AIR/VAC VENDING • LOCATION AGREEMENT

This agreement dated the _____ day of _____, 2021 between:

CalTel Inc. (CTI) _____

P.O. Box 827 _____

Conway, SC 29528 _____

hereinafter (Vendor) and hereinafter (Owner)

IN CONSIDERATION OF THE MUTUAL COVENANTS SET FORTH HEREIN THE PARTIES AGREE AS FOLLOWS:

1. Vendor is in the business of vending, selling, installing and maintaining Air and Air/Vacuum machines (AVM) for use by the public.

2. Owner agrees to allow Vendor the exclusive right to install and operate AVM on the premises at the following Address:

_____

3. In consideration of the owner's granting Vendor rights to operate AVM on owner's premises, Vendor shall pay Owner **50%** of the net coin revenue. Net revenue shall be payable after AVM generates $75.00 in gross revenue per month. Commission paid shall be considered rent for AVM space. Vendor shall deliver payments to Owner within 30 days of collection. In the event commission amount is less than $10.00, the commission shall be carried over and paid when commission due exceeds $10.00.

Owner and Vendor further agree as follows:

4. Owner shall provide uninterupted AC power for AVM.

5. Owner grants Vendor the right to install appropriate signage advertising the AVM.

6. Owner shall exercise reasonable diligence in notifying Vendor if there is to be any construction work or painting that may cause damage to the equipment. Failure to notify Vendor of such activities, if damage occurs, automatically authorizes Vendor to repair such damage and to deduct the cost from the commissions due to owner. Vendor reserves the right to remove any and all equipment due to excess vandalism or lack of profitability.

7. The terms of this agreement shall commence upon the date of its acceptance by Vendor, and shall continue for a period of not less than sixty (60) months, after which this agreement shall automatically be renewed for a like period, unless cancelled by Owner, in writing, 60 days prior to the expiration of the then existing term.

8 through 12 on reverse side,

13. **ENTIRE AGREEMENT.** This written Agreement, consisting of paragraphs 1 through 12 represents the entire contract and any previous agreements oral or written merge into this agreement.

