



1. The Lessor agrees to render mechanical services at no charge to the equipment covered hereunder for adjustments due to normal wear and tear only. The lessor will perform no mechanical service unless compensated for such services when they are required by the lessee due to neglect or damage and the lessor will not be responsible for any repairs on rental equipment by any other party except an employee of the lessor, and such repairs will be made only during normal working hours.
2. The machinery covered herein shall remain the property of the lessor, and shall be subject to no recapture by the lessee regardless of the term of the lease. Lessor expressly retains right of ownership and does not offer this equipment for sale.
3. On out-of-town shipments, the rental period shall begin on and include the date of bill of lading of shipment to the lessee until and including the date of return to the lessor's shipping or receiving point. Both local and out-of-town rentals are subject to the minimum rental period. The rental will then be invoiced on a pro-rate basis.
4. The lessee agrees that the rates provided for in the contract are considered straight time rates based on eight (8) hours per day, for five (5) eight (8) hour days per week, or twenty (20) eight (8) hour days in any one twenty-eight (28) consecutive day period. Should the machinery be used longer than the above specified hours in any specific period, the overtime rate shall be pro-rated on the above basis. On straight rentals of equipment the lessee agrees to maintain said machinery and equipment in the same condition as when delivered to it by the lessor, usual wear and tear excepted, and to pay all claims and damages arising from defects therein or from the use or handling of said machinery and equipment, excepting the usual and ordinary wear and tear during the life of this contract, property in as good condition as when received to the storage yard of the lessor or receiving point designated by and to return said the lessor, usual and ordinary wear and tear excepted, and to pay all freight, damages, storage, or charges against said equipment from the time the same shall leave the storage yard of lessor up to and including the time of its return to the storage yard or place of return agreed upon.
5. In the event the lessee accepts the machinery and equipment, as herein provided, and thereafter the said machinery proves defective or unfit for use because of accident or otherwise, or, if for any reason lessee desires to discontinue the use of said machinery or equipment, the only remedy of lessee shall be to return the machinery to lessor and terminate this contract as herein elsewhere provided for, which in no event shall be less than the transportation charges on said machinery and equipment and minimum rental herein provided for. The lessee further expressly agrees and assumes all responsibility for any training or education of lessee's employees, workmen, servants, agents and assigns as it concerns the rented equipment, and lessee further agrees to indemnify, defend, reimburse and hold harmless the lessor, its employees, workmen, servants, agents and its assigns from and against any and all liabilities, claims, demands, loss, damage, attorney's fees, expenses, penalties and actions either for bodily injury, death or property damage of any character whatsoever occasioned by the use, operation, condition, handling or transportation of any of the equipment during the rental period and while said equipment is in the possession of, under custody and control of, lessee or its sub lessees, if any, their employees, workmen, servants or agents, made by any person, firm, or corporation, including omission or commission, negligent or otherwise of the lessee, its sub lessees, if any, their employees, workmen, servants or agents of the lessor (or its assigns) that may have been caused directly or indirectly, or by any act of workmen, servants or agents, or by reason of any condition or activity on the premises wherein the equipment is being used, stored, maintained or repaired. The indemnities and assumptions of any liability in this paragraph shall continue in full force and effect notwithstanding termination of this lease, whether by expiration of time, by operation of the law or otherwise. The lessor shall give lessee prompt notice of any claim or liability hereby indemnified against, and lessee shall be entitled to conduct the defense thereof. The equipment being leased by the lessee under the lease shall be considered as being under the sole custody and control of the lessee during the period of use under this lease by others than the lessor and should any person or persons in the employ of the lessor be used to operate said equipment during the period of such use, such person or persons shall be deemed during such period of operation to be an employee or employees of and under the exclusive control, jurisdiction and direction of the lessee. Lessee further agrees to deliver the equipment in the same condition as received at the end of rental period to the lessor less normal wear and tear. This hold harmless agreement shall encompass any claims arising from either or both personal injury and property damage caused as a result of the use or storage of this equipment both by the employee of the lessee or any workman, servant, agent or assign of lessee and the lessee also agrees to hold the lessor and its' agents and employees, harmless from any and all claims arising out of or in connection with the active passive use or storage of the lessor's equipment while in the possession or control of the lessee or its agents, servants, or employees as well as agreeing to pay for all damage to the equipment itself pursuant to the agreed and stated value that appears on the face hereof. Should same not appear on the face hereof then the replacement cost of the equipment so destroyed or damaged shall govern.
6. The lessee agrees to pay any charges for work or inspection required by any labor union. The lessor may, at its option, refuse to do any repair work on equipment in time of strike, or any other cause beyond its control, or in violation of any rule affecting the equipment. The lessor reserves the right to remove the equipment from the job at any time, in its opinion, the equipment is in danger because of strike or equipment is in danger because of strike or any other condition and the lessor in no ways shall be responsible for any claims made by the lessee for delay or inoperative use of said equipment. The limit of the lessor's liability to be only that which is contained herein. Such equipment must be returned to the lessor or be picked up by the lessor through the request of lessee and until such pick up or delivery is made the rental recited herein shall continue for such equipment.
7. The lessee agrees to comply with and conform to all municipal, state, and federal laws relating to the operation of said machinery and to pay all costs and expenses or every character occasioned by or involving the use or operation of the machinery and to pay all legal assessments, taxes, or public charges, either local, municipal, state or federal, which may be levied upon such equipment while in the possession of the lessee.
8. The lessee agrees to pay the lessor for all loss and damages occasioned by fire, theft, flood, accident, explosion, wreck, an act of God or any other cause that may occur during the life of its lease, and until such machinery has been returned to the possession of the lessor and accepted by it.
9. The lessee further agrees during the term of this lease to: a) Keep the equipment herein leased fully insured against loss or damage resulting from

