Awarded Vendor:  
0000005379  
Merchants Automotive Group  
dba Merchants Fleet Management  
1278 Hooksett Road  
Hooksett, NH 03106  

Email: garysinger@merchantsfleet.com  
Telephone No.: (603) 669-4100

Price Agreement Number: 50-000-14-00036

Price Agreement Amendment No.: Five

Term: October 30, 2015 – October 22, 2020

Ship To:  
All State of New Mexico agencies, commissions, institutions, political subdivisions and local public bodies allowed by law.

Invoice:  
As Requested

Procurement Specialist: Amber Sanchez

Telephone No.: (505) 827-0554

Email: Amber.Sanchez2@state.nm.us

Title: Vehicle Leasing

This Price Agreement Amendment is to be attached to the respective Statewide Price Agreement and become a part thereof.

In accordance with Price Agreement provisions, and by mutual agreement of all parties, this Price Agreement is extended from October 23, 2019 to October 22, 2020 with the same terms and conditions and a price increase of 1.5%.

The provisions of the Price Agreement shall remain in full force and effect, except as modified by this amendment.
State of New Mexico

General Services Department, State Purchasing Division

Vehicle Leasing
Statewide Price Agreement No.: 50-000-14-00036
Amendment No. Five

THIS AGREEMENT is made and entered into by and between the State of New Mexico, herein after referred to as the “Procuring Agency”, and Merchants Automotive Group, Inc. dba Merchants Fleet Management, hereinafter referred to as the “Contractor”.

IT IS MUTUALLY AGREED BETWEEN THE PARTIES THAT THE FOLLOWING PROVISIONS OF THE ABOVE REFERENCED CONTRACT ARE AMENDED AS FOLLOWS:

1. **Terms and Conditions.** The purpose of this amendment is for an extension to the Price Agreement for Vehicle Leasing for an additional year not to exceed six (6) years in total and to increase prices by 1.5%.

   **Article 5.** THIS AGREEMENT SHALL NOT BECOME EFFECTIVE UNTIL APPROVED IN WRITING BY THE STATE PURCHASING AGENT on October 23, 2019, or whichever is later, and end on October 22, 2020. The State reserves the right to extend for a period of three (3) additional years, on a year-by-year basis, by mutual agreement of all parties and approval of the New Mexico State Purchasing Director at the same terms and conditions. Up to a 1.5% increase in price will be allowed at renewal time. **This price Agreement shall not exceed six (6) years.**

   All other articles of the original Agreement remain the same.

IN WITNESS WHEREOF, the parties have executed this agreement as of the date of execution by:

STATE OF NEW MEXICO

General Services Department

[Signature]
TITLE: State Purchasing Agent
Date: 10-21-2019

Merchants Automotive Group, Inc.
d/b/a Merchants Fleet Management
(Contractor)

[Signature]
TITLE: Chairman
Date: 10-17-19
The records of the Taxation and Revenue Department reflect that the contractor is registered with the Taxation and Revenue Department of the State of New Mexico to pay gross receipts and compensating taxes.

TAXATION AND REVENUE DEPARTMENT

ID NO.: (02-11118-00-9)

Taxation and Revenue is only verifying the registration and will not confirm or deny taxability statements contained in this contract.

BY: [Signature]

DATE: 10/18/19
State of New Mexico
General Services Department
Purchasing Division

Statewide Price Agreement Amendment

Awarded Vendor:
0000005379
Merchants Automotive Group
dba Merchants Fleet Management
1278 Hooksett Road
Hooksett, NH 03106
Telephone No.: (603) 669-4100

Price Agreement Number: 50-000-14-00036

Price Agreement Amendment No.: Four

Term: October 30, 2015 - October 22, 2019

Ship To:
All State of New Mexico agencies,
commissions, institutions, political
subdivisions and local public bodies allowed
by law.

Invoice:
As Requested

Procurement Specialist: Vanessa LeBlanc
Telephone No.: (505) 827-0266
Email: Vanessa.LeBlanc@state.nm.us

Title: Vehicle Leasing

This Price Agreement Amendment is to be attached to the respective Price Agreement and become
a part thereof.

In accordance with Price Agreement provisions, and by mutual agreement of all parties, this Price
Agreement is extended from October 23, 2018 to October 22, 2019 with the same terms and
conditions and a price increase of 1.5%.

The provisions of the Price Agreement shall remain in full force and effect, except as modified by
this amendment.

Accepted for the State of New Mexico

__________________________  Date: 10/16/2018
New Mexico State Purchasing Agent

Purchasing Division, 1100 St. Francis Drive 87505, PO Box 6850, Santa Fe, NM 87502-6850 (505) 827-0472
VL
State of New Mexico

General Services Department, State Purchasing Division

Vehicle Leasing
Statewide Price Agreement No.: 50-000-14-00036
Amendment No. Four

THIS AGREEMENT is made and entered into by and between the State of New Mexico, herein after referred to as the “Procuring Agency”, and Merchants Automotive Group, Inc. dba Merchants Fleet Management, hereinafter referred to as the “Contractor”.

IT IS MUTUALLY AGREED BETWEEN THE PARTIES THAT THE FOLLOWING PROVISIONS OF THE ABOVE REFERENCED CONTRACT ARE AMENDED AS FOLLOWS:

1. **Terms and Conditions.** The purpose of this amendment is for an extension to the Price Agreement for Vehicle Leasing for an additional year not to exceed six (6) years in total and to increase prices by 1.5%.

   **Article 5.** THIS AGREEMENT SHALL NOT BECOME EFFECTIVE UNTIL APPROVED IN WRITING BY THE STATE PURCHASING AGENT on October 23, 2018, or whichever is later, and end on October 22, 2019. The State reserves the right to extend for a period of three (3) additional years, on a year-by-year basis, by mutual agreement of all parties and approval of the New Mexico State Purchasing Director at the same terms and conditions. Up to a 1.5% increase in price will be allowed at renewal time. **This price Agreement shall not exceed six (6) years.**

   All other articles of the original Agreement remain the same.

IN WITNESS WHEREOF, the parties have executed this agreement as of the date of execution by:

STATE OF NEW MEXICO

General Services Department

BY: ________________
TITLE: State Purchasing Agent
Date: ____________

Merchants Automotive Group, Inc.
d/b/a Merchants Fleet Management
(Contractor)

BY: ________________
TITLE: Chairman of the Board
Date: ____________


The records of the Taxation and Revenue Department reflect that the contractor is registered with the Taxation and Revenue Department of the State of New Mexico to pay gross receipts and compensating taxes.

TAXATION AND REVENUE DEPARTMENT

ID NO.: (02-111118-00-9)

BY: [Signature]

DATE: [Stamp]
State of New Mexico  
General Services Department  
Purchasing Division  

Statewide Price Agreement Amendment

Awarded Vendor:  
000005379  
Merchants Automotive Group  
dba Merchants Fleet Management  
1278 Hooksett Road  
Hooksett, NH 03106  
Telephone No.: (603) 669-4100

Ship To:  
All State of New Mexico agencies, commissions, institutions, political subdivisions and local public bodies allowed by law.

Invoice:  
As Requested

Price Agreement Number: 50-000-14-00036  
Price Agreement Amendment No.: Three  
Term: October 30, 2015 through October 22, 2018  

Procurement Specialist: Vanessa LeBlanc  
Telephone No.: (505) 827-0266

Title: Vehicle Leasing

This Price Agreement Amendment is to be attached to the respective Price Agreement and become a part thereof.

In accordance with Price Agreement provisions, and by mutual agreement of all parties, this Price Agreement is extended from October 23, 2017 to October 22, 2018 at the same price, terms and conditions.

The prices are increased by 1.5%.

The provisions of the Price Agreement shall remain in full force and effect, except as modified by this amendment.

Accepted for the State of New Mexico

New Mexico State Purchasing Agent

Date: 10/13/2017

Purchasing Division, 1100 St. Francis Drive 87505, PO Box 6850, Santa Fe, NM 87502-6850 (505) 827-0472 VL
THIS AGREEMENT is made and entered into by and between the State of New Mexico, herein after referred to as the “Procuring Agency”, and Merchants Automotive Group, Inc. dba Merchants Fleet Management, hereinafter referred to as the “Contractor”.

IT IS MUTUALLY AGREED BETWEEN THE PARTIES THAT THE FOLLOWING PROVISIONS OF THE ABOVE REFERENCED CONTRACT ARE AMENDED AS FOLLOWS:

1. Terms and Conditions. The purpose of this amendment is for an extension to the Price Agreement for Vehicle Leasing for an additional year not to exceed six (6) years in total and to increase prices by 1.5%.

   Article 5. THIS AGREEMENT SHALL NOT BECOME EFFECTIVE UNTIL APPROVED IN WRITING BY THE STATE PURCHASING AGENT on October 23, 2017, or whichever is later, and end on October 22, 2018. The State reserves the right to extend for a period of three (3) additional years, on a year-by-year basis, by mutual agreement of all parties and approval of the New Mexico State Purchasing Director at the same terms and conditions. Up to a 1.5% increase in price will be allowed at renewal time. This price Agreement shall not exceed six (6) years.

   All other articles of the original Agreement remain the same.

IN WITNESS WHEREOF, the parties have executed this agreement as of the date of execution by:

STATE OF NEW MEXICO

General Services Department

Merchants Automotive Group, Inc.
d/b/a Merchants Fleet Management
(Contractor)

BY: [Signature]
TITLE: State Purchasing Agent
Date: 10/13/17

BY: [Signature]
TITLE: Gary J. Singer, Chairman of the Board
Date: October 11, 2017
The records of the Taxation and Revenue Department reflect that the contractor is registered with the Taxation and Revenue Department of the State of New Mexico to pay gross receipts and compensating taxes.

TAXATION AND REVENUE DEPARTMENT

ID NO.: (02-11118-00-9)

BY: [Signature]

DATE: 10/13/17

Taxation and Revenue is only verifying the registration and will not confirm or deny taxability statements contained in this contract.
Awarded Vendor:
0000005379Merchants Automotive Group dba Merchants Fleet Management
1278 Hooksett Road
Hooksett, NH 03106
Telephone No.: 603-669-4100

Ship To:
All State of New Mexico agencies, commissions, institutions, political subdivisions and local public bodies allowed by law.

Invoice:
As Requested

Title: Vehicle Leasing

This Price Agreement Amendment is to be attached to the respective Price Agreement and become a part thereof.

