

Rightway Equipment Rentals LLC GENERAL CONDITIONS OF EQUIPMENT RENTAL AGREEMENT

The conditions of lease here below stated, together with the Agreement set forth on the reverse side of this sheet, constitute a contract between the parties therein named which contract is hereafter referred to as "this Agreement".

1) **RENTAL PERIOD/CHARGES.** The Rental period shall cover all time consumed in transporting the equipment, including the date of legal delivery to a public carrier for transit to Lessee and upon return of the equipment, the date of legal delivery by such carrier to Lessor, or if no public carrier is used, shall include the date upon which transit to Lessee begins and the date upon which transit from Lessee ends at Lessor's unloading point. Rightway Equipment Rentals LLC shall invoice Lessee for any additional excess cleaning or repairs costs, including Removal of any alterations made by lessee to the equipment to restore back to original condition. "Taxes" mean sales tax, goods and services tax, property taxes or other taxes, levies and assignments required to be collected by Rightway Equipment Rentals LLC at the time of rental. Rental charges accrue during weekends and holidays. Rental rates are for normal "shift shift" usage based on an eight (8) hour per day, forty (40) hours per week (7 days) and 160 hours per four (4)-week period. Additional charges will apply in excess of hours explained in prior sentences.

2) **PAYMENT.** The rent for any and every item of equipment described in the List of Equipment shall be the amount therein designated and is payable in advance on the first day of the contract or each month. Lessee shall pay Lessor interest at twelve percent (12%) or the highest lawful rate, whichever is greater, on any delinquent payment from the date when such payment was due until paid and on any other sum for breach of this Agreement, from the date of the breach, and expenses of collection or suit, including actual attorneys' fees. In the event my account is assigned to either a collection agency or an attorney due to a remaining balance on my account, I agree to pay any additional collection fee charged up to 33.33%.

3) **SECURITY DEPOSIT.** Any security deposit paid by Lessee to Lessor is paid to guarantee Lessee's full and faithful performance of all terms, conditions and provisions of this Agreement. If Lessee shall so perform, an equal sum shall be repaid without interest to Lessee at the termination of this Agreement.

4) **FEES, ASSESSMENTS, AND TAXES PAID BY LESSEE.** Lessee shall pay all license fees, assessments, and sales, use, property and excise, and other taxes or hereafter imposed, and relating to Lessee's use or possession of the equipment. 5) **Tire/Tube/Tracks Replacement.** Lessee is responsible to check all tires/tracks prior to rental. Repair or replacement of tires/tracks or tubes on equipment is the responsibility of the lessee and is not included in the rental rate. All tires/Tracks/Tubes are the responsibility of the Lessee once the rental is accepted.

6) **OPERATORS.** Unless otherwise mutually agreed in writing, Lessee shall supply and pay all operators on the equipment during the Rental Period. All operators shall be competent. Should the Lessor furnish any operators or other workmen for the equipment, they shall be employees of Lessee during the Rental Period, and Lessee shall pay them salary or wages and all other applicable costs. Lessee shall provide and pay for all workmen's compensation insurance and pay all payroll taxes required by law and applying to such operators and workmen.

7) **EQUIPMENT USE.** Lessee is familiar with the proper operation and use of each item of equipment. Lessee agrees they have selected the correct equipment based on its requirements and will not use or allow anyone to use the equipment for an illegal purpose or in an illegal manner; without a license, if required under any applicable law; or who is not a qualified operator. Lessee agrees to: (i) check filters, oil, fluid levels and tire air pressure; (ii) clean and visually inspect the equipment daily; and (iii) immediately cease using the equipment and immediately notify Rightway Equipment Rentals if equipment needs repair or maintenance. Lessee acknowledges that Rightway Equipment Rentals has no responsibility to inspect the equipment while it is in customer's possession. Rightway Equipment Rentals shall have the right to replace the equipment with other reasonably similar equipment at any time and for any reason. Lessee shall neither use nor permit any Equipment/Trailer to be used for the carriage of animal hides (tanned or untanned); used tires, corrosive acids, radioactive substances of any type; solid wastes of any type; noxious or filthy matter, or hazardous or toxic materials of any type; or any other cargo for which the Trailer was not designed or is not suitable for, which may damage the trailer, or which may create an unreasonable risk of damage to the Trailer or to third parties during transport or subsequent use. For purposes of this Section, third parties mean any person or entity that is not a signatory to this Agreement.

a) Lessee shall keep the Equipment/Trailer in good working order, repair, appearance and condition. ON A DAILY BASIS, LESSEE MUST INSPECT THE EQUIPMENT/TRAILER, TIRE AIR PRESSURE AND OIL LEVELS, AND REPAIR FLAT TIRES AT ITS OWN EXPENSE.

b) Lessee shall assume all responsibility and cost for any and all licenses, titles, permits, inspections, and other certificates as may be required by law or otherwise for Lessee's lawful use and operation of such Equipment/Trailer in any state or other jurisdiction where Lessor has not, at its expense, previously registered or licensed the Equipment/Trailer under the motor vehicle registration laws of such state or jurisdiction that Lessor, in its sole discretion may have selected.

c) Lessee shall permit the Equipment/Trailer to be operated only by a duly qualified and licensed driver, and shall comply with the Equipment/Trailer manufacturer's loading limit and shall prevent excessive and undue impact and concentrated loading. Lessee shall not permit the Equipment/Trailer to be used in any illegal activity or for the carriage of any illegal or contraband goods..

