

TAB B



Master Lease Agreement
Master Lease Agreement # 8394851

"Master Agreement" shall mean this Master Lease Agreement. "Schedule" shall mean any Lease Schedule signed by you and us which incorporates the terms of this Master Agreement. "Lease" shall mean this Master Agreement and any Schedule.

TERMS AND CONDITIONS

1. **COMMENCEMENT OF SCHEDULE.** Commencement of a Schedule (the "Commencement Date") and acceptance of the Equipment shall occur upon delivery of the Equipment to you. You agree to inspect the Equipment upon delivery and verify by telephone or in writing such information as we may require. The Equipment is accepted by you under the Lease unless you notify us within three (3) days of delivery that you do not accept the Equipment and specify the defect or malfunction. In that event, we will replace the defective item of Equipment or this Lease will be canceled and you will assume all our rights under any purchase order or agreement entered into by us to buy the Equipment. If you signed a purchase order or similar agreement for the purchase of the Equipment, by signing a Schedule you assign to us all of your rights, but none of your obligations under it. All attachments, accessories, replacements, replacement parts, substitutions, additions and repairs to the Equipment shall form part of the Equipment under a Schedule.

2. **SECURITY DEPOSIT.** The Security Deposit will be held by us, without interest, and may be commingled (unless otherwise required by law), until all obligations under the Lease are satisfied, and may be applied at our option against amounts due under the Lease. The Security Deposit will be returned to you upon termination of a Schedule, provided you are not in default, or applied to the last Lease Payment or to the amount we may quote for any purchase or upgrade of the Equipment.

3. **LEASE PAYMENTS.** You agree to remit to us the Lease Payment (as set forth in the Schedule) and all other sums when due and payable each Billing Period at the address we provide to you from time to time. If the Commencement Date of a Schedule is not the first or the fifteenth day of any calendar month (a "Payment Date"), the Initial Term of a Schedule shall be extended by the number of days between the Commencement Date and the Payment Date which first occurs after the Commencement Date of such Schedule and your first Lease Payment will be increased by 1/30th of the monthly Lease Payments multiplied by the number of days elapsed from the Commencement Date to the day immediately preceding the Payment Date which occurs after such Commencement Date. Lease Payments are due whether or not you are invoiced. You authorize us to adjust the Lease Payments by not more than 15% to reflect any reconfiguration of the Equipment or adjustments to reflect applicable sales taxes or the cost of the Equipment by the manufacturer/supplier.

4. **LEASE CHARGES.** You agree to: (a) pay all costs and expenses associated with the use, maintenance, servicing, repair or replacement of the Equipment and (b) pay all premiums and other costs of insuring the Equipment. In addition, you will (1) reimburse us for all costs and expenses (including reasonable attorneys' fees and court costs) incurred in enforcing the Lease and (2) pay all other costs and expenses for which you are obligated under the Lease (the "Lease Charges").

If a Schedule provides you with a \$1 Purchase Option (a "\$1 Lease"), you agree to file all required property tax returns and promptly pay all property taxes, which may be assessed against the Equipment. If a Schedule provides you with a Fair Market Value Purchase Option (an "FMV Lease"), you agree, at our discretion, to either (i) reimburse us annually for all personal property and other similar taxes and governmental charges associated with the ownership, possession or use of the Equipment, or (ii) remit to us each Billing Period our estimate of the pro-rated equivalent of such taxes and governmental charges. As compensation for our internal and external costs in the administration of taxes related to each unit of Equipment, you agree to pay us a tax administrative fee equal to \$12 per unit of Equipment per year during the Lease Term, not to exceed the maximum permitted by applicable law ("Tax Administration Fee"). The amount of Tax Administrative Fee (at our sole discretion) may be increased by an amount not exceeding 10% thereof for each subsequent year of the Lease Term to reflect our increased cost of administration and we will notify you of any such increase by indicating such increased amount in the relevant invoice or in such other manner as we deem appropriate. We may take on your behalf any action required under the Lease, which you fail to take, and upon receipt of our invoice you will promptly pay our costs (including insurance premiums and other payments to affiliates), plus reasonable processing fees. Restrictive endorsements on checks you send to us will not reduce your obligations to us. We may charge you a return check or non-sufficient funds charge of \$25.00 for any check, which is returned by the bank for any reason (not to exceed the maximum amount permitted by law).

