

LESSOR HAS ASSIGNED TO WELLS FARGO BANK, NATIONAL ASSOCIATION ("WELLS FARGO"), AND HAS GRANTED WELLS FARGO A SECURITY INTEREST IN, ALL RIGHT, TITLE AND INTEREST OF LESSOR IN AND TO THIS LEASE, ALL PRESENT AND FUTURE RENTAL, LEASE AND OTHER PAYMENTS AND CHARGES OWED TO LESSOR HEREUNDER AND ALL PRODUCTS AND PROCEEDS THEREOF, PURSUANT TO THE LOAN AND SECURITY AGREEMENT, DATED MAY 3, 1996, AS HERETO-FORE AMENDED, BETWEEN WELLS FARGO AND LESSOR, AS THE SAME NOW EXISTS AND MAY HEREAFTER BE AMENDED, MODIFIED, SUPPLEMENTED, EXTEND-ED, RENEWED, RESTATED OR REPLACED.

NON CANCELABLE EQUIPMENT FINANCE LEASE AGREEMENT



Northern Leasing Systems, Inc. "(LESSOR)"
 132 West 31st Street, New York, NY 10001 • www.northernleasing.com
 Ph. (800) 683-5433 Fx. (800) 342-7172

| | | |
|---|-----------------------------|---------------------|
| VENDOR NAME ("VENDOR") Secure Payment | VENDOR CODE JSPYS | LEASE NUMBER |
|---|-----------------------------|---------------------|

| | | | | | |
|--|------------------------------------|--|---|--|--|
| LEGAL NAME OF LESSEE ("LESSEE") ABC Enterprises | | D/B/A NAME Mr. Transmission | | <input checked="" type="checkbox"/> CORPORATION <input type="checkbox"/> PROPRIETORSHIP <input type="checkbox"/> PARTNERSHIP | |
| MAILING ADDRESS P.O. Box 1234 | | CITY San Diego | STATE Ca | ZIP 92131 | |
| BUSINESS ADDRESS (if different from above) 12345 Walnut Blvd # 1 | | CITY San Diego | STATE Ca | ZIP 92130 | |
| LESSEE PHONE NO. 858-549-9000 | BUS. START DATE Jan 2005 | TYPE OF BUSINESS Auto Repair | E-MAIL ADDR. mrtransmission@xyz.com | | |

| EQUIPMENT DESCRIPTION (Manufacturer, Model, Serial Number) | QUANTITY |
|--|----------|
| Verifone Omni VX570 | 1 |
| RDM Imager Model 6014 | 1 |

LOCATION OF EQUIPMENT (Address, Street, City, State, Zip) if different from above

| SCHEDULE OF LEASE PAYMENTS | PAYABLE AT SIGNING OF THE LEASE |
|---|---|
| BASE MONTHLY LEASE PAYMENT \$ <u>125.00</u> , plus applicable taxes, and Loss & Damage Waiver fee of \$4.95 per month per unit of equipment, if applicable, as provided in Section 15 of this Lease for a MINIMUM LEASE TERM of <u>48</u> Months ("Lease Term") | <input type="checkbox"/> FIRST & LAST MONTHLY PAYMENT \$ _____ <input checked="" type="checkbox"/> LAST MONTHLY PAYMENT \$ <u>125.00</u> |

| | | |
|-----------------------------------|--------------------------|---------------------------|
| BANK NAME Wells Fargo Bank | ROUTING 122000247 | ACCOUNT 1234567890 |
|-----------------------------------|--------------------------|---------------------------|

LEASE ACCEPTANCE

No attempt at oral modification or rescission of this lease or any term thereof will be binding upon the parties. See Section 19 on Page 6 hereof. BY SIGNING THIS LEASE, THE UNDERSIGNED LESSEE ACKNOWLEDGES READING ALL 6 PAGES OF THIS LEASE, THAT ALL BLANK TERMS ON PAGE 1 WERE FILLED IN AT THE TIME OF SIGNING, THAT LESSEE HAS BEEN GIVEN A COPY OR AN OPPORTUNITY TO MAKE A COPY OF THE LEASE AND THAT LESSEE AGREES TO BE BOUND BY ALL THE TERMS OF THIS LEASE.

