

**Vending Machine Agreement between
COUNTY OF YADKIN and
JOSH COLLINS dba CJ'S VENDING MACHINES**

This Agreement is entered into this _____ day of March, 2016, by and between COUNTY OF YADKIN (hereinafter referred to as 'County') and Josh Collins, DBA CJ'S VENDING MACHINES, (hereinafter referred to as 'Operator').

RECITALS

Operator is a sole proprietor with principal place of business at 309 Spring Water Drive, Boonville, Yadkin County, North Carolina. Operator is engaged in the business of installing and operating automatic vending machines at various business locations and of selling articles of food to the public through such machines. The County is a governmental entity and owns property known as the Yadkin County Court House and located at 101 S. State Street, Yadkinville, Yadkin County North Carolina 27055. Operator desires to install one (1) automatic vending machine on the premises of the County for the sale of food snack products, and the County desires to grant Operator permission for such purposes on the terms and conditions contained in this agreement. Therefore, in consideration of the mutual covenants and promises contained herein, it is hereby agreed as follows:

ARTICLE 1

GRANT

County hereby grants to Operator the right and privilege to install, operate, and maintain one (1) food vending machine on the premises owned by the County known as Yadkin County Court House and located at 101 S. State Street, Yadkinville, Yadkin County, North Carolina and it is expressly understood and agreed that all sales of food and snacks on the aforementioned premises of County shall be by means of the vending machine installed and operated by Operator. County shall not cause or permit the sale of such items with the operation of vending machines by any other person, firm, or corporation including the County.

ARTICLE 2
INSTALLATION OF MACHINES

Operator shall install on the premises of the County at such location as are mutually agreed upon by the parties, one food and snack vending machine as set forth in Schedule A, attached hereto and incorporated herein by this reference.

ARTICLE 3
REMOVAL AND REPLACEMENT OF MACHINES

Operator shall have the right to remove any of the machines installed on the premises of the County under this Agreement and to replace any such machine with a vending machine of similar type, quality, and appearance.

ARTICLE 4
INCREASE OR DECREASE IN NUMBERS OF MACHINES

Operator does not have the right to increase or decrease the number of machines installed on the premises of the County without prior written consent of the County. County has the right to impose restrictions on the number and/or placement of any machine where such number or placement would interfere with the normal operations of County business.

ARTICLE 5
COMPENSATION

Operator shall pay to the County for the exclusive right to sell assorted snacks on the described premises \$25.00 per month. The first payment is due and payable upon the signing of this contract. Said first payment will be pro-rated for the current month. Each additional monthly payment will be due and payable by no later than 5:00 pm on the first day of each month throughout the lifetime of this Lease.

ARTICLE 6
RECORDS AND STATEMENTS

Operator shall maintain a complete and accurate record of all sales made through the vending machines located on the premises of County and covered by this Agreement and shall within thirty days from date of request submit a statement of such sales.

ARTICLE 7
TERM

This Agreement shall commence upon signing of the agreement and shall be for a term of three years commencing until February 28, 2019.

ARTICLE 8
OWNERSHIP OF MACHINES

It is understood and agreed by and between the parties that the vending machines installed on the premises of County by Operator are and shall remain the property of Operator. Upon termination of this Agreement by any means, Operator shall have the right without further notice to County to remove the vending machine belonging to Operator which has been installed on the premises of County.

ARTICLE 9
SELECTION AND PRICING

Operator shall keep the machines stocked at all times with sufficient quantities of assorted food and snacks to insure continuous service to patrons of County. Operator shall have sole control over the selection of brands of such items to be offered for sale through the vending machine and of the prices at which they are offered for sale, but he shall to the extent possible; seek to offer the patrons of the County a wide selection of brands at competitive prices.

ARTICLE 10
RISK OF DAMAGE TO MACHINES

Operator assumes all risk and responsibility for any loss, destruction, or damage occurring to the vending machines.

ARTICLE 11
MAINTENANCE AND SERVICE

Operator shall regularly inspect, service, clean, and maintain the described vending machine and shall keep it operating and in good working order, at all times promptly maintaining it in a clean and sanitary condition in accordance with all applicable federal, state and local laws. County continue to shall supply suitable waste disposal containers as are currently supplied at the location, for the convenience of users of the vending machine and shall provide and bear the expense of garbage removal and disposal services. All trash containers shall be emptied at least once daily. See Article 18 below regarding excessive garbage removal and disposal of trash.

ARTICLE 12
UTILITIES

County shall furnish and bear the cost of all utilities necessary for the operation of the vending machines installed under this Agreement and shall furnish suitable utility outlets for use by such machines. County shall provide continuous service to the machines and machine areas and shall not cause or permit the interruption of such service except in the event of an emergency.

ARTICLE 13
FEES AND TAXES

Operator shall be responsible for and shall pay all state, county, and city license fees and sales or other merchandising taxes that may be imposed on the sales of merchandise through its vending machines.

ARTICLE 14

RELATION OF PARTIES

For the purposes of this Agreement, the Operator at all times shall be considered an independent contractor, and the County shall not be deemed the employer of the Operator or any of the Operator's agents or employees, nor shall the County be responsible for the actions or omissions of the Operator or its agents and employees. For purposes of this Agreement the Operator and its agents and employees shall not be deemed an employee of the County for any purpose, including (by example only and not for purposes of limitations) federal or state income taxation, unemployment benefits or worker's compensation benefits.

