



Form GSOP 1-PIN (04/98)

STATE OF CALIFORNIA
Department of General Services - Office of Procurement

PURCHASE ORDER

Purchase Order No. Rev. Date
62034 A 5/28/2008

Table with 5 columns: Supplier No., Solicitation No., Delivery Date, FOB Point, Invoice Terms. Values: 809490, 56870, As Specified, Destination, N45

IBM CORPORATION
4400 N 1ST STREET
SAN JOSE, CA 95134
Attn: ANTHONY GEE

S H T P DEPT OF TECHNOLOGY SERV.
(SEE ATTACHED QUOTE)

C H A T R O G E DEPT OF TECHNOLOGY SERV.
FISCAL MGMT BRANCH
PO BOX 1810
RANCHO CORDOVA, CA 95670

Table with 4 columns: Agency Billing, Agency Purchase Estimate, Purchase Estimate, Revision. Values: 33000, 2164, 67090, 0

Phone: 408-956-5524

Agency Contact
TRICIA RODRIGUEZ-MORITA

Phone
916-454-8189

Date Received

Table header for Item No., Quantity, Unit, Commodity Code, Description, Unit Price, Extension

PURCHASE ORDER AMENDMENT A
JUNE 12, 2008

PURCHASE ORDER 62034 IS HEREBY AMENDED TO ADD FINANCE CHARGE (SEE ATTACHED AMORTIZATION SCHEDULE AND DGS ALPHA PLAN CERTIFICATION FORM).

THE TERMS AND CONDITIONS OF THE GS \$MART ALPHA PLAN, VERSION 4.0, DATED JUNE 1, 2006, FOUND IN THE STATE FINANCIAL MARKETPLACE, AND THE ATTACHED PAYMENT SCHEDULE, SCHEDULED PROVISIONS AND NOTES, ARE HEREBY INCORPORATED INTO THIS CONTRACT BY REFERENCE. THE STATE DESIGNATES CHASE EQUIPMENT LEASING AS IT LENDER FOR THIS CONTRACT. THE LENDER WILL PAY THE SUPPLIER FOR ASSETS/SERVICES ON BEHALF OF THE STATE. THE LENDER'S RATE QUOTE DATED JUNE 3, 2008 IS HEREBY INCORPORATED IN THIS CONTRACT. THE LENDER IS ENTITLED TO ALL PAYMENTS OWED PURSUANT TO THE PAYMENT SCHEDULE IN CONSIDERATION FOR THE LENDER'S PAYMENT OF THE COST OF THE ASSETS TO THE SUPPLIER.

ORIGINAL PO AMOUNT: \$4,500,000.00
AMENDMENT A: 322,458.12
ADJUSTED TOTAL: 4,822,458.12

ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME.

Sales and/or use tax to be extra unless noted above

Table with 3 columns: Buyer, Phone, BOC Number. Values: Diana Mercado, 916-375-4430

Handwritten signature of Jon Cheff

Chase Equipment Leasing Inc.

Corporate Offices - Administration
 1111 Polaris Parkway, Suite A3
 Columbus Ohio 43240
 800-678-2601
 Bid Contact: Hillary Rochester
 Phone: (602) 221-1134

**PAYMENT SCHEDULE - State of California - Department of Technology Services
 Upgrades to Existing IBM CPUs (Gold Camp / Cannery)**

Date: June 30, 2008

AMOUNT TO BE FINANCED:

Total Assets	<u>\$4,848,750.00</u>
Other Costs	\$ NA
Sales Tax (if financed)	\$ included
Subtotal	<u>\$4,848,750.00</u>
Less Salvage	na
Down Payment, If Applicable	na
Capitalized Interest, If Applicable	na
Total Amount Financed	<u>\$4,848,750.00</u>