| | | | |
|-----------------------------------|--------------------|-------------------------|------------------|
| Lessee's Authorized Signature | President Title | Joe Smith Print Name | 07/10/12 Date |
|-----------------------------------|--------------------|-------------------------|------------------|

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PERSONAL GUARANTY

To induce Lessor to enter into this Lease and purchase the Equipment for Lessee and knowing that Lessor is relying on this guaranty as a precondition to entering into this Lease, I, the undersigned ("Guarantor"), individually, absolutely and unconditionally guaranty to Lessor the prompt payment when due of all of Lessee's obligations to Lessor under the Lease irrespective of any other circumstance which might otherwise constitute a defense to this guaranty. Lessor shall not be required to proceed against Lessee or the Equipment or enforce any other remedy before proceeding against me. I agree to pay all reasonable attorneys' fees and other expenses Lessor incurs in enforcing this guaranty and Lease. I consent to any extension or modification granted to Lessee, and the release and/or compromise of any obligation of Lessee or any other obligors and guarantors shall not in any way release me from my obligations under this guaranty. This is a continuing guaranty and shall bind my heirs, successors and assigns, and may be enforced by or for the benefit of any assignee or successor of Lessor. This guaranty and any and all matters in dispute between me and Lessor whether arising from or relating to the guaranty itself, or arising from alleged matters occurring prior to, during, or subsequent to the execution of the guaranty ("Dispute"), shall be governed by the laws of the State of New York. All Disputes relating to this guaranty shall be litigated exclusively in the federal or state courts located in the State and County of New York notwithstanding that other courts may have jurisdiction over the parties and the subject matter, and I freely consent to the jurisdiction of such courts, including without limitation, the Civil Court of the City of New York. Lessor may properly serve me with legal process via certified mail by mailing same to my address set forth herein or to my current or last known address at the time of suit. I WAIVE, INSOFAR AS PERMITTED BY LAW, TRIAL BY JURY IN ANY LITIGATION ARISING FROM OR IN ANY WAY RELATING TO THIS LEASE OR GUARANTY. I agree not to pursue a claim against Lessor or its assigns as part of a class action or other representative action, to the extent permitted by applicable law. I expressly authorize Lessor or its servicing agents or assigns continuing authority to obtain one or more investigative and other credit reports from a credit bureau or credit reporting agency and to conduct one or more credit checks concerning my credit history, and acknowledge that Lessor may furnish information relating to this Lease and guaranty to one or more credit reporting agencies. Disputes or inaccuracies regarding information Lessor furnishes to a credit reporting agency shall be sent to Lessor at its address listed above. Upon your written request, we will inform you whether or not a credit report was requested, and if such report was requested, of the name and address of the consumer reporting agency that furnished the report. BY SIGNING BELOW, I ACKNOWLEDGE THAT I HAVE READ ALL 6 PAGES OF THIS LEASE, THAT ALL BLANK TERMS ON PAGE 1 WERE FILLED IN AT THE TIME OF SIGNING, THAT I HAVE BEEN GIVEN A COPY OR AN OPPORTUNITY TO MAKE A COPY AND THAT I AGREE TO BE BOUND BY ALL THE TERMS OF THIS GUARANTY AND LEASE.

Joe Smith 012-34-5678
Guarantor's Signature Print Name Social Security No.
6789 Home Street San Diego Calif 92121 858-549-5555
Home Address City State ZIP Home Phone No.

TERMS AND CONDITIONS

- 1. Please take your time and carefully read all 6 pages of this Equipment Finance Lease Agreement ("Lease") so that you fully understand its terms and feel free to contact us with any questions you may have. We use the words "you" and "your" to mean the Lessee and Guarantor listed above, and the words "we," "us," and "our" to refer to the Lessor listed above. The term Lessor shall include its designees, servicing agents, successors and assigns.
2. PURCHASE OF EQUIPMENT; TITLE. We agree to purchase from the Vendor the equipment listed above ("Equipment") and lease the Equipment to you under the terms set forth in this Lease. So long as you are not in default under any of the terms of this Lease, we will not interfere with your quiet use and enjoyment of the Equipment. We shall at all times retain title to the Equipment. You are not authorized to release the Equipment to any third-party, including the Vendor, without our express written consent, and you shall maintain the Equipment in good operating condition, normal wear and tear excepted. You shall not remove the Equipment from the location shown herein without our written consent, which shall not be unreasonably withheld.
3. AUTHORIZATION FOR AUTOMATIC WITHDRAWAL OF PAYMENTS. You authorize us to automatically withdraw your monthly lease payment and any other amounts due, or otherwise payable by you under this Lease, together with any additional charges that may be reasonably imposed by Lessor in the future (provided that such charges will take effect only after thirty (30) days written notice to Lessee), by initiating via the Automatic Clearing House ("ACH") system debit entries to your account at the bank listed above or at such other bank or financial institution that you may provide us with from time to time ("Account"). You acknowledge that your Account is established for business purposes only and not for personal, family, or household purposes. In the event of a default of your obligations hereunder, you authorize us to debit your Account for the full amount provided for under this Lease without any further notice. You understand that the foregoing ACH authorization and your obligation to pay any amounts provided for under this Lease shall survive the expiration or termination of this Lease. You further understand that the foregoing authorization is a fundamental condition to induce us to accept this Lease. Consequently, such authorization is intended to be irrevocable. In the event that you purport to terminate such authorization, we, in our sole discretion, may invoice you for payments due under this Lease and impose a reasonable processing fee, which is currently \$5.00 per month, which amount we may change upon thirty (30) days written notice to you. In the event that you make any payment due hereunder by

Lessee's Initials: [Signature]

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credit card, you authorize us to charge that same credit card for any subsequent payments that become due and which are not collected via ACH, which authorization shall survive the expiration or termination of this Lease.

4. **NO CANCELLATION.** You cannot cancel this Lease during the Lease Term for any reason. You do not have a free trial period. Your duty to make the monthly lease payments is absolute, unconditional and irrevocable and is not subject to any offset, deduction, defense or counterclaim, notwithstanding that the Equipment is damaged or lost, or you no longer use, need or want the Equipment, or you return the Equipment to us (except as provided in Section 14 on page 5 of this Lease), or for any other reason.

5. **NO WARRANTIES.** WE ARE LEASING THE EQUIPMENT TO YOU "AS IS." WE HAVE MADE NO REPRESENTATION, GUARANTEE OR WARRANTY, EXPRESS OR IMPLIED (INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE) REGARDING THE EQUIPMENT. WE DISCLAIM ALL SUCH REPRESENTATIONS, WARRANTIES OR GUARANTEES OF ANY KIND. IF THE EQUIPMENT DOES NOT WORK AS REPRESENTED BY THE VENDOR OR ANY OTHER PERSON, OR IF THE VENDOR OR ANY OTHER PERSON FAILS TO PROVIDE ANY SERVICE, OR IF THE EQUIPMENT IS NOT PROPERLY INSTALLED OR IS UNSATISFACTORY FOR ANY OTHER REASON, YOU WILL MAKE ANY CLAIM THEREON SOLELY AGAINST THE VENDOR OR SUCH OTHER PERSON AND YOU WILL NOT MAKE ANY CLAIM AGAINST US, AND YOU WILL CONTINUE TO BE OBLIGATED TO MAKE ALL PAYMENTS DUE UNDER THIS LEASE. WE WILL NOT BE LIABLE FOR ANY LOSS OR INJURY TO YOU OR ANY OTHER PERSON OR PROPERTY (INCLUDING, WITHOUT LIMITATION, LOST PROFITS AND CONSEQUENTIAL, INCIDENTAL OR SPECIAL DAMAGES) CAUSED BY THE EQUIPMENT OR ITS FAILURE TO OPERATE PROPERLY.

