

July 25, 2011

Ms. Martha Lester-Harris
Technology Solutions
City of Durham
101 City Hall Plaza
Durham, North Carolina 27702

Dear Martha,

ePlus Group, inc. is pleased to submit the following leasing quotation covering the Dell equipment for the City of Durham. .

Our rates are as follows.

Lessor: ePlus Group, Inc. or its assigns ("Lessor")

Lessee: City of Durham, North Carolina ("Lessee")

Assets: Dell OptiPlex 390 Personal Computers, Latitude E5420 Laptops, and Mobile Precision M5500 Units as well as any software or licensed products. The equipment, software, services, and/or maintenance are called the "Assets".

Initial Lease Term: 60 Months

Lease Rates: Hardware - .019461
Software/Services - .019489

Equipment:	Description	Quantity	Unit Price	Extended Price	Monthly Payment
	OptiPlex 390	183	\$ 655.00	\$119,865.00	\$2,332.69
	Latitude E5420	88	\$ 1,136.00	\$99,968.00	\$1,945.48
	Precision M5500	7	\$ 2,890.50	\$20,233.50	\$393.76

Equipment Cost: \$240,066.50

Monthly Payment: \$4,671.93 which will be billed quarterly at \$14,015.80

**End of Term
Transition Payment:** \$14,015.80

Rental Adjustment The lease rate will remain fixed for the duration of the 60 month Initial lease term of each lease schedule. Prior to the funding date, the date that Lessor pays the Purchase Price of the Asset(s) as set for in the Schedule, Lessor may adjust the Rent in order to maintain its originally anticipated rate of return if, (i) there is a change in the yield on the U.S. Treasury Securities, as quoted in the Federal Reserve statistical release H.15 (519), (ii) Lessee fails to delivery documentation as request by Lessor; (iii) the Asset(s) cannot be acquired by Lessor at a cost equal to the invoice cost specified on the Schedules.

ePlus Group, inc.

Lease

Documentation: The lease of the Assets will be documented under one or more Schedule ("Schedules") to the Master Lease Agreement currently in place with the City of Durham.

Net Lease: The Lessee will be responsible for the payment of all applicable taxes (other than on the Lessor's net income), insurance (unless self insured and approved by Lessor), maintenance and all other costs in connection with the Assets and its operations. Lessee shall retain all rights and warranties granted by any Supplier and/or any manufacturer.

Ordering Period: The Assets on this proposal are covered under the Quarterly Ordering Period that will run from July 1, 2011 through September 30, 2010. The ordering period will be used for the order, configuration and installation of assets to be placed on lease with ePlus. All Asset(s) to be leased that are accepted during an Ordering Period will be bundled into lease schedules to commence on the first day of the month immediately following the conclusion of an Ordering Period.

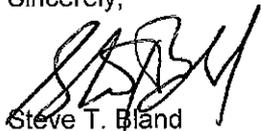
Rent Payments: Rent payments will be quarterly advance. Such payments will be in addition to any sales, use or property or other taxes assessed with respect to the transaction or Asset(s). Lessee will pay rent, prorated on a 360-day year for each day from and including the commencement date to the lease start date.

End of Term Transition: At the conclusion of the Initial Schedule Term, this Schedule shall extend for a three month period ("Transition Period") at the Rent amount then in effect for the purpose of allowing the Lessee to return the Assets to Lessor over the transition period. Lessee may also purchase the hardware assets not returned for the in place Fair Market Value at the conclusion of the initial lease term.

Expiration Date: This proposal letter will expire in thirty (30) days unless extended in writing by Lessor.

Please indicate your acceptance of this proposal by executing this proposal and returning it to me. We look forward to continuing the business relationship we have had over the last nine years. If you should have any questions or require further information, please do not hesitate to call me at 767-2965.

Sincerely,



Steve T. Bland
Municipal Business Manager

Proposal Acceptance

Lessee accepts the above terms and conditions this ____ day of _____, 2011. Following notification of the acceptance of our proposal, we will contact you immediately to coordinate any additional requirements for this transaction.

City of Durham, North Carolina

By: _____

Title: _____

ePlus Group, inc.