

LEASE TERMS AND CONDITIONS

This Lease Agreement by and between Vitabyte and Customer consists of these Terms and Conditions, Sales Contract, all of which are incorporated herein by reference.

DEFINITIONS.

- a. **"Point of Sale"** or the **"POS"** shall mean any combination of hardware and/or software which the Customer receives into long term use, and/or partially or in full purchases according to this Agreement from the Seller, and includes, with no limitations, any and all improvements, installations, accessories installed and/or services of the Seller (work done by the Seller at the premises of the Customer or/and outside of the premises of the Customer).
- b. **"Hardware"** included in the POS shall mean computers, printers, touch screen monitors, monitors, keyboards, routers, card readers, servers, cash drawers, switches, network cables and/or any other equipment.
- c. **"Software"** included in the POS shall mean operating systems, Aldelo® POS software and/or antivirus and/or gift card and/or merchant and/or any other software provided by third parties, and/or any designed and/or modified by the Seller software with all appropriate updates and/or upgrades and/or modifications and/or customizations.
- d. **"Customer"** or the **"Merchant"** shall mean the business listed on Sales Contract.
- e. **"Merchant Contract"** shall mean the contract between the Customer and merchant company authorized by Vitabyte for the purpose of providing of merchant services to the Customer. Merchant company may be changed at a future time by Vitabyte at its own discretion in which case Customer will need to reengage into a new Merchant contract.
- f. **"Monthly Fee"** shall mean the fee paid every month by the Customer to the Seller. Fee becomes due on the First Day of month for the current month. This fee may be collected by a third party merchant company authorized by Vitabyte, or by any other method initiated by Vitabyte on the attached Addendum of the Sales Contract.
- g. **"One Time Fee"** shall mean the fee being paid once should the Customer decide to purchase any office supplies, additional components of the POS, or order customization (except initial) or modification of the POS from the Customer, or if the POS should be repaired in case it is damaged by the fault of the Customer.
- h. **"Effective Date"** means the date Vitabyte approves Customer's signed Sales Contract.
- i. **"Equipment"** means the POS and related peripherals selected on Sales Contract Attached Addendum.
- j. **"Install Date"** means the date on which the Equipment is installed at the Customer's Location, or the date on which the Customer starts using the Equipment, whichever occurs first.
- k. **"Customer's Location"** or **"Merchant's Location"** means the Merchant's address listed on Sales Contract.
- l. **"Processing Services"** means Vitabyte's (or any selected affiliated by Vitabyte partner's) credit, debit, electronic payment, and gift card processing services as provided for under the Vitabyte Merchant Transaction Processing Agreement.
- m. **"POSaaS"** or the **"POS as a Service"** shall mean the combination of POS, Processing Services and Technical Support
- n. **"Lessor/Seller"** shall mean Vitabyte
- o. **"Lessee/Customer"** shall mean Customer.

Section 1 – Lease of Equipment

Lessor/Seller agrees to lease, customize, deliver and install at the premises of the Lessee/Customer and only for the sole and exclusive use of the Customer (and only at the premises of the Customer) the POS involving hardware, software and/or wiring and/or any other initial services/components in accordance with attached the Sales Contract Addendum in exchange for the Monthly Rental Fee commencing on the 1st day and monthly thereafter and the One Time Fee paid by the Lessee/Customer to the Lessor/Seller at the signing of this Agreement.

The location of the leased equipment is the Customer Location referred to the sales contract as "Delivered To" address.

Parties agree that in the event of default by Lessee/Customer, pursuant to any terms and conditions of this agreement, including but not limited to payment of rent, such default shall constitute a default herein in paragraph 1 so that the Lessor/Seller shall have all the rights, privileges and immunities provided for in this Agreement.

Section 2 – Term

This lease is for a term of the Term in reference to the Addendum on the Sales Contract to be automatically renewed at the end of term for additional term with the same terms on the condition that the Lessee is not in breach of the terms and conditions of this Agreement. On the condition that the Lessee is not in breach of the terms and conditions of this Agreement, and upon the automatic renewal of the Agreement after the agreed period, Lessor agrees to install updated POS equipment for the agreed period at a price to be determined at the time of the renewal term based on the vendor's then pricing. In the event that the Lessee/Customer chooses to terminate this Agreement at the end of the term, prior to its renewal, Lessee/Customer agrees to serve a ninety (90) day notice of termination or non-renewal of the Agreement on the Lessor/Seller by certified mail, return receipt requested addressed to the Lessor/Seller for each specific location which the Lessee/Customer chooses not to renew.

