



AGREEMENT FOR VENDING SERVICES

This agreement (**Agreement**) is entered into between client (**Client**) and Compass Group USA, Inc., by and through its Canteen Division (**Canteen**), who agree as follows:

DEFINITIONS

Equipment: vending and other related equipment provided by Canteen.

Products: food, beverage and sundry products supplied by Canteen.

Vending Services or the Services: the provision of Products via vending machines.

TERMS AND CONDITIONS

1. RESPONSIBILITIES OF THE PARTIES.

- Canteen shall install, maintain and service the Equipment in accordance with industry standards, laws and Exhibit A.
- Client grants to Canteen the exclusive right to provide the Services and install Equipment at the Premises.
- Client shall provide to Canteen the necessary space (secure for the Equipment), trash removal, extermination services, internet and utilities to permit the sanitary operation of the Services. In the event that there is a disruption in utilities, Client will notify Canteen when Client becomes aware of the disruption.
- Client shall maintain its Premises and service the areas around the Equipment in a sanitary manner in accordance with industry standards and laws. Client will provide Canteen employees access to the Equipment.

2. EQUIPMENT.

- Client has no title to or interest in Equipment or Products.
- Client will not operate, remove or tamper with the Equipment, unless necessary in connection with the Services. Client is responsible for any damage to the Equipment or Products (including theft) caused by the willful misconduct or negligent acts or omissions of Client, its agents or employees.
- In the event that a piece of Equipment is not generating an appropriate sales volume or revenues Canteen may, in its sole discretion: (i) remove such Equipment; or (ii) implement a subsidy arrangement upon mutual agreement.

3. INDEMNIFICATION AND INSURANCE.

- To the extent allowable by law, each party shall indemnify, defend and hold harmless the other party from any and all losses, damages or expenses, including reasonable attorneys' fees, arising out of or resulting from claims or actions for bodily injury, death, sickness, property damage, any breach or default hereunder or other injury or damage if caused by any negligent act or omission of the indemnifying party, its employees or agents. The indemnifying party must receive notice of any claim no later than 10 days after receipt of notice of the claim or lawsuit. This shall not be deemed a waiver of sovereign immunity or any other third party defense available to Client.
- Canteen shall maintain insurance as follows: commercial general liability (including contractual and products-completed operations liability) in an amount not less than \$1,000,000 each occurrence and \$2,000,000 general aggregate; business automobile coverage in an amount not less than \$1,000,000 each accident; and workers' compensation (including employers' liability coverage in an amount not less than \$1,000,000 each accident/each employee/policy limit) in an amount not less than that required by applicable statute.
- Client shall maintain commercial general liability insurance with policy limits of not less than \$1,000,000 per occurrence, with excess coverage in an amount not less than \$5,000,000 to cover claims in the aggregate, as well as property insurance against risks covered by standard forms of fire, theft and extended coverage in such amounts as appropriate.

4. TERM, DEFAULT AND TERMINATION. The term is three years beginning on the Effective Date (**Initial Term**) and thereafter will automatically renew for consecutive one year terms. If either party breaches this Agreement, the party claiming such breach will give written notice citing specifics. If, within 60 days from such notice, the breach is not corrected, the non-breaching party may terminate this Agreement on 30 days written notice. Additionally, either party may terminate this Agreement at the end of each renewal term upon 90 days prior written notice to the other party.

5. ASSIGNMENT/SUBCONTRACTING. Neither party may assign or, esubcontract this Agreement to an unaffiliated business entity without the prior written consent of the other party, which shall not be unreasonably withheld or delayed.

6. EQUAL EMPLOYMENT OPPORTUNITY CERTIFICATION. The parties shall abide by the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity or national origin. Moreover, these regulations require that the parties take affirmative action to employ and advance in employment individuals without regard to race, color,

religion, sex, sexual orientation, gender identity, national origin, protected veteran status or disability.

7. **NOTICES.** All notices required under this Agreement must be made by registered or certified mail (return receipt requested) or overnight courier to the addresses below. All such notice will be deemed to have been given upon receipt.

EFFECTIVE DATE: MAY 3, 2021

CLIENT: LEXINGTON FAYETTE URBAN COUNTY GOVERNMENT

By: _____

Name and Title: Mayor Linda Gorton

Signature Date: _____

PREMISES: 1165 CENTRE PARKWAY, LEXINGTON KY 40517

CLIENT NOTICE TO:

Name and Title: Mayor Linda Gorton

Principal Address: 1165 CENTRE PARKWAY,
LEXINGTON, KY 40517

**COMPASS GROUP USA, INC.,
BY AND THROUGH ITS CANTEEN DIVISION**

By: Tim Bailey
Name: Tim Bailey, Division President

Signature Date: 5-3-21

CANTEEN NOTICE TO:
Name: Tim Bailey, Division President

Address:

COPY OF NOTICE TO:
(i) General Counsel and Secretary
and
(ii) President, Canteen
2400 Yorkmont Road, Charlotte, NC 28217

EXHIBIT A
FINANCIAL ARRANGEMENTS-PROFIT AND LOSS

1. VENDING SERVICES

Product	Initial Unit Selling Price*
20 oz. Soda Bottles	\$1.49
Energy Drinks	\$3.00 - \$3.50
Candy	\$1.09 - \$2.59
Chips	\$1.09 - \$1.49
Pastry	\$1.29 - \$1.59

*The prices reflect a Ten Cent (\$0.10) discount for paying cash.

2. PRICE ADJUSTMENTS

- If there are changes in assumptions of population, hours, other conditions, labor costs (including benefits and insurance), product costs, fuel costs, Federal, state and local taxes or laws (including regulatory or legislative mandates) or other levy or tax that impacts Canteen's Services, Canteen may modify the prices accordingly.
- Notwithstanding the foregoing, Product prices may be adjusted by Canteen annually at a rate equal to the greater of the then-current, relevant rate published for the Employment Cost Index or the national or regional Consumer Price Index.