6. **NON-CONSUMER FINANCE LEASE.** We and you intend this Lease to be a "Finance Lease" as defined by Article 2A of the Uniform Commercial Code ("UCC"). You acknowledge that we did not manufacture or license the Equipment nor did we select it for you. You selected the Equipment from the Vendor based upon your own judgment. You are aware that leasing the Equipment may be more expensive than purchasing the same equipment outright, and you have had an opportunity to research the cost to purchase the same equipment outright. You may have rights under the supply contract for the Equipment and you may contact the Vendor or the manufacturer of the Equipment for a description of those rights or warranties. You acknowledge that the Equipment is being leased for commercial and lawful purposes only and not for personal, family, or household purposes. You further agree that you are not a "consumer" with respect to this Lease, and neither this Lease nor any guaranty thereof shall be construed as a consumer transaction or as a "consumer lease."

7. **LEASE COMMENCEMENT; RECEIPT AND ACCEPTANCE OF EQUIPMENT.** The Lease shall commence on the date that we accept and execute the Lease ("Commencement Date") and shall continue until your obligations under the Lease are fully satisfied. Your monthly payments are due on the first day of each month following the Commencement Date. In addition, if the Commencement Date is other than the first day of a calendar month, then you shall pay to us, in addition to all other sums due hereunder, an amount equal to one thirtieth of the total monthly payment due or to become due hereunder multiplied by the number of days from and including the Commencement Date to the end of the calendar month in which the Commencement Date occurs. In the event that you have paid the first and last monthly lease payments without applicable taxes or other charges hereunder, we may add such taxes or other charges to the first or a subsequent ACH debit from your Account. You acknowledge that no interest will be paid on any advance lease payments. (If the Lessee will keep the Equipment at a Florida location, the remaining portion of this Section 7 is not applicable.) You acknowledge your receipt and acceptance of the Equipment, or in the event that you have not yet received the Equipment at the time you sign this Lease, you shall notify us in writing via certified mail within thirty (30) days of the date you sign this Lease that you have not yet received the Equipment. Your failure to provide us with such notice shall constitute your acknowledgment that you have received and accepted the Equipment for all purposes of this Lease.

8. **ASSIGNMENT.** We may assign or transfer this Lease or our interest in the Equipment without notice to you. Any assignee of ours shall have all of the rights, including but not limited to the rights set forth in Section 3 on Page 2 hereof, but none of our obligations under this Lease and you agree that you will not assert against any assignee of ours any defense, counterclaim or offset. You shall not assign this Lease or in any way dispose of all or any part of your rights or obligations under this Lease or enter into any sublease for all or any part of the Equipment without our prior written consent.

9. **NET LEASE; TAXES; FEES.** You agree that the lease payments payable hereunder by you are to be net to us. You agree to pay us in advance or reimburse us for all sales, use, excise, personal property, stamp, documentary and ad valorem taxes, license and registration fees, assessments, fines, penalties and similar charges including, but not limit-



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ed to, UCC filing, recording and re-recording fees, imposed on you or us or incurred by us, for the ownership, use, or possession of the Equipment during the term of this Lease and during the month to month period thereafter, or for the lease payments hereunder (except our Federal or State income taxes), plus an administrative tax processing fee in the amount of \$25.00 per calendar year (regardless of the date you signed the Lease), and that we may collect such charges through ACH debits to your Account during and after the expiration of the Lease. You acknowledge that the monies we collect from this administrative tax processing fee may provide us with a profit. We may estimate the amount of the taxes and charge you for such amount, separately or charge you with a proportional amount with each monthly lease payment hereunder. Unless otherwise agreed to in writing, we shall file required personal property tax returns with respect to the Equipment.

10. **INDEMNITY.** You shall and do hereby agree to indemnify and save and hold us harmless from any and all liability, damage or loss, including reasonable attorney's fees, arising out of the operation, control, use, condition (including but not limited to latent and other defects, whether or not discoverable by you), maintenance, delivery and return of the Equipment. The indemnity shall continue in full force and effect notwithstanding the expiration or termination of the Lease.

