

Specialized Purchasing Consultants

PO Box 190 Gorham, NH 03581 (800) 750-1538 www.spccopypro.com

2013-14 Annual Report

Year - End Photocopier Analysis

With projected costs for 2014-15

Debbie O'Connor NHSAU 68 - Lin-Wood Public

PO Box 846 Lincoln, NH 03251



Specialized Purchasing Consultants Corp.Serving Maine & New Hampshire since 1988

September 2014

Skip Tilton President

Corporate Office: PO Box 190 Gorham, NH 03581 (800) 750-1538 (866) 281-7596 Fax Debbie O'Connor NHSAU 68 - Lin-Wood Public Schools PO Box 846 Lincoln, NH 03251

Dear Debbie:

VISIT US ON THE WEB: www.spccopypro.com

Our staff at SPC would like to extend their gratitude for allowing us to provide beneficial services to you and your organization for the past *10 years*. Over the last two years, SPC has made major improvements to your services without increasing our cost to you. We hope you have experienced and enjoyed the benefits.

Since our inception in 1988, we have always strived to maximize your savings while improving productivity and reliability. As a major part of our services, <u>SPC STAR Doc</u>, * which was designed to predict both your year-end cost as well as set up your next year's budget as soon as January 1st, is fully functional. New features include...

- Mapped devices show a before and after Upgrade floor plan
- Devices not reporting are now factored into your budget so that you have a more accurate forecast
- Non-contracted devices are now flagged with potential cost savings

New to this year's Annual Report is a section for warranty replacements and equipment complaints that have taken place during the previous year. This will flag problem locations that may or may not need to be eventually upgraded. As always, the overview of your equipment usage and status for the past fiscal year is included. Recommendations are provided to address potential problem areas to avoid needless down time and improve equipment reliability for years to come.

Thank you again for allowing SPC the opportunity to be of service. We look forward to our personal presentation of this year's annual report.

Sincerely,

Skip Tilton President

^{*}Feel free to ask for a more detailed explanation

Table of Contents

The SPC Team	3
Equipment Health Status	
Annual Black Volume By Building	
Annual Black Volume Overall	6
Avg Student Cost by Building Black	7
Black Comparison	8
	9
	10
	11
Avg Student Cost by Building Color	12
Color Comparison	13
Color to Total Volume Percentage	14
Usage Profile for Service & Supplies	15
SPC Service & Supply Cost Savings	22
Projected Equipment Cost by Building Black	23
Projected Equipment Cost by Building Color	24
Service & Supply Usage Profile by Vendor Black	
Service & Supply Usage Profile by Vendor Color	25
Reprographic Equipment Assessment	26
Leased Equipment	27
StarDoc User Name	28
Service & Supply Warranty Contract	29
Service & Supply Warranty Contract	30

The SPC Team... would like to personally thank you for your continued trust and confidence!



Skip Tilton, President Billie Jo Tilton, Vice President

As co-founders of SPC, Billie Jo and I are very proud of our team of professionals. The concept of group purchasing to save millions has grown since 1988 into providing over 16 different managerial services that increase reliability and extend the life of your equipment. However, none of this would have been possible without the loyalty of over 87 clients (3,800+ machines with 1.6 billion prints over five years). Together, we have realized the lowest prices possible while improving the quality of your service and equipment.



Paul Garozzo

General Manager
As General Manager my goal is ensure our clients are pleased with our services and also provide solutions that are efficient, productive and reduce cost. With my

23 years in the copier industry, I will

use my experiences to achieve this

goal. In addition, I will be utilizing our new SPC STAR Doc system to further enhance SPC services. Clients will now have the benefit of visually seeing where all their devices are located and project future expenses. I could not be more excited to join the SPC team.

Glen Fortier

Auditor, Electronic Specialist & Equipment Implementation
With 24 years of experience in the electrical field, I look forward to continually meeting and helping all of you with your reprographic needs.



It is my sincere commitment to ensure all machine changes are as smooth as possible.



Sue Penney

Administration & Finance Manager SPC is committed to providing costeffective and reliable reprographics platforms to our community of clients. My 20+ years of experience in corporate management will be key in strengthening the relationships between SPC's clients

and vendors. I will be focused on responding to your inquiries with the goal of solving any issues that may arise in a timely and efficient manner. Providing quality customer service is my top priority.

Alex Webster

Director of Customer Relations

It is a great pleasure for me to join the SPC team. One of my responsibilities involves creating detailed maps of your copiers and printers and will be assisting the team in monitoring all of your equipment. My background as a



Network Technician and my experience in Customer Service will allow me to give our clients the level of service that they have come to expect from SPC. It is my personal goal to aid in fulfilling each and every promise made to our valued clients.

