

THIS AGREEMENT entered into this ____ day of _____, by and between the Arizona Business Enterprise Program, State Licensing Agency (hereinafter, SLA), and____, licensed as a blind vendor under the Randolph-Sheppard program (hereinafter, Operator) by the SLA, WITNESSETH;

WHEREAS, the SLA has been granted a permit or contract, by the _____ for the operation of a vending facility by a licensed blind Operator under the Randolph-Sheppard program (hereinafter, permit) on the Federal property located at_____, a copy of which permit or contract is attached hereto and made a part hereof; and

WHEREAS, the SLA has offered the vendor the opportunity to operate the vending facility under the terms and conditions hereinafter set forth; and

WHEREAS, the vendor has agreed to undertake the operation of the vending facility under the terms and conditions hereinafter set forth; and

WHEREAS, the parties do not intend to derogate in any way from responsibilities and rights imposed and granted by applicable Federal, State, or Local laws or regulations by this agreement;

NOW, THEREFORE, in consideration of the premises, it is mutually agreed as follows:

A. THE SLA

The SLA will equip the vending facility for carrying out the business authorized by the permit.

The SLA will furnish initial stocks of merchandise and petty cash sufficient to enable the vendor to commence operating the business authorized by the permit. The SLA will also furnish the vendor with a complete inventory of all equipment, initial stocks, and petty cash provided.

The SLA will provide, or will provide for, supervisory and management services necessary for the efficient operation of the vending facility.

B. THE VENDOR

The Operator will be responsible for having the vending facility open for business on the days and during the hours specified in the permit.

The Operator will operate the vending facility business on a cash basis except for such credit accounts as may be established or authorized by the SLA.

The Operator will carry on the business of the vending facility in compliance with applicable health laws and regulations and the regulations governing the Business Enterprise Program.

The Operator will maintain a neat business-like appearance while working at the vending facility, and will conduct the facility in an orderly, business-like manner.

The Operator will take proper care of the equipment of the vending facility, and will make alterations or changes or purchase additional equipment therein only with the approval of the SLA.

The Operator will notify the SLA a reasonable time in advance of taking any voluntary leave from the vending facility, and as soon as possible with respect to any involuntary leave.

The Operator will keep such records and make such reports as the SLA shall require.

C. GENERAL

The business to be carried on at the vending facility will be limited to that specified and authorized in the permit.

The right, title, and interest in and to the equipment of the vending facility, the stock in trade, and funds on hand are vested in the SLA, and will be left at the vending facility or turned over to the SLA on the termination of this agreement for any reason by either of the parties. In such an event the fair market value of the vendor's interest will be determined by the SLA and paid to the Operator or to the Operator's heirs or assignees, or credited/debited to the Operator's responsible inventory.

The monthly income of the vendor shall be the net profits of the business of the vending facility for the period in question, less the funds which must be set aside as established in writing by the SLA pursuant to 45 CFR 1369.9. If one of the purposes of the funds set aside is assuring a fair minimum return to Operators, the net profits will be handled according to BEP policy in respect to fair minimum.

Rebates, commissions, or bonuses received by the Operator from suppliers are, and must be accounted for as, income of the vending facility. Under no circumstances are such funds to be treated as the separate, personal funds of the vendor.

Merchandise taken from the stock in trade of the vending facility by the Operator for his own use shall be accounted for by the vendor and paid for at cost prices.

The business and premises of the vending facility shall be covered by public liability and product liability insurance. The cost of such insurance shall be a cost of operating the business of the vending facility and taken into account as such in determining the net proceeds of the business.

This agreement may be terminated at any time by the Operator. It shall be terminated upon the revocation or termination of the permit or contract. In addition, it may be terminated by the SLA if the business of the vending facility is not conducted in accordance with this agreement, or with applicable Federal, State, or local laws and the regulations governing the Business Enterprise Program, or for cause, as defined in Exhibit I.

State Licensing Agency

I certify by my signature that the regulations governing the Business Enterprise Program and the terms of this Agreement have been read and explained to me.

DATE: _____ BY _____
Arizona Business Enterprise Program

DATE: _____ BY _____
Name, Operator

DATE: _____ BY _____
Witness

*This Agreement between the parties is temporary, up to a period of six (6) months and can be terminated at any time prior to the six (6) months. This Agreement may also be extended monthly basis.

EXHIBIT 1

Personal conduct while functioning in official AzBEP activities which could be cause for cancellation of this Agreement:

1. Fraud in securing appointment
2. Neglect of duty
3. Dishonesty
4. Drunkenness on duty
5. Addiction to the use of narcotics or habit-forming drugs
6. Final conviction of a felony or misdemeanor involving moral turpitude
7. Discourteous treatment of the public
8. Misuse or unauthorized use of State property

I certify by my signature that Exhibit I has been read and explained to me and that I will comply with the provisions contained therein.

DATE: _____ BY _____
Arizona Business Enterprise Program

DATE: _____ BY _____
Name, Operator

DATE: _____ BY _____
Witness

EXHIBIT II

The Operator must be able to present documentation verifying continuing liability coverage 30 days prior to the renewal/expiration date of the existing policy.

Such documentation must include:

1. A guarantee of the Operator's coverage (certification of insurance) confirming coverage and identifying the period of coverage.
2. Verification from the insurance company that the Department of Economic Security is included in the plan as additional insured.
3. The limits of the coverage provide adequate protection (i.e., \$1 million comprehensive coverage).
4. The insurance company will offer DES/RSA 30 days prior written notification before canceling a manager's coverage.

