



**PUBLIC UTILITY COMMISSION OF TEXAS
TRUE LEASE SCHEDULE NO. 001-6708012-002
TO MASTER LEASE AGREEMENT NO. 550501**

THIS SCHEDULE, ENTERED INTO BETWEEN DELL FINANCIAL SERVICES L.L.C. ("Lessor") and PUBLIC UTILITY COMMISSION OF TEXAS ("Lessee"), IS SUBJECT TO AND INCORPORATES THE TERMS AND CONDITIONS OF THE MASTER LEASE AGREEMENT NO. 550501 ("Agreement") DATED JANUARY 9, 2013 BETWEEN DELL FINANCIAL SERVICES L.L.C. ("Lessor") AND THE STATE OF TEXAS ACTING BY AND THROUGH THE DEPARTMENT OF INFORMATION RESOURCES ("DIR") UNDER APPENDIX E OF CONTRACT # DIR-SDD-1951 BETWEEN THE DIR AND DELL MARKETING L.P.

Lessor hereby agrees to lease and/or make available to Lessee subject to the terms, conditions and provisions set forth in this Schedule and in the Agreement, the Products described below. Any capitalized term used herein and not defined herein shall have the meaning ascribed to it in the Agreement.

PRODUCT DESCRIPTION AND LOCATION: See below or Exhibit "A" attached to and made a part hereof.

PRODUCT SELLER: AUSTIN RIBBON & COMPUTER, 9211 Waterford Centre Blvd, Austin, TX 78758

<u>Product Description</u>	<u>Product Location</u>	<u>Lessee Purchase Order No.</u>	<u>Rent*</u>	<u>Primary Term (Mos.)</u>	<u>Commencement Date***</u>
See Exhibit A	See Exhibit A	PO 47300 15-0000501	\$82,172.75	48	JULY 1, 2015

Total Product Acquisition Cost: \$342,672.00

Rent is payable: in advance; in arrears [specify]

Payment Period: Monthly Quarterly Annually Other (specify) _____

* Lessee is responsible for applicable taxes, shipping, and other amounts as described in the Agreement, and, with the first payment of Rent, any prorated Rent, if applicable. Such amounts are further described in Exhibit "A".

** The Commencement Date may be extended for one Payment Period until the Schedule is returned in accordance with the terms stated in the Agreement. Lessor may charge Lessee prorated Rent accruing from the Acceptance Date to the Commencement Date, as such date is finally determined.

TRUE LEASE PROVISIONS

The following provisions shall apply to this Schedule in addition to the provisions in the Agreement:

1. **TRUE LEASE: The parties intend for this lease to constitute a true lease of Products under the UCC and all applicable laws.** If this Lease is determined to be a lease intended as security, in no event shall Lessee be obligated to pay any time price balance differential in excess of the maximum amount permitted by applicable law (as specified herein or the state where the Products are located, whichever law permits the greater amount). In the event Lessor shall receive anything of value under a Lease that is deemed interest which would exceed the maximum amount of interest allowed under the law, the excess amount shall be applied to the reduction of the unpaid time price balance or shall be refunded to Lessee. In order to reduce the unpaid time price balance, any amount deemed interest shall, to the fullest extent permitted by applicable law, be amortized and spread uniformly throughout the Lease Term."

2. **END OF LEASE OPTIONS.**

(a) Provided that no Event of Default has occurred and is continuing, and at least 90 days but no more than 180 days prior to the expiration of the Primary Term (the "Expiration Date"), Lessee will give irrevocable written notice to Lessor of its intention to either:

- (i) purchase all of the Products at the Fair Market Value (as defined below);
- (ii) renew the Lease Term for a minimum of six (6) months at a rate and for a term agreed upon by both parties; or
- (iii) return all of the Products in accordance with the Agreement.

