

GENERAL SERVICE AGREEMENT

CLIENT

City of Killeen, Texas
101 North College Street
Killeen, Texas 76541
(the "Client")

CONTRACTOR

Johnson Fitness and Wellness
1600 Landmark Drive
Cottage Grove, Wisconsin 53527
(the "Contractor")

BACKGROUND

- A. The Client is of the opinion that the Contractor has the necessary qualifications, experience and abilities to provide services to the Client.
- B. The Contractor is agreeable to providing such services to the Client on the terms and conditions set out in this Agreement.

IN CONSIDERATION OF the matters described above and of the mutual benefits and obligations set forth in this Agreement, the receipt and sufficiency of which consideration is hereby acknowledged, the Client and the Contractor (individually the "Party" and collectively the "Parties" to this Agreement) agree as follows:

SERVICES PROVIDED

1. The Client hereby agrees to engage the Contractor to provide the Client with the following services (the "Services"):
 - Provide and install the fitness equipment at the City of Killeen Rosa Hereford Community Center as more thoroughly described in the Quote numbered 350-003013, attached hereto and incorporated herein as Exhibits A; respectively.
2. The Services will also include any other tasks which the Parties may agree on. The Contractor hereby agrees to provide such Services to the Client.

TERM OF AGREEMENT

3. The term of this Agreement (the "Term") will begin on the date of the date that the last required signature is affixed below and will remain in full force and effect for 180 days, subject to earlier termination as provided in this Agreement. The Term may be extended with the written consent of the Parties with 30 days' notice.
4. Either Party may terminate this Agreement upon 30 days' written notice to the other Party.

PERFORMANCE

5. The Parties agree to do everything necessary to ensure that the terms of this Agreement take effect.

CURRENCY

6. Except as otherwise provided in this Agreement, all monetary amounts referred to in this Agreement are in USD (US Dollars).

COMPENSATION

7. Client agrees to pay Contractor for the Services as follows (the "Compensation"):
 - Lump sum payment not to exceed \$96,051.03 as per BuyBoard Contract #665-22
 - Compensation is inclusive of all shipping costs and labor to install.
8. Invoices submitted by the Contractor to the Client are due within 30 days of receipt.
9. In the event that this Agreement is terminated by the Client prior to completion of the Services but where the Services have been partially performed, the Contractor will be entitled to pro rata payment of the Compensation to the date of termination provided that there has been no breach of contract on the part of the Contractor.

REIMBURSEMENT OF EXPENSES

10. The Contractor will be reimbursed from time to time for reasonable and necessary expenses incurred by the Contractor in connection with providing the Services. The Contractor will only be reimbursed for expenses submitted according to the following guidelines:
 - All additional expenses shall be pre-approved by Client.
 - Additional expenses shall not exceed 10% of the Compensation as provided above.

INTEREST ON LATE PAYMENTS

11. Interest payable on any overdue amounts under this Agreement is charged at a rate of 5.00% per annum or at the maximum rate enforceable under applicable legislation, whichever is lower.

CONFIDENTIALITY

12. Confidential information (the "Confidential Information") refers to any data or information relating to the Client, whether business or personal, which would reasonably be considered to be private or proprietary to the Client and that is not generally known and where the release of that Confidential Information could reasonably be expected to cause harm to the Client.
13. The Contractor agrees that they will not disclose, divulge, reveal, report or use, for any purpose, any Confidential Information which the Contractor has obtained, except as authorized by the Client or as required by law. The obligations of confidentiality will apply during the Term and will survive indefinitely upon termination of this Agreement.

14. All written and oral information and material disclosed or provided by the Client to the Contractor under this Agreement is Confidential Information regardless of whether it was provided before or after the date of this Agreement or how it was provided to the Contractor.

OWNERSHIP OF INTELLECTUAL PROPERTY

15. All intellectual property and related material, including any trade secrets, moral rights, goodwill, relevant registrations or applications for registration, and rights in any patent, copyright, trademark, trade dress, industrial design and trade name (the "Intellectual Property") that is developed or produced under this Agreement, is a "work made for hire" and will be the sole property of the Client. The use of the Intellectual Property by the Client will not be restricted in any manner.
16. The Contractor may not use the Intellectual Property for any purpose other than that contracted for in this Agreement except with the written consent of the Client. The Contractor will be responsible for any and all damages resulting from the unauthorized use of the Intellectual Property.

RETURN OF PROPERTY

17. Upon the expiration or termination of this Agreement, the Contractor will return to the Client any property, documentation, records, or Confidential Information which is the property of the Client.

CAPACITY/INDEPENDENT CONTRACTOR

18. In providing the Services under this Agreement it is expressly agreed that the Contractor is acting as an independent contractor and not as an employee. The Contractor and the Client acknowledge that this Agreement does not create a partnership or joint venture between them and is exclusively a contract for service. The Client is not required to pay, or make any contributions to, any social security, local, state, or federal tax, unemployment compensation, workers' compensation, insurance premium, profit-sharing, pension or any other employee benefit for the Contractor during the Term. The Contractor is responsible for paying, and complying with reporting requirements for, all local, state and federal taxes related to payments made to the Contractor under this Agreement.