Failure to show such documentation will result in termination of this Agreement by the SLA.

This Exhibit hereby becomes a part of and is officially attached to the Operator Agreement.

State Licensing Agency _____.

I certify by my signature that Exhibit II has been read and explained to me and that I will comply with the provisions contained therein.

DATE: _____ BY _____
Arizona Business Enterprise Program

DATE: _____ BY _____
Name, Operator

DATE: _____ BY _____
Witness

EXHIBIT III

The Operator will agree to comply with the following requirements:

1. Prices cannot be raised without approval of the location's grantor and the AzBEP consultant.
2. Operator will not remove, replace or add any vending machines or other equipment without written approval of the AzBEP consultant.
3. During the period of the initial twelve-month probation, the Operator will review all video training tapes pertaining to vending, at the AzBEP office.
4. Operator shall take vending machine meter readings on the last day of the month and submit them with the monthly operating statement.
5. Operator shall not make any long distance or toll calls from the telephone in the facility, per grantor contract. Also, since there is a telephone in the facility, there will be no expense allowed for any other type of phone.
6. Operator shall not contact grantor directly, but must communicate through the AzBEP Consultant. N/A

Failure to adhere to these requirements will result in termination of this Agreement by the SLA.

This Exhibit hereby becomes a part of and is officially attached to the Operator Agreement.

State Licensing Agency _____.

I certify by my signature that Exhibit III has been read and explained to me and that I will comply with the provisions contained therein.

DATE: _____ BY _____
Arizona Business Enterprise Program

DATE: _____ BY _____
Name, Operator

DATE: _____ BY _____
Witness

**EXHIBIT III
(FACILITY ONLY)**

The Operator will agree to comply with the following requirements:

1. Prices cannot be raised without approval of the location's grantor and the AzBEP consultant.
2. Operator will not remove, replace or add any vending machines or other equipment without written approval of the AzBEP consultant.
3. During the period of the initial twelve-month probation, the Operator will review all video training tapes pertaining to vending, at the AzBEP office.
4. Operator shall take vending machine meter readings on the last day of the month and submit them with the monthly operating statement.
5. Operator shall not make any long distance or toll calls from the telephone in the facility, per grantor contract. Also, since there is a telephone in the facility, there will be no expense allowed for any other type of phone.
6. There shall be no food prepared on the premises.
7. Operator shall not contact grantor directly, but must communicate through the AzBEP Consultant. N/A
8. No change of specified product without prior approval of AzBEP Consultant, per grantor contract.

Failure to adhere to these requirements will result in termination of this Agreement by the SLA.

This Exhibit hereby becomes a part of and is officially attached to the Operator Agreement.

State Licensing Agency _____.

I certify by my signature that Exhibit III has been read and explained to me and that I will comply with the provisions contained therein.

DATE: _____ BY _____
Arizona Business Enterprise Program

DATE: _____ BY _____
Name, Operator

DATE: _____ BY _____
Witness

**EXHIBIT III
(Vending Bank Only)**

The Operator will agree to comply with the following requirements:

1. Prices cannot be raised without approval of the location's grantor and the AzBEP consultant.
2. Operator will not remove, replace or add any vending machines or other equipment without written approval of the AzBEP consultant.
3. During the period of the initial twelve-month probation, the Operator will review all video training tapes pertaining to vending, at the AzBEP office.
4. Operator shall take vending machine meter readings on the last day of the month and submit them with the monthly operating statement.
5. Operator shall not make any long distance or toll calls from the telephone in the facility, per grantor contract. Also, since there is a telephone in the facility, there will be no expense allowed for any other type of phone.
6. There shall be no food prepared on the premises.
7. Operator shall not contact grantor directly, but must communicate through the AzBEP Consultant. N/A
8. No change of specified product without prior approval of AzBEP Consultant, per grantor contract.

Failure to adhere to these requirements will result in termination of this Agreement by the SLA.

This Exhibit hereby becomes a part of and is officially attached to the Operator Agreement.

State Licensing Agency _____.

I certify by my signature that Exhibit III has been read and explained to me and that I will comply with the provisions contained therein.

DATE: _____ BY _____
Arizona Business Enterprise Program

DATE: _____ BY _____
Name, Operator

DATE: _____ BY _____
Witness

**EXHIBIT III
(Vending Route Only)**

The Operator will agree to comply with the following requirements:

1. Prices cannot be raised without approval of the location's grantor and the AzBEP consultant.
2. Operator will not remove, replace or add any vending machines or other equipment without written approval of the AzBEP consultant.
3. During the period of the initial twelve-month probation, the Operator will review all video training tapes pertaining to vending, at the AzBEP office.
4. Operator shall take vending machine meter readings on the last day of the month and submit them with the monthly operating statement.
5. Operator shall not contact grantor directly, but must communicate through the AzBEP Consultant. N/A
6. No change of specified product without prior approval of AzBEP Consultant, per grantor contract.

Failure to adhere to these requirements will result in termination of this Agreement by the SLA.

This Exhibit hereby becomes a part of and is officially attached to the Operator Agreement.

State Licensing Agency _____.

I certify by my signature that Exhibit III has been read and explained to me and that I will comply

with the provisions contained therein.

DATE: _____ BY _____
Arizona Business Enterprise Program

DATE: _____ BY _____
Name, Operator

DATE: _____ BY _____
Witness