

Lease Specifications

1. Term

The term of lease shall be 36 months for each vehicle, subject to the termination provisions below. The lease period shall begin on the date of vehicle acceptance by the State.

Due to system limitations, the awarded bidder will be issued purchase orders in 12 month increments.

2. Excess Mileage Charge

At the end of the lease, the State will pay to lessor the per mile charge listed on the bid response for each mile driven in excess of 25,000 miles per year. The State and lessee believe that this will be the maximum mileage that the vehicle will be driven over the term of the lease. If the lease is terminated prior to lease end, the excess mileage charge will be calculated on the basis of the average monthly mileage used in excess of the monthly apportioned amount. The monthly apportioned amount shall be 2,083.

3. Termination

Either party may terminate the lease by giving written notice to the other party at least 30 days before the effective date of termination. If the State terminates the lease, all unpaid rentals under the lease shall become due and payable within 30 days. If lessor terminates this lease, any amounts pre-paid by the State shall be returned, pro-rated daily.

4. Ownership

This is a lease only and not a purchase agreement. Lessor owns the vehicle. The State agrees that this lease is a true lease for tax and other purposes and that lessor shall receive the benefits of ownership.

5. Use

The State shall use the lease vehicle in compliance with all applicable laws. State use of the vehicle will not exceed the designed performance capabilities of the vehicle.

6. Vehicle Alteration and Modification

The State may seek to install special security or communications equipment (for example lights and telephones). The exact nature of the equipment may not be disclosed to the lessor. The State will arrange for the installation itself and the installation may be performed by an entity other than the OEM or a special vehicle manufacturer. In such cases the new vehicle warranty does not apply to modifications and the effects of the modifications made by the upfitter on the vehicle.

7. Maintenance, Repairs and Operating Expenses

The State shall maintain and repair the vehicle to keep it in good condition. Replacement sheet metal must be new OEM parts. Other replacement parts must be OEM parts or parts of equal quality and design. The State will provide all maintenance and pay all operating expenses, including gas and oil. The State will service the vehicle as the manufacturer recommends. The State will follow the manufacturer's instructions in any recall.

8. Fines, Liens and Encumbrances

The State shall keep the vehicle free of all fines, liens and encumbrances.

9. Return of Vehicle

The State shall return the vehicle at the end of the lease to the reasonable address lessor shall give the State. The vehicle must be in good working order and condition.

10. Excess Wear

Excess wear is wear that is beyond normal wear. Excess wear shall be determined by bidder's published excess wear table. Items listed in bidder's published excess wear table that conflict with these specifications shall not be considered excess wear.

11. Loss Or Destruction of the Vehicle

This lease shall terminate upon the theft or total loss of the vehicle. If the State and lessor agree, the State may continue this lease with a substitute vehicle.

12. Inspection

Lessor shall have the right to inspect the vehicle at any reasonable time and place. If lessor asks to inspect the vehicle, the State shall disclose the location of the vehicle to the lessor. Upon request by lessor, the State shall promptly affect any repairs deemed necessary by lessor.

13. Governing Law

This lease shall be governed by the laws of the State of Louisiana.