



Board Agenda Item #	II G
Date:	08.11.2016
To:	Magnolia Board of Directors
From:	Caprice Young, Ed.D. CEO & Superintendent
Staff Lead:	Kelly Hourigan, Chief Operations Officer
RE:	Approval of RFP for MSA-Santa Ana iMacs lease  Recommendations: <ul style="list-style-type: none"> <li>• Vendor – <b>Apple Financial Services</b></li> <li>• Total – <b>\$55,746.04</b></li> </ul>

Proposed Board Recommendation

I move that the board awards the winning bid according to vendor evaluation matrix and adopt the lease of the Apple iMacs for Magnolia Science Academy-Santa Ana operating within the approved budgeted amounts. Should there be a similar need for any other Magnolia Public Schools, the approved vendor, machine model, and price will be used between dates July 1st, 2016 – June 30th, 2017.

Background

The Apple iMacs is a need for the daily classroom teaching needs. We will be replacing current MSA Santa Ana old computers as they're fulfilled their four-year lifespan. The choice of iMacs for teachers was requested by school leadership team due to its performance and look.

We released RFP on August 3<sup>rd</sup>, 2016 and received lease quote from Apple Financial Services only.

It was evaluated it according to following factors.

Factor	Weight
Cost of products and services (required, highest weight)	40%
Functionality/completeness/specifications of proposed solution	30%
Vendor: qualifications, credentials, certifications, experience, references	20%
Contract terms and conditions	10%
<b>Total</b>	<b>100.00%</b>



Budget Implications

The purchase of MSA Santa Ana Interactive Display is budgeted.

Name of Staff Originator: Rasul Monoshev



## REQUEST FOR PROPOSALS FOR iMacs LEASE

(Due Date – August 8<sup>th</sup>, 2016)

### PURPOSE

The Magnolia Public Schools(MPS) is accepting proposals for lease of iMacs for Magnolia Science Academy(MSA)-Santa Ana’s classroom teaching. *Should there be a need for any other MPS schools listed below between dates July 1<sup>st</sup>, 2016 – June 30<sup>th</sup>, 2017, the approved vendor, the iMacs model, and the lease price will be used for procurement:*

MSA-1	18238 Sherman Way, Reseda, CA 91335
MSA-2	17125 Victory Blvd., Van Nuys, CA 91406
MSA-3	1254 East Helmick Street, Carson, CA 90746
MSA-4	11330 West Graham Place, Los Angeles, CA 90064
MSA-5	18230 Kittridge St., Reseda, CA 91335
MSA-6	3754 Dunn Dr., Los Angeles, CA 90034
MSA-7	18355 Roscoe Boulevard, Northridge, CA 91325
MSA-8	6411 Orchard Ave., Bell, CA 90201
MSA-Santa Ana	2840 W. 1st Street, Santa Ana, CA 92703
MSA-Santa Clara	14271 Story Road, San Jose, CA 95127
MSA-San Diego	6365 Lake Atlin Ave., San Diego, CA 92119

### GENERAL TERMS AND CONDITIONS FOR RFP PROPOSAL GUIDELINES

1. Each item request and guideline in the RFP must be known and properly addressed in the proposal.
2. All equipment in proposal must conform to specifications provided in the RFP.
3. The Vendor must provide terms of warranty on all products
4. The Vendor shall provide a clear breakdown of equipment and services costs.
5. The Vendor must provide an estimated timeline for product delivery.
6. Proposal must be valid for 60days.

**All questions regarding the RFP should be addressed in writing to Rasul Monoshev, IT Director, [rmonoshev@magnoliapublicschools.org](mailto:rmonoshev@magnoliapublicschools.org).**



## **PROPOSAL SUBMISSION**

Proposals are to be submitted no later than 5:00 PM PST, Monday, 08/08/2016 with options below:

- Email price quote to [imacslease\\_rfp@magnoliapublicschools.org](mailto:imacslease_rfp@magnoliapublicschools.org)
- Mail to: Rasul Monoshev, MSA SA iMacs Lease

Magnolia Public Schools, 250 East First St STE1500, Los Angeles, CA 90012

## **ACCEPTANCE/REJECTION OF PROPOSAL SUBMISSIONS**

The Magnolia Public Schools reserves the right to accept or reject any and all proposals or any portion of any and all proposals at their discretion. While price is an important consideration, it will not be the sole determining factor in the selection of a Vendor. Payments will not be made nor orders submitted until after the Magnolia Public Schools Board of Directors has accepted a proposal and awarded it as the winning proposal submission. A contract will exist between the Magnolia Public Schools and the Vendor upon selection of the winning proposer.

## **COMPENSATION**

Payments are on monthly invoice term. The lease payments will not be issued until after both the Vendor and Magnolia Public Schools agree that the project is complete and meets all requirements.

## **RFP Revisions**

The Magnolia Public Schools reserves the right to modify or issue amendments to the RFP at any time. The Magnolia Public Schools also reserves the right to cancel or reissue the RFP at any time. Notices will be posted to <http://magnoliapublicschools.org>. It is the sole responsibility of the proposer to monitor the URL for posting of such information.



## RFP EVALUATION

All qualified, responsive proposals will be evaluated using the following factors and weights.

Factor	Weight
Cost of products and services (required, highest weight)	40%
Functionality/completeness/specifications of proposed solution	30%
Vendor: qualifications, credentials, certifications, experience, references	20%
Contract terms and conditions	10%
<b>Total</b>	<b>100.00%</b>

## EQUIPMENT & SERVICES SPECIFICATIONS

- **Item 1: iMac 21.5-inch**

**Quantity: 50**

**Description:**

- ✓ i
- ✓ 1.6GHz Intel Dual-Core Core i5, Turbo Boost up
- ✓ Intel HD Graphics 6000 8GB 1867MHz LPDDR3 1TB Serial ATA Drive @ 5400 rpm Apple Mouse Apple Keyboard with numeric keypad (English) /
- ✓ Part Number Z0RP0LL/A

- **Item 2: AppleCare Protection Plan for iMac - Auto-enroll**

**Quantity: 50**

**Description:**

- ✓ Part Number S3128LL/A

**Delivery/Shipping :** No dock at this location.

**Ship to Address:**

Magnolia Science Academy-Santa Ana

2840 W. 1st Street, Santa Ana, CA 92703



# Financial Services

23801 Calabasas Road, Suite 101  
Calabasas, CA 91302  
888.985.1006

July 25, 2016

Brock Atar  
Magnolia Educational & Research Foundation and  
Magnolia Science Academy – Santa Ana  
13950 Milton Avenue, Suite 200  
Westminster, CA 92683

Dear Brock Atar:

The AFS Education Finance Program is pleased to assist Magnolia Science Academy – Santa Ana with lease financing for equipment from Apple Inc. We are pleased to have you as a customer and will do our very best to exceed all of your expectations.