In accordance with Price Agreement provisions, and by mutual agreement of all parties, this Price Agreement is extended from October 23, 2016 to October 22, 2017 at the same price, terms and conditions.

The prices are increased by 1.5%.

The provisions of the Price Agreement shall remain in full force and effect, except as modified by this amendment.

Accepted for the State of New Mexico

Date: 10/21/2016

New Mexico State Purchasing Agent

Purchasing Division, 1100 St. Francis Drive 87505, PO Box 6850, Santa Fe, NM 87502-6850 (505) 827-0472 KS
State of New Mexico
General Services Department, State Purchasing Division

Vehicle Leasing
Statewide Price Agreement No.: 50-000-14-00036
Amendment No. One

THIS AGREEMENT is made and entered into by and between the State of New Mexico, herein after referred to as the “Procuring Agency”, and Merchants Automotive Group, Inc. dba Merchants Fleet Management, hereinafter referred to as the “Contractor”.

IT IS MUTUALLY AGREED BETWEEN THE PARTIES THAT THE FOLLOWING PROVISIONS OF THE ABOVE REFERENCED CONTRACT ARE AMENDED AS FOLLOWS:

1. **Terms and Conditions.** The purpose of this amendment is for an extension to the Price Agreement for Vehicle Leasing for an additional year not to exceed six (6) years in total and to increase prices by 1.5%.

   **Article 5.** THIS AGREEMENT SHALL NOT BECOME EFFECTIVE UNTIL APPROVED IN WRITING BY THE STATE PURCHASING AGENT on October 23, 2016, or whichever is later, and end on October 22, 2017. The State reserves the right to extend for a period of four (4) additional years, on a year-by-year basis, by mutual agreement of all parties and approval of the New Mexico State Purchasing Director at the same terms and conditions. Up to a 1.5% increase in price will be allowed at renewal time. This price Agreement shall not exceed six (6) years.

   All other articles of the original Agreement remain the same.

IN WITNESS WHEREOF, the parties have executed this agreement as of the date of execution by:

STATE OF NEW MEXICO

General Services Department

Merchants Automotive Group, Inc.
d/b/a Merchants Fleet Management
(Contractor)

**BY:**
**TITLE:** State Purchasing Agent
**Date:** 10/24/16

**BY:**
**TITLE:** Gary J. Singer, Chairman
**Date:** October 18, 2016
The records of the Taxation and Revenue Department reflect that the contractor is registered with the Taxation and Revenue Department of the State of New Mexico to pay gross receipts and compensating taxes.

TAXATION AND REVENUE DEPARTMENT

ID NO.: (02-111118-00-9)

BY: [Signature]

DATE: 10/24/16
State of New Mexico  
General Services Department  
Purchasing Division  

Statewide Price Agreement Amendment  

Awarded Vendor:  
0000005379  
Merchants Automotive Group dba Merchants Fleet Management  
1278 Hooksett Road  
Hooksett, NH 03106  
Telephone No.: 603-669-4100  

Price Agreement Number: 50-000-14-00036  
Price Agreement Amendment No.: One  
Term: October 30, 2015 through October 22, 2016  

Procurement Specialist: Kathy Sanchez  
Telephone No.: (505) 827-0487  

Ship To:  
All State of New Mexico agencies, commissions, institutions, political subdivisions and local public bodies allowed by law.  

Invoice:  
As Requested  

Title: Vehicle Leasing  

This Price Agreement Amendment is to be attached to the respective Price Agreement and become a part thereof and is issued to reflect the following effective immediately:  

Add the following sentence to the Price Agreement: The State of New Mexico consents Merchants Automotive Group to grant security interest in the master lease agreement and in the motor vehicles leased thereunder to Citizens Bank, N. A., as collateral agent.  

See the attached signed letter.  

The provisions of the Price Agreement shall remain in full force and effect, except as modified by this amendment.  

Accepted for the State of New Mexico  

[Signature]  
New Mexico State Purchasing Agent  

Date: 7/21/2016
May 25, 2016

Re: Master Lease Agreement dated October 30, 2015 (the “MLA”)
State of New Mexico Contract No. 50-000-14-00036

Dear Mr. Chavez:

The undersigned, Merchants Automotive Group, Inc. (“MAG”), as lessor, and the State of New Mexico (the “State”), as lessee, are parties to the MLA. Pursuant to paragraph 20 of the MLA, MAG hereby provides notice to, and requests the consent of, the State to MAG’s grant of a security interest in the MLA and in the motor vehicles leased thereunder to Citizens Bank, N.A., as collateral agent.

Please signify the State’s consent by returning a countersigned copy of this letter to the undersigned, or by such separate writing as you deem appropriate. Thank you in advance for your prompt response.

Very truly yours,

Merchant Automotive Group, Inc.

By: Donna Hebert, Corporate Treasurer

The State of New Mexico hereby consents, pursuant to paragraph 20 of the MLA, that Merchants Automotive Group, Inc. may grant a security interest in the MLA and motor vehicles leased thereunder to Citizens Bank, N.A., as collateral agent.

State of New Mexico

By: State Purchasing Agent

Dated: May 25, 2016
State of New Mexico
General Services Department

Statewide Price Agreement

Awarded Vendor
0000005379
Merchants Automotive Group
dba Merchants Fleet Management
1278 Hooksett Road
Hooksett, NH 03106
Telephone No. 603-669-4100

Price Agreement Number: 50-000-14-00036
Payment Terms: See Contract
F.O.B.: See Contract
Delivery: See Contract
Procurement Specialist: Kathy Sanchez
Telephone No.: 505-827-0487

Ship To:
All State of New Mexico agencies, commissions, institutions, political subdivisions and local public bodies allowed by law.

Invoice:

Title: Vehicle Leasing

Term: October 30, 2015 through October 22, 2016

This Price Agreement is made subject to the “terms and conditions” shown on the reverse side of this page, and as indicated in this Price Agreement.

Accepted for the State of New Mexico

[Signature]
New Mexico State Purchasing Agent

Date: 11/2/2015

Purchasing Division, 1100 St. Francis Drive, PO Box 6850, Santa Fe, NM 87502-6850 (505) 827-0472
CONTRACT NO. 50-000-14-00036

STATE OF NEW MEXICO
FOR
Vehicle Leasing

THIS AGREEMENT is made and entered into by and between the General Services Department, State Purchasing Division and the State of New Mexico, herein after referred to as the "agency", and Merchants Automotive Group, Inc. d/b/a Merchants Fleet Management herein after referred to as the "contractor."

IT IS MUTUALLY AGREED BETWEEN THE PARTIES:

1. Definitions

"Agreement Administrator" means the individual appointed by the SPA to administer the Price Agreement.

"Authorized Purchaser" means an individual authorized by a Participating Entity to place orders against this contract.

"Business Hours" means 8:00 a.m. to 5:00 p.m. Mountain Time.

"Closed-End Lease" means that the contractor will include the payment of a firm fixed monthly lease charge for each vehicle with set mileage with no adjustment for variation in actual depreciation.

"Contractor" means any business having a contract with a state agency or local public body.

"Determination" means the written documentation of a decision of a procurement officer including findings of fact required to support a decision. A determination becomes part of the procurement file to which it pertains.

"Lessee" means TSD and other New Mexico state agencies, commissions, boards, institutions, and other political subdivisions and local public bodies

"Lessor" means the contractor who will be providing the vehicles.

"Mandatory" – the terms "must", "shall", "will", "is required", or "are required", identify a mandatory item or factor

"Multiple Source Award" means an award of an indefinite quantity contract for one or more similar services, items of tangible personal property or construction to more than one contractor.

"New Mexico State Purchasing Agent" or "NMSPA" means the purchasing agent for the State of New Mexico or a designated representative. May be used interchangeably with "State Purchasing Agent" or "SPA".

"Price Agreement" means a definite quantity contract or indefinite quantity contract which requires the contractor to furnish items of tangible personal property or service to the procuring agency which issues a purchase order, if the purchase order is within the quantity limitations of the contract, if any.
“Procuring agency” means any state agency or local public body that chooses to procure products or services under this agreement. Other units of government, including cities, counties, school districts, institutions of higher education and other jurisdictions not subject to the procurement authority of the SPA, are authorized to buy from this agreement.

“Products and Services schedule” refers to the complete list of products and services offered under this Agreement and the price for each. Product and service descriptions may be amended with the prior approval of the Agreement Administrator. New products and services shall not be added to the Products and Services Schedule.

“State Agency” means any department, commission, council, board, committee, institution, legislative body, agency, government corporation, educational institution or official of the executive, legislative or judicial branch of the government of this state. “State agency” includes the purchasing division of the general services department and the state purchasing agent but does not include local public bodies.

“TSD” means the Transportation Services Division of the General Services Department.

“You” and “your” refers to Merchants Automotive Group, Inc. d/b/a Merchants Fleet Management.

“We,” “us” or “our” refers to the State of New Mexico, Agencies, Commissions, Institutions, Political subdivisions and Local Public Bodies allowed by law to participate in the Agreement and whose accounts are created under this Agreement.

2. Scope of Work

The lease of vehicles will be a thirty-six (36) month closed end lease on the variety of passenger vehicles listed in Appendix B.

PLEASE NOTE:

This is a procurement that will result in a statewide price agreement, that agreement is available to all executive agencies and other political subdivisions of the State of New Mexico.

The Contract shall be for the leasing of vehicles for the current model year. Notwithstanding the expiration of the Contract period, the provisions of this Contract shall continue in full force and effect as to each vehicle leased hereunder, so long as the State as lessee retains such vehicle. The contractor shall notify the State Purchasing Division, in writing at least two (2) weeks prior to build-out date(s).

1. Requested Delivery Date - within approximately sixty (60) working days after receipt of order, subject to manufacturer production schedules. Any delays must be identified and reported back to the ordering agency.

2. Delivery - shall be made to the location requested by the ordering agency.

3. Inspection - the ordering agency shall promptly inspect all vehicles supplied under the award. If it is determined, in their judgment that the vehicle is in violation of State vehicle and traffic laws or does not meet the specifications of the established Contract, the vehicle shall be rejected and contractor immediately notified.

