

VENDING LICENSE AND SERVICE AGREEMENT

This VENDING LICENSE AND SERVICE AGREEMENT ("Agreement") is made as of March 11, 2014 by and between the Wheaton Park District, an Illinois unit of local government ("Park District"), and Fox Vending, Inc. an Illinois corporation ("Licensee"). Park District and Licensee are hereinafter sometimes individually referred to as a "Party" and together referred to as the "Parties".

RECITALS

- A. Licensee desires to obtain a non-exclusive license from Park District to install food and non-alcoholic beverage vending machines at certain facilities operated by Park District.
- B. Park District deems it in the best interests of Park District and the users of these facilities to grant such license to Licensee, on and subject to the terms and conditions hereafter contained in this Agreement.

NOW, THEREFORE, in view of the foregoing premises and in consideration of the mutual promises hereinafter contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. Upon and subject to the other terms and conditions of this Agreement, Park District hereby grants to Licensee a non-exclusive vending license (the "License") to install, operate and maintain snack and non-alcoholic beverage vending machines of the types and at those locations provided in paragraph 5 below (individually, a "Location" and collectively, the "Locations").
2. The License with respect to each Location shall be for a three (3) year term, commencing on February 1, 2014 and expiring on January 31, 2017, unless sooner terminated by Park District in accordance with paragraph 13 below (the "License Term"). This License shall automatically renew for an additional three (3) year term (the "Renewal Term") for the same Locations commencing on February 1, 2017 and expiring on January 31, 2020 on the same terms unless either Party provides written notice to the other Party of its intent not renew sixty (60) days prior to the end of the License Term.
3. Licensee will provide, deliver, install and maintain in good, clean, sanitary and safe operating condition and at its sole cost and expense, high-quality, undamaged, "user-friendly" and dependable automatic vending machines in accordance with the specifications provided in paragraph 5, below, and ancillary equipment and devices, necessary to provide quality snack and non-alcoholic beverage service at each Location (said vending machines and ancillary equipment and devices are hereinafter collectively referred to as the "Machines" or individually as "Machine").

4. (a) Park District will provide at its sole cost and expense: (i) such utility outlets as reasonably required to operate the Machines at the Locations; and (ii) such heat, lights, electrical current, and hot and cold water as may reasonably be necessary to operate the Machines at the Locations; and (iii) garbage disposal services for the Locations.

(b) Licensee acknowledges and agrees that Licensee has inspected the Locations prior to signing this Agreement and that the utility services provided by Park District at the Locations are sufficient for the safe and proper operation of the Machines at the Locations.

(c) Park District agrees to notify Licensee promptly of any interruptions or proposed interruptions of service.

(d) Park District will be responsible for the cleaning and maintenance of all wall and floor surfaces at the Locations.

5. (a) Licensee agrees to the placement of the Machines at the following general Locations, with the exact location of each Machine within the general Locations to be as approved by Park District:

(i) 500 Naperville Road, Wheaton, IL – one (1) snack merchandiser; and

(ii) 1777 S. Blanchard, Wheaton, IL – two (2) snack merchandisers, one (1) hot beverage merchandiser.

Licensee shall provide all Machines and "Product" (as that term is hereinafter defined) at the foregoing Locations in accordance with the product and equipment specifications agreed to by the Parties as provided in Exhibit A, attached to and incorporated by reference in this Agreement. Licensee shall not make any changes to the agreed upon specifications without in each instance obtaining the prior written consent of Park District.

(b) All Machines shall meet or exceed all applicable governmental or industry safety standards. All Machines will accept \$1 bills, and high-volume Location Machines will accept \$1 bills and \$5 bills as specified by Park District.

(c) Licensee's provision of snack and beverage vending service shall at all times be sanitary and sufficient to meet public demand. All food and beverage items provided in the Machines (individually and collectively, the "Product") shall be of high quality and shall be fresh. Licensee shall adequately monitor the sales of Product from the Machines and make all adjustments necessary in servicing frequency, and in consultation with and subject to the direction of the Park District, make all adjustments necessary in Product variety and Product allocation by Location, to maximize customer satisfaction.

6. (a) All Machines will be installed, fully stocked and fully operational at each Location by the start of the first day of the License term for that Location.