(b) If Lessee exercises the option to purchase the Products then, upon receipt of payment of the "Fair Market Value" (defined below), plus applicable taxes, Lessor will sell the Products to Lessee AS IS-WHERE IS, WITHOUT WARRANTY OR RECOURSE, EXPRESS, IMPLIED OR OTHERWISE, INCLUDING ANY WARRANTIES OF DESIGN, MERCHANTABILITY,

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FITNESS FOR A PARTICULAR PURPOSE, OR AGAINST INFRINGEMENT. The Fair Market Value purchase price shall be paid on or before the last day of the Primary Term. "Fair Market Value" means the price of the Products, installed, in use and in the condition required by the Agreement as determined by Lessor in its reasonable judgment. If Lessee disagrees with the Fair Market Value, Lessee shall notify Lessor in writing within 60 days prior to the Expiration Date and, upon Lessee's request, and within ten (10) days after receipt of Lessee's notice, Lessor shall appoint a qualified appraiser reasonably acceptable to Lessee to appraise the retail value of the Products. The amount determined by such appraiser shall be the final Fair Market Value. Lessor and Lessee shall share the expense of such appraisal equally.

(c) If Lessee desires to renew a lease, Lessee and Lessor shall enter into a supplement to this Schedule describing the length of the renewal Lease Term and the renewal Rent provided, however, all other terms of this Schedule and the Agreement shall remain in full force and effect.

(d) Whether or not Lessee has given Lessor notice of its intent as described above, if Lessee does not return or purchase the Products or renew the Lease as required above, the Lease Term shall automatically extend on a month-to-month basis at the Rent in effect on the Expiration Date (prorated on a monthly basis if the Payment Period was other than monthly during the Primary Term). Such extension shall continue until Lessee: (i) provides thirty (30) days prior written notice of its intention to return or purchase the Products (to take effect on the next Rent payment date that is at least 30 days after the notice is received by Lessor) and (ii) either returns or purchases all of the Products in accordance with the End of Lease options above. Payments of Rent during the month-to-month extension are due and payable monthly as specified in Lessor's invoice. If Lessee fails to return or purchase any Products, the Schedule and associated Rent for the Products that have not been returned or purchased shall extend on a month-to-month basis in accordance with the prior sentence.

3. SECTION 28. MISCELLANEOUS.

Add the following new subsections to this Section as follows:

"(c) If any provision(s) of this Agreement is deemed invalid or unenforceable to any extent (other than provisions going to the essence of this Agreement) the same shall not in any respect affect the validity, legality or enforceability (to the fullest extent permitted by law) of the remainder of this Agreement, and the parties shall use their best efforts to replace such illegal, invalid or unenforceable provisions with an enforceable provision approximating, to the extent possible, the original intent of the parties.

(d) Unless otherwise provided, all obligations hereunder shall be performed or observed at the respective party's expense.

(e) Lessee shall take any action reasonably requested by Lessor for the purpose of fully effectuating the intent and purposes of this Agreement or any Schedule. The parties intend for each Lease to constitute a true lease under the UCC and all applicable laws; however, if any Lease is determined to be other than a true lease, Lessee hereby grants to Lessor a first priority security interest in the Products. Lessee acknowledges that by signing this Agreement, Lessee has authorized Lessor to file any financing statements or related filings as Lessor may reasonably deem necessary or appropriate. Lessor may file a copy of this Agreement or any Schedule in lieu of a financing statement.

(f) This Agreement and any Schedule may be signed in any number of counterparts each of which when so executed or otherwise authenticated and delivered shall be an original but all counterparts shall together constitute one and the same instrument. To the extent each Schedule would constitute chattel paper as such term is defined in the UCC, no security interest may be created through the transfer or control or possession, as applicable, of a counterpart of a Schedule other than the original in Lessor's possession marked by Lessor as either "Original" or "Counterpart Number 1".

(g) If any Lease is determined to be a lease intended as security, in no event shall Lessee be obligated to pay any time price balance differential in excess of the maximum amount permitted by applicable law (as specified herein or the state where the Products are located, whichever law permits the greater amount). In the event Lessor shall receive anything of value under a Lease that is deemed interest which would exceed the maximum amount of interest allowed under the law, the excess amount shall be applied to the reduction of the unpaid time price balance or shall be refunded to Lessee. In order to reduce the unpaid time price balance, any amount deemed interest shall, to the fullest extent permitted by applicable law, be amortized and spread uniformly throughout the Lease Term.