ARTICLE 15

INSURANCE

During this Agreement's term, the Operator shall maintain at its sole expense all insurances as set out in this section. All insurance policies shall be issued by a company authorized to issue insurance in the State of North Carolina. Before beginning to perform under this Agreement, the Operator shall provide the County with a certificate of insurance showing that all insurance required by this Agreement is in effect, and the Operator shall keep that certificate current by submitting to the County updated certificates as the Operator's insurance policies are renewed or otherwise modified. The Operator shall notify the County immediately if any insurance required by this Agreement will be or has been cancelled or not renewed or if the amount of coverage of any such insurance will be or has been reduced.

The Operator shall maintain worker's compensation insurance as required by North Carolina law to cover all of the Operator's employees engaged in any work under the Agreement.

The Operator shall also maintain the following insurance to cover its performance under this Agreement during the Agreement's term:

- General commercial liability in the amount of \$1,000,000 per occurrence/\$2,000,000 aggregate.

- Workers' Compensation in the amount of \$500,000 employer's liability.
- Automobile liability covering all owned, hired, and non-owned vehicles used in connection with this Agreement. The minimum combined single limit shall be \$1,000,000 for bodily injury and property damage; and \$1,000,000 uninsured/underinsured motorist coverage.

ARTICLE 17 INDEMNITY

The Operator agrees that it shall defend, indemnify, and hold harmless the County and its officials, employees, and agents from and against any and all losses, liabilities, claims, demands, suits, costs, damages, or expenses (including reasonable attorneys' fees) arising from or related to this Agreement and/or the Services, including (by example only and not for purposes of limitation) those for bodily injury, death, or property damage. The Operator's obligations under this section shall survive termination of this Agreement.

ARTICLE 18 TERMINATION

Notwithstanding any other provision of this Agreement, this Agreement may be terminated at any time by mutual written agreement of the County and the Operator, or it may be terminated by the County upon ten (10) days' written notice to the Operator. Ten days' written notice for termination by the County is not required if the County is terminating because the Operator has breached the Agreement. Furthermore, this Agreement will terminate upon the County's discretion due to increase of trash, disruption of proceedings in and around the court house or continuous disruption caused by the presence of the vending machine.

ARTICLE 19 ENTIRE AGREEMENT

This Agreement (including any attached Exhibits) constitute the complete and entire Agreement between the County and the Operator concerning the subject matter of the Agreement and supersedes any and all

prior agreements, discussions, understandings, promises, or representations concerning that subject matter. This Agreement may be modified only by a writing signed by both the County and the Operator.

ARTICLE 20
GOVERNING LAW AND FORUM FOR DISPUTES

This Agreement shall be governed by the laws of the State of North Carolina without regard to North Carolina's choice of law provisions. Any lawsuit or other legal proceeding concerning this Agreement and/or the Services must be filed in Yadkin County, North Carolina, unless it is properly filed in Federal Court, in which case it must be filed in the Federal District Court for the Middle District of North Carolina.

ARTICLE 21
SEVERANCE CLAUSE

If any part of this Agreement is deemed unenforceable by a court of competent jurisdiction, then that part shall be enforced to the greatest extent legally possible, and the rest of this Agreement will remain in full force and effect.

ARTICLE 22
COMPLIANCE WITH LAWS

The Operator acknowledges and agrees that it will perform all Services and will satisfy all of its obligations under this Agreement in full compliance with all applicable federal, state, and local laws and regulations. Further that the Operator shall comply with all federal, state, local, or other laws or regulations applicable to the sale of merchandise through vending machines

ARTICLE 23
REPAIR OF DAMAGES

The Operator shall promptly and fully repair any damages that it or its employees or agents cause to the County's property. Alternatively, the County may choose in its discretion to require the Operator to fully compensate the County for any such damages rather than have the Operator repair them.

ARTICLE 24
TITLES AND HEADINGS

Titles and headings used in this Agreement are for convenience only and do not limit or modify the language within each section of this Agreement.

ARTICLE 25
NON-ASSIGNMENT

The Operator may not assign its rights or obligations under this Agreement, nor may it sub-contract any part of this Agreement, without written approval from the County.

ARTICLE 26
NOTICES

Any notice or communication to the County or the Operator for purposes of this Agreement shall be delivered or shall be deposited in the United States Mail, first class, addressed to the addressee below:

THE COUNTY:

Lisa L. Hughes
County Manager
P.O. Box 220
Yadkinville, NC 27055

THE OPERATOR:

Joshua Collins
dba CJ's Vending Machines
309 Springwater Drive
Boonville, NC 27011

ARTICLE 27
NUMBER AND GENDER

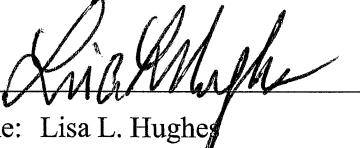
This Agreement's use of singular, plural, masculine, feminine and neuter pronouns shall include the others as the context may require.

ARTICLE 28
EXHIBITS

To the extent of a conflict between the above language of this Agreement and any attachments, the above language of this Agreement will control.

IN WITNESS WHEREOF, the County and the Operator have caused this Agreement to be executed as of the Effective Date.

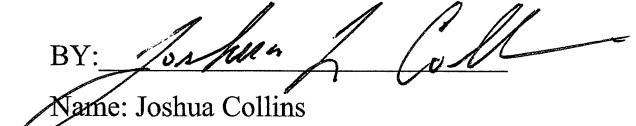
THE COUNTY:

BY: 

Name: Lisa L. Hughes

Title: County Manager

THE OPERATOR:

BY: 

Name: Joshua Collins

Title: 