

BEVERAGE AGREEMENT

Date: _____, 2016

Parties: **BOTTLER:** Great Lakes Coca-Cola Distribution, L.L.C., a Delaware
Limited Liability Company
6250 N. River Road, Suite 9000
Rosemont, IL 60018

ACCOUNT: Oregon Community Unit School District 220
Oregon Park District
206 South Tenth Street
Oregon, IL 61061

1. Definitions

(a) “Agreement Year” means each twelve-month period during the Term beginning with the first day of the Term, and any remaining period of time between the last twelve (12) month period and the end of the Term.

(b) “Beverage” or “Beverages” means all non-alcoholic beverages (i.e. anything consumed by drinking), whether or not such beverages (i) contain nutritive, food, or dairy ingredients, OR (ii) are in a frozen form. This definition applies without regard to the beverage's labeling or marketing. Powders, syrups, grounds (such as for coffee), herbs (such as for tea), concentrates, K-Cups®, pods and all other beverage bases from which Beverages can be made are deemed to be included in this definition. For the avoidance of doubt, “flavor enhancers”, “liquid water enhancers”, brands and products of water purification and Beverage making systems (e.g. Brita®, Soda Stream®), and non-alcoholic beverages sold as “shots” or “supplements” are considered Beverages. “Beverage” or “Beverages” shall not include fresh-brewed unbranded coffee and fresh-brewed unbranded tea products, unflavored dairy products, water drawn from the public water supply or unbranded juice squeezed fresh at the Facility.

(c) “Competitive Products” shall mean all Beverages which are not Products.

(d) “Concessionaire” means any current or future third-party food service provider under agreement with Account at the Facility that directly or indirectly relate to the service of Beverages.

(e) "Facility" or "Facilities" shall mean the entire premises of Oregon High School, Etnyre Middle School, Jefferson Elementary, Blackhawk Jr HS and Oregon Park District located in Oregon and Mount Morris, IL including all currently existing and future buildings, and includes, without limitation, the grounds, all vending and concession areas, sidelines, benches and locker rooms, branded and unbranded food service outlets and dining facilities.

(f) “Products” shall mean Beverage products purchased directly from Bottler or sold through vending machines owned and stocked exclusively by Bottler.

2. Term: July 1, 2016 (“Effective Date”) through June 30, 20121 (Fee Period)

3. Advertising Rights

(a) Account hereby grants to Bottler the exclusive right to advertise Beverages and specifically Products (i) at the Facility and (ii) in connection with the Facility. No permanent or temporary advertising, signage or trademark visibility for Competitive Products will be displayed or permitted anywhere at the Facility.

(b) Account agrees that it will use its best efforts to ensure Bottler's advertising shall be positioned at all times in such a manner that the advertising message is in no way obscured (electronically or otherwise) and is clearly visible to the general public. The Products shall be prominently listed on any menu boards located at the Facility and all equipment dispensing Products shall be prominently identified with the appropriate trademarks/logos.

(c) Account further agrees that all Products will be dispensed in Bottler's equipment and that no other trademarked, equipment, coolers or containers will be permitted.

4. Sponsorship Rights

(a) Bottler will have the exclusive right to advertise the Products as the "Official" or "Exclusive" soft drink, sports drink, water, tea, energy drink and/or juice or juice drink, etc. of the Facility.

(b) Account hereby grants to Bottler a royalty-free license, exclusive for Beverages, to use the trademarks, logos and other intellectual property of the Account and Facility ("Account Marks") in connection with the promotion of Products. Such promotion may occur in advertising (TV, radio, and print), packaging, vessels, promotional materials, and point of sale materials for Products and may be in connection with the marks and logos of Bottler's customers.

(c) Account will not enter into any agreement or relationship whereby any Competitive Products are associated in any manner with Account, the Facility, or any of the Account Marks in any advertising or promotional activity of any kind.

5. Product Rights

(a) Account hereby grants to Bottler the exclusive right to sell or distribute Beverages at the Facility. Account and/or its Concessionaires shall purchase all Products, (and cups, lids and carbon dioxide, if applicable) directly from Bottler. No Competitive Products may be sold, dispensed, sampled or served anywhere at the Facility.

