

# LEASE AGREEMENT

46962-501577-8

1. EXCHANGE LEASING CORP., a New York Corporation, having its principal place of business at 120 Delaware Avenue, Buffalo, New York, hereinafter referred to as "LESSOR", in consideration of the promises and stipulations hereinafter set forth below and on the reverse side hereof, to be kept and performed by Dr. Thomas S. Slaughter having its principal place of business at Highway 25 W., Calers, Alabama, hereinafter referred to as "LESSEE", hereby demises, lets, leases, and rents to the LESSEE and the LESSEE hereby takes, lets and leases from the LESSOR the following items of equipment:

Number of Units	Description of Leased Equipment
1	Diapulse Unit Serial #3054

Equipment Location IF OTHER THAN ABOVE LESSEE'S ADDRESS.....

2. For the use of the equipment, LESSEE hereby agrees to pay rent to the LESSOR at its principal place of business at the following rate and manner:

No. of Rental Installments	Amount of Each Installment	Total Rentals Payable	Rental Payments
60	\$49.14 includes 4% sales tax	\$2948.40	Next rent installment shall be due and payable on the first day of the second month succeeding delivery, and thereafter each installment of rent shall be paid on the first day of each succeeding month (quarter) for the entire term of the lease until the total Rentals Payable are paid in full.

3. The LESSOR acknowledges receipt of the sum of \$49.15..... from the LESSEE of which \$49.15..... is in payment for the first month's (quarter) rent and \$..... is in payment for the last ..... months' (quarter) rent.

4. ADDITIONAL PROVISIONS:

(SEE PARAGRAPHS 8-20 SET FORTH ON REVERSE SIDE WHICH ARE HEREBY MADE PART OF THIS AGREEMENT)

IN WITNESS WHEREOF, the parties have executed this lease agreement this 23 day of June, 1965.

LESSOR: EXCHANGE LEASING CORP.

By: R. C. Hayman, Treas  
(Authorized Signature) TITLE

Attest: STATE OF NEW YORK )  
COUNTY OF ERIE ) SS:  
CITY OF BUFFALO )  
Secretary

X LESSEE: Dr. Thomas S. Slaughter  
By: Dr. Thomas S. Slaughter  
(Authorized Signature) TITLE

Attest: Elaine R. Haney  
Secretary of Corporation Witness (If not Corporation)

On this 28 day of June, 1965 before me, the subscriber, personally came Robert C. Hayman who, by me duly sworn, did depose and say that he resides in Kenmore, New York County of Erie, that he is the person who signed the above instrument, and that he signed it with full authority so to act in the capacity in which he signed.

Elaine R. Haney  
ELAINE R. HANEY  
Notary Public, State of New York  
Qualified In Erie County  
My Commission Expires March 30, 1967

5. Time is of the essence of this lease agreement in each and all of its provisions.

6. LESSOR agrees at the request of the LESSEE to order the equipment described herein from a Supplier selected by LESSEE. LESSEE agrees to accept such equipment and hold LESSOR harmless for specific performance of this lease or for damages, if for any reason the Supplier fails to deliver the equipment so ordered.

7. LESSOR covenants it is the owner of the Equipment and that as long as LESSEE shall not be in default, LESSEE shall peacefully and quietly hold and possess the Equipment during the term hereof. Title to the Equipment shall at all times remain in the LESSOR. On delivery of equipment, LESSEE agrees to promptly execute and deliver to LESSOR the Delivery Receipt provided by LESSOR. If the Equipment is installed on leased premises, LESSEE agrees to obtain a waiver of landlord's lien in form supplied by LESSOR. LESSEE represents it has full right and lawful authority to enter into this lease, and in so doing violates no existing agreement of the LESSEE.

