

READ CAREFULLY

- A. RECEIPT OF THE LISTED EQUIPMENT IN GOOD ORDER AND REPAIR IS HEREBY ACKNOWLEDGED. It is expressly understood that this is a bailment and is not to be construed as a contract of sale or a conditional sale contract. It is the intent of this contract to rent and lease the Equipment only, and title to the rented property is and at all times shall remain in Owner. It is understood and agreed that the Equipment shall remain personal property at all times notwithstanding the manner of its annexation to reality. The Equipment includes replacement parts, additions and accessories even if not specifically itemized.
- B. The aforementioned Equipment is delivered to Lessee by OWNER IN TRUST, and the Lessee agrees to abide by the following conditions.
- (1) Equipment is to be used at the address(es) set forth in the contract and at no other address.
 - (2) Equipment is to be used only by the Lessee or his principal or workmen under the Lessee or his principal who are skilled and experienced in the use and operation of the Equipment and is to be used by no others.
 - (3) Equipment is rented only for the specific uses and purposes for which the Equipment was manufactured and intended.
 - (4) Possession or custody of the Equipment is not to be surrendered to anyone other than Owner at its place of business with the only exception being previously authorized delivery of the Equipment to a licensed carrier for prepaid transport to Owner's place of business.
 - (5) Equipment is to be used only during the period stated. Lessee specifically agrees to return the listed Equipment before expiration of the limiting period, including any extension granted by Owner and endorsed on this contract. Failure to return Equipment as agreed shall be evidence of a conversion and theft of said property. THEFT AND CONVERSION OF RENTAL PROPERTY ARE PUNISHABLE UNDER THE LAW. Failure to timely return the Equipment shall be sufficient justification for the filing of criminal complaint against Lessee if Equipment is not returned within seventy-two (72) hours of the "Due In" date.
 - (6) Lessee agrees that in the event any of the Equipment becomes unsafe or in a state of disrepair, Lessee will immediately discontinue the use thereof and promptly return it to the Owner. Rent will continue at normal rate and adjustments will be made only if Equipment is returned immediately.
 - (7) Equipment is for hire from Owner to Lessee at the listed rate without discount and with the understanding that the total amount will be due and shall be paid to owner at its place of business upon expiration of the rental Period stated or upon return of said Equipment.
- C. THE LESSEE HEREBY ASSUMES ALL RISK OF LOSS over \$100 from fire or other casualty of any nature and agrees to indemnify and hold harmless and reimburse Owner for all damage, loss and charges incidental to any breakage or shortages incurred due to any cause without regard to the question of negligence other than ordinary wear to Equipment. Owner shall have a reasonable amount of time to check for and notify Lessee of Equipment shortages and/or damages. Notice of damage or shortage shall be conclusively given if notice is placed in the United States mails, postage prepaid, addressed to Lessee at the address shown on this contract.
- D. Lessee acknowledges that the said Equipment has been inspected and has been found to be safe and in good repair. Accordingly it is expressly understood and agreed that OWNER SHALL NOT BE LIABLE FOR DAMAGES OF ANY KIND WHATSOEVER whether to property or person, loss of time, or any other loss arising from the use of or in any way connected with said Equipment, or

any part thereof from whatever cause arising. Lessee agrees to indemnify Owner FREE AND HARMLESS therefrom.