Note: The contractor shall be responsible for obtaining and paying for any required inspections prior to the time of delivery.
4. **Term of Vehicle Lease** - each vehicle lease shall be for the term of three (3) years from the time that the vehicle is delivered and accepted by the State, provided the lease may be terminated by the State at the end of any fiscal year with thirty (30) day written notice to the contractor. A contract order, issued by an end user, shall request delivery and establish the term of a specific vehicle lease. All terms and conditions of this Contract shall apply to every such order. TSD may request that a month to month extension be honored by the contractor once the 36 month time frame has been reached.

5. The State of New Mexico and the procuring agency agree to maintain all vehicles in accordance with manufacturers' suggestions.

6. **Insurance** - The State of New Mexico will provide all necessary liability and property damage insurance for State agency vehicles only. Other units of government who may utilize this Contract shall provide such insurance themselves.

7. It is understood by all parties to the eventual Contract that the State of New Mexico will be responsible for the state of leased vehicles and other government entities who may utilize the Contract shall have like responsibility for their leased vehicles.

8. The attached State of New Mexico Master Lease Agreement must be accepted and signed. No exceptions or deviations to this document will be allowed.

**Use of Recycled Materials:**

Vendors are encouraged to use secondary or recycled materials in the manufacture of products to the maximum extent practicable without jeopardizing the performance or intended use of the product unless such use is precluded due to health and welfare or safety requirements or product specifications contained herein.

**Excess Mileage:**

It is anticipated that the annual vehicle usage will be approximately twenty thousand (20,000) miles or sixty thousand (60,000) miles over three (3) years. Contractor has stipulated the price per mile over sixty thousand (60,000) miles based on fleet average.

**Acceptable Vehicles:**

The specifications are intended to describe equipment for use by the ordering agency which will operate efficiently and safely. The design specifications incorporated herein are intended to describe such units, and to set forth minimal performance parameters required by the State of New Mexico.

**ALL VEHICLES MUST BE ASSEMBLED IN NORTH AMERICA, EXCEPT HYBRIDS**

**Warranty:**

Each new vehicle shall be subject to the manufacturer's standard warranty for new vehicles delivered in the State of New Mexico. All manufacturers' dealers in the State of New Mexico shall honor warranty.

**Operation and Maintenance:**
The individual end users shall keep and maintain each vehicle in proper operating condition. Each agency shall be responsible for the performance of all service, maintenance, and repair (except as covered by the basic manufacturer's warranty) required for the continued validation of the vehicle warranty. If the vehicle is not subleased from Transportation Services Division (TSD), then the various facilities/departments shall furnish all gasoline and oil necessary for the operation of each vehicle according to the manufacturer's specification. Should warranty service be required, the State will have primary responsibility to seek and obtain the necessary work. In situations where the above is not provided to their satisfaction, it shall be the contractor's responsibility to resolve with the manufacturer.

Closed-End Lease:

The responsibility of the procuring agency to the contractor will include the payment of a firm fixed monthly lease charge for each vehicle with set mileage with no adjustment for variation in actual depreciation. Upon termination or expiration of each individual leasing agreement, the procuring agency will return the vehicle(s) to the contractor in such condition as defined in the 'Return of Vehicles'.

Vehicle Lease Billing and Payments:

1. Upon the submission of invoices or vouchers, the procuring agency shall pay for each vehicle at the rate(s) contracted for. The contractor shall mail the invoice to the ordering entity indicated on each delivery order. Payment shall accrue from the date each vehicle is delivered to and accepted by the procuring agency, and shall continue until the expiration of the lease term established by the contract order, or the termination of that lease. However, payment shall accrue only for the period that each vehicle is in the possession of the State, or its designee.

2. Payment shall not accrue for any vehicle that the procuring agency determines does not comply with the terms and conditions of the Price Agreement, until such time as the requirements of this solicitation are met, or the vehicle is replaced, or the defect is corrected.

3. Payment stated in monthly terms shall be prorated on the basis of the monthly rate for each day the vehicle is in the procuring agency's possession. The procuring agency shall pay as prescribed in the Contract, including any agreed upon charges for excess mileage. The State's fiscal year ends on June 30, therefore, no overlap billing with July 1 is authorized.

4. The charges against the Contract will be paid by the requiring facility on a monthly basis upon the receipt of a monthly invoice showing (a) vehicle number (or identification number); (b) facility delivery order number, and (c) the month for which each charge contained on the invoice is applicable. The initial invoice must contain the date of the delivery for that vehicle.

Condition of Leased Vehicles upon Delivery:

Each vehicle furnished under this Contract shall be new, latest model, of good quality and in safe operating condition. Federal Motor Vehicle Safety Standards (49 CFR 571) and applicable State Safety Regulations compliance is mandatory. All vehicles furnished shall have less than one hundred (100) miles on the odometer. Three sets of keys will be provided for each vehicle.

All vehicles shall have at least one half (1/2) tank of fuel upon delivery. The procuring agency shall accept or reject the vehicle(s) promptly after delivery. If the procuring agency determines that any vehicle furnished is not in compliance with agreed to conditions of lease, the procuring agency shall promptly inform the contractor in writing of its findings.
If the contractor fails to replace the vehicle or correct the defects as required, the procuring agency may (a) by contract or otherwise, correct the defect or (b) arrange for the lease of a similar vehicle and shall charge or set off against the contractor any costs incurred.

Marking of Leased Vehicles:

The procuring agency may place nonpermanent markings or decals as appropriate by law and per TSO rule, identifying the using facility, on any vehicle leased under this Contract. No name other than the manufacturers shall appear on the vehicle. Upon return of the vehicles the contractor will ensure that all nonpermanent markings or decals are removed prior to selling the vehicles.

Additional Equipment:

The procuring agency may add special equipment to vehicles based on agency needs. Special equipment may consist of radios, cages, antennas, GPS units, toolboxes and winches. Upon return of the vehicle, every effort will be made to plug holes, etc.

Title of Vehicle:

Solely for the purpose of satisfying the New Mexico State Insurance Law and the New Mexico Vehicle Law, vehicles will be registered and titled to the procuring agency for a period of thirty-six (36) months, or for the duration of the lease, after which the procuring agency shall transfer title back to the Lessor. The Lessor shall physically hold the titles to the vehicles for the lease period.

Certificate of Title:

Should the Lessor require a change in the Certificate of Title, any costs incurred to implement the change shall be borne by the Lessor in accordance with New Mexico Vehicle law.

Indemnification:

1. The procuring agency shall be responsible for loss of or damage to:
   a. Leased vehicles, except for (i) normal wear and tear and (ii) loss or damage caused by negligence of the contractor, its agents, or employees; and (iii) product defects.
   b. Property of third persons, or the injury or death of third persons, to the extent the procuring agency is liable for such loss, damage, death under the laws of the State of New Mexico.

2. The contractor shall be liable for, and shall indemnify and hold harmless the procuring agency against all actions or claims for loss of or damage to property or the injury or death of persons, resulting from the fault, negligence, or wrongful act or omission of the contractor, its agents or employees.

3. The contractor shall provide and maintain insurance covering its liabilities under Paragraph 2 of this section in the amounts of no less than one million dollars ($1,000,000) combined (bodily injury and property damage) single limit per occurrence.

4. Before supplying any vehicles under this Contract, the contractor shall certify to the procuring agency in writing that the required insurance has been obtained.

The policies evidencing required insurance, or proof of a self-insurance program, shall contain an endorsement to the effect that any cancellation or any material change adversely affecting the interests of the procuring agency shall not be effective, (a) for such period as the laws of the state of
New Mexico prescribe, or (b) until thirty (30) days after written notice to the procuring agency, whichever period is longer. The policies shall exclude any claim by the insurer for subrogation against the State by reason of any payment under the policies.

The contractor warrants that the contract price includes no cost for insurance or contingency to cover losses, damages, injury, or death for which the State is responsible under Paragraph I of this section.

Return of Vehicles:

1. At least thirty (30) days prior to the expiration or termination of the individual leasing agreements entered into by the procuring agencies pursuant to the established Contract, the procuring agency will contact the Lessor to determine whether the vehicle should be returned to the same place where delivery was accomplished or to a destination mutually agreeable to both parties.

2. The contractor and the procuring agency will mutually agree on the criteria to be used in appraising the vehicles upon their return to the contractor. The contractor shall be responsible for performing an appraisal as to the condition of each vehicle prior to its removal from procuring agency’s custody and shall furnish to the TSD or end user agency a copy signed and dated by both the TSD or end user representative and the contractor of each appraisal report. The TSD or end user agency will not be responsible for damage not listed on the appraisal report. The procuring agency reserves the right to obtain an independent appraisal, at the discretion of the TSD or end user agency, to support the contractor's assessment of damages.

3. Vehicles will be returned to the contractor for this inspection not later than five (5) days after termination or expiration of the lease for that vehicle. The TSD or end user agency will be required to surrender the vehicle to the contractor no later than ten (10) calendar days after the termination of lease.

4. For the purposes of this lease, normal wear and tear is defined as those dents, dings, paint chips, scratches, pitted, but not cracked windshield, and interior wear such as soiled carpets and seats normally accrued to a motor vehicle over the period of actual months use in both rural and metropolitan areas. In any event, the TSD or end user agency liability for reconditioning vehicles acquired as a result of this proposed and subsequent Contract shall be limited to replacement of glass and exterior trim and repair to body damage attributable to collision only, and to interior damage such as cut, torn, burnt materials as well as mechanical repairs. Contractor is cautioned that the procuring agency by signing the damage estimate does not acknowledge liability therefore. Only authorized and warranted procuring agency personnel can accomplish this, and only after evaluation and consideration of all factors.

Once the vehicle inspections have occurred the contractor will have the vehicles removed from the lessee's site within 30 days.

Reassignment of Vehicles:

The procuring agency reserves the right to reassign any vehicle leased under this Contract to other facilities. The TSD or end user agency that is reassigning the vehicle will notify the contractor. This notification will include the agency name and billings address of the subsequent lessee.

Price:
Price, as per Appendix B, shall be a firm fixed thirty-six (36) month rate, F.O.B. any point in the State of New Mexico (i.e. to ordering entity). TSD or procuring agency may request that a month to month extension be honored by the contractor once the 36 month time frame has been reached as long as the term of this contract has not been met.