(h) This Agreement and the Schedules hereto between Lessor and Lessee set forth the entire agreement between the parties and supersede and merge all prior written or oral communications, understandings, or agreements between the parties relating to the subject matter contained herein. Except as permitted herein, this Agreement and any Schedule may be amended only by a writing duly signed or otherwise authenticated by Lessor and Lessee.

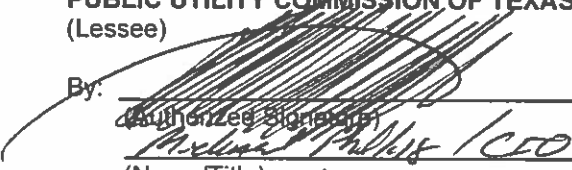
(g) If Lessee delivers this Schedule or any amendment (each a "Document") to Lessor by facsimile transmission, and Lessor does not receive all of the pages of that Document, Lessee agrees that, except for any pages which require a signature, Lessor may supply the missing pages to the Document from Lessor's database which conforms to the version number at the bottom of the page. If Lessee delivers a signed Document to Lessor as an e-mail attachment, facsimile transmission or by U.S. mail, Lessee acknowledges that Lessor is relying on Lessee's representation that the Document has not been altered. Lessee further agrees that, notwithstanding any rule of evidence to the contrary, in any hearing, trial or proceeding of any kind with respect to a Document, Lessor may produce a tangible copy of the Document transmitted by Lessee to Lessor by facsimile or as an e-mail attachment and such signed copy shall be deemed to be the original of the Document. To the extent (if any) that the Document constitutes chattel paper under the Uniform Commercial Code, the authoritative copy of the Document shall be the copy designated by Lessor or its assignee, from time to time, as the copy available for access and review by Lessee, Lessor or its assignee. All other copies are deemed identified as copies of the authoritative copy. In the event of inadvertent destruction of the

authoritative copy, or corruption of the authoritative copy for any reason or as the result of any cause, the authoritative copy may be restored from a backup or archive copy, and the restored copy shall become the authoritative copy. At Lessor's option, this electronic record may be converted into paper form. At such time, such paper copy will be designated or marked as the authoritative copy of the Document."

4. **COMPLETION OF SCHEDULE.** Lessee hereby authorizes Lessor to insert or update the serial numbers of the Products from time to time if necessary.

By signing below, each of the parties hereto agrees to be bound by the terms of the Agreement, this Schedule and the attached Exhibit "A".

PUBLIC UTILITY COMMISSION OF TEXAS
(Lessee)

By: 

(Authorized Signature)
Robert Miller / CEO

(Name/Title)
2/8/15

(Date)

DELL FINANCIAL SERVICES L.L.C.
(Lessor)

By: _____
(Authorized Signature)

(Name/Title)

(Date)

ACCEPTANCE CERTIFICATE

Acceptance Certificate under Schedule No. 001-6692456-002 dated as of November 1, 2013 between Dell Financial Services L.L.C. ("Lessor") and TEXAS DEPARTMENT OF INFORMATION RESOURCES ("Lessee") under Master Lease Agreement No. 6692456 dated as of September 10, 2013 between Dell Financial Services L.L.C and the State of Texas acting by and through the Department of Information Resources ("DIR") under Appendix E of contract # DIR-SDD-1951 between the DIR and Dell Marketing L.P. (collectively, the "Lease").

1. Asset(s). The Lessee hereby certifies that the Asset(s) set forth and described in the above mentioned Schedule have been delivered to the location(s) set forth in the Schedule, inspected by the Lessee, found to be in good order and accepted, all on the Date of Acceptance set forth below:

Date of Acceptance: _____, 20__

2. Representations by the Lessee. The Lessee hereby represents and warrants to the Lessor and any Assignees that on the Date of Acceptance set forth above:

(a) the representations and warranties of the Lessee set forth in the Lease are true and correct in all material respects as though made on and as of such Date of Acceptance; (b) the Lessee has satisfied or complied with all requirements set forth in the Lease to be satisfied or complied with on or prior to such Date of Acceptance; (c) no Default or Event of Default under this Lease has occurred and is continuing on such Date of Acceptance; and (d) the Asset(s) are insured in accordance with the provisions of the Master Lease Agreement.