5. **LATE CHARGES.** For any payment, which is not received within three days of its due date, you agree to pay a late charge equal to the higher of 5% of the amount due or \$35.00 (not to exceed the maximum amount permitted by law) as reasonable collection costs.

6. **OWNERSHIP, USE, MAINTENANCE AND REPAIR.** In the case of a \$1 Lease, you shall have title to the Equipment immediately upon delivery and shall be the owner of the Equipment and we reserve a security interest in the Equipment to secure all of your obligations under the Lease. In the case of an FMV Lease, we own the Equipment and you have the right to use the Equipment under the terms of the Lease. If the Lease is deemed to be a secured transaction, you grant us a security interest in the Equipment to secure all of your obligations under the Lease. You hereby assign to us all of your rights, but none of your obligations, under any purchase agreement for the Equipment. We hereby assign to you all our rights under any manufacturer or supplier warranties, so long as you are not in default hereunder. You must keep the Equipment free of liens. You may not remove the Equipment from the address indicated on the front of a Schedule without first obtaining our approval. You agree to: (a) keep the Equipment in your exclusive control and possession; (b) USE THE EQUIPMENT ONLY IN THE LAWFUL CONDUCT OF YOUR BUSINESS, AND NOT FOR PERSONAL, HOUSEHOLD OR FAMILY PURPOSES;

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BOTH PARTIES AGREE TO WAIVE ALL RIGHTS TO A JURY TRIAL. THIS MASTER AGREEMENT AND EACH SCHEDULE SHALL BE GOVERNED BY THE LAWS OF ILLINOIS. YOU CONSENT TO THE JURISDICTION AND VENUE OF FEDERAL AND STATE COURTS IN ILLINOIS.

BY SIGNING THIS MASTER AGREEMENT, YOU AGREE TO THE TERMS ON BOTH PAGES 1 AND 2. ORAL AGREEMENTS OR COMMITMENTS TO LOAN MONEY, EXTEND CREDIT OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT INCLUDING PROMISES TO EXTEND OR RENEW SUCH DEBT ARE NOT ENFORCEABLE. TO PROTECT YOU AND US FROM MISUNDERSTANDING OR DISAPPOINTMENT, ANY AGREEMENTS WE REACH COVERING SUCH MATTERS ARE CONTAINED IN THIS WRITING, WHICH IS THE COMPLETE AND EXCLUSIVE STATEMENT OF THE AGREEMENT BETWEEN US. EXCEPT AS WE MAY LATER AGREE IN WRITING TO MODIFY IT.

LESSOR ("We", "Us")

GENERAL ELECTRIC CAPITAL CORPORATION

1961 First Drive
Moberly, MO 65270

By: 

Name: _____

Title: CA

Date: 9-9-08

LESSEE ("You")

THE CLIFFS COMMUNITIES, INC.

Full Legal Name:
THE CLIFFS AT REOWEE SPRINGS
DBA

By: X 

Name: X STEVE SEMAN

Title: X DIR OF PROCUREMENT

Date: X 9/9/08

Fed Tax ID: 571113720

ADDITIONAL TERMS AND CONDITIONS OF AGREEMENT

(c) use the Equipment in conformity with all insurance requirements, manufacturer's instructions and manuals; (d) keep the Equipment repaired and maintained in good working order and as required by the manufacturer's warranty, certification and standard full service maintenance contract; and (e) give us reasonable access to inspect the Equipment and its maintenance and other records.

