



July 1, 2009

School Board of Sarasota County, Florida
1960 Landings Blvd.
Sarasota, FL 34231
ATTN: Caroline Zucker, Board Chair

RE: STATE AND LOCAL GOVERNMENT MASTER LEASE PURCHASE AGREEMENT NO: 2642883637
STATE AND LOCAL GOVERNMENT MASTER LEASE PURCHASE AGREEMENT SCHEDULE NO: 264288363700001

Thank you for selecting Hewlett-Packard Financial Services Company ("HPFS") to provide financing for your technology acquisition. As per the request of your HPFS representative, we have prepared the following the lease documents for review and execution:

1. **Incumbency Certificate**
This document certifies to HPFS that the individual(s) signing the Lease Agreement, the Equipment Schedule and the Acceptance Certificate is (are) authorized to execute such documents and that such individual(s) is (are) currently holding the office or title specified in such documents.
2. **State and Local Government Master Lease Purchase Agreement (Lease Agreement)**
The Lease Agreement contains the terms and conditions of the lease arrangement between the Customer and HPFS. All of such terms are incorporated by reference into each Equipment Schedule.
3. **State and Local Government Master Lease Purchase Agreement Equipment Schedule**
The Equipment Schedule sets forth the lease payment schedule, a description of the leased equipment, the equipment location and other matters relating to the leased equipment.
4. **Acceptance Certificate**
This document confirms that the Customer has received the Equipment, is satisfied with it and is ready to begin the Lease and start making payments.
5. **Form 8038-G**
The Customer must complete this form in order to comply with notice information requirements under Internal Revenue Code for tax-exempt transaction.
6. **Opinion of Counsel.**
Please request that the legal counsel to the Customer deliver the Opinion of Counsel on such legal counsel's letterhead and that the Opinion of Counsel be dated not earlier than the date of execution by the Customer of the Equipment Schedule.
7. **Insurance Request Form**
The Customer should complete the Insurance Request Form in the event it is obtaining the insurance required by the Lease Agreement.
8. **Billing Information Form**
This form should be completed by the Customer to ensure efficient delivery and payment of invoices.
9. **Florida Addendum To State And Local Government Master Lease Purchase Agreement**

Please request that the appropriate authorized officers execute (or initial) where indicated and return to HPFS as soon as possible, together:

- Federal Tax ID Number (FEIN): 59-6000847
- Copy of Sales and Use Tax Exempt Certificate

Should you have any questions or comments regarding the enclosed documents or the procedure outlined above, please do not hesitate to contact the person (s) listed in the box below:

Financial Area Manager Brandon Casement Phone: 843-216-1454 Fax: 843-628-5119 Email: Brandon.Casement@hp.com	Public Sector Customer Delivery Specialist Tope Olaleye Phone: 908-898-4234 Fax: 908-898-4889 Email: Tope.Olaleye@hp.com
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Sincerely,
 Jasmine Barbour *JB 7/1/09*
 Public Sector Engagement Manager
 Email: jasmine.barbour@hp.com



hp financial services

INCUMBENCY CERTIFICATE
(State and Local Government Master Lease Agreement)

I, the undersigned being the duly appointed and acting Secretary or Clerk of the School District for Sarasota County, Florida, a government authority created by Article IX, Section 4 of the Constitution of the State of Florida ("Lessee"), **DO HEREBY CERTIFY** that (i) I have custody of the records of Lessee; and (ii) based on an examination of such records of Lessee as of the date set forth below, the following persons in the respective capacities indicated opposite their names have been authorized to execute, with full authority to bind the Lessee to the State and Local Government Master Lease Purchase Agreement between Lessee and Hewlett-Packard Financial Services Company as lessor ("Master Agreement"), and all other agreements, documents and instruments executed and delivered and to be executed and delivered in connection therewith, including without limitation, the Master Agreement, any Schedules and Acceptance Certificates (as such terms are defined in the Master Agreement; collectively referred to as the "Documents"); and (iii) the signature set forth opposite such individual's name and title/office is the true and authentic signature of that individual; and, (iv) each such individual has (and had on the date each such individual affixed his or her signature to the Documents) the authority to enter into the Documents on behalf of the Lessee.

<u>Name</u>	<u>Title/Office</u>	<u>Signature</u>
CAROLINE ZUCKER	BOARD CHAIR	
LORI WHITE	SUPERINTENDENT	
_____	_____	_____

On behalf of Lessee, I hereby certify the due and effective ratification, approval, and confirmation of all such acts and things that any of the above-referenced persons has done or may do in connection with the matters outlined above prior or subsequent to the date of this Certificate. I do further certify that the foregoing authority shall remain in full force and effect, and Hewlett-Packard Financial Services Company shall be entitled to rely upon same, until written notice of the modification, rescission or revocation of same, in whole or in part, has been delivered to Hewlett-Packard Financial Services Company, but no such modification, rescission or revocation shall, in any event, be effective with respect to any documents executed or actions taken in reliance upon the foregoing authority prior to the delivery to Hewlett-Packard Financial Services Company of said written notice of said modification, rescission or revocation. The execution and delivery of the Documents for and on behalf of Lessee is not prohibited or in any manner restricted by any law, ordinance or regulation.

IN WITNESS WHEREOF, I have duly executed this Incumbency Certificate and affixed Lessee's seal hereto this 21st day of July, 2009.

Secretary/Clerk or duly elected or appointed and acting officer (or duly authorized designee of such officer) of

SEAL

SCHOOL DISTRICT OF SARASOTA COUNTY, FLORIDA

Signature: _____

Print Name: NINA LANE

Title: ADMINISTRATIVE ASSISTANT
TO THE SCHOOL BOARD

[PLEASE NOTE: THE GENERAL PURPOSE OF THIS DOCUMENT IS TO AUTHORIZE INDIVIDUALS TO SIGN THE LEASE DOCUMENTS. CONSEQUENTLY, THE PERSON PROVIDING THE AUTHORIZATION CANNOT HIM OR HERSELF BE ONE OF THE SIGNERS OF THE LEASE DOCUMENTS. - I.E. CANNOT AUTHORIZE HIM OR HERSELF].



Lessee's Organization Number _____
Lessee's Tax Identification Number 59-6000847
Lessee's UCC Section 9-307 Location _____



STATE AND LOCAL GOVERNMENT MASTER LEASE PURCHASE AGREEMENT

This State and Local Government Master Lease Purchase Agreement (together with Exhibits A and B attached hereto and hereby made a part hereof, (this "Master Agreement"), entered _____ to take effect as of April 30, 2009, is entered into by and between Hewlett-Packard Financial Services Company,¹ a Delaware corporation ("Lessor"), and the School District for Sarasota County, Florida, a governmental authority created by Article IX, Section 4 of the Constitution of the State of Florida ("Lessee"). Capitalized terms used in this Master Agreement without definition have the meanings ascribed to them in Section 31.

1. PURPOSE OF MASTER AGREEMENT. The purpose of this Master Agreement is to set forth the general terms and conditions upon which Lessor shall lease to Lessee, and Lessee shall lease from Lessor, items of Hardware, Software or both (the "Equipment"). In connection with its execution of this Master Agreement, Lessee shall deliver to Lessor an Officer's Certificate in form and substance acceptable to Lessor, executed by a duly authorized officer of Lessee and certifying as to, among other things, Lessee's authority to enter into this Master Agreement, and the authority of Lessee's officers or representatives specified therein to execute this Master Agreement and an opinion of Lessee's counsel in form and content satisfactory to Lessor.

2. COMMENCEMENT PROCEDURES. Subject to the other terms and conditions contained in this Master Agreement and the applicable Schedule, Lessee shall enter into individual Leases (hereinafter defined) with Lessor as follows:

(a) Execution of Schedule. Lessor and Lessee mutually agree to enter into a Lease by executing a Schedule in the form of Exhibit A with such changes as Lessor and Lessee shall have agreed to as conclusively evidenced by their execution thereof. Each such Schedule shall specifically identify (by serial number or other identifying characteristics) the items of Equipment to be leased under such Schedule. Each Schedule, when executed by both Lessee and Lessor, together with this Master Agreement, shall constitute a separate and distinct lease ("Lease"), enforceable according to its terms. In the event of any conflict between the terms of this Master Agreement and such Schedule, the provisions of the Schedule shall govern.

(b) Acceptance; Term of Leases. Lessee shall accept the Equipment subject to a Lease in accordance with Section 3. The Term of each Lease shall begin on the Acceptance Date of the Equipment subject to such Lease and shall continue for the period described in the applicable Schedule unless a Nonappropriation shall have occurred.

(c) Adjustments to Schedule. Lessee acknowledges that the Total Cost of Equipment and the related Rent payments set forth in any Schedule may be estimates, and if the final invoice from the Seller attached to the related Acceptance Certificate(s) specifies a Total Cost that is less than the estimated Total Cost set forth in the Schedule, Lessee hereby authorizes Lessor to reduce the applicable Total Cost and Rent payment on the Schedule by up to ten percent (10%) to reflect such final invoice amount (the "Final Invoice Amount"). All references in this Master Agreement and any Schedule to Total Cost and Rent shall mean the amounts thereof specified in the applicable Schedule, as adjusted pursuant to this paragraph.

(d) Payment by Lessor. Within 30 days after Lessee's delivery to Lessor of a properly completed and executed Acceptance Certificate and all other documentation necessary to establish Lessee's acceptance of such Equipment under the related Lease and Lessor's acceptance of such Acceptance Certificate, Lessor shall pay for the Equipment. Lessor shall not accept the Acceptance Certificate until it has received from Lessee (1) evidence of insurance with respect to the Equipment in compliance with Section 14 hereof, (2) a completed and executed original Form 8038-G or 8038-GC, as applicable, or evidence of filing thereof with the Internal Revenue Service in the manner required by Code Section 149(e), (3) an opinion of Lessee's counsel, if required by Lessor, in form and substance reasonably satisfactory to Lessor and (4) any other documents or items reasonably required by Lessor. Notwithstanding the foregoing, Lessor shall not be obligated to pay for the Equipment if a Lessee Default has occurred or an event has occurred and is continuing that with the passage of time or provision of notice would constitute a Lessee Default. Lessor and Lessee acknowledge that the date the Lessor pays for the Equipment shall be the issue date of the obligation for federal income tax purposes in accordance with the Code and no Rent shall accrue prior to such date.

3. ACCEPTANCE OF EQUIPMENT. (a) Inspection of Equipment. Lessee agrees to inspect all Equipment as soon as reasonably practicable after the delivery thereof to Lessee.

(b) Acceptance Certificate. Upon the satisfactory inspection of the Equipment by Lessee, or if acceptance requirements for such Equipment are specified in the applicable Purchase Documents, as soon as such requirements are met, Lessee shall unconditionally and irrevocably accept the Equipment by executing and delivering to Lessor a properly completed Acceptance Certificate in substantially the form of Exhibit B.

4. RENT; LATE CHARGES. As rent ("Rent") for the Equipment under any Lease, Lessee agrees to pay the amounts specified in the applicable Schedule on the due dates specified in the applicable Schedule. Lessee agrees to pay Lessor interest on any Rent payment or other amount due hereunder that is not paid within 10 days of its due date, at the rate of 1-1/2% per month (or such lesser rate as is the maximum rate allowable under applicable law). Lessee will make provision for such payments in budgets submitted to its governing body for the purpose of obtaining funding for the payments.

5. TRANSFER OF EQUIPMENT ON EXPIRATION OF LEASE TERM. If Lessee has paid all Rent and all other amounts due under the Lease and has satisfied all other terms and conditions of the Lease, the Lease shall terminate and, except as provided in Section 28, Lessee shall be relieved of all of its obligations in favor of Lessor with respect to the Equipment and Lessor shall transfer all of its interest in such Equipment to Lessee "AS IS, WHERE IS," without any warranty, express or implied, from Lessor, other than the absence of any liens or claims by or through Lessor.

