ACQUISITION METHODS

The following acquisition methods are available for the State of CALIFORNIA:

| Financial Vehicle | Standard Terms Offered | |
|---|------------------------------|--|
| Purchase | N/A | |
| Capital Lease* Polisubs ONLY | 24.22.42.12.24.47 | |
| Straight Lease 24, 36, 48 and 60 months - (72 months Category C: Production only) | | |
| Cancellable Rental | Category C. Froduction only) | |
| Short-Term Rental | 12 and 18 months | |

4.1 *CAPITAL LEASE (Polisubs ONLY)

A purchasing entity shall have the option to enter into an Initial Lease Term of 24, 36, 48, or 60 months.

Upon the expiration of the Initial Lease Term, Ricoh shall provide title to the Equipment to the purchasing entity, or as otherwise determined in a Participating Addendum, and the purchasing entity shall not be subject to any additional expense in order to assume possession of the Equipment.

4.2 STRAIGHT LEASE

A purchasing entity may have the option to enter into an Initial Lease Term of 24, 36, 48, or 60 months.

Upon the expiration of the Initial Lease Term, a purchasing entity may do one of the following:

- **a)** Renew the lease on a month to month basis, or a 12-month basis, at the discretion of the Participating State or Entity; or
- b) Return the Equipment to Ricoh, or have Ricoh pick the Equipment up.

4.3 CANCELLABLE RENTAL

A purchasing entity may have the option to enter into an Initial Rental Term of 24, 36, 48 or 60 months.

A purchasing entity shall have the option to cancel the rental at anytime throughout the term of the agreement, by providing Ricoh with a thirty (30) day prior written notice.

Upon the expiration of the Initial Lease Term, a purchasing entity may do one of the following:

- **a)** Renew the lease on a month to month basis, or a 12-month basis, at the discretion of the Participating State or Entity; or
- b) Return the Equipment to the Ricoh, or have the Ricoh pick the Equipment up.

4.4 SHORT-TERM RENTAL

A purchasing entity may have the option to enter into an Initial Rental Term of 12 or 18 months.

Upon the expiration of the Initial Rental Term, a purchasing entity may do one of the following:

a) Renew the lease on a month to month basis, or a 12-month basis, at the discretion of the Participating State or Entity; or

| b) | Return the Equipment to the Ricoh, or have the Ricoh pick the Equipment up |
|----|--|
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |