



RENTAL TERMS AND CONDITIONS

Lessor rents to lessee the equipment described on the rental agreement dated on or about the date hereof and subject to the provisions herein. Lessee refers to the person signing this agreement, his employer or partner, and any other person or organizations to whom charges are to be billed, all of whom shall be jointly and severally liable hereunder.

OWNERSHIP - The equipment is the property of lessor and is to be returned to the place where rented at the end of the rental term. In the same general condition as when received, excepting ordinary wear and tear. If lessee fails to make any payment when due, attempts to sell or encumber the equipment, ceases operation, institutes or has instituted against him proceedings under bankruptcy or insolvency law, makes an assignment for the benefit of creditors, or fails to comply with any other provision of this rental agreement; or if any attachment, execution, writ or process is levied against the equipment of any of lessee's property, or if for any reason lessor deems itself insecure or the equipment unsafe, lessee agrees to deliver the equipment to lessor on demand and lessor may enter on any job, building or place where the equipment is located and take possession thereof without notice to lessee and this rental agreement shall thereupon terminate at the option of the lessor. In the event of any such action, lessee agrees to pay all guaranteed rentals and all other rentals due, damages for any injury to the equipment, costs of removal from the lessee's possession and all transportation and other charges incurred. If legal action is required to enforce lessee's obligation hereunder, lessee agrees to pay the costs thereof including reasonable attorney's fees paid by lessor.

TERMS - Lessee shall pay all rental, time, mileage, service, transportation, refueling and other charges in accordance with this agreement, all sales and use taxes and expenses. The stipulated rental rate entitles lessee to 40 hours/week, 176 hours/month operation. Excess usage will be prorated from the stipulated rental rate and this, plus taxes, will be charged. Lessor shall have a lien, as allowed by law, for charges incurred hereunder upon premises and improvements upon which equipment is employed. Rentals are payable to the office shown on this agreement unless otherwise specified. Lessee pays all shipping, loading, unloading, assembling and dismantling expense. The Lessee hereby agrees to pay all collection and legal fees if such action is necessary.

USE - Equipment shall be used solely in customer's business, and only within its rated capacity by competent personnel in a safe and careful manner. Equipment shall not be used: to carry persons for hire; to carry persons other than drivers or helpers employed by lessee (and these shall be carried within the cab) and then only if such carriage is lawful; to transport property for hire unless lessee obtains all necessary permits and licenses in violation of any law or ordinance or in any speed contest for the carrying or hauling of explosives or other hazardous material. If equipment is used in violation of the paragraph, or is obtained from lessor by fraud or misrepresentation, or if used in furtherance of any illegal purpose, all use of equipment is without lessor's permission.

MAINTENANCE - Lessee shall perform and pay for all normal periodic service, adjustments and lubrication of equipment before each shift such as checking and maintaining proper levels in crankcase, transmissions, final drives, elevator gear box, radiator, tire pressure and batteries; in accordance with the supplied service and operation manuals. If equipment fails to operate properly or it needs repair, lessee shall cease using immediately and notify lessor.

INSURANCE - Lessee will purchase and maintain in force during the time this agreement is in effect, insurance policies in at least the amounts listed below, covering the equipment between the time of delivery thereof to Lessee and return to Lessor for disposition. Said insurance shall be written by an insurance company or companies of adequate financial responsibility acceptable to Lessor, insuring Lessee against any loss, damage, claims, suits, actions or liability, caused by or occasioned by or arising from any use of the equipment by or negligence of Lessee or any of Lessee's agents, servants, visitors, licensees or employees during the lease term. The insurance shall by endorsement name Lessor as an additional insured and loss payee. Such endorsement or endorsements shall provide in each case that said insurance company or companies shall give to lessor at least thirty (30) days' notice in writing of proposed cancellation, modification or alteration of any said insurance.