6. LEASES NON-CANCELABLE; NET LEASES; WAIVER OF DEFENSES TO PAYMENT. IT IS SPECIFICALLY UNDERSTOOD AND AGREED THAT EACH LEASE HEREUNDER SHALL BE NON-CANCELABLE (EXCEPT AS SET FORTH IN SECTION 7 HEREOF), AND THAT EACH LEASE HEREUNDER IS A NET LEASE SO THAT AMONG OTHER THINGS LESSEE SHALL PAY IN ADDITION TO THE RENT, TAXES, INSURANCE AND MAINTENANCE CHARGES RELATED TO THE EQUIPMENT. LESSEE AGREES THAT IT HAS AN ABSOLUTE AND UNCONDITIONAL OBLIGATION TO PAY ALL RENT AND OTHER AMOUNTS WHEN DUE. LESSEE HEREBY WAIVES ANY RECOUPMENT, CROSS-CLAIM, COUNTERCLAIM OR ANY OTHER DEFENSE AT LAW OR IN EQUITY TO ANY RENT OR OTHER AMOUNT DUE WITH RESPECT TO ANY LEASE, WHETHER ANY SUCH DEFENSE ARISES OUT OF THIS MASTER AGREEMENT, ANY SCHEDULE, ANY CLAIM BY LESSEE AGAINST LESSOR, LESSOR'S ASSIGNEES OR SUPPLIER OR OTHERWISE. IF THE EQUIPMENT IS NOT PROPERLY INSTALLED, DOES NOT OPERATE OR INTEGRATE AS REPRESENTED OR WARRANTED BY SUPPLIER OR IS UNSATISFACTORY FOR ANY REASON WHATSOEVER, LESSEE WILL MAKE ANY CLAIM ON ACCOUNT OF THOSE ISSUES SOLELY AGAINST SUPPLIER AND WILL NEVERTHELESS PAY ALL SUMS DUE WITH RESPECT TO EACH LEASE.

¹ Authorized to do business in the name of Hewlett-Packard Financial Services Company, Inc. in the states of Alabama and New York.

7. NONAPPROPRIATION. Notwithstanding anything contained in this Master Agreement to the contrary, in the event that sufficient funds are not appropriated and budgeted by Lessee's governing body or are not otherwise available from other legally available sources in any fiscal period for the payment of Rent and other amounts due under any Lease, the Lease shall terminate on the last day of the fiscal period for which appropriations were received or other amounts are available to pay amounts due under the Lease without penalty or expense to Lessee of any kind whatsoever, except as to the portions of Rent payments or other amounts herein agreed upon for which funds shall have been appropriated or are otherwise available. Lessee will immediately notify the Lessor or its assignee of such occurrence. In the event of such termination, Lessee shall immediately cease all use of the Equipment, and shall, at its sole expense and risk, immediately de-install, disassemble, pack, crate, insure, and return the Equipment subject to such Lease to Lessor (all in accordance with Section 10 of this Master Agreement). Such Equipment shall be in the same condition as when received by Lessee (reasonable wear, tear and depreciation resulting from normal and proper use excepted), shall be in good operating order and maintenance as required by this Lease, shall be free and clear of any liens (except Lessor's lien) and shall comply with all applicable laws and regulations. Lessee agrees to execute and deliver to Lessor all documents reasonably requested by Lessor or evidence the transfer of legal and beneficial title to such Equipment to Lessor and to evidence the termination of Lessee's interest in such Equipment. Lessor will have all legal and equitable rights and remedies to take possession of the Equipment. At Lessor's request, Lessee shall promptly provide supplemental documentation as to such Non-Appropriation satisfactory to Lessor. Lessee's exercise of its rights pursuant to this Section 7 shall not affect the survival of any indemnity and other provisions (other than the obligation to lease the Equipment and pay amounts due under the Lease) which survive the termination of the Lease.

8. ASSIGNMENT OF PURCHASE DOCUMENTS. Lessee assigns to Lessor all of Lessee's right, title and interest in and to (a) the Equipment described in each Schedule, and (b) the Purchase Documents relating to such Equipment. Such assignment of the Purchase Documents is an assignment of rights only; nothing in this Master Agreement shall be deemed to have relieved Lessee of any obligation or liability under any of the Purchase Documents, except that, as between Lessee and Lessor, Lessor shall pay for the Equipment in accordance with Section 2(d) hereof. Lessee represents and warrants that it has reviewed and approved the Purchase Documents. In addition, if Lessor shall so request, Lessee shall deliver to Lessor a document acceptable to Lessor whereby Seller acknowledges and provides any required consent to such assignment. For the avoidance of doubt, Lessee covenants and agrees that it shall at all times during the Term of each Lease comply in all respects with the terms of any License Agreement relating to any Equipment leased thereunder. **IT IS ALSO SPECIFICALLY UNDERSTOOD AND AGREED THAT NEITHER SUPPLIER NOR ANY SALESPERSON OF SUPPLIER IS AN AGENT OF LESSOR, NOR ARE THEY AUTHORIZED TO WAIVE OR ALTER ANY TERMS OF THIS MASTER AGREEMENT OR ANY SCHEDULE.**

9. ASSIGNMENT OF SUPPLIER WARRANTIES. To the extent permitted, Lessor hereby assigns to Lessee all Equipment warranties provided by any Supplier in the applicable Purchase Documents. Lessee shall have the right to take any action it deems appropriate to enforce such warranties provided such enforcement is pursued in Lessee's name and at its expense. In the event Lessee is precluded from enforcing any such warranty in its name and to the extent Lessor retains title to the Equipment, Lessor shall, upon Lessee's request, take reasonable steps to enforce such warranty. In such circumstances, Lessee shall, promptly upon demand, reimburse Lessor for all expenses incurred by Lessor in enforcing the Supplier warranty. Any recovery resulting from any such enforcement efforts shall be divided between Lessor and Lessee as their interests may appear.

10. EQUIPMENT RETURN REQUIREMENTS. At any time Lessee is required to return Equipment to Lessor under the terms of this Master Agreement or any Schedule, Lessee shall (a) wipe clean or permanently delete all data contained on the Equipment, including without limitation, any data contained on internal or external drives, discs, or accompanying media, and (b) pack the Equipment to be returned to Lessor in accordance with the manufacturer's guidelines and deliver such Equipment to Lessor at any destination within the continental United States designated by Lessor. In the case of any item of Software or License Agreement subject to a Schedule, at the time of the occurrence of a Non-Appropriation or a Lessee Default, Lessee shall also be automatically deemed to have reassigned any License Agreement, and shall immediately de-install and deliver to Lessor all Software, together with the original certificate of authenticity issued by the licensor of such Software, if any, the end user license agreement, any CDs, diskettes or other media relating to such Software and any other materials originally delivered to Lessee with such Software. All dismantling, packaging, transportation, in-transit insurance and shipping charges shall be borne by Lessee. All Equipment shall be returned to Lessor in the same condition and working order as when delivered to Lessee, reasonable wear and tear excepted, and except in the case of PC Equipment and Software, shall qualify for maintenance service by the Supplier at its then standard rates for Equipment of that age, if available. Lessee shall be responsible for, and shall reimburse Lessor promptly on demand for, the cost of returning the Equipment to good working condition or, in the case of Equipment other than PC Equipment and Software, qualifying the Equipment for the Supplier's maintenance service, if available.

11. EQUIPMENT USE, MAINTENANCE AND ADDITIONS. Lessee is solely responsible for the selection, installation, operation and maintenance of the Equipment and all costs related thereto, including shipping charges. Lessee shall at all times operate and maintain the Equipment in good working order, repair, condition and appearance, and in accordance with the manufacturer's specifications and recommendations. On reasonable prior notice to Lessee, Lessor and Lessor's agents shall have the right, during Lessee's normal business hours and subject to Lessee's reasonable, standard security procedures, to enter the premises where the Equipment is located for the purpose of inspecting the Equipment and observing its use. Except in the case of PC Equipment and Software, Lessee shall, at its expense, enter into and maintain and enforce at all times during the Term of each Lease a maintenance agreement to service and maintain the related Equipment, upon terms and with a provider reasonably acceptable to Lessor. Lessee shall make no alterations or additions to the Equipment, except those that (a) will not void any warranty made by the Supplier of the Equipment, result in the creation of any security interest, lien or encumbrance on the Equipment or impair the value or use of the Equipment either at the time made or at the end of the Term of the applicable Lease, and are readily removable without damage to the Equipment ("Optional Additions"), or (b) are required by any applicable law, regulation or order. All additions to the Equipment or repairs made to the Equipment, except Optional Additions, become a part of the Equipment and Lessor's property at the time made; Optional Additions which have not been removed in the event of the return of the Equipment shall become Lessor's property upon such return.

12. EQUIPMENT OWNERSHIP; LIENS; LOCATION. Upon acceptance of the Equipment by Lessee hereunder, title to the Equipment will vest in Lessee; provided, however, that (i) in the event of termination of this Lease by Lessee pursuant to Section 7 hereof, or (ii) upon the occurrence of a Lessee Default as defined in Section 22 hereof, and as long as such Lessee Default is continuing, title to the Equipment (including Substitute Equipment) will immediately vest in Lessor or its assignee. Lessee covenants with respect to each Lease that: (i) it will not pledge or encumber the Equipment or Lessor's interest in the Equipment in any manner whatsoever nor create or permit to exist any levy, lien or encumbrance thereof or thereon except those created by or through Lessor; (ii) the Equipment shall remain personal property whether or not affixed to realty and shall not become a fixture or be made to become a part of any real property on which it is placed without Lessor's prior written consent; and (iii) Lessee shall maintain the Equipment so that it does not become essential to and may be removed from any building in which it is placed without any damage to the building or the Equipment. Provided Lessee remains in possession and control of the Equipment, Lessee may relocate any Equipment from the Equipment Location specified in the applicable Schedule to another of its locations within the State of the Equipment Location upon prior written notice to Lessor specifying the new Equipment Location or to another of its locations within the United States after receiving the written consent of Lessor to such relocation. Lessee shall not locate or relocate any Equipment such that any third party comes into possession or control thereof without Lessor's prior written consent; provided, however, that Lessor shall not unreasonably withhold its consent to the location or relocation of Equipment to a third party co-location or hosting facility if such third party shall have executed and delivered to Lessor a waiver agreement in form and substance acceptable to Lessor pursuant to which, among other things, such third party shall have waived any rights to the Equipment and agreed to surrender the Equipment to Lessor in the event of a Lessee Default under this Master Agreement. Notwithstanding the foregoing, Lessor agrees that computer equipment usable outside of a fixed office environment, such as laptops, notebooks or similar PC Equipment (collectively, "Mobile PC Equipment") may be relocated on a non-permanent basis from the Equipment Location originally specified in the applicable Schedule without Lessor's prior written consent, provided that (i) such relocation is made by Lessee's primary employee in the custody and control of such Mobile PC

Equipment; (ii) the primary employee remains in possession and control of the Mobile PC Equipment, and (iii) the primary employee's principal office is the Equipment Location. For purposes of this Master Agreement and any applicable Schedule, the term Equipment shall be deemed to include all Mobile PC Equipment.

13. SECURITY INTEREST; MAXIMUM RATE. In order to secure all of its obligations hereunder, Lessee hereby, to the extent permitted by law and to secure payment and performance of Lessee's obligations under this Master Agreement and all Leases, grants Lessor a purchase money security interest in the related Equipment and in all attachments, accessories, additions, substitutions, products, replacements, rentals and proceeds (including, without limitation, insurance proceeds) thereto as well as a security interest in any other Equipment financed pursuant to this Master Agreement or any other agreement between Lessor and Lessee (collectively, the "Collateral"). In any such event, notwithstanding any provisions contained in this Master Agreement or in any Schedule, neither Lessor nor any Assignee shall be entitled to receive, collect or apply as interest any amount in excess of the maximum rate or amount permitted by applicable law. In the event Lessor or any Assignee ever receives, collects or applies as interest any amount in excess of the maximum amount permitted by applicable law, such excess amount shall be applied to the unpaid principal balance and any remaining excess shall be refunded to Lessee. In determining whether the interest paid or payable under any specific contingency exceeds the maximum rate or amount permitted by applicable law, Lessor and Lessee shall, to the maximum extent permitted under applicable law, characterize any non-principal payment as an expense or fee rather than as interest, exclude voluntary prepayments and the effect thereof, and spread the total amount of interest over the entire term of this Master Agreement and all Leases. Lessee agrees that Lessor may file this Lease as a financing statement evidencing such security interest or any other financing statement deemed necessary by Lessor and agrees to execute and deliver all certificates of title and other instruments necessary or appropriate to evidence such security interest.