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peril of every kind and nature, including, but not limited to, fire, theft, flood, explosion, accident, and acts of God, whether resulting from lessee's negligence or otherwise, which policies shall name the lessor as an insured thereunder and provide for payment of the proceeds to lessor in the event of such damage. b) Maintain Workmen's Compensation Insurance covering lessee's employees and having Section B limits of not less than \$1,000,000. c) Maintain public liability insurance covering lessor against loss of every kind or nature arising out of the use, transportation or storage of the equipment herein leased, including but not limited to, death or bodily injury and property damage (including contractual liability) coverage with limits of not less than \$1,000,000 for bodily injury or death to any one person, \$3,000,000 for bodily injury or death to all person(s) in any one accident, and \$1,000,000 for damage to property. All insurance required hereunder shall be in such form and with such companies as shall be acceptable to lessor and shall provide that the policies may not be cancelled except after (10) days prior written notice to lessor. Lessee shall provide to lessor proof of its timely payment of premiums for all insurance required hereunder. All insurance policies carried in accordance with sub paragraph (c) shall name the lessor as the insured thereunder and shall, to the extent obtainable without additional cost, contain a clause that the interest of the lessor shall not be impaired or invalidated by any act or neglect of the lessee.

10. The title of property herein leased and to all replacements thereof or substitution thereof is and shall remain in the lessor.

11. The lessee agrees whenever requested by lessor, to give the exact location of all of the machinery and equipment covered by this lease and further agrees to give lessor immediate notice of any levy attempt upon said equipment, or if said equipment from any cause becomes liable to seizure, and to indemnify lessor against all loss and damages caused by any such action. The lessor shall have the privilege at all times of entering any job, building or location where the above property is being used for the purpose of inspection and reserves the privilege of removing said machinery and equipment on twenty-four hours notice if it is being overloaded or taxed beyond its capacity or in any manner of abuse or neglect.

12. Should any of the provisions of this lease be violated by the lessee the rental for the entire period herein specified, shall become forthwith due and payable, and the lessee or its agents may, without notice, enter the premises occupied by lessee without being a trespasser thereon and take possession thereof and remove said equipment with or without machinery, from the possession of the lessee and all freight, demurrage, storage, labor, or other charges on or against said property incurred during or by the removal, shipping and return process of law. In the event any action as hereinbefore set forth becomes necessary the lessee agrees to pay, in addition to the other charges herein specified, all costs of removal of said to the possession of the lessor at his designated receiving

13. The equipment hereby leased shall not be sublet without the written consent of the lessor nor shall said property be moved out of the state specified in this contract.