Please review the following documentation carefully. The documentation includes the following, all of which should be signed by an individual authorized by your school. The documents should be printed and signed as requested, and returned to us as soon as possible, via overnight delivery:

- Lease Schedule 257 – Print and sign two copies.
- Certificate of Incumbency – Print one copy and complete as requested.
- Master Lease Agreement No. 426 – Print and sign two copies.
- Certificate of Acceptance – Print and sign one copy. Do not insert the date in Paragraph 1. We will contact you to confirm the delivery date and insert that date upon confirmation.
- Notice and Acknowledgement of Assignment – Print and sign three copies.
- Authorization Agreement for Preauthorized Debit Payments - Print one copy, complete, sign and return with a voided check.
- Insurance Request – Print one copy, complete and sign. If you prefer you may contact your agent directly and have the insurance certificates sent directly to me.

Also enclosed is/are invoice(s) for the first payment(s) due under the lease and/or e-Waste fees. Please process for payment and return with the document package.

In order to facilitate the most efficient and timely processing of your equipment order, the following information should also be provided:

- **Purchase Order.** The purchase order should reference: a total cost of \$55,746.04 [\$51,392.00 for equipment, \$200.00 for e-Waste fees (if applicable) and \$4,154.04 for sales tax (if applicable)]; Apple Quote 2203204284; and must include Ship To and Bill To addresses.

**The vendor on all purchase order(s) must be:**

Apple Inc. c/o Apple Financial Services  
23801 Calabasas Road, Suite 101  
Calabasas, CA 91302

- **Tax Exemption Certificate - if applicable (Note:** Applicable taxes will be added if exemption certificate is not received)
- **2015 Audited Financial Statements**

Please scan the entire document package (only one copy of each document is necessary) and e-mail to documents@appleleasefinance.com for review, prior to overnighting the documents. Please return the:

- ORIGINAL properly executed documentation
- ORIGINAL purchase order(s)
- Sales tax exemption certificate.

Upon our receipt of all of the above items we will process your order for product allocation and shipment.

**Return original documents to:**

Apple Financial Services  
23801 Calabasas Road, Suite 101  
Calabasas, CA 91302

If you have any questions please do not hesitate to contact me at 888.985.1006.

Sincerely,  
GREG HUBACH  
AFS Education Finance Program  
Contracts Administrator



## Lease Documentation Checklist

<b>Documents Required Prior to Shipment</b>	<b>Scanned to Apple</b>
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**NOTE:** Please call Greg Hubach at 888.985.1006 with any questions.

Master Lease Agreement	Lessee Signature, Printed Name/Title, Execution Date _____ & Federal Tax ID No.	
Schedule	Lessee Signature, Name/Title & Execution Date	_____
Incumbency Certificate	The Incumbency section is to be executed by a person other than the signer of the documents. This may be a Board Secretary or any Board Member.	_____
Lease Payment Instructions	Identify how Lease is to be invoiced.	_____
Insurance Coverage Requirements	Complete name of insurance company and contact information.	_____
Purchase Order(s)	Purchase Order(s) must include: <b>Apple Inc. c/o Apple Financial Services</b> <b>23801 Calabasas Road, Suite 101</b> <b>Calabasas, CA 91302</b> as Vendor, Apple product quantity and description with extended price, bill-to and ship-to name/address, PO number, and authorized signature. Additionally, please provide third party vendor contacts ( <i>if applicable</i> ). Apple will contact third party vendor(s) regarding invoice remittance.	_____
Sales/Use Tax Exemption Certificate	Please provide if applicable. <b>Note:</b> Applicable taxes will be added if exemption certificate is not received.	_____

**NOTE:** Please provide scanned copies of the above items to [documents@appleleasefinance.com](mailto:documents@appleleasefinance.com).

<b>Documents Required Prior to Funding</b>	<b>Mailed to Apple</b>
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Originals of all the above	Please mail to: <b>Apple Financial Services</b> <b>Attention: Greg Hubach</b> <b>23801 Calabasas Road, Suite 101</b> <b>Calabasas, CA 91302</b>	
Insurance Certificate	Provide All Risk Personal Property and General Liability Coverage listing Apple Inc. and its assigns as "Loss Payee" and "Additionally Insured".	_____
Acceptance Certificate	Lessee Signature, Name/Title & Execution Date.	_____
Advance Lease Payment	Invoice attached, if applicable.	_____

**LESSOR:** **APPLE INC.**  
23801 Calabasas Road, Suite 101  
Calabasas, CA 91302

**CO-LESSEES:** **MAGNOLIA EDUCATIONAL & RESEARCH FOUNDATION**  
**MAGNOLIA SCIENCE ACADEMY – SANTA ANA**  
13950 Milton Avenue, Suite 200  
Westminster, CA 92683

**EQUIPMENT SCHEDULE**

**EQUIPMENT SCHEDULE:** This Schedule to the Master Lease Agreement is by and between Apple Inc., as Lessor, and Magnolia Educational & Research Foundation and Magnolia Science Academy – Santa Ana (each a “Co-Lessee”, and together, the “Lessee” or the “Co-Lessees”), as Lessee. For purposes hereof, each Co-Lessee shall be deemed a Lessee hereunder and under the Lease. All references to “Lessee” shall mean and shall include each Co-Lessee, and all references to “Co-Lessee” shall mean a Lessee. Co-Lessees’ obligations hereunder shall be joint and several, and Lessor may proceed against any Co-Lessee directly and independently of the other Co-Lessee. Subject to the terms of this Agreement, you agree to lease from us the Equipment described in each Schedule when we accept the Schedule at our office in California. **ONCE WE ACCEPT THE SCHEDULE, YOU MAY NOT CANCEL IT DURING THE FULL LEASE TERM.** Each Schedule will incorporate the terms of this Agreement and will constitute a separate Lease. You agree to be bound by all the terms of the Lease. **EQUIPMENT:** Apple personal computers and other equipment. The final Rent amount will be amended, if necessary, as determined by the final Equipment cost, by Lessor using the rate factor stated below. The Equipment configuration will be determined by invoices presented from Apple Inc., which will be described in the Certificate of Acceptance. The Equipment consists of the following:

Part #	Description	Qty	Price	Extended Price
ZORP0LL/A	iMac 21.5-inch with: (065-C362) 1.6GHz Intel Dual-Core Core i5, Turbo Boost up to 2.7GHz; (065-C363) Intel HD Graphics 6000; (065-C364) 8GB 1867MHz LPDDR3; (065-C368) 1TB Serial ATA Drive @ 5400 rpm; (065-C36L) Apple Mouse; (065-C377) Apple Keyboard with numeric keypad (English) / User's Guide (English)	50	\$923.12	\$46,156.00
S3128LL/A	AppleCare Protection Plan for iMac - Auto-enroll	50	\$104.72	\$5,236.00
			<b>TOTAL</b>	<b>\$51,392.00</b>

**TRANSACTION TERMS:**

RENT:	\$19,733.47 per Year (Includes applicable taxes)	Equipment Cost:	\$51,392.00
PAYABLE:	Yearly in Advance	e-Waste:	\$200.00
ADVANCE RENT:	N/A	Taxes:	\$4,154.04
ADVANCE RENTAL/ DOWNPAYMENT	N/A	<b>TOTAL:</b>	<b>\$55,746.04</b>

EQUIPMENT PURCHASE OPTION at END of LEASE:  
 \$1.00       Fair Market Value       Other:

LEASE TERM: 36 Months (commencing August 1, 2016)  
 EQUIPMENT LOCATION: (IF DIFFERENT FROM LESSEE ADDRESS ABOVE) 102 Baker Street E, Costa Mesa, CA 92626  
 LESSEE CONTACT/TELEPHONE: Brock Atar, 714-892-5066, batar@magnoliapublicschools.org

**THIS SCHEDULE INCORPORATES ALL OF THE TERMS AND CONDITIONS IN THE MASTER LEASE AGREEMENT BETWEEN LESSOR AND LESSEE IDENTIFIED ABOVE.**

**IMPORTANT:**

**READ BEFORE SIGNING. THE TERMS OF THIS SCHEDULE SHOULD BE READ CAREFULLY BECAUSE ONLY THOSE TERMS IN WRITING ARE ENFORCEABLE. THIS SCHEDULE INCORPORATES THE TERMS OF THE ABOVE IDENTIFIED MASTER LEASE AGREEMENT. TERMS OR ORAL PROMISES WHICH ARE NOT CONTAINED IN THIS WRITTEN SCHEDULE OR THE MASTER LEASE AGREEMENT MAY NOT BE LEGALLY ENFORCED. YOU MAY CHANGE THE TERMS OF THIS SCHEDULE ONLY BY ANOTHER WRITTEN AGREEMENT BETWEEN YOU AND US. YOU AGREE TO COMPLY WITH THE TERMS AND CONDITIONS OF THIS SCHEDULE. THIS SCHEDULE IS NOT CANCELABLE. YOU AGREE THAT THE EQUIPMENT WILL BE USED FOR BUSINESS PURPOSES ONLY AND NOT FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES.**

**YOU CERTIFY THAT ALL THE INFORMATION GIVEN IN THIS SCHEDULE AND YOUR APPLICATION WAS CORRECT AND COMPLETE WHEN THIS SCHEDULE WAS SIGNED. THIS SCHEDULE IS NOT BINDING UPON US OR EFFECTIVE UNTIL AND UNLESS WE EXECUTE THIS SCHEDULE. THIS SCHEDULE WILL BE GOVERNED BY THE LAWS OF THE STATE OF CALIFORNIA. YOU AGREE TO THE JURISDICTION AND VENUE OF FEDERAL AND STATE COURTS IN LOS ANGELES COUNTY, CALIFORNIA.**

ACCEPTED BY:  
**LESSOR: APPLE, INC.**  
 BY: \_\_\_\_\_  
 TITLE: \_\_\_\_\_  
 DATE: July 25, 2016

PROPOSED BY:  
**CO-LESSEE: MAGNOLIA EDUCATIONAL & RESEARCH FOUNDATION**  
 BY: \_\_\_\_\_  
 TITLE: \_\_\_\_\_  
 DATE: July 25, 2016      FED. TAX ID#: \_\_\_\_\_

**CO-LESSEE: MAGNOLIA SCIENCE ACADEMY – SANTA ANA**  
 BY: \_\_\_\_\_  
 TITLE: \_\_\_\_\_  
 DATE: July 25, 2016      FED. TAX ID#: \_\_\_\_\_



**INCUMBENCY CERTIFICATE\*\***

Being a knowledgeable and authorized agent of Magnolia Educational & Research Foundation (“Lessee”), I hereby certify to Lessor that the person(s) who executed Lease Agreement 426-257 and all ancillary documents is/are legally authorized to do so on behalf of the Lessee and that the signatures that appear on such documents are original and genuine.

BY: \_\_\_\_\_ NAME & TITLE (printed) \_\_\_\_\_

**(\*\*THE INCUMBENCY CERTIFICATE IS TO BE EXECUTED BY AN AUTHORIZED PERSON DIFFERENT FROM THE SIGNER OF THE LEASE OR RENTAL AGREEMENT, EQUIPMENT SCHEDULE, AND RELATED DOCUMENTS.)**

**INCUMBENCY CERTIFICATE\*\***

Being a knowledgeable and authorized agent of Magnolia Science Academy – Santa Ana (“Lessee”), I hereby certify to Lessor that the person(s) who executed Lease Agreement 426-257 and all ancillary documents is/are legally authorized to do so on behalf of the Lessee and that the signatures that appear on such documents are original and genuine.

BY: \_\_\_\_\_ NAME & TITLE (printed) \_\_\_\_\_

**(\*\*THE INCUMBENCY CERTIFICATE IS TO BE EXECUTED BY AN AUTHORIZED PERSON DIFFERENT FROM THE SIGNER OF THE LEASE OR RENTAL AGREEMENT, EQUIPMENT SCHEDULE, AND RELATED DOCUMENTS.)**

**LESSOR:** APPLE INC.  
23801 Calabasas Road, Suite 101  
Calabasas, CA 91302

**CO-LESSEES:** MAGNOLIA EDUCATIONAL & RESEARCH FOUNDATION  
MAGNOLIA SCIENCE ACADEMY – SANTA ANA  
13950 Milton Avenue, Suite 200  
Westminster, CA 92683

We have written this Agreement in plain language because we want you to understand its terms. Please read your copy of this Agreement carefully and feel free to ask us any questions you may have. The word "Agreement" means this master lease agreement. The word "Schedule" means any lease schedule under this Agreement which has been signed by you and accepted by us. The word "Lease" means this Agreement and a Schedule. The words "you" and "your" mean the Lessee named above. The words "we", "us", and "our" refer to the Lessor named above. Other capitalized terms not otherwise defined in this Agreement are described in the Schedule.