14. RISK OF LOSS AND INSURANCE. Lessee assumes any and all risk of loss or damage to the Equipment from the time such Equipment is delivered to Lessee until such Equipment is returned to and is received by Lessor in accordance with the terms and conditions of this Master Agreement. Lessee agrees to keep the Equipment insured at Lessee's expense against all risks of loss from any cause whatsoever, including without limitation, loss by fire (including extended coverage), theft and damage. Lessee agrees that such insurance shall name Lessor as a loss payee and cover not less than the Stipulated Loss Value of the Equipment. Lessee also agrees that it shall carry commercial general liability insurance in an amount not less than \$2,000,000 total liability per occurrence and cause Lessor and its affiliates and its and their successors and assigns, to be named additional insureds under such insurance. Each policy shall provide that the insurance cannot be canceled without at least 30 days' prior written notice to Lessor, and no policy shall contain a deductible in excess of \$25,000. Upon Lessor's prior written consent, in lieu of maintaining insurance obtained by third party insurance carriers, Lessee may self insure against such risks, provided that Lessor's interests are protected to the same extent as if the insurance had been obtained by third party insurance carriers and provided further that such self insurance program is consistent with prudent business practices with respect to such insurance risk. Lessee shall provide to Lessor (a) on or prior to the Acceptance Date for each Lease, and from time to time thereafter, certificates of insurance evidencing such insurance coverage throughout the Term of each Lease, and (b) upon Lessor's request, copies of the insurance policies. If Lessee fails to provide Lessor with such evidence, then Lessor will have the right, but not the obligation, to purchase such insurance protecting Lessor at Lessee's expense. Lessee's expense shall include the full premium paid for such insurance and any customary charges, costs or fees of Lessor. Lessee agrees to pay such amounts in substantially equal installments allocated to each Rent payment (plus interest on such amounts at the rate of 1-1/2% per month or such lesser rate as is the maximum rate allowable under applicable law).

15. CASUALTY LOSS. Lessee shall notify Lessor of any Casualty Loss or repairable damage to any Equipment as soon as reasonably practicable after the date of any such occurrence but in no event later than 30 days after such occurrence. In the event any Casualty Loss shall occur, on the next Rent payment date Lessee shall (a) at Lessee's option provided no Lessee Default has occurred nor an event that with the passage of time or provision of notice would constitute a Lessee Default has occurred and is continuing or (b) at Lessor's option if a Lessee Default has occurred or an event that with the passage of time or provision of notice would constitute a Lessee Default has occurred and is continuing, (1) subject to Section 7 hereof, pay Lessor the Stipulated Loss Value of the Equipment suffering the Casualty Loss, or (2) substitute and replace each item of Equipment suffering the Casualty Loss with an item of Substitute Equipment. If Lessee shall pay the Stipulated Loss Value of the Equipment suffering a Casualty Loss, upon Lessor's receipt in full of such payment the applicable Lease shall terminate as it relates to such Equipment and, except as provided in Section 28, Lessee shall be relieved of all obligations under the applicable Lease as it relates to such Equipment. If Lessee shall replace Equipment suffering a Casualty Loss with items of Substitute Equipment the applicable Lease shall continue in full force and effect without any abatement of Rent with such Substitute Equipment thereafter being deemed to be Equipment leased thereunder. Upon Lessor's receipt of such payment of Stipulated Loss Value in full or replacement of the Equipment suffering the Casualty Loss with Substitute Equipment, Lessor shall transfer to Lessee all of Lessor's interest in the Equipment suffering the Casualty Loss "AS IS, WHERE IS," without any warranty, express or implied, from Lessor, other than the absence of any liens or claims by or through Lessor. In the event of any repairable damage to any Equipment, the Lease shall continue with respect to such Equipment without any abatement of Rent and Lessee shall, at its expense, from insurance proceeds or other funds legally available, promptly cause such Equipment to be repaired to the condition it is required to be maintained pursuant to Section 11.

16. TAXES. Lessor shall report and pay all Taxes now or hereafter imposed or assessed by any governmental body, agency or taxing authority upon the purchase, ownership, delivery, installation, leasing, rental, use or sale of the Equipment, the Rent or other charges payable hereunder, or otherwise upon or in connection with any Lease, whether assessed on Lessor or Lessee, other than any such Taxes required by law to be reported and paid by Lessee. Lessee shall promptly reimburse Lessor for all such Taxes paid by Lessor, together with any penalties or interest in connection therewith attributable to Lessee's acts or failure to act, excluding (a) Taxes on or measured by the overall gross or net income or items of tax preference of Lessor, (b) as to any Lease the related Equipment, Taxes attributable to the period after the return of such Equipment to Lessor, and (c) Taxes imposed as a result of a sale or other transfer by Lessor of any portions of its interest in any Lease or in any Equipment except for a sale or other transfer to Lessee or a sale or other transfer occurring after and during the continuance of any Lessee Default.

17. GENERAL INDEMNITY. Lessee, to the extent permitted by law, shall indemnify and hold harmless Lessor and assignees, from and against any and all Claims arising directly or indirectly out of or in connection with any matter involving this Master Agreement, the Equipment or any Lease, including but not limited to the selection, manufacture, purchase, acceptance, rejection, ownership, delivery, lease, possession, maintenance, use (including any patent, trademark or copyright infringement), condition, return or operation of any Equipment or the enforcement of Lessor's rights under any Lease. Notwithstanding the foregoing, Lessee shall have no obligation to indemnify or defend against any Claim arising solely as a result of Lessor's gross negligence or willful misconduct.

18. TAX REPRESENTATIONS AND COVENANTS AND TAX PAYMENTS. (a) Lessee represents, covenants and warrants that: (i) Lessee is a governmental authority created by Article IX, Section 4 of the Constitution of the State of Florida; (ii) a portion of the Rent is interest based on the total Equipment cost as shown on a Schedule and such interest portion of the Rent shall be excluded from Lessor's gross income pursuant to Section 103 of the Code; (iii) Lessee will comply with the information reporting requirements of Section 149(e) of the Code, and such compliance shall include but not be limited to the execution of information statements requested by Lessor; (iv) Lessee will not do or cause to be done any act which will cause, or by omission of any act allow, the Lease to be an arbitrage bond within the meaning of Section 148(a) of the Code; (v) Lessee will not do or cause to be done any act which will cause, or by omission of any act allow, this Lease to be a private activity bond within the meaning of Section 141(a) of the Code; (vi) Lessee will not do or cause to be done any act which will cause, or by omission of any act allow, the interest portion of the Rent payments to be or become includable in gross income for federal income taxation purposes under the Code; (vii) Lessee will be the only entity to own, use and operate the Equipment during the Lease Term; (viii) Lessee has never failed to appropriate funds for payment of any amount due pursuant to a lease purchase agreement, a conditional sales agreement or any similar type of obligation; and (ix) Lessee is not and has never been in default under any bond, note, lease purchase agreement or other type of financial obligation to which it has been a party.

(b) This Master Agreement has been entered into on the basis that Lessor or any Assignee of Lessor shall claim that the interest paid hereunder is exempt from federal income tax under Section 103(a) of the Code. Upon a breach by Lessee of any of its representations, warranties and covenants in Section 18(a) above and as a

result thereof, the United States Government disallows, eliminates, reduces, recaptures, or disqualifies, in whole or in part, any benefits of such exemption, Lessee shall then pay to Lessor, at Lessor's election, either: (i) supplemental payment(s) to Lessor during the remaining period of the Term(s) in an amount necessary to permit Lessor to receive (on an after tax basis over the full term of the Master Agreement) the same rate of return that Lessor would have realized had there not been a loss or disallowance of such benefits, together with the amount of any interest or penalty which may be assessed by the governmental authority with respect to such loss or disallowance; or (ii) a lump sum payable upon demand to Lessor which shall be equal to the amount necessary to permit Lessor to receive (on an after tax basis over the full term of the Master Agreement) the same rate of return that Lessor would have realized had there not been a loss or disallowance of such benefits together with the amount of any interest or penalty which may be assessed by the governmental authority with respect to such loss or disallowance.

19. COVENANT OF QUIET ENJOYMENT. So long as no Lessee Default exists, and no event shall have occurred and be continuing which, with the giving of notice or the passage of time or both, would constitute a Lessee Default, neither Lessor nor any party acting or claiming through Lessor, by assignment or otherwise, will disturb Lessee's quiet enjoyment of the Equipment during the Term of the related Lease.

20. DISCLAIMERS AND LESSEE WAIVERS. LESSEE LEASES THE EQUIPMENT FROM LESSOR "AS IS, WHERE IS." IT IS SPECIFICALLY UNDERSTOOD AND AGREED THAT (A) EXCEPT AS EXPRESSLY SET FORTH IN SECTION 19, LESSOR MAKES ABSOLUTELY NO REPRESENTATIONS OR WARRANTIES WHATSOEVER, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, ANY REPRESENTATION OR WARRANTY WITH RESPECT TO THE DESIGN, COMPLIANCE WITH SPECIFICATIONS, QUALITY, OPERATION, OR CONDITION OF ANY EQUIPMENT (OR ANY PART THEREOF), THE MERCHANTABILITY OR FITNESS OF EQUIPMENT FOR A PARTICULAR PURPOSE, OR ISSUES REGARDING PATENT INFRINGEMENT, TITLE AND THE LIKE; (B) LESSOR SHALL NOT BE DEEMED TO HAVE MADE, BE BOUND BY OR LIABLE FOR, ANY REPRESENTATION, WARRANTY OR PROMISE MADE BY THE SUPPLIER OF ANY EQUIPMENT (EVEN IF LESSOR IS AFFILIATED WITH SUCH SUPPLIER); (C) LESSOR SHALL NOT BE LIABLE FOR ANY FAILURE OF ANY EQUIPMENT OR ANY DELAY IN THE DELIVERY OR INSTALLATION THEREOF; (D) LESSEE HAS SELECTED ALL EQUIPMENT WITHOUT LESSOR'S ASSISTANCE; AND (E) LESSOR IS NOT A MANUFACTURER OF ANY EQUIPMENT. IT IS FURTHER AGREED THAT LESSOR SHALL HAVE NO LIABILITY TO LESSEE, OR ANY THIRD PARTIES FOR ANY INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF THIS MASTER AGREEMENT OR ANY SCHEDULE OR CONCERNING ANY EQUIPMENT, OR FOR ANY DAMAGES BASED ON STRICT OR ABSOLUTE TORT LIABILITY OR LESSOR'S NEGLIGENCE; PROVIDED, HOWEVER, THAT NOTHING IN THIS MASTER AGREEMENT SHALL DEPRIVE LESSEE OF ANY RIGHTS IT MAY HAVE AGAINST ANY PERSON OTHER THAN LESSOR. LESSOR AND LESSEE AGREE THAT THE LEASES SHALL BE GOVERNED BY THE EXPRESS PROVISIONS OF THIS MASTER AGREEMENT AND THE OTHER FUNDAMENTAL AGREEMENTS AND NOT BY THE CONFLICTING PROVISIONS OF ANY OTHERWISE APPLICABLE LAW. ACCORDINGLY, TO THE EXTENT PERMITTED BY APPLICABLE LAW, LESSEE WAIVES ANY RIGHTS AND REMEDIES CONFERRED UPON A LESSEE BY STATUTE OR OTHERWISE, IN EITHER CASE THAT ARE INCONSISTENT WITH OR THAT WOULD LIMIT OR MODIFY LESSOR'S RIGHTS SET FORTH IN THIS MASTER AGREEMENT.

