

1). **Interest:** All overdue payments shall bear interest at the greater of eighteen percent per annum (18%) or the highest amount otherwise allowable by law without prejudice to the Lessor's (Company's) rights.

2). **Acceptance of Equipment:** Lessee (Customer) agrees that the receipt and acceptance by the Lessee of the Equipment confirms that the Equipment has been accepted and found to be in good, safe, and serviceable condition, fit for use, and Lessee also acknowledges that the Equipment has been inspected prior to taking possession and finds the Equipment suitable for the needs in which it has been leased. Lessee further acknowledges and understands that proper operation and use of the Equipment must be done in accordance with the instructions and manuals provided with the Equipment.

3). **Use of Equipment:** The Lessee shall use reasonable care and necessary maintenance to ensure that the Equipment is in proper working condition before each start-up or use of the Equipment by the Lessee. The lessee agrees to care for the Equipment properly, to use it within its rated capacity, to restrict use to the Lessee's authorized personnel, and to prohibit anyone other than the Lessee's or Lessor's authorized personnel to maintain and repair the Equipment and to notify the Lessor immediately of accidents or failures of the Equipment or any impact on the use of the Equipment. The Lessee shall at Lessee's expense provide for the Equipment including supplying fuel, oil, greases, 50/50 mix, coolant, and filters. Daily checking of the general condition, including tires, oil levels, cooling system, water and batteries, recharging batteries and the like will be performed in a routine preventive maintenance fashion by the Lessee. In the event the Equipment is damaged or not operational, the lease term shall continue and all payments due shall continue to be paid.

Lessee shall not use the Equipment more than eight hours on any one day, nor more than five days in any one week, nor more than 22 days in any one month. If Lessee does use the Equipment more than eight hours in any one day, but less than 16 hours, then the Lessee will pay a rental rate based upon one and one-half times the monthly rental rate for the hours in excess of eight hours per day. If Lessee uses the Equipment more than 16 hours per day, then Lessee will pay rental based upon two times the monthly rental rate for the hours used in excess of 16.

4). **Warranty:** THE LESSOR AND THE MANUFACTURER OF THE EQUIPMENT MAKE NO REPRESENTATIONS OR WARRANTIES EXPRESSED OR IMPLIED, INCLUDING THE IMPLIED WARRANTY OF MERCHANTABILITY AND FITNESS. It is the Lessee's obligation to determine if the Equipment and the use of the Equipment comply with any laws, rules, specifications, or contracts which provide for special machinery, apparatus, or special methods.

5). **Equipment Location:** Lessee agrees whenever requested by Lessor to give Lessor the exact location of the Equipment and shall permit the Lessor at all times to enter any shop building or location where the Equipment is being used for the purpose of inspection, repair, or servicing.

6). **Title:** This is a rental agreement only and nothing in this agreement conveys to the Lessee any right, title, or interest in, or to any of the Equipment. Retention of possession of the Equipment after the lease period has expired constitutes a material breach of the Agreement. If the Equipment is not returned for whatever reason at the end of the rental period, the Lessor may retake possession without any notice or legal process whatsoever. Lessee agrees to indemnify, defend, and hold Lessor harmless from any and all claims and costs arising from such retaking of the Equipment.

7). **Indemnification and Risk Assumption:** Lessee upon acceptance of the Equipment assumes all risk and liability for the use, transportation, and care of the Equipment and agrees to indemnify, save, and hold the Lessor and the manufacturer harmless from all claims, liens, all losses or damage to the Equipment and all loss, damage, claims, penalties, liability and expenses, including attorney fees, howsoever rising or incurred because of the Equipment or operation of the Equipment during the lease period. The Lessor shall not be liable to the Lessee for any loss, delay, or damage of any kind or character resulting from defects in, loading or unloading, or the inefficiency of the Equipment or accidental breakage of the Equipment.

8). **Insurance:** Lessee, at its own expense, shall carry adequate insurance as approved by Lessor against bodily injury including death and property damage with a coverage of at least \$1,000,000. The Lessee also agrees to protect the Lessor with insurance coverage to cover damage to the Equipment occasioned by any cause that may occur during the life of this Lease. Lessee agrees to provide Lessor with a certificate of insurance evidencing Comprehensive General Liability and Property Insurance on the Equipment, naming Lessor as loss payee.

9). **Damage Waiver:** By Customer initial acceptance of the Damage Waiver on the front of this agreement and with immediate notification in the event of any accident and the prompt submission of applicable police reports, rental center and customer agree that rental center will waive any claim against customer for direct physical damage to the equipment for any external cause, except as follows:

- a). Loss or damage resulting from overloading or exceeding rated capacity of the Equipment;
- b). Loss or damage to motors or other electrical appliances for devices caused by artificial current;
- c). Damage to tires, tubes, and wheels caused by blowout, bruises, cuts and other causes inherent in the use of the Equipment;
- d). Loss due to mysterious disappearance, wrongful conversion by a person entrusted with the Equipment or a shortage disclosed on inventory;
- e). Loss or damage caused by infidelity of customer, its employee, or persons to whom the Equipment is entrusted;
- f). Loss or damage resulting from misuse, abuse, failures to maintain, cleanliness, proper oil, fuel, hydraulic, coolant or pressure levels, lack of lubrication, or other normal servicing of Equipment;
- g). All damage or loss resulting from use of the Equipment in violation of any provision of this agreement, violation of any law, ordinance or regulation or operation in an improper or negligent manner;
- h). Damage from dirtying of Equipment by paint, mud, plaster, concrete, rosin, or any other material. Customer is responsible for cleaning and repainting, as required.