

CEDAR HILLS GOLF CLUB BEVERAGE SALES AGREEMENT

This beverage sales agreement (this "Agreement") between, on the one hand, the Pepsi-Cola Bottler with business offices at 940 North Spring Creek Place Springville, UT 84663 ("Pepsi-Cola Bottler"), and on the other hand Cedar Hills Golf Club ("Customer"), with business offices at 10640 Clubhouse Drive Pleasant Grove, UT 84062, sets forth the agreement of the parties hereto with respect to the purchase and promotion of Pepsi-Cola beverage products.

1. Term

The term of this Agreement (the "Term") shall commence on January 27th, 2014, and expire upon February 1st, 2019. When fully executed this Agreement will constitute a binding obligation of both parties, until such time as the foregoing commitment of the Customer has been fulfilled.

For purposes of this Agreement the term "Year" shall mean a twelve (12) month period during the Term beginning on the first day of the Term or anniversary thereof.

2. Scope

During the Term, Customer shall purchase Pepsi-Cola Bottler's beverage products from Pepsi-Cola Bottler to be sold in outlets currently operated by Customer, and such further outlets that may be subsequently opened or acquired by the Customer during the Term (the "Outlets").

For purposes of this Agreement, the term "Gallons" shall mean gallons of postmix products purchased by Customer from Pepsi-Cola Bottler under this Agreement and during its Term. Pepsi-Cola Bottler shall make its beverage products available to Customer based on the price and product list as outlined in Exhibit A attached hereto.

3. Exclusivity

Pepsi-Cola Bottler will be the exclusive fountain beverage supplier including flavor enhancement products to Customer during the Term. Accordingly except as provided below, Pepsi-Cola beverage products will be the exclusive fountain beverages sold, dispensed or otherwise made available, or in any way advertised, displayed, or promoted at or in connection with the Outlets by any method or through any medium whatsoever (including, without limitation, print, television, radio, internet, coupons, in-store displays and signage). Pepsi-Cola's CO₂, fountain cups, lids, straws, and all other beverage vessels will be the exclusive products offered by Customer. Dr Pepper and Diet Dr Pepper BIB's will be sourced from Pepsi-Cola Bottler for the term of this Agreement.

4. Equipment

Upon execution of this Agreement or at such time as the useful life of Customer's existing Beverage equipment in each Outlet expires, Pepsi-Cola Bottler shall provide all dispensing Equipment mutually agreed upon by Pepsi-Cola Bottler and Customer necessary to dispense and sell Pepsi-Cola beverage products at no charge to Customer to be used exclusively for Pepsi-Cola beverage Products (the "Equipment"). All equipment and signage provided will remain the

sole property of Pepsi-Cola Bottler and equipment will be updated and maintained as needed as outlined in Exhibit C

5. Funding

In consideration of Customer's performance of its obligations hereunder, Pepsi-Cola Bottler shall make funding available to Customer as outlined on Exhibit B attached hereto:

6. Service Program

Pepsi-Cola Bottler will cause service to be provided to Equipment at no charge.

7. Performance Requirements

This Agreement, including all of Pepsi-Cola Bottler's support to Customer as described above, is contingent upon the Customer complying with the following performance criteria throughout the Term in or with respect to each of the Outlets.

7.1 Brands

At least the following Brands will be served in all outlets:

Pepsi, Diet Pepsi, Mountain Dew, Root Beer, Dr Pepper, 7up.

7.2 Brand Identification

There will be brand identification for each beverage product served on all menus, menu boards and postmix dispensing valves.

7.3 No Re-Sale

Customer will use the postmix products only to prepare the Fountain Products: (i) in accordance with procedures and standards established by Pepsi-Cola Bottler; and (ii) only for immediate or imminent consumption and shall not resell the postmix products.

7.4 List of Outlets

Customer will provide Pepsi-Cola Bottler, upon execution of this Agreement an electronic list of all Outlets, including name, location, telephone number(s) and points of contact for each Outlet, and thereafter for the remainder of the Term, Customer shall continue to be responsible for promptly notifying Pepsi-Cola Bottler, in writing, of each Outlet that is opened, acquired, closed or sold, and the relevant information pertaining thereto as outlined on Exhibit D.

8. General Terms

8.1 Termination

Either party may terminate this Agreement if the other commits a material breach of this Agreement; provided, however, that the terminating party has given the other party written notice of the breach and the other party has failed to remedy or cure the breach within ninety (90) days of such notice.

8.2 Remedies

If this Agreement is terminated before its expiration date or Customer fails to purchase and serve the beverage products in the Outlets throughout the Term, the Customer shall immediately make the following payments to Pepsi-Cola Bottler:

- 8.2.1 A payment reflecting reimbursement for all funding previously advanced by Pepsi-Cola Bottler but not earned by the Customer pursuant to the terms of this Agreement plus compounded interest, on such unearned funding, at the rate of 11% per year based on the time between commencement of the Agreement through the date of termination;
- 8.2.2 At Pepsi-Cola Bottler's election, Customer shall surrender to Pepsi-Cola Bottler all Equipment installed in the Outlets, whether leased, loaned or otherwise made available by Pepsi-Cola Bottler; and
- 8.2.3 A payment to Pepsi-Cola Bottler reflecting reimbursement for the cost of installation, service and refurbishing of Equipment provided during the Term and the cost of removal of all Equipment that has been installed in the Outlets, if applicable.

