RETURN OF EQUIPMENT: Lessee agrees, at the expiration of the term hereof or sooner termination of this lease, to return, transportation costs prepaid, all of the Equipment to Lessor at the place of business of Lessor above stated in the same operating condition, order, repair and appearance as when received (ordinary wear and tear excepted) and free of all liens and encumbrances.

LOSS OR DAMAGE: The Lessee agrees to pay the Lessor for all loss and damages to the equipment arising from any cause whatsoever that may occur during the life of this lease. It is agreed by the parties hereto, that the value as hereinbefore stated is hereby accepted as the true value and shall be used in case of arbitration or adjustment. In making such adjustment it is understood that no rentals theretofore paid or due shall apply to the payment of such loss. It is further understood and agreed that in making any adjustment for loss or damages to equipment, Lessee shall be credited with the amount of insurance payment received by Lessor under insurance policies, if an insurance recovery is effected thereunder. Lessee, in addition to liability for loss or damage herein otherwise provided for, shall be liable for all loss and damage to said equipment caused by strikes, riot and civil commotion arising from any cause whatsoever.

INSPECTION: Lessee shall, whenever requested, advise Lessor of the exact location of the equipment. Lessor or its representatives may, for the purpose of inspection, at all reasonable times, enter upon any job, building or place where the equipment is located and may remove the same without notice to Lessee, if the equipment is, in the opinion of the Lessor, being used beyond its capacity or in any manner improperly cared for or abused, or in the event of termination or breach of this lease.

WARRANTY: LESSEE ACKNOWLEDGES THAT EACH ITEM OF EQUIPMENT IS OF A SIZE, DESIGN AND CAPACITY SELECTED BY LESSEE AND THAT THE SAME IS SUITABLE FOR LESSEE'S INTENDED PURPOSES. LESSOR'S SOLE AND EXCLUSIVE WARRANTY IS AS FOLLOWS: LESSOR WARRANTS TO LESSEE THAT THE EQUIPMENT COVERED BY THIS LEASE WILL BE DELIVERED TO LESSEE FREE FROM DEFECTS IN MATERIAL AND WORKMANSHIP WHEN USED UNDER PROPER AND NORMAL CONDITIONS. SHOULD ANY FAILURE TO CONFORM TO THE ABOVE SOLE AND EXCLUSIVE WARRANTY APPEAR DURING THE TERM OF THIS LEASE, AND PROVIDED NO SUCH DEFECTS ARE IN ANY WAY ATTRIBUTABLE TO THE FAULT OF LESSEE, LESSOR WILL REPAIR OR REPLACE THE EQUIPMENT, AT LESSOR'S OPTION. THE FOREGOING WARRANTY SHALL NOT APPLY TO DAMAGE OR DEFECTS CAUSED BY ORDINARY WEAR AND TEAR AND IS EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES WHETHER WRITTEN, ORAL, EXPRESS OR IMPLIED (INCLUDING ANY WARRANTY ON MERCHANTABILITY OR FITNESS FOR PURPOSE). THE REMEDIES UNDER THIS WARRANTY ARE EXCLUSIVE AND LESSOR NEITHER ASSUMES NOR AUTHORIZES ANYONE ELSE TO ASSUME FOR IT ANY OTHER OBLIGATION. THE ABOVE SOLE AND EXCLUSIVE WARRANTY SHALL CONSTITUTE LESSEE'S SOLE REMEDY AND THE SOLE LIABILITY OF LESSOR UNDER ANY LEGAL THEORY OR THEORIES WHATSOEVER INCLUDING WITHOUT LIMITATION UNDER WARRANTY, TORT, FRAUD OR CONTRACT LEGAL THEORY. THE SOLE AND EXCLUSIVE WARRANTY DOES NOT INCLUDE REIMBURSEMENT FOR THE EXPENSES OF LABOR, TRANSPORTATION, INSTALLATION, REMOVAL FROM THE LINE OR ANY OTHER EXPENSES WHICH MAY BE INCURRED BY LESSEE. IN NO EVENT SHALL LESSOR BE LIABLE FOR ANY PENALTY OR FOR ANY SPECIAL, LIQUIDATED, INDIRECT OR CONSEQUENTIAL DAMAGES, SUCH AS BUT NOT LIMITED TO LOST PROFITS OR REVENUES, TIME LOST OR ANY OTHER DAMAGE OR INJURY SUFFERED BY LESSEE OR ANY OTHER PERSON WHILE THE EQUIPMENT IS INOPERABLE FOR ANY REASON AND NO DEDUCTIONS SHALL BE MADE FORM RENTAL PAYMENT THEREFOR. THE RECEIPT AND ACCEPTANCE BY THE LESSEE OF THE EQUIPMENT SHALL CONSTITUTE ACKNOWLEDGEMENT THAT THE EQUIPMENT IS IN GOOD, SAFE AND SERVICEABLE CONDITION, AND FIT FOR USE, UNLESS LESSEE MAKES A CLAIM TO THE CONTRARY TO LESSOR WITHIN THREE (3) DAYS AFTER RECEIPT OF THE EQUIPMENT

