RoasTronix

# RENT-TO-OWN TERMS & CONDITIONS

In addition to the terms contained in the Master Equipment Rent-to-Own Agreement (the "Agreement"), the following terms and conditions govern the Customer's rental with option to purchase certain Equipment from AXH Group, LLC, d/b/a Roastronix. All capitalized and undefined terms shall have the meaning given to such term in the Agreement.

1. **INDEMNIFICATION**. Lessee hereby agrees to indemnify, defend and hold harmless the Lessor and its affiliates and each of their respective employees, officers, directors, agents, representatives, and insurers (the "**Indemnified Parties**") from and against, and release the same from, any and all losses, fines, penalties, damages, injuries, claims, suits, and other demands whatsoever (including reasonable attorneys' fees), regardless of the cause thereof, and regardless whether caused in whole or in part by the negligence of the Lessor, arising out of the use, condition, possession, transport, or operation of the Equipment, including, without limitation, property or rental taxes, environmental hazards, and reasonable attorneys' fees and expenses (the "**Claims**"). Lessee's indemnification obligations to Lessor shall survive the expiration of the Rental Term and any election by Lessee to purchase the Equipment at the end of the Rental Term as provided in the Agreement. Further, Lessee agrees that after payment of the Purchase Price as provided in the Agreement and under these Terms and Conditions, the Lessee shall indemnify, defend, and hold harmless the Indemnified Parties from and against any Claims, including, without limitation, personal injury and/or property damage, made on or against any of the Indemnified Parties, and caused by, or otherwise arising under or related, directly or indirectly, to (A) Lessee's ownership, possession, use, operation, custody, maintenance, repair, delivery, handling, or transportation of the Equipment after the payment of the Purchase Price, (B) any other action or omission of the Lessee after the payment of the Purchase Price, and/or (C) Lessee's violation of any applicable statutes, regulations, rules, codes, ordinances, and orders of lawfully constituted authorities, as may be amended from time to time.

2. **INSURANCE**. During the Rental Term up to the date the Lessee pays the Purchase Price, the Lessee is responsible for maintaining on the Equipment insurance against fire, theft, and such other damages or risks as appropriate, but in no event with limits less than the Equipment's replacement value as specified on the applicable Addendum, and as specified by the Lessor. On request by the Lessor, Lessee shall provide Lessor with insurance certificate(s) evidencing valid insurance coverage. Such insurance policies shall be endorsed to add the Lessor as an additional insured or loss payee as applicable and shall not be cancelled or materially changed without thirty (30) days' prior written notice to and authorization from the Lessor.

3. **MAINTENANCE, DAMAGE, AND LOSS OF THE EQUIPMENT**. Lessee shall, at Lessee's sole expense, keep and maintain the Equipment clean and in good and safe working order and repair during the Rental Term in accordance with any instructions provided by the Lessor and/or the manufacturer. Lessee shall not, without Lessor's written authorization, make or permit any changes, alterations, modifications, or improvements in or to the Equipment or remove therefrom any parts, accessories, attachments, or other equipment. If the Equipment requires repair, Lessee shall promptly notify Lessor. Costs of repair to the Equipment shall be borne by the Lessee to the extent indicated on the applicable Addendum

to this Agreement (in all cases, the Lessee shall be responsible for payment of all travel expenses relating to the dispatch of repair personnel to Lessee's site for on-site repair to Equipment). All repairs to the Equipment shall be made by personnel authorized by the Lessor. If the Equipment is lost, stolen, or damaged beyond repair, Lessee shall pay to Lessor within thirty (30) days the full replacement value of the Equipment stipulated on the applicable Addendum and shall continue to adhere to the terms and conditions of this Agreement throughout the remainder of the Rental Term.