Amortized Interest Rate Used: 3.33%

	Payment Number	Payment Date	Payment Amount	Interest	Principal	Unpaid Principal Balance
	1	6/30/2008	\$ 107,733.50	\$ -	\$ 107,733.50	\$ 4,741,016.50
FY Sub TTL			\$ 107,733.50			
	2	7/30/2008	\$ 107,733.50	\$ 13,156.32	\$ 94,577.18	\$ 4,646,439.32
	3	8/30/2008	\$ 107,733.50	\$ 12,893.87	\$ 94,839.63	\$ 4,551,599.68
	4	9/30/2008	\$ 107,733.50	\$ 12,630.69	\$ 95,102.81	\$ 4,456,496.87
	5	10/30/2008	\$ 107,733.50	\$ 12,366.78	\$ 95,366.72	\$ 4,361,130.15
	6	11/30/2008	\$ 107,733.50	\$ 12,102.14	\$ 95,631.37	\$ 4,265,498.78
	7	12/30/2008	\$ 107,733.50	\$ 11,836.76	\$ 95,896.74	\$ 4,169,602.04
	8	1/30/2009	\$ 107,733.50	\$ 11,570.65	\$ 96,162.86	\$ 4,073,439.18
	9	2/30/2009	\$ 107,733.50	\$ 11,303.79	\$ 96,429.71	\$ 3,977,009.47
	10	3/30/2009	\$ 107,733.50	\$ 11,036.20	\$ 96,697.30	\$ 3,880,312.17
	11	4/30/2009	\$ 107,733.50	\$ 10,767.87	\$ 96,965.64	\$ 3,783,346.53
	12	5/30/2009	\$ 107,733.50	\$ 10,498.79	\$ 97,234.72	\$ 3,686,111.82
	13	6/30/2009	\$ 107,733.50	\$ 10,228.96	\$ 97,504.54	\$ 3,588,607.28
FY Sub TTL			\$ 1,292,802.03			
	14	7/30/2009	\$ 107,733.50	\$ 9,958.39	\$ 97,775.12	\$ 3,490,832.16
	15	8/30/2009	\$ 107,733.50	\$ 9,687.06	\$ 98,046.44	\$ 3,392,785.72
	16	9/30/2009	\$ 107,733.50	\$ 9,414.98	\$ 98,318.52	\$ 3,294,467.19
	17	10/30/2009	\$ 107,733.50	\$ 9,142.15	\$ 98,591.36	\$ 3,195,875.84
	18	11/30/2009	\$ 107,733.50	\$ 8,868.56	\$ 98,864.95	\$ 3,097,010.89
	19	12/30/2009	\$ 107,733.50	\$ 8,594.21	\$ 99,139.30	\$ 2,997,871.59
	20	1/30/2010	\$ 107,733.50	\$ 8,319.09	\$ 99,414.41	\$ 2,898,457.18
	21	2/30/2010	\$ 107,733.50	\$ 8,043.22	\$ 99,690.28	\$ 2,798,766.90
	22	3/30/2010	\$ 107,733.50	\$ 7,766.58	\$ 99,966.92	\$ 2,698,799.98
	23	4/30/2010	\$ 107,733.50	\$ 7,489.17	\$ 100,244.33	\$ 2,598,555.64
	24	5/30/2010	\$ 107,733.50	\$ 7,210.99	\$ 100,522.51	\$ 2,498,033.13
	25	6/30/2010	\$ 107,733.50	\$ 6,932.04	\$ 100,801.46	\$ 2,397,231.67
FY Sub TTL			\$ 1,292,802.03			
	26	7/30/2010	\$ 107,733.50	\$ 6,652.32	\$ 101,081.18	\$ 2,296,150.49
	27	8/30/2010	\$ 107,733.50	\$ 6,371.82	\$ 101,361.68	\$ 2,194,788.80
	28	9/30/2010	\$ 107,733.50	\$ 6,090.54	\$ 101,642.96	\$ 2,093,145.84
	29	10/30/2010	\$ 107,733.50	\$ 5,808.48	\$ 101,925.02	\$ 1,991,220.82
	30	11/30/2010	\$ 107,733.50	\$ 5,525.64	\$ 102,207.86	\$ 1,889,012.95
	31	12/30/2010	\$ 107,733.50	\$ 5,242.01	\$ 102,491.49	\$ 1,786,521.46
	32	1/30/2011	\$ 107,733.50	\$ 4,957.60	\$ 102,775.91	\$ 1,683,745.56
	33	2/30/2011	\$ 107,733.50	\$ 4,672.39	\$ 103,061.11	\$ 1,580,684.45
	34	3/30/2011	\$ 107,733.50	\$ 4,386.40	\$ 103,347.10	\$ 1,477,337.34
	35	4/30/2011	\$ 107,733.50	\$ 4,099.61	\$ 103,633.89	\$ 1,373,703.45
	36	5/30/2011	\$ 107,733.50	\$ 3,812.03	\$ 103,921.48	\$ 1,269,781.98
	37	6/30/2011	\$ 107,733.50	\$ 3,523.64	\$ 104,209.86	\$ 1,165,572.12
FY Sub TTL			\$ 1,292,802.03			
	38	7/30/2011	\$ 107,733.50	\$ 3,234.46	\$ 104,499.04	\$ 1,061,073.08
	39	8/30/2011	\$ 107,733.50	\$ 2,944.48	\$ 104,789.02	\$ 956,284.06
	40	9/30/2011	\$ 107,733.50	\$ 2,653.69	\$ 105,079.81	\$ 851,204.24
	41	10/30/2011	\$ 107,733.50	\$ 2,362.09	\$ 105,371.41	\$ 745,832.83
	42	11/30/2011	\$ 107,733.50	\$ 2,069.69	\$ 105,663.82	\$ 640,169.01
	43	12/30/2011	\$ 107,733.50	\$ 1,776.47	\$ 105,957.03	\$ 534,211.98
	44	1/30/2012	\$ 107,733.50	\$ 1,482.44	\$ 106,251.06	\$ 427,960.92
	45	2/30/2012	\$ 107,733.50	\$ 1,187.59	\$ 106,545.91	\$ 321,415.01
	46	3/30/2012	\$ 107,733.50	\$ 891.93	\$ 106,841.58	\$ 214,573.43
	47	4/30/2012	\$ 107,733.50	\$ 595.44	\$ 107,138.06	\$ 107,435.37
	48	5/30/2012	\$ 107,733.50	\$ 298.13	\$ 107,435.37	\$ 0.00
FY Sub TTL			\$ 1,185,068.53			
		TOTAL	\$ 5,171,208.12	\$ 322,458.12	\$ 4,848,750.00	

