

EQUIPMENT LEASE



Liberty Systems, LLC
219 S. Sampson Street
P.O. Box 77
Tremont, IL 61568
Phone: 309-925-2020
Fax: 309-925-2018
Email: admin@libertysystemsllc.com

Customer: Vermilion County Clerk, Vermilion County, Illinois
Address: 201 North Vermilion Street Danville, Illinois 61832
Contact person/office: Cathy Jenkins, Vermilion County Clerk

PAYMENT PROVISIONS

Down Payment: \$70,000.00

Twenty-four (24) Quarterly Payments of **\$16,330.00** due: March 1st, June 1st, September 1st and December 1st of each year of the lease. First payment due December 1, 2019 and last payment due September 1, 2025.

End of minimum lease term September 30, 2025, required return of all equipment.

Optional extended term of two (2) years, total fee **\$130,640.00** payable in eight (8) quarterly installments of **\$16,330.00**, allows Vermilion County to own equipment at the end of the extended term. Ownership of equipment transfers to Vermilion County upon receipt of the eighth and final payment of the extended term.

All payments includes OCS Annual License Fee, OVO Annual Firmware Fee, FVT Annual Firmware Fee, OVO Extended Warranty, and FVT Extended Warranty.

KEG Cj

SCHEDULE A

Description of software and equipment subject to lease:

Supporting Equipment

| | |
|--|--------------------|
| (1) EMS Laptop | \$2,750.00 |
| (1) Unisyn OCS Upload Only EMS License | \$25,000.00 |
| (7) Memory Sticks | \$840.00 |
| (40) OVO Ballot Boxes | Included |
| (40) FVT Headphones | Included |
| (7) UPS 1500 | \$1,575.00 |
| Total Supporting Equipment Cost | \$30,165.00 |

Voting Equipment

| | |
|------------------------------------|---------------------|
| (40) Unisyn OVO Units | \$204,800.00 |
| (35) Unisyn FVT Units | \$108,675.00 |
| Total Voting Equipment Cost | \$313,475.00 |
| | |
| Total Equipment Cost | \$343,640 |

Annual Fees

| | |
|----------------------------|--------------------|
| Annual OVO Firmware Charge | \$3,600.00 |
| Annual FVT Firmware Charge | \$2,100.00 |
| Annual OVO Warranty | \$8,000.00 |
| Annual FVT Warranty | \$5,425.00 |
| EMS License | \$5,000.00 |
| Total Annual Fees | \$24,125.00 |

RECITALS, TERMS AND CONDITIONS

Whereas, Liberty Systems, LLC has been contracted by Vermilion County, Illinois (hereinafter referred to as "County") for the provision of equipment for election.

Whereas, County recognizes that substantial cost has been incurred by Liberty Systems, LLC to provide such equipment in anticipation of a long term agreement by County; and,

Whereas, Liberty Systems, LLC shall be considered a "re-seller" of the equipment that is the subject of this Lease Agreement, but is doing so to secure the exclusive rights for software, firmware, maintenance, and other electoral services during the term of the Lease.

Therefore, the parties agree to the following terms and conditions of this Equipment Lease.

Equipment: A detailed description of the equipment that is the subject of this Agreement is attached hereto as Schedule A. This list may be expanded in the future upon such terms and conditions as the parties may agree.

Security: At all times during the terms of this lease, the County shall provide for a safe and controlled environment for the storage and use of the Equipment. The exact location shall be available to Liberty Systems for inspection and approval to assure proper environmental controls during storage and use.

Transportation of Equipment: Liberty Systems shall be responsible for the delivery of all equipment to a central, single location to be determined by County. Thereafter, County shall be responsible for the transportation of equipment to the various polling places in a safe and proper manner. County shall be responsible for any damage that may occur during such transportation and shall immediately notify Liberty Systems, LLC of any such damage and shall cooperate and be fully responsible for necessary repairs or replacements. Any liability for injury, disability or death of workers or other persons during the transportation and/or use of the equipment shall be the sole responsibility of the County, and County shall hold Liberty Systems LLC harmless and indemnified for any claims made.

Operation of Equipment: Liberty Systems shall provide adequate training on the use and maintenance of the equipment. County agrees to use such equipment in a careful and proper manner, and its use must comply with all laws, ordinances and regulations relating to use, maintenance, including but not limited to registration and/or licensing requirements.

Modifications: County shall not make any modifications or alterations to the equipment without the prior written consent of Liberty Systems, LLC.