4. **DEFAULT AND REMEDIES**. Lessee shall pay to Lessor a late fee charge of $150 on all payments not made within 7 days of the due date and a service charge of $50 for each check returned unpaid or credit declination. In addition, Lessee hereby acknowledges and agrees that if non-payment of Rent persists for more than ten (10) calendar days, Lessor may remotely turn off the Equipment until payment, including any late fee charges, is current. If the Lessee defaults in any other obligations under this Agreement and such default is not cured within ten (10) calendar days after written notice of such default from Lessor, then, without further notice, Lessor may terminate this Agreement, turn off the Equipment, and repossess all Equipment at Lessee's expense. If Lessee defaults and Lessor avails itself of its right of repossession, Lessee shall pay to Lessor all past, present, and future unpaid installments of Rent hereunder and the reasonable expenses, including freight, incurred by Lessor in repossessing the Equipment, together with attorneys' fees and costs, and specifically waives any damages Lessee might incur in connection with such repossession.

5. **ENCUMBRANCES, TAXES, AND OTHER LAWS**. During the Rental Term, Lessee shall not pledge, mortgage, or otherwise encumber the Equipment or permit to exist on the Equipment any lien, charge, or other right or interest and shall not permit any action that may in any way impair or adversely affect Lessor's right, title, and ownership in the Equipment. Lessee shall be responsible for complying with and conforming to all statutes, regulations, ordinances, and other applicable laws relating to the possession, use, or maintenance of the Equipment. Lessee shall promptly pay all taxes, fees, licenses, and other governmental charges, together with any interest, penalties, or fines thereon, relating to the possession, use, or maintenance of the Equipment.

6. **LIMITATION OF LIABILITY & WAIVER OF DAMAGES**. Neither Party shall be liable to the other Party for any indirect, special, incidental, or consequential loss or damages, including, without limitation, any loss of reputation, loss of goodwill, increase in operating costs, financial or economic loss, loss of use of the Equipment or any associated equipment, facilities or services, downtime costs, delays, claims of customers of the Lessee or other third parties for any damages, or any other incidental damages of any kind whatsoever.

7. **WARRANTY / SALE TERMS**. If Lessee exercises its option to purchase the Equipment at the end of the Rental Term (subject to payment in full of all installments of Rent owing on such Equipment), Lessor and Lessee agree that the Equipment to be purchased by Lessee at the end of the Rental Term is sold on an "**AS IS, WHERE IS, WITH ALL FAULTS**" basis. Title and risk of loss to the Equipment shall pass to the Lessee per the "D" terms or "F" terms governed by Incoterms 2000. **THE LESSOR MAKES NO REPRESENTATION OR WARRANTY, STATUTORY, EXPRESS, OR IMPLIED WITH RESPECT TO THE CONDITION OF THE EQUIPMENT SOLD TO LESSEE AT THE END OF THE**

**RENTAL TERM, INCLUDING, WITHOUT LIMITATION, MAKING NO WARRANTY THAT SUCH EQUIPMENT IS OR WILL BE MERCHANTABLE OR FIT FOR ANY PARTICULAR PURPOSE, EVEN IF THE LESSOR KNOWS OR HAS REASON TO KNOW THE LESSEE'S INTENDED PURPOSE. THE ONLY WARRANTY LESSOR MAKES WITH RESPECT TO THE EQUIPMENT PURCHASED BY LESSEE AT THE EXPIRATION OF THE RENTAL TERM IS THAT LESSOR IS THE SOLE OWNER OF THE EQUIPMENT AND THAT SUCH EQUIPMENT IS SOLD TO LESSEE, FREE AND CLEAR OF ALL TAXES, LIENS, OR OTHER ENCUMBRANCES.** On expiration of the Rental Term and Lessee's payment of all owing and outstanding installments of Rent together with the Purchase Price, the Lessee shall assume all risks and liability associated with ownership, possession, transportation, use, and/or disposition of such purchased Equipment. The Purchase Price does not include any state, federal, or use taxes, duties, fees, or charges now or hereafter enacted that are applicable to the Equipment or to the Lessee's purchase of such Equipment under these Terms and Conditions and under the Agreement, and all such taxes and other charges shall be the sole responsibility of the Lessee. On payment of the Purchase Price, the Lessee shall also be fully responsible for all maintenance and repair costs associated with ownership of the Equipment. If the Lessee resells the Equipment, the sale terms from the Lessor shall not transfer to any third party purchaser, and the Lessee shall indemnify and hold harmless the Lessor against any possible liability that the Lessor may incur as a result of such resale of the Equipment.