7. **INDEMNITY.** You are responsible for all losses, damage, claims, infringement claims, injuries and attorneys' fees and costs ("Claims"), incurred or asserted by any person, in any manner relating to the Equipment, including its use, condition or possession. You agree to defend and indemnify us against all Claims, although we reserve the right to control the defense and to select or approve defense counsel. This indemnity continues beyond the termination of a Schedule, for acts or omissions, which occurred during the Term of a Schedule. You also agree that the Lease has been entered into on the assumption that we will be entitled to certain tax benefits available to the owner of the Equipment. In the case of an FMV Lease, you agree to indemnify us for the loss of any income tax benefits caused by your acts or omissions inconsistent with such assumption or the Lease. In the event of any such loss, we may increase the Lease Payments and other amounts due to offset any such adverse effect.

8. **LOSS OR DAMAGE.** If any item of Equipment is lost, stolen or damaged you will, at your option and cost, either: (a) promptly repair the item or replace the item with a comparable item reasonably acceptable to us; or (b) pay us the sum of: (i) all past due and current Lease Payments, (ii) the present value of all remaining Lease Payments for the item, discounted at the rate of 6% per annum (or the lowest rate permitted by law, whichever is higher), (iii) all Lease Charges, and (iv) the Fair Market Value of the Equipment (if an FMV Lease). We will then transfer to you all our right, title and interest in the Equipment AS-IS AND WHERE-IS, WITHOUT ANY WARRANTY AS TO CONDITION, TITLE OR VALUE. Insurance proceeds shall be applied toward repair, replacement or payment hereunder, as applicable. In this Master Agreement, "Fair Market Value" of the Equipment means its installed fair market value at the end of the Term, assuming good order and condition (except for ordinary wear and tear from normal use), as estimated by us.

9. **INSURANCE.** You agree, at your cost, to: (a) keep the Equipment insured against all risks of physical loss or damage for its full replacement value, naming us as loss payee (or, in the case of a \$1 Lease, naming you and us as loss payees as our interests may appear); and (b) maintain public liability insurance, covering personal injury and Equipment damage for not less than \$300,000 per occurrence, naming us as additional insured. You have a choice in how you satisfy these insurance requirements. First, you may obtain coverage on your own and provide us with evidence of insurance coverage. If you elect this option, the policy must be issued by an insurance carrier rated B+ or better by A.M. Best Company, must provide us with not less than 15 days' prior written notice of cancellation, non-renewal or amendment, and must provide deductible amounts acceptable to us. Second, you may elect to have us directly obtain coverage protecting our interests. UNLESS YOU PROVIDE EVIDENCE OF THE INSURANCE COVERAGE REQUIRED BY THIS MASTER AGREEMENT, WE MAY PURCHASE INSURANCE AT YOUR EXPENSE TO PROTECT OUR INTEREST IN THE EQUIPMENT. THIS INSURANCE MAY, BUT NEED NOT, PROTECT YOUR INTERESTS. THE COVERAGE THAT WE PURCHASE MAY NOT PAY ANY CLAIM THAT YOU MAKE OR ANY CLAIM THAT IS MADE AGAINST YOU IN CONNECTION WITH THE EQUIPMENT. YOU MAY LATER CANCEL ANY INSURANCE PURCHASED BY US, BUT ONLY AFTER PROVIDING EVIDENCE THAT YOU HAVE OBTAINED INSURANCE AS REQUIRED BY THIS MASTER AGREEMENT. IF WE PURCHASE INSURANCE FOR THE EQUIPMENT, YOU WILL BE RESPONSIBLE FOR THE COSTS OF THAT INSURANCE, INCLUDING THE INSURANCE PREMIUM, INTEREST AND ANY OTHER CHARGES WE MAY IMPOSE IN CONNECTION WITH THE PLACEMENT OF THE INSURANCE, UNTIL THE EFFECTIVE DATE OF CANCELLATION OR EXPIRATION OF THE INSURANCE. THE COSTS OF THE INSURANCE MAY BE ADDED TO YOUR TOTAL OUTSTANDING BALANCE OR OBLIGATION. THE COSTS OF THE INSURANCE MAY BE MORE THAN THE COST OF INSURANCE YOU MAY BE ABLE TO OBTAIN ON YOUR OWN. The insurance coverage we obtain may be through an insurance carrier, which may be affiliated with our assignee or us. There will be no deductible and the coverage will include protection for earthquakes, floods and employee theft. We will pay the premium, but you must reimburse us. Each Billing Period, you must pay us with your Lease Payment the pro-rated portion of the insurance premium. At the end of the Term you must pay us any remaining portion of the premium.

