

MUNICIPAL TRUE LEASE MASTER AGREEMENT NO. «CNO»

This Municipal True Lease Master Agreement dated and effective as of «CNODATE» between ePlus Group, inc., a Virginia corporation with its principal office at 13595 Dulles Technology Drive, Herndon, Virginia 20171 (the "Lessor") and «LESSEE» with its principal office at «LESSEEADDRESS» (the "Lessee").

IN WITNESS WHEREOF, Lessor and Lessee have caused this Master Lease Agreement to be executed by their duly authorized representatives.

LESSOR: ePlus Group, inc.

LESSEE: «LESSEE»

BY: _____

BY: _____

NAME: _____

NAME: _____

TITLE: _____

TITLE: _____

DATE: _____

DATE: _____

TERMS AND CONDITIONS

1. Definitions.

Asset(s). All of the personal property, including hardware, software or licensed products, services, and/or maintenance listed on any Schedule. When Asset(s) refers to software licensed to Lessee it shall be understood that said software shall continue to be owned by licensor as set forth in the applicable software license agreement.

Commencement Date. The date(s) Lessee's obligation to pay Rent begins, which will be the delivery date for each Asset.

Initial Schedule Term. The period initially agreed to constitute the lease period as set forth in the Schedule.

Schedule Term. For each Schedule shall include the Initial Schedule Term and any Renewal Schedule Terms.

Renewal Schedule Term. Any period subsequent to the Initial Schedule Term.

Rent. The payment by Lessee to Lessor of money for the lease of the Asset(s) covered by the Schedule.

Schedule. The document specifying the Asset(s), Rent payments, casualty values, Lessor's costs and other information.

2. Schedules. Lessor agrees to lease to Lessee, and Lessee agrees to lease from Lessor, subject to the terms and conditions of this Master Lease Agreement, the Asset(s) described in each Schedule. Each Schedule constitutes a separately assignable agreement between the parties and incorporates in full the terms and conditions of this Master Lease Agreement.

3. Term of Master Lease Agreement and Schedules.

- (a) The term of this Master Lease Agreement commences on the execution date hereof and continues until (i) the obligations of Lessee under every Schedule are fully discharged and (ii) either party provides thirty (30) days prior written notice of termination.
- (b) The Initial Schedule Term for each Schedule shall be as set forth thereon. Until either party provides the other with prior written notice of termination, Renewal Schedule Terms of each Schedule shall extend automatically, at the Rent last in effect, for successive three-month terms beyond the expiration of the Initial Schedule Term. All such terminations are effective only (i) following written notice received not less than ninety (90) days, but no more than one hundred and eighty (180) days, prior to the end of the Schedule Term, (ii) on the last day of the Initial Schedule Term or Renewal Schedule Term then in effect and (iii) with respect to not less than all Asset(s) under a Schedule. Notice of termination by Lessee may not be revoked without Lessor's consent.

4. Rent; Non-Abatement; Late Payments.

- (a) As Rent for the Asset(s), Lessee shall pay Lessor the amounts on the due dates set forth in the Schedule.
- (b) Each Schedule is a net lease and except as specifically provided herein, Lessee shall be responsible for all costs and expenses arising in connection with the Schedule or Asset(s). Lessee acknowledges and agrees, except as expressly provided in Section 18 hereof, that its obligation to pay Rent and other sums payable hereunder, and the rights of Lessor and Lessor's assigns, shall be absolute and unconditional in all events, and shall not be subject to any abatement, reduction set-off, defense, counterclaim or recoupment due or alleged to be due by reason of any past, present or future claims Lessee may have against Lessor, Lessor's

assigns, the manufacturer, vendor, or maintainer of the Asset(s), or any person for any reason whatsoever. Notwithstanding the foregoing, Lessee's obligations for years following the initial fiscal year under each Schedule shall be subject to the legislature's appropriation of funds and Lessee having sufficient funds from appropriations or other sources to pay the Rents, provided that Lessee agrees to use its best efforts to obtain such funds and agrees that Lessee's possession of sufficient funds will be established if Lessee fails to pay all of the Rent under any Schedule and, instead, uses funds to fulfill the purposes for which the Assets under the Schedule were obtained by other means.

