

RENTAL AGREEMENT

IN CONSIDERATION of receiving from Lessor, the equipment described on the reverse side of this Agreement, Lessee agrees to the following terms:

1. Lessee has examined and inspected the equipment and accepts the same in its present condition.

The Lessee agrees to pay all rentals when they are due and for all services and materials 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.

2. The Lessee further agrees to indemnify the Lessor against all loss, damage, expense and penalty arising from any action on account of any injury to person or property of any character whatsoever occasioned by the operation, handling or transportation of any of the equipment during the rental period, and while said machinery and equipment is in the possession or under the custody and control of Lessee.

3. Lessee shall be charged with rent from the time the equipment is removed from Lessor's premises. On the return of the equipment, Lessee shall pay any rent in excess of the deposit and if the deposit exceeds the rent, Lessor shall refund the excess to Lessee.

4. Lessor shall have the privilege of terminating this lease at any time and to take immediate possession of the equipment, and for such purpose Lessor is authorized to go upon the property of the Lessee at any time and to secure the return of such equipment without legal process. In the event this lease is terminated in such manner by Lessor, Lessee shall be refunded any unearned rental, or be required to pay any charge in excess of the deposit.

5. The Lessor shall not be liable in any event to the Lessee for any loss, delay or damage of any kind or character resulting from defects in, or inefficiency of equipment hereby leased or accidental breakage thereof.

6. 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 other 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. Upon termination, Lessee shall pay all transportation charges and rent due on said machinery and equipment which rent shall be no less than the minimum rental herein provided.

7. Lessee agrees to pay for any damage to the equipment other than that occasioned by reasonable use. Such damage shall include, but not be limited to all loss and damages occasioned by fire, theft, flood, accident, explosion, wreck, an act of God or any other causes that may occur during the life of this lease and until such machinery has been returned into the possession of the Lessor and accepted by it. For the purpose of finding the valuation of said property in order to determine the loss, damage or injury thereto, it is agreed by the parties hereto that the value as hereinbefore stated shall be a true and just value forming a basis for such adjustment. In making such adjustment it is understood that no rental previously paid or due shall apply to the payment of such loss.

8. The Lessee agrees, whenever requested by Lessor, to give Lessor 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 or seizure contemplated or attempted upon said equipment, 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 abused or neglected.

9. Any collection fees, including reasonable attorney fees incurred by Lessor in collecting rent or any other fees or damages due Lessor under this contract shall be paid by Lessee.

10. Rental rates are based on the following maximum hour usage of: 8 hours per day, 40 hours per week and 160 hours per month. Additional rental will be charged for excess hours. Minimum rental period shall be 1 day.

11. The Lessee shall not sublet leased machinery to any other party without prior written approval from Lessor.

12. Lessee shall bear the expense of all fuel and lubrication and shall keep the equipment properly lubricated at all times.

13. Lessee agrees to pay for unusual wear and damage to machine, including tires, trencher or bucket digging teeth, and cutting edges.

14. Lessee agrees to use the equipment within its normal capacity and for the purpose for which it was intended.

15. Lessee acknowledges that in consideration for the availability of described equipment, that this is a Contract of Rental and that nothing herein conveys to him any right, title or interest except as a Lessee, inclusion of insurable value does not constitute an offer to sell.

16. Lessor shall retain title to the equipment.

17. Lessee shall be liable for any damage to the equipment caused by fire, theft, flood, accident, explosion, wreck, an act of God or any other causes that may occur during the life of this lease and until such machinery has been returned into the possession of the Lessor and accepted by it. For the purpose of finding the valuation of said property in order to determine the loss, damage or injury thereto, it is agreed by the parties hereto that the value as hereinbefore stated shall be a true and just value forming a basis for such adjustment. In making such adjustment it is understood that no rental previously paid or due shall apply to the payment of such loss.

Lessee shall at its expense provide and maintain insurance against loss, damage or destruction to the leased equipment, for its actual cash value. Alternatively, Lessee may elect to purchase Loss Damage Waiver protection to cover its responsibility for the loss, damage or destruction to the leased equipment. To the extent that such loss, damage or destruction results from the Lessee's gross negligence or willful misconduct, any limitation of the Lessee's responsibility provided by the LossDamage Waiver or otherwise shall be void. Before deciding whether to purchase the Loss Damage waiver protection, Lessee may wish to determine whether its own insurance affords comparable coverage for damage to the leased equipment and the deductible amount Lessee would be responsible for under its insurance. The purchase of Loss Damage Waiver is not mandatory and may be declined. If the Lessee elects the Loss damage Wainer protection, Lessor shall invoice the Lessee a fee of 18% of the rental rate for said protection. The Lessee is responsible for a \$1000 deductible per occurrence for any loss. Waivers hereunder do not constitute insurance.

Please Sign below that you have read the paragraph above in its entirety, understand its terms and wish to purchase the Loss damage Waiver described herein:

(Signature)

I (We) choose not to purchase the Loss Damage Waiver:

(Signature)

*No Rental Purchase Allowed without Prior Written Agreement! *Rental Rates are based on the Following Maximum usage of 8 hours per day, 40hours per week and 160 hours per month. Additional rental will be charged for the excess hours. Minimum rental period shall be 1 day! The unit must be left accessible for P/U or additional charge will be made! Not responsible for items left on the machine! *The Lessee further agrees at its expense to provide and maintain public liability insurance in the amount not less than \$500,000 combined single limit for bodily injury and property damage! All units are sent out full of fule. If the unit is returned less than full, Lessee will be charged for the difference!