IN WITNESS WHEREOF THE PARTIES HAVE SIGNED THIS AGREEMENT,

Vendor_____ Owner_____

Title: Sales Title _____

Phone Number (843) 397-4284 Phone Number: _____

Email Address:_____

ADDITIONAL TERMS AND CONDITIONS

8. **Responsibilities of Vendor**. The Vendor shall, in addition to other obligations set forth herein,
   (a) install and operate the Equipment on the Premises,
   (b) maintain the Equipment in proper working order according the normal maintenance schedule of Vendor and, when notified of malfunction, repair the Equipment within a reasonable time after notice from owner.
   (c) Collect equipment as needed: and
   (d) be responsible for and pay all expenses with regard to the operation of the Equipment.
9. **Responsibilities if the Owner**. The Owner Shall:
   (a) provide suitable space on the Premises, the precise area of installation shall be readily accessible and clearly visible to patrons, mutually agreed to by Vendor and Owner, and if required by Vendor, formally consented to in writing by the landlord or owners of the Premises if different from the Owner: provide safe, convenient access to the Equipment; and provide electrical power at the Owners expense for lighting necessary for the use of the Equipment.
   (b) give Vendor immediate notice of any malfunction of the Equipment:
   (c) take reasonable precautions to protect the Equipment from damage, vandalism, theft, or hazardous conditions, keep area clean and promptly report any service failures to Vendor; and
   (d) display all mutually agreeable or legally required signs and not affix or permit to be affixed to the Equipment, any other signs, equipment or information.
10. **Owner's Representations and Covenants**.
   (a) **Power to execute this Agreement**. Owner represents and warrants that it has the power and authority to execute this Agreement and to comply with the terms hereunder, specifically. Owner warrants that it has the authority, as the owner or lessee of the premises, to permit the installation of the Equipment. Further, in the event the Premises are mortgaged by the Owner or the Owner is the lessee of the Premises, the Owner will obtain the consent to this agreement from the Owner's mortgagee or the landlord's agreement to be bound by the terms of this Agreement in the event of foreclosure of Owner's mortgage or the termination of the Owner's lease.
   (b) **Undisturbed use**. The owner covenants that for the period of this Agreement, the Vendor shall have exclusive and undisturbed possession of the area in which the Equipment is installed and free access hereto: that no other AVM or similar type equipment will be installed on the Premises; and that the sale of the Premises (or assignment of Owner's lease for use of the Premises) the Owner will require the purchaser or assignee to assume the obligations of the Owner hereunder.
   (c) **Normal Access**. Vendor shall have access to the Equipment at all reasonable times.
   (d) **Additional Installations**. Upon mutual agreement of both parties, the Vendor may install additional equipment, on or in the Premises covered by this Agreement. All terms of this Agreement shall apply to such additional Equipment.
   (e) **Relocation**. Except as provided herein, no Equipment shall be moved from the Premises on which it is installed, unless Vendor given Owner thirty (30) days written notice.
11. Indemnification and Liability.
   (a) **Indemnification**. The Owner aggress to indemnify and hold harmless the Vendor from any and all claims, loss or liability, arising from any acts or omissions in respect to the Equipment which are attributable to Owner.
   (b) **Liability**. Owner agrees that Vendor shall not be liable for interruption of service from any cause, including but not limited to, delays in installation or operation of the Equipment. Owner further agrees that no other liability in any other cases shall attach to Vendor. In no event shall the Vendor be liable for special, incidental or consequential damages, including lost revenues, even if Vendor has been advised of the possibility of such damages.
12. **General**.
   (a) **Access to Premises**. Upon the expiration or prior cancellation of this Agreement, Owner shall provide the Vendor's employees or authorized agents with access to the Premises during normal business hours for the purpose of maintenance, and/or the removal of the Equipment installed on said Premises.
   (b) **Ownership of Equipment**. The Equipment installed under this Agreement is and will remain the sole property of the Vendor or the assignee of the Vendor. If Vendor assigns this Agreement, Assignee agrees to abide by the complete terms herein.
   (c) **Confidentiality of Information**. Owner shall keep confidential and use only for performance hereunder, the technical or business information or data disclosed or furnished to Owner by the Vendor. Such information shall remain the property of the Vendor and when in tangible forms, shall be returned upon request.
   (d) **Choice of Law**. The domestic laws of the State of South Carolina hereunder shall govern the construction, interpretation and performance of this Agreement and all transactions. Owner and vendor agree any action to enforce any part of this agreement shall be brought in Horry County, South Carolina..
   (e) **Assignment**. Vendor may assign this Agreement at any time and Vendor may subcontract any or all of the work without the consent of the Owner. Owner may not assign this Agreement without the prior written consent of Vendor.
   (f) **Documentation**. If requested by Vendor, the Owner shall provide Vendor with the following: (1) copies of any and all AVM agreements with other vendors, (2) all records of revenue obtained during the 12 months prior to the date of this Agreement derived from any AVM agreements with any other vendor, (3) the written consent of the landlord or owner of the building to this Agreement (if the location at which the AVM is to be placed is not owned by the Owner), and (4) any other agreement or documents requested by Vendor relating to this Agreement. All provisions contained in this paragraph are solely for the benefit of the Vendor and may be waived by the Vendor at any time. Any information so obtained shall not be disclosed to any other party.
   (g) **Removal of Equipment**. Owner grants Vendor permission to contact any company currently providing AVM service to the Owner to arrange for removal of existing equipment and will execute any necessary agency or authorization required by Vendor.
   (h) **Public Access**. The Owner shall provide full public access to the AVM during its business hours. Owner shall be responsible for keeping the AVM clean and the location free from debris, obstructions, theft, and hazardous conditions. Owner shall not place or permit the placement of any obstruction which may impede public access to the AVM during normal business hours or, in the case of outdoor locations, cause any impediment to free public access at any time without prior written approval of the Vendor.
   (i) **Event of Default**. Vendor shall have the right to immediately terminate this agreement upon occurrence of any of the following events, each such event constituting a default hereunder, (1) the filing of any petition under the Bankruptcy Code, by or against the Owner, (2) application or the appointment of a receiver for, the making of a general assignment for the benefit of creditors, or the insolvency of Owner, (3) taking possession by act of law, a substantial part of property of Owner, (4) dissolution, merger, consolidation, or resignation of Owner.
   (j) **Legal Compliance**. If any provision, covenant, condition or term of this Agreement or the installation or operation of the AVM violates a federal, state, or local law or regulation, Vendor shall have the maximum amount of time permitted by law from the date of actual notice to redress the violation and shall have the maximum amount of time permitted by law to install an AVM in compliance with federal, state and local laws and regulations.
   (k) **Disclaimer**. By execution of this Agreement, the parties do not intend a joint venture or partnership or otherwise intend to become partners.
   (l) **Definitions**. If more than one AVM is to be installed or operated by Vendor under the Agreement, the word "AVM", and all references thereto shall be deemed to be plural wherever applicable.
      i. **Headings**. Paragraph headings are used herein for ease of reference only and shall not be used to alter, modify or amend the terms and conditions of this Agreement.
      ii. **Notice**. All notices shall be sent to the parties at the respective addresses shown on the front of this Agreement, or at such other addresses as the parties may from time to time designate in writing**.**
      iii. **Future** Interest. This Agreement inures to the benefit of the heirs, successors or assigns of the parties herein.