**EQUIPMENT LEASE-PURCHASE AGREEMENT**

**(Agency Name)**

**THIS EQUIPMENT SCHEDULE NO.** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_dated as of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_,

(the “Equipment Schedule”), is executed by and between (“Lessor”) and the **STATE OF MARYLAND** (“Lessee”) acting by \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_and through the **STATE TREASURER’S OFFICE** (the “Office”) on behalf of the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**.**

**WITNESSETH:**

**WHEREAS,**

Lessor and Lessee have entered into that certain (Month) (Year) Equipment Lease-Purchase Agreement dated as of , 201\_ (the “Lease”) (unless otherwise defined herein all terms having a defined meaning in the Lease shall have the same meaning when used herein), which Lease provides for the execution and delivery of one or more Equipment Schedules for the purpose of identifying the equipment to be leased and purchased pursuant to the Lease and specifying certain terms and conditions applicable to the lease and purchase of such equipment; and,

**WHEREAS**,

Lessor desires to lease to Lessee and Lessee desires to lease from Lessor the items of Equipment described in Exhibit A (the “Equipment”) on the terms and conditions of the Lease and as herein provided.

**NOW, THEREFORE,** in consideration of the foregoing premises and mutual covenants of the parties, Lessor and Lessee hereby agree as follows:

**EQUIPMENT**

The items of Equipment described in Exhibit A shall be subject to the terms and conditions of the Lease, the terms of which Lease are incorporated by reference herein and made a part hereof and this Equipment Schedule. In the event of a conflict between the terms of the Lease and the terms of this Equipment Schedule, the terms of this Equipment Schedule shall prevail.

**LOCATION OF EQUIPMENT**

The Equipment shall be kept at the Equipment Location (herein so called) set forth on Exhibit A.

**LEASE TERM**

The Lease Term (herein so called) with respect to the Equipment described in Exhibit A shall commence on the date of acceptance (the “Acceptance Date”) as set forth in the Acceptance Certificate (Exhibit C attached hereto), and shall continue for an initial term ending on July 1, 201\_. Unless earlier terminated pursuant to the terms of the Lease, the Lease Term hereunder shall automatically renew for two annual renewal terms commencing on July 2 of each year and ending on the following July 1.

**LEASE PAYMENTS**

**(a)** Lessee hereby agrees to make the Lease Payments (herein so called) to Lessor in such amounts and at such times as set forth on Exhibit B.

Upon the exercise by Lessee of any right granted under the Lease to terminate the Lease or this Equipment Schedule prior to the expiration of the term thereof and hereof, Lessee agrees to pay to Lessor the applicable Principal Outstanding balance as shown on Exhibit B for the lease and purchase of the Equipment.

In the event of a termination or nonrenewal of the Lease Term pursuant to Section 5, Section 26, or Section 27 of the Lease, moneys shall be applied first to the payment of all obligations of Lessee then due and owing hereunder, and then to the payment of the Principal Outstanding balance as set forth in Exhibit B applicable at the time of such termination or nonrenewal. The principal components of the Lease Payments bear interest at the total interest cost of\_\_\_\_\_\_\_\_% per\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ annum.

**REPRESENTATIONS AND WARRANTIES**

By execution and delivery of this Equipment Schedule, Lessee confirms that all representations and warranties contained in Section 7 of the Lease are true and correct as of the date hereof. Further, Lessee represents and warrants as of the date hereof that:

1. Lessee reasonably has sufficient appropriations or other funds legally available to pay all Lease Payments and other amounts due hereunder for the fiscal period ending on June 30, 201\_; and
2. the use of the Equipment by Lessee is essential to the Lessee’s proper, efficient, and economic operation and will be used for the purposes set forth on Exhibit C.

**LIMITATIONS ON WARRANTIES**

Lessee represents, warrants, acknowledges, and agrees that the Equipment is of a size, design, and capability selected by Lessee; that Lessee is satisfied that the Equipment is suitable for its purpose; that Lessor is neither a manufacturer nor a vendor of the Equipment; and that lessor has not made, and does not hereby make, any representation, warranty, or covenant, express or implied, with respect to the merchantability, condition, quality, durability, design, operation, fitness for use, or suitability of the equipment in any respect whatsoever or in connection with or for the purposes and uses of lessee, or any other representation, warranty, or covenant of any kind or character, express or implied, with respect thereto, and lessor shall not be obligated or liable for actual, incidental, consequential, or other damages of or to lessee or any other person or entity arising out of or in connection with the use or performance of the equipment and the maintenance thereof.

**EQUIPMENT COST**

The cost of all items of Equipment described on Exhibit A shall not exceed

$ \_\_\_\_\_\_\_\_\_\_\_\_\_\_of which the Equipment Cost (herein so called) of $ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_is financed hereunder and shall be disbursed in such amounts applicable to this Equipment Schedule as are reflected in Attachment A to the Lease, provided that the Equipment has been delivered to the location specified on Exhibit A hereto. To the extent the cost of the Equipment exceeds the amount of the Equipment Cost financed hereunder plus accrued interest, Lessee shall pay such excess cost to Vendor from other available funds.

**COVENANTS, DELIVERY, AND ACCEPTANCE**

**(a)** Lessee agrees to use its best efforts, and as of the date hereof, reasonably expects, to acquire the Equipment on or before\_\_\_\_\_\_\_\_, 20\_\_\_\_.

**(b)** Lessee will cause the Equipment to be delivered at the Equipment Location. Lessee will pay all transportation and other costs, if any, incurred in connection with the delivery of the Equipment. Lessee will accept the Equipment as soon as it has been delivered and is operational or, in the event that the manufacturer or vendor allows a pre-acceptance test period, as soon as the test period has expired.

**REQUEST FOR PAYMENT**

Immediately following the Acceptance Date, Lessee will request that payment be made to the Vendor or to reimburse the applicable Agency by executing, if required, and delivering to Lessor the following:

a request that payment be made to the Vendor or to reimburse the applicable Agency;

* a true copy of the applicable purchase order and, where applicable, a duplicate original of any change order approved by Lessee increasing the Equipment Cost in an amount in excess of the original purchase order price;
* bills of sale for any component of the Equipment for which a bill of sale may be delivered;
* a true copy of the Vendor’s statement or invoice; and
* an Acceptance Certificate and an Equipment Use Certificate as set forth in Exhibits C and D, respectively.

**PAYMENT**

Upon receipt of the items required by Section 9 hereof in a form acceptable to Lessor, Lessor shall make payment to the Vendor or to reimburse the applicable Agency and shall certify the fact of such payment to Lessee.