**TERMS AND CONDITIONS**

**1. LEASE.** Subject to the terms of this Agreement, you agree to lease from us the Equipment described in each Schedule when we accept the Schedule at our office in California. **ONCE WE ACCEPT THE SCHEDULE, YOU MAY NOT CANCEL IT DURING THE FULL LEASE TERM.** Each Schedule will incorporate the terms of this Agreement and will constitute a separate Lease. You agree to be bound by all the terms of the Lease.

**2. DELIVERY AND ACCEPTANCE OF EQUIPMENT.** Acceptance of the Equipment occurs upon delivery. When you receive the Equipment, you agree to inspect it and to verify by telephone or in writing such information as we may require. Delivery and installation costs are your responsibility. If you signed a purchase contract for the Equipment, by signing the Schedule you assign your rights, but none of your obligations under it, to us.

**3. RENT.** You agree to pay us Rent (plus applicable taxes) in the amount and frequency stated on each Schedule. If your Rent payments are due in Advance, your first Rent payment is due on the first day of the month following the date you accept the Equipment under the Schedule. We will advise you as to (a) the due date of each Rent payment, and (b) the address to which you must send your payments. Rent is due whether or not you receive an invoice from us. You will pay us any required Advance Rent or Security Deposit when you sign each Schedule. Security Deposits or Advance Rents may be commingled and do not earn interest. Provided you are not in default, we may apply your Security Deposit to the last Rent payment or to your purchase option or we may refund the Security Deposit to you when the Lease Term expires and the Equipment is returned in accordance with Section 16. If we collect more than one payment as Advance Rent, we may apply such Advance Rent to the last Rent payment. You authorize us to change the Rent by not more than 15% due to changes in the Equipment configuration which may occur prior to our acceptance of the Schedule. Restrictive endorsements on checks you send to us will not reduce your obligations to us. **Unless a proper exemption certificate is provided, applicable sales and use taxes will be added to the Rent. Lessee may prepay its obligations hereunder at any time, without penalty, upon payment of a prepayment amount reasonably determined by Lessor.**

**4. UNCONDITIONAL OBLIGATION. YOU AGREE THAT YOU ARE UNCONDITIONALLY OBLIGATED TO PAY ALL RENT AND ANY OTHER AMOUNTS DUE UNDER EACH SCHEDULE FOR THE FULL LEASE TERM EVEN IF THE EQUIPMENT IS DAMAGED OR DESTROYED, IF IT IS DEFECTIVE OR IF YOU HAVE TEMPORARY OR PERMANENT LOSS OF ITS USE. YOU ARE NOT ENTITLED TO REDUCE OR SET-OFF AGAINST RENT OR OTHER AMOUNTS DUE UNDER EACH SCHEDULE FOR ANY REASON WHATSOEVER.**

**5. DISCLAIMER OF WARRANTIES. THE EQUIPMENT IS BEING LEASED TO YOU IN AS-IS CONDITION. NO INDIVIDUAL IS AUTHORIZED TO CHANGE ANY PROVISION OF THE LEASE. YOU AGREE THAT YOU HAVE SELECTED THE EQUIPMENT BASED UPON YOUR OWN JUDGMENT. YOU HAVE NOT RELIED ON ANY STATEMENTS WE OR OUR EMPLOYEES HAVE MADE. EXCEPT AS PROVIDED IN OUR WRITTEN PRODUCT WARRANTIES, WE HAVE NOT MADE AND DO NOT MAKE ANY EXPRESS OR IMPLIED REPRESENTATIONS OR WARRANTIES WHATSOEVER, INCLUDING WITHOUT LIMITATION, THE EQUIPMENT'S MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, SUITABILITY, DESIGN, CONDITION, DURABILITY, OPERATION, QUALITY OF MATERIALS OR WORKMANSHIP, OR COMPLIANCE WITH SPECIFICATIONS OR APPLICABLE LAW.** You are aware that we are the Equipment manufacturer and you will contact us for a description of your warranty rights. You agree to settle any dispute you may have regarding performance of the Equipment directly with us and not make any claim against any new owner described in Section 19. You agree to continue to pay such new owner all Rent and other payments even if you have a dispute with us regarding the Equipment.

**6. TITLE AND SECURITY INTEREST** If the Purchase Option amount stated on the Schedule is \$1.00 (a "Dollar Purchase Option"), you shall have title to the Equipment immediately upon delivery and shall be deemed to be the owner of the Equipment as long as you are not in default under the Lease. In the event of a default, title to the equipment shall revert to us free and clear of any rights or interests you may have in the Equipment. If the Purchase Option amount stated on the Schedule is other than \$1.00 (a "Stated Purchase Option"), the Equipment is and shall remain our sole property during the Lease Term. Unless you are in default under the Lease, you shall have the right to peacefully possess and use the Equipment during the Lease Term. To secure all of your obligations to us under the Lease you hereby grant us a security interest in (a) the Equipment to the extent of your interests in the Equipment, (b) anything attached or added to the Equipment at any time, (c) any money or property from the sale of the Equipment, and (d) any money from an insurance claim if the Equipment is lost or damaged. You agree that the security interest will not be affected if this Agreement or any Schedule is changed in any way. You hereby appoint us (or our agent) as your true lawful attorney-in-fact to affix your signature to UCC financing statements prepared and filed on your behalf by us (or our agent) with the same force and effect as if you had signed such financing statements. If we request, you agree to sign financing statements in order for us to publicly record our security interest. This Agreement or a copy of this Agreement shall be sufficient as a financing statement and may be filed as such.

**7. USE, MAINTENANCE AND REPAIR.** You will not move the Equipment from the Equipment Location without our advance written consent. You will give us reasonable access to the Equipment Location so that we can check the Equipment's existence, condition and proper maintenance. You will use the Equipment in the manner for which it was intended, as required by all applicable manuals and instructions and keep it eligible for any manufacturer's certification and/or standard, full service maintenance contract. At your own cost and expense, you will keep the Equipment in good repair, condition and working order, ordinary wear and tear excepted. All replacement parts and repairs will become our property. You will not make any permanent alterations to the Equipment.