- (c) On all amounts not paid by Lessee when due, late charges shall accrue at the rate of eighteen percent (18%) per annum (or the maximum rate allowable by law, if less) from the due dates thereof until received by Lessor. Late charges and attorney's fees necessary to recover Rent and other amounts owed hereunder are considered an integral part of this Master Lease Agreement.

5. Selection; Inspection; Acceptance.

- (a) The Asset(s) are of a size, design, capacity and manufacture selected by Lessee in its sole judgment and not in reliance on the advice or representations of Lessor. Neither the manufacturer or vendor is an agent of Lessor. No representation by the manufacturer or vendor shall in any way affect Lessee's duty to pay Rent and perform its other obligations hereunder.
- (b) Promptly upon delivery, Lessee will inspect the Asset(s), and, not later than 5 business days following the Commencement Date, Lessee will execute and deliver either (i) an Acceptance Certificate in the form of Exhibit A hereto for the Asset(s), or (ii) written notification of any defects in the Asset(s). If Lessee has not given notice within such time period, the Asset(s) shall be conclusively deemed accepted.

6. Warranties: Assignment, Quiet Enjoyment and Disclaimer; Indemnity.

- (a) Each Schedule is a "finance lease" as defined by the Uniform Commercial Code and Lessor hereby assigns to Lessee all assignable warranties made with regard to the Asset(s).
- (b) Lessor warrants that, provided Lessee is not in default, Lessor will not interfere with Lessee's quiet use and enjoyment of the Asset(s).
- (c) EXCEPT FOR THE PROVISIONS OF 6(b) ABOVE, WITH REGARD TO THE ASSET(S), LESSOR MAKES NO EXPRESS OR IMPLIED WARRANTIES OF ANY KIND, INCLUDING WITHOUT LIMITATION: THOSE OF MERCHANTABILITY OR FITNESS FOR PURPOSE OR USE, OF CONDITION, PERFORMANCE, SUITABILITY OR DESIGN, OR CONFORMITY TO ANY LAW, RULE, REGULATION, AGREEMENT OR SPECIFICATION, OR OF INFRINGEMENT OF ANY PATENT, TRADE SECRET, TRADEMARK, COPYRIGHT OR OTHER INTANGIBLE PROPERTY RIGHT. Lessor shall have no liability to Lessee, nor any other party, nor shall Lessee abate payments, for any loss, claim or damage of any nature caused or alleged to be caused directly, indirectly, incidentally or consequentially by the Asset(s), any inadequacy thereof, deficiency or defect therein (whether known or knowable by Lessor), by any incident whatsoever arising in connection therewith, whether in strict liability or otherwise, or in any way related to or arising out of this Master Lease Agreement or any Schedule.
- (d) Except as may directly result from Lessor's gross negligence or willful misconduct, Lessee hereby indemnifies Lessor and its Assignee(s) against, and holds them harmless from, any and all claims, including court costs and attorney's fees, arising out of this Master Lease Agreement, any Schedule, or the Asset(s), including without limitation: the manufacture, selection, purchase, license, delivery, possession, use, operation, control, maintenance, infringement of any patent, trade secret, trademark, copyright or other intangible property right, or personal injury or death, arising in strict liability, breach of warranty or negligence. Lessee's obligations hereunder shall survive the expiration of the Master Lease Agreement and the Schedule(s).

7. Installation; Use; Repair and Maintenance.

- (a) Lessee shall provide a place of installation which conforms to the requirements of the manufacturer.
- (b) Subject to the terms hereof, Lessee shall be entitled to unlimited use of the Asset(s) except that in the case of software, the Asset(s) are subject to the parties rights under the applicable software license agreement. Lessee shall not use or permit the use of the Asset(s) for any purpose which, according to the specifications of the manufacturer, the Asset(s) are not designed or reasonably suited. Lessee shall use the Asset(s) in a careful and proper manner and shall comply with all of the manufacturer's instructions, governmental rules, regulations, requirements and laws, and all insurance requirements, if any, with regard to the use, operation or maintenance of the Asset(s).
- (c) Lessee shall be solely responsible for the delivery, installation, maintenance and repair of the Asset(s). During the Schedule Term, Lessee shall (i) keep the Asset(s) in good repair, condition and working order; (ii) maintain in force a maintenance contract with the manufacturer or with another qualified service organization; and (iii) permit access to the Asset(s) for installation of engineering changes required to maintain the Asset(s) at the manufacturer's current engineering levels.

