



Equipment Finance Agreement

APPLICATION NO.

CONTRACT NO.

This document is written in "Plain English". The words **you** and **your** refer to the customer. The words **Financer, we, us** and **our** refer to **N2 Revolution**. Every attempt has been made to eliminate confusing language and create a simple, easy-to-read document.

CUSTOMER INFORMATION

FULL LEGAL NAME			STREET ADDRESS		
CITY	STATE	ZIP	PHONE	FEDERAL TAX I.D.#	
BILLING NAME (IF DIFFERENT FROM ABOVE)			BILLING STREET ADDRESS		
CITY	STATE	ZIP	E-MAIL		
EQUIPMENT LOCATION (IF DIFFERENT FROM ABOVE)					

SUPPLIER INFORMATION

NAME OF SUPPLIER			STREET ADDRESS		
N2 Revolution			523 Sawgrass Corporate Parkway		
CITY	STATE	ZIP	PHONE	FAX	
Sunrise	FL	33325	866-441-8473	954-337-4614	

QTY.	ITEM DESCRIPTION	MODEL NO.	SERIAL NO.

TERMS PAYMENT AMOUNT SECURITY DEPOSIT

Term in Months	Payments of \$ _____ (Plus Applicable Taxes)	\$ _____ (Plus Applicable Taxes)
_____ (mos.)	Payment Period is Monthly Unless Otherwise Indicated.	

THIS IS A NONCANCELABLE / IRREVOCABLE AGREEMENT, THIS AGREEMENT CANNOT BE CANCELED OR TERMINATED.

GUARANTY

As additional inducement for us to enter into the Agreement, the undersigned ("you") unconditionally, jointly and severally, personally guarantees that the customer will make all payments and meet all obligations required under this Agreement and any supplements fully and promptly. You agree that we may make other arrangements including compromise or settlement with the customer and you waive all defenses and notice of those changes and will remain responsible for the payment and obligations of this Agreement. We do not have to notify you if the customer is in default. If the customer defaults, you will immediately pay in accordance with the default provision of the Agreement all sums due under the terms of the Agreement and will perform all the obligations of the Agreement. If it is necessary for us to proceed legally to enforce this guaranty, you expressly consent to the jurisdiction of the court set out in paragraph 12 and agree to pay all costs, including attorneys fees incurred in enforcement of this guaranty. It is not necessary for us to proceed first against the customer before enforcing this guaranty. By signing this guaranty, you authorize us to obtain credit bureau reports for credit and collection purposes.

DATED	PRINT NAME	X
		SIGNATURE

CUSTOMER ACCEPTANCE

DATED	PRINT NAME	X	TITLE
		SIGNATURE	

ACCEPTANCE OF DELIVERY

You certify that all the equipment listed above has been furnished, that delivery and installation has been fully completed and satisfactory. Further, all conditions and terms of this Agreement have been reviewed and acknowledged. Upon your signing below, your promises herein will be irrevocable and unconditional in all respects. You understand and agree that we have purchased the equipment from the supplier, and you may contact the above supplier for your warranty rights, which we transfer to you for the term of the agreement. Your approval as indicated below of our purchase of the equipment from the supplier is a condition precedent to the effectiveness of this agreement.

