

PROFESSIONAL SERVICES AGREEMENT (PSA)
between
The NATIONAL JOINT POWERS ALLIANCE® (NJPA)
and
NATIONAL COOPERATIVE LEASING (NCL)
PSA 041708

Whereas; NJPA is a Minnesota Service Cooperative established through Minnesota Statute 123A.21 and is engaged in, among other things, providing cooperative purchasing services to its Members; and

Whereas; NJPA has established, and will continue to establish numerous procurement contracts which it cooperatively shares with its Members; and

Whereas; Eligible membership of NJPA includes all units of government, education, and non-profit organizations throughout the United States of America; and

Whereas; Lease Servicing Center is a Minnesota Corporation doing business as National Cooperative Leasing (NCL) and is engaged in the business of providing equipment leasing services; and

Whereas; NCL desires to provide and NJPA, on behalf of itself and its Members, desire to acquire leasing services in the procurement of various products and services to be acquired through NJPA procurement contracts.

Now therefore; In the event that, and from time to time NCL may provide leasing services to NJPA and NJPA Members using that document similar to that attached hereto as "Attachment A" which will be pursuant to the "Leasing Procedures, Terms, and Conditions" contained herein.

The term of this agreement shall begin on April 17, 2008 and continue until terminated by either party. Either party may terminate this contract with 60 days written notice, however all terms and conditions of this agreement will survive said termination for the purposes of to the exclusive extent they apply to any contract made pursuant to this agreement which remains open and active.

LEASING PROCEDURES, TERMS, AND CONDITIONS

1. Procedures and general information.
 - a. Contact information.

- i. For questions regarding lease origination, documents, pricing, funding, payments, or disposition, NJPA Members and Lessee's should contact:
National Cooperative Leasing
220 22nd Avenue Suite 106
Alexandria, MN 56308
 - ii. For questions regarding this agreement and its terms and conditions, NJPA Members and Lessee's should contact:
National Joint Powers Alliance
200 1st ST NE
Staples, MN 56479
(218) 894-1930
- b. Forms of Lease Documentation:
 - i. Leases pursuant to this agreement shall be documented by the following methods:
 1. Purchase Order. A "Purchase Order" under this agreement shall substantially take the form of the purchase order contained in "Attachment A" to this agreement or the most recent update or modification of that form as provided by NJPA from time to time.
 2. Other Lease Agreements. Any other Lease agreement as mutually agreed between Lessee and Lessor.
 - ii. Non-profit organizations, Indian tribes and Federal Government Agencies must sign the appropriate Lease Documentation provided by NCL.
2. Types of Leases available.
 - a. \$1 Buyout Leases (Lease to Ownership)
 - b. Fair Market Value Leases
3. Payments.

To the extent Customer desires to lease the equipment from a lease finance company ("Lessor"), Customer agrees to lease the equipment listed on the Purchase Order submitted pursuant to the Agreement. Customer promises to make all lease payments in accordance with the Purchase Order. Lease payments shall be payable in arrears and shall commence 30 days from the date customer accepts the equipment and continuing thereafter for the term of the lease as provided in the Purchase Order. To the extent customer fails to make the lease payment within five (5) days of the due date, customer agrees to pay Lessor: (1) a late charge of ten (10%) percent of the payment amount or the maximum amount allowed by law, whichever is less, in addition (2) pay default interest on any required payment that is more than one (1) month late calculated at the rate of 18%.
4. Finance Lease Status.

Lessor and customer agree that the Purchase Order, the Agreement and Addendum constitute a FINANCE LEASE AS DEFINED IN ARTICLE 2A OF THE UNIFORM COMMERCIAL CODE. Lessor has no obligation to install, maintain or service the equipment. Lessor shall not be liable for any direct, indirect, special or consequential damages related to the use of the equipment. If the equipment is unsatisfactory for any reason, customer's sole remedy shall be against the manufacturer and supplier of the equipment. NO DEFECT OR UNFITNESS OF ANY ITEM OF THE EQUIPMENT SHALL RELIEVE CUSTOMER OF THE OBLIGATION TO PAY ANY INSTALLMENT OF RENT OR ANY OTHER OBLIGATION UNDER THIS LEASE. CUSTOMER SHALL DEFEND AND HOLD LESSOR HARMLESS FOR ANY LOSS, DAMAGE OR INJURY TO WHETHER IN STRICT LIABILITY, NEGLIGENCE OR OTHERWISE. TO THE EXTENT PERMITTED BY APPLICABLE LAW, CUSTOMER WAIVES ANY AND ALL RIGHTS AND REMEDIES CONFERRED UPON A CUSTOMER BY ARTICLE 2A OF THE UNIFORM COMMERCIAL CODE.