The SPC Team Continued....



Robert B. Dutil

Director of Information Technology
I have been working with SPC since
February 2000. SPC's honesty, work

February 2000. SPC's honesty, work ethics and loyalty have made my experience with the company a pleasurable journey. SPC is

constantly trying to improve their technology to better serve their clients. My goal has been to give our clients and associates the best tools available to allow them to be more productive. By doing this, our clientele has the ability to monitor their assets and keep their costs down. I am excited about what the future holds for SPC and our clients.

Rachel Guay

Accounting Coordinator

I am responsible for the majority of the accounting communications between SPC and its vendors and clients. I will rely upon my years of experience and my strong attention to detail to ensure our clients' needs



are well served. It is my goal to work accurately and efficiently and to uphold the high standards of customer satisfaction that SPC has provided to their customers. I look forward to establishing a strong working relationship with each and every one of you.



Pam WeedClient-Vendor Relations

SPC's clients are my Number One priority. When you have a question, concern, need, or problem related to equipment, service or billing, I am available to assist you in getting it resolved promptly. I am pleased to be able to act as liaison between our

clients and vendors to ensure smooth transitions or quick resolutions.

Joel Heffernan

Field Representative – Client Relations As Field Representative for SPC, I reach out to the customer to offer help as needed in and during the installation of equipment change over and in assisting in each event. Also, I bring to this company over forty years in the Copier/Printer



industry. It is my goal to assure our clients a pleasant experience in using SPC's services.



Charles BacaOperational Support

I feel privileged to join SPC and honored that I am able to work with such an amazing team. I'm here to help make sure that the SPC headquarters runs as smoothly as possible. That includes technical

issues and networking matters. I also make sure that all of our clients' data are up to date and as accurate as possible. I love working at SPC because it's a challenging work environment committed to their clients.

Equipment Health Status

Total Number of Machines:	13
Total Black Photocopiers	2
Total Color Photocopiers (including MFP)	6
Total Black Network Printers	0
Total Color Network Printers	5
Total Removed from Service:	0
# of Units OFF Warranty:	0
# of Units Approaching End of Warranty:	0
# of Units Overused:	0
# of Units Underused:	0
# of Units Connected to Network with Print and/or Scan	13
Commencement Date:	9/1/2012
# of Annual Payments Left on Lease	3
All Warranties and Service Contracts Expire:	8/1/2017
SPC's FM Audit Print Management Software Loaded	Yes
Printer Contract Signed	No

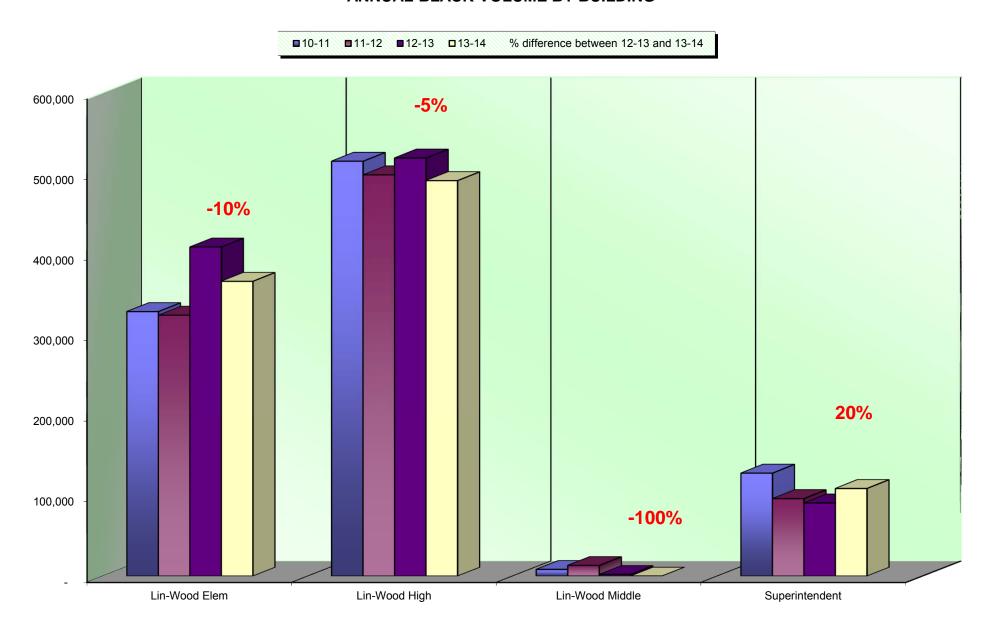
NOTE: When a machine goes off warranty, it does not mean that the service contract expires. It simply means that if a replacement machine becomes necessary, it may not be at "no charge."