Section 3 – Rental Payments

The Lessee/Customer agrees to pay to the Lessor/Customer for the POS and services performing during the term of this Agreement the following compensation:

- a) For said term of this agreement and the renewal term of this agreement, the Lessee/Customer agrees to pay to the Lessor/Seller rentals the amount of "Reoccurring Total" as described at the Sales Contract attached to addendum which represents the installation of point of sale system as described at the Sales Contract attached to addendum.
- b) any late payment by the Lessee/Customer shall bear a late charge of 10%. Overdue invoices shall also bear interest at the rate of 10% per year until paid in full. If the Lessor/Seller undertakes any efforts for collection of enforcement efforts, then the Lessee/Customer shall be liable for all costs thereof, including reasonable attorney fees.
- c) Sales tax shall be the responsibility of and paid by Lessee/Customer upon execution of this agreement.
- d) all rent shall be paid at Lessor/Seller's place of business shown above, or such other place as the Lessor/Seller may designate by written notice to the Lessee/Customer and agreed to by the Lessor/seller in writing. All rents shall be paid without notice or demand, and without abatement, deduction or set-off of any amount whatsoever. The operating and use of the leased equipment shall be at the risk of the Lessee/Customer, and not the Lessor/Seller and the obligation of Lessee/Customer to pay rent hereunder shall be unconditional. The Lessee/Customer shall insure the equipment for an amount equal the purchase price naming Lessor/Seller as additional insured.
- e) Lessee/Customer agrees to pay the Lessor/Seller, the monthly rental payment due by automatic deduction from the Lessee/Customer's account by Automatic Clearing House ("ACH"). Annexed hereto is a copy of the ACH Form.
- f) The Lessor/Seller (and/or its affiliates) shall debit the account of the Lessee/Customer by the "ACH" or the Lessor/Seller's partners, affiliates, sub-contractors, Sellers assigns and beneficiaries, successors may do so on behalf of the Lessor/Seller or instead of the Lessor/Seller accordingly, and then they have to maintain the same level of security for information about the Lessee/Customer as the Lessor/Seller is obligated to maintain. If the Lessee/Customer does not have sufficient good funds on the account then the penalty of \$50.00 shall be paid to

the Lessor/Seller for each occasion. If the Lessor/Seller does not charge the Lessee/Customer timely, then the Lessor/Seller may do so at any time, and the Lessee/Customer shall have sufficient good funds on the account.

- g) The Lessee/Customer authorizes the Lessor/Seller to run a consumer credit report on the Lessee/Customer after this Agreement is executed, before each renewal term and also ever time the Lessee/Customer is late on the payments due to the Lessor/Seller. The Lessee/Customer is responsible for the cost of all consumer credit reports run on the Lessee/Customer by the Lessor/Seller which shall be added to the monthly fee next month after the report was run.

Section 4 – NOT AVAILABLE - DISREGARD

Section 5 – NOT AVAILABLE - DISREGARD

Section 6 – Payment Card Industry Data Security Standard

The Payment Card Industry Data Security Standard (PCI DSS) is a set of requirements designed to ensure that all companies that process, store or transmit credit card information maintain a secure environment. Any merchant that has a Merchant ID. Vitabyte, as Lessor/Seller, will not be responsible if the clients are not PCI compliant when they process credit cards and someone, in this instant, the Lessee/Customer hacks into their system and takes confidential credit card information and makes fraud charges. Vitabyte will not be responsible for any harm or damages resulting from this breach by the Lessee/Customer.

Section 7 – Risk of Loss

The risk of loss from any casualty to the POS and/or any related goods, regardless of the cause, will be the responsibility of the Lessor/Seller until the POS and/or related goods have been received by the Lessee/Customer and since then and until the POS is returned to the Lessor/Seller in its entirety the risk of loss from any casualty to the POS and/or any related goods, regardless of the cause, will be the sole responsibility of the Lessee/Customer.