8) MAINTENANCE AND REPAIR

a) Lessee is responsible for checking the hub oil or hydraulic fluid levels of the Equipment/Trailer daily and adding fluid as required. In the event that Lessor performs maintenance for which Lessee is responsible hereunder, Lessee shall pay for such services at Lessor's then-current rates for labor or parts. Lessor shall have the right to inspect all maintenance performed on.

b) Lessee shall make the Equipment/Trailer available to Lessor for preventative maintenance servicing at least one time during each calendar month at the Service Location. Lessee shall be responsible for, and shall bear the expense of all maintenance and consequential repairs required due to lessee's failure to make the Equipment/Trailer available to Lessor for servicing as stated above, and for shuttling the Equipment/Trailer to and from the Service Location or to such other repair facility as may be designated by Lessor. Lessor shall, upon Lessee's request (and for Lessee's account) perform the maintenance for which Lessee is responsible hereunder whenever the Equipment/Trailer is made available to the service location or to such other facilities as may be designated by Lessor for which maintenance Lessee agrees to pay Lessor's standard applicable rates.

c) Notwithstanding the provisions of subparagraph 8(A) above, Lessee shall be responsible for the repair of all damage to the Equipment/Trailer of any kind, whether caused by Lessee or not. Where lessee repairs damage, the adequacy of such repairs shall be determined in the sole discretion of Lessor during the term of this Agreement, or, at Lessor's option, at the Equipment/Trailer's return, and such repairs shall be considered accessions to the Equipment/Trailer and become the property of Lessor. Lessee may also elect to return the Equipment/Trailer and request that Lessor perform such repairs. The cost of such repairs shall be paid by Lessee within thirty (30) days of such repair. Lessee shall also pay a service charge of fifteen percent (15%) for Lessor's arranging for the repair and the rental term for the Equipment/Trailer shall not terminate until the repair is completed. The schedule of typical costs and charges may be obtained by Lessee from any Lessor branch location.

d) Lessee shall not undertake any repair to the Equipment/Trailer where the aggregate cost of repair is reasonably estimated to exceed Five Hundred Dollars (\$500.00) without having first obtained the express written consent of Lessor. e) Lessee shall not remove, alter, disfigure or cover up any numbering, lettering, or insignia displayed upon the equipment, and shall see that the equipment/trailer is not

subjected to careless, unusually or needlessly rough usage; and Lessee shall at his/her own expense maintain the equipment and its appurtenances in good repair and operative condition, and return it in such condition to Lessor, ordinary wear and tear resulting from proper use thereof alone expected.

9) **DISCLAIMER OF WARRANTIES.** LESSOR, BEING NEITHER THE MANUFACTURER, NOR A SUPPLIER, NOR A DEALER IN THE EQUIPMENT, MAKES NO WARRANTIES, EXPRESS OR IMPLIED, AS TO ANY MATTER WHATSOEVER, INCLUDING, WITHOUT LIMITATION, THE CONDITION OF THE EQUIPMENT, ITS MERCHANTABILITY, ITS DESIGN, ITS CAPACITY, ITS PERFORMANCE, ITS MATERIAL, ITS WORKMANSHIP, ITS FITNESS FOR ANY PARTICULAR PURPOSE, OR THAT IT WILL MEET THE REQUIREMENTS OF ANY LAWS, RULES, SPECIFICATIONS, OR CONTRACTS WHICH PROVIDE FOR SPECIFIC APPARATUS OR SPECIAL METHODS. LESSOR FURTHER DISCLAIMS ANY LIABILITY WHATSOEVER FOR LOSS, DAMAGE, OR INJURY TO LESSEE OR THIRD PARTIES AS A RESULT OF ANY DEFECTS, LATENT OR OTHERWISE, IN THE EQUIPMENT. AS TO LESSOR, LESSEE LEASES THE EQUIPMENT "AS IS". LESSOR SHALL NOT BE LIABLE IN ANY EVENT TO 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.