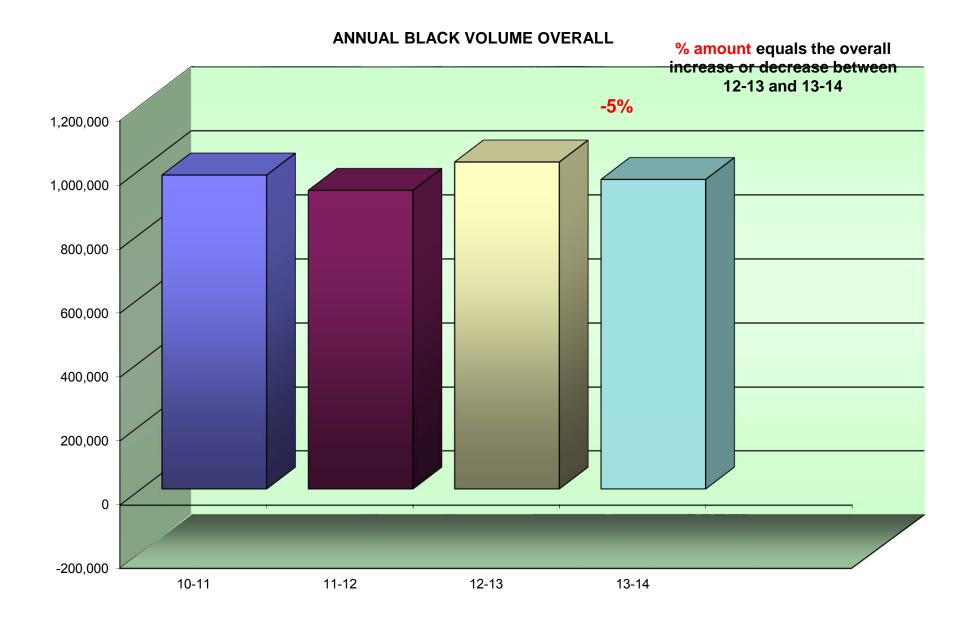
Dear Debbie,

The only real concern I see is that your color volume as shot up again. It is substantially higher than the industry average. Are your devices set up to default to black?

Skip

ANNUAL BLACK VOLUME BY BUILDING





Average Student to Copy Usage – Black Only

Using the projected costs by building as the basis, this table represents the projected average usage and cost per student for each building.

Building Name	Student Population	Annual Volume	Total School Cost*	Annual Copies Per Student	Annual Cost Per Student
Lin-Wood Public Elem & Middle	226	366,337	\$8,967.99	1,621	\$39.68
Lin-Wood Public High School	112	490,945	\$12,102.10	4,383	\$108.05
SAU #68	0	109,457	\$2,725.69	0	\$0.00
Totals	338	966,739	\$23,795.79	2,860	\$70.40