DATE OF DELIVERY	PRINT NAME	X	TITLE
		SIGNATURE	

OWNER ACCEPTANCE

N2 Revolution		
OWNER	SIGNATURE	DATE

1. **FINANCE AGREEMENT:** Subject to the terms of this Equipment Finance Agreement signed by you and us, rather than pay the cash price, you have chosen to request we finance for you the purchase price of personal property described under "ITEM DESCRIPTION" in this Agreement (such personal property and any upgrades, replacements, repairs and additions referred to as "Equipment") which you will use for business purposes only. You hereby grant to us a first priority, purchase money security interest in the Equipment and its proceeds to secure your obligations hereunder and under all other agreements with us, and you agree to all of the terms and conditions contained in this Agreement, which together are a complete statement of our agreement regarding the Equipment (this "Agreement"). This Agreement may be modified only by written agreement and not by course of performance. This Agreement becomes valid upon execution by us and will begin on the commencement date and for the number of consecutive months shown above or on the applicable Supplement. You also agree to pay to us interim payments in the amount equal to 1/30th of the monthly payment, multiplied by the number of days lapsing between the date on which payment is made to the supplier and the agreed upon first payment date. If any provision of the Agreement is declared unenforceable, the other provisions shall remain in full force and effect.
2. **PAYMENTS:** Payments will be paid monthly, each in the amount of the monthly payment shown above or on the applicable Supplement plus any applicable tax. You will pay the security deposit on the date you sign this Equipment Finance Agreement. Subsequent payments will be due the first day of each payment period shown beginning after the first payment period. We will have the right to apply all sums received from you to any amounts due and owed to us under the terms of this Agreement. In the event this Agreement is not fully repaid, the security deposit will be retained by us to compensate us for our documentation, processing and other expenses. If for any reason, your check is returned for nonpayment, a \$20.00 bad check charge will be assessed.
3. **NONCANCELLABLE:** This is a noncancellable irrevocable agreement and may not be cancelled by you for any reason whatsoever.
4. **WARRANTY DISCLAIMER: WE MAKE NO WARRANTY, EXPRESS OR IMPLIED, OR THAT THE EQUIPMENT IS FIT FOR A PARTICULAR PURPOSE OR THAT THE EQUIPMENT IS MERCHANTABLE. YOU AGREE THAT YOU HAVE SELECTED THE SUPPLIER AND EACH ITEM OF EQUIPMENT BASED UPON YOUR OWN JUDGMENT AND DISCLAIM ANY RELIANCE UPON ANY STATEMENTS OR REPRESENTATIONS MADE BY US. WE DO NOT TAKE RESPONSIBILITY FOR THE INSTALLATION OR PERFORMANCE OF THE EQUIPMENT. THE SUPPLIER IS NOT AN AGENT OF OURS AND NOTHING THE SUPPLIER STATES CAN AFFECT YOUR OBLIGATION UNDER THE AGREEMENT. YOU WILL CONTINUE TO MAKE ALL PAYMENTS UNDER THIS AGREEMENT REGARDLESS OF ANY CLAIM OR COMPLAINT AGAINST SUPPLIER.** If Agreement includes financing for software licenses(s), then you agree that as to such software: (a) we have not had, do not have, nor shall have, any title to such software, but instead is only providing financing for the license. (b) You have executed or will execute a separate software license agreement and we are not a party to, nor have any responsibilities whatsoever, e.g., fees or other payments, in regard to such license agreement and supplier is solely responsible for all support, billing and collection of which may be done by us. (c) You have selected such software, (d) Your payment and other obligations under this Agreement shall in no way be diminished on account of or in any way related to the above said software license agreement and/or the suppliers obligations. **WE MAKE ABSOLUTELY NO WARRANTY OF ANY KIND IN REGARDS TO SUCH SOFTWARE AND HAVE ABSOLUTELY NO RESPONSIBILITY FOR THE FUNCTION OR PERFORMANCE OF SUCH SOFTWARE.**
5. **LOCATION OF EQUIPMENT/INSPECTION:** You are the owner of the Equipment and agree to keep the Equipment free and clear of all liens and encumbrances and use only at your address shown above and you agree not to move it unless we agree to it in advance. We may inspect the Equipment at any time during normal business hours.
6. **LOSS OR DAMAGE:** You are the owner of the Equipment and are responsible for the risk of loss or for any destruction of or damage to the Equipment. No such loss or damage relieves you from the payment obligations under this Agreement. You agree to promptly notify us in writing of any loss or damage and you will then pay to us the present value of the total of all unpaid payments for the full term all discounted at six percent (6%). Any proceeds of insurance will be paid to us and credited against the outstanding balance.
7. **COLLATERAL PROTECTION & INSURANCE:** You agree to keep each item of Equipment fully insured against loss, naming us as loss payee, in an amount not less than the replacement cost until this Agreement is terminated as to such item. You also agree to obtain a general public liability insurance policy from anyone who is acceptable to us and include us as an insured on the policy. You agree provide us certificates or other evidence of insurance acceptable to us, before this Agreement begins or, should you waive this requirement, we will bill you and you will pay a property damage surcharge as a result of our increased administrative costs and credit risk. You will use the Equipment only as permitted by law and such insurance.
8. **INDEMNITY:** We are not responsible for any loss or injuries caused by the installation or use of the Equipment. You agree to hold us harmless and reimburse us for loss and to defend us against any claim for costs, losses or injury caused by the Equipment or its use or related to this Agreement. Your indemnity obligation includes any cost, expense or liability we incur, including court costs, attorney fees, interest and penalties.
9. **TAXES & FEES:** You agree to pay when due all taxes (including personal property tax, fines and penalties) relating to this Agreement or the Equipment. If we pay any of the above for you, you agree to reimburse us and to pay us a processing fee for each payment we make on your behalf. You also agree to pay us any filing fees prescribed by the Uniform Commercial Code or other law and reimburse us for all costs involved in completing this transaction. You further agree to pay us any filing fees prescribed by the Uniform Commercial Code and reimburse us for all costs and expenses involved in documenting and servicing this transaction. You further agree to pay us an amount up to 1 1/2% of the equipment cost with a minimum of \$150 on the date the first lease payment is due to cover the expense of originating the Agreement.