(b) Account hereby grants to Bottler the exclusive Beverage vending rights at the Facility. Account agrees that Bottler shall have the right to place a minimum of Fifteen (15) Beverage vending machines **and/or coolers, etc.** in mutually agreed upon locations at the Facility.

(c) During the Term, Bottler will loan to Account, pursuant to the terms of Bottler's equipment placement agreement, at no cost, that Beverage dispensing equipment reasonably required and as mutually agreed upon to dispense Beverages at the Facility ("Equipment"). Account represents and warrants that electrical service at the Facility is proper and adequate for the installation of Equipment, and Account agrees to indemnify and hold Bottler harmless from any damages arising out of defective electrical services.

6. Consideration

In consideration of the rights and benefits granted to Bottler hereunder, Bottler agrees to provide Account with the following:

(a) Sponsorship Fees. Bottler agrees to pay Account an aggregate of Fifty Thousand Dollars (\$50,000) for the entire Term (the "Sponsorship Fees").

The Sponsorship Fees shall be paid in equal annual installments of Ten Thousand Dollars (\$10,000). The first installment shall be payable within sixty (60) days after the date this Agreement is fully executed and subsequent installments shall be due on or about the anniversary date after each Agreement Year remaining in the Fee Period. The Sponsorship Fees shall be deemed earned evenly over the Agreement Year for which they are paid.

(b) Commissions. Bottler agrees to pay Account a quarterly commission based on the commission rates and initial vend prices set forth in Exhibit A.

(c) Pricing. Account shall be entitled to purchase bottle/can Products from Bottler in accordance with the price schedule set forth in Exhibit B. Such prices shall remain in effect until July 1, 2017.

Thereafter, such prices will increase annually Five percent (5%) over the previous Agreement Year's price, except in the event of an increase in a component of Bottler's cost of goods, manufacture or delivery, or increases in taxes, deposits and other government related fees in which case Bottler may increase prices to cover such increased costs. Annual price increases shall occur automatically on July 2.

Bottlers may offer tiered pricing that requires Account to order certain quantities or to comply with Bottler's minimum order quantities to get the contractual price or may charge a delivery fee if such minimums are not met.

(d) Rebates. Bottler will pay Account a rebate of (i) Two Dollars (\$2.00) for each standard physical case of **20oz** Dasani, Dasani Flavors, 20oz Carbonated Soft Drinks and MM Refreshments, 20oz Powerade, 20oz Smartwater, **10oz** MMJTG and **20oz** Vitaminwater Product purchased and paid for by Account for sale at the Facility. Rebates paid on invoice.

(e) In the event Account employs a Concessionaire, Account will cause Concessionaire to purchase from Bottler all requirements for Beverages (and cups, lids and carbon dioxide, if applicable). Such purchases will be made at prices and on terms set forth in Bottler's existing agreement with Concessionaire, if any. If no agreement exists between Concessionaire and Bottler, such purchases will be made at prices and on terms set forth in this Agreement. Account acknowledges that there will be no duplication of allowances, funding or benefits (including pricing) to Account or Concessionaire if Concessionaire has an existing agreement with Bottler.

7. Termination

(a) If Account breaches any of its obligations set forth in this Agreement, then at its option and not as its sole remedy, Bottler may terminate this Agreement, and Account shall (i) return any Equipment, (ii) pay to Bottler a pro rata portion of the costs of refurbishing and installing the Equipment, and (iii) pay to Bottler the unearned portion of pre-paid Sponsorship Fees or other upfront funding, if any.

(b) Notwithstanding the other provisions of this Agreement, if any federal, state or local law, rule, regulation or order prohibits, restricts or in any manner interferes with the sale or advertising of Beverages at any time during the Term of this Agreement or if for any reason the use of the Facility declines, then at its option and not as its sole remedy, Bottler may terminate this Agreement and Account shall (i) return any Equipment, (ii) pay to Bottler a pro rata portion of the costs of refurbishing and installing the Equipment, and (iii) pay to Bottler the unearned portion of pre-paid Sponsorship Fees or other upfront funding, if any.

(c) Account represents and warrants that it has full right and authority to enter into this Agreement and to grant and convey to Bottler the rights set forth herein. Upon expiration or revocation of such authority, then at its option and not as its sole remedy, Bottler may terminate this Agreement, and Account shall (i) return any Equipment, (ii) pay to Bottler a pro rata portion of the costs of refurbishing and installing the Equipment, and (iii) pay to Bottler the unearned portion of pre-paid Sponsorship Fees or other upfront funding, if any.

