

TERMS AND CONDITIONS

Lessor hereby rents to LESSEE the equipment described on Page 1 ("Equipment") subject to the provisions on Pages 1 and 2. "LESSEE means the person signing this agreement or to whom the equipment was delivered, and any other person or organizations to whom charges are to be billed, his employer, partner, all of whom shall be jointly and severally liable hereunder.

1. LESSOR'S OBLIGATION: All rental equipment shall be in good operating condition at the time furnished by Lessor. Acceptance of equipment by LESSEE will constitute acknowledgment that the equipment was furnished in good, safe, and serviceable condition unless DISCOUNT-EQUIPMENT.COM, INC. is notified of the contrary in writing within three (3) days following the receipt of the equipment. All OPERATORS MANUALS shall remain with the equipment at all times.

2. TRANSPORTATION EXPENSES: Unless otherwise stated, all transportation expenses from, or to, the place of business of LESSOR shall be paid by LESSEE.

3. EQUIPMENT USAGE: Equipment shall be used solely in LESSEE's business and kept only at its place of business or job site, and shall not be moved without prior written consent of LESSOR. Equipment shall be used only within its rated capacity by a qualified operator, licensed where required by law, who is either LESSEE, or the, and the following operators, each of family of LESSEE and permanently residing in LESSEE's household; the employer, partner or executive officer of LESSEE; a regular employee of LESSEE in the course of such employee's regular employment except as set forth herein. Customer agrees that he will not surrender the use of Equipment to any person without having obtained the written permission of LESSOR. Equipment shall not be used or operated: (A) to carry persons for hire; (B) to carry person other than drivers or helpers employed by LESSEE (unless authorized by LESSOR on the reverse side), who shall ride only within the cab, and then only if such carriage is lawful; (C) to transport property for hire, unless customer obtains all permits and licenses; (D) in violation of any law or ordinance or in any speed contest; and (E) for the carrying or hauling of explosives or other hazardous articles. IF EQUIPMENT IS USED IN VIOLATION OF THIS PARAGRAPH, OR IS OBTAINED FROM LESSOR BY FRAUD OR MISREPRESENTATION, OR IS USED IN FURTHERANCE OF ANY ILLEGAL PURPOSE, ALL USE OF EQUIPMENT IS WITHOUT LESSOR'S PERMISSION.

LESSEE'S OBLIGATIONS TO REPAIR AND MAINTAIN: LESSEE shall at LESSEE's expense supply all fuel, lubricants, repair parts, labor, and all other items necessary to operate the equipment and to maintain it in good operating condition during the term of this Rental Agreement. The equipment shall be returned in the same condition as when received, except for normal wear. If the equipment, when returned to LESSOR, is in need of repair, or is in a damaged and worn condition (including damage and wear to tires) not attributable to normal wear, LESSEE shall be obligated to pay to LESSOR the reasonable costs of the repairs and, in addition, LESSEE shall be obligated to continue the payment of rental, at the rate herein stated, for the period of time reasonably necessary to repair LESSOR's equipment and to restore it to a good, safe, and serviceable condition. LESSEE agrees that any repairs and labor furnished by DISCOUNT-EQUIPMENT.COM, INC. shall be charged to and paid by LESSEE at LESSOR's established prices, for similar repairs, parts, or accessories, in force at the time same are supplied.