(b) Licensee shall, without cost to Park District, install, continuously stock, maintain, repair and service the Machines at the Locations. Licensee shall provide Licensee's services seven (7) days a week during all hours that the Locations are open to the public, to ensure that the Machines are well stocked and properly operating. Repairs and replacements of malfunctioning, damaged or destroyed Machines, or provision of a temporary, comparable substitute machine, shall be made by Licensee promptly and in no event later than twenty-four (24) hours from the time of notification by Park District, unless such repair or replacement requires labor or materials from third parties in which event it shall be made no later than three (3) days from the time of notification by Park District.

7. (a) Licensee represents and warrants that it is the sole owner of the Machines. Except as otherwise provided in this paragraph, Licensee shall remain the sole owner of the Machines. Upon termination of the License, Licensee shall remove the Machines from Park District property and shall return and restore the Locations to Park District together with all equipment furnished by Park District in the condition as when originally made available to Licensee, reasonable wear and tear excepted. If upon termination of the License for any reason, Licensee fails to remove the Machines within fifteen (15) days of such termination, Licensee shall be deemed automatically and without further action on the part of Park District to have abandoned the Machines, and Park District shall have the right to retain and use or to dispose of the Machines in any manner it deems desirable and the proceeds, if any, obtained from such disposition shall be and remain the sole property of Park District for having to dispose of the Machines, and shall not reduce the amount of money, if any, otherwise owed by Licensee to Park District under this Agreement. If the cost to Park District of such disposition of the Machines exceeds the amount of any proceeds received by Park District from such Disposition, Licensee shall pay Park District the amount of the deficiency promptly upon demand.

(b) The Machines, Products and services shall at all reasonable times be subject to inspection of any person or persons designated by Park District or as otherwise required by applicable law.

8. (a) For each Machine, Licensee shall pay to Park District a license fee (the "License Fee") equal to fifteen percent (15%) of the weekly gross proceeds (all monies deposited in the Machine less change returned to the depositor without any deductions of any kind) collected from the Machine per week if the weekly gross proceeds from the Machine is equal to or greater than \$75.00. In the event the weekly gross proceeds from the Machine is less than \$75.00, no License Fee shall be paid. The License Fee shall be paid to the Park District on a quarterly basis by no later than the 15th day of the first month of each quarter following the quarter to which the License Fee relates. Licensee shall maintain an approved "counting system" or other means of keeping accurate readings and records of the amounts and types of Product dispensed from and supplied to the Machines at each location in the manner requested by Park District and provide this information in a written accounting to Park District together with the payment of the License Fee to which the readings relate, in order to enable to the Park District to confirm the amount of the License Fee and to determine demand for Product at each Location.

(b) To minimize the likelihood of theft or vandalism, all money in Machines shall be collected a minimum of once a month, or more if volume necessitates it. All money shall be removed from the Machines by Licensee's employee, placed in a drum safe or comparably secure device and removed at Licensee's headquarters.

(c) Licensee shall provide Park District with a reasonably sufficient petty cash fund at each of the Locations to be used for any refunds given to patrons as the result of malfunctioning Machines. Licensee shall replenish the petty cash fund as requested from time to time by Park District.

9. (a) Licensee will provide trained personnel to properly service the Machines ("Licensee's Employees"). Licensee will select, train and direct Licensee's Employees to perform the required tasks and Licensee will be responsible for their appearance and conduct while on Park District property. Licensee's Employees will wear uniforms for identification purposes at all times while on Park District property to perform the required tasks under this Agreement. Licensee represents that it has performed and will perform criminal background checks on each of Licensee's Employees assigned to service the Machines and shall confirm the absence of a conviction for any offense which would make such employee ineligible for employment by Park District pursuant to Section 8-23 of the Park District Code [70 ILCS 1205/8-23], a copy of which is attached to and incorporated by reference in this Agreement as Exhibit B.

(b) Licensee's Employees will be subject to the rules and regulations of the Park District while on Park District property.

(c) It is understood, acknowledged and agreed by the Parties that the relationship of Licensee to Park District arising out of this Agreement shall be that of an independent contractor. Neither Licensee nor any employee or agent of Licensee is an employee or agent of Park District and therefore it is not and they are not entitled to any benefits provided employees of Park District. Licensee has no authority to employ/retain any person as employee or agent for or on behalf of Park District for any purpose. Neither Licensee nor any person engaging in any work or services related to the License, may represent itself or himself as being an employee or agent of Park District.