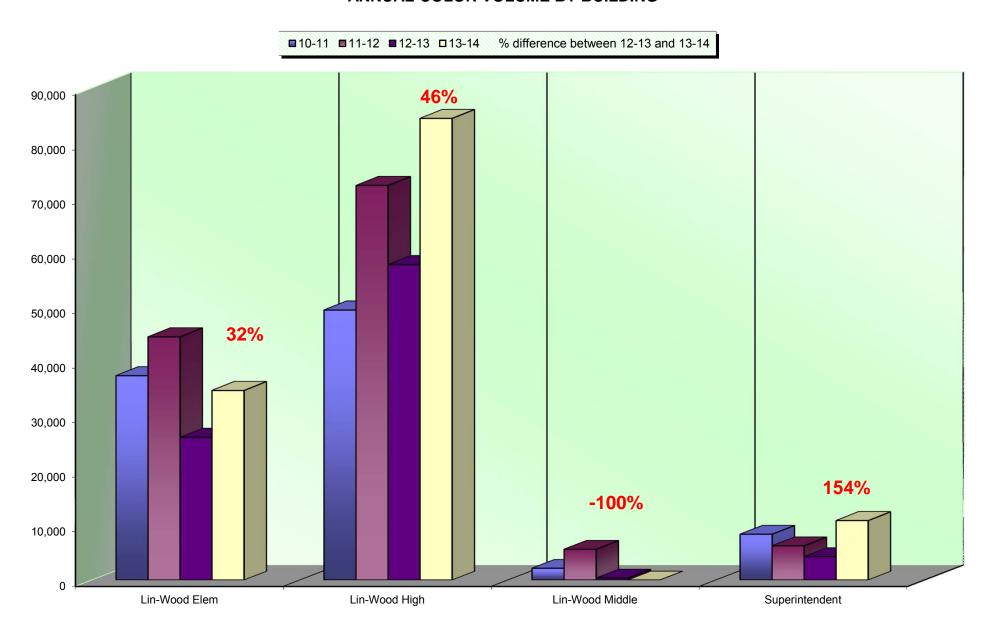
Cost Comparison Black Only

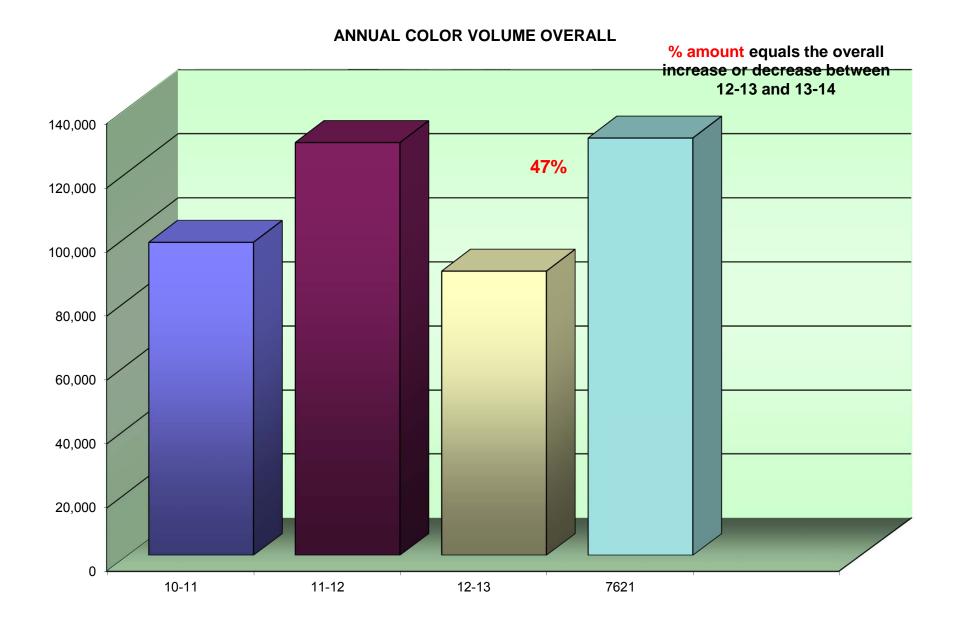
This is an SPC Comparison contrasting your district with 67 client school districts throughout the states of Maine, New Hampshire, and Vermont. By comparing to the Average Student to Copy Usage, this will help you to set up future budgets if student populations increase or decrease within the district or if you plan to build an addition or a new school.

	Total Student	Total Annual Volume	Total District Cost*	Annual Copies Per Student	Annual Cost Per Student
	Population	voiume	District Cost*	rer Student	rer Student
All Schools w/student populations	114,558	228,223,654	\$5,292,743.97	2,516	\$46.20

^{*}Total District Cost refers to the cost of Service, Supplies, Paper, and Equipment.

ANNUAL COLOR VOLUME BY BUILDING





Average Student to Copy Usage – Color Only

Using the projected costs by building as the basis, this table represents the projected average usage and cost per student for each building.

Building Name	Student Population	Annual Volume	Total School Cost*	Annual Copies Per Student	Annual Cost Per Student
Lin-Wood Public Elem & Middle	226	34,910	\$1,688.74	154	\$7.47
Lin-Wood Public High School	112	84,417	\$4,008.05	754	\$35.79
SAU #68	0	11,209	\$514.57	0	\$0.00
Totals	338	130,536	\$6,211.36	386	\$18.38

Your color printing is very high compared to the industry average.

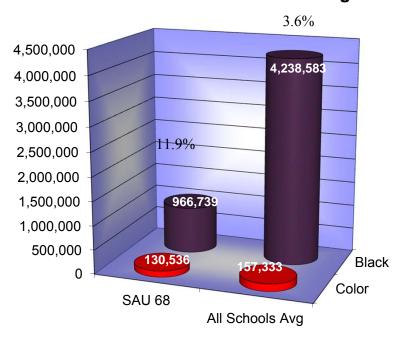
Cost Comparison - Color Only

This is an SPC Comparison contrasting your district with 67 client school districts throughout the states of Maine, New Hampshire, and Vermont. By comparing to the Average Student to Copy Usage, this will help you to set up future budgets if student populations increase or decrease within the district or if you plan to build an addition or a new school.

