

MOTORCYCLE LEASE AGREEMENT

I. PARTIES

The parties to this agreement are STURGIS Motorcycles, Inc., d/b/a Black Hills Harley-Davidson of Rapid City, South Dakota, hereinafter referred to as Rapid City Police Department. hereinafter referred to as "Lessee."

II. PURPOSE

The purpose of this agreement is to set forth the terms and conditions under which Lessor will lease to Lessee one motorcycle, and under which Lessee agrees to maintain and return the leased motorcycle to Lessor at the end of the lease term.

III. PROPERTY

The motorcycle being leased to Rapid City Police Department is described as follows:

2002 Harley-Davidson FLHPI VIN 1HD1FHW162Y64190

IV. TERMS

The term of this lease shall be from March 1, 2002 through and including May 30, 2003. The motorcycle must be signed for upon delivery and a used bike checklist will be completed and signed upon return of the motorcycle.

V. CONSIDERATION

In consideration for the use of the property described herein above, Lessee shall use the property, which will result in a promotional benefit to Lessor.

VI. OTHER CONDITIONS

Through the entire term of this lease, Lessee shall be responsible for the following:

1. Payment for all licensing and taxes required to license said motorcycle for street use;
2. Allowing only motorcycle-licensed drivers to use said motorcycle;

3. Payment for any and all damages to said motorcycle and to repair the same during the lease term;
4. Responsibility for any and all liability arising out of Lessee's use of the motorcycle and to indemnify and save Lessor harmless from any and all liability resulting therefrom, except that Lessee will not be liable for any damages arising out of injury or damages to persons or property caused or resulting from the negligence of Lessor in its design manufacture or maintenance of the above-described motorcycle;
5. Lessee will provide and pay for all routine maintenance, including, but not limited to, routine mile service maintenance to the motorcycle, and, at a minimum, the 1000-mile service under all circumstances;
6. At the end of the lease term, Lessee will return to Lessor the leased property pursuant to this agreement without any damages, normal wear and tear excepted.

Dated this 3rd day of June, 2002.

LESSOR:
STURGIS MOTORCYCLES, INC.
d/b/a BLACK HILLS HARLEY-DAVIDSON

BY: Clayton Trulson
ITS: Vice President

Dated this _____ day of _____, 2002.

LESSEE:

BY: _____
ITS: _____