Type	Amount
Commercial General Liability	\$1,000,000 per occurrence, with a general aggregate of \$2,000,000.
Products - Completed Operations Aggregate	\$2,000,000
Automobile Liability	\$1,000,000
Excess/Umbrella Liability	\$1,000,000 each occurrence
Workers' Compensation/Employers Liability	
E.L. Each Accident	\$500,000
E.L. Disease - EA Employee	\$500,000
E.L. Disease - Policy Limit	\$500,000

Lessee shall furnish Lessor with a copy of the policies referred to above, or other evidence thereof acceptable to Lessor. Policies covering the aforementioned fire and theft and collision insurance shall bear endorsements to the effect that proceeds thereof shall be payable to Lessor and/or Lessee as their interests may appear. Lessor shall, on demand, furnish lessor a certificate of such insurance which may not be canceled or materially modified except on twenty (20) days prior written notice to lessor. Lessee agrees to abide by the provisions of said policy and to notify Lessor and the insurer of any accident or occurrence involving equipment immediately by telephone and thereafter to promptly report to them in writing all information relevant thereto. Lessee, its agents and employees shall cooperate fully with lessor and insurer in the investigation, prosecution and or defense of any claim or suit and shall do nothing to impair or invalidate the applicable insurance coverage. Lessor's acquiescence in lessee's certificate (s) of insurance shall not be a waiver of lessee's insurance obligations hereunder. Lessee shall also keep the equipment insured for its total present value against any loss or damage through accident, fire, weather condition, theft or malicious destruction and any other insurable risks. Lessee shall defend, indemnify and hold harmless lessor, its subsidiary and affiliated companies, their officers, agents and employees, against all loss, liability, and expense, including reasonable attorney's fees, by reason of bodily injury, including death and property damage sustained by any person or persons, including but not limited to employees of lessee as a result of the maintenance, ownership, use, operation, storage, erection, dismantling, servicing or transportation of equipment, whether such bodily injury, death or property damage are due or claimed to be due to any negligence of lessor, employees or agents of lessor or any other person.

REGULATIONS - Lessee shall, at his expense, comply with all local, state and federal laws and regulations affecting equipment and its use, operation, erection, dismantling and transportation, including all federal and local Department of Transportation regulations, licensing and building code requirements and shall defend, indemnify and hold harmless lessor from all loss, liability or expense resulting from actual or asserted violations of such laws, requirements or regulations.

RENTAL CONTRACT - This is a rental contract only and lessee cannot assign it. Lessee is not an agent or employee of lessor for any purpose. Lessee shall not suffer any liens or incumbrances to attach to equipment and shall defend, indemnify and hold lessor harmless from all loss, liability and expense by reason thereof. Use of equipment by others than lessee or its employees, approved in writing in advance by lessor, shall be at lessee's sole risk. Lessor shall not be liable for loss or damage to any property left, stored, loaded or transported by lessee or any other person in or upon equipment, whether or not due to the negligence of lessor, its agents and employees: (a) at any time whether equipment then be in the physical possession of lessee or lessor or anyone else; (b) or at any place including without limitation any of lessor's garages or locations. Lessee hereby assumes all risk of such loss or damage, from and against all loss, liability and expense caused or arising out of lessee's failure to comply with the terms of the agreement.

RECOVERY - Lessor shall have the right to issue and circulate theft notices; cause warrants to be issued for the taking into custody of lessee, his agent, partner or employee, and/or take any other steps which lessor shall reasonably deem necessary to recover equipment if it is not returned at the time specified herein, or sooner as permitted by the terms of this agreement. Lessee hereby releases and agrees to indemnify lessor against all claims for damages or losses which lessee or any other party may sustain as a result of any action taken by lessor under the preceding sentence. All charges are subject to final audit.

LOSS - In the event of loss, theft or damage to equipment, lessee agrees to notify lessor immediately by telephone, and thereafter to promptly report in writing to lessor and the public authorities (where required by law or by lessor) all information relating thereto. Lessee shall cause its agents and employees to give lessor and the public authorities' proper and full information and assistance in the investigation and prosecution of any matter resulting from said loss, theft or damage.

REPAIRS - When provided to lessee, equipment is believed to be in good mechanical condition. Lessee shall examine equipment upon delivery and promptly notify lessor of any evidence to the contrary, if, during lessee's use of the equipment during the term of this agreement, or any extensions thereof, equipment is found not to be in good mechanical condition as a result of conditions not the responsibility of or caused by the fault or negligence of lessee, its employees or agents (including but not limited to a failure of lessee to service, adjust and lubricate equipment) lessee will notify lessor who at its option will (a) repair or suitably replace equipment (within a reasonably time during lessor's normal working hours, the commencement or renewing of the terms of this agreement to be tolled for the period equipment is down or (b) remove equipment and terminate this agreement by refund prepayments of rental charges; if any, for the unexpired agreement term, less whatever is due lessor for damage to or maintenance of equipment which is lessee's responsibility. Lessee agrees to provide full access to equipment to lessor's representatives so as to enable lessor to meet its responsibilities hereunder.