21. LESSEE WARRANTIES. Lessee represents, warrants and covenants to Lessor with respect to each Lease that: (a) Lessee has the power and authority to enter into each of the Fundamental Agreements; (b) all Fundamental Agreements are legal, valid and binding obligations of Lessee, enforceable against Lessee in accordance with their terms and do not violate or create a default under any instrument or agreement binding on Lessee; (c) there are no pending or threatened actions or proceedings before any court or administrative agency that could have a material adverse effect on Lessee or any Fundamental Agreement, unless such actions have been disclosed to Lessor and consented to in writing by Lessor; (d) Lessee shall comply in all material respects with all laws and regulations the violation of which could have a material adverse effect upon the Equipment or Lessee's performance of its obligations under any Fundamental Agreement; (e) each Fundamental Agreement shall be effective against all creditors of Lessee under applicable law, including fraudulent conveyance and bulk transfer laws, and shall raise no presumption of fraud; (f) all financial statements, certificates or summaries relating to Lessee's financial condition, fiscal budget or the assessment and collection of taxes and other related information furnished by Lessee shall be prepared in accordance with generally accepted accounting principles in the United States in effect at that time and shall fairly present Lessee's financial position as of the dates given on such statements; (g) since the date of the most recent annual financial statement, there has been no material adverse change in the financial condition of, or the level of assessment or collection of taxes by, the Lessee; (h) the Equipment, subject to any Lease, is essential to the immediate performance of a governmental or proprietary function by Lessee within the scope of its authority and will be used during the Term of such Lease only by Lessee and only to perform such function; (i) Lessee intends to use the Equipment for the entire Term of such Lease and all Equipment will be used for government purposes only and not for personal, family or household purposes; (j) Lessee has complied fully with all applicable law governing open meetings, public bidding and appropriations required in connection with this Lease and the acquisition of the Equipment; (k) there has been no material change in the budget for Lessee's current Fiscal Period since its adoption; (l) Lessee's obligations to pay Rent and any other amounts due under this Lease constitute a current expense and not a debt of Lessee under applicable state law; and (m) no provision of this Lease constitutes a pledge of the tax or general revenues of Lessee.

22. DEFAULT. Any of the following shall constitute a default by Lessee (a "Lessee Default") under this Master Agreement and all Leases: (a) Lessee fails to pay any Rent payment or any other amount payable to Lessor under this Master Agreement or any Schedule within 10 days after its due date; or (b) Lessee defaults on or breaches any of the other terms and conditions of any Material Agreement, and fails to cure such breach within 10 days after written notice thereof from Lessor; or (c) any representation or warranty made by Lessee in any Material Agreement proves to be incorrect in any material respect when made or reaffirmed; or (d) any change occurs in relation to Lessee's financial condition that, in Lessor's reasonable opinion, would have a material adverse effect on Lessee's ability to perform its obligations under this Master Agreement or under any Schedule or (e) Lessee becomes insolvent or fails generally to pay its debts as they become due; or (f) a proceeding under any bankruptcy, reorganization, arrangement of debt, insolvency or receivership law is filed by or against Lessee (and, if such is proceeding is involuntary, it is not dismissed within 60 days after the thereof) or Lessee takes any action to authorize any of the foregoing matters; (g) any Equipment is levied against, seized or attached; or (h) any letter of credit or guaranty issued in support of a Lease is revoked, breached, canceled or terminated (unless consented to in advance by Lessor).

23. REMEDIES. If a Lessee Default occurs, Lessor may, in its sole discretion, exercise one or more of the following remedies: (a) declare all amounts due and to become due during Lessee's current fiscal year under any or all Leases to be immediately due and payable; or (b) terminate this Master Agreement or any Lease(s); or (c) take possession of, or render unusable, any Equipment wherever the Equipment may be located, without demand or notice and without any court order or other process of law in accordance with Lessee's reasonable security procedures, and no such action shall constitute a termination of any Lease; or (d) require Lessee to deliver the Equipment to a location specified by Lessor; or (e) declare the Stipulated Loss Value for any or all Equipment to be due and payable as liquidated damages for loss of a bargain and not as a penalty and in lieu of any further Rent payments under the applicable Lease or Leases; or (f) proceed by court action to enforce performance by Lessee of any Lease and/or to recover all damages and expenses incurred by Lessor by reason of any Lessee Default; or (g) terminate any other agreement that Lessor may have with Lessee; or (h) exercise any other right or remedy available to Lessor at law or in equity. Also, Lessee shall pay Lessor (i) all costs and expenses that Lessor may incur to maintain, safeguard or preserve the Equipment, and other expenses incurred by Lessor in enforcing any of the terms, conditions or provisions of this Master Agreement (including reasonable legal fees and collection agency costs) and (ii) all costs incurred by Lessor in exercising any of its remedies hereunder (including reasonable legal fees). Upon repossession or surrender of any Equipment, Lessor will lease, sell or otherwise dispose of the Equipment in a commercially reasonable manner, with or without notice and at public or private sale, and apply the net proceeds thereof to the amounts owed to Lessor under this Master Agreement; provided, however, that Lessee will remain liable to Lessor for any deficiency that remains after any sale or lease of such Equipment. Any proceeds of any sale or lease of such Equipment in excess of the amounts owed to Lessor under this Master Agreement will be retained by Lessor. Lessee agrees that with respect to any notice of a sale required by law to be given, 10 days' notice will constitute reasonable notice. With respect to any exercise by Lessor of its right to recover and/or dispose of any Equipment or other Collateral securing Lessee's obligations under any Schedule, Lessee acknowledges and agrees as follows: (i) Lessor shall have no obligation, subject to the requirements of commercial reasonableness, to clean-up or otherwise prepare the Equipment or any other Collateral for disposition,

(ii) Lessor may comply with any applicable state or federal law requirements in connection with any disposition of the Equipment or other Collateral, and any actions taken in connection therewith shall not be deemed to have adversely affected the commercial reasonableness of any such disposition, and (iii) Lessor may convey the Equipment and any other Collateral on an "AS IS, WHERE IS" basis, and without limiting the generality of the foregoing, may specifically exclude or disclaim any and all warranties, including any warranty of title or the like with respect to the disposition of the Equipment or other Collateral, and no such conveyance or such exclusion or such disclaimer of any warranty shall be deemed to have adversely affected the commercial reasonableness of any such disposition. These remedies are cumulative of every other right or remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise, and may be enforced concurrently therewith or from time to time.

24. PERFORMANCE OF LESSEE'S OBLIGATIONS. If Lessee fails to perform any of its obligations hereunder, Lessor may perform any act or make any payment that Lessor deems reasonably necessary for the maintenance and preservation of the Equipment and Lessor's interests therein; provided, however, that the performance of any act or payment by Lessor shall not be deemed a waiver of, or release Lessee from, the obligation at issue. All sums so paid by Lessor, together with expenses (including legal fees and costs) incurred by Lessor in connection therewith, shall be paid to Lessor by Lessee immediately upon demand.

25. PURCHASE OPTIONS. Lessee may elect, by delivering to Lessor at least 30 days' prior written notice, to purchase on any Rent payment date not less than all Units of Equipment then subject to the Lease (other than items of Software that may not be sold by Lessor under the terms of any applicable License Agreement) for an amount equal to the sum of the Rent then due, all other amounts due under the Lease and the Concluding Payment for such Equipment as of the designated Rent payment date; provided no Lessee Default shall have occurred and be continuing or no event has occurred which with notice or lapse of time could constitute a Lessee Default. In the event of such an election, Lessee shall pay such amount to Lessor, in immediately available funds, on or before the designated Rent payment date. If Lessee shall have elected to purchase the Equipment, shall have so paid the purchase price and shall have fulfilled the terms and conditions of this Master Agreement and the related Schedule, then (1) the Lease with respect to such Equipment shall terminate on the designated Rent payment date and, except as provided in Section 28, Lessee shall be relieved of all of its obligations in favor of Lessor with respect to such Equipment, and (2) Lessor shall transfer all of its interest in such Equipment to Lessee "AS IS, WHERE IS," without any warranty, express or implied, from Lessor, other than the absence of any liens or claims by or through Lessor.

26. ASSIGNMENT. Lessor shall have the unqualified right to sell, assign, grant a security interest in or otherwise convey any part of its interest in this Master Agreement, any Lease or any Equipment, in whole or in part, without prior notice to or the consent of Lessee. If any Lease is sold, assigned, or otherwise conveyed, Lessee agrees that Lessor's purchaser, assignee or transferee, as the case may be ("Assignee") shall (a) have the same rights, powers and privileges that Lessor has under the applicable Lease, (b) have the right to receive from Lessee all amounts due under the applicable Lease; and (c) not be required to perform any obligations of Lessor, other than those that are expressly assumed in writing by such Assignee. Lessee agrees to execute such acknowledgements to such assignment as may be reasonably requested by Lessor or the Assignee. Lessee further agrees that, in any action brought by such Assignee against Lessee to enforce Lessor's rights hereunder, Lessee will not assert against such Assignee any set-off, defense or counterclaim that Lessee may have against Lessor or any other person. Unless otherwise specified by Lessor and the Assignee, Lessee shall continue to pay all amounts due under the applicable Lease to Lessor; provided, however, that upon notification from Lessor and the Assignee, Lessee covenants to pay all amounts due under the applicable Lease to such Assignee when due and as directed in such notice. Lessee further agrees that any Assignee may further sell, assign, grant a security interest in or otherwise convey its rights and interests under the applicable Lease with the same force and effect as the assignment described herein. Lessee may not assign, transfer, sell, sublease, pledge or otherwise dispose of this Master Agreement, any Lease, any Equipment or any interest therein. Lessee shall acknowledge each such assignment in writing if so requested and keep a complete and accurate record of all such assignments in a manner that complies with Section 149 of the Code, and regulations promulgated thereunder.

27. FURTHER ASSURANCES. Lessee agrees to promptly execute and deliver to Lessor such further documents and take such further action as Lessor may require in order to more effectively carry out the intent and purpose of this Master Agreement and any Schedule. Without limiting the generality of the foregoing, Lessee agrees (a) to furnish to Lessor from time to time, its certified financial statements, officer's certificates and appropriate resolutions, opinions of counsel and such other information and documents as Lessor may reasonably request, and (b) to execute and timely deliver to Lessor such documents that Lessor deems necessary to perfect or protect Lessor's security interest in the Collateral or to evidence Lessor's interest in the Equipment. It is also agreed that Lessor or Lessor's agent may file as a financing statement, any lease document (or copy thereof, where permitted by law) or other financing statement that Lessor deems appropriate to perfect or protect Lessor's security interest in the Collateral or to evidence Lessor's interest in the Equipment. Upon demand, Lessee will promptly reimburse Lessor for any filing or recordation fees or expenses (including legal fees and costs) incurred by Lessor in perfecting or protecting its interests in any Collateral. Lessee hereby appoints Lessor and any agent of Lessor as Lessee's attorney-in-fact, with full power of substitution in its place and stead, in its name or in the name of Lessor to from time to time in Lessor's sole discretion take any action and to execute any instrument which Lessor may deem necessary or advisable to protect Lessor's interests hereunder. Lessee acknowledges and agrees that such appointment is coupled with an interest and is irrevocable until the expiration or termination of all Leases and financings and the satisfaction by Lessee of all of its obligations hereunder. Lessee represents and warrants that Lessee's name as set forth in the signature block below is Lessee's full and accurate legal name and that the information set forth on the first page hereof regarding its organization number, tax identification number and location is true and correct as of the date hereof. Lessee further agrees to provide Lessor advance written notice of any change in the foregoing.