11. **RISK OF LOSS.** You shall assume the entire risk of loss, damage or destruction of the Equipment from any and every cause whatsoever (hereinafter referred to as a "Loss") during the term of this Lease and thereafter until redelivery of the Equipment to us. In the event of a Loss of any item of Equipment, you shall promptly notify us of the Loss and at your expense and at our option, you shall either (a) repair such item, returning it to its previous condition, unless damaged beyond repair, (b) pay us (except to the extent of any proceeds of insurance provided by you which we shall have received as a result of such Loss) for the replacement value of the Equipment which we estimate and you agree shall be ten percent (10%) of the aggregate Base Monthly Lease Payments for the Lease Term if the Lease Term is forty-eight (48) months or more; fifteen percent (15%) of the aggregate Base Monthly Lease Payments for the Lease Term if the Lease Term is thirty-six (36) to forty-seven (47) months; twenty percent (20%) of the aggregate Base Monthly Lease Payments for the Lease Term if the Lease Term is twenty-four (24) to thirty-five (35) months; and twenty-five percent (25%) of the aggregate Base Monthly Lease Payments for the Lease Term if the Lease Term is twenty three (23) months or less ("Replacement Value"), (c) replace such item with a like item acceptable to us, in good condition and of equivalent value, which shall become our property, included within the term "Equipment" as used herein, and leased from us herewith for the balance of the full term of this Lease, or (d) pay us all accrued and unpaid monthly lease and other payments, late charges and interest, plus the Replacement Value of the Equipment. The obligation to continue making all monthly and other payments due under this Lease shall continue following a Loss, as if there had been no Loss, except in the case of option (d) above, in which case, your obligations to make monthly lease payments shall terminate.

12. **INSURANCE.** You shall keep the Equipment insured against all risks of a Loss at your expense for not less than the sum of the remaining monthly lease payments plus the full Replacement Value thereof. All such insurance shall be in form and with companies satisfactory to us and shall name us and our assignee(s) as Loss Payee as our interest may appear with respect to property damage coverage and require that the insurer give us at least ten (10) days written notice prior to the effective date of any modification or cancellation thereof. You may be able to add this insurance coverage to your existing commercial policy and should contact your insurance carrier or broker for that information. You shall deliver to us satisfactory evidence of insurance coverage required hereunder. The proceeds of such insurance payable as a result of a Loss shall be applied to satisfy your obligation as set forth in Section 11 above. Until such time as you provide us with satisfactory evidence of insurance coverage as required under this Section and at any other time during which insurance is not in force, you agree to purchase a Loss and Damage Waiver currently at the price of \$4.95 per month per unit of equipment, which amount we may change upon thirty (30) days' written notice to you, and which we may collect through ACH debits to your Account. Under the Loss and Damage Waiver, we will waive your responsibility for keeping the Equipment fully insured during the term of this Lease. In addition, in the event of a Loss, upon your notifying us of the same in writing that a Loss has occurred, and providing us with a copy of the applicable police or fire report, if any, and upon our determination that a Loss has in fact occurred, and provided that you are not at that time otherwise in default of this Lease, we will, at our sole option and discretion, either (a) provide for its replacement with equipment of comparable value and utility, in which case this Lease and all of your obligations hereunder shall continue, or (b) terminate this Lease, in which case your obligation to make monthly lease payments to us shall terminate. You acknowledge that the monies we collect from this Loss and Damage Waiver may provide us with a profit.

13. **EVENT OF DEFAULT; REMEDIES; CLAIMS.** If any one of the following events (each a "Default") shall occur, then to the extent permitted by applicable law, we shall have the right to exercise any one or more of the remedies set forth below: (i) you fail to pay any lease payment or any other payment hereunder when due; or (ii) you fail to perform or comply with any of the other terms, covenants, or conditions of this Lease. If a Default occurs, we may do any or all of the following at our option: (a) cancel this Lease and declare immediately due and payable and recover from you, by legal action or otherwise, an amount equal to all accrued, unpaid and future monthly lease payments scheduled to come due



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under this Lease, in addition to all other amounts due under this Lease, with interest at the rate of eighteen percent (18%) per annum until principal is paid (but only to the extent permitted by law), plus our collection costs, and reasonable attorneys' fees which you and we agree shall be no less than twenty-five percent (25%) of the total amount of the claim, plus the Replacement Value of the Equipment (in the event that you fail to return the Equipment to us); and/or (b) exercise any other right or remedy available at law or in equity. We may, but shall have no duty to, repossess and remarket the Equipment or otherwise mitigate any damages relating to the Equipment. All rights and remedies set forth above are cumulative and may be enforced concurrently. You and we acknowledge the difficulty in establishing a value for the unexpired lease term and owing to such difficulty agree that the provisions of this section represent an agreed measure of damages and are not to be deemed a forfeiture or penalty. Any delay or failure to enforce our rights hereunder will not prevent us from enforcing any rights at a later time. In addition to the foregoing, if you assert any claim, action, proceeding, counterclaim or lawsuit against us ("Claim"), and we are successful in defending such Claim, you agree to pay us our reasonable attorneys' fees and court costs in connection with defense of such Claim.

14. END OF LEASE TERM OPTIONS. At the expiration of the Lease Term or monthly renewal period, as described in this section, provided that you are not in default, you have the following options: (a) you may return the Equipment, freight prepaid, to us within ten days of the expiration of the Lease Term or monthly renewal period and pay us a \$150 restocking fee; or (b) provided that you notify us in writing within thirty (30) days prior to the expiration of the Lease Term or monthly renewal period that you wish to exercise this option, you may purchase the Equipment on an AS-IS WHERE-IS basis for its Replacement Value which amount shall be due at the expiration of the Lease Term or monthly renewal period. If you do not provide us with thirty days' written notice of your intention to exercise option (b) above, or if you fail to return the Equipment to us within ten (10) days of the expiration of the Lease Term or monthly renewal period, this Lease shall thereupon be extended on a month-to-month basis at the same monthly lease payment and upon the same terms and conditions set forth herein, including your End of Lease Term Option set forth in this section. If you paid the last monthly lease payment at the time of the signing of this Lease, such payment shall be applied (without interest) to the last monthly lease payment upon your return of the Equipment to us provided that no other sums are owing by you to us under the Lease, in which event we may apply such payment to any such amount outstanding. By exercising option (a) or (b) above, your obligation to make monthly lease payments for the Equipment shall terminate. However, the exercise of any option in this section will not extinguish any other payment obligations arising under this Lease, including the obligation to pay any unpaid amounts arising prior to the expiration of the lease term or monthly renewal period.

15. LATE PAYMENTS; COLLECTION COSTS. Whenever you do not make any payment in full when due under this Lease, you agree to pay us, in addition to any of the other remedies provided in this Lease, a late fee in an amount equal to eighteen percent (18%) of the full payment, but only to the extent allowed by law. Late fees shall be applied to each unpaid amount due under this Lease until such time, if any, that we declare all amounts immediately due and payable in accordance with section 13. You will also pay us a processing charge of \$20.00 for each returned check, each rejected ACH debit, or each returned credit card charge plus all other reasonable collection costs we incur. Payments may first be applied to late fees and processing charges and then to Lease obligations.

16. GOVERNING LAW; CHOICE OF FORUM; WAIVER OF JURY TRIAL; LIMITATION ON ACTION. You and we agree that our acceptance and execution of the Lease at our executive office in the City and State of New York shall be the final act necessary for the formation of this Lease. This Lease, and any and all actions, proceedings, and matters in dispute between you and us, whether arising from or relating to the Lease itself, or arising from alleged extra-contractual facts prior to, during, or subsequent to the Lease (all collectively referred to hereafter as a "Dispute"), shall be governed by the laws of the State of New York, without regard to the conflict of law, rules or principles thereof. All Disputes shall be instituted and prosecuted exclusively in the federal or state courts located in the State and County of New York notwithstanding that other courts may have jurisdiction over the parties and the subject matter. YOU AND WE WAIVE, INSOFAR AS PERMITTED BY LAW, TRIAL BY JURY IN ANY DISPUTE. We may properly serve you with legal process for any Dispute via certified mail by mailing same to your Mailing Address or to your current or last known address at the time of suit. Any cause of action you may have relating to a Dispute must be commenced within one year from the accrual of that cause of action.

17. ABILITY TO NEGOTIATE TERMS. For a limited period of time described below, you may negotiate certain terms and conditions of this Lease with us; you are not required to accept the terms and conditions as they currently appear in this Lease. If you wish to exercise this option, you must notify us in writing via certified mail within seven (7) days of the date you sign this Lease that you wish to exercise this option, and you must specifically set forth in good faith the particular term(s) that you wish to negotiate, whereupon you and we shall endeavor to negotiate in good faith alternative terms and conditions as may be mutually agreeable. In the event that you and we are unable to reach an agreement on modifications to this Lease following good faith negotiation, either party shall have the right to rescind this



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Lease by sending a notice in writing via certified mail within ten (10) days of the date that you exercised the option to negotiate certain terms and conditions of this Lease. Your failure to provide timely notice that you wish to exercise this option, and/or your failure to send a timely notice of rescission, shall constitute your full acceptance of all of the terms and conditions of this Lease. We suggest that you seek the advice of your legal counsel to discuss this option.

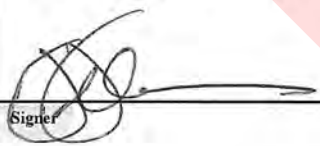
18. **SEVERABILITY.** We and you intend this Lease to be a valid and subsisting legal instrument, and agree that any provision of this Lease which may be deemed unenforceable shall be modified to the extent necessary to render it enforceable and shall in no way invalidate any other provision or provisions of this Lease, all of which shall remain in full force and effect. No delay by us in enforcing any rights under this Lease shall be interpreted as a waiver of such rights, and any payment obligation set forth in this Lease shall survive the expiration or termination of the Lease. The section headings contained in this Lease are for convenience and easy reference only and shall not in any way affect the meaning or construction of any provision of this Lease.

19. **NO AGENCY; ENTIRE AND FINAL AGREEMENT.** You understand and agree that we are an entirely separate and independent company from the Vendor, the manufacturer of the Equipment, and/or credit card processor for your merchant processing account, if any. The Vendor, the manufacturer of the Equipment and/or credit card processor, if any, are not our agent and are not authorized to waive or alter any term or condition of this Lease and their representations shall in no way affect your or our rights and obligations set forth in this Lease, including your unconditional and irrevocable obligation to make the monthly lease payments as set forth herein. We do not provide merchant processing services and this Lease does not cover any such services. Any arrangement you have or are contemplating making for a merchant processing account is entirely independent of this Lease, or to your obligations hereunder. Please refer to your agreement with your merchant processor, if any, or contact your merchant's processor's representative to discuss the terms of your existing merchant processing arrangement. This Lease contains the entire and final expression of the agreement between you and us, and may not be waived, altered, modified, revoked or rescinded except by a writing signed by one of our executive officers. All prior and/or contemporaneous oral and written representations are merged herein. No attempt at oral modification or rescission or termination of this Lease or any term thereof will be binding upon the parties.



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VENDOR'S BILL OF SALE
 For good and valuable consideration, the receipt of which is hereby acknowledged, the undersigned Vendor represents and warrants to Northern Leasing Systems, Inc. ("Lessor") that it is the absolute owner of the Equipment, that the Equipment is free and clear of all liens, charges and encumbrances, and that the undersigned has full right, power and authority to make this bill of sale, and hereby sells, assigns, transfers and sets over the Equipment to Lessor.

| | | |
|---|--------------------------|----------------------------|
|  Signer | CEO Title | 07/12/12 Dated |
| Vendor Name Secure Payment Systems | | |
| Address 10650 Scripps Ranch Blvd # 109 | City San Diego | State California |
| Vendor Phone No. 858-549-9001 | | |

LESSOR OFFICE USE ONLY

Accepted by **Northern Leasing Systems, Inc.**

| | | |
|-----------------|------------|-------|
| Signature/Title | Print Name | Dated |
|-----------------|------------|-------|