**8. TAXES.** You agree that you will pay us, when invoiced, all taxes (including any sales, use and personal property taxes), fines, interest and penalties relating to each Lease and the Equipment (excluding taxes based on our net income). If the Lease includes a Dollar Purchase Option, you agree to file any required personal property tax returns and, if we ask, you will provide us with proof of payment. We do not have to contest any tax assessments. For Leases with a Stated Purchase Option, (a) you will, at our discretion, either (1) reimburse us annually for all personal property taxes which we may be required to pay as the owner of the Equipment, or (2) remit to us each month our estimate of the monthly equivalent of the annual personal property taxes to be assessed, (b) you agree to pay us for the loss of any income tax benefits caused by your actions, and (c) should an increase in the federal corporate income tax rate or a change in the "accelerated cost recovery deductions" allowed by the Internal Revenue Code of 1986, as amended, adversely affect our after-tax earnings or cash flows, you agree that we may increase the Rent and other amounts due under each Lease to offset any such adverse effect.

**IMPORTANT: READ BEFORE SIGNING. THE TERMS OF THIS AGREEMENT (INCLUDING THOSE ON THE REVERSE SIDE) AND ANY SCHEDULES SHOULD BE READ CAREFULLY BECAUSE ONLY THOSE TERMS IN WRITING ARE ENFORCEABLE. TERMS OR ORAL PROMISES WHICH ARE NOT CONTAINED IN THIS WRITTEN AGREEMENT MAY NOT BE LEGALLY ENFORCED. YOU MAY CHANGE THE TERMS OF A LEASE ONLY BY ANOTHER WRITTEN AGREEMENT BETWEEN YOU AND US. YOU AGREE TO COMPLY WITH THE TERMS AND CONDITIONS OF EACH LEASE. EACH LEASE IS NOT CANCELABLE. YOU AGREE THAT THE EQUIPMENT WILL BE USED FOR BUSINESS PURPOSES ONLY AND NOT FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES.**

**YOU CERTIFY THAT ALL THE INFORMATION GIVEN IN THIS AGREEMENT, ANY SCHEDULES AND YOUR APPLICATION WAS CORRECT AND COMPLETE WHEN THIS AGREEMENT WAS SIGNED. THIS AGREEMENT IS NOT BINDING UPON US OR EFFECTIVE UNLESS AND UNTIL WE EXECUTE THIS AGREEMENT. THIS AGREEMENT AND ALL SCHEDULES WILL BE GOVERNED BY THE LAWS OF THE STATE OF CALIFORNIA. YOU AGREE TO THE JURISDICTION AND VENUE OF FEDERAL AND STATE COURTS IN LOS ANGELES COUNTY, CALIFORNIA.**

**ACCEPTED BY:**  
**LESSOR: APPLE, INC.**  
  
BY: \_\_\_\_\_  
TITLE: \_\_\_\_\_  
DATE: July 25, 2016

**PROPOSED BY:**  
**CO-LESSEE: MAGNOLIA EDUCATIONAL & RESEARCH FOUNDATION**  
  
BY: \_\_\_\_\_  
TITLE: \_\_\_\_\_  
DATE: July 25, 2016 FED. TAX ID#: \_\_\_\_\_  
  
**CO-LESSEE: MAGNOLIA SCIENCE ACADEMY – SANTA ANA**  
  
BY: \_\_\_\_\_  
TITLE: \_\_\_\_\_  
DATE: July 25, 2016 FED. TAX ID#: \_\_\_\_\_

**9. INDEMNITY.** We are not responsible for any injuries, damages, penalties, claims or losses, including legal expenses, incurred by you or any other person caused by the transportation, installation selection, purchase, lease, ownership, possession, modification, maintenance, condition, operation, use, return or disposition of the Equipment. You agree to reimburse us for and defend us against any claims for such losses, damages, penalties, claims, injuries, or expenses. This indemnity continues even after the Lease has expired for acts or omissions which occurred during the Lease Term.

**10. IDENTIFICATION.** You authorize us to insert or correct missing information on the Lease, including your official name, serial numbers and any other information describing the Equipment. We will send you copies of such changes. You will attach to the Equipment any name plates or stickers we provide you.

**11. LOSS OR DAMAGE.** You are responsible for any loss of the Equipment from any cause at all, whether or not insured, from the time the Equipment is shipped to you until it is returned to us. If any item of Equipment is lost, stolen or damaged, you will promptly notify us of such event. Then, at our option, you will either (a) repair the Equipment so that it is in good condition and working order, eligible for any manufacturer's certification, or (b) pay us an amount equal to the Net Book Value (as defined in Section 14) of the lost, stolen or damaged Equipment. If you have satisfied your obligations under this Section 11, we will forward to you any insurance proceeds which we receive for lost, damaged, or destroyed Equipment. If you are in default, we will apply any insurance proceeds we receive to reduce your obligations under Section 14 of this Agreement.

**12. INSURANCE.** You agree to (a) keep the Equipment fully insured against loss, naming us as loss payee, and (b) obtain a general public liability insurance policy covering both personal injury and property damage in amounts not less than we may tell you, naming us as additional insured, until you have met all of your obligations under the Lease. We are under no duty to tell you if your insurance coverage is adequate. The policies shall state that we are to be notified of any proposed cancellation at least 15 days prior to the date set for cancellation. Upon our request, you agree to provide us with certificates or other evidence of insurance acceptable to us. If you do not provide us with evidence of proper insurance within 10 days of our request or we receive notice of policy cancellation, we may (but we are not obligated to) obtain insurance on our interest in the Equipment at your expense. You will pay all insurance premiums and related charges.

**13. DEFAULT.** You will be in default under this Agreement if any of the following happens: (a) we do not receive any Rent or other payment due hereunder within 10 days after its due date, or (b) you or any of your guarantors become insolvent, are liquidated or dissolved, merge, transfer substantially all stock or assets, stop doing business, or assign rights or property for the benefit of creditors, or (c) a petition is filed by or against you or any of your guarantors under any bankruptcy or insolvency law, or (d) (for individuals) you or any of your guarantors die, or have a guardian appointed, or (e) any representation you have made in this Agreement shall prove to have been false or misleading in any material respect, or (f) you or any of your guarantors break any promise made in this Agreement or any guaranty and do not correct the default within 10 days after we send you written notice of the default, or (g) you default on any other agreement between you and us (or our affiliates).