8. Ownership; Inspection, Relocation, Personal Property.

- (a) The Asset(s) shall at all times be and remain the sole and exclusive property of Lessor, subject to the parties rights under any applicable software license agreement. Lessee shall have no right, title or interest in the Asset(s). Lessee agrees to execute or allow Lessor to execute on Lessee's behalf Uniform Commercial Code financing statements evidencing the interests of Lessor or

its assigns in any Schedule, any amounts due thereunder, or the Asset(s). Lessee agrees that the Lessor is authorized, at its option, to file financing statements or amendments thereto without the signature of Lessee with respect to any or all of the Asset(s).

- (b) Lessor, its assigns or their agents shall be permitted free access at reasonable times to inspect the Asset(s).
- (c) Lessee shall at all times keep the Asset(s) within its exclusive possession and control. Upon Lessor's prior written consent, which shall not be unreasonably withheld, Lessee may move the Asset(s) to another location of Lessee within the continental United States, provided (i) Lessee is not in default on any Schedule, (ii) Lessee executes and causes to be filed at its expense such instruments as are necessary to preserve and perfect the interests of Lessor and its assigns in the Asset(s), (iii) Lessee pays all costs of, and provides adequate insurance during such movement and (iv) Lessee pays all costs otherwise associated with such relocation.
- (d) Lessee agrees that the Asset(s) shall be and remain personal property and shall not be so affixed to realty as to become a fixture or otherwise to lose its identity as the separate property of Lessor. Upon request, Lessee will enter into all agreements necessary to ensure that the Asset(s) remain the personal property of Lessor. It is the intent of all parties to this Agreement that the Assets will not become fixtures at any time prior to all obligations of the Lessee being completed.

9. Liens; Taxes.

- (a) Lessee shall at its expense keep the Asset(s) free and clear of all levies, liens, and encumbrances, except those in favor of Lessor or its assigns;
- (b) Throughout the Schedule Term, Lessee shall declare and pay all license fees, registration fees, assessments, charges and taxes related to the Asset(s), excluding however, any taxes based or measured solely on Lessor's net income. Lessee may in good faith and by appropriate proceedings contest any such taxes so long as such proceedings do not involve any danger of sale, forfeiture or loss of the Asset(s) or any interest therein. In such event, Lessee agrees to indemnify Lessor and hold it harmless from any damages, claims or charges which may result from Lessee's commencement of such proceedings. Lessee is hereby appointed attorney-in-fact of Lessor solely to declare, file and pay all of the aforementioned amounts when due and owing for any period assessed while Lessee is in possession of the Asset(s).

10. Risk of Loss.

- (a) Commencing upon delivery and continuing throughout the Schedule Term, Lessee shall bear the entire risk of loss with respect to any Asset damage, destruction, loss, theft, or governmental taking, whether partial or complete, for any reason. No event of loss shall relieve Lessee of its obligation to pay Rent under any Schedule.
- (b) If any Asset is damaged, Lessee shall promptly notify Lessor and, at Lessee's expense, within 60 days of such damage, cause to be made such repairs as are necessary to return such item to its previous condition.
- (c) In the event any Asset is destroyed, damaged beyond repair, lost, stolen, or taken by governmental action for a stated period extending beyond the term of any Schedule (an "Event of Loss"), Lessee shall promptly notify Lessor and pay to Lessor, on the next Rent payment date following such Event of Loss, an amount equal to the Casualty Value for the Asset suffering the Event of Loss then in effect as set forth on the Schedule. After payment of such Casualty Value and all Rent and other amounts due and owing on and before such Rent payment date, Lessee's obligation to pay further Rent allocable to the Asset which suffered the Event of Loss shall cease. After receipt of such Casualty Value by Lessor or its assigns, Lessee shall be entitled to receive any insurance or other recovery received by Lessor or its assigns in connection with such Event of Loss, and the Asset(s) for which such Casualty Value was received shall be conveyed to Lessee AS IS, WHERE IS and free and clear of all liens and encumbrances created by or arising through Lessor, but otherwise WITHOUT FURTHER WARRANTY (EXPRESS OR IMPLIED) WHATSOEVER, INCLUDING WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY OR FITNESS FOR PURPOSE OR USE.
- (d) In the event of a governmental taking of an Asset for an indefinite period or for a stated period which does not extend beyond the Schedule Term, all obligations of the Lessee with respect to such Asset (including payment of Rent) shall continue. So long as Lessee is not in default hereunder, Lessor shall pay to Lessee all sums received by Lessor from the government by reason of such taking.