The specification of the foregoing remedies is not intended to restrict the right of either party to pursue other remedies or damages if the other party has breached the terms of this Agreement.

8.3 Expiration

If upon expiration, upon expiration of this Agreement, if Customer has not entered into a further agreement with Pepsi-Cola Bottler for the purchase of beverage products, Customer shall surrender to Pepsi-Cola Bottler all Equipment installed in the Outlets, whether leased, loaned or otherwise made available by Pepsi-Cola Bottler.

8.4 Right of Offset

Pepsi-Cola Bottler reserves the right to withhold payments due hereunder as an offset against amounts not paid by Customer for beverage products delivered to Customer.

8.5 Customer Representation

Customer represents and warrants to Pepsi-Cola Bottler that the execution, delivery and performance of this Agreement by Customer will not violate any agreements with, or rights of, third parties.

8.6 Entire Agreement

This Agreement contains the entire agreement between the parties hereto regarding the subject matter hereof and supersedes all other agreements between the parties, including prior funding commitments relating to the purchase of the beverage products by Customer. This Agreement may be amended or modified only by a writing signed by each of the Parties.

8.7 Non-Disclosure

Except as may otherwise be required by law or legal process, neither party shall disclose to unrelated third parties the terms and conditions of this Agreement without the consent of the

other.

8.8 Acquisition and Assignment

In the event that a third party acquires Customer or all or a group of the Outlets, or if Customer is acquired in a merger, Customer shall, in connection with such transaction, cause the acquiring party, in writing, to ratify this Agreement and assume all of the obligations of Customer hereunder. In the event that Customer does not deliver written evidence of such ratification and assumption of this Agreement by the acquiring party within ten days following the closing of the transaction, Pepsi-Cola Bottler may, at its option, terminate this Agreement effective immediately and Customer shall pay to Pepsi-Cola Bottler all sums specified in paragraph 8.2 ("Remedies") with respect to all affected Outlets.

8.9 Dispute Resolution

Any dispute between the Parties regarding application, interpretation, or enforcement of this Agreement shall be subject to expedited binding arbitration under the auspices of and the rules of the American Arbitration Association, or such other dispute resolution entity mutually agreeable to the parties. Any hearing under this process shall take place in the vicinity of Springville, Utah.

This Agreement shall not be otherwise assignable without the written consent of Pepsi-Cola Bottler.

8.10 Governing Law

This Agreement shall be governed by the laws of the State of Utah.

8.11 Right of First Refusal

Upon expiration or termination of this Agreement, Customer hereby grants Pepsi-Cola Bottler the right of first refusal to match any offer made to Customer by any third party with respect to the supply of fountain beverage soft drink products to Customer and/or its Outlets.

If the foregoing correctly sets forth our understanding, please sign below to confirm our agreement.

CEDAR HILLS GOLF CLUB

By: DAVID H. BUNKER

Signature: David H. Bunker

Title: Owner CITY MANAGER

Date: 1/27/14

Fed Tax Id #: 12246934-002-STE

PEPSI-COLA BOTTLER COMPANY

By: Wes Banks

Signature: Wes Banks

Title: On-Premise Manager

Date: 1/27/14

EXHIBIT A
PRICING

Pricing

	<u>Package</u>	<u>Cost per BIB</u>
• CARBONATED & NON CARB	5 Gallon BIB	\$64.90
• CARBONATED	3 Gallon BIB	\$40.29
• SOBE	3 Gallon BIB	\$46.44
• CO2	20 lb.	\$34.65 plus deposit
	50 lb.	\$63.00 plus deposit

Pepsi-Cola Bottler reserves the right to review pricing of this Agreement and to adjust the prices, if necessary.

EXHIBIT B
FUNDING

Annual Funding

Pepsi-Cola of Springville agrees to provide \$2,000 per year to Cedar Hills Golf Club to use towards the purchase of range balls.

Pepsi Cola of Springville will give Cedar Hills Golf Club \$350 worth of free product annually for the city's annual golf day.

Per Gallon Rebate

Pepsi-Cola Bottler will pay Cedar Hills Golf Club \$1.50 per gallon on all gallons purchased as long as they exclusively purchase our fountain supplies.

These funds will be paid semi-annually in February and August.

Cedar Hills Golf Club

In return Cedar Hills Golf Club will provide 50 rounds of golf including golf carts to Pepsi Cola of Springville annually at no charge.

Cedar Hills Golf Club will provide name recognition around practice areas and wherever they recognize their sponsors around the club house.

EXHIBIT C
EQUIPMENT

Pepsi will provide all mutually agreed equipment at each location.