Maintenance and Repair: The equipment that is the subject of this lease may only be maintained, and/or repaired by Liberty Systems, LLC or their designee. Such maintenance and repair from normal use is included for the term of the lease. In the event that any Equipment or component becomes defective for use or requires repair due to misuse by Lessee, or negligence on behalf of the Lessee, Lessee shall immediately notify Liberty Systems, LLC or their designee, of such damage. At the sole discretion of Liberty Systems, LLC or their designee, the repair or replacement of the equipment may be at an additional cost.

Availability: The County shall make the equipment that is the subject of this lease available for inspection by Liberty Systems at all reasonable times during the term of the lease.

Option to Purchase at end of lease: Provided County is in full compliance with all obligations under this lease and any other corresponding agreements with Liberty Systems, LLC at the end of the lease term, they shall have the option of purchasing the equipment at the price set forth in this agreement. If County decides not to exercise this option it shall make the equipment available for Liberty Systems, LLC to collect no later than 1:00 pm on the final day of the lease term.

Equipment Delivery: The County shall inspect the equipment upon initial delivery and shall notify Liberty Systems, LLC immediately of any damage to the same, or discrepancies in the equipment provided and that listed on Schedule A. Schedule A may be completed at the time of delivery, and acknowledged by each party after inspection by County.

Title to Equipment: Liberty Systems, LLC, or another entity to be determined by Liberty Systems LLC, shall be considered the owner of the equipment during the term of this Lease. County shall insure that no claim, levy, or legal process is initiated concerning the possession, right or ownership of the equipment due to actions of the County during the term of the lease. County shall not attach or affix the equipment in such a manner that could cause it to be classified as a fixture. Liberty Systems LLC, or another entity other than County, shall be deemed to have retained title to the equipment, unless duly transferred to County by Bill of Sale.

Insurance: County assumes all risk of loss or damage to the equipment during the term of this lease and shall insure for its full replacement value all equipment. At all times during this lease, County shall provide Liberty Systems, LLC proof of such insurance, and shall name Liberty Systems, LLC and an additional insured on said policies. County shall hold Liberty Systems, LLC harmless and indemnified for any such loss, damage, or destruction.

Taxes and Fees: County shall be solely responsible for any applicable taxes, assessments, and license or registration fees for the equipment.

Default: If County is in default under the terms of this lease, Liberty Systems may immediately take possession of the Equipment, deducting the costs of recovery, including but not limited to reasonable attorney's fees, repair, and other reasonable costs and hold County responsible for any deficiency.

Notices: All notices under the terms of this lease shall be deemed properly served upon the other if personally delivered, or mailed by first class mail, postage prepaid at the following addresses:

If to Liberty Systems, LLC: Liberty Systems, LLC
Attn: Kenneth Gibson, Manager
P.O. Box 77
Tremont, IL 61568

If to County: Cathy Jenkins
Vermilion County Clerk
201 North Vermilion Street
Danville, Illinois 61832

Assignments: Liberty Systems, LLC may assign this Lease Agreement to a successor organization, or wholly owned subsidiary, which shall be responsible for fulfilling any and all obligations hereunder. Liberty Systems, LLC may also assign the rights to receive payments from County to a supplier or suppliers of equipment or other services.

Jurisdiction, Venue and Governing Law: Any litigation or other enforcement of this agreement shall have exclusive jurisdiction in Tazewell County Circuit Court and shall be governed by the laws of the State of Illinois.

Entire Agreement: This is the entire agreement relating to the Lease of the equipment as set forth on Schedule A. It is contemplated that the same parties may enter into other contractual agreements relating to licensure of software, maintenance, repairs and related services.

Waiver: Waiver by either party of the strict compliance with the terms of this agreement shall not operate as a waiver or otherwise prevent a party insisting on strict compliance with the terms of this agreement at a later date.

Severability: If any provision of this agreement is deemed unenforceable for any reason, the remainder of the agreement shall remain in full force and effect.

Authority: By signing below on behalf of the County, the individual represent and warrants that they have the authority to execute this Lease Agreement and bind the County to the terms, conditions, and payments called for herein.

KEG CJ

IN WITNESS WHEREOF, the parties have executed this Agreement on this 23rd day of AUGUST, 2018.

Company:

Liberty Systems, LLC

County:

Vermilion County, Illinois

By Kenneth E Gibson
Kenneth E. Gibson, Manager

By Cathy Jenkins
Cathy Jenkins, Vermilion County Clerk

This Instrument Prepared By:

Brewer Law Office, LLC

22201 Illinois Route 9

P.O. Box 44

Tremont, IL 61568

Telephone: 309-925-9066

Fax: 309-925-9071

KEG CJ