RIGHT OF SUBSTITUTION

19. Except as otherwise provided in this Agreement, the Contractor may, at the Contractor's absolute discretion, engage a third-party sub-contractor to perform some or all of the obligations of the Contractor under this Agreement and the Client will not hire or engage any third parties to assist with the provision of the Services.
20. In the event that the Contractor hires a sub-contractor, the Contractor will pay the sub-contractor for its services and the Compensation will remain payable by the Client to the Contractor.
 - For the purposes of the indemnification clause of this Agreement, the sub-contractor is an agent of the Contractor.

EQUIPMENT

21. Except as otherwise provided in this Agreement, the Contractor will provide at the Contractor's own expense, any and all tools, machinery, equipment, raw materials, supplies, workwear and any other items or parts necessary to deliver the Services in accordance with the Agreement.

NO EXCLUSIVITY

22. The Parties acknowledge that this Agreement is non-exclusive and that either Party will be free, during and after the Term, to engage or contract with third parties for the provision of services similar to the Services.

NOTICE

23. All notices, requests, demands or other communications required or permitted by the terms of this Agreement will be given in writing and delivered to the Parties at the following addresses:

If to City:

City of Killeen
Attn: City Manager
101 N. College Street
Killeen, TX 76541

If to Contractor:

Johnson Fitness and Wellness
Attn: Jeff Dennings
1600 Landmark Dr.
Cotton Grove, WI 53527

Or to such other address as either Party may from time to time notify the other and will be deemed to be properly delivered (a) immediately upon being served personally, (b) two days after being deposited with the postal service if served by registered mail, or (c) the following day after being deposited with an overnight courier.

INDEMNIFICATION

24. Except to the extent paid in settlement from any applicable insurance policies, and to the greatest extent permitted by applicable law, each Party agrees to indemnify and hold harmless the other Party, and its respective affiliates, officers, agents, employees, and permitted successors and assigns against any and all claims, losses, damages, liabilities, penalties, punitive damages, expenses, reasonable legal fees and costs of any kind or amount whatsoever, which result from or arise out of any act or omission of the indemnifying party, its respective affiliates, officers, agents, employees, and permitted successors and assigns that occurs in connection with this Agreement. This indemnification will survive the termination of this Agreement.

ADDITIONAL CLAUSES

25. Client agrees to allow 21 days for process of all purchase orders.
26. Contractor will notify client of prices increases passed on from suppliers added to purchase order not to exceed 10%. Any price increase shall be passed directly without additional markup or profit.

MODIFICATION OF AGREEMENT

27. Any amendment or modification of this Agreement or additional obligation assumed by either Party in connection with this Agreement will only be binding if evidenced in writing signed by each Party or an authorized representative of each Party.

TIME OF THE ESSENCE

28. Time is of the essence in this Agreement. No extension or variation of this Agreement will operate as a waiver of this provision.

ASSIGNMENT

29. The Contractor will not voluntarily, or by operation of law, assign or otherwise transfer its obligations under this Agreement without the prior written consent of the Client.

ENTIRE AGREEMENT

30. It is agreed that there is no representation, warranty, collateral agreement or condition affecting this Agreement except as expressly provided in this Agreement.

ENUREMENT

31. This Agreement will endure to the benefit of and be binding on the Parties and their respective heirs, executors, administrators and permitted successors and assigns.

TITLES/HEADINGS

32. Headings are inserted for the convenience of the Parties only and are not to be considered when interpreting this Agreement.

GENDER

33. Words in the singular mean and include the plural and vice versa. Words in the masculine mean and include the feminine and vice versa.

GOVERNING LAW

34. This Agreement will be governed by and construed in accordance with the laws of the State of Texas. "Exclusive Jurisdiction is Bell County, Texas"

SEVERABILITY

35. In the event that any of the provisions of this Agreement are held to be invalid or unenforceable in whole or in part, all other provisions will nevertheless continue to be valid and enforceable with the invalid or unenforceable parts severed from the remainder of this Agreement.

WAIVER

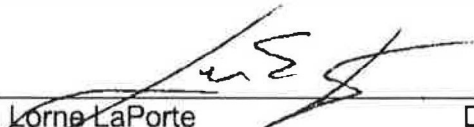
36. The waiver by either Party of a breach, default, delay or omission of any of the provisions of this Agreement by the other Party will not be construed as a waiver of any subsequent breach of the same or other provisions.

IN WITNESS WHEREOF the Parties have duly affixed their signatures under hand on the dates as provided below.

City of Killeen

Johnson Fitness & Wellness

Kent Cagle Date
City Manager



Lorne LaPorte Date 9:12.24
Regional Manager

Attest

Laura Calcote Date
City Secretary