- 11. Insurance.** Lessee, at its expense, shall maintain all risks, including fire and extended coverage, insurance against loss, theft, damage, or destruction of the Asset(s), in an amount not less than the Casualty Value of the Asset(s). This coverage shall have standard commercial terms and conditions and may not contain endorsements excluding coverage for mysterious or mere disappearance, seizure or other governmental acts or dishonesty of Lessee's officers or employees or restrict recovery for the kinds of Asset(s) covered by the Lease. Lessee shall further, at its expense, provide and maintain comprehensive public liability insurance in an amount of \$1,000,000 per occurrence against claims for bodily injury, death and/or property damage arising out of the use, ownership, possession, operation or condition of the Asset(s), together with such other insurance as may be required by law. Both coverages shall name Lessee as an insured and Lessor and its lender or assignee(s) as lender loss payee (and Lessee shall promptly provide Lessor with adequate documentation to confirm that such coverage has been secured) as their respective interest may appear, shall be satisfactory to Lessor, and shall contain a clause requiring the Insurer to give Lessor at least one month prior written notice of the cancellation or any alteration

in the terms of such policy. Each policy of property damage insurance shall name Lessor and its assignee(s) as loss payees. No insurance shall be subject to any co-insurance clause. Each insurance policy shall be with an insurance carrier licensed to provide the insurance required herein in the State where the Asset(s) are located. Lessor is hereby appointed as Lessee's attorney-in-fact to make proof of loss and claim for insurance, to make adjustments with insurers, and to receive payment of and execute or endorse all documents, checks, and drafts in connection with payments made with respect to the Asset(s) as a result of such insurance policies. Lessee will not make adjustments with insurers except with Lessor's prior written consent, which consent shall not be unreasonably withheld. Lessee shall furnish to Lessor certificates of insurance or other evidence satisfactory to Lessor that such insurance coverage is in effect and that Lessor and its assignees are named as additional insureds, and, upon Lessor's request, Lessee shall promptly provide Lessor with a copy of the insurance policy. Lessee's liability for loss under Section 10 shall not be diminished by any insurance payment less than the actual amount of the loss.

12. Surrender of Asset(s).

- (a) On the last day of the Schedule Term, Lessee shall return the Asset(s) to Lessor in good repair, condition and working order, ordinary wear and tear alone excepted, at the location specified by Lessor. Lessee shall arrange and pay for deinstallation and packing in accordance with the manufacturer's specifications and for insured transportation, such insurance coverage to be not less than the Asset(s) Casualty Value last in effect. Lessee shall, at its expense, cause each Asset to be repaired as necessary to qualify for maintenance by the manufacturer and to contain all current manufacturer prescribed engineering changes. Upon request, Lessee shall provide Lessor, within ten (10) days of the Asset(s) deinstallation, written certification by the manufacturer that each Asset qualifies for such maintenance.
- (b) If, on the last day of the Schedule Term Lessee shall fail to return to Lessor any Asset listed on the Schedule, Lessee shall be treated as a holdover tenant for all of the Asset(s) listed on the Schedule for a Renewal Schedule Term of one year and shall continue to pay Rent in the amount set forth in the Schedule for all Asset(s). This provision shall continue for periods beyond the first such renewal year. In no event may Lessee avoid the effect of this provision by returning less than all Asset(s) listed on any Schedule or by returning substitute assets unless Lessor, in its sole discretion, shall expressly agree in writing.
- (c) This Section shall not derogate from Lessor's right, to be exercised in its sole discretion, to obtain return of all Asset(s) on the last day of any Schedule Term, or to declare an Event of Default for any failure of Lessee to so return the Asset(s).

