

CENTURY EQUIPMENT INC.

LEASE AGREEMENT

THIS LEASE AGREEMENT, made and entered into by and between Century Equipment Inc., 5959 Angola Rd., Toledo, Ohio 43615, hereinafter referred to as "Lessor, and City of Gahanna – Golf Course, 200 S Hamilton Rd., Gahanna, Ohio 43230 hereinafter as "Lessee" witnesseth:

LEASE Lessor hereby leases to Lessee, and Lessee hereby rents from Lessor, the golf cars specified in the foregoing Lease Schedule (the "Schedule"), which is part hereof and which terms shall include any supplemental schedule or schedules hereafter executed by the parties hereto and intended to be made a part hereof, with all replacement parts, additions and accessories incorporated therein and/or affixed thereto, hereinafter collectively referred to as the "Equipment".

2. **ELECTION OF EQUIPMENT; DELIVERY** Lessee alone has selected the Equipment and represents to Lessor that each thereof is of a design, size, fitness and capacity satisfactory for Lessee's purposes. Unless within three (3) business days after execution by Lessee of the Lessor's Delivery and Acceptance form executed by Lessee upon its receipt of the Equipment, Lessee has given Lessor written notice of a defect therein, Lessee shall be deemed to have (a) acknowledged receipt of said item in good condition and repair and (b) accepted it as satisfactory in all respects for the purposes of this Lease. Lessor shall have the right from time to time to substitute substantially similar equipment for the Equipment.
3. **RENTALS** Lessee hereby agrees to pay Lessor, as and for the rental of the Equipment, the amount specified in the Schedule as the monthly rental for each month of the rental term specified in the Schedule. Each monthly rental payment shall be due on the first day of each month in advance. All payments shall be made to Lessor at Lessor's place of business or as otherwise directed by the Lessor in writing and shall not be deemed to have been made until actually received by Lessor.
4. **SECURITY DEPOSIT** At the Lessor's option any security deposit made hereunder may be applied by Lessor to cure any default of Lessee, in which event Lessee shall promptly restore the security deposit to its full amount as set forth in the Schedule. IF ALL THE CONDITIONS HEREIN ARE FULLY COMPLIED WITH, AN AMOUNT EQUAL TO THE SECURITY DEPOSIT SHALL BE REFUNDED, WITHOUT INTEREST TO THE LESSEE WITHIN 30 DAYS AFTER THE RETURN OF THE EQUIPMENT TO THE LESSOR AT THE TERMINATION OF THE TERM
HEREOF.
5. **TERM** The term of this Lease shall be as set forth on the Schedule so long as Lessee carries out all the terms and conditions of this Lease on Lessee's part to be kept and performed.

EXHIBIT A

6. **PLACE OF USE AND PERMISSIBLE USES** Lessee shall allow the Equipment to be used only on its golf course located at the address specified in the Schedule, and the Equipment shall not be removed from the premises at such address without the prior written consent of Lessor. The only permissible use of the Equipment shall be the rental thereof by Lessee to golfers for use on Lessee's said golf course and then only on a per-round basis. Not more than two (2) persons shall be seated in any one car at the same time. In addition, it shall be the sole responsibility of Lessee to assure that the Equipment is not used or operated in a manner subjecting it to depreciation in excess of ordinary wear and tear; and Lessee shall be responsible to Lessor for any damage or depreciation if any item of the Equipment is used or operated in any such manner. In addition, it shall be the sole responsibility of Lessee to guarantee that the Equipment is not used or operated in a manner in violation of any law, ordinance, or governmental regulation.
7. **STORAGE AND SAFEKEEPING; MAINTENANCE** Lessee understands and acknowledges that the Equipment must be safely stored under a roof when not in use and properly secured at night with keys removed, and Lessee shall be solely responsible for such storage and safekeeping. Lessee shall be responsible for all maintenance of the Equipment and agrees to maintain same in good order and repair throughout the term of the Lease. If any or all of the Equipment is returned to the Lessor at any time during or after the lease term with excessive wear or use, the Lessee will be liable for the cost of refurbishing such Equipment to a leasable condition. Such leasable condition is to be made up upon a good faith determination of the Lessor.
8. **STANDARDS FOR WEAR AND USE** Excessive wear and use include, but are not limited to: (a) glass breakage, (b) deterioration or damage of body, fenders, metal work or paint, and (c) any extraordinary mechanical or motor damage caused by negligent maintenance or handling of the Equipment.
9. **ALTERATION; RETURN OF EQUIPMENT** Lessee shall make no alteration to the Equipment without the prior written consent of the Lessor. Upon the expiration or termination hereof, Lessee, at its sole expense, shall forthwith return the Equipment to Lessor at the same place where it received delivery. All replacement parts, additions, and accessories incorporated in or affixed to the Equipment after the commencement of this Lease shall become the property of the Lessor.
10. **INSURANCE** The Lessee will, at his/its own expense, provide and maintain for the term of this lease Public Liability and Physical Damage insurance on a blanket basis, naming Lessor as an additional insured and loss payee. The personal injury liability coverage must be in amounts not less than \$1,000,000, per occurrence, \$1,000,000 aggregate. Property and physical damage insurance is required in the amount of \$3,000.00 per car with deductibles not to exceed \$500.00 for collision and \$500.00 for comprehensive coverage. Proof of this coverage shall be turned over to the Lessor at the time of the execution of this lease and on the one-year anniversary through its term.
11. **TAXES** Lessee shall pay all taxes and assessments (and interest and penalties, if any thereon) which may be levied, directly or indirectly, against the Equipment or any interest therein or with respect to the ownership, possession or use thereof, whether such taxes are levied against Lessor or Lessee. Such taxes to be paid by Lessee shall include, without limitation, sales, rent, lease, and use taxes or any other tax measured by the gross rent payable hereunder but shall not include net income or franchise taxes payable by Lessor.

