

New York State Office Of General Services
Procurement Services Group
Corning Tower Building
Empire State Plaza
Albany, New York 12242
<http://www.ogs.state.ny.us>

PURCHASING MEMORANDUM

CONTRACT AWARD NOTIFICATION UPDATE

AWARD NUMBER: [01649-E*](#)

DATE: November 3, 2006

GROUP: 22424 - COPIERS (Analog and Digital), DIGITAL
DUPLICATORS, COLOR AND WIDE
FORMAT (Statewide)

PLEASE ADDRESS INQUIRIES TO:
STATE AGENCIES & CONTRACTORS

Lori L. Bahan
Purchasing Officer I
(518) 474-5535
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CONTRACT PERIOD: June 1, 2002 to
May 31, 2007

OTHER AUTHORIZED USERS

Customer Services
(518) 474-6717
customer.services@ogs.state.ny.us

CONTRACTOR/

CONTRACT NO.: KONICA MINOLTA BUSINESS SOLUTIONS USA, INC. / PC59463

SUBJECT: DEFERRED PAYMENT PLAN

TO ALL NON-STATE AGENCY AUTHORIZED USERS ELIGIBLE TO USE STATE CONTRACTS:

Konica Minolta is offering a new type of Deferred Payment Plan called a Purchase Option Plan. Below are the Purchase Option Plan Terms and Conditions.

**Purchase Option Plan Terms and Conditions
For Use by Non-State Agencies With
State of New York Department of General Services
Award # 01649-E* for Copiers (Analog and Digital), Digital Duplicators,
Color and Wide-Format**

This is a Purchase Option Plan promotion available to only Non-State Agency Authorized Users eligible to use the OGS contract for copiers. Konica Minolta may cancel this promotion upon 30 days prior written notice to OGS. Such cancellation shall not apply to any existing agreements entered into under this promotion prior to the effective date of the cancellation.

1. The promotion is limited to those selected Konica Minolta Models currently available under this Contract.
2. Title to the equipment will pass to the Customer upon the payment of the remaining portion of the full contract purchase price as provided herein either during or upon expiration of the plan term. Risk of loss will shift to customer upon completion of installation by Konica Minolta' technician. Customer agrees to provide thirty (30) days written notice prior to the exercise of any purchase option. If the customer does not exercise the purchase option, customer agrees to make the equipment available to Konica Minolta for return and will have no further financial obligation to Konica Minolta.

3. The customer may elect to make a single lump sum payment for the equipment under the terms of the contract or the customer may elect to make 36, 48, or 60 equal monthly payments, depending upon the promotion offered by Konica Minolta and the purchase option plan term selected by the Customer (if multiple terms are offered). Payments for new installations herein are calculated by taking the contract purchase price, subtracting the purchase option price from the contract purchase price, and dividing the remainder by 36, 48, or 60 months, depending upon the term offered by Konica Minolta and the term selected by the customer. Under no circumstance will the sum of the payments for new installations plus the purchase option price exceed the contract purchase price.
4. Customer at the customer's expense agrees to keep the equipment under a Konica Minolta Maintenance and Supplies Contract with Konica Minolta for the duration of the Purchase Option Plan. Prices and terms and conditions governing maintenance shall be in accordance with the terms and conditions contained within State of New York Office of General Services Contract Award Notification # 01649-E* for Copiers.
5. Monthly billing will consist of the monthly payment for equipment plus the contract maintenance and supply prices contained in the attached price exhibit. The equipment and maintenance base charges will be billed monthly in arrears. The excess copy charges will be billed quarterly in arrears. Maintenance charges will include consumable supplies (black toner, developer / copy cartridges, and fuser lubricants, where applicable), excluding paper, staples, and specialty supply items.
6. Customer may pay off or cancel the Purchase Option Plan at any time by making a lump sum payment that is equal to the number of months remaining in the agreement times the monthly base payment plus the purchase option price.
7. Service and supply requirements of the State contract continue for the full time period called for in the contract for that item of equipment regardless of when the customer exercises the buy out option. After that time the customer, at his sole option, may enter into a maintenance agreement with Konica Minolta per the available State Contract prices and terms and conditions or reduced negotiated price.
8. This is a Purchase Option agreement. In accordance with Section 41 of the State Finance Law, the Customer shall have no liability under this Agreement to the contractor or to anyone else beyond funds appropriated and available for this Agreement. In the event the Customer must cancel this agreement due to the failure of its funding authority to provide funds for the succeeding fiscal period Konica Minolta requests:

Written notice from the customer within thirty days after receipt of an approved budget that the customer's funding authority through no action on the part of the customer has failed to appropriate funds for the continuation of the agreement.

Certification that the canceled Equipment to the extent permitted by law is not being replaced by equipment performing similar functions during the balance of the customer's current fiscal year.

Customer agrees to return the equipment to Konica Minolta in good working order and that the equipment will be free of all liens and encumbrances. Customer within 30 days of receipt of final invoice agrees to pay Konica Minolta all sums owed Konica Minolta under this agreement up to the point funding authority expires. Customer will then be released from their obligations to make any further payments to Konica Minolta (with Konica Minolta retaining all sums previously paid under this agreement).

9. The Customer by selecting the Purchase Option Plan does not waive any rights under the State of New York Office of General Services Contract Award Notification # 01649-E* for Copiers, with regard to the functionality, performance, and reliability of the product and all related services and supplies. Further, besides the terms and conditions hereof, no other terms and conditions shall have application to Customer's acquisitions of copiers hereunder except for the those found in OGS' Contract Award Notification # 01649-E*.

All other terms and conditions of the original Award remain the same.



State of New York Purchase Option Plan Product Availability

It is important to note that some units are not allowed under this program AND not all terms are allowed per a specific model. Here is the Model/Term matrix for your reference.

Model	12-Months	24-Months	36-Months	48-Months	60-Months
160	Yes	Yes	Yes	Yes	Yes
161f	Yes	Yes	Yes	Yes	Yes
222	Yes	Yes	Yes	Yes	Yes
282	Yes	Yes	Yes	Yes	Yes
362	Yes	Yes	Yes	Yes	Yes
361	Yes	Yes	Yes	Yes	Yes
421	Yes	Yes	Yes	Yes	Yes
501	Yes	Yes	Yes	Yes	Yes
601	Yes	Yes	Yes	No	No
751	Yes	Yes	Yes	No	No
950	Yes	Yes	Yes	Yes	Yes
1051	Yes	Yes	Yes	Yes	Yes
1200	Yes	Yes	Yes	Yes	Yes
C200	Yes	Yes	Yes	Yes	Yes
C203	Yes	Yes	Yes	Yes	Yes
C253	Yes	Yes	Yes	Yes	Yes
C353	Yes	Yes	Yes	Yes	Yes
C452	Yes	Yes	Yes	Yes	Yes
C552	Yes	Yes	Yes	Yes	Yes
C652	Yes	Yes	Yes	Yes	Yes
C5501	Yes	Yes	Yes	Yes	Yes
C6501	Yes	Yes	Yes	Yes	Yes