- E. EXCLUSION OF WARRANTIES OF MERCHANTABILITY AND WARRANTIES OF FITNESS, LIMITATION OF OWNERS LIABILITY; Lessee is skilled and experienced in the use and operation of the Equipment. Based solely on Lessee's own judgement, Lessee has made the selection of Equipment and the lessee to lease said Equipment. Lessee has full and sole control over the use and maintenance of Equipment during the period of this contract for lease. OWNER DOES NOT MAKE ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, NOR ANY OTHER WARRANTY. The Equipment is leased WHERE IS and with all faults AS IS. Owner shall not be liable for consequential damages and Lessee agrees to indemnify Owner fully.
- F. Lessee agrees to pay any and all sales taxes, use taxes and other assessments levied on the Equipment or an account of this lease, other than general personal Property taxes.
- G. OPERATORS. Lessee shall cause the Equipment to be operated by competent Persons only and shall pay all expenses of operations. Lessee shall not permit the Equipment to be used for any purpose for which it was not designed or intended or for it to be neglected or abused and shall avoid subjection of the Equipment to extreme or rough usage.
- H. NON-WAIVER: Time is of the essence. Owner's failure at any time to require strict performance by Lessee of any of the provisions hereof shall not waive or diminish Owner's right thereafter to demand strict compliance therewith or with any other provision. Waiver of any default shall not wave any other default. Owner's rights hereunder are cumulative and are not alternative.
- I. If the Lessee fails to perform anything herein required or fails to pay any sum when due or if an attachment is levied against the Equipment or attempted by a creditor of Lessee or if bankruptcy or reorganization proceedings are filed by or against Lessee, the Owner may at its option and without notice enter the premises in which the Equipment or any part thereof is located and without hindrance, directly or indirectly on the part of the Lessee, take possession of the Equipment and the Lessee hereby agrees to pay all expenses including reasonable attorneys fees that may be incurred by Owner in enforcing the agreement or in collecting the rent provided herein or in repossessing the Equipment. A 1 1/2% per month service charge will be made on all amounts unpaid after 30 days from due date resulting in an annual percentage rate of 18%.
- J. Owner shall not be liable to Lessee in any event for any loss, delay, or damages of any kind or character resulting in defects in or inefficiency of the leased property or accidental breakage thereof.
- K. Lessee agrees to keep the Equipment during the full lease period in Lessee's custody at the place specified herein and not to remove, sublease or re-rent the Equipment without prior written consent of the Owner. Equipment must be returned to Owner during business hours. Equipment will be checked for shortage and conditions. Pickup receipt does not constitute a clearance to Lessee. In the event the goods are not returned during OWNER's regular business hours, Lessee agrees to pay for any damage to or loss of the goods occurring between the time at return and the commencement of Owner's next business day.

L. Equipment not returned due to mysterious disappearance or theft from Lessee will be charged at replacement cost plus rent fee until the replacement is received by Owner.

ADDITIONAL TERMS FOR TRAILER RENTALS

M. INSPECTION OF TRAILER HITCH. Lessee agrees to inspect the trailer coupling mechanism, safety chain, tongue jack, all tie downs and pins before leaving Owner's premises. Lessee also agrees to inspect the Equipment periodically and to maintain the coupling, chain, tongue jack, all tie downs and pins in a safe and secure condition.

N. DAMAGE TO BUMPERS, Owner is not liable for damage to Lessee's bumper or vehicle done by detachable hitches or minors.

O. DAMAGE TO PROPERTY TRANSPORTED, Lessee waives all claim for loss or damage to property transported in the rental vehicle or trailer.

P. WAIVER OF CLAIMS. Lessee waives all claims for personal injuries, property damage, loss of time or inconvenience arising out of the use at the rented vehicle or trailer or any accident or breakdown and will hold harmless and indemnify Owner of any claims from the use of the vehicle or trailer.

Q. ACCIDENT NOTIFICATION. Lessee will immediately notify Owner in the event of any accident.

R. DAMAGE TO VEHICLE. Lessee is responsible for all overhead damages, tire repairs, moving, parking and overload violations, traffic tolls, permits and gasoline. With all other damage, Lessee is responsible for the first \$1,000.

S. UNAUTHORIZED USE. In no event shall the vehicle be used, operated or driven (a) for transportation of persons or property for hire, express or, implied; (b) by any person who is under legal driving age (21 years) or who has given Owner a false or fictitious name, age or address; (c) In any competitive event (d) and outside the continental United States: or (e) by any person except Lessee, or a qualified licensed driver with Owners written prior consent. These restrictions are cumulative and each of them shall apply to every use, operation or driving of the vehicle.

T. Owner shall provide an automobile liability insurance policy for the benefit of the Lessee with limits of coverage equal to statutory requirement for public liability and property damage. SAID INSURANCE SHALL BE EXCESS INSURANCE OVER ANY OTHER LIABILITY INSURANCE COVERAGE AVAILABLE TO Lessee, applicable after coverage under such other available Insurance. Said insurance DOES NOT provide coverage to Lessee for injury or death of Lessee or any guest or passenger of Lessee, or for any obligation under any workman's compensation or other disability law, or for any liability of Lessee or any driver while the vehicle is being used for the transportation of persons or property for hire, express or implied; or for any obligation assumed under express or implied contract; or for damages caused to any person by any uninsured motor vehicle; or for medical payments required by persons sustaining injuries while riding, entering or leaving the rented vehicle, or while the vehicle is outside the continental United States or Canada; or if used or driven under the influence of drugs or alcohol or in violation or criminal or motor vehicle statutes.