12. **TITLE** Title to all the Equipment shall remain in Lessor exclusively. Lessee shall keep the Equipment free from any and all liens and encumbrances. Lessee shall give Lessor immediate notice of any attachment or other judicial process, lien or encumbrance affecting the Equipment and shall indemnify and save Lessor harmless from any loss or damage caused thereby.
13. **DISCLAIMER OF WARRANTIES** Lessor makes no express or implied warranties as to any matter whatsoever, including, without limitation, the condition of equipment, its merchantability or its fitness for any particular purpose. No defect or unfitness of the Equipment shall relieve Lessee of the obligation to pay rent or of any other obligation under this lease. The Lessee also acknowledges that the Lessor has made no representation or warranty of any kind, nature or description, express or implied, with respect to the Equipment.
14. **RIGHT OF INSPECTION** The Lessor, its agents and representatives shall have the right at any time during usual business hours to inspect the Equipment and for that purpose to have access to the Equipment.
15. **NONWAIVER** Lessor's failure at any time to require strict performance by Lessee of any of the provisions hereof shall not waive or diminish Lessor's right thereafter to demand strict compliance therewith or with any other provision. Waiver of any default shall not waive any other default. Lessor's rights hereunder are cumulative and not alternative.
16. **POSSESSION** Lessor covenants to and with Lessee that, conditioned upon Lessee performing the conditions hereof, Lessee shall peaceably and quietly hold and use the Equipment during said term without hindrance.
17. **DEFAULT** If (a) Lessee fails to pay any rent or other amount when due; or (b) Lessee fails to observe, keep or perform any other provision of this Lease required to be observed, kept or performed by Lessee; or (c) Lessee ceases doing business as a going concern; or (d) a petition is filed by or against Lessee under the bankruptcy, insolvency, reorganization or other debtor relief law; or (e) a receiver is appointed for Lessee or its property; or (f) Lessee becomes insolvent, makes an assignment for the benefit of creditors, or offers a composition or extension of any of its indebtedness; or (g) Lessee, without Lessor's prior consent, attempts to remove or sell or transfer or encumber or part with reason of a deterioration of Lessee's general financial condition or threatened actions by any of Lessee's other creditors or any other similar reason satisfactory to Lessor in its sole discretion and specified in writing to Lessee; or (h) made any material misrepresentation in the Lease; or (i) failed to comply with the insurance requirements of Provision 10; then Lessor or its agents shall have the right to exercise any one or more of the following remedies: (i) to declare the entire amount of rental hereunder immediately due and payable without notice or demand to Lessee; (ii) to sue for and recover from the Lessee an amount equal to the unpaid balance of the rent due and to become due during the term of this Lease, as well as reasonable attorneys' fees, costs incurred in repossessing the leased vehicles, and any other expenses incurred by Lessor in an attempt to enforce the provisions of this Lease; (iii) to sue for and recover damages for Lessee's default; or (iv) to take possession of any or all items of the Equipment without demand or notice wherever same may be located, without any court order or other process of law, in which event Lessor, at its option, may (A) lease such repossessed Equipment or any part thereof to any third party on such terms and conditions as Lessor may determine or (B) sell such Equipment or any part thereof to the highest bidder at public auction or at private sale and credit the amount so realized (less all expenses, including attorneys' fees, incurred in connection with such disposition) to the unpaid balance of rent due and to become due