SUPPLIES, MAINTENANCE AND REPAIRS: Lessee shall be responsible for and shall bear the expense of all fuel, lubrication, and maintenance for each item of equipment. Lessor undertakes no obligation with respect to repairs or replacement of parts, attachments, accessories or equipment, except pursuant to written warranty as provided in the section of this lease entitled "'WARRANTY". Lessee shall, at its expense, at all times during the term hereof, maintain each item of equipment in good operating order, repair and appearance and shall lubricate and practice preventative maintenance at regular intervals as suggested in manufacturer's service manual, receipt of a copy of which is hereby acknowledged by Lessee. Lessee agrees to maintain said equipment in the same condition as when delivered to it by Lessor, usual and ordinary wear and tear excepted. Lessee agrees that in effecting maintenance and repairs, it will have such work performed only by qualified persons who are satisfactory to Lessor.

OPERATION: Lessee agrees that the equipment shall be used solely in the conduct of Lessee's business and within Lessee's possession and under its control, that said equipment is to be used solely by the Lessee or his employees and for the purposes for which it was intended, that said equipment will be operated only by competent employees of Lessee and shall not be used beyond its normal capacity.
When equipment is not in use, it will be kept in a protected area.

LIABILITY AND INDEMNIFICATION: Lessee shall be liable for all expenses, personal injury and/or property damages and claims of any kind arising out of its possession, operation or transportation of the equipment herein described, and shall fully defend, indemnify and hold Lessor and its assigns harmless therefrom. In addition, Lessee shall defend, indemnify and hold Lessor harmless from all loss, damage, cost and expense resulting from Lessee's violation of this agreement. Lessee shall be responsible for all damage/loss to the equipment while in the possession of Lessee, and all damage/loss to any third party resulting from maintenance, use, operation, storage or transportation of the equipment, regardless of whether Lessee is found legally liable for the damage/loss. Lessee's indemnity obligations shall survive expiration or termination of this agreement.