5. Supply Contract; Enforcement of Supplier Warranties

If a Supply Contract has been selected by Customer from Supplier, the Customer acknowledges that Customer has reviewed and approved the Supply Contract covering each item of equipment purchased from the Supplier or that Customer is informed of the name of the Supplier. Customer agrees that Lessor shall not be liable for specific performance of this Lease or for damages if for any reason the Supplier delays or fails to fill the order. Customer understands that it may have rights under the Supply Contract and that it should contact the Supplier for the description of any such rights. So long as Customer is not in default hereunder, Lessor transfers to Customer the warranties, if any, made by the manufacturer or Supplier to Lessor. However, Lessor is not liable to Customer for modification or rescission of any warranty. Customer shall comply with and enforce such warranties.

6. Acceptance.

Supplier will ship the Equipment direct to Customer at the Equipment Location specified in the Purchase Order. Customer will take delivery and upon installation and acceptance of the Equipment will sign and deliver to Lessor the Delivery and Acceptance Receipt submitted by Lessor, thereby warranting to Lessor that the Equipment is (a) as selected by Customer and (b) has been unconditionally accepted by Customer for all purposes under this Lease.

7. Maintenance.

At Customer's own expense, Customer shall maintain the Equipment in the same condition as when delivered, subject only to reasonable wear and tear, and shall replace any damaged parts. Customer will enter into a maintenance agreement for the service of the Equipment at Customer's costs. Customer shall make no alterations to the Equipment

without Lessor's prior written consent. Any and all changes made to the Equipment are considered permanent and become part of the Equipment. Customer agrees to house the same in suitable shelter, and not to sell or otherwise dispose of its interest therein or in any Equipment or accessories attached thereto. Lessor may inspect the Equipment and all maintenance records, at any time upon request and may enter upon the premise where the Equipment is located at reasonable times for such purpose.

8. Assignment.

Lessor may assign all or any part of its right, title or interest in this Lease. Each subsequent assignee of a right of Lessor shall succeed to the same right as the original Lessor. Customer hereby agrees that any assignee of Lessor does not assume any obligation of the Lessor. Customer agrees it will not assign, mortgage, sublease, transfer, hypothecate or otherwise convey or dispose of any part of Customer's interest in this Lease or in the Equipment or permit the Equipment or any part of the Equipment to be used by anyone other than Customer or Customer's employees without the prior written consent of Lessor, and any attempted assignment thereof shall be void.

9. Risk of Loss.

Customer assumes the entire risk of loss or damage to the Equipment, whether or not covered by insurance and no such loss shall relieve Customer of its obligations hereunder. Customer agrees to keep the Equipment insured and provide proof of insurance to Lessor to protect all interests of Lessor, at Customer's expense, against all risks of loss or damage from any cause whatsoever for not less than the unpaid balance of the Lease rentals due hereunder or the full replacement value of Equipment, whichever is higher and to purchase insurance in an amount satisfactory to Lessor to cover the liability of Lessor for public liability and property damage. Said insurance policies and the proceeds therefrom shall be the sole property of Lessor and Lessor shall be named as an insured in all policies and as sole loss payee in the policies insuring the Equipment.

10. Use of Equipment; Taxes.

Customer agrees to use, operate and maintain the Equipment in accordance with all laws; to pay all taxes, licensing and registration fees for the equipment to keep the same free from levies, liens and encumbrances.