Conversely, repairs required as a result of damage, improper operation, or maintenance will be charged to lessee and rental will continue until repairs are completed. Unless this agreement is accompanied by a separate tire or track wear agreement, lessee will be responsible and charged for cuts, tears, punctures, bruises and separation of tires or unusual wear or damage to tracks. In this regard, any expenses incurred for field travel, mechanic's time or hauling of equipment to effect repairs will be charged to lessee.

Notwithstanding the previous paragraphs; lessee agrees to indemnify lessor its subsidiaries and affiliated companies and their officers, agents and employees to the extent provided in the other terms and conditions of this agreement.

THE FOREGOING IS IN LIEU OF (A) ALL WARRANTIES EXPRESS IMPLIED OR STATUTORY, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTY OF MERCHANTABILITY AND THE IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; (B) ALL OBLIGATION OR LIABILITIES ON THE PART OF LESSOR FOR DAMAGES, INCLUDING BUT NOT LIMITED TO INDIRECT, INCIDENTAL, CONSEQUENTIAL OR SPECIAL DAMAGES ARISING OUT OF OR IN CONNECTION WITH THE LEASING MAINTENANCE, USE, OPERATION, STORAGE, ERECTION, DISMANTLING OR TRANSPORTATION OF EQUIPMENT.

Any failure of performance by lessor which is due to causes beyond lessor's control, including but not limited to acts of civil or military authority, Acts of God, labor difficulties, failure of transportation, and delays of supplies is not deemed to be a default by lessor.

CVOR: The Lessee is the operator of the Vehicle. The Vehicle will be operated under the Lessee's CVOR number. The Lessee shall carry an original, or a copy of, the CVOR certificate issued to the operator (Lessee) of the Vehicle or the lease of the Vehicle meeting the requirements of the Highway Traffic Act and where the operator (Lessee) has been issued fleet limitation certificates, a fleet limitation certificate

TERM NOT TO EXCEED ONE YEAR - The term of the rental described herein and in the rental agreement shall not exceed one year from the date of this agreement without the prior written consent of the lessor.

LOCATION OF THE LESSEE - The lessee hereby acknowledges, confirms and represents that: its place of business, or (if it has more than one place of business) its chief executive office and registered address is located in the following province(s) _____.

INTEREST - Invoices unpaid within the terms of lessor's invoice will accrue interest at the rate of 18% per annum. The Lessee agrees to pay any non-sufficient fund charges as allowed by law in the event of a returned check.

REFUELING - Lessee agrees to return equipment with the same amount of fuel as when rental began, otherwise lessee will be charged for refueling upon return.

CARTAGE - If lessor arranges transportation of equipment on behalf of lessee, lessor is not responsible in any way for delays in arrival / pick up dates or times

COMPLETE AGREEMENT - This instrument expresses the entire agreement between the parties. Lessee's execution of this instrument and or acceptance of delivery of any part or equipment to be furnished hereunder will constitute lessee's acceptance of the provisions contained herein and the exclusion of any terms and conditions otherwise stated by lessee or contained in lessee's purchase documents which conflict with or limit the provisions contained herein.

ADDITIONAL TERMS & CONDITIONS

This Lessor cooperates with all Federal, State and local enforcement officials nationwide to provide the identity of customers who operate this CMV. The rental agreement entered into by the lessor and the renting motor carrier is carried on the rental commercial vehicle for the full term of the rental agreement.

Where applicable customer is responsible for all applicable TX rental tax if the rental agreement is ended early. There will be no penalties/fees for returning equipment early.

	Tax Rates	Time Frame
Texas Motor Vehicle Rental Tax Rates:	10%	1 - 30 days
	6.25%	31 - 180 days
	0%	181 +

*In accordance with the Texas Motor Vehicle Rental Tax, renewals are considered separate transactions. Renewal periods are for the same time frame as the original contract.

I have read, understand and agree to the above terms and conditions. I am authorized to sign this agreement on behalf of the company I represent.

Signature: _____ Printed Name: _____ Date: _____