hereunder. Lessee hereby waives any and all damages occasioned by any such taking of possession and consents to any such lease or sale and agrees that the terms thereof shall conclusively establish the maximum amount which Lessor could receive upon the disposition of the Equipment, in determining Lessor's damages hereunder, so long as effected in a commercially reasonable manner. Any such taking of possession shall not constitute a termination of this Lease and shall not relieve Lessee of its original obligations hereunder unless Lessor expressly notifies Lessee in writing. In addition, Lessor shall have upon default such other and further remedies and rights as may be available at law by reason of Lessee's default.

18. **ASSIGNMENTS** Neither this Lease nor any of Lessee's right hereunder shall be assignable by Lessee except with Lessor's written consent. Lessor shall have the right to assign this Lease or any part hereof.
19. **LIABILITY AND INDEMNITY** Except to the extent of LESSOR'S express obligations set forth in paragraphs 4, and 16 hereof, LESSEE shall indemnify and save LESSOR, its agents, servants and employees, harmless from any and all claims, actions, proceedings, judgments, awards, decrees, expenses, costs, attorneys' fees, damages and liabilities on account of damage to property or injuries to person (including death) which may be sustained by LESSEE, its agents, servants, employees, licensees, invitees, operators, users, individual lessees or any other person arising out of or in connection with the lease, maintenance, operation, possession or use of the Equipment, except that LESSEE shall have no liability to LESSOR for damages or costs incident thereto caused by the sole negligence of LESSOR.
20. **NOTICE** (a) Lessee shall promptly notify Lessor in writing of any loss, theft, damage or destruction of the Equipment. Lessee agrees to give detailed written reports to Lessor of all accidents or damage involving the Equipment and to give full cooperation to Lessor's insurance carriers. (b) All notices relating to this Lease shall be mailed to Lessor or Lessee at is respective address shown in the Schedule or at the most recent address know to the sender.
21. **INTEREST; LATE CHARGES** Delinquent installments of rental shall bear interest at the lower of (a) twenty-four percent (24%) per annum or (b) the highest per annum interest rate allowed by law. Said service charges will be assessed monthly for each month payment is delinquent. In the event this Lease is placed in the hands of an attorney to recover any monies due and to become due hereunder or for the possession of the Equipment or otherwise to enforce LESSOR'S rights hereunder, LESSEE shall pay LESSOR's reasonable expenses and attorneys' fees in connection therewith.
22. **LABELS** Lessor shall have the right to attach appropriate labels to the Equipment, designating itself as owner and Lessor.
23. **GOVERNING LAW JURISDICTION** This agreement and any attachment or amendments hereto shall be deemed to have been entered into in the State of Ohio and the validity of this Agreement, its construction, interpretation and enforcement and the rights of the parties hereunder shall be construed in accordance with the laws of the State of Ohio without giving effect to any conflict of law provision. Any action brought upon or relating to this Agreement shall be instituted in Ohio and each party hereto waives any claim as to venue and consents to jurisdiction in Lucas County Ohio and particularly the Lucas County Common Pleas Court.

24. **SEVERABILITY** If any provision hereof or any remedy herein provided for may be construed in a manner that would make it invalid under applicable law, the same shall not be so construed, or if no other construction is possible, such provision shall be inapplicable and deemed omitted; but the remaining provisions hereof, including remaining default remedies, shall be given effect in accordance with the manifest intent hereof.
25. **ENTIRE AGREEMENT; WAIVER** This instrument constitutes the entire agreement between the parties. No supplier or agent thereof is authorized to bind Lessor or to waive or modify any term hereof. This agreement can only be modified by a writing signed by all parties.
26. **BINDING EFFECT** The terms of this Lease shall be binding upon and inure to the benefit of the parties, their respective heirs, successors and assigns.

IN WITNESS WHEREOF, the parties have executed this Lease by their duly authorized officers
this ____ day of _____ 2012

LESSOR

ADDRESS

By: _____

5959 Angola Rd. _____

Title: President _____

Toledo, Ohio 43615 _____

By: _____

5959 Angola Rd. _____

Title: Chief Financial Officer _____

Toledo, Ohio 43615 _____

LESSEE

ADDRESS

By: _____

Title: _____

By: _____

Title: _____