**TEXAS DEPARTMENT OF INFORMATION
RESOURCES
LESSEE:**

BY: _____

NAME: _____

TITLE: _____

Donna L. Nelson
Chairman

Kenneth W. Anderson, Jr.
Commissioner

Brandy Marty Marquez
Commissioner

Brian H. Lloyd
Executive Director



Greg Abbott
Governor

Public Utility Commission of Texas

Dell Financial Services, L.L.C.
One Dell Way RR3-56
Round Rock, TX 78682
Attn: Travis Sorrell

Ladies and Gentlemen:

I am counsel to the PUBLIC UTILITY COMMISSION OF TEXAS (the "Lessee") and, in that capacity, I have determined Master Lease Agreement No. 6692456, dated as of January 9, 2013, and the Lease Purchase Schedule No. 001-6692456-002 to Master Lease Agreement No. 6692456 thereto, dated as of January 9, 2013 (collectively the "Agreement"), between the Lessee and Dell Financial Services L.L.C. (the "Lessor").

Based upon my examination of the Agreement and such other examinations as I have deemed appropriate, I am of the opinion as follows:

- (a) The Lessee is an entity duly organized and existing under and by virtue of the authorizing statute or constitutional provisions of the State of Texas and is a state or political subdivision thereof as described in Section 103(a) of the Internal Revenue Code of 1986, as amended, with full power and authority to enter into the Agreement and the transactions contemplated thereby and to perform all of its obligations thereunder;
- (b) The Agreement has been duly authorized, executed and delivered by Erica Duque, Purchaser, of the Lessee by appropriate official approval, and all requirements have been met and procedures have occurred in order to ensure the validity and enforceability of the Agreement of the Lessee;
- (c) The Agreement constitutes the valid, legal and binding obligation of the Lessee, enforceable in accordance with its terms;
- (d) No approval, consent or withholding of objection is required from any federal, state or local governmental authority or instrumentality with respect to the entering into or performance by the Lessee of the Agreement and the transactions contemplated thereby;
- (e) Lessee has complied with any applicable public bidding requirements and other applicable state and federal laws in connection with the Agreement and transactions contemplated thereby;
- (f) The entering into and performance of the Agreement will not violate any judgment, order, law, or regulation applicable to the Lessee or result in any breach of, or constitute a default under, any instrument to which the Lessee is a party or by which it or its assets may be bound, or result in the creation of any lien, charge, security

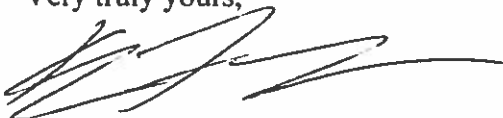


interest or other encumbrance upon any assets of the Lessee or on the Products, other than those created by the Agreement;

- (g) The Products are tangible personal property and when subject to use by the Lessee will not be or become fixtures or real property under the laws of the State of Texas;
- (h) There are no actions, suits, proceedings, inquiries, or investigations, at law or in equity, before or by any court, public board or body, pending or threatened against or affecting, nor to the best of my knowledge and belief is there any basis therefor, which, if determined adversely to Lessee, will have a material adverse effect on the ability of the Lessee to fulfill its obligations under the Agreement; and
- (i) Lessee has, in accordance with the requirements of law, fully budgeted and appropriated sufficient funds for Lessee's current Fiscal Period to make the Rent Payments scheduled to come due during Lessee's current Fiscal Period and to meet its other obligations under the Agreement for the current Fiscal Period, and such funds have not been expended for other purposes.

This opinion is delivered to the addressee for its benefit and the benefit of its assigns for the purpose contemplated by the Agreement.

Very truly yours,



Kasey Feldman-Thomason
General Law Attorney



Prepared For:

PUBLIC UTILITY COMMISSION, STATE OF TX

August 6, 2015

Thank you for giving Dell Financial Services L.L.C. ("DFS") the opportunity to provide a technology financing solution. Enclosed is a financing proposal for your new technology needs. We look forward to discussing this opportunity in further detail with you. If you have any questions, please contact me at the phone number or email address below.