10. (a) Licensee shall defend and fully indemnify and hold harmless Park District, its commissioners, officers, employees, agents and volunteers (the Park District and such other persons being hereinafter referred to collectively as the "Indemnified Parties") against and from any and all claims, damages or expenses (including attorneys' fees and court costs) sustained or incurred by them or any of them and caused by the acts or omissions of Licensee's agents or employees relating directly or indirectly to this Agreement or any of the activities conducted on behalf of Licensee under this Agreement. Without limiting the scope of the foregoing obligations, Licensee expressly agrees to defend and fully indemnify and hold harmless the Indemnified Parties against and from any claim or suit alleging personal injury, property damage, sickness, or disease arising from or relating directly or indirectly to the Machines or other equipment of Licensee, or the use thereof, or the consumption or use of the Product, or the wrongful or negligent act of Licensee's agents or employees. In the event of

any claim therefor, Licensee shall give immediate notice thereof to Park District and any and all other affected Indemnified Parties and they shall be entitled, at their option, to participate in the defense of such claim. Licensee shall fully indemnify and hold harmless the Indemnified Parties against and from any and all claims, damages or expenses (including attorneys' fees and court costs) sustained or incurred by them or any of them and resulting directly or indirectly from Licensee's breach of any of its obligations under this Agreement.

(b) In furtherance and not in limitation of the foregoing defense and indemnification obligations of Licensee, Licensee will procure and maintain during the License Term the insurance coverages provided in Exhibit C, attached to and incorporated by this reference in this Agreement, or such other insurance coverages as shall be required by the Park District's insurer or the risk management agency of which the Park District is a member.

11. (a) Licensee shall comply with, and cause its employees to comply with, all applicable laws, rules and ordinances including, but not limited to: local, state and federal tax laws; state and federal non-discrimination laws applicable to employees, participants, invitees and licensees; workers' compensation laws; state and federal wage and hour laws and any license requirements. Without limiting the generality of the foregoing, Licensee specifically agrees to comply fully with the requirements of the *Illinois Human Rights Act*, 775 ILCS 5/1-101 *et seq.*, including, but not limited to, the provision of sexual harassment policies and procedures pursuant to Section 2-105 of the Act, and with all federal Equal Employment Opportunity Laws, including, but not limited to, the *Americans With Disabilities Act*, 42 U.S.C. Section 12101 *et seq.*, and rules and regulations promulgated thereunder to the extent applicable. All of the Machines shall be usable by persons with disabilities.

(b) Licensee shall obtain at Licensee's own cost and expense any and all permits and licenses which are required with respect to the License.

12. (a) The Locations are not leased to Licensee; it is a licensee and Licensee is not a lessee thereof.

(b) Licensee shall not modify or construct any structures or apparatus in or upon the Locations without the prior express written approval of Park District, or otherwise use the Locations at any time or in any manner not permitted under this Agreement.

13. Park District may terminate the License, in whole or in part, as follows:

(a) In the event Licensee breaches any of the provisions of this Agreement, Park District may terminate the License immediately upon written notice to Licensee, if Licensee shall not have cured such breach within forty eight (48) business hours after Park District shall have first notified Licensee of such breach in writing or, if by its nature the breach is not capable of being cured within said forty-eight (48) business hours, Licensee shall not have commenced such cure within said forty-eight (48) business hours and diligently pursued same to completion; provided, however, that if Licensee shall have repeatedly breached the same or other provisions previously, Park District may terminate the License immediately without affording Licensee an opportunity to cure the breach, upon written notice to Licensee, and further

provided that failure to maintain required insurance coverage shall be cause for immediate termination of the License, or the immediate suspension of the License until such insurance has been obtained and satisfactory proof thereof provided to Park District, in either case upon written notice to Licensee without opportunity to cure.

(b) In the event Licensee shall have: (i) filed a voluntary petition in bankruptcy or made an assignment for the benefit of creditors; or (ii) consented to the appointment of a receiver or trustee for all or a part of its property; or (iii) an involuntary petition in bankruptcy shall have been filed in regard to License and the same shall not have been dismissed within thirty (30) days of such filing, then in said event the License shall automatically terminate.

(c) Upon fourteen (14) days written notice to Licensee.

The Parties may mutually agree to terminate this Agreement in writing at any time.

Upon termination of this Agreement for any reason, the rights and obligations of the Parties shall cease automatically except for the rights and obligations of the Parties accruing but unsatisfied prior to termination, including but not limited to any such obligations under paragraph 10. Licensee agrees that its sole remedy and damages for Park District's termination of this Agreement is to be refunded that portion of the License Fee already paid on a pro-rated basis, as of the effective date of such termination.