14. The lessee agrees to pay all the rentals when they are due and for all services and material furnished and all damages and sums due the lessor under this contract as soon as the loss occurs or services are rendered or materials are furnished. The taking of notes, or renewals thereof, covering rentals herein specified shall not in any manner whatsoever change or invalidate the terms and conditions of this contract and said notes shall be considered additional security only and in no way act as an accord and satisfaction of this agreement.

15. Lessee agrees that if any of the lease provisions are violated and lessor demands the return of the equipment, the lease shall constitute authority to the watchman or other person's responsible for the retrieval of the equipment to deliver all or any part of the equipment to the lessor or its agents.

16. On all equipment rentals which are supplied with pneumatic tires, the repair of such tires shall be the sole responsibility of the lessee except in such cases where the tire shall be adjudged defective by the manufacturer. The lessor under no circumstances assumes any responsibility for the repair, replacement or adjustment of said tires, regardless of the circumstances adjudged defective by the manufacturer. The lessor under no circumstance assumes any responsibility for the repair, replacement or adjustment of said tires.

17. In the event of accident to, or brakeage (other than normal wear and tear) of any part of the equipment, including but not limited to accidents or breakage due to lessee's willful destruction or neglect, lessee shall notify lessor thereof, and the lessor will repair or replace said equipment for the lessee, using reasonable diligence to make said replacement, and the lessee agrees to pay the lessor its regular charges for any material or labor furnished in making said repairs or replacement upon demand, in the event any work is done outside lessor's regular hours, by reason of which lessee shall be required to pay double time or other overtime charges to its employees, or to anyone doing the work for lessee, all such charges will be paid by the lessee to the lessor.

18. A waiver of any of the terms and conditions of this agreement by the lessor shall in no way invalidate or waive any other portion of this agreement but the same shall remain in effect. If the occasion waived by the lessor arises for an additional time under the terms of this agreement the lessor by waiving them in prior instance shall not have its action treated as a continuous waiver thereunder but may act upon any new default in the terms and conditions of this agreement as if they were made by the lessee for the first time. Should any portion of this agreement be held invalid for any reason whatsoever it is the intention of the parties to continue to have all of the terms and conditions of this agreement remain in full force and effect.

19. All deliveries and pick-ups are to F.O.B. lessor's trucks or delivering carrier.

20. The lessee acknowledges and agrees that lessor, its agents or employees have not made, and do not hereby make, any representation or warranty or covenant with respect to the merchantability, conditions, quality, durability, or suitability of the equipment in any respect or in connection with or for the purposes and uses of lessee, or any other representation or warranty or covenant of any kind or character, express or implied with respect thereto. The lessor shall not be liable in any event to the lessee or any other person for any loss, delay or damage of any kind or character resulting from defects in,

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or inefficiency of equipment hereby leased or accident breakage or breakdown thereof, or unsuitability of the equipment for the purposes of the lessee or sub lessees, if any.

21. Both lessor and lessee agree that modification of this agreement shall not be binding upon either of them, unless such modification shall be in writing and duly accepted in writing.

22. Lessee agrees to be responsible for safe keeping of equipment and acknowledges responsibility for loss of equipment while in lessee's possession under the terms of this agreement.

23. Lessor shall not be responsible for any indemnification or hold harmless agreements or any other terms not specifically contained herein.

24. Lessor is not responsible for the operation of this equipment or for work performed thereon. Lessor further disclaims any right to control, supervise, stop, or change the work done on or near the equipment.

25. Lessee shall pay lessor all of lessor's cost, charges and expenses, including court cost and attorney's fees, incurred in enforcing Lessee's obligations under this agreement or incurred by lessor in any litigation, negotiations, or transactions in which lessee cause lessor, without lessor's fault, to become involved or concerned. In the event of litigation, lessor shall have choice of law and jurisdiction.

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