

## COMMERCIAL LEASE

THIS AGREEMENT is made by and between BGM Investments, LLC of Gillette, Wyoming, ("Lessor"), and BGM Partners, LLC of Gillette, Wyoming, ("Lessee").

WITNESSETH:

For and in consideration of the mutual covenants and agreements contained herein, the parties do hereby agree as follows:

1. Description of Property. Lessor does hereby agree to lease to the Lessee upon the terms and conditions stated herein the following real property, together with all improvements thereon:

600 South Douglas Highway  
Gillette, Wyoming 82716

and

603 South Miller Avenue  
Gillette, Wyoming 82716

2. Term of Lease. The term of this lease shall be for 3 (three) years commencing on the 1<sup>st</sup> day of July, 2013, and shall remain in force and effect to and including the 30<sup>th</sup> day of June, 2016, unless terminated or extended according to the provisions of this agreement.

3. Rent. Lessee agrees to pay as total rental for the premises the amount of \$30,000.00 per year. Lessee shall pay Lessor that amount in installments of \$2,500.00 per month. The first payment shall be due on July 1, 2013, which installment shall be pro-rated for that month, and the remaining payments shall be due and payable on or before the 1<sup>st</sup> (first) day of each succeeding month for the term of this lease.

4. Sale and Storage of Liquor. Lessee may sell or store alcoholic beverages (liquor) on the Premises provided that Lessee complies at all times with any applicable Federal, State or local liquor regulations. Lessee's violation of any Federal, State or local liquor regulations may be deemed a breach of this Agreement and, in such event, Lessor shall have all remedies upon default as provided in Section Eleven of this Agreement.

5. Use of the Premises. Lessee shall use the premise for its lawful business purposes as a liquor and lounge facility. Lessee agrees to comply with all laws, ordinances, rules, and regulations of any governmental authority which are applicable to the conduct of Lessee's business.

6. Alterations and Improvements. Lessee shall not, without the prior written consent of the Lessor, make any alterations, additions, or improvements to the premises.

7. Repairs. Any damage caused directly by Lessee not arising through normal wear and tear shall be the sole responsibility of the Lessee, and upon notice, Lessee, shall immediately repair the same. Lessor and Lessee agree that the leased premises are in a good and tenantable condition at the time of the execution of this agreement.

8. Condemnation. If the leased premises or any portion thereof as will make the leased premises unsuitable for the purposes of the lessee is condemned or taken under right of eminent domain by any legally constituted authority, then in either of such events, this lease shall cease on the date when possession is taken by the condemnor and rent shall be due to the Lessor until said date.

Such termination shall be without prejudice to the rights of either Lessor or Lessee to recover compensation from the condemning authority for any loss or damage caused

by the condemnation. Lessor nor Lessee shall have any rights in or to any award made to the other by the condemning authority.

9. Insurance and Indemnification. Lessee shall indemnify Lessor and save it harmless from any and all claims, actions, damages, liability, and expense in connection with the loss of life, personal injury, and/or damage to property occurring in or about, or arising from or out of the premises, or occasioned wholly or in part by any act or omission of Lessee, its agents, contractors, customers, or employees. Lessee shall keep in force, at its own expense, a commercial general public liability insurance policy with combined single limit for bodily injury and property damage of not less than \$1,000,000.00, and naming as insured both Lessor and Lessee and containing an express waiver of any subrogation against Lessor. A copy of such policy shall be delivered within ninety (90) days of the signing of this agreement to Lessor and shall be kept in full force and effect during the term of this lease.

10. Personal Property and Risk of Lessee. Personal property on the premises shall be at the risk of Lessee. Lessor shall not be liable for any damage to any personal property at any time in the premises not due to its negligence which may be caused by fire, steam electricity, sewage, gas or odors, or from water, rain, or snow which may leak into, issue, or flow from any part of the premises or from pipes or plumbing works of the same, or from any other place.

11. Default. Any of the following events shall constitute a default of this lease:

a. The Lessees failure to pay any rent to Lessor when the same is due and payable under the terms of this lease.



b. Lessee's failure to perform any other duty or obligations imposed upon it by this lease, and such default shall continue for a period of ten (10) days after written notice thereof has been given by Lessor.

c. The filing of a petition in bankruptcy or insolvency or for reorganization under any bankruptcy act or the making of an assignment for the benefit of creditors by Lessee.

d. The sale of the interest of Lessee in the premises under execution or other legal process.

In the event of any such default of Lessee, Lessor may at any time thereafter, with or without notice or demand, and without limiting Lessor in the exercise of any other right or remedy which Lessor may have by reason of such default, whether created by statute or case law, and without terminating this lease, re-enter the premises and take possession of the same, and all equipment and fixtures therein, and at any time re-let the premises or any part thereof for the account of Lessee, for such terms and upon such conditions and at such rental as Lessor may deem proper. In such event, Lessor may receive and collect rent from such re-letting and apply it against any amount due from Lessor hereunder, including, without limitation, such expenses as Lessor may have incurred in recovering possession of the premises, placing the same in good order and condition, and all other expenses, commissions, and charges, including attorney's fees, which Lessor may have paid or incurred in connection with said repossession and re-letting. Lessor may execute any lease made pursuant hereto in Lessor's name or in the name of Lessee, as Lessor may see fit, and Lessee shall have no right to any rent collected thereunder. Whether or not the premises are re-let, Lessee shall pay Lessor all amounts required to be paid by Lessee to the date of Lessor's re-entry, and, thereafter, Lessee shall pay Lessor, until the end of the term

hereof, the amount of all rent and other charges required to be paid by Lessee hereunder, less the proceeds of such re-letting during the term hereof, if any, after payment of Lessor's expenses as provided above. Such payment by Lessee shall be done at such times as are provided elsewhere in this lease, and Lessor need not wait until the termination of this lease to recover them by legal action or otherwise.