4. LESSEE'S RESPONSIBILITY FOR LOSS: LESSEE IS RESPONSIBLE FOR THE RENTED EQUIPMENT AT ALL TIMES WHILE IT IS IN THE POSSESSION, CUSTODY, OR CONTROL OF LESSEE, OR THE POSSESSION, CUSTODY AND CONTROL OF ANY PARTY LESSEE ASSIGNS OR RENTS THE EQUIPMENT TO, AND ALL RISK OF LOSS SHALL BE BORNE BY LESSEE, WHETHER SUCH LOSS IS CAUSED IN WHOLE OR IN PART BY THE NEGLIGENCE OF LESSEE, ABUSE, FIRE, THEFT, ACCIDENT, OR ANY CASUALTY OF ANY NATURE WHATSOEVER. IT IS THE INTENT OF LESSOR AND LESSEE THAT LESSEE SHALL BEAR ANY LOSS RESULTING FROM THE LOSS OF OR DAMAGE TO SAID EQUIPMENT, WHETHER OR NOT LESSEE WAS IN ANYWAY AT FAULT. In the event of a loss, LESSOR will be subrogated to LESSEE's rights to recovery against any third party also responsible for such loss and LESSEE will cooperate with LESSOR or its insured in the prosecution of those rights and will not take any action to prejudice the rights of LESSOR. This right of subrogation in no way absolves LESSEE of its unconditional responsibility for loss or damage to LESSOR set forth herein. However, if any Equipment is used with LESSOR'S permission and in compliance with this Agreement and LESSEE accepts the Damage Waiver at the time of rental by so indicating herein, and pays the additional fee specified therein, then LESSOR agrees to waive certain damages, to the extent specified herein and/or in the Limited Equipment Damage Waiver Guide provided upon request. LESSEE shall be liable for all resulting loss and expense of LESSOR, notwithstanding the previous paragraph, if Equipment is used or operated without LESSOR's permission or in violation of this Agreement or is lost or damaged under the following circumstances; (i) use or operation of Equipment of improper loading with a load exceeding the rated capacity of Equipment, or (ii) improper securing such load or improper coupling; (iii) failure of Customer to perform or pay for all normal periodic and other basic service, adjustments and lubrication of Equipment, (iv) operation or use of Equipment in a manner inconsistent with the Manufacturer's instructions; (v) lessor damage to Equipment due to reckless, careless or abusive, operation or resulting from use during periods of riot, strike, or civil commotion; (vi) use of equipment in activities or striking overhead objects and any such use or operation, whether or not Equipment is damaged, is a use in violation of this Agreement; (vii) Tire cuts, punctures or abnormal wear; (viii) Theft, and (ix) any such use or operation, whether or not Equipment is damaged, used in violation of this agreement. In the event of a loss, theft, or damage to any 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.

6. INSURANCE: LESSEE agrees to maintain, carry, and provide a certificate of insurance by a provider with an AM Best's Rating of A or better evidencing same to LESSOR, at LESSEE's sole expense, the following insurance: (1) property insurance for the full replacement cost of the Equipment, including coverage for all risk of loss or damage to the Equipment (such coverage will include, but is not limited to, risk of loss arising out of the maintenance, transportation, operation, possession or use of the Equipment); (2) commercial auto liability insurance with at least a per occurrence limit of \$1 million; and (3) general liability insurance for any property damage, bodily injury or personal arising out of the maintenance, operation, possession or use of the Equipment with combined single limits of insurance no less than \$1 million per occurrence and \$2 million in the aggregate. DISCOUNT-EQUIPMENT.COM, INC shall be named as an additional insured and additional loss payee for liability and property insurance and must be listed as a certificate holder of any policy.

7. INDEMNITY: LESSEE SHALL INDEMNIFY AND HOLD HARMLESS LESSOR, ITS OFFICERS, AGENTS AND EMPLOYEES FROM ALL CLAIMS, ACTIONS, PROCEEDINGS, COSTS, DAMAGES, AND LIABILITY, INCLUDING ATTORNEY'S FEES AND INVESTIGATION EXPENSES INCURRED IN THE DEFENSE OF ANY SAID CLAIMS, ARISING OUT OF, OR CONNECTED WITH, OR RESULTING FROM THE RENTED EQUIPMENT, INCLUDING WITHOUT LIMITATION, THE MANUFACTURE, SELECTION, DELIVERY, POSSESSION, USE, MAINTENANCE, OPERATION, OR RETURN THEREOF, REGARDLESS OF WHETHER SAID CLAIMS ARE CAUSED IN WHOLE OR IN PART BY THE NEGLIGENCE OF LESSOR. IT IS THE EXPRESS INTENTION OF LESSOR AND LESSEE THAT THE INDEMNITY PROVIDED FOR IN THIS PARAGRAPH IS INDEMNITY BY LESSEE TO INDEMNIFY AND PROTECT LESSOR FROM THE CONSEQUENCES OF LESSOR'S OWN NEGLIGENCE, UNLESS SUCH NEGLIGENCE BY DISCOUNT-EQUIPMENT.COM, INC IS THE SOLE CAUSE FOR ANY CLAIM. LESSEE SHALL AT ITS EXPENSE COMPLY WITH ALL STATE, FEDERAL AND LOCAL LAWS AND REGULATIONS AFFECTING EQUIPMENT AND ITS USE, OPERATION, ERECTION, DESIGN AND TRANSPORTATION, INCLUDING LICENSING AND BUILDING CODE REQUIREMENTS, AND SHALL DEFEND, INDEMNIFY AND HOLD LESSOR HARMLESS FROM ALL LOSS, LIABILITY OR EXPENSE RESULTING FROM ACTUAL OR ASSERTED VIOLATIONS OF ANY SUCH LAWS, REQUIREMENTS OR REGULATIONS.