13. Representations and Warranties of Lessee. Lessee represents and warrants for the benefit of Lessor and its assigns, and if requested by Lessor will provide an opinion of counsel to the effect that, as of the time of execution of the Master Lease Agreement and each Schedule:

- (a) Lessee is an entity organized and existing under and by virtue of the authorizing statute or constitutional provisions of its state;
- (b) The Master Lease Agreement and each Schedule have been duly authorized, executed and delivered by Lessee and constitute valid, legal and binding agreements of Lessee, enforceable in accordance with their terms. Lessee specifically warrants that all necessary authorizations for this lease have been obtained and the officer signing on Lessee's behalf is fully empowered to do so, and Lessee agrees to indemnify Lessor from any losses Lessor may suffer as a result of any defect in authorization or authority and agrees that this indemnity will survive any adverse determination on the validity of this Master Lease Agreement or any Schedule thereto.;
- (c) No approval, consent or withholding of objection is required from any federal or other governmental authority or instrumentality with respect to the entering into or performance by Lessee of this Master Lease Agreement or any Schedule;
- (d) The entering into and performance of the Master Lease Agreement or any Schedule will not violate any judgment, order, law or regulation applicable to Lessee or result in any breach of, or constitute a default under, or result in the creation of any lien, charge, security interest or other encumbrance upon assets of the Lessee or on the Asset(s) pursuant to any instrument to which the Lessee is a party or by which it or its assets may be bound;
- (e) To the best of Lessee's knowledge and belief, there are no suits or proceedings pending or threatened against or affecting Lessee, which if determined adversely to Lessee will have a material adverse effect on the ability of Lessee to fulfill its obligations under the Master Lease Agreement or any Schedule; and,
- (f) The use of the Asset(s) is essential to Lessee's proper, efficient and economic operation, and Lessee will sign and provide to Lessor upon execution of each Schedule hereto written certification to that effect.
- (g) Lessee warrants that no provision of state constitution, law or local regulation requires it to limit its obligations under Section 4(b) to appropriated funds and that it's reasonably anticipated revenues are sufficient to meet Lessee's obligations under this Master Lease Agreement and each Schedule thereto.

14. Default and Remedies.

- (a) The occurrence of any of the following events shall constitute an event of default ("Event of Default"): (i) nonpayment by Lessee of Rent or any other sum payable by its due date; (ii) failure by Lessee to perform or observe any other term, covenant or condition of this Master Lease Agreement, any Schedule, or any applicable software license agreement, which is not cured within ten (10) days after notice thereof from Lessor; (iii) insolvency by Lessee; (iv) Lessee's filing of any proceedings commencing bankruptcy or the filing of any involuntary petition against Lessee or the appointment of any receiver not dismissed within sixty (60) days from the

date of said filing or appointment; (v) subjection of a substantial part of Lessee's property or any part of the Asset(s) to any levy, seizure, assignment or sale for or by any creditor or governmental agency; (vi) any representation or warranty made by Lessee in this Master Lease Agreement, any Schedule or in any document furnished by Lessee to Lessor in connection therewith or with the acquisition or use of the Asset(s) shall be untrue in any material respect; or (vii) a termination of any applicable software license agreement.