(d) Bottler shall have the right to withhold and not pay further any amounts which may become payable to Account pursuant to this Agreement if: (i) Account has failed to perform its obligations hereunder, (ii) Bottler's rights hereunder have been lost, limited or restricted, or (iii) there exists a bona fide dispute between the parties.

(e) Nothing in this section shall operate to restrict any of Bottler's other remedies in the event of a material breach by Account.

8. Governing Law

This Agreement and any dispute arising out of or relating to this Agreement shall be governed by and construed in accordance with the laws of the State of Illinois, without reference to its conflict of law rules.

9. Compliance with Law

Each of the parties hereto agrees that it will, in its performance of its obligations hereunder, fully comply with all applicable laws, regulations and ordinances of all relevant authorities and shall obtain all licenses, registrations or other approvals required in order to fully perform its obligations hereunder.

10. Retention of Rights

Account shall not obtain, by this Agreement, any right, title or interest in the trademarks of The Coca-Cola Company or Bottler, nor shall this Agreement give Account the right to use, refer to, or incorporate in marketing or other materials the name, logos, trademarks or copyrights of Bottler or The Coca-Cola Company.

11. Confidentiality

During the Term, and for a one (1) year period thereafter, the parties shall keep the terms of this Agreement confidential, except for any disclosure required by law.

13. Jury Waiver

EACH PARTY, TO THE EXTENT PERMITTED BY LAW, KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ITS RIGHT TO A TRIAL BY JURY IN ANY ACTION OR OTHER LEGAL PROCEEDING ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT AND THE TRANSACTIONS IT CONTEMPLATES. THIS WAIVER APPLIES TO ANY ACTION OR LEGAL PROCEEDING, WHETHER ARISING IN CONTRACT, TORT OR OTHERWISE.

14. Entire Agreement

This Agreement and its exhibits contains the entire agreement between the parties with respect to the subject matter hereof. Account may not assign this Agreement without the prior written consent of the Bottler. All amendments to or waivers of this Agreement must be in writing signed by all the parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

BOTTLER

By: _____

Printed Name: _____

Title: _____

Date: _____

ACCOUNT

By: _____

Printed Name: _____

Title: _____

Date: _____

EXHIBIT A
COMMISSIONS

<u>Product</u>	<u>Vend Price</u>	<u>Commission Rate</u>
20oz. Carbonated soda	\$1.25	25%
12oz Carbonated soda	\$0.75	10%
20oz Powerade	\$1.50	25%
20oz Fuze Tea Refresh	\$1.25	25%
20oz Dasani Waters	\$1.25	25%
10oz MM Juice	\$1.25	25%
20oz PET Vitaminwater	\$1.75	25%

Commissions are paid based upon cash collected after deducting taxes, deposits, recycling fees, other handling fees, communication charges and credit and debit card fees, if any. Commissions shall not be payable on any sales from vending machines not filled or serviced exclusively by Bottler. Bottler may adjust the vend prices and/or commission rates as necessary to reflect changes in its costs, including cost of goods. Commissions will be paid each month following the month in which they are earned, with an accounting of all sales and monies in a form reasonably satisfactory to the Account, and shall become immediate property of Account.

EXHIBIT B
INITIAL PRICE SCHEDULE*

Product Description		Invoice Price Per Case	Rebate per Case On-Invoice
20 oz PET - DASANI		\$ 12.16	\$ 2.00
20 oz PET - DASANI Flavors		\$ 12.16	\$ 2.00
20 oz PET - KO CSD		\$ 24.31	\$ 2.00
20 oz PET - MM Refreshment		\$ 24.31	\$ 2.00
20 oz PET - POWERADE		\$ 24.31	\$ 2.00
20 oz PET - smartwater		\$ 25.68	\$ 2.00
16.9 oz PET - Honest Tea (12 ct)		\$ 16.56	\$ -
18.5 oz PET - Gold Peak (12 ct)		\$ 14.64	\$ -
10 oz PET - MMJTG		\$ 17.76	\$ 2.00
20 oz PET - vitaminwater		\$ 24.84	\$ 2.00

*All prices are per standard physical case and exclusive of taxes, deposits, handling fees, and recycling fees.