Schedule Provisions

- Per the California Prompt Payment Act, correct invoices must be submitted at least forty-five (45) days prior to the payment schedule dates. Delayed invoices may delay payments.
- If the contract requires an acceptance testing period, interest shall be owed on the accepted assets from the first day of the successful acceptance test period. If the contract does not contain an acceptance test, interest shall be owed from a date no later than the acceptance date of the asset purchased pursuant to the contract
- Should acceptance not occur by the agreed upon anticipated acceptance date, the payment schedule will be adjusted *pro rata* based on the change greater than 10 basis points to the US Treasury securities rate for the payment term from the time of rate quote to the date of acceptance. Lender has provided rates to the State agency with any limitations clearly identified including the possibility of a payment schedule revision. The US Treasury securities rate as of the rate quote date **is 2.82% yield for a 3 year term.**
- In the event actual funding rates differ from originally quoted funding rates, a **revised schedule** will be necessary reflecting the actual rates at which certificates are ultimately issued. Subsequent revised payment schedules for proposed refunding of the original issue will not be allowed unless it is in the best interest of the State.
- Unless otherwise specified, the interest portion for any payment will be calculated by using the following formula: $\text{Interest} = (\text{Annual Net Interest Rate}/100) \times (\text{Number of Days from Last Payment}/360) \times (\text{Previous Unpaid Principal Balance})$

Notes

- The date of the first payment will be identified by the State agency when requesting a rate quote along with other payment information such as downpayment amount, term desired, financed amount, financing plan, and other purchase contract characteristics (e.g. whether there is an acceptance testing period and how long if there is one, the Supplier's name, the contract number, and anticipated award and acceptance dates).
- The first payment should include interest on the accepted assets for one period length or less. Any other prior interest, if any, will be shown as capitalized interest in the payment schedule.
- All payment schedules for a plan will be based on the plan's terms, conditions, and closing documents as described for that plan and are guaranteed for at least 30 days when provided via electronic (fax or e-mail) or written document from the Lender. Once the contract is executed with the payment schedule provided by the Lender, a commitment is made to that Lender for that lease purchase.
- For more information or additional financing plans and rates, contact the \$Mart Managers.
- Payments will be fixed, approximately equal installment amounts as shown in the payment schedule (unless specified otherwise).
- The annual amortization interest rate for the payment schedule is based on a 360-day year.
- A down payment, if any, does not accrue interest and should be subtracted from the asset purchase costs to arrive at the financed amount. The down payment will be considered a pass through from the State to the Supplier.
- The State has no financial obligation to pay for the purchased goods until they are accepted by the State. However, in order to offer rates, Lenders rely on the State to provide an accurate acceptance date. Should acceptance not occur as pledged to the Lender, financing costs may increase, which would require a contract revision.
- The State will only pay interest on assets that have been accepted by the State. Interest charges will commence on the date of acceptance and on the amount of the assets accepted.