28. TERM OF MASTER AGREEMENT; SURVIVAL. This Master Agreement shall commence and be effective upon the execution hereof by both parties and shall continue in effect until terminated by either party by 30 days' prior written notice to the other, provided that the effective date of the termination is after all obligations of Lessee arising hereunder and pursuant to any Schedule have been fully satisfied. Notwithstanding the foregoing, all representations, warranties and covenants made by Lessee hereunder shall survive the termination of this Master Agreement and shall remain in full force and effect. All of Lessor's rights, privileges and indemnities under this Master Agreement or any Lease, to the extent they are fairly attributable to events or conditions occurring or existing on or prior to the expiration or termination of such Lease, shall survive such expiration or termination and be enforceable by Lessor and Lessor's successors and assigns.

29. NO JURY TRIAL. LESSEE AND LESSOR AGREE TO TRY ANY ACTION OR PROCEEDING INSTITUTED BY LESSOR OR LESSEE IN CONNECTION WITH THIS MASTER AGREEMENT OR ANY FUNDAMENTAL AGREEMENT TO THE COURT AND NOT BEFORE A JURY.

30. NOTICES. All notices, requests, demands, waivers and other communications required or permitted to be given under this Master Agreement or any other Fundamental Agreement shall be in writing and shall be deemed to have been received upon receipt if delivered personally or by a nationally recognized overnight courier service, or by confirmed facsimile transmission, or 3 days after deposit in the United States mail, certified, postage prepaid with return receipt requested, addressed as follows (or such other address or fax number as either party shall so notify the other):

If to Lessor:

Hewlett-Packard Financial Services Company
420 Mountain Avenue, P.O. Box 6
Murray Hill, New Jersey 07974-0006
Attn: Director of Operations North America
Fax: (908) 898-4109

If to Lessee:

The School District for Sarasota County, Florida
1960 Landings Blvd.
Sarasota, Florida 34231
Attn: Chief Financial Officer ("Authorized Lessee Representative")
Fax: 941-927-4017

31. MISCELLANEOUS

(a) **Governing Law.** THIS MASTER AGREEMENT AND EACH LEASE SHALL BE GOVERNED BY THE INTERNAL LAWS (AS OPPOSED TO CONFLICTS OF LAW PROVISIONS) OF THE STATE OF EQUIPMENT LOCATION.

(b) **Credit Review.** Lessee consents to a reasonable credit review by Lessor for each Lease.

(c) **Captions and References.** The captions contained in this Master Agreement and any Schedule are for convenience only and shall not affect the interpretation of this Master Agreement or any Lease. All references in this Master Agreement to Sections and Exhibits refer to Sections hereof and Exhibits hereto unless otherwise indicated.

(d) **Entire Agreement; Amendments.** This Master Agreement and all other Fundamental Agreements executed by both Lessor and Lessee constitute the entire agreement between Lessor and Lessee relating to the leasing of the Equipment, and supersede all prior agreements relating thereto, whether written or oral, and may not be amended or modified except in a writing signed by the parties hereto.

(e) **No Waiver.** Any failure of Lessor to require strict performance by Lessee, or any written waiver by Lessor of any provision hereof, shall not constitute consent or waiver of any other breach of the same or any other provision hereof.

(f) **Lessor Affiliates.** Lessee understands and agrees that Hewlett-Packard Financial Services Company or any affiliate or subsidiary thereof may, as lessor, execute Schedules under this Master Agreement, in which event the terms and conditions of the applicable Schedule and this Master Agreement as it relates to the lessor under such Schedule shall be binding upon and shall inure to the benefit of such entity executing such Schedule as lessor, as well as any successors or assigns of such entity.

(g) **Invalidity.** If any provision of this Master Agreement or any Schedule shall be prohibited by or invalid under law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Master Agreement or such Schedule.

(h) **Counterparts.** This Master Agreement may be executed in counterparts, which collectively shall constitute one document.

(i) **Lessor Reliance.** Lessor may act in reliance upon any instruction, instrument or signature reasonably believed by Lessor in good faith to be genuine. Lessor may assume that any employee of Lessee who executes any document or gives any written notice, request or instruction has the authority to do so.

32. DEFINITIONS. All capitalized terms used in this Master Agreement have the meanings set forth below or in the Sections of this Master Agreement referred to below:

“**Acceptance Certificate**” means an Acceptance Certificate in substantially the form of Exhibit B, executed by Lessee and delivered to Lessor in accordance with Section 3.

“**Acceptance Date**” means, as to any Lease, the date Lessee shall have accepted the Equipment subject to such Lease in accordance with Section 3.

“**Assignee**” means any assignee of all or any portion of Lessor’s interest in this Master Agreement, any Schedule or any Equipment, whether such assignee received the assignment of such interest from Lessor or a previous assignee of such interest.

“**Authorized Lessee Representative**” has the meaning specified in Section 30.

“**Casualty Loss**” means, with respect to any Equipment, the condemnation, taking, loss, destruction, theft or damage beyond repair of such Equipment.

“**Casualty Value**” means, as to any Equipment, an amount determined as of the date of the Casualty Loss or Lessee Default in question pursuant to a “Table of Casualty Values” attached to the applicable Schedule or, if no “Table of Casualty Values” is attached to the applicable Schedule, an amount equal to the present value as of the date of the Casualty Loss or Lessee Default in question (discounted at 5% per annum, compounded monthly) of all Rent payments payable after such date.

“**Claims**” means all claims, actions, suits, proceedings, costs, expenses (including, without limitation, court costs, witness fees and attorneys’ fees), damages, obligations, judgments, orders, penalties, fines, injuries, liabilities and losses, including, without limitation, actions based on Lessor’s strict liability in tort.

“**Code**” means the Internal Revenue Code of 1986, as amended.

“**Collateral**” has the meaning specified in Section 13.

“**Concluding Payments**” means the list of concluding payments on the attachment to the applicable Schedule.

“**Daily Rent**” means, as to any Lease, an amount equal to the per diem Rent payable under the applicable Schedule (calculated on the basis of a 360 day year and 30 day months).

“**Equipment**” has the meaning specified in Section 1.

“**Equipment Location**” means, as to any Equipment, the address at which such Equipment is located from time to time, as originally specified in the applicable Schedule and as subsequently specified in a notice delivered to Lessor pursuant to Section 12, if applicable.

“**Fair Market Value**” means the total price that would be paid for any specified Equipment in an arm’s length transaction between an informed and willing buyer (other than a used equipment dealer) under no compulsion to buy and an informed and willing seller under no compulsion to sell. Such total price shall not be reduced by the costs of removing such Equipment from its current location or moving it to a new location.

“**Final Invoice Amount**” has the meaning set forth in Section 2(c).

“**First Payment Date**” means, as to any Lease, the date the first Rent payment with respect to such Lease is due, as determined pursuant to the terms of the applicable Schedule.

“**Fiscal Period**” shall mean the fiscal year of Lessee, as it may be more particularly described in a Schedule.

“**Fundamental Agreements**” means, collectively, this Master Agreement, each Schedule and Acceptance Certificate and all other related instruments and documents.

“**Hardware**” means items of tangible equipment and other property.

“**Lease**” has the meaning specified in Section 2(a).

“**Lessee**” has the meaning specified in the preamble hereof.

“**Lessee Default**” has the meaning specified in Section 22.

“**Lessor**” has the meaning specified in the preamble hereof.

“**License Agreement**” means any license agreement or other document granting the purchaser the right to use Software or any technical information, confidential business information or other documentation relating to Hardware or Software, as amended, modified or supplemented by any other agreement between the licensor and Lessor.

“**Master Agreement**” has the meaning specified in the preamble hereof.

“**Material Agreements**” means, collectively, all Fundamental Agreements, all other material agreements by and between Lessor and Lessee, and any application for credit, financial statement, or financial data required to be provided by Lessee in connection with any Lease.

“**Mobile PC Equipment**” has the meaning specified in Section 12 hereof.

“**Non-Appropriation**” has the meaning specified in Section 7.

“**Optional Additions**” has the meaning specified in Section 11.

“**PC Equipment**” means, collectively, personal computers (e.g., workstations, desktops and notebooks) and related items of peripheral equipment (e.g., monitors, printers and docking stations).

“**Purchase Documents**” means, as to any Equipment, any purchase order, contract, bill of sale, License Agreement, invoice and/or other documents that Lessee has, at any time, approved, agreed to be bound by or entered into with any Supplier of such Equipment relating to the purchase, ownership, use or warranty of such Equipment.

“**Rent**” has the meaning specified in Section 4.

“**Schedule**” means, unless the context shall otherwise require a Schedule executed by Lessor and Lessee pursuant to Section 2(a).

“**Seller**” means, as to any Equipment, the seller of such Equipment as specified in the applicable Schedule.

"Software" means copies of computer software programs owned or licensed by Lessor, and any disks, CDs, or other media on which such programs are stored or written.

"State" means the state of Florida.

"Stipulated Loss Value" means, as to any Equipment, an amount equal to the sum of (a) all Rent (including the Daily Rent from the Rent payment date immediately preceding the date of the Casualty Loss or Lessee Default to the date of the Casualty Loss or Lessee Default) and other amounts due and owing with respect to such Equipment as of the date of payment of such amount, plus (b) the Casualty Value of such Equipment.

"Substitute Equipment" means, as to any item of Hardware or Software subject to a Lease, a substantially equivalent or better item of Hardware or Software having equal or greater capabilities and equal or greater Fair Market Value manufactured or licensed by the same manufacturer or licensor as such item of Hardware or Software subject to a Lease. The determination of whether any item of Equipment is substantially equivalent or better than an item of Equipment subject to a Lease shall be based on all relevant facts and circumstances, but shall minimally require, in the case of a computer, that each of processor, hard-drive, random access memory and CD ROM drive, if applicable, be equivalent or better.

"Supplier" means as to any Equipment, the Seller and the manufacturer or licensor of such Equipment collectively, or where the context requires, any of them.

"System Software" means an item of Software that is pre-loaded on an item of Hardware purchased by Lessor for lease hereunder for which the relevant Purchase Documents specify no purchase price separate from the aggregate purchase price specified for such items of Hardware and Software.

"Taxes" means all license and registration fees and all taxes (local, state and federal), fees, levies, imposts, duties, assessments, charges and withholding of any nature whatsoever, however designated (including, without limitation, any value added, transfer, sales, use, gross receipts, business, occupation, excise, personal property, real property, stamp or other taxes) other than taxes measured by Lessor's income.

"Term" means the term thereof as specified in the related Schedule.

"Total Cost" means as to any Lease, the total acquisition cost to Lessor of the Equipment subject to such Lease as set forth in the applicable Purchase Documents, including related delivery, installation, taxes and other charges which Lessor has agreed to pay and treat as a portion of such acquisition cost, if any.

"UCC" means the Uniform Commercial Code as enacted and in effect in any applicable jurisdiction.

"Unit of Equipment" means, as to the Equipment leased pursuant to any Schedule (a) each individual item of PC Equipment leased pursuant to such Schedule, and (b) all Equipment taken as a whole leased pursuant to such Schedule other than PC Equipment taken as a whole.

IN WITNESS WHEREOF, LESSEE AND LESSOR HAVE EXECUTED THIS MASTER AGREEMENT ON THE DATES SPECIFIED BELOW.

LESSEE:
SCHOOL DISTRICT OF SARASOTA COUNTY, FLORIDA

By: _____

CAROLINE ZUCKER, BOARD CHAIR

Name and Title

Dated 7/21 2009, to take effect April 30, 2009
Date

LESSOR:
HEWLETT-PACKARD FINANCIAL SERVICES COMPANY²

By: _____

Name and Title

Date

² Authorized to do business in the name of Hewlett-Packard Financial Services Company, Inc. in the states of Alabama and New York.



COUNTERPART NO. _____ OF _____. TO THE EXTENT THAT THIS SCHEDULE CONSTITUTES CHATTEL PAPER (AS DEFINED ON THE UCC), NO SECURITY INTEREST IN THIS SCHEDULE MAY BE CREATED THROUGH THE TRANSFER OR POSSESSION OF ANY COUNTERPART OTHER THAN COUNTERPART NO. 1.