10. **DEFAULT.** You will be in default under the Lease if: (a) you fail to remit to us any payment within ten (10) days of the due date or breach any other obligation under this Lease; (b) a petition is filed by or against you or any Guarantor under any bankruptcy or insolvency law; or (c) you default under any other agreement with us.

11. **REMEDIES.** If you default, we may do one or more of the following: (a) recover from you, AS LIQUIDATED DAMAGES FOR LOSS OF BARGAIN AND NOT AS A PENALTY, the sum of: (i) all past due and current Lease Payments, (ii) the present value of all remaining Lease Payments, discounted at the rate of 6% per annum (or the lowest rate permitted by law, whichever is higher), (iii) all Lease Charges, and (iv) the Fair Market Value of the Equipment (if an FMV Lease); (b) declare any other agreements between us in default; (c) require you to return all of the Equipment in the manner outlined in Section 12, or take possession of the Equipment, in which case we shall not be held responsible for any losses directly or indirectly arising out of, or by reason of the presence and/or use of any and all proprietary information residing on or within the Equipment, and to lease or sell the Equipment or any portion thereof, and to apply the proceeds, less reasonable selling and administrative expenses, to the amounts due hereunder; (d) charge you interest on all amounts due us from the due date until paid at the rate of 1-1/2% per month, but in no event more than the lawful maximum rate; (e) charge you for expenses incurred in connection with the enforcement of our remedies including, without limitation, repossession, repair and collection costs, attorneys' fees and court costs. These remedies are cumulative, are in addition to any other remedies provided for by law, and may be exercised concurrently or separately. Any failure or delay by us to exercise any right shall not operate as a waiver of any other right or future right.

12. **END OF TERM OPTIONS; RETURN OF EQUIPMENT.** In the case of a \$1 Lease and if you are not in default, we will release any security interest which we may have in the Equipment at the end of the Term. In the case of an FMV Lease, at the end of the Term and upon 30 days prior written notice to us, you shall either:

(a) return all of the Equipment, or (b) purchase all of the Equipment AS-IS AND WHERE-IS, WITHOUT ANY WARRANTY AS TO CONDITION, TITLE OR VALUE, for the Fair Market Value, plus applicable sales and other taxes. The Lease shall continue on a month-to-month basis and you shall pay us the same Lease Payments and Lease Charges as applied during the Term until the Equipment is returned to us or you pay us the applicable purchase price (and taxes). If you are in default or, in the case of an FMV Lease, you do not purchase the Equipment at the end of the Term (or any month-to-month renewal term), you shall return all of the Equipment, freight and insurance prepaid at your cost and risk, to wherever we indicate in the continental United States, with all manuals and logs, in good order and condition (except for ordinary wear and tear from normal use), packed per the shipping company's specifications, and pay an inspection, restocking and handling fee of \$100, not to exceed the maximum permitted by law, as reasonable compensation for our costs in processing returned equipment. You will pay us for any loss in value resulting from the failure to maintain the Equipment in accordance with this Master Agreement or for damages incurred in shipping and handling.

13. **ASSIGNMENT.** You may not assign or dispose of any rights or obligations under the Lease or sub-lease the Equipment, without our prior written consent. We may, without notifying you, (a) assign the Lease or our interest in the Equipment; and (b) release information we have about you and the Lease to the manufacturer, supplier or any prospective investor, participant or purchaser of the Lease. If we do make an assignment under subsection 13(a) above, our assignee will have all of our rights under the Lease, but none of our obligations. You agree not to assert against our assignee claims, offsets or defenses you may have against us.