	Total Student	Total Annual	Total	Annual Copies	Annual Cost
	Population	Volume	District Cost*	Per Student	Per Student
All Schools w/student populations	114,558	10,541,331	\$617,517.66	92	\$5.39

^{*}Total District Cost refers to the cost of Service, Supplies and Paper. Equipment is calculated only into the Black Volume.

Color to Total Volume Percentage



Usage Profile for Service Supplies

The usage analysis shown here provides an overview of the usage of each piece of equipment currently under contract and monitored by SPC. Projected Volume comparison is based on projected volume figured on your most recent Five-Year Equipment Replacement

Make-Model / Speed					Date of Last Upgrade: 9/1/2012
Serial Number / Vendor ID					
Life / Intro Date			2013-14		
Connectivity / Printer Exp Date Vendor	7/1/2013 Meter	6/30/2014 Meter	Annual Volume	Cost/Copy Annual Cost	Recommendations
Lin-Wood Public Elementary School					
Computer Lab Room 204					
Konica Minolta MC7450II Grafx / 24 PPM	19,170	48,023	28,853	\$0.004900	None at this time.
A0VD012002253 / 8802 6437				\$141.38	
500,000 / 01/2009	9,495	28,517	19,022	\$0.04995	
Color Network Printer				\$950.15	
Connected / 6/1/2018					
KMBS					
Main Office					
Sharp MX-5110N / 51 PPM	50,023	141,312	91,289	\$0.004500	None at this time.
25057388 / PL7000				\$410.80	
3,000,000 / 08/2011	4,436	20,324	15,888	\$0.04440	
Color Photocopier				\$705.43	
Connected / 6/1/2018					
UBM					

Make-Model / Speed					Date of Last Upgrade: 9/1/2012
Serial Number / Vendor ID Life / Intro Date Connectivity / Printer Exp Date Vendor	7/1/2013 Meter	6/30/2014 Meter	2013-14 Annual Volume	Cost/Copy Annual Cost	Recommendations
Lin-Wood Public Elementary School					
Teachers' Room Hall					
Konica Minolta BH751 / 75 PPM	154,650	400,845	246,195	\$0.003900	None at this time.
A0PN011008070 / 9345 1471				\$960.16	
4,000,000 / 12/2008	0	0	0	\$0.00000	
Black Photocopier				\$0.00	
Connected / 6/1/2018					
KMBS					
	Subto	tals BW	366,337	\$1,512.34	
	Subto	tals Color	34,910	\$1,655.58	

Make-Model / Speed					Date of Last Upgrade: 9/1/2012
Serial Number / Vendor ID					
Life / Intro Date Connectivity / Printer Exp Date	7/1/2013	6/30/2014	2013-14	Cont/Co	
Vendor	//1/2013 Meter	6/30/2014 Meter	Annual Volume	Cost/Copy Annual Cost	Recommendations
Lin-Wood Public High School					
Computer Lab Room 18					
Konica Minolta MC7450II Grafx / 24 PPM	9,118	17,327	8,209	\$0.004900	None at this time.
A0VD012002281 / 8802 6435				\$40.22	
500,000 / 01/2009	1,576	2,695	1,119	\$0.04995	
Color Network Printer				\$55.89	
Connected / 6/1/2018					
KMBS					
Guidance Office					
Sharp MX-4110N / 41 PPM	10,734	50,214	39,480	\$0.004500	None at this time.
25053018 / PL7001				\$177.66	
1,000,000 / 08/2011	2,563	17,443	14,880	\$0.04440	
Color Photocopier				\$660.67	
Connected / 6/1/2018					
UBM					
Humanities Wing Hall Room 30					
Konica Minolta MC7450II Grafx / 24 PPM	21,663	65,625	43,962	\$0.004900	None at this time.
A0VD012002167 / 8802 6434				\$215.41	
500,000 / 01/2009	3,976	12,898	8,922	\$0.04995	
Color Network Printer				\$445.65	
Connected / 6/1/2018					
KMBS					

Make-Model / Speed					Date of Last Upgrade: 9/1/2012
Serial Number / Vendor ID Life / Intro Date			2012		
Connectivity / Printer Exp Date	#/1/0010		2013-14	G 46	
Vendor	7/1/2013 Meter	6/30/2014 Meter	Annual Volume	Cost/Copy Annual Cost	Recommendations
Lin-Wood Public High School					
Library					
Sharp MX-4110N / 41 PPM	46,929	139,738	92,809	\$0.004500	None at this time.
25053478 / PL7002				\$417.64	
1,000,000 / 08/2011	5,903	32,002	26,099	\$0.04440	
Color Photocopier				\$1,158.80	
Connected / 6/1/2018					
UBM					
Main Office					
Sharp MX-4110N / 41 PPM	10,734	36,779	26,045	\$0.004500	None at this time.
25053518 / PL7003				\$117.20	
1,000,000 / 08/2011	3,051	13,838	10,787	\$0.04440	
Color Photocopier				\$478.94	
Connected / 6/1/2018					
UBM					
Math Wing Hall Room 112					
Konica Minolta MC7450II Grafx / 24 PPM	25,294	72,311	47,017	\$0.004900	None at this time.
A0VD012002288 / 8802 6436				\$230.38	
500,000 / 01/2009	4,992	13,662	8,670	\$0.04995	
Color Network Printer				\$433.07	
Connected / 6/1/2018					
KMBS					

