, to be written by an insurance company or companies satisfactory to Contractor, insuring User Agency and Contractor against any damage, claim, suit, action or liability:

(i) Automobile Liability: State of Georgia agencies are covered by the State Tort Claims Policy, a self insured liability insurance program administered by the Department of Administrative Services pursuant to O.C.G.A. 50-21-20 et seq., which provides coverage limits in the amount of $1,000,000 per person and $3,000,000 per occurrence with no annual aggregate subject only to the funds available in the Tort Claims Fund.

(ii) Commercial Physical Damage Insurance (Collision & Comprehensive: Actual cash value of the applicable vehicle. Maximum deductible of $500 per occurrence.

User Agency agrees that any Commercial Physical Damage Insurance will by appropriate endorsement or otherwise name Contractor as an additional insured and as a loss payee, as its interests may appear. Further, any Commercial Physical Damage Insurance must provide the following: (i) that the same may not be cancelled, changed or modified until after the insurer has given to Contractor or its assigns at least a thirty (30) day prior written notice of such proposed cancellation, change or modification, (ii) that no act or default of User Agency or any other person shall affect the right of Contractor to recover under such policy or policies of insurance in the event of any loss of or damage to the vehicle and (iii) that the coverage is "primary coverage" for the protection of User Agency and Contractor notwithstanding any other coverage carried by User Agency or Contractor protecting against similar risks. Original certificates evidencing such coverage and naming Contractor as an additional insured and loss payee, shall be furnished to Contractor prior to the Delivery Date, and annually thereafter and/or as reasonably requested by Contractor from time to time. User Agency, its drivers, servants and agents agree to cooperate fully with Contractor and any insurance carriers in the investigation, defense and prosecution of all claims or suits arising from the use or operation of the vehicle. If any claim is made or action

commenced for death, personal injury or property damage resulting from the ownership, maintenance, use or operation of the vehicle, User Agency will promptly notify Contractor of such action or claim and forward to Contractor a copy of every demand, notice, summons or other process received in connection with such claim or action.

15. USER AGENCY'S DEFAULT. Upon the failure of the User Agency to make any payment when due, or upon the failure of the User Agency to perform any other obligation imposed upon it by this lease agreement and upon the continuance of such failure after the receipt of written notice thereof from the Contractor, the User Agency shall be deemed to be in default hereunder. Upon the occurrence of any such default, the Contractor shall provide the User Agency written notice of the default and an opportunity to cure. In the event the User Agency's default is not cured within thirty (30) days of User Agency's receipt of the written notice of default, Contractor shall have the right, in addition to any other legal remedy available to it, to terminate the lease agreement. Upon termination of the lease agreement by Contractor pursuant to this provision, Contractor may either enter the User Agency's premises and remove the vehicle or demand return of the vehicle at the User Agency's expense as permitted by Section 9 "Return of the Vehicle".

16. CONTRACTOR'S DEFAULT. Upon the failure of the Contractor to perform in accordance with the terms of this lease agreement, Contractor shall be deemed to be in default hereunder. Upon the occurrence of any such default, User Agency shall provide the Contractor written notice of the default and an opportunity to cure. In the event the Contractor's default is not cured within thirty (30) days of Contractor's receipt of the written notice of default, User Agency shall have the right, in addition to any other legal remedy available to it, to terminate the lease agreement and demand the return of the vehicle at the Contractor's expense as permitted by Section 9 "Return of the Vehicle".

17. NOTICES. Any and all notices, consents, acceptances or any other communication provided for herein shall be given in writing by registered or certified mail, return receipt requested, by receipted hand delivery, by Federal Express, courier or other similar and reliable carrier which shall be addressed to the person who signed the lease agreement on behalf of the party at the address identified herein. Each such notice shall be deemed to have been provided: 1) at the time it is actually received, or 2) within one (1) day in the case of overnight hand delivery, courier or services such as Federal Express with guaranteed next day delivery, or 3) within five (5) days after the notice is deposited in the U.S. mail in the case of registered U.S. mail. Form time to time, the parties may change the name and address of the person designated to receive notice by providing notice of such change in name or address in writing to the other party as provided herein.

18. ASSIGNMENT. The lease agreement may not be assigned without the prior written consent of the parties. Any assignment must preserve the rights of the User Agency.

19. SEVERABILITY. This lease agreement embodies the entire agreement between the parties. It may not be modified or terminated except as provided herein by other written consent. If any provision herein is held to be invalid, it shall be considered deleted here from and shall not invalidate the remaining provisions.

[Signature page to follow]

IN WITNESS WHEREOF, the parties have caused this Amendment to be duly executed by their authorized representatives.

CONTRACTOR

Authorized Signature:	
Printed Name and Title of Person Signing:	
Date:	
Company Address:	
FAX Number:	
Email Address:	

USER AGENCY

Authorized Signature:	
Printed Name and Title of Person Signing:	
Date:	
Company Address:	
FAX Number:	
Email Address:	

EXHIBIT A

[ATTACH PRICING SCHEDULE REQUIRED BY
SECTION 3 “LEASE PAYMENT” OF THE LEASE AGREEMENT]