Accidents/Thefts Vandalism:

The TSD or end user will notify the contractor within three (3) business days of accident/theft/vandalism and will arrange for repairs of accident/vandalism damage sustained to a stolen vehicle during the period prior to recovery. The contractor will not be required to provide another vehicle during the period the vehicle is out of service. If the vehicle is damaged beyond repair or not recovered thirty (30) days after the date of theft, the contractor will be reimbursed the residual value of the vehicle based on the average of the wholesale and retail price as listed in nationally accepted pricing guides, such as the current monthly edition of the NADA used car book, at the time of the theft/accident/vandalism in full satisfaction of any and all liabilities under the Contract, provided that the procuring agency's liability to pay the monthly cost shall cease as of the time of the accident/theft/vandalism.

The accrued lease cost for the month in which the accident/theft/vandalism occurs shall be determined on a pro-rate monthly basis. The contractor shall provide the facility/department documentation relating to all monies received from the salvage or other disposition of such vehicles.

Act of God:

Vehicles damaged as a result of Act of God, (i.e., hail storms, floods, etc.), shall be required and paid for by the TSD or end user agency leasing the vehicle.


All payments under this agreement are subject to the following provisions.

A. Acceptance - In accordance with Section 13-1-158 NMSA 1978, the agency shall determine if the product or services provided meet specifications. No payment shall be made for any products or services until the products or services have been accepted in writing by the procuring agency. Unless otherwise agreed upon between the procuring agency and the contractor, within fifteen (15) days from the date the procuring agency receives written notice from the contractor that payment is requested for services or within thirty (30) days from the receipt of products, the procuring agency shall issue a written certification of complete or partial acceptance or rejection of the products or services. Unless the procuring agency gives notice of rejection within the specified time period, the products or services will be deemed to have been accepted.

B. Issuance of Orders - Only written signed orders are valid under this Price Agreement. A Purchase Order is the approved form for procuring agency agencies issuing Contract Orders under this Price Agreement. Other authorized government entities may utilize Purchase Orders or forms adapted by them for their own use.

A. Payment of Invoice - Upon acceptance that the products or services have been received and accepted, payment shall be tendered to the contractor within thirty (30) days after the date of invoice. After the thirtieth day from the date that written certification of acceptance is issued, late payment charges shall be paid on the unpaid balance due on the contract to the contractor at the rate of 1.5 % per
month. Contractor may submit invoices for payment no more frequently than monthly. Payment will be made to the contractor's designated mailing address. Payment on each invoice shall be due within 30 days from the date of the acceptance of the invoice. The Procuring Agencies and the State agree to pay in full the balance shown on each account's statement, by the due date shown on said statement.

B. Late Charges: If the procuring agency or the State fails to pay as required above, the Contractor may assess a late fee on the unpaid balance of more than 60 days. Late fees will be assessed at a rate based upon the billing address of each State or Procuring Agency account; therefore, the periodic (monthly) late fee rate shall be 1.5% and the corresponding Annual Percentage Rate for the State of New Mexico will be 18%. No late fee on new purchases will be assessed during the billing cycle when the purchase was made.

5. Term

THIS AGREEMENT SHALL NOT BECOME EFFECTIVE UNTIL APPROVED IN WRITING BY THE STATE PURCHASING AGENT on October 23, 2015, or whichever is later, and end October 22, 2020. The State reserves the right to extend for a period of five (5) additional years, on a year-by-year basis, by mutual agreement of all parties and approval of the New Mexico State Purchasing Director at the same terms and conditions. Up to a 1.5% increase in price will be allowed at renewal time. This Price Agreement shall not exceed six (6) years.

6. Default

The State reserves the right to cancel all or any part of any orders placed under this contract without cost to the State, if the Vendor fails to meet the provisions of this contract and, except as otherwise provided herein, to hold the Vendor liable for any excess cost occasioned by the State due to the Vendor's default. The Vendor shall not be liable for any excess costs if failure to perform the order arises out of causes beyond the control and without the fault or negligence of the Vendor; such causes include, but are not restricted to, acts of God or the public enemy, acts of the State or Federal Government, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, unusually severe weather and defaults of subcontractors due to any of the above, unless the State shall determine that the supplies or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit the Vendor to meet the required delivery schedule. The rights and remedies of the State provided in this paragraph shall not be exclusive and are in addition to any other rights now being provided by law or under this contract.

7. Termination

For Cause - Either party may terminate this agreement for cause based upon material breach of this agreement by the other party, provided that the non-breaching party shall give the breaching party written notice specifying the breach and shall afford the breaching party a reasonable opportunity to correct the breach. If within thirty (30) days after receipt of a written notice the breaching party has not corrected the breach or, in the case of a breach which cannot be corrected in thirty (30) days, begun and proceeded in good faith to correct the breach, the non-breaching party may declare the breaching party in default and terminate the agreement effective immediately. The non-breaching party shall retain any and all other remedies available to it under the law.

8. Amendment

This Price Agreement may be amended by mutual agreement of the State Purchasing Agent and the contractor upon written notice by either party to the other. An amendment to this Price Agreement
SHALL NOT AFFECT ANY OUTSTANDING ORDERS issued prior to the effective date of the amendment as mutually agreed upon, and as published by the State Purchasing Agent. Amendments affecting price adjustments and/or extension of contract expiration are not allowed unless specifically provided for in the bid and contract documents.

9. Status of Contractor

The contractor, and contractor's agents and employees, are independent contractors for the agency and are not employees of the State of New Mexico. The contractor, and contractor's agents and employees, shall not accrue leave, retirement, insurance, bonding, use of state vehicles, or any other benefits afforded to employees of the State of New Mexico as a result of this agreement. The contractor acknowledges that all sums received hereunder are personally reportable by it for income tax purposes as self-employment or business income and are reportable for self-employment tax.

10. Assignment

A. Neither this price agreement nor any orders placed under this price agreement, nor any interest therein, nor claim there under, shall be assigned or transferred by the Vendor, except as set forth in subparagraph 10B below or as expressly authorized in writing by the State Purchasing Agent's office. No such assignment or transfer shall relieve the Vendor from the obligations and liabilities under this price agreement.

B. Vendor agrees that any and all claims for overcharge resulting from antitrust violations which are borne by the State as to goods, services, and materials purchased in connection with this bid are hereby assigned to the State.

11. Subcontracting

The contractor shall not subcontract any portion of any services to be performed under this agreement without written approval from the State Purchasing Agent.

12. Non-Collusion

In signing this agreement, the Vendor certifies he/she has not, either directly or indirectly, entered into action in restraint of free competitive bidding in connection with this offer submitted to the State Purchasing Agent.

13. Inspection of Plant

The State Purchasing Agent may inspect, at any reasonable time, during Contractor's regular business hours and upon prior written notice the part of the contractor's, or any subcontractor's plant or place of business, which is related to the performance of this contract.

14. Commercial Warranty

The Vendor agrees that the tangible personal property or services furnished under this price agreement shall be covered by the most favorable commercial warranties the Vendor gives to any customer for such tangible personal property or services, and that the rights and remedies provided herein shall extend to the State and are in addition to and do not limit any rights afforded to the State by any other clause of this order. Vendor agrees not to disclaim warranties of fitness for a particular purpose of merchantability.

15. Condition of Proposed Items
All proposed items are to be NEW and of most current production, unless otherwise specified.

16. Records of Audit

During the term of this agreement and for three years thereafter, the contractor shall maintain detailed records pertaining to the services rendered and products delivered. These records shall be subject to inspection by the agency, the State Auditor and other appropriate state and federal authorities. The agency shall have the right to audit billings both before and after payment. Payment under this agreement shall not foreclose the right of the agency to recover excessive or illegal payments.

17. Appropriations

The terms of this agreement, and any orders placed under it, are contingent upon sufficient appropriations and authorization being made by the legislature of New Mexico for the performance of this agreement. If sufficient appropriations and authorization are not made by the legislature, this agreement, and any orders placed under it, shall terminate upon written notice being given by the agency to the contractor. The agency's decision as to whether sufficient appropriations are available shall be accepted by the contractor and shall be final.

18. Release

The contractor, upon final payment of the amount due under this agreement, releases the agency, its officers and employees, and the State of New Mexico from all liabilities, claims and obligations whatsoever arising from or under this agreement. The contractor agrees not to purport to bind the State of New Mexico, unless the contractor has express written authority to do so, and then only within the strict limits of that authority.

19. Confidentiality

Any confidential information provided to or developed by the contractor in the performance of this agreement shall be kept confidential and shall not be made available to any individual or organization by the contractor without prior written approval by the procuring agency.

20. Conflict of Interest

The contractor warrants that he presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with any performance required under this agreement. The contractor shall comply with any applicable provisions of the New Mexico Governmental Conduct Act and the New Mexico Financial Disclosures Act.

21. Approval of Contractor Representatives

The agency reserves the right to require a change in contractor representatives if the assigned representatives are not, in the opinion of the agency, serving the needs of the State of New Mexico adequately.

22. Scope of Agreement

This agreement incorporates all the agreements, covenants, and understandings between the parties hereto concerning the subject matter hereof, and all such covenants, agreements and understandings have been merged into this written agreement. No prior agreement or understandings, verbal or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in this agreement.
23. Notice

The Procurement Code, Sections 13-1-28 through 13-1-199 NMSA 1978, imposes civil and misdemeanor criminal penalties for its violation. In addition, the New Mexico criminal statutes impose felony penalties for bribes, gratuities and kickbacks.

24. Equal Opportunity Compliance

The contractor agrees to abide by all federal and state laws, rules and regulations, and executive orders of the governor of the State of New Mexico, pertaining to equal employment opportunity. In accordance with all such laws, rules, and regulations, and executive orders of the governor of the State of New Mexico, the contractor agrees to assure that no person in the United States shall on the grounds of race, color, religion, national origin, sex, sexual preference, age or handicap, be excluded from employment with or participation in, be denied the benefits of, or be otherwise subjected to discrimination under, any program or activity performed under this agreement. If contractor is found to be not in compliance with these requirements during the life of this agreement, contractor agrees to take appropriate steps to correct these deficiencies.

25. Indemnification

The contractor shall hold the State and its agencies and employees harmless and shall indemnify the State and its agencies and employees against any and all claims, suits, actions, liabilities and costs of any kind, including attorney's fees for personal injury or damage to property arising from the acts or omissions of the contractor, its agents, officers, employees or subcontractors. The contractor shall not be liable for any injury or damage as a result of any negligent act or omission committed by the agency, its officers or employees.


A. If Contractor has, or grows to, six (6) or more employees who work, or who are expected to work, an average of at least 20 hours per week over a six (6) month period during the term of the contract, Contractor certifies, by signing this agreement, to:

(1) have in place, and agree to maintain for the term of the contract, health insurance for those employees and offer that health insurance to those employees no later than July 1, 2008 if the expected annual value in the aggregate of any and all contracts between Contractor and the State exceed one million dollars or;

(2) have in place, and agree to maintain for the term of the contract, health insurance for those employees and offer that health insurance to those employees no later than July 1, 2009 if the expected annual value in the aggregate of any and all contracts between Contractor and the State exceed $500,000 dollars or;

(3) have in place, and agree to maintain for the term of the contract, health insurance for those employees and offer that health insurance to those employees no later than July 1, 2010 if the expected annual value in the aggregate of any and all contracts between Contractor and the State exceed $250,000 dollars.

B. Contractor agrees to maintain a record of the number of employees who have (a) accepted health insurance; (b) declined health insurance due to other health insurance coverage already in place; or (c) declined health insurance for other reasons. These records are subject to review and audit by a representative of the State.
C. Contractor agrees to advise all employees of the availability of State publicly financed health care coverage programs by providing each employee with, as a minimum, the following website link to additional information: http://insurenewmexico.state.nm.us/.

D. For Indefinite Quantity, Indefinite Delivery contracts (price agreements without specific limitations on quantity and providing for an indeterminate number of orders to be placed against it); Contractor agrees these requirements shall apply the first day of the second month after the offeror reports combined sales (from State and, if applicable, from local public bodies if from a state price agreement) of $250,000, $500,000 or $1,000,000, depending on the dollar value threshold in effect at that time.

27. Applicable Law

This agreement shall be governed by the laws of the State of New Mexico.

28. Limitation of Liability

The contractor's liability to the agency, or any procuring agency, for any cause whatsoever shall be limited to the purchase price paid to the contractor for the products and services that are the subject of the agency's, or the procuring agency's, claim. The foregoing limitation does not apply to paragraph 27 of this agreement or to damages resulting from personal injury caused by the contractor's negligence.

29. Binding Arbitration

Any controversy or claim arising between the parties shall be settled by binding arbitration pursuant to the Commercial Arbitration Rules of the American Arbitration Association and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.

30. Incorporation by Reference and Precedence

This agreement is derived from (1) the request for proposal, (including any written clarifications to the request for proposals and any agency response to questions); (2) the contractor's best and final offer; and (3) the contractor's response to the request for proposals.

In the event of a dispute under this agreement, applicable documents will be referred to for the purpose of clarification or for additional detail in the following order of precedence: (1) amendments to the agreement in reverse chronological order; (2) the agreement, including the scope of work; (3) the request for proposals, including attachments thereto and written responses to questions and written clarifications; (4) the contractor's best and final offer; and (5) the contractors response to the request for proposals.

31. Workers' Compensation

The contractor agrees to comply with state laws and rules applicable to workers' compensation benefits for its employees. If the contractor fails to comply with the Workers' Compensation Act and applicable rules when required to do so, this agreement may be terminated by the agency.
32. **Impracticality of Performance**

A party shall be excused from performance under this agreement for any period that the party is prevented from performing as a result of an act of God, strike, war, civil disturbance, epidemic, or court order, provided that the party has prudently and promptly acted to take any and all steps that are within the party's control to ensure performance. Subject to this provision, such non-performance shall not be deemed a default or a ground for termination.

33. **Invalid Term or Condition**

If any term or condition of this agreement shall be held invalid or unenforceable, the remainder of this agreement shall not be affected and shall be valid and enforceable.

34. **Enforcement of Agreement**

A party's failure to require strict performance of any provision of this agreement shall not waive or diminish that party's right thereafter to demand strict compliance with that or any other provision. No waiver by a party of any of its rights under this agreement shall be effective unless express and in writing, and no effective waiver by a party of any of its rights shall be effective to waive any other rights.

35. **Patent, Copyright and Trade Secret Indemnification**

The contractor shall defend, at its own expense, the State and its agencies against any claim that any product or service provided under this agreement infringes any patent, copyright to trademark in the United States or Puerto Rico, and shall pay all costs, damages and attorneys' fees that a court finally awards as a result of any such claim. In addition, if any third party obtains a judgment against the agency based upon contractor's trade secret infringement relating to any product or services provided under this agreement, the contractor agrees to reimburse the State for all costs, attorneys' fees and amount of the judgment. To qualify for such defense and or payment, the agency shall:

i. give the contractor prompt written notice within 48 hours of any claim;

ii. allow the contractor to control the defense of settlement of the claim; and

iii. cooperate with the contractor in a reasonable way to facilitate the defense or settlement of the claim.

If any product or service becomes, or in the contractor's opinion is likely to become the subject of a claim of infringement, the contractor shall at its option and expense:

i. provide the agency the right to continue using the product or service and fully indemnify the agency against all claims that may arise out of the agency's use of the product or service;

ii. replace or modify the product or service so that it becomes non-infringing; or,

iii. accept the return of the product or service and refund an amount equal to the value of the returned product or service, less the unpaid portion of the purchase price and any other amounts, which are due to the contractor. The contractor's obligation will be void as to any product or service modified by the agency to the extent such modification is the cause of the claim.
36. Survival

The agreement paragraph titled “patent, copyright, trademark, and trade secret indemnification; indemnification; and limit of liability” shall survive the expiration of this agreement. Software licenses, leases, maintenance and any other unexpired agreements that were entered into under the terms and conditions of this agreement shall survive this agreement.

37. Disclosure Regarding Responsibility

Any prospective Bidder/Offeror (hereafter Offeror) and/or any of its Principals who seek to enter into a contract greater than twenty thousand dollars ($20,000.00) with any State agency or local public body for professional services, tangible personal property, services or construction agree to disclose whether they, or any principal of their company:

Are presently debarred, suspended, proposed for debarment, or declared ineligible for award of contract by any federal entity, State agency or local public body.

Have within a three-year period preceding this offer, been convicted of or had civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) contract or subcontract; violation of Federal or state antitrust statutes related to the submission of offers; or commission in any federal or state jurisdiction of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, violation of Federal criminal tax law, or receiving stolen property.

Are presently indicted for, or otherwise criminally or civilly charged by any (federal state or local) government entity with, commission of any of the offenses enumerated in paragraph B of this disclosure.

Have preceding this offer, been notified of any delinquent Federal or state taxes in an amount that exceeds $3,000.00 of which the liability remains unsatisfied.

1. Taxes are considered delinquent if both of the following criteria apply:
   a. The tax liability is finally determined. The liability is finally determined if it has been assessed. A liability is not finally determined if there is a pending administrative or judicial challenge. In the case of a judicial challenge of the liability, the liability is not finally determined until all judicial appeal rights have been exhausted.
   b. The taxpayer is delinquent in making payment. A taxpayer is delinquent if the taxpayer has failed to pay the tax liability when full payment was due and required. A taxpayer is not delinquent in cases where enforced collection action is precluded.
   c. Have within a three year period preceding this offer, had one or more contracts terminated for default by any federal or state agency or local public body.

Principal, for the purpose of this disclosure, means an officer, director, owner, partner, or a person having primary management or supervisory responsibilities within a business entity or related entities.

The Offeror shall provide immediate written notice to the Procurement Manager or Buyer if, at any time prior to contract award, the Offeror learns that its disclosure was erroneous when submitting or became erroneous by reason of changed circumstances.

A disclosure that any of the items in this requirement exist will not necessarily result in withholding an
award under this solicitation. However, the disclosure will be considered in the determination of the Offeror's responsibility. Failure of the Offeror to furnish a disclosure or provide additional information as requested will render the Offeror nonresponsive.

Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the disclosure required by this document. The knowledge and information of an Offeror is not required to exceed that which is the normally possessed by a prudent person in the ordinary course of business dealings.

The disclosure requirement provided is a material representation of fact upon which reliance was placed when making an award and is a continuing material representation of the facts. If during the performance of the contract, the contractor is indicted for or otherwise criminally or civilly charged by any government entity (federal, state or local) with commission of any offenses named in this document the contractor must provide immediate written notice to the Procurement Manager or Buyer. If it is later determined that the Offeror knowingly rendered an erroneous disclosure, in addition to other remedies available to the Government, the State Purchasing Agent or Central Purchasing Officer may terminate the involved contract for cause. Still further the State Purchasing Agent or Central Purchasing Officer may suspend or debar the contractor from eligibility for future solicitations until such time as the matter is resolved to the satisfaction of the State Purchasing Agent or Central Purchasing Officer.

38. Notification

Either party may give written notice to the other party in accordance with the terms of this paragraph 38. Any written notice required or permitted to be given hereunder shall be deemed to have been given on the date of delivery if delivered by personal service or hand delivery or three (3) business days after being mailed.

To agency: Lawrence O. Maxwell, State Purchasing Agent
Office address: 1100 South St. Francis Drive
Joseph M. Montoya Building, Rm. 2016
Santa Fe, New Mexico 87505-4108
(505) 827-0472 (voice)
(505) 827-2484 (fax)
Lawrence.maxwell@state.nm.us

For all US Mail use: P. O. Box 6850
Santa Fe, New Mexico 87505

To contractor: Merchants Automotive Group, Inc.
d/b/a Merchants Fleet Management
1278 Hooksett Road
Hooksett, New Hampshire 03106

Contact: Gary Singer
E-Mail: garysinger@merchantsfleet.com
Telephone: 603-669-4100

Either party may change its representative or address above by written notice to the other in accordance with the terms of this paragraph 38. The carrier for mail delivery and notices shall be the agent of the sender.
39. Amendments

This agreement shall only be amended by written instrument executed by the parties.

40. Succession

This agreement shall extend to and be binding upon the successors and assigns of the parties.

IN WITNESS WHEREOF, the parties have executed this agreement as of the date of execution by:

STATE OF NEW MEXICO
General Services Department

BY: ____________________________
TITLE: __________________________

Merchants Automotive Group, Inc.
d/b/a Merchants Fleet Management
(Contractor)

BY: ____________________________
TITLE: Chairman of the Board

The records of the Taxation and Revenue Department reflect that the contractor is registered with the Taxation and Revenue Department of the State of New Mexico to pay gross receipts and compensating taxes.

TAXATION AND REVENUE DEPARTMENT

ID NO.: (02-111118-00-9)

BY: ____________________________

DATE: 10/30/2015
Appendix A

Minimum Specifications

<table>
<thead>
<tr>
<th>Minimum Specifications</th>
<th>Axle: Factory Standard</th>
</tr>
</thead>
<tbody>
<tr>
<td>Air Bag:</td>
<td>Dual, Factory Installed</td>
</tr>
<tr>
<td>Air Conditioning:</td>
<td>Factory Standard (CFC free)</td>
</tr>
<tr>
<td>Brakes:</td>
<td>Anti-Lock</td>
</tr>
<tr>
<td>Color:</td>
<td>to be determined by user agency</td>
</tr>
<tr>
<td>Cruise Control and tilt wheel</td>
<td></td>
</tr>
<tr>
<td>Defogger:</td>
<td>Electric, rear window, factory installed</td>
</tr>
<tr>
<td>Floor mats:</td>
<td>front and rear, factory installed</td>
</tr>
<tr>
<td>Glass:</td>
<td>Factory Standard tint, all around</td>
</tr>
<tr>
<td>Horse Power:</td>
<td>Compact Sedan 131 Torque: 120</td>
</tr>
<tr>
<td></td>
<td>Midsize Sedan 170-230 Torque: 158-225</td>
</tr>
<tr>
<td></td>
<td>Full-size Sedan 211 Torque: 216</td>
</tr>
<tr>
<td></td>
<td>Pickup, economy 150 Torque: 170</td>
</tr>
<tr>
<td></td>
<td>Pickup, 1/2 ton 4x4 283 Torque: 260</td>
</tr>
<tr>
<td></td>
<td>Pickup, 3/4 ton 4x4 360 Torque: 380</td>
</tr>
<tr>
<td></td>
<td>Van, Mini 283 Torque: 260</td>
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<tr>
<td></td>
<td>Utility Vehicle Midsize 260 Torque: 240</td>
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<tr>
<td></td>
<td>Utility Vehicle Full-size 310 Torque: 350</td>
</tr>
<tr>
<td>Keys:</td>
<td>Three (3) sets</td>
</tr>
<tr>
<td>Mirrors:</td>
<td>outside, right &amp; left mounted, non-glare day and night inside rear view mirror</td>
</tr>
<tr>
<td>Power:</td>
<td>Door Locks and Windows</td>
</tr>
<tr>
<td>Radio:</td>
<td>MFG Standard</td>
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<tr>
<td>Vehicle Type</td>
<td>Feature</td>
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<tr>
<td>-------------------</td>
<td>----------------------------------</td>
</tr>
<tr>
<td>Mini Van</td>
<td>Rear Door</td>
</tr>
<tr>
<td></td>
<td>Seats</td>
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<tr>
<td></td>
<td>Seating</td>
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<tr>
<td></td>
<td>Side Door</td>
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<tr>
<td></td>
<td>Trim-Interior</td>
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<tr>
<td></td>
<td>Tires</td>
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<tr>
<td></td>
<td>Transmission</td>
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<tr>
<td></td>
<td>Wheel Base</td>
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<td>Van, Mini</td>
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<tr>
<td></td>
<td>Utility Vehicle Midsize</td>
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<tr>
<td></td>
<td>Utility Vehicle Full-size</td>
</tr>
<tr>
<td></td>
<td>Windshield wipers</td>
</tr>
</tbody>
</table>

Optional Fueled Vehicles:

1) Alternative Fueled /Powered: Non-gasoline powered vehicles using fuels such as hydrogen, electricity, methanol and ethanol.

2) Flexible Fueled: Vehicle fueled by a combination of gasoline with either methanol or ethanol in various proportions.

3) Duel Fueled: Vehicles powered by two (2) fuels simultaneously.

4) Bi-Fueled: Vehicles powered by either of two (2) duels, not used simultaneously.
## Appendix B

### Cost Form

<table>
<thead>
<tr>
<th>Vehicle Description</th>
<th>Engine</th>
<th>Liter</th>
<th>Fixed monthly Lease fee</th>
<th>Excess Mileage Cost Based on Fleet Average</th>
<th>Proposed Credit Based on Fleet Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compact Sedan-2016 Ford Focus S</td>
<td>I-4</td>
<td>2.0</td>
<td>$346.06</td>
<td>$0.12/mile</td>
<td>$0.06/mile</td>
</tr>
<tr>
<td>Midsize Sedan-2016 Ford Fusion S</td>
<td>I-4 i-VCT</td>
<td>2.5</td>
<td>$341.19</td>
<td>$0.12/mile</td>
<td>$0.06/mile</td>
</tr>
<tr>
<td>Midsize Sedan-2016 Ford Fusion S Hybrid</td>
<td>I-4</td>
<td>2.0</td>
<td>$423.27</td>
<td>$0.12/mile</td>
<td>$0.06/mile</td>
</tr>
<tr>
<td>Midsize Sedan-2016 Chevrolet Malibu Limited LS</td>
<td>I-4</td>
<td>2.5</td>
<td>$348.40</td>
<td>$0.12/mile</td>
<td>$0.06/mile</td>
</tr>
<tr>
<td>Full-size Sedan-2016 Ford Taurus SE (also FlexFuel)</td>
<td>V6</td>
<td>3.5</td>
<td>$442.14</td>
<td>$0.12/mile</td>
<td>$0.06/mile</td>
</tr>
<tr>
<td>Full-size Sedan-2016 Chevrolet Impala LS (new body style)</td>
<td>I-4</td>
<td>2.5</td>
<td>$490.01</td>
<td>$0.12/mile</td>
<td>$0.06/mile</td>
</tr>
<tr>
<td>Economy Pickup-2016 Chevrolet Colorado WT 4x4</td>
<td>V6</td>
<td>3.6</td>
<td>$491.88</td>
<td>$0.12/mile</td>
<td>$0.06/mile</td>
</tr>
<tr>
<td>½ Ton Pickup-2016 Ford F-150 XL 4x4 (also FlexFuel)</td>
<td>V6</td>
<td>3.5</td>
<td>$376.05</td>
<td>$0.12/mile</td>
<td>$0.06/mile</td>
</tr>
<tr>
<td>¾ Ton Pickup-2016 Ford F-250 XL 4x4 (also Flex Fuel)</td>
<td>V8</td>
<td>6.2</td>
<td>$374.11</td>
<td>$0.12/mile</td>
<td>$0.06/mile</td>
</tr>
<tr>
<td>Minivan-2016 Dodge Grand Caravan SE Plus</td>
<td>V6</td>
<td>3.6</td>
<td>$460.48</td>
<td>$0.12/mile</td>
<td>$0.06/mile</td>
</tr>
<tr>
<td>Midsize SUV-2016 Ford Explorer Base 4x4 (also FlexFuel)</td>
<td>V6</td>
<td>3.5</td>
<td>$420.97</td>
<td>$0.12/mile</td>
<td>$0.06/mile</td>
</tr>
<tr>
<td>Full-size SUV-2016 Chevrolet Tahoe LS</td>
<td>V8</td>
<td>5.3</td>
<td>$653.66</td>
<td>$0.12/mile</td>
<td>$0.06/mile</td>
</tr>
<tr>
<td>Full-size SUV-2016 Ford Expedition XL</td>
<td>V6</td>
<td>3.5</td>
<td>$539.34</td>
<td>$0.12/mile</td>
<td>$0.06/mile</td>
</tr>
</tbody>
</table>
Appendix C

Master Lease Agreement

**Lease Agreement Information**

An agency utilizing this Price Agreements as a vehicle to lease vehicles, the State Purchasing Agent and Merchants Automotive Group, Inc. d/b/a/ Merchants Fleet Management must sign the “Lease Schedule” with reference given to the previously signed and filed Master Agreement.
MASTER LEASE AGREEMENT
APPROVED FOR USE BY NEW MEXICO STATE AGENCIES AND LOCAL PUBLIC BODIES

THE PURPOSE OF THIS MASTER AGREEMENT IS TO SET FORTH UNIFORM GENERAL TERMS AND CONDITIONS UPON WHICH LESSOR SHALL LEASE TO LESSEE, AND LESSEE SHALL LEASE FROM LESSOR, MERCHANTS AUTOMOTIVE GROUP, INC. d/b/a MERCHANTS FLEET MANAGEMENT. LESSEE AND LESSOR ARE SOMETIMES REFERRED TO IN THIS AGREEMENT INDIVIDUALLY AS A “PARTY” AND COLLECTIVELY AS THE “PARTIES”.

This lease agreement is entered into by and between:

The LESSOR Merchants Automotive Group, Inc. d/b/a/ Merchants Fleet Management
with its principal address at 1278 Hooksett Road, Hooksett, New Hampshire 03106

and

The LESSEE The State of New Mexico
with its principal address at 1100 S. St. Francis Drive Room 2016, Santa Fe, NM 87505. This lease agreement is made and entered into within THE STATE OF NEW MEXICO where said leased Equipment shall be located and it shall become effective on October 23, 2015.

LESSOR AND LESSEE AGREE THAT ANY LEASE ENTERED INTO UNDER THE PROVISIONS OF THIS MASTER LEASE AGREEMENT IS A “TRUE LEASE” WITH AN OPTION TO PURCHASE EQUIPMENT AT FAIR MARKET VALUE, AND IS NOT AN INSTALLMENT OR FINANCING AGREEMENT.

1. COMMENCEMENT PROCEDURES: Subject to other terms and conditions contained in this Master Lease Agreement and the applicable Schedule(s) as may be attached hereto and made a part of this Master Agreement, Lessee shall enter into individual Leases (hereafter defined) with Lessor as follows:

(a) Execution of Schedule. Lessor and Lessee mutually agree to enter into a Lease by executing a Schedule in the Form of Exhibit A (the “Schedule”) with such changes as Lessor and Lessee shall have agreed to as conclusively evidenced by their execution thereof. Each such Schedule shall specifically identify (by serial number or other identifying characteristics) the items of Equipment to be leased under such Schedule. Each Schedule, when executed by both Lessor and Lessee, together with this Master Agreement, shall constitute a separate and distinct lease (“Lease”) which incorporates in full the terms and conditions of this Master Agreement and which is, enforceable according to its terms. In the event of any conflict between the terms of this Master Agreement and such Schedule, the provisions of the Master Lease Agreement shall govern.