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**TERMS AND CONDITIONS CONSTITUTING PART OF THE LEASE AGREEMENT  
ON THE REVERSE SIDE HEREOF**

8. LESSEE shall use the equipment in a careful and proper manner and shall comply with and conform to all national, state, municipal, police and other laws, ordinances and regulations and otherwise related to the possession, use or maintenance of the equipment. If at any time during the term hereof LESSOR supplies the LESSEE with labels, plates, or other markings, stating that the equipment is owned by the LESSOR, LESSEE shall affix and keep the same upon a prominent place on the equipment. Each leased unit will be located at the place designated herein and shall not be moved therefrom without the prior written consent of the LESSOR.

9. The LESSEE, shall, at its own expense, make all repairs and replacements to the equipment during the continuance of this lease and any extension thereof, necessary to keep and maintain it in good mechanical condition and repair, including all repairs occasioned by accident. The LESSEE assumes the risk of theft, loss or destruction, and at the termination of this lease, the LESSEE, at its expense, shall return the equipment to the LESSOR in the same condition in which it was received by the LESSEE, ordinary wear and tear and natural depreciation excepted, and shall execute any and all papers necessary to effect the transfer of said equipment back to the LESSOR. LESSEE agrees to pay for and provide all electric power, oil, gasoline and lubricants consumed by and required by the equipment.

10. All taxes, fees and similar charges imposed on the ownership, possession or use of the equipment during the term of this lease shall be paid by the LESSEE.

11. The LESSEE, at its own expense, shall furnish the LESSOR with insurance policies and/or Loss Payable Clause endorsement, placed with insurance companies satisfactory to the LESSOR, insuring the LESSOR against damage, loss or destruction of the equipment sustained in any manner whatsoever in an amount of not less than the replacement value thereof.

The LESSEE shall also obtain and pay for public liability insurance, insuring both the LESSOR and LESSEE with insurance companies satisfactory to the LESSOR, against damages or claims therefor, for personal injuries and death in limits of not less than \$100,000 \$300,000 and against damages or claims therefor for property damage in the amount of \$20,000; or endorsement of existing insurance policies indicating such coverage. LESSEE shall and does hereby indemnify and save LESSOR harmless from any and all liability arising out of the ownership, selection, possession, leasing, renting, operation, control, use, maintenance, delivery and/or return of equipment, but shall be credited with any amounts received by LESSOR with respect thereto from liability insurance procured by LESSEE.

12. All payments shall be made at the office of the LESSOR at 120 Delaware Avenue, Buffalo, New York. Interest shall be paid by the LESSEE on each delinquent installment of rent from the due date until paid at the rate of six percent (6%) per annum and LESSEE shall also pay a late charge of five percent (5%) of any monthly rental unpaid ten (10) days after it is due.

13. The LESSEE shall not have the right to assign this lease except with the LESSOR'S written consent, which said consent shall not be unreasonably withheld. In the event of an assignment of said lease the LESSEE shall not be relieved of responsibility hereunder and such assignment shall be conditioned upon the assumption of all of the obligations of this lease by the assignee thereof.

14. LESSEE agrees that each unit leased hereunder is of a size, design and capacity selected by LESSEE and that LESSEE is satisfied that the same is suitable for its purposes and that LESSOR has made no representation or warranty with respect to the suitability or durability of any such unit for the purposes and uses of LESSEE, or any other representation or warranty, express or implied, with respect thereto. LESSOR hereby assigns to LESSEE for and during the term of this lease agreement, any applicable factory warranty covering the equipment leased.