- (b) Upon the occurrence of an Event of Default and at any time thereafter Lessor may, in its sole discretion, do any one or more of the following with regard to any or all Schedules: (i) By notice to Lessee, terminate a Schedule or Schedules; (ii) Proceed by appropriate court action to enforce the performance of the terms of the Schedule and/or recover damages, including all of Lessor's economic loss for the breach thereof; (iii) Whether or not the Schedule is terminated, upon notice to Lessee, take possession of the Asset(s) wherever located, without demand, liability, court order or other process of law, and for such purposes Lessee hereby authorizes Lessor, its assigns or the agents of either to enter upon the premises where such Asset(s) are located or cause Lessee, and Lessee hereby agrees, to return such Asset(s) to Lessor in accordance with the requirements of Section 12 hereof; (iv) By notice to Lessee, and to the extent permitted by law, declare immediately due and payable and recover from Lessee, as liquidated damages and not as a penalty, the sum of (a) the Casualty Value set forth on the Schedule as of the date of default, or if Casualty Values are not shown on such Schedule, all Rent due during the remainder of the Schedule Term; (b) all Rent and other amounts due and payable on or before the date of default; and (c) costs, fees (including all attorney's fees and court costs), expenses and (d) interest on (a) and (b) from the date of default at 1 1/2% per month or portion thereof (or the highest rate allowable by law, if less) and, on (c) from the date Lessor incurs such fees, costs or expenses. Lessee hereby expressly waives any governmental or sovereign immunity which it may have to Lessor asserting any of the rights or remedies provided herein for Lessee's default. This waiver shall be severable from any other provisions in the Master Lease Agreement or Schedule, so that it shall survive regardless of any determination regarding any other portion of the Master Lease Agreement or Schedule. Lessee warrants that it has taken all necessary steps to authorize this waiver and is authorized to provide it as an inducement to Lessor to provide Lessee with the Assets covered by this Master Lease Agreement.
- (c) Upon return or repossession of the Asset(s), Lessor shall use reasonable efforts to sell, re-lease or otherwise dispose of such Asset(s), in such manner and upon such terms as Lessor may determine in its sole discretion (the amount, if any, which Lessor certifies it obtained through remarketing shall be conclusively presumed to be the Asset(s) fair market value), with or without notice to Lessee, which Lessee hereby waives. In the event Lessor is unable, pursuant to the terms of any applicable software license agreement or otherwise, to relicense any software included in the Asset(s), Lessee waives any rights now or hereafter conferred by statute or otherwise which may require Lessor to sell, license or otherwise use any software in mitigation of Lessor's damages or which may otherwise limit or modify any of Lessor's rights or remedies. Upon disposition of the Asset(s), Lessor shall credit the Net Proceeds (as defined below) to the damages paid or payable by Lessee. Proceeds upon sale of the Asset(s) shall be the sale price paid to Lessor less the Casualty Value in effect as of the date of default. Proceeds upon a re-lease of the Asset(s) shall be all rents to be received for a term not to exceed the remaining Schedule Term, discounted to present value as of the commencement date of the re-lease at the Lessor's current applicable debt rate. "Net Proceeds" shall be the proceeds of sale or re-lease as determined above, less all costs and expenses incurred by Lessor in the recovery, storage and repair of the Asset(s), in the remarketing or disposition thereof, or otherwise as a result of Lessee's default, including any court costs and attorney's fees and interest on the foregoing at eighteen percent (18%) per annum or the highest rate allowable by law, if less, calculated from the dates such costs and expenses were incurred until received by Lessor. Lessee shall remain liable for the amount by which all sums, including liquidated damages, due from Lessee exceed the Net Proceeds. Net Proceeds in excess thereof are the property of and shall be retained by Lessor.
- (d) No termination, repossession or other act by Lessor in the exercise of its rights and remedies upon an Event of Default shall relieve Lessee from any of its obligations hereunder. No remedy referred to in this Section is intended to be exclusive, but each shall be cumulative and in addition to any other remedy referred to above or otherwise available to Lessor at law or in equity.

15. Effect of Waiver; Substitute Performance by Lessor.

- (a) No delay or omission to exercise any right or remedy accruing to Lessor upon any breach or default of Lessee shall impair any such right or remedy or be construed to be a waiver of any such breach or default, nor shall any waiver of any single breach or default be construed to waive or impair Lessor's rights and remedies with respect to any breach or default theretofor or thereafter occurring. Any waiver, permit, consent or approval on the part of Lessor of any breach or default under this Schedule, or of any provision or condition hereof, must be in writing and shall be effective only to the extent such writing specifically sets forth.
- (b) Should Lessee fail to make any payment or do any act as herein provided, Lessor shall have the right, but not the obligation, and without releasing Lessee from any obligation hereunder, to make or do the same. All sums so incurred or expended by Lessor shall be immediately due and payable by Lessee and shall bear interest at eighteen percent (18%) per annum or the highest rate allowable by law, if less, calculated from the date incurred until received by Lessor.