(b) Acceptance; Initial Term of Lease(s). Lessee shall accept the Equipment subject to a Lease in accordance with Section 2. The Initial Term of each Lease shall begin on the Acceptance Date of the Equipment and shall continue for the period described in the applicable Schedule of 36 months per vehicle unless a Non-appropriation or other Cancellation provision shall have occurred

2. SELECTION; ACCEPTANCE OF EQUIPMENT. Lessee acknowledges that the Equipment is of a size, design, capacity and manufacturer selected by Lessee in its sole judgment and not in reliance on the advice or representations of Lessor
and that the Manufacturer/Supplier is not an agent of Lessor. Lessee further acknowledges either (a) that Lessee has reviewed and approved any written purchase order, supply contract or purchase agreement ("Purchase Document"), covering the Equipment purchased from the Manufacturer/Supplier for lease to Lessee; or (b) that Lessor has informed or advised Lessee, in writing, either previously or by this Lease of the following: (i) the identity of the Manufacturer/Supplier; (ii) that the Lessee may have rights under the Purchase Document; and (iii) that the Lessee may contact the Manufacturer/Supplier for a description of such rights that Lessee may have under the Purchase Document. Lessee agrees to inspect all Equipment no later than thirty (30) days after the delivery thereof to Lessee or, if acceptance requirements for such Equipment are specified in the applicable Purchase Document, as soon as reasonably practicable after being advised by the Manufacturer/Supplier (seller) that such requirements have been met. Lessee further agrees to complete, execute and deliver to Lessor either (i) an Acceptance Certificate after its satisfactory completion of such inspection or (ii) written notification of any defects in the Equipment.

3. DEFINITION OF TERMS. All capitalized terms used in this Master Agreement have the meanings set forth below or in the Sections of this Master Agreement referred to below:

"Acceptance Date" means the date set forth in the Certificate of Acceptance as the date Lessee accepted the Equipment in accordance with Section 2 of this Master Agreement and in accordance with Laws of New Mexico, Section 13-1-158 NMSA 1978.

"Assignee" means any assignee of all or any portion of Lessor's interest in this executed Master Agreement to Lease, any Schedule or any Equipment as may be mutually agreed to by the parties to this executed agreement.

"Casualty Loss" means, with respect to any Equipment, the condemnation, taking, loss, destruction, theft or damage beyond repair of such Equipment.

"Casualty Value" or "Full Insurable Value" means, as to any Equipment, the full replacement value of the Equipment (reasonable wear, tear and depreciation resulting from normal and proper use excepted).

"Daily Rent" means, as to any Lease, an amount equal to the per diem Rent payable under the applicable Schedule (calculated on the basis of a 360-day year and 30 day months).

"End-of-Term Notice" means, as to any Lease, a written notice delivered by Lessee to Lessor at least 90 days prior to the end of the Initial Term, any Renewal Term or any optional extension of the Initial Term or any Renewal Term setting forth Lessee's elections pursuant to Section 4 of this Master Agreement with respect to the Equipment subject to such Lease. Each End-of-Term Notice shall specify with particularity the Units of Equipment to be purchased by Lessee (if any), as to which the Lease is to be renewed (if any) and that are to be returned to Lessor (if any).

"Equipment" means, as to any Lease of vehicles or vehicle accessories or items associated with the normal purchase or operation of the leased vehicle included in the original award under the procurement conducted by the State of New Mexico and as may be specified in the appropriate Schedule.

"Equipment Location" means, as to the Equipment, the address at which such Equipment is located from time to time, as originally specified in the applicable Schedule or in any subsequent notice delivered to Lessor if applicable.

"Fair Rental Value", if and when applicable, means the amount of periodic rent that would be payable for any specified Equipment in an arm's length transaction between an informed and willing lessee and an informed and willing lessor, neither under compulsion to lease/rent. Such amount shall not be reduced by the costs of removing such Equipment from its current location or moving it to a new location.

"First Payment Date" means, as to any Lease, the date the first Rent payment with respect to the Initial Term of such Lease is due, as determined pursuant to the terms of the applicable Schedule.
"Fiscal Period" shall mean that period of time as defined in a Schedule.

"Fiscal Year" means, as to any Lease involving state agencies, July 1 to June 30 of any given year.

"Fundamental Agreements" means, collectively, this Master Agreement, each Schedule and Acceptance Certificate and all other related instruments and documents.

"Initial Term" means, as to any Lease, the initial term thereof as specified in the related Schedule.

"Lease" with regards to this Master Agreement has the meaning "true lease".

"Lessee" means one that holds property under a lease.

"Lessor" means one that conveys property by lease.

"Manufacturer/Supplier" means as to any Equipment, the Seller and the Manufacturer or licensor of such Equipment collectively, or where the context requires, any of them.

"Master Agreement" has the meaning specified in the preamble hereto.

"Material Agreements" means, collectively, all Fundamental Agreements, all other material agreements by and between Lessor and Lessee, Manufacturer/Supplier and Lessee, and Manufacturer/Supplier and Lessor, and any, financial statement, or financial data required to be provided by Lessee in connection with any Lease.

"Non-Appropriation" has the meaning specified in Section 7.

"Purchase Document" has the meaning specified in Section 2.

"Rent" means the payment by Lessee to Lessor of money for the lease of Equipment covered by the Schedule.

"Taxes" means all license and registration fees and all taxes (local, state and federal), fees levies, imposts, duties, assessments, charges and withholding of any nature, however designated including without limitation any value added, transfer, sales, use, gross receipts, business, occupation, excise, personal property, other than taxes measured by Lessor's income.

"Term" means the term thereof as specified in the related Schedule.

"UCC" means the Uniform Commercial Code as enacted and in effect in any applicable jurisdiction.

"Unit of Equipment" means, as to the Equipment leased pursuant to any Schedule, each individual item leased pursuant to such Schedule.

4. LESSEE'S END-OF-LEASE-TERM OPTIONS. Lessee shall have the following options in respect of each Lease at the end of either the Initial Term or cancellation as specified in Sections 6 or 7:

5. RENT; LATE CHARGES. As Rent for the Equipment, Lessee shall pay Lessor the amounts on the due dates set forth in the Schedule. Lessor and Lessee agree that any interest on Late Payments shall be paid by Lessee in accordance with the payment provisions of the New Mexico Procurement Code, Section 13-1-158, NMSA 1978.

6. CANCELLATION. Consistent with applicable New Mexico Laws, Lessee reserves the right to cancel this Lease at the end of any Fiscal Year, without penalty. Unless some unforeseen circumstance arises which Lessee shall document, Lessee will give Lessor 60 days prior written notice of such termination. (Amended 10/10/01). (Amended 05/13/02).

7. TERMINATION FOR NON-APPROPRIATION. Notwithstanding anything in this Master Agreement to the contrary, in the event no funds or insufficient funds are appropriated and budgeted by Lessee's governing body or are otherwise unavailable in any Fiscal Year for the payment of Rent and other amounts due under any Lease, the Lease shall terminate on the last day of the Fiscal Period for which appropriations were received or other amounts are available to pay amounts due under the Lease without penalty or expense to Lessee. It is up to the state agency or local public body (the Lessee) to determine sufficiency of funds, which determination shall be accepted by the Lessor and is final. Lessee shall give Lessor or its assignee written notice at least forty-five (45) days in advance of such occurrence. (Amended 05/13/02).
8. In the event of such termination as reflected in Sections 6 and 7 above, Lessee shall immediately cease all use of the Equipment and shall immediately make arrangements with Lessor or its designee to return the Equipment to Lessor. Any expenses and/or risks associated with returning equipment to Lessor shall be borne solely by Lessee. Such equipment shall be in good repair and in the same condition as when received by Lessee, reasonable wear, tear and depreciation resulting from normal and proper use excepted. (Amended 10/10/01).

9. EQUIPMENT OWNERSHIP; LIENS; LOCATION. As between Lessor and Lessee, Lessor is the sole owner of the Equipment and has sole title thereto; Lessee shall not make any representation to any third party inconsistent with Lessor's sole ownership of the Equipment. Lessee covenants with respect to each Lease that: A) it will not pledge or encumber the Equipment or Lessor's interest in the Equipment in any manner whatsoever nor create or permit to exist any levy, lien or encumbrance thereof or thereon except those created by or through Lessor; B) the Equipment or any part thereof shall remain personal property, and C) Lessee may relocate any Equipment from the Equipment Location specified in the applicable Schedule to another of its location, provided Lessee remains in control of the Equipment. (Amended 08/21/15).

10. ASSIGNMENT OF MANUFACTURER/SUPPLIER WARRANTIES. To the extent permitted and so long as no Event of Default has occurred and is continuing, Lessor hereby assigns to Lessee, for the total term of any Lease, all Equipment warranties provided by any Manufacturer/Supplier in the applicable Purchase Documents. Lessee shall have the right to take any action appropriate to enforce such warranties provided such enforcement is pursued in Lessee's name and at its expense. In the event Lessee is precluded from enforcing any such warranty in its name, Lessor, as owner of the Equipment, shall, upon Lessee's request, take reasonable steps to enforce such warranties at costs to be borne by Lessor.

11. EQUIPMENT USE AND MAINTENANCE. Lessee is solely responsible for the selection, operation and maintenance of the Equipment and all costs related thereto, including shipping, if applicable. Lessee shall at all times operate and maintain the Equipment in good working order, repair and condition and appearance, and in accordance with the manufacturer's specifications and recommendations. On reasonable prior notice to Lessee, Lessor and Lessor's agents shall have the right, during Lessee's normal working hours, to enter the premises where the Equipment is located for the purpose of inspecting the Equipment and observing its use. If Lessor shall have provided to Lessee any tags or identifying labels, Lessee shall, at its expense, affix and maintain in a prominent position on each item of Equipment such tags or labels to indicate Lessor's ownership of the Equipment. Lessee shall, at its expense, enter into and maintain and enforce at all times during the Term of each Lease a maintenance agreement to service and maintain the related Equipment, upon terms and with a provider approved by Lessor. (Amended 08/21/15)

12. ALTERATIONS AND ADDITIONS TO EQUIPMENT. Lessee shall make no alterations or additions to Equipment, except those that a) will not void any warranty made by the Manufacturer/Supplier, result in the creation of any security interest, lien or encumbrance on the Equipment or impair the value of use of the Equipment either at the time made or at the end of the Term of the applicable Lease, and are readily removable without damage to the Equipment; or b) are required by any applicable law, regulation or order. All additions to the Equipment or repairs made to the Equipment, except Optional Equipment, become a part of the Equipment and Lessor's property at the time made; Optional Equipment which have not been removed prior to return of the Equipment shall become Lessor's property.

