



**EQUIPMENT USE AGREEMENT  
(Bailment of Equipment)**

This Equipment Use Agreement (this “**Agreement**”) is made effective as of the \_\_\_ day of \_\_\_\_\_, 202\_ (“**Effective Date**”), by and between \_\_\_\_\_ (“**Distributor**”), and \_\_\_\_\_ (“**Client**”).

**Client Information**

Name:	Commencement Date: Upon delivery of Equipment
Tax Id. Number:	
Address:	Use and Purpose: cold beverage dispensing equipment exclusively for PORTO ALEGRE Products
Location where Equipment will be installed (if different from above):	
Client’s Contact Person:	Telephone:

**Equipment Information**

Item	Quantity	Model No. and Description

1. **TITLE.** Title to the Equipment is and shall at all times remain with Servi Industrias del Noroeste S.A./ Del Sol Foods, L.L.C., an Arizona limited liability company (“**Owner**”). Neither this Agreement nor the bailment created hereby shall be assigned by Client in any manner, and any such assignment shall be null and void. Client agrees to execute any and all documents which the Distributor or the Owner deems necessary to protect the Owner’s ownership and title to the Equipment.

2. **DELIVERY.** The Equipment shall be delivered to the Client by the Distributor within a reasonable time following the execution of this Agreement; provided, however, that Owner shall retain title to the Equipment at all times.



3. WARRANTY. THE EQUIPMENT IS ACCEPTED BY CLIENT AS IS WITHOUT ANY WARRANTY BY DISTRIBUTOR OR OWNER, WHETHER EXPRESS, IMPLIED OR STATUTORY, INCLUDING WITHOUT LIMITATION MERCHANTABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE.

4. USE. The Distributor shall permit Client to use the Equipment during the term of this Agreement only for such use and purpose specified herein; provided Client must purchase from Distributor at least ninety (90) half gallon units (15 cases) per month per Equipment with a three (3) month trial period from the Commencement Date. If the monthly consumption does not reach the minimum required for each Equipment at the end of the third month of the installation of the Equipment, Del Sol Foods will issue an invoice to the Client that can be paid in. If the monthly consumption is below 90 half gallons (15 cases) for 3 consecutive months after the trial period, Del Sol Foods will issue an invoice to the Client that can be paid in cash.

5. LOCATION OF EQUIPMENT. The Equipment shall be located at the site specified here at and shall not be removed from said location without Distributor's written consent. Client shall not transfer, sell or assign any interest in the Equipment and any attempt to do shall be null and void.

6. RISK OF LOSS AND DAMAGE. The cost for replacing the Equipment, in case of theft, damage, seizure, etc., shall be borne by Client and payable to the Owner which is estimated to be at least One Thousand Five Hundred Fifty Dollars (\$1,550.00) for a triple unit Crathco Classic D-35-3 (3 -5gal bowls) and for a Simplicity 4 units CS-4E-16 (4 -2.5gal bowls) One Thousand Seven Hundred Eighty Dollars (\$1,780.00) .

7. TERM OF BAILMENT. The term of this Agreement shall be for the period from the commencement date until terminated; provided, however, that the term of this Agreement may be terminated at any time by the Distributor or the Owner upon 48 hours prior written notice.

8. SAFEKEEPING OF EQUIPMENT. Client shall exercise due care for the safekeeping and maintenance of the Equipment so that the Equipment shall not be damaged in any manner during the term of this Agreement, keep it clean and in a good condition.

9. DEFAULT. Should Client fail to perform any of Client's obligations under this Agreement, fail to pay invoices of Product when due, or should Client commit any act of Bankruptcy or become the subject of any proceeding under any bankruptcy act while this Agreement is in effect, or abandons the location in which the Equipment will be located, or access is denied to such location, Client shall be in default under this Agreement. Upon the occurrence of any default by Client under this Agreement at any time thereafter, the Distributor may in its sole discretion do any one or more of the following: (i) immediately terminate this Agreement upon notice to Client; (ii) take possession of any or all items of Equipment without demand or notice, wherever the same may be located, without any court order or other process of law, and without liability to the Distributor or its agents for entry or for damage to property; and (iii) pursue any other remedy at law or in equity.

11. NOTICES. Notices shall be sent to the Distributor at its address located at \_\_\_\_\_ and to Client at its address set forth herein.



12. ENTIRE AGREEMENT. This Agreement constitute the entire understanding of the parties in respect of the subject matter hereof, and no representations, warranties or promises have been made that are not fully set forth herein. The parties understand and agree that no modification of this Agreement shall be binding unless such modification is in writing and executed by both parties. The Client further understands that the Equipment is protected by certain UCC Financing Statements with Owner as the secured party thereunder.

13. COST OF ENFORCEMENT. In the event a lawsuit is instituted by either party concerning a dispute or breach under this Agreement, the prevailing party in such lawsuit shall be entitled to recover from the losing party all reasonable attorneys' fees, costs of suit and expenses (including the reasonable fees, costs and expenses of appeals), in addition to whatever damages or other relief the injured party is otherwise entitled to under law.

14. APPLICABLE LAW. This Agreement shall be governed by and construed in accordance with the laws of the State of Arizona and the parties agree to submit to the jurisdiction of the Maricopa County Superior Courts.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers on the Effective Date.

**Distributor:**

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**Client:**

[ \_\_\_\_\_ ]

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_