14. All notices required or permitted to be given under this Agreement shall be deemed given when such notice is hand delivered; or when such notice is sent by facsimile transmission provided such transmission together with fax machine generated confirmation of such transmission is also sent on the transmission date to the other Party by United States mail, with postage therewith prepaid; or when such notice is deposited in the United States mail, with postage thereon prepaid, addressed to the other party at the following addressees:

If to Park District: Wheaton Park District
 102 E. Wesley St.
 Wheaton, IL 60187
 (Fax) 630-665-5880
 Attention: Executive Director

If to Licensee: Fox Vending, Inc.
 9717 S. 76th Avenue
 Bridgeview, IL 60455
 (Fax)
 Attention:

15. The waiver by Park District of any breach or default under any provision of this Agreement shall not be deemed to constitute a waiver of such provision for any subsequent breach or default of the same or any other provision. The acceptance of any payment by Park District shall not be deemed to constitute a waiver of any prior occurring breach or default by

Licensee of any provision of this Agreement regardless of the knowledge of Park District of such breach or default at the time of its acceptance of such payment.

16. This Agreement contains all of the terms and conditions agreed on by the Parties with respect to the subject hereof, and no other alleged communications or agreements between the Parties, written or otherwise, shall vary the terms hereto. Any modifications of this Agreement and the License must be in writing, signed by both Parties and dated on or subsequent to the date hereof.


17. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement. Both Parties have participated in the negotiation of this Agreement. The rule of construction that ambiguities in contracts are resolved against the drafting party shall not apply to this Agreement.

18. Licensee shall have no authority or power to sell, transfer or assign this Agreement or the License or any interest therein, nor any power or authority to permit any other person or party to have any interest in or use any part of Park District property covered by the License, for any purpose whatsoever.

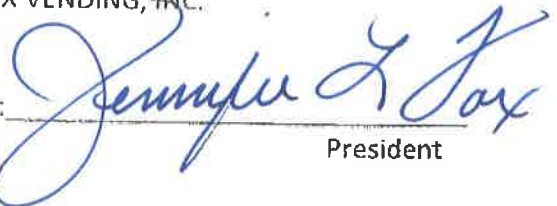
19. This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois.

20. Nothing contained in any provision of this Agreement, or any Addendum thereto, is intended to constitute nor shall constitute a waiver of defenses available to Park District under the Illinois Local Governmental and Governmental Employees Tort Immunity Act, with respect to claims by third parties. This Agreement is for the sole benefit of the Parties and nothing contained in or implied by any provision of this Agreement shall create or confer any right or benefit for or to a third party.

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be executed by a duly authorized officer thereof, on the date indicated after such signature below.

WHEATON PARK DISTRICT
By: 
Executive Director

Attest: 
Secretary

FOX VENDING, INC.
By: 
President
Attest: _____
Secretary

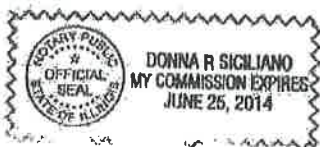


Exhibit A

Product and Equipment Specifications

AUTOMATIC PRODUCTS

Model 123 Standard

120 SERIES MODEL 123 SNACKSHOP MERCHANDISER



MODEL 123 SNACKSHOP

120 SERIES MODEL 123 SNACKSHOP MERCHANDISER

OUR PREMIUM SNACKSHOP OPENS *the* DOOR to GREATER VERSATILITY & PROFITS.

The new Model 123 Snackshop takes merchandising to a whole new level – again. Our largest snack merchandiser in the 120 Series line integrates high-performance features like a universal logic control board, point-of-sale window and a “consumer friendly” selection assembly that will truly assist you in maximizing profit potential. The Model 123 also upholds the standard design features that have made our Snackshops the best built, most reliable merchandisers in the industry. You wouldn't expect anything less from the leader in glassfront merchandiser technology.

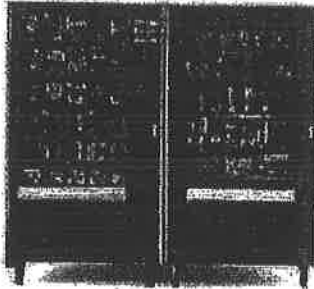
MODEL 123 SNACKSHOP FEATURES AND BENEFITS

UNIVERSAL LOGIC CONTROL BOARD

The universal LCB allows you to utilize the same board in the 120 Series, 320 A LA CARTE® and the new generation 223 Hot Beverage Merchandiser.