16. Assignment by Lessor; Assignment or Sublease by Lessee.

- (a) Lessor may (i) assign all or a portion of Lessor's right, title and interest in this Master Lease Agreement and/or any Schedule; (ii) grant a security interest in the right, title and interest of Lessor in the Master Lease Agreement, any Schedule and/or any Asset(s); and/or (iii) sell or transfer its title and interest as owner of the Asset(s) and/or as Lessor under any Schedule; and Lessee further understands and agrees that Lessor's assigns may each do the same (hereunder collectively "Assignment"). All such Assignments shall be subject to Lessee's rights under the assigned Schedule. Lessee hereby consents to such Assignments, agrees to comply fully with the terms thereof, and agrees to execute and deliver promptly such acknowledgments, opinions of counsel and other instruments reasonably requested to effect such Assignment. Lessee acknowledges that the assigns do not assume Lessor's obligations hereunder and agrees to make all payments owed to the assigns without abatement and not to assert against the assigns any claim, defense, setoff or counterclaim which the Lessee may possess against the Lessor or any other party for any reason. Lessor and Lessee acknowledge and agree that no Assignment shall be deemed to materially change Lessee's duties or obligations. Upon any such Assignment, all references to Lessor shall also include all such assigns, whether specific reference thereto is otherwise made herein.
- (b) Without the prior written consent of Lessor, Lessee shall not assign, sublease, transfer, pledge or hypothecate the Master Lease Agreement, any Schedule, the Asset(s), any part thereof, or any interest in the foregoing.

17. Delivery of Related Documents. For each Schedule, Lessee will provide the following documents and information satisfactory to Lessor: (a) Certificate of Acceptance; (b) Opinion of Counsel; (c) Certificate of insurance; (d) Financial Statements; (e) Incumbency Certificate; and (f) other documents as reasonably required by Lessor.

18. Appropriation of Funds Lessee intends to continue each Schedule for the Schedule Term and to pay the Rent and other amounts due thereunder. Lessee reasonably believes that legally available funds in an amount sufficient to pay all Rent during the Schedule Term can be obtained. Lessee's chief executive officer further agrees to do all things lawfully within its power to obtain and maintain funds from which the Rent may be paid including listing the Rent in the final budget submitted to the appropriating body at the highest priority. Notwithstanding the foregoing, in the event sufficient funds are not appropriated to continue the Schedule Term for any Fiscal Period (as set forth on the Schedule) of Lessee beyond the Fiscal Period first in effect at the commencement of the Schedule Term, Lessee may terminate the Schedule with regard to not less than all of the Asset(s) on the Schedule so affected, provided Lessee provides Lessor written notice sixty (60) days prior to the end of its current Fiscal Period confirming the Schedule will be so terminated. All obligations of Lessee to pay Rent due after the end of the Fiscal Period for which such termination applies will cease, all interests of Lessee in the Asset(s) will terminate and Lessee shall surrender the Asset(s) in accordance with Section 12 hereof. Notwithstanding the foregoing, Lessee agrees without creating a pledge, lien or encumbrance upon funds available to Lessee in other than its current Fiscal Period, that it will use its best efforts to obtain appropriation of funds to avoid termination of the Schedule by taking all appropriate action including the inclusion in Lessee's budget request for each Fiscal Period during the Schedule Term hereof a request for adequate funds to meet its obligations and to continue the Schedule in force. Lessee represents and warrants it has adequate funds to meet its obligations during the first Fiscal Period of the Schedule Term. Lessee further warrants that the Asset(s) on the Schedule are and will be essential to its basic functions for the entire Schedule Term. Lessor and Lessee understand and intend that the obligation of Lessee to pay Rent hereunder shall constitute a current expense of Lessee and shall not in any way be construed to be a debt of Lessee in contravention of any applicable constitutional or statutory limitation or requirement concerning the creation of indebtedness by Lessee, nor shall anything contained herein constitute a pledge of the general revenues, funds or monies of Lessee beyond the Fiscal Period for which sufficient funds have been appropriated to pay Rent hereunder.