Lessor shall not, by any re-entry or other act, be deemed to have terminated this lease or the liability of Lessee for the total rent reserved hereunder unless Lessor shall give Lessee written notice of Lessor's election to terminate this lease.

Lessor shall have the right to cancel and terminate this lease upon default by giving written notice to Lessee, and upon such termination, Lessor shall have the right to re-enter the premises and take possession of the same and all equipment and fixtures therein. In such event, Lessor shall thereupon be entitled to recover from Lessee the worth, at the time of such termination, of the excess, if any, of the rent and other charges required to be paid by Lessee hereunder for the balance of the term hereof (if the lease had not been so terminate), or the then reasonable rental value of the premises for the same period.

Lessor shall not be deemed in default in the performance of any obligation required to be performed by it hereunder unless and until it has failed to perform such obligations within thirty (30) days after written notice by Lessee to Lessor, specifying wherein Lessor has failed to perform such obligations; that if the nature of the Lessor's obligation is such that more than thirty (30) days are required for its performance, then Lessor shall not be deemed to be in default if it shall commence such performance within such 30-day period.

12. Lien on Personal Property and Abandoned Property. All goods, chattels, fixtures, and other personal property belonging to Lessee which are in or are put into the premises during said term shall at all times be bound with a lien in favor of Lessor and shall be chargeable for all rent hereunder and the fulfillment of all other covenants and agreements herein.

Should Lessee vacate or abandon the premises and leave any goods or chattels in, upon, or about the premises for a period of more than ten (10) days after such vacation or abandonment or after termination of this lease in any manner whatsoever, then Lessor shall have the right to sell, after ten (10) days written notice to Lessee, all or any part of the property at public or private sale and apply the proceeds of such sale first to the payment of all costs and expenses of conducting the same and caring for or storing the goods and chattels and, second, to apply to the balance, if any, of any indebtedness due from Lessee to Lessor.

13. Assignment, Mortgage, or Sublease. Lessee shall not assign, mortgage, pledge, or encumber this lease or sublet the premises in whole or in part or permit the premises to be used or occupied by others without the prior consent in writing of Lessor.

14. Lessor's Reserved Rights. Lessor reserves the right to:

- a. Inspect the premises during normal business hours.
- b. Make repairs and improvements, structural or otherwise, in or to the premises as Lessor deems desirable or necessary, so long as said improvements do not interfere with the operation of the conduct of business by the Lessee.

15. Utilities. Lessee shall be responsible for all charges for gas, electricity, light, heat, power, and telephone or other communication service used, rendered, or supplied upon or



in connection with the leased premises and shall indemnify the Lessor against any liability or damages on such account.

16. Notice. Any notice or demand required by the provisions of this lease to be given to either of the parties shall be deemed to have been given adequately if sent by United States certified or registered mail to the following addresses:

LESSOR: BGM Investments, LLC  
P.O. Box 878  
Gillette, WY 82717-0878

LESSEE: BGM Partners, LLC  
P.O. Box 878  
Gillette, WY 82717-0878

17. Holding Over/Extension. In the event Lessee fails to deliver possession of the premises by the last day of the initial term or any extension thereof, this lease shall be extended on a month-to-month basis and all terms and conditions as are in effect during the initial term of the lease or the last extension, if the lease has been extended, shall remain in full force and effect. During any such hold over period the lease can be terminated by thirty (30) days written notice to either party.

18. Miscellaneous.

a. This agreement shall be binding on and shall inure to the benefit of the parties hereto, their heirs, executors, and assigns.

b. Time is of the essence in all provisions of this lease.

c. The failure of Lessor to insist upon strict performance of any of the covenants, agreements, or obligations of this lease shall not be deemed a waiver of any subsequent breach or default of any of the covenants, agreements, or obligations of this lease.

d. In the event it becomes necessary for either of the parties to this agreement to file suit for the enforcement of any of the terms herein, the successful party shall be entitled to collect from the other party all attorney's fees and costs.

e. Any amendments or changes in this lease shall be in writing and shall be signed by both Lessee and Lessor.

f. BGM Investments, LLC acknowledges the law firm of Stevens, Edwards, Hallock, Carpenter and Phillips, P.C. prepared this Commercial Lease, and BGM Partners, LLC should consult its own legal counsel if BGM Partners, LLC has questions regarding the effect, validity, or legality of this transaction.

g. This agreement shall constitute the entire agreement between the parties and prior understanding or representation of any kind preceding the date of this agreement shall not be binding upon either party except to the extent incorporated in this agreement.

EXECUTED this 8<sup>th</sup> day of May, 2013.

LESSOR:  
BGM Investments, LLC

  
\_\_\_\_\_  
Bruce Brown, Managing Member

LESSEE:  
BGM Partners, LLC

  
\_\_\_\_\_  
Bruce Brown, Managing Member