Term	48
Option	FMV
Payments:	Annual
Consolidation:	Monthly
Payments Due:	Advance
Interim Rent:	None
Rate Factor	4
	Payments

Dell Quote Number	Summary Product Description	Product Price	Quantity	Extended Price	Rate Factor	Payments
705431516	OPTIPEX, 9020	\$ 1,092.70	110	\$ 120,197.00	0.23980	\$28,823.24
705431179	DELL LATITUDE	\$ 2,022.50	110	\$ 222,475.00	0.23980	\$53,349.51
RC KNOX						\$4,477.73
Personal Property Management Fee						\$3,898.24
TOTALS				\$342,672.00		\$90,548.71

Proposal Expiration Date:
September 5, 2015

Leasing and financing provided by Dell Financial Services L.L.C. or its affiliate or designee ("DFS") to qualified customers. Offers may not be available or may vary in certain countries. Where available, offers may be changed without notice and are subject to product availability, credit approval, execution of documentation provided by and acceptable to DFS, and may be subject to minimum transaction size. Offers not available for personal, family or household use. Dell and the Dell logo are trademarks of Dell Inc. Proposal is property of DFS, contains confidential information and shall not be duplicated or disclosed in whole or part. Proposal is not a firm offer of financing. Pricing and rates based upon the final amount, configuration and specification of the supplied equipment, software, services or fees. Prorata payment may be due in the first payment cycle. Proposal excludes additional costs to customer such as shipping, maintenance, filing fees, applicable taxes, insurance and similar items. Proposal valid through the expiration date shown above, or if none is specified, for 30 calendar days from date of presentation.

End of Term Options:
Fair Market Value (FMV) Lease:

- Exercise the option to purchase the products at the then fair market value.
- Return all products to lessor at the lessee's expense.
- Renew the lease on a month to month or fixed term basis.

Caren Wright
FSR
Dell | Financial Services
office + 512-728-6628
caren_wright@dell.com

Additional Information:
LEASE QUOTE: The Lease Quote is exclusive of shipping costs, maintenance fees, filing fees, licensing fees, property or use taxes, insurance premiums and similar items which shall be for Lessee's account. Lessee will pay payments and all other amounts without set-off, abatement or reduction for any reason whatsoever. Additionally, Lessee shall declare and pay all sales, use and personal property taxes to the appropriate taxing authorities. **If you are sales tax exempt, please provide a copy of your Exemption Certificate with the Lease Contract.** If Lessee provides the appropriate tax exemption certificates to DFS, sales and use taxes will not be collected by DFS. However, if your taxing authority assesses a **personal property tax** on leased equipment, and if DFS pays that tax under your lease structure, **Lessee must reimburse DFS for that tax expense in connection with the Lessee's lease.**

PURCHASE ORDER: The Purchase Order must be made out to Dell Financial Services L.L.C., One Dell Way, RR8-23, Round Rock, TX 78682. The Purchase Order will need to include the quote number, quantity and description of the equipment. Please be sure to indicate that the PO is for a lease order and shows the type of lease, the term length, and payment frequency. The date of the lease quote referenced should be included. Please be sure to include any applicable shipping costs as a line item and include your address as the SHIP TO destination.

INSURANCE: The risk of loss on the equipment is borne solely by the Lessee. Lessee shall be required to purchase and maintain during the Term (i) comprehensive public liability insurance naming Lessor as additional insured; and (ii) "all-risk" physical damage insurance in a minimum amount of the Purchase Price, naming DFS as first loss payee.

APPROPRIATION COVENANT: The Lease will contain an appropriation of funds clause. The Lessee will covenant that it shall do all things legally within its power to obtain and maintain funds from which the payments may be paid.

DOCUMENTATION: In addition to a duly executed Agreement, other documents as reasonably requested by DFS may be required, such as but not limited to, opinions of counsel, IRS tax exemption forms (if applicable), and audited financials.

PROPOSAL VALIDITY / APPROVALS: This is a proposal based upon market conditions and is valid for 30 days, is subject to final credit approval, review of the economics of the transaction, and execution of mutually acceptable documentation.