Make-Model / Speed					Date of Last Upgrade: 9/1/2012
Serial Number / Vendor ID Life / Intro Date Connectivity / Printer Exp Date Vendor	7/1/2013 Meter	6/30/2014 Meter	2013-14 Annual Volume	Cost/Copy Annual Cost	Recommendations
Lin-Wood Public High School					
Teachers' Room					
Konica Minolta BH751 / 75 PPM	138,547	347,184	208,637	\$0.003900	None at this time.
A0PN011010705 / 9344 9719				\$813.68	
4,000,000 / 12/2008	0	0	0	\$0.00000	
Black Photocopier				\$0.00	
Connected / 6/1/2018					
KMBS					
Konica Minolta BHc35 / 31 PPM	8,203	32,989	24,786	\$0.003900	None at this time.
A121011021395 / 9344 9721				\$96.67	
750,000 / 07/2010	7,317	21,257	13,940	\$0.04995	
Color Photocopier				\$696.30	
Connected / 6/1/2018					
KMBS					
	Subto	tals BW	490,945	\$2,108.87	
	Subto	tals Color	84,417	\$3,929.33	

Make-Model / Speed					Date of Last Upgrade: 9/1/2012
Serial Number / Vendor ID Life / Intro Date Connectivity / Printer Exp Date Vendor	7/1/2013 Meter	6/30/2014 Meter	2013-14 Annual Volume	Cost/Copy Annual Cost	Recommendations
SAU #68					
Main Office					
Konica Minolta MC7450II Grafx / 24 PPM A0VD012002301 / 8802 6438	2,729	14,507	11,778	\$0.004900 \$57.71	None at this time.
500,000 / 01/2009	235	1,457	1,222	\$0.04995	
Color Network Printer				\$61.04	
Connected / 6/1/2018					
KMBS					
Sharp MX-5110N / 51 PPM	46,271	143,950	97,679	\$0.004500	None at this time.
25057438 / PL7004				\$439.56	
3,000,000 / 08/2011	2,873	12,860	9,987	\$0.04440	
Color Photocopier				\$443.42	
Connected / 6/1/2018					
UBM					
	Subto	tals BW	109,457	\$497.27	
	Subto	tals Color	11,209	\$504.46	

District Wide Black Totals	966,739	\$4,118.48
District Wide Color Totals	130,536	\$6,089.37

SPC Service & Supply Cost Savings

These tables compare your equipment cost per copy for service and supplies (black prints or copies only) before becoming an SPC client on 12/15/2004 with your projected cost per copy for the new fiscal year through SPC. Annual Volume represents actual 2013-14 fiscal year black print usage. The second table represents your annual and five-year cost savings compared to your previous cost per copy rate.

BEFORE SPC

Current Volume	PriorCPC	Average Annual Cost
966,739	\$0.01184	\$11,446.19

CURRENTLY WITH SPC

Current Volume	Current CPC	Current Cost	Cost Savings	5 Year Savings
966,739	\$0.00435	\$4,205.31	\$7,240.88	\$36,204.38

Today the Cooperative Buying of SPC has netted annual cost savings, on average, of \$7,240.88 x 10 years as a Client = \$72,408.: 2 Cost Savings!

Projected Equipment Costs by Building - Black

This table represents projected expenses for BLACK prints or copies by building based on recent activity. Approximate current paper case costs and averaged current annual lease payment are figured in to provide budget information for the <u>upcoming fiscal year</u>.