Section 8 – Limited Warranty for the POS, Lessor/Seller's Liability Indemnification and Limitation of Remedies of the Lessee/Customer

The Lessor/Seller warrants that the POS hardware installed according to this Agreement is free from substantive defects in workmanship and materials. Lessor/Seller's liability under the foregoing warranty is limited to replacement of defective parts of repairs of defects. No other warranty, express or implied, is made by the Lessor/Seller, and none shall be imputed or presumed. The Lessor/Seller assumes no responsibility of physical damage of the hardware and software including those which may arise from changes to the configuration of the POS made by the Lessee/Customer without a written consent of the Lessor/Seller, any hardware, software, additional components added/deleted/replaced by the Lessee/Customer. All costs (including shipping costs, parts and labor) for services of damaged hardware and software shall be the sole and the own responsibility of the Lessee/Customer. Any and all operating systems software shall be warranted according to the Licensing Agreements provided by the software company and any other third party software is not warranted by the Lessor/Seller to be free of defects and errors and is provided on the "as is" basis only. The Seller/Lessor cannot guarantee to the Lessee/Customer that the POS installed and/or any of its parts and components are free from any omissions or errors and that they may fit for any particular requirements or purpose of the Lessee/Customer. The Lessee/Customer understands that the POS hardware and/or software may be not free of errors, may be incomplete and may be changed at any time without any kind of notice. The Lessee/Customer takes all responsibility and risk for using the POS with all its modifications and customization and services of the Lessor/Seller. The Lessee/Customer takes all responsibility and risk for misuse of the POS.

Section 9 – Destruction of Leased Equipment

If any leased equipment is totally destroyed, the liability of the Lessee/Customer to pay rent therefor may be discharged by paying to Lessor/Seller all the rent due thereon, plus all the rent to become due thereon less the net amount of the recovery, if any, actually received by Lessor from insurance or otherwise for such loss or damage. Lessor/Seller shall not be obligated to undertake, by litigation or otherwise, the collection of any claim against any person for loss or damage of the leased equipment but may obtain an attorney at the cost and expense of Lessee/Customer. Except as expressly provided in this paragraph, the total or partial destruction of any leased equipment, or total or partial loss of use or possession thereof to Lessee/Customer, shall not release or relieve Lessee/Customer from the duty to pay the rent herein provided. Any physical damages caused to the equipment shall not be the responsibility of the Lessor/Seller.

Section 10 – Insurance Requirement

Lessee/Customer agrees to obtain an Accord Certificate of Insurance for liability and fire and extended insurance for contents insurance in the event of fire and/or theft or other destruction naming Vitabyte Inc. as additional insured/loss payee for liability in the sum of \$1,000,000.00 per occurrence/\$2,000,000.00 general aggregate.

Section 11 – No Warranties by Lessor

LESSOR/SELLER, NOT BEING THE MANUFACTURER OF THE LEASED EQUIPMENT, NOR MANUFACTURER'S AGENT, MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE FITNESS, DESIGN OR CONDITION OF, OR AS TO THE QUALITY OR CAPACITY OF THE MATERIAL, EQUIPMENT OR WORKMANSHIP IN THE LEASED EQUIPMENT, NOR ANY WARRANTY THAT THE LEASED EQUIPMENT WILL SATISFY THE REQUIREMENTS OF ANY LAW, RULE, SPECIFICATION OR CONTRACT WHICH PROVIDES FOR SPECIFIC MACHINERY OR OPERATORS, OR SPECIAL METHODS, IT BEING AGREED THAT ALL SUCH RISKS, AS BETWEEN THE LESSOR/SELLER AND THE LESSEE/CUSTOMER ARE TO BE BORNE BY THE LESSEE/CUSTOMER AT ITS SOLE RISK AND EXPENSE.

