

MEMORANDUM OF AGREEMENT

This agreement made this _____ day of _____, 20____, by and between Midwest Coin Concepts, Waite Park, State of Minnesota, hereinafter referred to as Company, and Stacy Sports Grill of the city of Stacy, State of Minnesota, hereinafter referred to as Proprietor, witnesseth:

In consideration of the mutual and agreement herein contained, it is agreed:

Proprietor hereby grant unto Company the exclusive right for 36 months to install and maintain coin operated equipment upon the premises located at 6007 Stacy Trail, of the City Stacy, State of Minnesota.

Company shall install upon said premises the following coin operated equipment:

Arachnid dart(s) 50% to MCC, 50% to location Arachnid G3 60% to MCC, 40% to location
Valley Pool 50% to MCC, 50% to location
Craze(s) and Self Redemption games 75% to MCC, 25% to location
Touch Tunes 85 / wk to MCC, then split remaining 50% to MCC, 50% to location

Proprietor grants to Company the right to access the equipment during standard business hours and such additional times agreed upon by Company and Proprietor. Whenever Company elects, it shall open the coin boxes of said equipment to collect the receipts. Total receipts should not include any refunds to customers, machine fees, or commission splits contained in individual delivery receipts. Refunds will be taken off the top and paid to Proprietor. Machine fees will be taken off the top and paid to Company. Refunds shall not exceed 1% of Gross Income. Any third party connection fees will be taken off the top of the collection.

Machine fees are as follows: \$2.50 per machine per week, except Pool and Foosball which are 3 plays per week based on vend price.

Any additional equipment may be commissioned on individual basis other than said equipment listed above.

The Proprietor agrees to exercise ordinary care to prevent said equipment from being damaged, injured or tampered with and to furnish all necessary electrical outlets for its operators, during all hours the location is open for business, and to give immediate notice to the Company whenever the installation needs attention for service or repairs. Proprietor agrees to assure all equipment is functioning during business hours.

All equipment installed by Company and all contents of coin boxes thereon shall remain the sole and exclusive property of Company and neither Proprietor nor any third party shall have any right or claim thereto, except the right of Proprietor to share in the contents of the coin boxes as provided herein, with the exception of rental equipment from Company. Proprietor shall have exclusive right to coin in said rental equipment. All equipment so placed shall bear the control number of said equipment for identifying property of Company. Equipment may be removed by Company at any time Company deems proper or necessary. Company may wish to add or substitute equipment at any time.

Tournament and other short term equipment usage are available at current pricing policy. Rentals shall require 2 week notice prior to requested date. During the full term and any continuation thereof, no other person, firm or corporation, including Proprietor, shall have the right to operate coin operated machines upon said premises.

The equipment, until redelivered to the Company, shall be held at all times the sole risk of the Proprietor from injury, loss or destruction. In case any of the Equipment is destroyed by fire or otherwise before such redelivery, the Proprietor shall pay to the Company the fair market value of such Equipment at the time of destruction, less the salvage value, and the Proprietor shall return such Equipment to the Company whatever remains of the Equipment so destroyed.

Proprietor shall, at Proprietor's sole cost and expense, maintain insurance in such amounts, against such risks (including, without limitation, all risk and public liability insurance with respect to the Equipment), with such carriers and in such form as shall be satisfactory to Company naming Proprietor as an insured and Company as an additional insured. Proprietor shall provide Company with evidence of such insurance upon request. The policies for such insurance shall provide that Company shall receive (30) days' notice of any termination, cancellation, or alteration of the terms of such insurance and shall provide that the coverage afforded to Company shall not be rescinded, impaired, or invalidated by any neglect of Proprietor.

Following the term hereof, this agreement shall automatically continue for an additional period of one year and from year to year thereafter until written notice of termination received no less than sixty days prior to the end of any term hereof. Except as provided herein and except for a breach hereof, this agreement shall be irrevocable by the parties hereto.

In the event that Proprietor ceases doing business as a going concern, makes an assignment for the benefits of creditors, admits in writing its inability to pay its debts when they become due, files voluntary petition in bankruptcy, or is subject to the appointment of receiver, trustee, or liquidator, Company shall have the right to terminate this Agreement immediately and remove any equipment from the premises.

Failure to abide by the provisions of this agreement shall be considered default. Except as provided in the above paragraph, Company shall give Proprietor 10 days' written notice of a default by Proprietor. If Proprietor fails to remedy within 10 days receipt of notice, Company may elect to terminate this Agreement and immediately remove all equipment.

This Agreement shall be interpreted in accordance with the laws of the State of Minnesota.

PROPRIETOR ACKNOWLEDGES AND AGREES (i) THAT PROPRIETOR IS SATISFIED THAT THE EQUIPMENT IS SUITABLE FOR ITS PURPOSES, AND (ii) THAT COMPANY HAS NOT MADE, AND DOES NOT HEREBY MAKE, ANY REPRESENTATION OR WARRANTY OR COVENANT WITH RESPECT TO MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, CONDITION, QUALITY, DURABILITY OR SUITABILITY OF THE EQUIPMENT IN ANY RESPECT OR IN CONNECTION WITH OR FOR THE PURPOSES AND USES OF PROPRIETOR, OR ANY OTHER REPRESENTATION OR WARRANTY OR COVENANT OF ANY KIND OR CHARACTER, EXPRESS OR IMPLIED, WITH RESPECT THERETO.

Each party's liability hereunder shall be limited to actual damages and no party shall be liable to the other party hereunder for special, consequential, incidental, punitive, extra-conditional, bad faith, exemplary or other damages, fines and penalties, except when such damages, fines and penalties are asserted against or imposed upon the indemnified party (as herein defined) by a government or private third party, at which time such damages fines and penalties shall be deemed to be the actual damages of indemnified party.

Proprietor will indemnify Company for any personal injury or property damage arising out of intentional act, or misuse of the equipment, or negligence by the Proprietor or patrons.

This contains all the agreements of the parties, there being no other reservation or understandings.

Parties certify authority to enter into this Agreement.

Notes:
See exhibit A for additional information

Midwest Coin Concepts

Stacy Sports Grill

Company

224 33rd Ave. S. Waite Park MN 56387

Proprietor
6007 Stacy Trail

Address

320-251-2627

651-462-4876

Bus. Tele.

Res. Tele.