# EQUIPMENT LEASE AGREEMENT

AUTO SPIN USA LP (“Lessor”), hereby leases to (“Lessee”), whose address is , the equipment described as follows:

The equipment described in Exhibit “A” attached hereto (hereinafter called “Equipment”).

This Equipment Lease Agreement (“Agreement”) is made on the following terms and conditions:

# ARTICLE I - TERM

This Agreement becomes effective with respect to the Equipment on the date that the Equipment is delivered by Lessor to Lessee set forth below, and will

continue for an initial term of ending

on ( ) months (the “Initial Term”). Lessee may

terminate this Lease with a 30 day written notice to Lessor; provided, however, in the event Lessee terminates this Lease, prior to the end of the Initial Term, Lessee herein will be responsible for the remaining rental payments due and payable hereunder until the end of the Initial Term. After the Initial Term, this Lease shall continue on a month-to-month basis until such time as Lessee gives Lessor 30 days notice of termination.

# ARTICLE 2 - EQUIPMENT

**Acceptance**

* 1. If Lessee places the leased Equipment in service, Lessee acknowledges, by that act, that the Equipment complies with Lessee’s specifications.

# Substitution and Disabled Equipment

* 1. (a) Lessor, at its sole election, may furnish substitute equipment, at no extra charge to Lessee, for any Equipment that is temporarily inoperable because of mechanical failure. The substitute equipment will be, as nearly as practicable, the same size and appearance as the leased Equipment, except that no special alterations need be made.
		1. If furnished at the election of Lessor, the substitute Equipment will be furnished to Lessee whenever possible at the place at which the leased Equipment was disabled. After repair, the disabled Equipment shall be returned to Lessee at the facility of Lessor from which the disabled Equipment was originally provided.
		2. Lessor has no duty to furnish substitute equipment if the inoperable Equipment is out of service (i) because of damage resulting from the negligence of, or misuse of the equipment by, Lessee or Lessee’s agents or employees or (ii) for repair or maintenance of special equipment or accessories for which Lessor is not responsible.
		3. Substitute equipment is subject to all of the terms and conditions of this Agreement while in Lessee’s service.

# Title to Equipment

* 1. Title to all Equipment leased under this Agreement will remain in Lessor. Lessee will acquire no right, title, equity or other interest in any leased Equipment.

# Registration

* 1. All Equipment leased under this Agreement will remain at all times under the registered ownership of Lessor according to the public record of each state where the Equipment is principally used.

# ARTICLE 3 - PAYMENTS BY LESSEE

**Rent**

* 1. Lessee agrees to pay Lessor $ per month during the term of this Agreement. Rental payments must be made at Lessor’s place of business or at any other place of business as Lessor or an assignee of the rent may direct. Rental payments are payable monthly on the day of each month during the term of this Agreement.

# Late Rental Payments

* 1. Past due rental payments shall bear interests at the rate of 5% per year until paid. Lessee shall promptly pay any such interest upon receipt of an invoice therefor from Lessor.

# ARTICLE 4 - OPERATION AND MAINTENANCE

**Ordinary Use**

* 1. Lessee promises to operate the Equipment only in the normal and ordinary course of Lessee’s business, and not in violation of any law, rule, regulation, statute or ordinance. Lessee promises to indemnify and hold Lessor

harmless from and against all fines, forfeitures, seizures, confiscations and penalties arising out of any violations.

# Maintenance

* 1. Lessor shall be solely responsible to provide maintenance and repairs, except as otherwise provided in Section 4.03 below, including all labor and parts that may be required to keep the Equipment in good operating condition on a continuous basis.

# Operation by Authorized Operator

* 1. Prior to installation of the Equipment, Lessee agrees to identify to Lessor at least two employees or agents of Lessee that will be available for training and instruction on the proper operation of the Equipment by Lessor at the time of installation of the Equipment (following completion of such training, each such employee or agent shall be an “Authorized Operator”). Lessee shall notify Lessor as soon as reasonably practicable if an Authorized Operator leaves the employ or agency of Lessee. In such event, Lessee and Lessor shall make arrangements for an additional training session to replace such Authorized Operator. Lessee shall not allow any other employees or agents of Lessee, other than the Authorized Operators, to operate or handle the Equipment at any time. Lessee shall reimburse Lessor for any required repairs to the Equipment due to damages caused by improper or negligent operation of the Equipment by Lessee’s employees or agents and promises to indemnify and hold Lessor harmless from and against any other damages or injuries caused by such improper or negligent operation of the Equipment by Lessee’s employees or agents.

# Insurance

* 1. Lessor shall carry a general liability insurance policy.