13. INSURANCE. Commencing upon acceptance and continuing throughout the Initial Term, Lessee agrees to keep the Equipment insured at Lessee's expense against all risks or loss from any cause, including without limitation, theft and damage. Upon Lessor's prior written consent, which shall not be unreasonably withheld, Lessee may self-insure against
such risk provided that Lessor’s interests are protected to the same extent as if the insurance had been obtained by third party insurance carriers. Lessee will provide to Lessor proof of such coverage if requested. (Amended 08/21/15)

14. RISK OF LOSS. Commencing upon acceptance and continuing throughout the Initial Term, Lessee shall bear the entire risk of loss with respect to any Equipment damage, destruction, loss, or theft whether partial or complete. No event of loss shall relieve Lessee of its obligation to pay Rent under any Schedule. If any item of Equipment is damaged, Lessee shall promptly notify Lessor and, at Lessee’s expense, within sixty (60) days of such damage, cause to be made such repairs as are necessary to return such item to its previous condition. In the event any Casualty Loss shall occur, on the next Rent payment date Lessee shall pay Lessor the Stipulated Loss Value of the Equipment suffering the Casualty Loss. If Lessee pays the Stipulated Loss Value of the Equipment suffering a Casualty Loss, upon Lessor’s receipt in full of such payment the applicable Lease shall terminate as to the Equipment suffering the Casualty Loss. After receipt of such Stipulated Loss Value by Lessor or its assigns, the Equipment for which Stipulated Loss Value was received shall be conveyed to Lessee AS IS, WHERE IS and free and clear of all liens and encumbrances created by or arising through Lessor, but otherwise, WITHOUT FURTHER WARRANTY (EXPRESS OR IMPLIED) WHATSOEVER, INCLUDING WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY OR FITNESS FOR PURPOSE OR USE.

15. TAXES. Lessor shall report and pay all Taxes now or hereafter imposed or assessed by any governmental body, agency or taxing authority upon the purchase, ownership, delivery, installation, leasing, rental, use or sale of the Equipment, the Rent or other charges payable hereunder, or otherwise upon or in connection with any Lease, whether assessed on Lessor or Lessee, other than any such Taxes required by law to be paid by Lessee. Lessee shall promptly reimburse Lessor for all such Taxes paid by Lessor and invoiced to Lessee, together with any penalties or interests in connection therewith attributable to Lessee’s acts or failure to act.

16. INDEMNIFICATION. Lessor shall hold the State of New Mexico, participating entities and its agencies and employees harmless and shall indemnify the State of New Mexico, participating entities and its agencies and employees against any and all claims, suits, actions, liabilities and costs of any kind, including attorney costs for personal injury or damage of property arising from the acts or omissions of the Lessor, its agents, officers, employees or subcontractors. Lessor shall not be liable for damages that are the result of negligence by the State of New Mexico, the participating governmental entities, or its employees. To the extent permitted by law, procuring agencies, Lessees, are responsible for their own acts errors or omissions pertaining to this Indemnification provision.

17. DISCLAIMERS. Lessee leases the equipment from Lessor “As is, Where is”. It is specifically understood and agreed that Lessor makes no representations or warranties, express or implied, including without limitation, any representation or warranties with respect to the design, compliance with specifications, quality, operation or condition of any Equipment or any part thereof. The merchantability or fitness of equipment for a particular purpose, or issues regarding patent infringement, title or like which are rightly the responsibility of the Manufacturer/Supplier.

18. DEFAULT. Lessee - The occurrence of any of the following shall constitute default under a Schedule: a) nonpayment by Lessee of Rent or any other sum payable by its due date; b) failure by Lessee to perform or observe any other term, covenant or condition of this Master Lease Agreement, any Schedule, or any applicable software license agreement, which is not cured within ten (10) days after notice thereof from Lessor; c) insolvency by Lessee; d) any representation or warranty made by Lessee in this Master Lease Agreement, any Schedule or in any document furnished by Lessee to Lessor in connection therewith or with the acquisition or use of the Equipment shall be untrue; or e) a termination of any applicable software license agreement.
Lessor – Any of the following shall constitute default by Lessor under this Master Lease Agreement: a) Lessor breaches its covenant of quite enjoyment and fails or is unable to cure such breach within ten (10) days after written notice thereof from Lessee; b) Lessor fails to pay Manufacturer/Supplier within thirty (30) days after Lessor’s receipt of a properly executed Acceptance Certificate and all other documentation necessary to establish Lessee’s acceptance of such Equipment under a Lease; c) Lessor makes an assignment for the benefit of creditors.

19. REMEDIES. If a Default occurs, Lessor may do one or more of the following; (a) cancel or terminate this Lease; (b) require Lessee to immediately pay Lessor all Rent payments due up until the time of Default; (c) require Lessee to deliver, at its expense, the Equipment to Lessor in accordance with Section 4 (B) of this Master Agreement; or (d) Lessor may exercise any other right or remedy available at law or in equity. If Lessor Defaults, Lessee has the right to cancel or terminate this Lease effective immediately at no cost to the Lessee. In the event of Lessor’s Default, Lessor shall be responsible for all costs associated with reclaiming and return of Equipment.

20. ASSIGNMENT. Lessor shall not sell, assign, pledge, transfer, mortgage or otherwise convey part of its interest in this Master Agreement, any Schedule or any Equipment, in whole or in part, without prior notice and consent of Lessee which shall not be unreasonably delayed. Each such Assignee will be entitled to all of Lessor’s rights, however, unless otherwise agreed to by Lessor and Assignee; Assignee shall not be obligated to perform such obligations of Lessor under this Master Agreement. Lessee and Lessor further acknowledge that any assignment or transfer by Lessor shall not materially change Lessor’s or Lessee’s obligations under the assigned Lease. Without the prior written consent of Lessor, Lessee will not a) assign, transfer, pledge, hypothecate, or otherwise dispose of its rights or obligations under this Master Lease Agreement or the Equipment, b) sublet the Equipment, or c) permit the Equipment to be used for any purpose not permitted by this Master Lease Agreement. (Amended 04/04/02).

21. GOVERNING LAW. This Master Agreement and each Lease shall be governed by the Laws of the State of New Mexico.

IN WITNESS WHEREOF, LESSOR AND LESSEE HAVE EXECUTED THIS MASTER AGREEMENT ON THE DATES SPECIFIED BELOW.

LESSOR: Merchants Automotive Group, Inc. d/b/a/ Merchants Fleet Management

BY (Name and Title): ___ DATE: 10/30/15

LESSEE: State of New Mexico

BY (Name and Title): ___ DATE: 10/30/15
OFFEROR'S
ACKNOWLEDGEMENT

WHEREAS, the Office of the State Purchasing Agent conducted a competitive procurement in accordance with the New Mexico Procurement Code to select qualified Offerors to provide vehicle leasing for the State of New Mexico and the governmental entities therein.

WHEREAS, Merchants Automotive Group, Inc. d/b/a Merchants Fleet Management hereafter referred to as Manufacturer/Supplier (seller), was the qualified Offeror selected to receive award of State of New Mexico, State Purchasing Division (SPD) Price Agreement Number 50-000-15-00036.

WHEREAS, one of the provisions of the Price Agreement is the Lease of Vehicles for state agencies and other eligible governmental entities when requested.

WHEREAS, the Manufacturer/Supplier has requested approval of the State Purchasing Agent to assign the Lease provisions of the Price Agreement to the Manufacturer/Supplier, who will act in the capacity of Lessor for payment purposes only in any subsequent leasing arrangement relating to its Equipment offered under the price agreement and said Lessor has agreed to the Terms and Conditions set forth in the State of New Mexico's Master Lease Agreement, signed copy which is attached.

NOW THEREFORE, Manufacturer/Supplier does hereby acknowledge AND agree that approval of the assignment will in no way affect the previously agreed to terms and conditions as set forth in Price Agreement No. 50-000-15-00036 and Master Lease Agreement contained in the competitive procurement and such agreed to terms and conditions will also apply where applicable to any Lease Agreement relating to the price agreement.

Lawrence O. Maxwell
State Purchasing Agent
Date 10/30/15

By: ________________________________
(Name & Title)

Date: 10/30/2015

Merchants Automotive Group, Inc.
d/b/a Merchants Fleet Management
Approved for use by New Mexico State Agencies and Local Public Bodies

Exhibit A to Master Lease Agreement

Master Lease Agreement Number: 50-000-15-00036

SCHEDULE

____ (“Lessor”) and ____ (“Lessee”) are parties to the State and Local Public Bodies Agreement identified by the Master Lease Agreement Number specified above (the Master Lease Agreement). This Master Lease Agreement comprises a separate Lease between the parties. The terms and conditions of the Master Agreement are hereby incorporated by reference into this Schedule. All capitalized terms used in this schedule without definition have the meaning ascribed to them in the Master Agreement. As with the Master Lease Agreement, Lessor and Lessee agree that any Lease entered into under the provisions of the Schedule is a “True Lease” with an option to purchase equipment at fair market value, and is not an installment or financing lease agreement.

1. Lease.
   A. Description of Leased Vehicle Total Cost Excess Mileage Cost Proposed Credit
   
   B. Term: ____ Months (plus the number of days from and including the Acceptance Date through and including the last day of the calendar month or quarter in which the Acceptance Date occurs).
   
2. Pricing Expiration Date: ____ Lessor’s obligation to purchase and lease the Equipment is subject to the Acceptance Date being on or before pricing Expiration Date.

3. Vehicle Location: ____

4. Additional Provisions: ____

5. Fiscal Period: (Annual) ____

Lessor agrees to Lease and Lessee agrees from Lessor the Equipment described in Section 1.A above. Such Lease will be covered by the Master Agreement and this Schedule including important additional terms and conditions set forth above, if any. In the event of any conflict between the terms and conditions of this Schedule and the Master Lease Agreement, the terms of the Master Lease Agreement shall govern.

Lessee: ____________________________

By: ________________________________

(Name and Title)

Date: ______________________________

Lessor: _____________________________

Chairman of the Board

(Name and Title)

Date: 10/26/2015