REVENUE GENERATING FLEXIBILITY

The 120 Series Snackshops feature a “Host-Add On” capability for modular vending. Operate an



A LA CARTE® via a host Snackshop and bring food/frozen items to your customers with minimal investment.

“CONSUMER FRIENDLY” SELECTION ASSEMBLY

Our redesigned selection panel is based on the consumer accepted telephone keypad. It makes selecting snacks and candies easier than ever. A Braille button assembly is also available. In addition, the scrolling message center features a 20 character display to scroll your personalized greetings.

MASTER MENU® KEYPAD

Our programmable Master Menu® keypad helps you set each merchandiser to your specifications. An optional Braille overlay to aid visually-impaired operators is also available.



EIGHT POINT STAR DRIVE MOTOR

Every motor utilizes an eight point star drive design that allows you to customize the stopping position of any spiral. This API advantage virtually guarantees the positive delivery of even hard-to-vend items.

NEXT GENERATION ELECTRONICS

Our comprehensive electronics incorporate unique programmable function keys that allow you to tailor machine operations to meet specific location requirements.

MULTIDROP BUS CAPABILITIES

Multi drop bus (MDB) and Micromech peripheral

capabilities enable you to utilize both new and existing coin mechanisms.

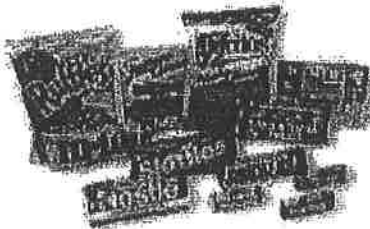
CONFIGURATION CAPABILITIES

The upload and download features of the 123 Snackshop allow you to expedite the process of setting up several machines that are identically configured.

STANDARD FEATURES

The Model 123 Snackshop upholds the design and construction features you've come to expect from the leader in snack merchandisers. Standard features include:

- Heavy duty sixteen-gauge steel for the production of the cabinets.
- Metal (instead of plastic) shelves.
- POS window for extra revenue generation.
- User-friendly delivery bin for one hand retrieval of product.
- Extensive diagnostics capabilities.



- Flexible spiral spacing for large products.
- Four security levels.
- Six languages.
- Automatic shutdown.
- Real time clock.
- PC/printer interface.

OPTIONS

Each option on the 123 Snackshop is intended to meet the customized needs of your locations.

- Our Golden Eye® guaranteed delivery system keeps customers satisfied – a no-charge option.
- Our gum and mint dispensing system allows for convenient and time-saving stocking of product.
- Dual spiral capability allows you maximum control over the vend delivery for selected items.
- Shelf extenders for use with large single-serving snacks prevent interference to ensure a positive vend.
- Our chiller unit lowers the internal temperature by 20+°F to protect and extend product quality.
- Convertible shelving lets you decide the most advantageous combination of snacks and candies.

CAPACITIES

10	10	10	10	10
10	10	12	12	12
12	12	12	12	12
12	12	15	15	15
15	15	15	15	15
15	15	15	15	15

Model 123-635
Capacity as shown: 502 items.

10	10	10	10	10
12	12	12	12	12
15	15	15	15	15
15	15	15	15	15
15	15	15	15	15
15	15	15	15	15

Model 123-640
Capacity as shown: 617 items.

10	10	10	10	10
12	12	12	12	12
15	15	15	15	15
15	15	15	15	15
15	15	15	15	15
15	15	15	15	15

Model 123-530
Capacity as shown: 437 items.

10	10	10	10	10
12	12	15	15	15
15	15	15	15	15
15	15	15	15	15
15	15	15	15	15
15	15	15	15	15

Model 123-535
Capacity as shown: 551 items.

Other configurations available.

DIMENSIONS

HEIGHT:	72"
WIDTH:	38 7/8"
DEPTH:	35"
SHELVES:	5, 6 or 7 shelves, and up to 70 selections
CAPACITY:	310 to 1,261 items, including gum and mint dispenser
SHIPPING WEIGHT:	640 lbs. / 735 lbs. with chiller unit

ELECTRICAL REQUIREMENTS

DOMESTIC:	117 VAC 60Hz.	3AMPS
INTERNATIONAL:	230 VAC 50 or 60Hz.	3AMPS
CHILLED INTERNATIONAL:	230 VAC 50Hz.	6AMPS

AUTOMATIC PRODUCTS
CORPORATION

A Higher Standard.

75 West Plato Blvd.
St. Paul, MN 55107
Ph: 651-224-4391; in USA: 000-523-8363
Fax: 651-224-5559
www.automaticproducts.com