**14. REMEDIES.** Upon the occurrence of a default, we may, in our sole discretion, do any or all of the following: (a) provide written notice to you of default; (b) as liquidated damages for loss of a bargain and not as a penalty, declare due and payable, the present value of (i) any and all amounts which may be then due and payable by you to us under the Lease, plus (ii) all Rent payments remaining through the end of the Lease Term, plus (iii) the Purchase Option amount, if stated, or if no fixed Purchase Option amount is given, our reasonable estimate of the fair market value of like equipment as of the end of the Lease Term, all discounted at the higher of 6% or the lowest rate allowed by law (collectively, the "Net Book Value"). We have the right to require you to make the Equipment available to us for repossession during reasonable business hours or we may repossess the Equipment, so long as we do not breach the peace in doing so, or we may use legal process in compliance with applicable law pursuant to court order to have the Equipment repossessed. You will not make any claims against us or the Equipment for trespass, damage or any other reason. If we take possession of the Equipment we may (a) sell or lease the Equipment at public or private sale or lease, and/or (b) exercise such other rights as may be allowed by applicable law. Although you agree that we have no obligation to sell the Equipment, if we do sell the Equipment, we will reduce the Net Book Value by the amounts we receive. You will immediately pay us the remaining Net Book Value. If the Lease includes a Dollar Purchase Option and we receive more than the Net Book Value plus our costs of sale, we will give you the excess. You agree (a) that we only need to give you 10 days advance notice of any sale and no notice of advertising, (b) to pay all of the costs we incur to enforce our rights against you, including attorney's fees, and (c) that we will retain all of our rights against you even if we do not choose to enforce them at the time of your default.

**15. YOUR OPTIONS AT END OF LEASE.** Provided you are not in default, upon expiration of a Lease with a Dollar Purchase Option, you shall purchase the Equipment at the end of the Lease Term for such amount and we will release any security interest we may have in the Equipment. Provided you are not in default, upon expiration of a Lease with a Stated Purchase Option, you shall have the option to (a) return the Equipment in accordance with Section 16, or (b) on 60 days advance written notice to us, purchase all but not less than all of the Equipment for the Purchase Option amount, if stated, or if no fixed Purchase Option amount is given, our reasonable estimate of the fair market value of like equipment as of the end of the Lease Term. If the Purchase Option is stated as a percentage, the Purchase Option amount shall be the product of such percentage multiplied by the Equipment Cost (as such term is defined in Section 21). If you elect to purchase the Equipment, upon payment of the agreed upon price including all sales taxes and other applicable taxes, we will transfer the Equipment to you **AS IS-WHERE IS, WITHOUT ANY REPRESENTATION OR WARRANTY.** If you fail to exercise the purchase option (a) you will continue to pay Rent until the Equipment is received and accepted by us pursuant to Section 16, and (b) all of the terms of the Lease shall continue to apply.

**16. RETURN OF EQUIPMENT.** If (a) a default occurs, (b) you do not purchase the Equipment at the end of the Lease Term, or (c) you do not extend the Lease Term, you will immediately return the Equipment to any location(s) and aboard any carrier(s) we may designate in the continental United States. The Equipment must be properly packed for shipment in accordance with the manufacturer's recommendations or specifications, freight prepaid and insured, maintained in accordance with Section 7, and in "Average Saleable Condition." "Average Saleable Condition" means that all of the Equipment is immediately available for use by a third party buyer, user or lessee, other than yourself, without the need for any repair or refurbishment. All Equipment must be free of markings. You will pay us for any missing or defective parts or accessories. You will continue to pay Rent until the Equipment is received and accepted by us.

**17. YOUR REPRESENTATIONS.** You state for our benefit that as of the date of each Lease (a) you have the lawful power and authority to enter into the Lease, (b) the individuals signing this Agreement and the Schedule have been duly authorized to do so on your behalf, (c) by entering into the Lease you will not violate any law or other agreement to which you are a party, (d) you are not aware of anything that will have a material negative effect on your ability to satisfy your obligations under the Lease, and (e) all financial information you have provided us is true and accurate and provides a good representation of your financial condition.

**18. YOUR PROMISES.** In addition to the other provisions of this Agreement, you agree that during the term of each Lease (a) you will promptly notify us in writing if you move your principal place of business, if you change the name of your business, or if there is a change in your ownership, (b) you will provide to us such financial information as we may reasonably request from time to time, and (c) you will take any action we reasonably request to protect our rights in the Equipment and to meet your obligations under the Lease.

**19. ASSIGNMENT. YOU WILL NOT SELL, TRANSFER, ASSIGN, PLEDGE, SUB-LEASE OR PART WITH POSSESSION OF THE EQUIPMENT, OR FILE OR PERMIT A LIEN TO BE FILED AGAINST THE EQUIPMENT.** You will not attach any of the Equipment to any real estate. Upon our reasonable request and at your cost, you will get each person with an interest in the real estate where the Equipment is located to waive any rights they may have in the Equipment. We may, without notifying you, sell, assign, or transfer any Lease and our interests in the Equipment. You agree that if we do so, the new owner (and any subsequent owners) will have the same rights and benefits that we now have, but will not have to perform any of our obligations. You agree that the rights of the new owner will not be subject to any claims, defenses, or set-offs that you may have against us. However, any such assignment, sale, or transfer of the Lease or the Equipment will not relieve us of any obligations we may have to you under the Lease. If you are given notice of a new owner of a Lease, you agree to respond to any requests about the Lease and, if directed by us, to pay the new owner all Rent and other amounts due under the Lease.

**20. COLLECTION EXPENSES, OVERDUE PAYMENT, TERMINATION.** You agree that we can, but do not have to, take on your behalf any action which you fail to take as required by the Lease, and our expenses will be in addition to of the Rent which you owe us. We may charge you a late charge to cover our collection costs equal to the higher of 10% of any late payment or \$22, but not more than the highest legal rate. To the extent allowed by law, any late payment or non-payment of any past due amount will accrue interest at the lower of 18% per annum or the highest legal rate from the due date until paid. If you so request and we permit the early termination of the Lease, you agree to pay a fee for such privilege.

**21. AGREED LEASE RATE FACTOR.** You understand that the Equipment may be purchased for cash (the "Equipment Cost") or it may be leased. By signing the Lease, you acknowledge that you have chosen to lease the Equipment from us for the Lease Term and that you have agreed to pay Rent. If the Lease provides for a Dollar Purchase Option, each payment of Rent includes a principal amount based on the Equipment Cost and a lease charge rate. The Equipment Cost is the Rent divided by the Lease Rate Factor. The lease charge portion of the Rent can be determined by applying to the Equipment Cost the rate which will amortize the Equipment Cost down to the Purchase Option amount (which may be a fixed amount or a percentage of the Equipment Cost) by payment of the Rent. The lease charge rate can also be calculated using the Equipment Cost as the present value, the Purchase Option amount as the future value, the Rent as the payment and the Lease Term as the term. The lease charge rate may be higher than the actual annual interest rate because of the amortization of certain costs, expenses and fees incurred by us. **We both intend to comply with all applicable laws. If it is determined that your payments under the Lease result in an interest payment higher than allowed by applicable law, then any excess interest collected will be applied to the repayment of principal and interest will be charged at the highest rate allowed by law. In no event will we charge or receive or will you pay any amounts in excess of the legal amount.**

**22. MISCELLANEOUS.** The Lease contains our entire agreement and supersedes any conflicting provision of any equipment purchase order or any other agreement. **TIME IS OF THE ESSENCE IN THE LEASE.** If a court finds any provision of this Agreement or any Schedule to be unenforceable, the remaining terms of the Lease shall remain in effect. **EACH LEASE IS A "FINANCE LEASE" AS DEFINED IN ARTICLE 2A OF THE UNIFORM COMMERCIAL CODE.** You authorize us (or our agent) to (a) obtain credit reports, (b) make such other credit inquiries as we may deem necessary, and (c) furnish payment history information to credit reporting agencies. To the extent permitted by law, we may charge you a fee of \$43.25 to cover our documentation and investigation costs.