No oral agreement, guaranty, promise, condition, representation or warranty shall be binding; all prior conversations, agreements or representations related hereto and/or to the leased equipment are integrated herein, and no modification hereof shall be binding unless in writing signed by Lessor/Seller. Lessor/Seller shall pass on to Lessee, any original equipment manufacturer warranty with respect to any Equipment purchased pursuant to this Agreement. All hardware has a three (3) year manufacturer's warranty with regard to the POS equipment. The remaining two (2) years after the manufacturer's warranty expires and prior to the renewal of this Agreement, Lessee/Customer can purchase, at its own cost and expense, extended warranty for the POS equipment. Except as set forth in this Section, Lessor/Seller provides no other warranty, express or implied, with respect to any POS Equipment. Any software updates are determined by the software provider and not by the Lessor/Seller. In the event that the software updates require a fee to be paid, said fee to be paid by the Lessee/Customer as and for additional rent.

Section 12 – Shipping Charges, Compliance with Laws, Insurance

Lessee/Customer agrees, at its own cost and expense; (a) to pay all shipping charges and other expenses incurred in connection with the shipment of the leased equipment by the Lessor/Seller to the Lessee/Customer; (b) to pay all charges and expenses in connection with the operation of each item of leased equipment; (c) to comply with all governmental laws, ordinances, regulations, requirements and rules with respect to the use, maintenance and operation of the leased equipment; (d) to maintain at all times public liability, property damage, fire, theft and comprehensive insurance in an amount satisfactory to Lessor/Seller, protecting Lessor/Seller's interest as it may appear, delivering to Lessor/Seller evidence of such insurance coverage; and (e) to make all repairs and replacements required to be made to maintain the leased equipment in good condition, reasonable wear and tear excepted.

Section 13 – Taxes

Lessee/Customer agrees that, during the term of this lease, in addition to the rent provided herein to be paid, it will promptly pay all taxes, sales taxes, assessments and other governmental charges levied or assessed upon the interest of the Lessee/Customer in the leased equipment or upon the use or operation thereof or on the earnings arising therefrom, and as additional rent will promptly pay or reimburse the Lessor/Seller for all taxes (including sales taxes paid by Lessor/Seller with respect to its purchase of the leased equipment), assessments and other governmental charges (including fees for titling and registration of leased equipment, if required) levied or assessed against and paid by the Lessor on account of its ownership of the leased equipment or any part thereof, or the use or operation thereof or the leasing thereof to the Lessee/Customer, or the rent herein provided for or the earnings arising therefrom.

Section 14 – Identification of Leased Equipment

Each item of leased equipment shall have plainly, distinctly and permanently affixed to it, at the expense of the Lessee/Customer, a metal plate bearing the following words: "Vitabyte Inc., Owner and Lessor".

Section 15 – Title of the Lessor/Seller

Title to the leased equipment shall at all times remain in the Lessor/Seller and Lessee/Customer will at all times protect and defend, at its own cost and expense, the title of the Lessor/Seller from and against all claims, liens and legal processes of creditors of the Lessee/Customer and keep all leased equipment free and clear from all such claims, liens and processes. The leased equipment is and shall remain personal property and not realty. Upon the expiration or termination of this lease, the Lessee/Customer at Lessee/Customer's sole expense shall return the leased equipment unencumbered to Lessor/Seller at 30-13 Steinway Street, Astoria, New York 11103, or to such other place as Lessor/Seller and Lessee/Customer agree upon, and in the same condition as when received by Lessee/Customer, reasonable wear and tear resulting from use thereof alone excepted or pay \$10.00 for each item rented, as provided for herein.

Section 16 – Possession, Place of Use, Changes in Location

So long as Lessee/Customer shall not be in default under this lease it shall be entitled to the possession and use of the leased equipment in accordance with the terms of this lease. The leased equipment shall be used in the conduct of the lawful business of the Lessee/Customer, shall be kept at the location referred to the sales contract as "Delivered TO", and shall not be removed from such location without the prior written consent of the Lessor/Seller. The Lessee/Customer shall not, without Lessor/Seller's prior written consent, part with possession or control of the leased equipment or attempt to sell, pledge, mortgage or otherwise encumber any of the leased equipment or attempt to purport to sell, pledge, assign, transfer or otherwise dispose of or encumber any interest under this lease. At all times the POS shall remain at the address of installation and the Lessee/Customer must protect the POS from being damaged, and/or excessive wear and tear by abnormal conditions on the premises of installation of the Lessee/Customer or actions of the Lessee/Customer's staff and/or any third parties. The POS shall be used only for its dedicated purpose and any use by the Lessee/Customer outside the dedicated use shall be deemed a breach of the Agreement by the Lessee/Customer.