# Provision of Electricity

* 1. Lessee is responsible for providing, and installing if necessary, a dedicated electrical outlet on Lessee’s premises to supply electricity to the Equipment. Lessee is responsible for payment of all electricity charges associated with running the Equipment. Failure of Lessee to provide electricity for the Equipment shall not extend the Lease term set forth in Article 1 above nor suspend Lessee’s responsibility to make the rental payments due and payable hereunder.

# ARTICLE 5 - BREACH OR DEFAULT

If Lessee breaches or defaults on any of the obligations of this Agreement, Lessor may immediately, without notice or demand, take possession of the Equipment. In order to repossess the Equipment, Lessor is entitled to enter any premises where the Equipment is located. If Lessee’s breach or default continues for 10 days after written notice has been mailed to Lessee, Lessor may terminate the lease of Equipment. In lieu of taking possession of the Equipment, or of terminating the lease, Lessor may declare immediately due and payable all rent then unpaid for the entire remainder of the term for the Equipment, in which event Lessee must pay such unpaid rent on demand.

# ARTICLE 6 - RETURN OF PROPERTY ON TERMINATION

Lessee will promptly return the leased Equipment to Lessor at the end of the term for the Equipment as specified in this Agreement. The Equipment must be returned to Lessor at the location designated by Lessor.

# ARTICLE 7 - GENERAL PROVISIONS

**Attorney’s Fees**

* 1. Lessee shall pay Lessor all of Lessor’s costs and expenses, including reasonable attorney’s fees, incurred in collecting amounts due from Lessee or in enforcing any rights of Lessor under this Agreement.

# Assignment

* 1. Lessee may not assign this Agreement or any of Lessee’s rights under this Agreement without the prior written consent of Lessor. Lessee may not sublease any of the Equipment, or permit others to use them, without the prior written consent of Lessor. Lessor’s consent to an assignment or sublease does not release Lessee from any obligation under this Agreement. Any attempted assignment or sublease by Lessee without prior written consent shall be void and will confer no rights on the intended assignee or sublessee.

# Modification

* 1. Modifications or amendments to this Agreement are valid only when made in a writing that is signed by all contracting parties. Oral agreements purporting to modify or amend this Agreement are void and of no effect.

# Waiver

* 1. The provisions of this Agreement may be waived only by means of a writing that is signed by all contracting parties. No delay or omission by either party to exercise any remedy or right accruing on default impairs any remedy or right under this Agreement. An express, written waiver by either party of any breach of any provision of this Agreement by the other party may not be deemed to be a waiver of the breach of any other provision or of any subsequent breach of the waived provision.

# Parties Bound

* 1. This Agreement is binding on, and inures to the benefit of the contracting parties and their respective heirs, successors, legal representatives, and assigns when permitted by this Agreement. Lessee must promptly notify Lessor in writing before any substantial changes in ownership or any material disposition of the assets of Lessee’s business.

# Notices

* 1. All notices, consents, waivers, or other communications, except invoices, required under this Agreement must be sent by certified mail, return receipt requested, and will be deemed to have been given when mailed to the parties at their respective addresses as set forth in the preamble or when mailed to the last address provided in writing to the other party by the addressee.

# Governing Law

* 1. This Agreement is to be construed under, and in accordance with, the laws of the State of Texas, and all obligations of the parties created by this Agreement are to be performed in San Antonio, Bexar County, Texas.

# Entire Agreement

* 1. This Agreement constitutes the entire agreement between the parties with respect to its subject matter. All previous negotiations, understandings, or written or oral agreements have been merged in this Agreement. The terms and conditions of this Agreement prevail notwithstanding any variance in this Agreement from the terms and conditions of any other document relating to this transaction, whether prepared and submitted by Lessor or by Lessee.

# Severability

* 1. If any one or more provisions of this Agreement are held invalid, illegal, or unenforceable in any respect for any reason, the remaining provisions remain

valid, binding, and effective as if the invalid, illegal, or unenforceable provisions had never been contained in this Agreement.

# Headings

7.10. The headings and subheadings of the various Articles and paragraphs of this Agreement are inserted merely for the purpose of convenience and do not express or imply any limitation, definition, or extension of the language of the various Articles and paragraphs.

IN WITNESS WHEREOF, the parties hereto have executed this Lease as of the date written below.

Dated: (Date of Delivery)

# LESSOR

AUTO SPIN USA LP

BY: AUTO SPIN LLC, its general partner

BY:

Donald W. Engelhardt, President

# LESSEE

BY:

Name:

Title:

EXHIBIT “A” PROMOTION CD-20