19. Miscellaneous.

- (a) Notices shall be conclusively deemed to have been received by a party hereto on the day it is delivered to such party at the address first given above (or at such other address as such party shall specify to the other party in writing) or, if sent by certified mail, on the third business day after the day on which mailed, addressed to such party at such address.
- (b) Applicable Law/Disputes. The Master Lease Agreement and each Schedule SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE COMMONWEALTH OF VIRGINIA. In the event of a dispute between the parties suit may be brought in the federal or state courts of Virginia, or the state where Lessee has its principal office or where the Asset(s) are located.
- (c) Counterparts. Only one (1) original counterpart of each Schedule shall be marked "Original". Any and all other counterparts shall be marked "Copy". NO SECURITY INTEREST IN THIS MASTER LEASE AGREEMENT, IN ANY OF THE SCHEDULE(S), OR IN ANY OF THE ASSETS MAY BE CREATED, TRANSFERRED, ASSIGNED OR PERFECTED BY THE TRANSFER AND POSSESSION OF THIS MASTER LEASE AGREEMENT ALONE OR OF ANY "COPY" OF THE SCHEDULE, BUT RATHER SOLELY BY THE TRANSFER AND POSSESSION OF THE "ORIGINAL" COUNTERPART OF THE SCHEDULE INCORPORATING THIS MASTER LEASE AGREEMENT BY REFERENCE,
- (d) Suspension of Obligations of Lessor. Prior to delivery of any Asset, the obligations of Lessor hereunder shall be suspended to the extent that it is hindered or prevented from performing because of causes beyond its control.

- (e) Severability. In the event any provision of the Master Lease Agreement or any Schedule shall be determined by a court of competent jurisdiction to be invalid or unenforceable, the parties hereto agree that such provision shall be ineffective without invalidating the remaining provisions thereof.
- (f) Entire Agreement. Lessor and Lessee acknowledge that there are no agreements or understandings, written or oral, between them with respect to the Asset(s), other than as set forth in this Master Lease Agreement and in each Schedule and that this Master Lease Agreement and each Schedule contain the entire agreement between Lessor and Lessee. Neither this Master Lease Agreement nor any Schedule may be altered, modified, terminated, or discharged except by a writing signed by the party against whom enforcement of such action is sought.

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INCUMBENCY CERTIFICATE

I, _____, do hereby certify that I am the authorized _____ of «LESSEE» ("Lessee"). The person(s) whose name(s) and title(s) appear below is/are authorized officer(s) or representative(s) of Lessee and hold on the date of this certificate and on the date of execution of the Lease Documents (hereinafter defined) the position(s) set opposite his/her respective name(s). Each officer or representative is authorized to execute and deliver or to delegate his or her authority and deliver any equipment lease agreement between Lessee and ePlus Group, inc. as well as all other documents and instruments (all agreements, documents, and instruments shall collectively be referred to as "Lease Documents") in connection therewith.

IN WITNESS WHEREOF, I set my hand and the seal of the Lessee this _____ day of _____, 2014.

(Seal)

Signature _____

Name _____

NAME

TITLE

SIGNATURE

SAMPLE INCUMBENCY CERTIFICATE

I, **John D. Smith**, do hereby certify that I am the authorized **Board Secretary** of **ABC School District** ("Lessee"). The person(s) whose name(s) and title(s) appear below is/are authorized officer(s) or representative(s) of Lessee and hold on the date of this certificate and on the date of execution of the Lease Documents (hereinafter defined) the position(s) set opposite his/her respective name(s). Each officer or representative is authorized to execute and deliver or to delegate his or her authority and deliver any equipment lease agreement between Lessee and ePlus Group, inc. as well as all other documents and instruments (all agreements, documents, and instruments shall collectively be referred to as "Lease Documents") in connection therewith.

IN WITNESS WHEREOF, I set my hand and the seal of the Lessee on **March 13, 2014**.

(Seal)

Signature: John D. Smith

**PLACE CORPORATE
SEAL HERE
(REQUIRED)**

Name: John D. Smith

NAME

TITLE

SIGNATURE

Bill R Jones

President

Bill R. Jones

Susan Johnson

Vice President

Susan Johnson

David N. Doe

Treasurer

David N. Doe