Section 17 – Performance of Obligations of Lessee by Lessor

If the Lessee/Customer shall fail duly and promptly to perform any of its obligations under the provisions of this lease to be performed by the Lessee/Customer, the Lessor/Seller may, at its option, immediately or at any time thereafter perform the same for the account of Lessee/Customer without thereby waiving such default, and any amount paid or expense or liability incurred by Lessor/Seller in such performance, together with interest at the rate of 10% per annum thereon until paid by the Lessee/Customer to the Lessor/Seller, shall be payable by the Lessee/Customer upon demand as additional rent for the leased equipment together with reasonable attorney fees.

Section 18 – Rights of Inspection

Lessor/Seller shall have the right from time to time during reasonable business hours to enter upon the Lessee/Customer's premises or elsewhere for the purpose of confirming the existence, condition and the proper maintenance of the leased equipment. The foregoing rights of entry are subject to any applicable governmental laws, regulations and rules concerning industrial security.

Section 19 – Default

There shall be deemed to be a breach of this lease

- a. if Lessee/Customer shall default in the payment of any rent hereunder and such default shall continue for a period of 10 days,
- b. if Lessee/Customer shall default in the performance of any of the other covenants herein and such default shall continue uncured for 10 days after written notice thereof to Lessee/Customer by Lessor/Seller, or
- c. if Lessee/Customer ceases doing business as a going concern, or if a petition is filed by or against Lessee/Customer under the Bankruptcy Code or any amendment thereto (including a petition for reorganization, arrangement or an extension), or if Lessee/Customer attempts to remove or sell or transfer or encumber or sublet or part with possession of the leased equipment or any part thereof.

In the event of a breach of this lease, as herein defined,

- a. the leased equipment shall upon Lessor/Seller's demand forthwith be delivered to Lessor/Seller at Lessee/Customer's expense at such place as Lessor/Seller shall designate and Lessor/Seller and/or its agents may, without notice or liability or legal process, enter into any premises of or under control or jurisdiction of Lessee/Customer or any agent of Lessee/Customer where the leased equipment may be or by Lessor/Seller is believed to be, and repossess all or any part of the leased equipment, disconnecting and separating all thereof from any other property, Lessee/Customer hereby expressly waiving all further rights to possession of the leased equipment and all claims for injuries suffered through or loss caused by such repossession, and
- b. all sums due and to become due hereunder shall, at Lessor/Seller's option, become payable forthwith, and the Lessor/Seller, in addition to being entitled to take possession of the leased equipment as hereinbefore described, also shall be entitled to recover immediately as and for damages for the breach of this lease and not as a penalty, an amount equal to the difference between the aggregate rent reserved hereunder for the unexpired term of the lease (hereinafter called "Remaining Rentals") and the then aggregate rental value of all leased equipment for the unexpired term of the lease (hereinafter called "Unexpired Rental Value of Leased Equipment"), provided, however, that if any statute governing the proceeding in which such damages are to be proved, specifies the amount of such claim, Lessor/Seller shall be entitled to prove as and for damages for the breach an amount equal to that allowed under such statute.

The provisions of this paragraph shall be without prejudice to any rights given to the Lessor/Seller by such statute to prove for any amounts allowed thereby. Lessor/Seller, upon any breach of this lease, may sell the leased equipment or may re-lease such equipment for a term and a rental which may be equal to, greater than or less than the rental and term herein provided, and any proceeds of such sale received within sixty days after Lessor/Seller receives possession of the leased equipment or any rental payments received under a new lease made within sixty days for the period before the expiration of this lease, less Lessor/Seller's expenses of taking possession, storage, reconditioning and sale or releasing, shall be deemed and considered for the purposes of this paragraph as being the Unexpired Rental Value of Leased Equipment. If the Unexpired Rental Value of Leased Equipment exceeds the Remaining Rentals, Lessor/Seller shall be entitled to the excess. The provisions of this paragraph shall be without prejudice to Lessor/Seller's right to recover or prove in full damages for unpaid rent that accrued prior to the breach of the lease. In the event of a breach of this lease, Lessor/Seller, at its option, may enforce by appropriate legal proceedings specific performance of the applicable covenants of this lease as well as any other remedy herein provided. If any legal proceedings are instituted by Lessor/Seller to recover any moneys due or to become due hereunder and/or for possession of any or all of the leased equipment, Lessee/Customer shall pay a reasonable sum as attorney fees. Furthermore, this Agreement is subject to the other Agreements