8. DISCLAIMER OF ALL WARRANTIES: LESSOR MAKES NO WARRANTIES, EXPRESS OR IMPLIED, OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE AS TO THE EQUIPMENT RENTED AND HEREBY DISCLAIMS THE SAME. There are no oral or written promises, terms, conditions, representations, or warranties, of any nature whatsoever, express, or implied, concerning the herein-described equipment.

9. LIMITATION OF LESSOR'S LIABILITY: In the event the rental equipment is not in good operating condition at the time furnished by LESSOR, and LESSOR is notified thereof within the time stated in paragraph 1, LESSOR shall refund a pro rata part of the rental charge until the equipment is placed in good operating condition by LESSOR. Such right to obtain a refund of rental shall constitute LESSEE's sole and exclusive remedy and LESSEE hereby agrees that no other remedy (including, but not limited to, claims for INCIDENTAL, CONSEQUENTIAL, OR SPECIAL DAMAGES OR ANY CAUSE, LOSS, ACTION, CLAIM OR DAMAGE WHATSOEVER, INCLUDING LOSS OF TIME, OR INJURY TO PERSON, OR PROPERTY, OR ANY OTHER CONSEQUENTIAL DAMAGE OR INCIDENTAL OR ECONOMIC LOSS) shall be available to LESSEE.

10. DEFAULT BY LESSEE AND ATTORNEY'S FEES: If LESSEE shall make default in punctually paying any rental, or if LESSEE shall breach any other term, covenant, or condition of this Rental Agreement, then and in any such even, LESSOR shall have the right to retake immediate possession of the said equipment and for such purpose LESSOR may enter upon any premises where said equipment may be and with or without written notice to its intention to retake the same without being liable to any suit or action or proceeding by LESSEE. Upon LESSOR's retaking possession of such equipment, and any damages for repair costs, and additional rental, which may be payable to LESSOR under the Provisions of paragraph 3 above. LESSEE agrees to pay the reasonable expenses incurred by LESSOR for attorney's fees and court costs in connection with the enforcement of any obligations of LESSEE, or the collection of any monies owed by LESSEE, under the terms of this Agreement.

11. FUEL: LESSEE agrees to return Equipment with full fuel tank(s). If LESSEE returns Equipment with the fuel tank(s) less than full, LESSEE shall pay to LESSOR a sum equal to the LESSOR's posted refueling charge at the LESSOR location where Equipment is returned for the number of gallons that the tank(s) is(are) short at the time of return. Customer further agrees to pay for all towing expenses if the Equipment becomes stuck in mud or snow.

12. LESSOR shall have 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 Equipment is not returned at the time specified herein or sooner as permitted by the terms of this Agreement. LESSEE here releases LESSOR from, and agrees to indemnify LESSOR against all claims for damages of 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. This instrument expresses the entire agreement between the parties. LESSEE's execution of this instrument and/or acceptance of delivery of any part of Equipment to be furnished hereunder will constitute LESSEE's acceptance of the provisions contained herein, and the exclusion of any terms and conditions otherwise state by LESSEE or contained in LESSEE's purchase documents which conflict with or ADDITIONAL TERMS AND CONDITIONS OF RENTAL AGREEMENT limit the provision contained herein.