15. If (a) LESSEE shall default in the payment of any rent or in making any other payment hereunder when due, or (b) LESSEE shall default in the payment when due of any indebtedness of LESSEE to LESSOR arising independently of this lease, or (c) LESSEE shall breach any warranty hereunder, or (d) LESSEE shall default in the performance of any other covenant herein and such default shall continue for 5 days after written notice thereof to LESSEE by LESSOR, or (e) LESSEE becomes insolvent or makes an assignment for the benefit of creditors, or (f) LESSEE applies for or consents to the appointment of a receiver, trustee or liquidator of LESSEE or of all or a substantial part of the assets of LESSEE, or if such receiver, trustee or liquidator is appointed without the application or consent of LESSEE, or (g) a petition is filed by or against LESSEE under the Bankruptcy Act or any amendment thereto (including, without limitation, a petition for reorganization, arrangement or extension) or under any other insolvency law or law providing for the relief of debtors, then, if and to the extent permitted by applicable law, LESSOR shall have the right to exercise any one or more of the following remedies: (A) To declare the entire amount of unpaid total rent for the balance of the term of this lease due and payable, whereupon the same shall become immediately due and payable; (B) without demand or legal process, to enter into premises where equipment may be found and take possession of and remove the same, whereupon all rights of LESSEE in equipment shall terminate absolutely, and (i) retain equipment and all prior payments of rent made hereunder; or (ii) retain all prior payments of rent and sell equipment at public or private sale, with or without notice to LESSEE, with or without having equipment at the sale, at which sale LESSOR may purchase all or any of the equipment, the proceeds of such sale, less expenses of retaking, storage, repairing and reselling, and reasonable attorneys' fees incurred by LESSOR, to be applied to the payment of the unpaid total rent for the balance of the term of this lease, LESSEE remaining liable for the balance of said unpaid total rent, and any surplus thereafter remaining to be paid to LESSEE, its successors or assigns, or to whomsoever may be lawfully entitled to receive the same, or as a court of competent jurisdiction may direct; or (iii) retain equipment and all prior payments of rent, crediting LESSEE with the reasonable value of equipment, LESSEE remaining liable for the balance of the unpaid total rent for the balance of the term of this lease, together with all of the above-mentioned expenses, including reasonable attorneys' fees incurred by LESSOR, it being agreed that the amounts to be retained by LESSOR and the balance to be paid by LESSEE under this subsection (B) shall not be as a penalty but as liquidated damages for the breach hereof and as reasonable return for the use of equipment and for the depreciation thereof; (C) to pursue any other remedy available to LESSOR at law or in equity.

All remedies of LESSOR hereunder are cumulative, and may, to the extent permitted by law, be exercised concurrently or separately, and the exercise of any one remedy shall not be deemed to be an election of such remedy or to preclude the exercise of any other remedy. No failure on the part of the LESSOR to exercise, and no delay in exercising, any right or remedy hereunder shall operate as a waiver thereof; nor shall any single or partial exercise by LESSOR of any right or remedy hereunder preclude any other or further exercise of any right or any other right or remedy.

16. LESSOR'S failure to insist in any instance upon strict performance by LESSEE of any terms, warranties, covenants and promises herein shall not be construed as a permanent waiver of such terms, warranty, covenant, or promise, or as a waiver of any other of the terms, warranties, covenants, and promises contained herein.

17. This lease shall be binding when accepted by LESSOR at Buffalo, New York and, except for local recording acts, shall be governed by the laws of the State of New York. LESSOR and LESSEE intend this lease to be a valid and subsisting legal instrument, and no provision which may be deemed unenforceable shall in any way invalidate any other provision or provisions, all of which shall remain in full force and effect. This lease shall be binding upon the parties, their successors, legal representatives and assigns.

18. LESSEE hereby authorizes LESSOR to perfect LESSOR'S interest in the lease by consenting hereto to the filing of a Financing Statement without the signature of the LESSEE thereto, and agrees further to pay to LESSOR the costs of such filing.

19. LESSEE hereby waives the right to trial by jury in any action arising out of the transaction evidenced hereby.

20. This instrument shall constitute the entire contract between the parties hereto, and no representations, oral or written, shall constitute an amendment hereto unless signed in writing by an officer of the LESSOR.

RECEIVED

JUN 14 1965

EXCHANGE LEASING CORP.

4.50  
1.50  
1.00  
6.65  
120 Delaware Ave  
Buffalo, N.Y. 14202  
6.65