INSURANCE: Lessee agrees to furnish and keep the equipment herein described insured against all risks of loss or damage in an amount not less than the full replacement value of the equipment, naming Lessor as a sole or lender loss payee, as applicable, and without co-insurance. Lessee also agrees to obtain and maintain for the term of this agreement comprehensive general liability insurance with bodily injury limits and property damage limits in an amount of $1,000,000 per occurrence, combined single limit on a primary and not excess or contributory basis covering Lessee's liability for damage as a result of the maintenance, use, operation, storage or transportation of the equipment, naming Lessor as an additional insured. In addition, if the equipment rented to Lessee is an automobile, Lessee shall maintain an automobile liability insurance policy with bodily injury and property damage liability limits of not less than $1,000,000 combined single limit on a primary and not excess or contributory basis covering Lessee's liability for damages as a result of the maintenance, use, operation, storage or transportation of the vehicle, naming Lessor as an additional insured. Lessee shall pay all premiums for such insurance and must deliver proof of the required insurance at the time of taking possession of the equipment. If Lessee fails to provide such insurance, Lessor has the right, without obligation, to obtain such insurance and add an insurance fee (which may include a profit) to the amount due from Lessee. Lessee grants Lessor an irrevocable power of attorney to make claim for and other documents received as payment for such insurance policies. All such policies shall be written by companies presently insuring Lessee or other companies reasonably satisfactory to the Lessor and certificates showing such coverage to be in effect shall be furnished to Lessor upon request. Each insurer shall agree, by endorsement upon the certificate or certificates issued by it that it will give Lessor thirty (30) days' written notice before the policy in question shall be altered or cancelled and that any proceeds of coverage for damage/loss to the equipment shall be paid jointly to the Lessor and Lessee as their interest may appear. In the event of any damage/loss to the equipment, the proceeds of applicable insurance, at the option of Lessor, shall be applied (a) toward the replacement, restoration or repair of the equipment or (b) toward payment of the obligations of Lessee hereunder.

SUB-LEASING: The Lessee shall have no right to sub-lease the said equipment nor remove it from the County and State specified in this contract without the written consent of the Lessor.

TITLE: Title to the equipment shall at all times be vested in the Lessor unless transferred to the Lessee through sale. The Lessee shall give Lessor immediate notice of any levy attempted 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.

DEFAULT: If the Lessee shall fail to make any rental payment when due, shall attempt to sell or encumber any interest in the equipment, shall cease doing business as a going concern, shall institute or have instituted against him any proceedings under any bankruptcy or insolvency law, shall make an assignment for the benefit of creditors or shall fail to comply with any other provision of this Lease, or if any attachment, execution, writ, etc. or other process is levied against the equipment or any of Lessee's property, or if for any reason Lessor deems itself unsafe, the Lessor may immediately and without notice declare the entire balance of the rental payments due and payable together with all expenses of collection by suit or otherwise, including reasonable attorneys fees. If any of the above events shall occur, Lessee agrees to surrender possession of the equipment on demand and Lessor may enter upon Lessee's premises to the full extent allowed by law and take possession thereof.

TAXES: Lessee shall pay all taxes whatsoever by whomsoever payable (other than Federal or State income taxes of Lessor) on or relating to the equipment leased hereunder and the purchase, sale, rental, use or operation thereof. Lessee shall reimburse to Lessor, upon demand, as additional rent, the amount or amounts of any such costs and taxes paid by Lessor. It is the intent of this Agreement that Lessor shall receive the rent hereunder as a net return on the equipment leased hereunder.

COMPLIANCE WITH LAWS: The Lessee agrees to comply with and conform to all Municipal, State and Federal laws relating to the operation of said equipment and to pay all costs and expenses of every character occasioned by or involving the use or operation of the equipment.

ASSIGNMENT:

- **A.** Lessee agrees that Lessor may assign this Lease, and all right, title and interest of Lessor in and to the equipment, and all rents due or to become due to Lessor hereunder (of which assignment Lessee hereby waives notice) and Lessee agrees to recognize such assignment. Lessee's obligation to pay rent under this Lease shall not as to any such assignee be subject to any diminution or right of set-off, counterclaim or recoupment whatsoever arising out of any breach of any obligation of the Lessor hereunder or by reason of any other liability at any time owing by the Lessor to the Lessee.
- **B.** Lessee shall not assign this Lease or any rights hereunder or to the items of equipment.

GENERAL: Time is of the essence of this Lease. Lessor's failure at any time to require strict performance by Lessee of any of the provisions of this Lease shall not waive or diminish Lessor's right thereafter to demand strict compliance therewith or with any other provisions. Waiver of any default shall not waive any other default. The remedies in this Lease provided in favor of Lessor shall be available to its successors and assigns and shall not be deemed exclusive, but shall be cumulative, and shall be in addition to all other remedies in its or their favor existing at law or in equity.