10. **ASSIGNMENT: YOU HAVE NO RIGHT TO SELL, TRANSFER, ASSIGN OR SUBLEASE THE EQUIPMENT OR THIS AGREEMENT.** You understand that we, without prior notice, have the right to assign this Agreement to another financing source without your consent. You understand that the assignee will have the same rights and benefits but they do not have to perform any of our obligations. You agree that the rights of assignee will not be subject to any claims, defenses, or setoffs that you may have against us.
11. **DEFAULT AND REMEDIES:** If you do not pay any payment or other sum due to other party or us when due or if you break any of your promises in this Agreement or any other agreement with us, you will be in default. If any part of a payment is late, you agree to pay a late charge of 15% of the payment which is late or if less, the maximum charge allowed by law. If you are ever in default, we may retain your security deposit and at our option, we can terminate or cancel this Agreement and require that you (1) pay the unpaid balance of this Agreement, including accrued but unpaid payments, discounted to present value at six percent per annum and (2) unless you have paid the amount in (1), return the Equipment to us to a location designated by us. We may sell, lease or otherwise dispose of all or any part of the Equipment at public or private sale, with or without notice and may bid and purchase the Equipment or any of it at such sale. The proceeds of sale, lease or other disposition shall first be applied to all costs and expenses incurred in taking, removing, holding, repairing and selling or otherwise disposing of the Equipment, attorneys fees and court costs, and our other obligations hereunder (excluding repayments); then to pay all sums remaining unpaid hereunder, with any remaining surplus belonging to you. You will be obligated to pay any deficiency remaining after such application of proceeds. We may recover interest on any unpaid balance at the rate of 8% per annum. We may also use any of the remedies available to us under Article 9 of the Uniform Commercial Code as enacted in the State of Minnesota or any other law. If we refer this Agreement to an attorney for collection, you agree to pay our reasonable attorney's fees and actual court costs. If we have to take possession of the equipment, you agree to pay the cost of repossession. **YOU AGREE THAT WE WILL NOT BE RESPONSIBLE TO PAY YOU ANY CONSEQUENTIAL OR INCIDENTAL DAMAGES FOR ANY DEFAULT BY US UNDER THIS AGREEMENT.** You agree that any delay or failure to enforce our rights under this Agreement does not prevent us from enforcing any rights at a later time, and the exercise of any remedy shall not prevent the exercise of any other remedy. It is further agreed that your rights and remedies are governed exclusively by this Agreement.
12. **UCC FILINGS:** You authorize us to record an UCC-1 financing statement or similar instrument electronically or otherwise to show our interest in the Equipment. You agree to take any other action we request to protect our rights under this Agreement from time to time and that we may report a copy of this Agreement as a financing statement. You will provide any landlord or mortgage waiver we request to protect our interest in the Equipment. You authorize us to endorse your name to any notes, checks, or other instruments for the payment of money relating to the Equipment (including insurance).
13. **SECURITY DEPOSIT:** Each security deposit is non interest bearing and is to secure your performance under this Agreement. Any security deposit made may be applied by us to satisfy any amount owed by you, in which event you will promptly restore the security deposit to its full amount as set forth above or in the Supplement. We may commingle the security deposit with other funds.
14. **LAW & JURISDICTION:** This Agreement will be deemed fully executed and performed in Minnesota or the home state of our assignee as it may be assigned from time to time per Paragraph 10. This Agreement shall be governed by and construed in accordance with the laws of Minnesota or the laws of the home state of assignee. You expressly and unconditionally consent to the jurisdiction and venue of any court in the State of Minnesota or assignee's home state and waive right to trial by jury for any claim or action arising out of or relating to this Agreement or the Equipment. Furthermore, you waive the defense of inconvenient forum. In no event will this Agreement be enforced in any way that permits us to collect excessive interest. If any interest payment hereunder exceeds the highest amount allowed by law, it shall be reduced to such rate and the excess interest refunded to you. In such event, you agree we will not be subject to any penalties provided by law for collecting or charging interest in excess of lawful rates. You agree to submit the original master agreement with the Security deposit to us via overnight courier the same day of the facsimile transmission of the agreement. Should we fail to receive these originals, you agree to be bound by the faxed copy of this Agreement with appropriate signatures on both sides of the document. Customer & Guarantor waive the right to challenge in court the authenticity of a faxed copy of this Agreement and the faxed copy shall be considered the original & shall be the binding Agreement & Supplements for the purposes of any enforcement action under paragraph 11.
15. **CUSTOMER GUARANTY:** You agree to submit the original master lease documents with the security deposit to the Financer via overnight courier the same day of the facsimile transmission of the lease documents. Should we fail to receive these originals, you agree to bound by the faxed copy of this Agreement with appropriate signatures on both sides of the document. Customer waives the right to challenge in court the authenticity of a faxed copy of this Agreement and the faxed copy shall be considered the original and shall be the binding Agreement for the purposes of any enforcement action under paragraph 12.