STATE AND LOCAL GOVERNMENT MASTER LEASE PURCHASE AGREEMENT
SCHEDULE

Hewlett-Packard Financial Services Company1 ("Lessor") and The School District of Sarasota County, Florida, a governmental authority created by Article IX, Section 4 of the Constitution of the State of Florida ("Lessee") are parties to the State and Local Government Master Lease Purchase Agreement identified by the Master Agreement Number specified above (the "Master Agreement"). This Schedule (which shall be identified by the Schedule Number specified above) and the Master Agreement together comprise a separate Lease between the parties. The terms and conditions of the Master Agreement are hereby incorporated by reference into this Schedule. All capitalized terms used in this Schedule without definition have the meanings ascribed to them in the Master Agreement.

1. LEASE.

- A. Description of Items of Leased Equipment Total Cost
B. Initial Term: ___ Months.
C. Fixed Renewal Terms ___ of 12 Months each.

SAMPLE

2. RENT. See Attachment A. ANNUAL RATE OF INTEREST _____

3. LATEST COMMENCEMENT DATE: _____. Lessor's obligation to purchase and lease the Equipment is subject to the Acceptance Date being on or before the Latest Commencement Date.

4. EQUIPMENT LOCATION: _____

5. SELLER: _____

6. APPROPRIATIONS: Monies for all Rent and other payments due under the Lease for the Fiscal Period ending _____ are available from Lessee's appropriated funds for such Fiscal Period and that appropriations and/or other funds have been encumbered or designated for the payment of all Rent and other payments that shall become due under the Lease in such Fiscal Period.

7. NON-ASSIGNABILITY BY LESSOR: Notwithstanding any other terms or conditions set forth in the Master Agreement to the contrary, Lessor hereby agrees that it shall not and will not sell, discount, factor, hypothecate or otherwise dispose of its interest in the Equipment or this Schedule or any Lease.

8. ADDITIONAL PROVISIONS:

(a) For this Schedule only, Section 2(b) of the Master Agreement is hereby amended in its entirety to read as follows:

"(b) Acceptance: Term of Leases. Lessee shall accept the Equipment subject to a Lease in accordance with Section 3. The Term of each Lease shall begin on the Acceptance Date of the Equipment subject to such Lease. Each Lease shall have an initial term (the "Initial Term") and, if indicated on the Schedule, a fixed number of renewal terms (each a "Renewal Term") each for the number of months set forth in the Schedule, but in no event shall any one Initial Term or one Renewal Term be for a period of greater than 12 months in the event that Rents under the Lease are to funded through, in whole or in part, ad valorem tax revenues collected by Lessee. Lessee shall be deemed to have exercised its option to continue each Lease for the next Renewal Term unless Lessee terminates such Lease pursuant to Section 7.

9. FISCAL PERIOD: June 30, 20__

LESSOR AGREES TO LEASE TO LESSEE AND LESSEE AGREES TO LEASE FROM LESSOR THE EQUIPMENT DESCRIBED IN SECTION 1.A ABOVE. SUCH LEASE WILL BE GOVERNED BY THE MASTER AGREEMENT AND THIS SCHEDULE, INCLUDING THE IMPORTANT ADDITIONAL TERMS AND CONDITIONS SET FORTH ABOVE. IN THE EVENT OF ANY CONFLICT BETWEEN THE TERMS OF THIS SCHEDULE AND THE MASTER AGREEMENT, THE TERMS OF THIS SCHEDULE SHALL GOVERN. LESSEE HEREBY REPRESENTS AND WARRANTS THAT ON AND AS OF THE DATE HEREOF EACH OF THE REPRESENTATIONS AND WARRANTIES MADE BY LESSEE IN THE MASTER AGREEMENT ARE TRUE, CORRECT AND COMPLETE.

LESSEE:
SCHOOL DISTRICT OF SARASOTA COUNTY, FLORIDA

LESSOR:
HEWLETT-PACKARD FINANCIAL SERVICES COMPANY2

By: _____

By: _____

Name and Title

Name and Title

Date

Date

1 Authorized to do business in the name of Hewlett-Packard Financial Services Company, Inc. in the states of Alabama and New York.

2 Authorized to do business in the name of Hewlett-Packard Financial Services Company, Inc. in the states of Alabama and New York.

ATTACHMENT A

TO

SCHEDULE TO STATE AND LOCAL GOVERNMENT MASTER LEASE PURCHASE AGREEMENT

The first payment of Rent will be due [__ days after] [on] the Acceptance Date and all payments will be due [monthly] [quarterly] [semi-annually] [annually] thereafter.

Rent Payment No Rent Interest Principal Concluding Payments

SAMPLE

PLEASE INITIAL HERE: _____
Lessee



**STATE AND LOCAL GOVERNMENT MASTER LEASE PURCHASE AGREEMENT
ACCEPTANCE CERTIFICATE**

Hewlett-Packard Financial Services Company¹ ("Lessor") and The School District of Sarasota County, Florida, a governmental authority created by Article IX, Section 4 of the Constitution of the State of Florida ("Lessee") are parties to the State and Local Government Master Lease Purchase Agreement (the "Master Agreement") and Schedule under such Master Agreement (the "Schedule") identified by the Master Agreement Number and Schedule Number, respectively, specified above. The Master Agreement and Schedule together comprise a separate Lease, that is being accepted and commenced pursuant to this Acceptance Certificate. All capitalized terms used in this Acceptance Certificate without definition have the meanings ascribed to them in the Master Agreement.

1. LEASE ACCEPTANCE. Lessee hereby acknowledges that the Equipment described in Section 1 of the Schedule, or if different, the Equipment described in the attached invoice or other attachment hereto, has been delivered to the Equipment Location specified below, inspected by Lessee and found to be in good operating order and condition, and has been unconditionally and irrevocably accepted by Lessee under the Lease evidenced by the Master Agreement and the Schedule as of the Acceptance Date set forth below. Lessee authorizes Lessor to reduce the Rent payments on the Schedule to reflect the Final Invoice Amount set forth on the attached invoice(s) if such amount is different than the Total Cost on the Schedule.

2. LESSEE ACKNOWLEDGEMENTS. Lessee hereby agrees to faithfully perform all of its obligations under the Master Agreement and the Schedule and reaffirms, as of the date hereof, its representations and warranties as set forth in the Master Agreement. Lessee hereby acknowledges its agreement to pay Lessor Rent payments, as set forth in the Schedule, plus any applicable taxes, together with all other costs, expenses and charges whatsoever which Lessee is required to pay pursuant to the Master Agreement and the Schedule, in each instance at the times, in the manner and under the terms and conditions set forth in the Master Agreement and the Schedule, respectively.

3. EQUIPMENT LOCATION. The Equipment has been installed and is located at the following Equipment Location:

4. REPRESENTATIONS AND WARRANTIES. Lessee hereby represents and warrants that on and as of the date hereof each of the representations and warranties made by Lessee in the Master Agreement are true, correct and complete.

THE SCHOOL DISTRICT FOR SARASOTA COUNTY, FLORIDA

By: _____

Name and Title

Acceptance Date: _____

SAMPLE

¹ Authorized to do business in the name of Hewlett-Packard Financial Services Company, Inc. in the states of Alabama and New York.



hp financial services

BILLING INFORMATION REQUEST FORM – INVOICE INSTRUCTIONS

Master Agreement Number: 2642883637, Customer ID Number: 2642883637
Schedule Number(s): All Master Lease Agreement Schedules thereunder

IN ORDER FOR HEWLETT-PACKARD FINANCIAL SERVICES COMPANY TO PROPERLY BILL AND CREDIT YOUR ACCOUNT, IT IS NECESSARY THAT YOU COMPLETE THIS FORM AND RETURN IT WITH THE SIGNED DOCUMENTS.

BILL TO ADDRESS (Customer's Legal Name): School Board of Sarasota County, Florida

Dept Name: FINANCIAL SERVICES - A/P (if applicable)
Street: 1960 LANDINGS BOULEVARD
City, State & Zip: SARASOTA, FL 34231



BILLING CONTACT:

First, M.I. and Last Name: CARRIE HANNABASS
Title: TREASURER
Phone Number: (941) 927-9000
Fax Number: (941) 927-4017
Email: carrie_hannabass@sarasota.k12.fl.us



PURCHASING CONTACT:

First, M.I. and Last Name: CANDY BELLEW
Title: PURCHASING MANAGER
Phone Number: (941) 486-2183
Fax Number: (941) 486-2188
Email: candy_bellew@sarasota.k12.fl.us



Purchase Order No (s): 9020 20906680

Invoices requires PO numbers: YES NO

FEDERAL TAX ID NUMBER: 59-6000847

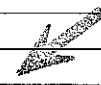
ARE YOU SALES/RENTAL TAX EXEMPT? YES (please return a copy of your Sales & Use Tax Exempt Certificate with this Form). IF NOT RETURNED, You will be assessed Taxes accordingly until provided.
 NO

EQUIPMENT LOCATION (If different from Billing Address):

1. VITIL SOLUTIONS, INC. FOR DEPLOYMENT TO SCHOOLS
2. AND DEPARTMENTS
3. _____



ADDITIONAL INFORMATION NEEDED ON INVOICE: YES (provide details below); NO



CUSTOMER SIGNATURE AND DATE: _____



Once completed, fax to 908-547-2666, Attn: Jasmine Barbour (Phone 908-898-4953)

Insurance Information Request Form

Broker / Agent Name: WILLIS HRH	
Address: 6771 PROFESSIONAL PARKWAY WEST, SUITE 101, SARASOTA, FL 34240	
Contact: DIANE BROWN	Telephone: (941) 554-3121
Email: Diane.Brown@willis.com	Fax:: (941) 544-3090

Insurance Broker / Agent:

We have entered into a State and Local Government Master Lease Purchase Agreement Number **2642883637** with Hewlett-Packard Financial Services Company for the lease/finance of computer equipment, components, accessories and related peripherals (the "Equipment").

Please insure the Equipment, issue a written endorsement naming Hewlett-Packard Financial Services Company as **Additional Insured and Loss Payee**, and state that each policy shall provide Hewlett-Packard Financial Services Company with at least thirty (30) days prior written notice of any material changes in coverage, cancellation or non-renewal. The policy should include the following endorsement:

"The insurance under this policy shall be primary insurance and the company insurer shall be liable under this policy for the full amount of the loss up to and including the total limits of liability herein without right of contribution from any other insurance effected by Hewlett-Packard Financial Services Company under any policy with any insurance company covering a loss covered under this policy."

Please provide Hewlett-Packard Financial Services Company with proof of insurance in the form of a certificate of insurance. The certificate should include proof of the following:

- Physical Damage (All Risk) in an amount not less than the replacement value of the Equipment leased or financed from Hewlett-Packard Financial Services Company under the State and Local Government Master Lease Purchase Agreement Number referenced above
- Bodily Injury and Property Damage Liability with limits of no less than \$2,000,000.00 total liability per occurrence
- Deductibles not to exceed \$25,000.00

If Hewlett-Packard Financial Services Company requests additional or updated certificates in the future, you should provide such certificates to Hewlett-Packard Financial Services Company.

Forward certificate(s) of insurance to: Hewlett-Packard Financial Services Company
420 Mountain Avenue, P.O. Box 6
Murray Hill, NJ 07974
Attn: Jasmine Barbour
Phone: 908-898-4953
PLEASE FAX COPY TO: 908-898-4167

Lessee/Insured: School Board of Sarasota County, Florida

By: _____

Print Name/Title: CAROLINE ZUCKER, BOARD CHAIR

Date: JULY 21, 2009

[Please forward a **copy** of this Insurance Information Request Form to your Broker/Agent immediately and return the **original** with the executed lease documents.]



COUNTERPART NO. _____ OF _____. TO THE EXTENT THAT THIS SCHEDULE CONSTITUTES CHATTEL PAPER (AS DEFINED ON THE UCC), NO SECURITY INTEREST IN THIS SCHEDULE MAY BE CREATED THROUGH THE TRANSFER OR POSSESSION OF ANY COUNTERPART OTHER THAN COUNTERPART NO. 1.