entered into for the following locations: If any agreement for any of the above locations is not signed by the Lessee/Customer, the monthly rental payment shall not be \$5.00 per terminal per day, but rather shall be \$8.00 per terminal per day as provided in Section 3 herein. In the event of a default in non-payment of monthly rental payment by Lessee/Customer, the interest rate shall be in the default rate of 10%.

Section 20 – Indemnity

Lessee/Customer shall indemnify and save Lessor/Seller harmless from any and all liability, loss, damage, expense, causes of action, suits, claims or judgments arising from injury to person or property resulting from or based upon the actual or alleged use, operation, delivery or transportation of any or all of the leased equipment or its location or condition; and shall, at its own cost and expense, defend any and all suits which may be brought against Lessor/Seller, either alone or in conjunction with others upon any such liability or claim or claims and shall satisfy, pay and discharge any and all judgments and fines that may be recovered against Lessor/Seller in any such action or actions, provided, however, that Lessor/Seller shall give Lessee/Customer written notice of any such claim or demand and shall be responsible for reasonable attorney fees.

Section 21 – Assignment

This lease and all rights of Lessor/Seller hereunder shall be assignable by Lessor/Seller without Lessee/Customer's consent, and Lessee/Customer shall be obligated to any assignee of the Lessor/Seller. Without the prior written consent of Lessor/Seller, the Lessee/Customer shall not assign this lease or its interests hereunder or enter into any sublease with respect to the leased equipment covered hereby.

Section 22 – Purchase Option

Lessee/Customer shall have the option to purchase or otherwise acquire title to or ownership of any of the leased equipment at the end of the lease term for the sum of \$10.00, and shall only have the right to use the same under and subject to the terms and provisions of this lease.

Section 23 – Further Assurances

Lessee/Customer shall execute and deliver to Lessor/Seller, upon Lessor/Seller's request, such instruments and assurances as Lessor/Seller deems necessary or advisable for the confirmation or perfection of this lease and Lessor/Seller's rights hereunder.

Section 24 – Notices, Remedies, Waivers

All notices relating hereto shall be delivered in person to an officer of the Lessor/Seller or Lessee/Customer and to Personal Guarantor or shall be mailed by certified mail, return receipt requested to Lessor/Seller or Lessee/Customer and to Personal Guarantor at its respective address above shown or at any later address last known to the sender.

Section 25 – Remedies, Waivers

No remedy of Lessor/Seller hereunder shall be exclusive of any other remedy herein or by law provided, but each shall be cumulative and in addition to every other remedy. A waiver of a default shall not be a waiver of any other or a subsequent default.

Section 26 – Irrevocability

This lease is irrevocable for the full term hereof as set forth in paragraph 2 hereof and for the aggregate rentals herein reserved in paragraph 3 and the rent shall not abate by reason of termination of Lessee/Customer's right of possession and/or the taking of possession by the Lessor/Seller or for any other reason, and delinquent installments of rent shall bear interest at the highest lawful contract rate or 10% per month, whichever be the greater.

Section 27 – Non competition

Lessee/Customer agrees not to solicit any current, past or former employee of Lessor/Seller or to hire such person for a period of at least three (3) years from the date hereof or date of such employee or person leaves the employer, whichever is later. It is further agreed that any such employee or former employee establish his/her company, entity, enterprise, business or become employed in any way or associated with any other separate company which offers the same or similar products and services which will tend to compete, directly or indirectly with the Lessor/Seller. Lessee/Customer agrees not to engage such company for such purpose which is substantially similar to the purpose and intent of this agreement. Lessee/Customer hereby agrees that in the event of a breach of this non-compete paragraph, it is impossible or impracticable to calculate damages incurred by Lessor/Seller because of difficulty in tracing the cause and effect and damages. Therefore, the legal remedy available to the Lessor/Seller may be inadequate, irreparable injury may be suffered by Lessor/Seller. Accordingly, the parties agree that the remedy of specific performance of this Agreement may be available to the Lessor/Seller and injunctive relief will be granted without opposition either, mandatory or prohibitive to prevent or prohibit such a breach and may be available in the New York State Supreme Court pursuant to Article 64 of the CPLR. The parties further agree to have an exclusivity agreement for Lessor/Seller, Vitabyte to be the POS Vendor for Lessee/Customer for a period of two (2) years with no other POS vendor to be used by the Lessee/Customer. In the event that the Lessee/Customer breaches this provision, it will be deemed a default under this agreement, and the default provisions of this agreement shall apply.