Building	Projected Black Volume	Projected Black Usage Cost	Approx.Paper Cost	Average Annual Equipment Cost	Total Projected Black Usage Cost
Lin-Wood Public Elementary School	366,337	\$1,543.14	\$1,817.76	\$5,607.09	\$8,967.99
Lin-Wood Public High School	490,945	\$2,151.72	\$2,436.07	\$7,514.32	\$12,102.10
SAU #68	109,457	\$507.24	\$543.13	\$1,675.33	\$2,725.69
Total	966,739	\$4,202.09	\$4,796.96	\$14,796.74	\$23,795.79

SPC Equipment Bids:

Presently our Bids are coming in at 14.5% to 22% of Retail while the current Salesman's Cost is 50% of Retail. Example: Currently our bids for a Xerox 5890PT RADF Duplex Finisher 3-Hole Punch CIF-Print-Color Scan-Hard Drive for Secure Print-Fax 90 Copies per Minute are coming in at \$6,333 with a Retail Cost of \$43,495....14.5% of Retail!

Projected Equipment Costs by Building - Color

This table represents projected expenses for COLOR prints or copies by building based on recent activity. Current paper case costs and current annual lease payment are NOT figured in to this table, as they are covered in the Black prints report.

Building	Projected Color Volume	Service & Supply Cost
Lin-Wood Public Elementary School	34,910	\$1,688.74
Lin-Wood Public High School	84,417	\$4,008.05
SAU #68	11,209	\$514.57
To	tal 130,536	\$6,211.36

Service & Supply Usage Profile by Vendor - Black

This table represents actual expenses for BLACK prints or copies by vendor for the current year along with projected service & supply expenses for the upcoming fiscal year. Under SPC's new Simplified Billing Program, SPC will invoice you directly for 50% of the Projected Annual Volume in July and January, and then reconcile based on actual usage in June. Cost per copy typically increases by 5% or CPI annually, whichever is less. Current year's increase is 1.2%.

Vendor	Equipment Type	Annual Volume	2013-2014 Cost / Copy	Total Cost	2014-2015 Cost / Copy	Projected Cost
Konica-Minolta Business Solutions	Black Photocopier	454,832	\$0.00390	\$1,773.84	\$0.00398	\$1,810.23
Konica-Minolta Business Solutions	Color Network Printer	139,819	\$0.00490	\$685.11	\$0.00500	\$699.10
Konica-Minolta Business Solutions	Color Photocopier	24,786	\$0.00390	\$96.67	\$0.00398	\$98.65
United Business Machines	Color Photocopier	347,302	\$0.00450	\$1,562.86	\$0.00459	\$1,594.12
	Total	966,739	\$0.00426	\$4,118.48	\$0.00435	\$4,202.09

Service & Supply Usage Profile by Vendor - Color

This table represents actual and projected expenses for COLOR prints or copies by vendor for the current and next fiscal year. Under SPC's new Simplified Billing Program, SPC will invoice you directly for 50% of the Projected Annual Volume in July and January, and then reconcile based on actual usage in June. Cost per copy typically increases by 5% or CPI annually, whichever is less. Current year's increase is 1.2%.

Vendor	Equipment Type	Annual Volume	2013-2014 Cost / Copy	Total Cost	2014-2015 Cost / Copy	Projected Cost
Konica-Minolta Business Solutions	Color Network Printer	38,955	\$0.04995	\$1,945.80	\$0.05095	\$1,984.76
Konica-Minolta Business Solutions	Color Photocopier	13,940	\$0.04995	\$696.30	\$0.05095	\$710.24
United Business Machines	Color Photocopier	77,641	\$0.04440	\$3,447.26	\$0.04529	\$3,516.36
	Total	130,536	\$0.04665	\$6,089.37	\$0.04758	\$6,211.36

Reprographic Equipment Assessment

This chart provides the status of your equipment and details of your current lease, if any. *

Total Number of Units	13
Total Number of Units on Lease	13
Total Number of Units Owned	0
Lease Company	Northway Bank
Lease Start Date	9/1/2012
Lease End Date	8/1/2017
Term	5 years
Annual Payment usually due on 8/1	\$14,796.74
Remaining Payments	3

^{*}The determination on the lease has no bearing on Service & Supply and Warranty Contracts.

Leased Equipment

Building	Make	Model	Serial Number
Lin-Wood Public Elementary School	Konica Minolta	BH751	A0PN011008070
Lin-Wood Public Elementary School	Sharp	MX-5110N	25057388
Lin-Wood Public Elementary School	Konica Minolta	MC7450II Grafx	A0VD012002253
Lin-Wood Public High School	Konica Minolta	MC7450II Grafx	A0VD012002281
Lin-Wood Public High School	Konica Minolta	BH751	A0PN011010705
Lin-Wood Public High School	Konica Minolta	BHc35	A121011021395
Lin-Wood Public High School	Konica Minolta	MC7450II Grafx	A0VD012002288
Lin-Wood Public High School	Sharp	MX-4110N	25053518
Lin-Wood Public High School	Sharp	MX-4110N	25053478
Lin-Wood Public High School	Konica Minolta	MC7450II Grafx	A0VD012002167
Lin-Wood Public High School	Sharp	MX-4110N	25053018
SAU #68	Sharp	MX-5110N	25057438
SAU #68	Konica Minolta	MC7450II Grafx	A0VD012002301