8. **INTELLECTUAL PROPERTY**.

   a. **Trademarks**. Neither the Lessee nor its employees, agents, or representatives are authorized to use any of the Lessor's trade names, trademarks, and/or logos.
   b. **Service & Reverse Engineering**. Neither the Lessee nor its employees, agents, or representatives are authorized to reverse engineer, disassemble, decompile, translate, or modify the Equipment. The Lessee shall restrict access to the internal structure of the Equipment to its employees, contractors, and other persons who may be approved by the Lessor. The Lessee shall take reasonable precautions to prevent access, unauthorized disassembly, and/or reverse engineering of the Equipment. Any diagnostics, maintenance, or service work must be carried out only by authorized service personnel approved solely at the discretion of the Lessor. The Lessee shall ensure that the Lessor or its authorized service personnel has full and free access to the Equipment so that Lessor can respond quickly to inspect and/or repair faulty Equipment.
   c. **Inventions and Information**. Unless otherwise expressly agreed in writing by the Lessor and the Lessee, all right, title, and interest in any inventions, developments, improvements, or modifications of or to the Equipment shall remain vested in the Lessor. The Lessor owns all rights to all trademarks, specifications, drawings, engineering instructions, data, material, equipment, software, processes, facilities and tooling, test equipment, manufacturing aids, and replacement items, now existing or hereafter created, except to the extent that title is specifically transferred in writing from the Lessor to the Lessee. Any design, manufacturing drawings, or other information provided to the Lessee remains the sole and exclusive property of the Lessor. The Lessee shall not, without the Lessor's prior written consent, copy or

disclose such information to a third party. Such information shall be used solely for the operation or maintenance of the Equipment and not for any other purpose, including the duplication thereof in whole or in part. The Lessee shall report to the Lessor any apparent infringements of the Lessor's intellectual property rights by third parties that come to the Lessee's notice. The Lessor has the sole right to determine what action, if any, should be taken with respect to any such infringement, and the Lessee agrees to cooperate in the conduct of any action brought or taken by the Lessor. The burden of costs and expenses will be agreed on between both parties when any such issue arises.

9. **GENERAL PROVISIONS**.

(a) This Agreement shall be construed in accordance with and governed by the laws of the State of Texas, without regard to its conflicts of laws rules. Any disputes hereunder that cannot be resolved amicably between the Parties by good faith negotiation will be subject to the exclusive jurisdiction of the State District Courts of Harris County, Texas, and/or the United States District Court for the Southern District of Texas, Houston Division, and the Parties hereby consent to such jurisdiction.

(b) Neither this Agreement nor the Lessee's right hereunder are assignable without Lessor's prior written consent.

(c) If any part or parts of this Agreement shall be held unenforceable for any reason, the remainder of this Agreement shall continue in full force and effect. If any provision of this Agreement is deemed invalid or unenforceable by any court of competent jurisdiction, and if limiting such provision would make the provision valid, then such provision shall be deemed to be construed as so limited.

(d) The covenants and conditions contained in the Agreement shall apply to and bind the Parties and the heirs, legal representatives, successors and permitted assigns of the Parties.

(e) This Agreement constitutes the entire agreement between the Parties and supersedes any prior understanding or representation of any kind preceding the date of this Agreement. There are no other promises, conditions, understandings, or other agreements, whether oral or written, relating to the subject matter of this Agreement. This Agreement may be modified in writing and must be signed by both Lessor and Lessee.

(f) The failure of either Party to enforce any provisions of this Agreement shall not be deemed a waiver or limitation of that Party's right to subsequently enforce and compel strict compliance with every provision of this Agreement. The acceptance of Rent by Lessor does not waive Lessor's right to enforce any provisions of this Agreement.

(g) Lessor's remedies in the event of default shall not be exclusive but shall be cumulative and in addition to all other remedies existing at law or in equity.

(h) Any notice required under this Agreement shall be given in writing by overnight courier or by U.S.P.S. mail at the address on this Agreement, or at such other place as either Party may designate in writing to the other Party.