

LEASE AGREEMENT FOR ELECTRONIC PULL-TAB POINT OF SALE SYSTEM AND DEVICES

PARTIES

DISTRIBUTOR/LESSOR

Distributor License Number

Address _____

City _____

State _____

Zip/postal code _____

ORGANIZATION/LESSEE

Organization License Number

Address _____

City _____

State _____

Zip/postal code _____

LEASE TERM

The term of this Lease shall be twenty-four (24) months.

Effective Date: _____

Expiration Date: _____

Termination: This lease may be terminated by either party upon thirty (30) days written notice from one party to the other.

TERMS AND CONDITIONS

This Lease shall cover only that equipment specified below or on a separate invoice attached to this Lease.

The Lessee agrees to pay to the Lessor the sum of _____ for the Lease of the equipment. Lease payments shall be made semi-monthly via ACH payment unless otherwise agreed to by the parties and specified in this Lease.

The Lessor and Lessee shall mutually agree upon the number of electronic pull-tab devices that will be placed at each site, up to the maximum number permitted by law.

Lessee agrees to comply with all laws, rules, and ordinances relating to the possession, use, or maintenance of the Leased equipment, including any requirements for registration and/or licensing. The Leased equipment may only be used for the play of electronic pull-tabs or electronic linked bingo as prescribed by Minn. Stat. §349.12a.

USE/CARE/MAINTENANCE OF LEASED EQUIPMENT

Lessee agrees to:

- Keep the Leased equipment free and clear from the claims of others;
- Use the Leased equipment only in a lawful manner and in full compliance with all applicable laws, rules, and ordinances;
- Keep the Leased equipment within State of Minnesota; and
- Protect the equipment from alteration, marking, or defacing.

LOSS AND DESTRUCTION OF LEASED EQUIPMENT

If the Leased equipment is stolen, destroyed, or damaged beyond repair, Lessor agrees to amend this lease and provide the Lessee with substitute equipment within _____ days. Lessee is not required to maintain insurance on the Leased equipment, but if insurance proceeds are paid as a result of the loss of the Leased equipment, Lessee agrees to apply the insurance proceeds toward the cost of the substitute Leased equipment.

DEFAULT

The following acts shall constitute default:

- Lessee fails to make any payment when due under this Lease and more than _____ days have elapsed since the payment was due;
- Lessee fails to comply with the Terms and Conditions of this Lease;
- Either party is the subject of a bankruptcy proceeding;
- Either party is the subject of a disciplinary proceeding initiated by the Gambling Control Board which results in the suspension or revocation of its lawful gambling license;
- Lessee makes an assignment for the benefit of creditors;
- The Leased equipment is seized or confiscated by a law enforcement agency or by the Gambling Control Board;
- The Leased equipment is destroyed, stolen, or damaged beyond repair and the Lessor does not provide substitute equipment within _____ days.

REMEDIES UPON DEFAULT

If the Lessee is in default the Lessor may terminate the Lease and immediately enter the premises and take possession of the Leased equipment. The Lessor must remove any and all credits from the devices and ensure that any cash is returned to the Lessee. The Lessor may enter into a lease agreement with another organization to assume the remaining term of the Lease.

If the Lessor is in default, the Lessee may demand that the Leased equipment be immediately removed from the premises and that any lease payment be prorated, with any remainder returned to the Lessee within five days.

RETURN OF LEASED EQUIPMENT

Upon termination of this Lease by either party, and if this Lease is not renewed for another term, Lessee agrees to return the Leased equipment to the Lessor in good working order.

GOVERNING LAW

This Lease shall be governed by the law of the State of Minnesota, including any repossession effected through legal process.

AMENDMENT OF LEASE

No amendment to this Lease shall be valid unless made in writing and executed by both the Lessor and the Lessee. Any modification to this Lease shall comply with Minnesota law.

MISCELLANEOUS

This Lease shall not be assigned by either party unless each party agrees to the assignment in writing. No delay or omission by the parties to any of the rights contained herein shall constitute a waiver of those rights. Any provision of the Lease found to be invalid or unenforceable shall not invalidate the remaining provisions of the Lease. This Lease constitutes the full and complete understanding between the parties, there being no other agreements express or implied.

Distributor/Lessor

Organization/Lessee

Signature of Distributor/Lessor

Signature of Organization/Lessee

Title

Date

Title

Date