Section 28 – Resolution of Board of Directors

If Lessee/Customer is a corporation, this lease is executed by authority and resolution of its Board of Directors.

Section 29 – Anti –Virus and Other Incidental Requirements by Lessee

The Lessee/Customer is responsible for maintaining antivirus means in operating and updated conditions and shall not be the responsibility of the Lessor/Seller. The Lessee/Customer is responsible for issuing appropriate passwords/access cards to its staff members and timely discontinuing such cards/passwords or changing them, and for advising to its staff on security measures. The Lessee/Customer shall provide regular maintenance to the POS like cleaning, and/or any other according to the documentation. Ventilation at the POS location shall be sufficient to remove excessive heat from the POS. No changes to the POS are allowed to the Lessee/Customer at any time. The Lessee/Customer shall abide all applicable federal, state/province and local laws and regulations and investigate legal issues at its own and sole expense. The Lessee/Customer will immediately notify the Seller/Lessor in writing should anything unusual happen to the POS. The Lessee/Customer understands that even if the Lessor/Seller or the Lessee/Customer installs antivirus software on the POS and with all current updates installed timely, there is still no guarantee that the information in the POS will not be compromised or partially/fully destroyed, lost or otherwise affected by unauthorized actions of third parties and/or their software and/or hardware.

Section 30 – Unions and Installation of Cables

If Cabling is part of the Sales Contract and only If the Agreement applies to a union shop and in particular with the installation of cables, Lessee/Customer agrees to obtain the service of union members at its own cost and expense, unless the Lessee/Customer obtains a letter from the Union authorizing the installation of cables on the location by the Lessor/Seller, provided further that the location in which the cables are to be installed does not require the breaking of walls and the price of the cables shall be at the discretion of the Lessor/Seller and to be determined for each specific location.

Section 31 – UCC Filing

As security for the prompt and complete payment and performance when due of all the payments as defined herein, Lessee/Customer hereby grants to Lessor/Seller, a continuing security interest in all of Lessee/Customer's rights and interest in and to all equipment and other property leased by Lessor/Seller to Lessee/Customer from time to time pursuant to this Agreement, wherever located, whether now owned or hereafter acquired or arising, any and all cash proceeds and/or noncash proceeds from the sale of the equipment and any insurance proceeds received by Lessee/Customer for the damage or destruction of the equipment (all of which being collectively referred to herein as "Collateral"). Lessee/Customer shall pay the sum of \$100.00 for the filing of the UCC-1 with the County and State for filing and handling of the security interest. Lessee/Customer authorizes Lessor/Seller to file at any time financing statements, continuation statements and amendments thereto that

- (i) specifically describe the collateral, including all personal property, fixtures and equipment and
- (ii) contain any other information required by the UCC for the sufficiency of the filing office acceptance of any financing statement, continuation statement or amendment, at the sole cost and expense of Lessee/Customer.

Lessor/Seller shall release, upon payment in full of the payments described herein, all continuing security interest in all of the collateral. Upon request, Lessor/Seller shall confirm in writing that the security interest in the collateral has been released and that any financing statements have been terminated by the filing of a UCC-3.

Section 32 – Controlling Law

The parties agree that this Agreement shall be governed in all respects by the laws of the State of New York exclusive of conflicts of law principles regardless where the equipment is located and agree to submit to the jurisdiction of the New York State courts.

Section 33 – Entire Agreement

This Agreement, including all exhibits and attachments thereto and hereto constitutes the entire agreement between the parties regarding its subject matter. This Agreement shall not be modified unless done so in a writing signed by an authorized representative of each party.