10) **INDEMNITY.** Lessee shall indemnify Lessor against, and hold Lessor harmless from, any and all claims, actions, suits, proceedings, costs, expenses, damages, and liabilities, including attorneys fees, arising out of, connected with, or resulting from the equipment or the Lease, including without limitation, the manufacture, selection, delivery, leasing, renting, control, possession, use, operation, maintenance or return of the equipment. Lessee shall further indemnify Lessor, and hold Lessor harmless from all loss and damage to the equipment during the rental period. Lessee recognizes and agrees that included in this indemnity clause, but not by way of limitation, is Lessee's assumption of any and all liability for injury: disability and death of workmen and other persons caused by the operation, use, control, handling, or transportation of the equipment during the Rental Period. 11) **RISK OF LOSS.** Lessor shall not be responsible for loss or damage to property, material, or equipment belonging to Lessee, its agents, employees, suppliers, or anyone directly or indirectly employed by Lessee while said material property, or equipment is in Lessor's care, custody, control or under Lessor's physical control. Lessee is encouraged to obtain appropriate equipment, material, or installation floater insurance against such risk of loss. Lessee and its insurers waive all rights of subrogation against Lessor for such losses.

12) **INSPECTION: CONCLUSIVE PRESUMPTIONS.** Lessee shall inspect the equipment prior taking possession thereof, Lessee agrees that it shall be conclusively presumed, as between Lessor and Lessee, that Lessee has fully inspected and acknowledged that the equipment is in full compliance with the terms of this agreement, in good condition and repair, and that Lessee is satisfied with and has accepted the equipment in such good condition and repair. Customer has inspected or will inspect all hitches, bolts, safety chains, hauling tongues, and other devices and materials used to connect the Equipment to Customer's towing vehicle, if any. Customer acknowledges Rightway Equipment Rentals LLC is not responsible for any damage to customer's towing vehicle caused by detachable hitches or mirrors. Lessor shall have the right at any time to enter the premises occupied by the equipment and shall be given free access thereto and afforded necessary facilities for the purpose of inspection.

13) **OWNERSHIP.** Lessor shall at all times retain ownership and title of the equipment. Lessee shall give Lessor immediate notice in the event that any of said equipment is levied upon or is about to become liable or is threatened with seizure, and Lessee shall indemnify Lessor against all loss and damages caused by such action.

14) **DEFAULT; REMEDIES.** If (a) Lessee shall default in the payment of any rent or in making any other payment hereunder when due, or (b) Lessee shall default in the payment when due of any indebtedness of Lessee to Lessor arising independently of this lease, or (c) Lessee shall default in the performance of any other covenant herein and such default shall continue for five days after written notice hereof to Lessee by Lessor, or (d) Lessee becomes insolvent or makes an assignment for the benefit of creditors, or (e) Lessee applies for or consents to the appointment of a receiver, trustee, or liquidator of Lessee or of all or a substantial part of the assets of Lessee under the Bankruptcy Act, or any amendment thereto (including, without limitation, a petition for reorganization, arrangement, or extension) or under any other insolvency law or law providing for the relief of debtors, then, if and to the extent permitted by applicable law. Lessor shall have the right under any other insolvency law or law providing for the relief of debtors, then, if and to the extent permitted by applicable law. Lessor shall have the right to exercise any one or more of the following remedies.

- (a) To declare the entire amount of rent hereunder immediately due and payable as to any or all items of the equipment, without notice or demand to Lessee.
- (b) To sue for and recover all rents, and other payments, then accrued or thereafter accruing, with respect to any or all items of the equipment.
- (c) To take possession of any or all items of the equipment without demand, notice, or legal process, wherever they may be located. Lessee hereby waives any and all damages occasioned by such taking of possession. Any said taking of possession shall not constitute a termination of this lease as to any or all items of equipment unless Lessor expressly notifies Lessee in writing.
- (d) To terminate this lease as to any or all items of equipment.
- (e) To pursue any other remedy at law or in equity.

Notwithstanding any said repossession, or any other action which Lessor may take, Lessee shall be and remain liable for the full performance of all obligations on the part of Lessee to be performed under this Lease. All such remedies are cumulative, and may be exercised concurrently or separately.

15) **REMEDIES CUMULATIVE: NO WAIVER; SEVERABILITY.** All remedies of Lessor hereunder are cumulative and may, to the extent permitted by law, be exercised concurrently or separately, and the exercise of any one remedy shall not be deemed to be an election of such remedy or to preclude the exercise of any other remedy. No failure on the part of the Lessor to exercise and no delay in exercising, any right or remedy, hereby shall operate as a waiver thereof; nor shall any single or partial exercise by Lessor of any right or remedy hereunder preclude any other or further exercise thereof or the exercise of any other right or remedy. If any term or provision of this lease is found invalid, it shall not affect the validity and enforcement of all remaining terms and provisions of this lease.

16) **ENTIRE AGREEMENT.** This instrument constitutes the entire agreement between Lessor and Lessee; and it shall not be amended, altered or changed except by a written agreement signed by the parties hereto.