FOR MUNICIPALITIES ONLY

- 16-A. **CUSTOMER COVENANTS:** The Customer covenants and warrants that (1) it has, in accordance with the requirements of law, fully budgeted and appropriated sufficient funds for the current budget year to make the payments scheduled to come due and to meet its other obligations under the Agreement and such funds have not been expended for other purposes; and
- (2) that there is no action, suit, proceeding or investigation pending, or threatened in any court or other tribunal or competent jurisdiction, state or federal or before any public board or body, which in any way would (a) restrain or enjoin the delivery of the Agreement or the ability of the Customer to make its Base Payments (as set out above); (b) contest or affect the authority for the execution or delivery of, or the validity of, the Agreement; or (c) contest the existence and powers of the Customer; nor is there any basis for any such action, suit, proceeding or investigation; and
- (3) That the equipment will be operated and controlled by the Customer and will be used for essential government purposes and will be essential for the term of the Agreement.
- (4) Customer has not previously terminated a lease for non-appropriation, except as specifically described in a letter appended hereto.

16-B. **SIGNATURES:** Each signor (two if monthly payment exceeds \$1,200) warrants that he/she is fully conversant with the governing relevant legal and regulatory provisions and has full power and authorization to bind Customer. Signor(s) for Customer further warrant(s) its governing body has taken the necessary steps; including any legal bid requirements, under applicable law to arrange for acquisition of the Equipment; the approval and execution has been in accordance with all applicable open meeting laws; and that a resolution of the governing body of Customer authorizing execution of the Agreement has been duly adopted and remains in full force and effect.

16-C. **NON APPROPRIATION:** In the event Customer is in default under the Agreement because:

1. Funds are not appropriated for a fiscal period subsequent to the one in which the Agreement was entered into which are sufficient to satisfy all of Customer's obligations under the Agreement during said fiscal period;
2. Such non-appropriation did not result from any act or failure to act of customer;
3. Customer has exhausted all funds legally available for all payment due under the Agreement; and
4. There is no other legal procedure by which payment can be made to Financer.

Then, provided that (a) Customer has given Financer written notice of the occurrence of paragraph 1 above thirty (30) days prior to such occurrence; (b) Financer has received a written opinion from Customer's counsel verifying the same within ten (10) days thereafter; and (c) the Customer does not directly or indirectly purchase, lease or in any way acquire any services or equipment supplied or provided for hereunder; upon receipt of the equipment delivered to a location designated by Financer, at Customer's expense, Financer remedies for such default shall be to terminate the Lease at the end of the fiscal period during which notice is given; retain the advance payments, if any; and/or sell, dispose of, hold, use or rent the equipment as Financer in its sole discretion may desire, without any duty to account to Customer.

X

DATED CUSTOMER

SIGNATURE

TITLE

1/26/2007