11. Remedies.

In the event Customer shall default in the payment of any rent or other payment obligation hereunder or in the event of any other breach of the terms and conditions of this Lease; or if any execution or other writ or process shall be issued in any action or proceedings, against the Customer, whereby any item of Equipment may be taken or detained; or if a proceeding in bankruptcy, receivership or insolvency shall be instituted by or against the Customer or its property, or if the Customer shall enter into any agreement or composition with its creditors, breach any terms of any other agreement between the parties hereto or of any loan or credit agreement with a third party, or if the condition of the Customer's affairs shall so change as to, in the Lessor's opinion, impair the Lessor's security or increase the credit risk involved, or if the Customer shall merge, consolidate or transfer all or substantially all of its assets, the Lessor shall have the right to: (1) retake immediate possession of its Equipment without Court Order or other process of law and for such purpose, the Lessor may enter upon any premises where the Equipment may be and may remove the same therefrom with or without notice of its intention to do same, without being liable to any suit or action or other proceeding by the Customer. Lessor may, at is option, sell the Equipment at public or private sale for cash or on credit and may become the purchaser at such sale; (2) accelerate the balance of rentals and other sums payable thereunder("Default Obligation"), thereby requiring prepayment of this Lease with all such rentals due and to make such payment after this notice and demand, Lessor shall be entitled to institute appropriate legal proceedings against Customer with the Customer being responsible for the default obligation, court costs and reasonable attorney's fee not to be less than an amount equal to 33.33 percent of the default obligation; (3) take possession with the Equipment all copies of the code, manuals and databases associated with software licensed to Customer as part of the Equipment, cause Customer's software license to be terminated and support thereof to be discontinued; and (4) exercise any other remedies authorized by Article 2A of the Uniform Commercial Code or other statutes and common laws. The rights granted the Lessor therein, shall be cumulative, and action upon one shall not be deemed to constitute an election or waiver of the other right of action, or any other right to which Lessor may be entitled. All sums becoming immediately due and payable shall be construed as liquidated damages rather than as a penalty. The Customer shall remain and be liable for the return of the Equipment and any loss of, destruction of, or injury to the equipment, in the same manner as herein provided

12. No Waiver of Default.

The omission by Lessor at any time to enforce any default or right reserved to it, or to require performance of any of the terms, covenants or provisions hereof by the Customer

at any time, shall not be a waiver of any such default or right to which the Lessor is entitled, nor shall it in any way affect the right of the Lessor to enforce such provisions thereafter. The Lessor may exercise all remedies simultaneously, pursuant to the terms hereof, and any such action shall not operate to release the Customer until the full amount of the rentals due and to become due, and all other sums to be paid hereunder have been paid.

13. Non-Appropriation.

If Customer (a) is a government entity; (b) is not allotted funds for the next fiscal year to continue leasing the Equipment; (c) has no funds for the purchase, Lease or Rental of Equipment performing similar functions to those performed by the Equipment; and (d) has no funds for any other sources (collectively, a Non-Appropriation:), then Customer may terminate this Lease at the end of the then current fiscal year, and Customer will not be obligated to make payments beyond the end of the then-current fiscal year, except Customer will be obligated to return the Equipment to Us at Customer's sole expense. If within one (1) year after termination for Non-Appropriation, Customer appropriates funds to purchase, Lease or Rent Equipment performing functions similar to those performed by the Equipment, then it will be conclusively deemed that monies have been appropriated for the continuance of this Lease and at Lessor's sole option, this Lease may be automatically reinstated.

14. Government Warranties.

Customer represents and warrants that: (a) Customer is a duly organized public body corporate and politic with full power and authority to enter into and perform its obligations under this Lease; (b) all necessary actions of Customer governing body have been taken and all necessary procedures have been complied with to give full effect to the execution, delivery and performance of this Lease; (c) this Lease is valid, binding and enforceable according to its terms; (d) Customer has budgeted and appropriated sufficient fund to make all payments and meet all of its other obligations for the current fiscal year and such funds have not been expended for other purposes; (e) Customer will do all things lawfully within its power to obtain and maintain funds for payments (including providing for such payments in each budget or appropriation request submitted and adopted), to have such portions or budgets or appropriation request approved, and to exhaust all available reviews and appeals in the event such portion of any budget or appropriation request is not approved; (F) Customer has complied with all public bidding requirements applicable to the Agreement and the acquisition of the Equipment; and (g) the Equipment will be used only by Customer and only to perform essential governmental or proprietary functions consistent with the permissible scope of Customer's authority.

16. Lease End Options.

For Purchase Orders and/or Leases that contain a Fair Market Value purchase option, provided the lease has not terminated early and no event of default under the lease has

occurred and is continuing, customer will have the following options at the end of the lease term:

- a. Purchase the equipment for its fair market value.
- b. Renew the lease per paragraph 17.
- c. Return the equipment per paragraph 20.

17. Renewal.

When the Original Term expires, the schedule will automatically renew for successive one (1) month terms unless customer (a) sends Lessor written notice that customer does not want it to renew at least ninety (90) days before the end of any Term or extension and (b) returns the Equipment as provided in the "Equipment return" in paragraph 18.