14. **MISCELLANEOUS.** Notices must be in writing and will be deemed given 5 days after mailing to your (or our) business address. You represent that: (a) you have authority to enter into the Lease and by so doing you will not violate any law or agreement; and (b) the Lease is signed by your authorized officer or agent. The Lease is the entire agreement between us, and cannot be modified except by another document signed by us. The Lease is binding on you and your successors and assigns. You agree that during the Term (a) you will promptly notify us in writing if there is a change in the name, ownership, state of incorporation or formation or organizational number (if any) of your business, (b) you will provide such financial information we may reasonably request, (c) you will take any action we reasonably request to protect our rights in the Equipment and the Lease, and (d) we may insert missing information or correct obvious errors or your legal name in the Lease without further notice to you. All financial information you have provided is true and a reasonable representation of your financial condition. You authorize us or our agent to: (a) obtain credit reports and make credit inquiries; (b) furnish payment history to credit reporting agencies; and (c) be your attorney-in-fact for the sole purpose of signing UCC financing statements. Any claim you have against us must be made within two (2) years after the event, which caused it. If a court finds any provision of the Lease to be unenforceable, all other terms shall remain in effect and enforceable. You authorize us to insert or correct missing information on the Lease, including your proper legal name, serial numbers and any other information describing the Equipment. If you so request, and we permit the early termination of a Schedule, you agree to pay a fee for such privilege. THE PARTIES INTEND THIS TO BE A "FINANCE LEASE" UNDER ARTICLE 2A OF THE UNIFORM COMMERCIAL CODE ("UCC"). YOU WAIVE ALL RIGHTS AND REMEDIES CONFERRED UPON A LESSEE BY ARTICLE 2A OF THE UCC.

15. **TIME PRICE.** In the case of a \$1 Lease, you understand that the Equipment may be purchased for cash (the "Equipment Cost") or it may be purchased pursuant to the Lease for a Time Price equal to the Lease Payment times the number of Lease Payments, plus the Document Fee, all as set forth on a Schedule, plus the Purchase Option amount, and by executing the Lease you have chosen to purchase the Equipment for that Time Price.

16. **LEASE RATE FACTOR.** Each Lease Payment includes a part of our investment in the Equipment Cost and a return on our investment in the Lease. The total return on our investment (the total finance charge) is determined by multiplying the Lease Payment times the number of Lease Payments, then adding the Document Fee and Purchase Option amount (all as set forth on each Schedule), then deducting the Equipment Cost (as determined above). The difference so determined is the return to us on our investment (the total finance charge). The rate of return (finance rate) may be determined by deducting the Security Deposit from the Equipment Cost, and then applying to the amount so determined, the rate that will amortize that amount down to the Purchase Option amount by applying as payments, the Lease Payments and the Document Fee. For purposes of that amortization, each Lease Payment, including the Advance Payment, will be considered received on the date it is required to be paid under the Lease and the Document Fee will be considered received on the date of the Lease.

17. **LIMITATIONS ON CHARGES.** This Section controls over every other part of this Master Agreement and over all other documents now or later pertaining to the Lease. We both intend to comply with all applicable laws. In no event will we charge or collect any amounts in excess of those allowed by applicable law. Any part of this Master Agreement that could, but for this Section, be read under any circumstance to allow for a charge higher than that allowable under any applicable legal limit, is limited and modified by this Section to limit the amounts chargeable under the Lease to the maximum amount allowed under the legal limit. If in any circumstance, any amount in excess of that allowed by law is charged or received, any such charge will be deemed limited by the amount legally allowed and any amount received by us in excess of that legally allowed will be applied by us to the payment of amounts legally owed under the Lease, or refunded to you.