**23. NOTICES.** All of your written notices to us must be sent by certified mail or recognized overnight delivery service, postage prepaid, to us at our address stated in this Agreement, or by facsimile transmission to our facsimile telephone number, with oral confirmation of receipt. All of our notices to you may be sent first class mail, postage prepaid, to your address stated in this Agreement. At any time after this Agreement is signed, you or we may change an address or facsimile telephone number by giving notice to the other of the change.

**24. WAIVERS. WE AND YOU EACH AGREE TO WAIVE AND TO TAKE ALL REQUIRED STEPS TO WAIVE ALL RIGHTS TO A JURY TRIAL.** To the extent you are permitted by applicable law, you waive all rights and remedies conferred upon a lessee by Article 2A (Sections 508-522) of the Uniform Commercial Code including but not limited to your rights to: (a) cancel or repudiate this Agreement; (b) reject or revoke acceptance of the Equipment; (c) recover damages from us for any breach of warranty or for any other reason; and (d) grant a security interest in any Equipment in your possession. To the extent you are permitted by applicable law, you waive any rights you now or later may have under any statute or otherwise which require us to sell or otherwise use any Equipment to reduce our damages, which require us to provide you with notice of default, intent to accelerate amounts becoming due or acceleration of amounts becoming due, or which may otherwise limit or modify any of our rights or remedies. **ANY ACTION YOU TAKE AGAINST US FOR ANY DEFAULT, INCLUDING BREACH OF WARRANTY OR INDEMNITY, MUST BE STARTED WITHIN ONE (1) YEAR AFTER THE EVENT WHICH CAUSED IT.** We will not be liable for specific performance of any Lease or for any losses, damages, delay or failure to deliver Equipment.



**AFS Education Finance**

**LESSOR: APPLE INC.**  
 23801 Calabasas Road, Suite 101  
 Calabasas, CA 91302

**CO-LESSEES: MAGNOLIA EDUCATIONAL & RESEARCH FOUNDATION**  
**MAGNOLIA SCIENCE ACADEMY – SANTA ANA**  
 13950 Milton Avenue, Suite 200  
 Westminster, CA 92683

LEASED EQUIPMENT		
PART #	EQUIPMENT MODEL & DESCRIPTION	QTY
Z0RP0LL/A	iMac 21.5-inch with: (065-C362) 1.6GHz Intel Dual-Core Core i5, Turbo Boost up to 2.7GHz; (065-C363) Intel HD Graphics 6000; (065-C364) 8GB 1867MHz LPDDR3; (065-C368) 1TB Serial ATA Drive @ 5400 rpm; (065-C36L) Apple Mouse; (065-C377) Apple Keyboard with numeric keypad (English) / User's Guide (English)	50
S3128LL/A	AppleCare Protection Plan for iMac - Auto-enroll	50

**THE UNDERSIGNED, THROUGH ITS AUTHORIZED REPRESENTATIVE, CERTIFIES TO APPLE INC. THAT:**

1. **AS OF \_\_\_\_\_, THE EQUIPMENT HAS BEEN DELIVERED TO THE LOCATION WHERE IT WILL BE USED, WHICH IS THE EQUIPMENT LOCATION GIVEN IN THE LEASE.**
2. **THE EQUIPMENT HAS BEEN INSPECTED AND IT IS (a) COMPLETE, (b) PROPERLY INSTALLED, (c) FUNCTIONING, AND (d) IN GOOD ORDER.**
3. **THE UNDERSIGNED ACCEPTS THE EQUIPMENT FOR ALL PURPOSES UNDER THE LEASE AS OF THE DATE OF THIS CERTIFICATE. THE RENT COMMENCEMENT DATE SHALL BE AUGUST 1, 2016.**
4. **THE UNDERSIGNED IS NOT IN DEFAULT UNDER THE LEASE, AND ALL ITS STATEMENTS AND PROMISES IN THE LEASE ARE TRUE.**

**NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN SCHEDULE NO. 257, THIS CERTIFICATE OF DELIVERY AND ACCEPTANCE AMENDS AND SUPERSEDES THE SCHEDULE AND IS HEREBY INCORPORATED BY REFERENCE THEREIN. THIS CERTIFICATE OF DELIVERY AND ACCEPTANCE AMENDS EQUIPMENT SCHEDULE NO. 257 TO THE EXTENT OF THE INFORMATION HEREIN CONTAINED.**

**CO LESSEE: MAGNOLIA EDUCATIONAL & RESEARCH FOUNDATION**

BY: \_\_\_\_\_

DATE: \_\_\_\_\_

TITLE: \_\_\_\_\_

**CO-LESSEE: MAGNOLIA SCIENCE ACADEMY – SANTA ANA**

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

NOTICE AND ACKNOWLEDGEMENT OF ASSIGNMENT

Dated: July 25, 2016

Magnolia Science Academy – Santa Ana  
13950 Milton Avenue, Suite 200  
Westminster, CA 92683

Apple Inc. ("Assignor") hereby gives notice that Assignor has assigned to TEQlease, Inc. ("Assignee") all of its rights in and to Schedule No. 426-257 (the "Lease") to Master Lease Agreement 426 dated July 25, 2016, by and between Assignor and Magnolia Science Academy – Santa Ana ("Lessee").

Assignor hereby requests, and instructs Lessee, that all rental payments and other amounts coming due pursuant to the Lease on and after the date hereof are payable to and should be remitted to Assignee as directed by Assignee invoices.

Lessee's questions related to the administration of the Lease and billing should be referred to Assignee as follows:

TEQlease, Inc.  
23801 Calabasas Road, Suite 101  
Calabasas, CA 91302  
818.222.1006

The Federal Tax Identification Number of TEQlease, Inc. is 95-4530085.