18. Purchase Option.

Upon expiration of the original Term or extended Term, and if (a) customer has paid all Lease Payments, all outstanding charges and is not in default, (b) customer has given Lessor at least thirty (30) days written notice, prior to the end of the Term, that customer will exercise the purchase option, then customer will have the option to purchase the Equipment at the end of the Term for the fair market value of the equipment. The fair market value will be determined by Lessor at Lessor's discretion. At the time of purchase, customer must pay Lessor the purchase option amount for the Equipment, plus any property, sales or use taxes assessed or levied on the equipment or its sale. Upon Lessor's receipt of the purchase option amount plus all applicable taxes, Lessor will transfer title to the equipment to customer "AS-IS, WHERE-IS" WITHOUT ANY REPRESENTATION OR WARRANTY.

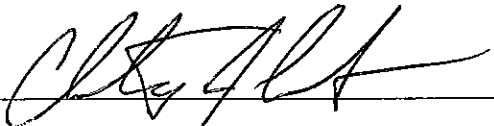
19. Equipment Ownership.

The equipment is and shall remain Lessor's sole property during the Lease Term. Customer agrees to keep the Equipment free from liens and encumbrances.

20. Equipment Return

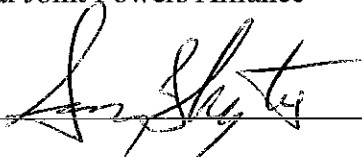
Upon termination of the Lease Term, as extended or renewed (unless customer has exercised a purchase option as provided in the "Purchase Option" paragraph), or upon Lessor's demand for possession after default, customer will remove the Equipment and return it to a place designated by Lessor, freight and insurance pre-paid and in good working order, ordinary wear and tear expected. Customer will be responsible for any damage to the Equipment during shipping.

National Cooperative Leasing

By  Its SECRETARY/Treasurer

CHRISTOPHER J. CANNAVATT Dated 5/20/08
Name printed or typed

National Joint Powers Alliance

By  Its Ex. Dir

Gary L. Nyles Dated 5-22-08
Name printed or typed

ATTACHMENT A

STATE OF _____		STATE PURCHASE ORDER		ORDER NUMBER	
ISSUED BY (Agency)		TELEPHONE NO.	REQ. NO.	ORDER DATE	
DATE REQUIRED	TYPE OF ORDER <input type="checkbox"/> Original <input type="checkbox"/> Confirm	CASH DISCOUNT TERMS NET 30 DAYS	F.O.B. DESTINATION	DELIVERY HOURS <i>Please Specify</i>	
<p>NOTE: OUR PURCHASE ORDER NUMBER MUST APPEAR ON ALL INVOICES, DELIVERY SLIPS, CASES, PACKAGES, AND COMMUNICATIONS. THIS PURCHASE ORDER VOID UNLESS APPROVED BY THE STATE COMPTROLLER AT LOWER RIGHT</p>					
VENDOR:			SHIP TO:		
Lease Servicing Center, Inc. dba National Cooperative Leasi (National Cooperative Leasing) c/o Local Authorized Dealer (Insert Dealership's Name) 220 East 22nd Ave Alexandria, MN 56308			Agency Name Address City, State, Zip Attn: _____		
BILL TO:			SPECIAL INSTRUCTIONS:		
Agency Name Address City, State, Zip Attn:			This agreement is issued pursuant to the terms and conditions of that Professional Services Agreement between the National Joint Powers Alliance and the National Cooperative Leasing #041708.		
ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	AMOUNT
1	36 MONTH LEASE TO PURCHASE PO effective 12/1/03 - 11/30/04 Lease Terms and Conditions and Pricing per National Lease Rate: 0.03388 Package AR407P3 Includes: AR-407, AR-FN1N, AR-DE1, AR-LC1N Purchase Price: \$9,795.00 Monthly cost: \$331.85	1	12 Months	331.85	3,982.20
2	Start-up Supply Kit	1	1	137.27	137.27
COMMITTED AMOUNT		OBLIGATED AMOUNT		CONTRACT PERIOD	
\$4,119.47		\$4,119.47		FROM	TO
D.P.A. NO.	CONTRACT AWARD NO.	APPROVED PURCH REQ. NO.	APPROVED BY AGENCY (<i>Authorized Signature</i>)		
PREPARED BY		DATE			

Don't Forget to sign P.O.!