StarDoc User Names

Name	User Name
Debbie O'Connor	doconnor
Kyle Luce	kluce

^{*}If you need to verify your password or if you need to add users, please contact Alex Webster at awebster@spccopypro.com

SERVICE AND SUPPLY CONTRACT

The Vendor identified below of the equipment described at Exhibit A to Property Schedule No. 1 (the "Equipment") to a Master Lease-Purchase Agreement between M.S.T. Government Leasing, LLC, as lessor (the "Lessor") and NHSAU 68 - Lin-Wood Public Schools, as lessee (the "Lessee"), commencing on September 1, 2012, (the "Lease-Purchase") hereby contracts with Lessee for the term of the Lease-Purchase (terminating on June 30, 2017) to provide comprehensive services, supplies, and maintenance to such Equipment, excluding only the cost of paper, transparencies, and staples, at a cost per copy per item of Equipment as shown on Schedule A attached hereto. In addition, for high-speed duplicators, Vendor may charge the cost shown on Schedule A attached hereto for masters used when the number of copies made by use of such masters is, on an annual average, fewer than 100. Vendor shall provide a four-hour response time to all service calls.

On July 1 of each calendar year during the term of the Lease-Purchase, Vendor, at its option, may increase such costs per copy under this Service and Supply Contract (the "Contract") by 5% or by a percentage equal to the increase during the immediately preceding 12-month period of "The Consumer Price Index for All Urban Consumers (CPI-U) for the U.S. City Average for All Items, 1982-84 = 100," whichever is less.

On July 1 of each calendar year during the term of the Lease-Purchase, Vendor shall credit to Lessee any cost of this Contract prepaid by Lessee and unused by Lessee because fewer copies were made by Lessee during the Contract period ending on such July 1 than were originally estimated under this Contract to be made by Lessee during such period. If the Lease-Purchase is terminated prior to the end of its term, Vendor shall prorate and return to Lessee, within 30 days of such termination, any cost of this Contract prepaid by Lessee and unused by Lessee because of such early termination of the Lease-Purchase.

Client Acknowledgement of Vendor Commitment

Vendor:	_ Lessee:	NHSAU 68 - Lin-Wood Public Schools
Street Address:	Street Address:	PO Box 846
City/State/Zip:	_ City/State/Zip:	Lincoln, NH 03251
By (signature:	_ By (signature):	
Name:	_ Name:	
Title:	_ Title:	

SPC's Dual-Layered Warranty - Purpose & Explanation

Reprographic equipment is expensive and does not hold its value. Therefore, it is crucial for you and the banking industry holding the collateral to secure this asset.

Our unique Dual-Layered Warranty guarantees a like-for-like no-charge replacement unit in the event of equipment not performing satisfactorily.

- 1. **Servicing Vendor**; implemented in 1988
- 2. **ESP Electrical**; implemented in 2007, all photocopiers with such units will be warranted from electrical damage by ESP.

ESPs (Electronic Surge Protectors) with our most recent upgrades are being installed by SPC on 40 CPM units and faster in order to cut down on approximately 30% of all service calls. These units will not only protect from electrical surges but will also filter out electronic noise that creates havoc with boards and the operation of your equipment.



The Vendor identified below of the equipment described at Exhibit A to Property Schedule No. 1 (the "Equipment") to a Master lease-Purchase Agreement between M.S.T. Government Leasing, LLC, as lessor (the "Lessor") and NHSAU 68 - Lin-Wood Public Schools, as lessee (the "Lessee"), commencing on September 1, 2012, (the "Lease-Purchase") hereby warrants to Lessee that, if any such Equipment malfunctions through no fault of Lessee during the term of the Lease-Purchase (terminating on June 30, 2017) and such Equipment cannot be repaired promptly, Vendor promptly will replace such Equipment with equipment which is equal to or superior in quality and capabilities to the Equipment being replaced, at no cost to Lessee.

The only exclusions to this Warranty are as follows:

- 1. This Warranty will expire for an item of Equipment when the life expectancy of such item of Equipment in number of copies, as shown on Schedule A(P) attached hereto, is exceeded;
- 2. This Warranty will expire for an item of Equipment at the date which is ten years after such Equipment was first offered for sale or lease by the manufacturer as shown on Schedule A(P) attached hereto.

Vendor:	
Street Address:	
City/State/Zip:	
By (signature):	
Name:	
Title:	