

LOCATION AGREEMENT

THIS AGREEMENT, made and entered into this ____ day of _____, 200____, by and between _____ of _____ (Hereinafter called Operator) and _____ (hereinafter called "Location"), shall provide for supplying, maintaining, servicing, and operating various gambling devices.

In consideration of the mutual agreements set forth herein, it is agreed as follows:

1. Operator will purchase, maintain, service, and place the following described gambling devices, or any replacements thereof, at Location's place of business:

2. Operator will provide a program of maintenance and service on such Devices. Operator agrees to respond in a reasonable fashion to any repair call. Operator shall have the right to make reasonable substitutions for the machines specified herein **PROVIDED** that any such substitution must be equal to or better than the machines specified herein.
3. Location agrees to provide such reasonable protection as is possible, given the intended use and placement of said devices. Location agrees to place the machines on the premises in an advantageous place to maximize their exposure to patrons, with the parties to initially agree to the placement and any modifications of the placement.
4. Operator warrants that the gambling devices covered by the Agreement meet the requirements of all applicable federal or state statutes, rules, or regulation. Operator will hold Location harmless and agrees to Indemnify Location of any damages, including attorney fees and court costs incurred by reason of failure of the gambling devices to meet such requirements.
5. Location will procure and pay for all necessary licenses to operate said devices on it's premises. Operator will procure and pay for all annual machine permits for gaming machines.
6. Net profits shall mean all gross revenues actually received by the devices; less all applicable taxes and monies paid out to patrons using the machines, and shall be shared as follows:

Operator: _____
Location: _____

7. The State of _____ gaming tax imposed on all gaming devices or machines, shall be calculated, collected and paid as follows:
 - a. Operator upon each collection, will calculate the gaming tax based upon the gross revenues generated by the devices, less all amounts paid out to patrons.
 - b. Operator will deposit the gaming tax so calculated into a separate trust account for the benefit of the Operator and Location.
 - c. Operator shall file all reports required by the State Department of Justice and shall pay all gaming taxes so collected and deposited into said trust account, in a timely manner.
 - d. All gaming tax shall be calculated and paid hereunder before the parties split the devices net profits as defined above.
8. Operator will collect all monies during Operator business hours from the devices at times convenient to the Location; and will forthwith remit to Location its share of the profits. Locations shall be entitled to observe or participate in the collection and counting process at any time.
9. This agreement is to be effective for a term of _____ years from the date first written above.
10. During the term of this agreement the Operator shall have the exclusive right to operate gambling devices at Location's place of business that Location may acquire during the term of this agreement.
11. It is further agreed that either party transfer, sell or assign its assets or business, or any portion thereof, such sale, transfer or assignment shall include the express permission that the buyer, transferee, or assignee shall assume and be bound by the terms of this agreement.
12. In the event of any breach or violation by Location of the terms and conditions of this Agreement, Operator shall be entitled to exercise and all remedies available at law.
13. No modification or alteration of this Agreement, except the changing of the machines as specified hereinabove, shall be valid and enforceable unless such modification or alteration is in writing and signed by the parties hereto.
14. This agreement shall be binding upon the heirs, successors, assigns, and personal representatives of the parties hereto. This agreement is deemed confidential by the parties, and shall not be disclosed to any third party except by written consent of the parties. Subject to the restrictions herein, the parties agree that an Abstract of the Agreement may be filed pursuant to "State" Code.
15. Location agrees that it has read and understands the Agreement and has received a confirmed copy of the Agreement.

ILLINOIS ONLY

PURSUANT TO SECTION 60(d) OF THE ACT, Licensed Establishment understands and agrees to be responsible for providing the “bank” to pay patrons as in an amount required by the Illinois Gaming Board.

PURSUANT TO SECTION 25(c) OF THE ACT , Terminal Operator and Licensed Establishment shall split after tax profits 50%-50% (the split).

PURSUANT TO SECTION 60(a) OF THE ACT, a tax must be paid to the State of Illinois prior to the Split. The current tax set by law is 30%.

Operator:

Company Name: _____

By: _____

Title: _____

Location:

By: _____

Title: _____