STATE AND LOCAL GOVERNMENT MASTER LEASE PURCHASE AGREEMENT
SCHEDULE (AD VALOREM FUNDED PAYMENTS)

Hewlett-Packard Financial Services Company¹ ("Lessor") and The School District for Sarasota County, Florida, a governmental authority created by Article IX, Section 4 of the Constitution of the State of Florida ("Lessee") are parties to the State and Local Government Master Lease Purchase Agreement identified by the Master Agreement Number specified above (the "Master Agreement"). This Schedule (which shall be identified by the Schedule Number specified above) and the Master Agreement together comprise a separate Lease between the parties. The terms and conditions of the Master Agreement are hereby incorporated by reference into this Schedule. All capitalized terms used in this Schedule without definition have the meanings ascribed to them in the Master Agreement.

1. LEASE.

- A. Description of Items of Leased Equipment Total Cost
Refer to Exhibit A attached \$9,616,710.50
- B. Initial Term: 12 Months.
- C. Fixed Renewal Terms 4 of 12 Months each.

2. RENT. See Attachment A. ANNUAL RATE OF INTEREST 2.616%

3. LATEST COMMENCEMENT DATE: APRIL 30, 2009. Lessor's obligation to purchase and lease the Equipment is subject to the Acceptance Date being on or before the Latest Commencement Date.

4. EQUIPMENT LOCATION: VITIL SOLUTIONS INC.

5. SELLER: HEWLETT-PACKARD.

6. APPROPRIATIONS: Monies for all Rent and other payments due under the Lease for the Fiscal Period ending _____ are available from Lessee's appropriated funds for such Fiscal Period and that appropriations and/or other funds have been encumbered or designated for the payment of all Rent and other payments that shall become due under the Lease in such Fiscal Period.

7. NON-ASSIGNABILITY BY LESSOR: Notwithstanding any other terms or conditions set forth in the Master Agreement to the contrary, Lessor hereby agrees that it shall not and will not sell, discount, factor, hypothecate or otherwise dispose of its interest in the Equipment or this Schedule or any Lease.

8. ADDITIONAL PROVISIONS:

(a) For this Schedule only, Section 2(b) of the Master Agreement is hereby amended in its entirety to read as follows:

"(b) Acceptance; Term of Leases. Lessee shall accept the Equipment subject to a Lease in accordance with Section 3. The Term of each Lease shall begin on the Acceptance Date of the Equipment subject to such Lease. Each Lease shall have an initial term (the "Initial Term") and, if indicated on the Schedule, a fixed number of renewal terms (each a "Renewal Term") each for the number of months set forth in the Schedule, but in no event shall any one Initial Term or one Renewal Term be for a period of greater than 12 months in the event that Rents under the Lease are to funded through, in whole or in part, ad valorem tax revenues collected by Lessee. Lessee shall be deemed to have exercised its option to continue each Lease for the next Renewal Term unless Lessee terminates such Lease pursuant to Section 7.

9. FISCAL PERIOD: June 30, 20__

LESSOR AGREES TO LEASE TO LESSEE AND LESSEE AGREES TO LEASE FROM LESSOR THE EQUIPMENT DESCRIBED IN SECTION 1.A ABOVE. SUCH LEASE WILL BE GOVERNED BY THE MASTER AGREEMENT AND THIS SCHEDULE, INCLUDING THE IMPORTANT ADDITIONAL TERMS AND CONDITIONS SET FORTH ABOVE. IN THE EVENT OF ANY CONFLICT BETWEEN THE TERMS OF THIS SCHEDULE AND THE MASTER AGREEMENT, THE TERMS OF THIS SCHEDULE SHALL GOVERN. LESSEE HEREBY REPRESENTS AND WARRANTS THAT ON AND AS OF THE DATE HEREOF EACH OF THE REPRESENTATIONS AND WARRANTIES MADE BY LESSEE IN THE MASTER AGREEMENT ARE TRUE, CORRECT AND COMPLETE.

LESSEE:
SCHOOL DISTRICT OF SARASOTA COUNTY, FLORIDA

LESSOR:
HEWLETT-PACKARD FINANCIAL SERVICES COMPANY²

By: _____

By: _____

CAROLINE ZUCKER, BOARD CHAIR

Name and Title

Name and Title

Dated 7/21/09, to take effect April 30, 2009

Date

Date

¹ Authorized to do business in the name of Hewlett-Packard Financial Services Company, Inc. in the states of Alabama and New York.

² Authorized to do business in the name of Hewlett-Packard Financial Services Company, Inc. in the states of Alabama and New York.

ATTACHMENT A

TO

SCHEDULE TO STATE AND LOCAL GOVERNMENT MASTER LEASE PURCHASE AGREEMENT

The first payment of Rent will be due on the Acceptance Date and all payments will be due monthly thereafter.
 There is a 2% premium on the Balance (Concluding Payments) only if there is an early Buyout

Rent Due Date	Rent No.	Rent	Interest	Principal	Balance	Concluding Balance
04/30/09	Loan				\$9,616,710.50	\$9,809,044.71
04/30/09	1	\$170,792.78	\$0.00	\$170,792.78	\$9,445,917.72	\$9,634,836.07
05/30/09	2	\$170,792.78	\$20,595.07	\$150,197.71	\$9,295,720.01	\$9,481,634.41
06/30/09	3	\$170,792.78	\$20,267.59	\$150,525.19	\$9,145,194.82	\$9,328,098.72
07/30/09	4	\$170,792.78	\$19,939.40	\$150,853.38	\$8,994,341.44	\$9,174,228.27
08/30/09	5	\$170,792.78	\$19,610.49	\$151,182.29	\$8,843,159.15	\$9,020,022.33
09/30/09	6	\$170,792.78	\$19,280.86	\$151,511.92	\$8,691,647.23	\$8,865,480.17
10/30/09	7	\$170,792.78	\$18,950.52	\$151,842.26	\$8,539,804.97	\$8,710,601.07
11/30/09	8	\$170,792.78	\$18,619.46	\$152,173.32	\$8,387,631.65	\$8,555,384.28
12/30/09	9	\$170,792.78	\$18,287.67	\$152,505.11	\$8,235,126.54	\$8,399,829.07
01/30/10	10	\$170,792.78	\$17,955.16	\$152,837.62	\$8,082,288.92	\$8,243,934.70
02/28/10	11	\$170,792.78	\$17,621.93	\$153,170.85	\$7,929,118.07	\$8,087,700.43
03/30/10	12	\$170,792.78	\$17,287.97	\$153,504.81	\$7,775,613.26	\$7,931,125.53
04/30/10	13	\$170,792.78	\$16,953.28	\$153,839.50	\$7,621,773.76	\$7,774,209.24
05/30/10	14	\$170,792.78	\$16,617.86	\$154,174.92	\$7,467,598.84	\$7,616,950.82
06/30/10	15	\$170,792.78	\$16,281.71	\$154,511.07	\$7,313,087.77	\$7,459,349.53
07/30/10	16	\$170,792.78	\$15,944.83	\$154,847.95	\$7,158,239.82	\$7,301,404.62
08/30/10	17	\$170,792.78	\$15,607.21	\$155,185.57	\$7,003,054.25	\$7,143,115.34
09/30/10	18	\$170,792.78	\$15,268.86	\$155,523.92	\$6,847,530.33	\$6,984,480.94
10/30/10	19	\$170,792.78	\$14,929.77	\$155,863.01	\$6,691,667.32	\$6,825,500.67
11/30/10	20	\$170,792.78	\$14,589.94	\$156,202.84	\$6,535,464.48	\$6,666,173.77
12/30/10	21	\$170,792.78	\$14,249.36	\$156,543.42	\$6,378,921.06	\$6,506,499.48
01/30/11	22	\$170,792.78	\$13,908.05	\$156,884.73	\$6,222,036.33	\$6,346,477.06
02/28/11	23	\$170,792.78	\$13,565.99	\$157,226.79	\$6,064,809.54	\$6,186,105.73
03/30/11	24	\$170,792.78	\$13,223.19	\$157,569.59	\$5,907,239.95	\$6,025,384.75
04/30/11	25	\$170,792.78	\$12,879.64	\$157,913.14	\$5,749,326.81	\$5,864,313.35
05/30/11	26	\$170,792.78	\$12,535.34	\$158,257.44	\$5,591,069.37	\$5,702,890.76
06/30/11	27	\$170,792.78	\$12,190.29	\$158,602.49	\$5,432,466.88	\$5,541,116.22
07/30/11	28	\$170,792.78	\$11,844.48	\$158,948.30	\$5,273,518.58	\$5,378,988.95
08/30/11	29	\$170,792.78	\$11,497.93	\$159,294.85	\$5,114,223.73	\$5,216,508.20
09/30/11	30	\$170,792.78	\$11,150.61	\$159,642.17	\$4,954,581.56	\$5,053,673.19
10/30/11	31	\$170,792.78	\$10,802.54	\$159,990.24	\$4,794,591.32	\$4,890,483.15
11/30/11	32	\$170,792.78	\$10,453.71	\$160,339.07	\$4,634,252.25	\$4,726,937.30
12/30/11	33	\$170,792.78	\$10,104.12	\$160,688.66	\$4,473,563.59	\$4,563,034.86
01/30/12	34	\$170,792.78	\$9,753.77	\$161,039.01	\$4,312,524.58	\$4,398,775.07
02/29/12	35	\$170,792.78	\$9,402.66	\$161,390.12	\$4,151,134.46	\$4,234,157.15
03/30/12	36	\$170,792.78	\$9,050.78	\$161,742.00	\$3,989,392.46	\$4,069,180.31
04/30/12	37	\$170,792.78	\$8,698.13	\$162,094.65	\$3,827,297.81	\$3,903,843.77
05/30/12	38	\$170,792.78	\$8,344.71	\$162,448.07	\$3,664,849.74	\$3,738,146.73
06/30/12	39	\$170,792.78	\$7,990.52	\$162,802.26	\$3,502,047.48	\$3,572,088.43
07/30/12	40	\$170,792.78	\$7,635.56	\$163,157.22	\$3,338,890.26	\$3,405,668.07
08/30/12	41	\$170,792.78	\$7,279.83	\$163,512.95	\$3,175,377.31	\$3,238,884.86
09/30/12	42	\$170,792.78	\$6,923.32	\$163,869.46	\$3,011,507.85	\$3,071,738.01

10/30/12	43	\$170,792.78	\$6,566.03	\$164,226.75	\$2,847,281.10	\$2,904,226.72
11/30/12	44	\$170,792.78	\$6,207.97	\$164,584.81	\$2,682,696.29	\$2,736,350.22
12/30/12	45	\$170,792.78	\$5,849.12	\$164,943.66	\$2,517,752.63	\$2,568,107.68
01/30/13	46	\$170,792.78	\$5,489.49	\$165,303.29	\$2,352,449.34	\$2,399,498.33
02/28/13	47	\$170,792.78	\$5,129.08	\$165,663.70	\$2,186,785.64	\$2,230,521.35
03/30/13	48	\$170,792.78	\$4,767.88	\$166,024.90	\$2,020,760.74	\$2,061,175.95
04/30/13	49	\$170,792.78	\$4,405.89	\$166,386.89	\$1,854,373.85	\$1,891,461.33
05/30/13	50	\$170,792.78	\$4,043.12	\$166,749.66	\$1,687,624.19	\$1,721,376.67
06/30/13	51	\$170,792.78	\$3,679.55	\$167,113.23	\$1,520,510.96	\$1,550,921.18
07/30/13	52	\$170,792.78	\$3,315.19	\$167,477.59	\$1,353,033.37	\$1,380,094.04
08/30/13	53	\$170,792.78	\$2,950.04	\$167,842.74	\$1,185,190.63	\$1,208,894.44
09/30/13	54	\$170,792.78	\$2,584.09	\$168,208.69	\$1,016,981.94	\$1,037,321.58
10/30/13	55	\$170,792.78	\$2,217.34	\$168,575.44	\$848,406.50	\$865,374.63
11/30/13	56	\$170,792.78	\$1,849.79	\$168,942.99	\$679,463.51	\$693,052.78
12/30/13	57	\$170,792.78	\$1,481.44	\$169,311.34	\$510,152.17	\$520,355.21
01/30/14	58	\$170,792.78	\$1,112.29	\$169,680.49	\$340,471.68	\$347,281.11
02/28/14	59	\$170,792.78	\$742.34	\$170,050.44	\$170,421.24	\$173,829.66
03/30/14	60	\$170,792.78	\$371.54	\$170,421.24	\$0.00	\$0.00
Totals		\$10,247,566.80	\$630,856.30	\$9,616,710.50		

PLEASE INITIAL HERE: _____
 Lessee

Dated 7/21/09, to take effect April 30, 2009



**STATE AND LOCAL GOVERNMENT MASTER LEASE PURCHASE AGREEMENT
ACCEPTANCE CERTIFICATE**

Hewlett-Packard Financial Services Company¹ ("Lessor") and the School District for Sarasota County, Florida, a governmental authority created by Article IX, Section 4 of the Constitution of the State of Florida ("Lessee") are parties to the State and Local Government Master Lease Purchase Agreement (the "Master Agreement") and Schedule under such Master Agreement (the "Schedule") identified by the Master Agreement Number and Schedule Number, respectively, specified above. The Master Agreement and Schedule together comprise a separate Lease, that is being accepted and commenced pursuant to this Acceptance Certificate. All capitalized terms used in this Acceptance Certificate without definition have the meanings ascribed to them in the Master Agreement.