Lessee hereby acknowledges the effect of and consents to the Assignment and absolutely and unconditionally agrees to deliver all rental payments and other amounts coming due under the Lease in accordance with terms thereof to Assignee. Assignor and Lessee agree that, notwithstanding any provisions of the Lease or any other agreement to the contrary, in the event of default under the Lease (1) Assignee may accelerate the rentals and other amounts due and Lessee is required to pay such amounts and (2) all leases subject to the Master Lease Agreement owned by Assignee or its affiliates and all agreements between Lessee and Assignee or its affiliates shall be in default, but a default under another lease subject to the Master Lease Agreement not owned by Assignee or any of its affiliates shall have no impact on the Lease or any other agreement between the Lessee and Assignee or its affiliates.

**Lessee agrees that (1) Assignee shall not have any of the obligations or liabilities of Assignor, (2) Assignee shall have all rights of Lessor under the Lease, including but not limited to all the rights to issue or receive all notices and reports, to give all consents, to receive title to the equipment, to declare a default and to exercise all remedies thereunder, and (3) Lessee shall pay Assignee all rents and other amounts due under the Lease as and when due, without deduction or offset, notwithstanding any claim Lessee may have against Assignor, or relative to the equipment, or any other claim of Lessee arising prior to the Assignment.**

We request that this Notice and Acknowledgement of Assignment be acknowledged by signing in the space provided below and by returning an original document to us.

Sincerely,  
APPLE INC.

ACKNOWLEDGED AND AGREED:  
MAGNOLIA EDUCATIONAL & RESEARCH FOUNDATION

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: July 25, 2016

ACKNOWLEDGED AND AGREED:  
TEQLEASE, INC.

ACKNOWLEDGED AND AGREED:  
MAGNOLIA SCIENCE ACADEMY – SANTA ANA

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: July 25, 2016

APPLE FINANCIAL SERVICES  
23801 Calabasas, Road, #101  
Calabasas, California 91302  
888.985.1006  
www.appleleasefinance.com

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**AUTHORIZATION AGREEMENT FOR PREAUTHORIZED DEBIT PAYMENTS**

COMPANY NAME: Magnolia Educational & Research Foundation  
Magnolia Science Academy – Santa Ana

LEASE NUMBER: 426-257 RENTAL PAYMENT: \$19,733.47 (Includes taxes)

TAX ID NUMBER: \_\_\_\_\_

We hereby authorize Apple Inc. dba Apple Financial Services, TEQlease, Inc. and/or its assigns (“Apple Financial Services”), to initiate debit entries and to initiate, if necessary, credit entries and adjustments for any debit entries in error to our checking, or other account indicated below and the depository named below, hereinafter called “DEPOSITORY,” to debit and/or credit the same to such account. This authorization is for all payments due under the Lease, which will be debited on or after the first day of August each year, commencing on August 1, 2017 until the Lease is paid in full or earlier, including payments due as a result of default under subject contract, and any other amounts we may owe under the lease.

BANK NAME: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

CITY: \_\_\_\_\_ STATE: \_\_\_\_\_ ZIP: \_\_\_\_\_

TRANSIT/ABA NO: \_\_\_\_\_

ACCOUNT NO: \_\_\_\_\_

This authority is to remain in full force and effect until Apple Financial Services and Depository have received, not less than ten (10) business days prior, written notification from us of termination of this authorization so as to afford Apple Financial Services and Depository a reasonable opportunity to act on the termination. As noted above, in the event of default of our obligations to Apple Financial Services, we have authorized debit to our account for the full accelerated amount due in accordance with our relevant agreement with Apple Financial Services.

Company Magnolia Educational & Research Foundation  
Magnolia Science Academy – Santa Ana

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Please Attach A Voided Check  
From The Above Account**



# Financial Services

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INSURANCE AGENT \_\_\_\_\_

ADDRESS \_\_\_\_\_

\_\_\_\_\_

TELEPHONE NO. \_\_\_\_\_ EMAIL ADDRESS \_\_\_\_\_

CONTACT \_\_\_\_\_ POLICY NO. \_\_\_\_\_

**Re: MAGNOLIA SCIENCE ACADEMY – SANTA ANA  
SCHEDULE 426-257**

Apple Financial Services is about to enter into an Equipment Lease Agreement with Magnolia Science Academy – Santa Ana. In accordance with our Equipment Lease Agreement, the lessee is responsible to provide insurance pertaining to the subject leased equipment, as follows:

- A) *The Equipment must have "Special Form" coverage that includes theft, and for not less than the full replacement value of **\$51,392.00** with a deductible not to exceed **\$1,000.00**.*
- B) *Third Party liability and property damage insurance providing **\$1,000,000.00** combined single limit, bodily injury and property damage coverage relative to the leased equipment.*

**Apple Financial Services, 23801 Calabasas Road, Suite 101, Calabasas, CA 91302 and ITS SUCCESSORS AND/OR ASSIGNS** shall be named as the loss payee and additional insured on the above described insurance.

As indicated by their signature below, Magnolia Science Academy – Santa Ana has authorized Apple Financial Services to:

- 1) Discuss the required insurance with your company; and,
- 2) Authorize and instruct you, or any other insurance company, to provide such insurance as is required by our Lease Agreement, at our sole discretion and without obligation on our part; and,
- 3) To debit lessee's account for any costs related thereto.

We respectfully request that you immediately provide the herein required insurance and provide proof of coverage to us by **forwarding a copy of a Certificate of Insurance by email or fax, with the original being sent by mail to us at the address indicated above**. Additionally, should the subject insurance be cancelled or modified before the expiration date, you must give us 30 days notice.

**A facsimile of this Agreement with signature shall be considered to be an original.**

Sincerely

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

 **Financial Services**

23801 Calabasas Road, Suite 101  
Calabasas, CA 91302  
888.985.1006

# Invoice

Date	Invoice No.
July 25, 2016	426257-0816

Bill To
Accounts Payable Magnolia Science Academy – Santa Ana 13950 Milton Avenue, Suite 200 Westminster, CA 92683

Billing Period
08-01-2016 – 07-31-2016

Page 1

Lease Number: 426257	Description: Apple Computers
	Location: Magnolia Science Academy – Santa Ana 102 Baker Street E, Costa Mesa, CA 92626
Payment Due: Upon Receipt	\$19,733.47
Tax Due: Included	\$0.00

Invoice Total	\$19,733.47
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**PLEASE REMIT TO:**

Apple Financial Services  
23801 Calabasas Road, Suite 101  
Calabasas, CA 91302