1. LEASE ACCEPTANCE. Lessee hereby acknowledges that the Equipment described in Section 1 of the Schedule, or if different, the Equipment described in the attached invoice or other attachment hereto, has been delivered to the Equipment Location specified below, inspected by Lessee and found to be in good operating order and condition, and has been unconditionally and irrevocably accepted by Lessee under the Lease evidenced by the Master Agreement and the Schedule as of the Acceptance Date set forth below. Lessee authorizes Lessor to reduce the Rent payments on the Schedule to reflect the Final Invoice Amount set forth on the attached invoice(s) if such amount is different than the Total Cost on the Schedule.

2. LESSEE ACKNOWLEDGEMENTS. Lessee hereby agrees to faithfully perform all of its obligations under the Master Agreement and the Schedule and reaffirms, as of the date hereof, its representations and warranties as set forth in the Master Agreement. Lessee hereby acknowledges its agreement to pay Lessor Rent payments, as set forth in the Schedule, plus any applicable taxes, together with all other costs, expenses and charges whatsoever which Lessee is required to pay pursuant to the Master Agreement and the Schedule, in each instance at the times, in the manner and under the terms and conditions set forth in the Master Agreement and the Schedule, respectively.

3. EQUIPMENT LOCATION. The Equipment has been installed and is located at the following Equipment Location:

VITIL SOLUTIONS, INC.

4. REPRESENTATIONS AND WARRANTIES. Lessee hereby represents and warrants that on and as of the date hereof each of the representations and warranties made by Lessee in the Master Agreement are true, correct and complete.

SCHOOL DISTRICT OF SARASOTA COUNTY, FLORIDA

By: _____

CAROLINE ZUCKER, BOARD CHAIR

Name and Title

Acceptance Date: JULY 21, 2009

TO TAKE EFFECT APRIL 30, 2009

¹ Authorized to do business in the name of Hewlett-Packard Financial Services Company, Inc. in the states of Alabama and New York.

Information Return for Tax-Exempt Governmental Obligations

▶ Under Internal Revenue Code section 149(e)
 ▶ See separate instructions.

OMB No. 1545-0720

Caution: If the issue price is under \$100,000, use Form 8038-GC.

Part I Reporting Authority If Amended Return, check here

1 Issuer's name SCHOOL DISTRICT OF SARASOTA COUNTY, FLORIDA	2 Issuer's employer identification number 59 : 6000847
3 Number and street (or P.O. box if mail is not delivered to street address) 1960 Landings Blvd.	Room/suite 4 Report number 3 02
5 City, town, or post office, state, and ZIP code Sarasota, Florida 34231	6 Date of issue
7 Name of issue Installment Lease Purchase	8 CUSIP number N/A
9 Name and title of officer or legal representative whom the IRS may call for more information Mitsi Corcoran	10 Telephone number of officer or legal representative (941) 927-900 ext 31300

Part II Type of Issue (check applicable box(es) and enter the issue price) See instructions and attach schedule

11 <input checked="" type="checkbox"/> Education	11	\$9,616,710.50
12 <input type="checkbox"/> Health and hospital	12	
13 <input type="checkbox"/> Transportation	13	
14 <input type="checkbox"/> Public safety	14	
15 <input type="checkbox"/> Environment (including sewage bonds)	15	
16 <input type="checkbox"/> Housing	16	
17 <input type="checkbox"/> Utilities	17	
18 <input type="checkbox"/> Other. Describe ▶	18	
19 If obligations are TANs or RANs, check box <input type="checkbox"/> If obligations are BANs, check box <input type="checkbox"/>		
20 If obligations are in the form of a lease or installment sale, check box <input type="checkbox"/>		

Part III Description of Obligations. Complete for the entire issue for which this form is being filed.

(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21 April 29, 2014	\$ 9,616,710.50	\$ 9,616,710.50	5 years	2.616 %

Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)

22 Proceeds used for accrued interest	22	
23 Issue price of entire issue (enter amount from line 21, column (b))	23	
24 Proceeds used for bond issuance costs (including underwriters' discount)	24	
25 Proceeds used for credit enhancement	25	
26 Proceeds allocated to reasonably required reserve or replacement fund	26	
27 Proceeds used to currently refund prior issues	27	
28 Proceeds used to advance refund prior issues	28	
29 Total (add lines 24 through 28)	29	
30 Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	30	

Part V Description of Refunded Bonds (Complete this part only for refunding bonds.)

31 Enter the remaining weighted average maturity of the bonds to be currently refunded		years
32 Enter the remaining weighted average maturity of the bonds to be advance refunded		years
33 Enter the last date on which the refunded bonds will be called		
34 Enter the date(s) the refunded bonds were issued		

Part VI Miscellaneous

35 Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)	35	0.00
36a Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (see instructions)	36a	0.00
b Enter the final maturity date of the guaranteed investment contract ▶		
37 Pooled financings: a Proceeds of this issue that are to be used to make loans to other governmental units	37a	0.00
b If this issue is a loan made from the proceeds of another tax-exempt issue, check box <input type="checkbox"/> and enter the name of the issuer ▶ and the date of the issue ▶		
38 If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box <input type="checkbox"/>		
39 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box <input type="checkbox"/>		
40 If the issuer has identified a hedge, check box <input type="checkbox"/>		

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete.

Sign Here

←

Signature of issuer's authorized representative	Date	Caroline Zucker, Chair
		Type or print name and title



OPINION OF LEGAL COUNSEL
[This form is not to be executed but is
to be retyped on the letterhead of Legal Counsel.]

To: Hewlett-Packard Financial Services Company
420 Mountain Ave., P.O. Box 6
Murray Hill, NJ 07974-0006

Re: State and Local Government Master Lease Purchase Agreement
Lease No. 2642883637; Schedule No. 264288363700001 (the "Lease")



Ladies and Gentlemen:

I am Legal Counsel for School Board of Sarasota for Sarasota County, Florida ("Lessee"), and I am familiar with the above-referenced Lease by and between Hewlett-Packard Financial Services Company, as Lessor, and Lessee. Capitalized terms which are not defined herein shall have the meanings given these terms in the Lease.

Based on my examination of the Lease and such other documents, records and papers as I deemed to be relevant and necessary as the basis for my opinion set forth below, it is my opinion that:

1. Lessee is a fully constituted political subdivision or agency or department of the State of Florida.
2. The Lessee has the power and authority to enter into each of the Fundamental Agreements.
3. Each of the Fundamental Agreements constitutes a legal, valid and binding obligation of Lessee enforceable in accordance with its terms and does not violate or create a default under any instrument or agreement binding on Lessee.
4. There are no pending or threatened actions or proceedings before any court or administrative agency that could have a material adverse effect on Lessee or any Fundamental Agreement.
5. The entering into and performance of the Lease is not contrary to and does not violate any judgment, order, law or regulation or constitute a default by Lessee under any other agreement or instrument.
6. Each Fundamental Agreement is effective against all creditors of Lessee under applicable law.
7. The Equipment is personal property and will not become a fixture.
8. With respect to the Lease, Lessee has fully complied with all applicable law governing open meetings, public bidding and appropriations required in connection with the Lease and the acquisition of the Equipment.

Very truly yours,

By: _____ 
Title: _____
Date: _____ 



**ADDENDUM TO STATE AND LOCAL GOVERNMENT
MASTER LEASE PURCHASE AGREEMENT (FLORIDA)**

CUSTOMER INFORMATION	Lessee Name	Annual Rate of Interest <u>2.616%</u>
	The School District for Sarasota County, Florida Billing Street Address/City/County/State/Zip 1960 Landings Blvd., Sarasota, Florida 34231	

Lessor and Lessee hereby enter into this Addendum to supplement the provisions of the State and Local Government Master Lease Purchase Agreement identified by the Master Agreement Number specified above (the "Master Agreement"). Capitalized terms used in this Addendum that are not defined will have the meanings specified in the Master Agreement. If there is any conflict between the terms of the Master Agreement and/or any Lease and this Addendum, the terms of this Addendum will control and prevail.

1. OWNERSHIP AND TITLE. Lessor will hold title to the Equipment. If (a) Lessee has not terminated a Lease in accordance with the nonappropriation provisions of the Master Agreement and (b) no Lessee Default exists, then upon Lessee's payment to Lessor of all Rent payments and other amounts due under the Master Agreement, at the end of the Term, Lessee will be entitled to Lessor's interest in the Equipment "AS IS, WHERE IS," without any warranty or representation from Lessor, express or implied, other than the absence of any liens by, through or under Lessor.

2. FUNDING INTENT. Lessee reasonably believes that funds can be obtained sufficient to make all Rent payments and other payments during the Term. Lessee affirms that funds to pay Rent payments and other payments under the Lease are available for Lessee's current Fiscal Period. Subject to Lessee's right of nonappropriation, Lessee agrees that Lessee's chief executive or administrative officer (or Lessee's administrative officer that has the responsibility of preparing the budget submitted to Lessee's governing body, as applicable) will provide for funding for such payments in Lessee's annual budget request submitted to Lessee's governing body. If Lessee's governing body chooses not to appropriate funds for such payments, Lessee agrees that Lessee's governing body will evidence such nonappropriation by omitting funds for such payments due during the applicable Fiscal Period from the budget that it adopts. Lessee and Lessor agree that Lessee's obligation to make Rent payments will be Lessee's current expense and will not be interpreted to be a debt in violation of applicable law or constitutional limitations or requirements. If a Lessee Default occurs, any judgment obtained against Lessee will be enforceable solely against revenues allocated by Lessee's governing body for such purpose. Nothing contained in the Master Agreement will be interpreted as a pledge of Lessee's general tax revenues, funds or moneys. Regardless of any other provisions of the Master Agreement, no ad valorem taxes are pledged to the payment of any amount due under the Master Agreement or any Lease.

LESSEE: SCHOOL DISTRICT FOR SARASOTA COUNTY, FLORIDA

LESSOR: HEWLETT-PACKARD FINANCIAL SERVICES COMPANY

By: x _____
Authorized Signature

By: x _____
Authorized Signature

CAROLINE ZUCKER, BOARD CHAIR
Type/Print Name & Title

_____ Type/Print Name & Title

JULY 21, 2009
Date TO TAKE EFFECT APRIL 30, 2009

_____ Date