

Terms and Conditions of Rental Contract

1. **Rental Charges-** Customer agrees to pay rental charges specified for each item of Equipment rented hereunder for each time period, or fraction thereof, that the Equipment is charged to the possession of the Customer, plus any wear, cleaning, fuel related, damage or similar charges.
2. **Payment-** Customer agrees to pay all rental charges in advance or under special agreement upon returning of the Equipment, or otherwise as required by Carlson Equipment Rental. Customer further agrees that Customers deposit may be credited against any rental or other charges incurred by the Customer hereunder.
3. **Final Audit-** all Rental Charges are subjected to a Final Audit. Resulting in final charges
4. **Rental Period/ Rate Basis-** Rental Charges shall begin to apply the moment the Equipment leaves Carlson Equipment Rental premises. Then stops when Equipment is returned to the premises. No allowance is made for transit or for any time period said Equipment is not in use while in Customers possession. Carlson Equipment Rentals reserves the right to establish other multiple shift rates and/or determine hourly rates to be charged in excess of the normal 24-hour day, 7-day week or 28-day month. Certain Equipment maybe subject to wear charges based on the wear charges occasioned by Customers use.
5. **Extension of Term-** If Customer desires to extend the terms of this Rental Contract. Customer shall immediately notify Carlson Equipment Rental of the same and shall retain the Equipment for such extended period only with the Carlson Equipment Rental approval of the extension.
6. **Return of Equipment-** Upon termination of this Rental Contract or upon Carlson Equipment Rentals written demand, the Customer shall immediately return the Equipment and all attachments and Parts to Carlson Equipment Rental in the same condition as received, normal and reasonable wear and depreciation expected.
7. **Inspection-** Customer agrees that the Customer has been given an opportunity to carefully inspect and test equipment prior to removing it from Carlson Equipment Rentals, it shall be conclusively presumed that Customer has, in fact, examined the Equipment and has found it to be in good working order and excepts said Equipment to be in an "as is" condition.
8. **Proper use and location-** Unless otherwise stated in this Contract or agreed to by Carlson Equipment Rental. Equipment Shall be used by the Customer only at the address set forth in this Contract. Customer shall use the Equipment solely for the purpose for which said Equipment was manufactured and intended.
9. **Unsafe Equipment-** Customer shall immediately discontinue the use of any Equipment which, while in the Customers possession or under Customers control, becomes unsafe or is observed to be in the state of disrepair. **Customer shall immediately notify Carlson Equipment Rental** of said facts, and Carlson Equipment Rental will, with reasonable dispatch, replace such Equipment with other Equipment in working condition or terminate the rental. Customer is not authorized to effect any repairs on Equipment, shall enjoy no offset or claim against Carlson Equipment Rental for unauthorized repairs performed, and shall be totally responsible for any and all damage or claims resulting from unauthorized work.
10. **Age of Operator-** The operation of any rented Equipment by any operator under the age of 21 is strictly prohibited.
11. **Damaged, Lost, Stolen or Dirty Equipment-**
 - A) Customer assumes the entire risk of loss or damage with respect to the Equipment, regardless of cause. Except as provided in paragraph 4 regarding wear charges, normal and reasonable wear and depreciation are excepted.
 - B) Customers rental charges will not be applied against the purchase or cost of the repair of the damaged, lost or stolen Equipment. Customer agrees that if any of -said Equipment is lost, stolen or accidentally destroyed, Customer will immediately notify Carlson Equipment Rental of same and will furnish Carlson Equipment Rental with proper affidavits, satisfactory to Carlson Equipment Rental covering the facts of the loss theft or accidental destruction.
 - C) Customer agrees that the Customer will be responsible for and pay rental rate provided for the herein for any such lost, stolen, or accidentally destroyed equipment, from the date of occurrence of said loss, theft or accidental destruction until Carlson Equipment Rental is notified of the same. In the event of loss or destruction of Equipment, or loss of possession thereof, or inability to return Equipment to Carlson Equipment Rental. Customer agrees to pay complete and full current retail value of said Equipment, as determined solely by Carlson Equipment Rental. All costs of repairs to damaged but repairable Equipment will be borne by Customer, whether performed by Carlson Equipment Rentals, or at a Carlson Equipment Rental option, by another.
 - E) Customer shall pay a reasonable cleaning charge for Equipment that is returned dirty.
12. **Customer to Indemnity-** Customer agrees to indemnify and defend Carlson Equipment Rental against any and all costs, expenses, claims or judgements, including reasonable attorney's fees, investigation costs, for or on account of, any personal injuries or property or consequential damage sustained by Customer, Customers agents or employees or others affected by Customers actions or failure to act, which are in any manner connected with or related to the use, misuse or failure of any Equipment.
13. **Warranties; Representations-** Except as specifically provided herein. Carlson Equipment Rental warrants only that the Equipment, when delivered to Customer, will be in good operating condition. If any Equipment shall need repair or

recalibration, Customer shall notify Carlson Equipment Rental immediately and obtain Carlson Equipment Rental consent before any remedial action is taken or any Equipment is returned. The sole obligations of Carlson Equipment Rental under the foregoing warranty shall be to repair, recalibrate or at its option, replace any Equipment that shall fail to meet said warranty, and if Customer has promptly notified Carlson Equipment Rentals as provided above, to suspend rental charges for the period during which the Equipment is not operable as intended, as such obligations shall constitute the sole and exclusive remedy of the Customer.

IN NO EVENT SHALL CARLSON EQUIPMENT RENTAL BE LIABLE TO THE CUSTOMER FOR ANY CONSEQUENTIAL, INCIDENTAL, OR EXEMPLARY DAMAGES, SUCH AS LOST PROFITS, LOSS OF REVENUE, LOSS OF EQUIPMENT, USE OF OR DAMAGE TO OTHER EQUIPMENT, COST OF SUBSTITUTE EQUIPMENT, OR DOWNTIME COST.

Carlson Equipment Rental shall not be responsible for any delays or failure in making repairs, recalibrations, or replacement parts due to the unavailability of parts, labor strikes, delays in transportation or other causes beyond Carlson Equipment Rental's reasonable control. The foregoing warranty shall not apply to any damage to Equipment occurring after Customer takes possession of the Equipment. Carlson Equipment Rental is not the manufacturer of any Equipment.

CARLSON EQUIPMENT RENTAL MAKES NO OTHER REPRESENTATIONS OR WARRANTIES, DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY WARRANTY OF SUITABILITY, DESIGN, QUALITY, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF THE EQUIPMENT OR THAT THE EQUIPMENT WILL NOT INFRINGE UPON ANY PATENT PROPRIETARY RIGHT OF ANY THIRD PARTY.

14. **Right to Retake Possession of Equipment-** If the customer is in breach of this Rental Contract, fails to pay any rental or any other charge when due, is, or becomes insolvent or bankrupt, or fails to perform any promise, agreement or covenant or condition on the Customer's part, Carlson Equipment Rental or its agent shall be permitted, and the Customer hereby authorizes them, to go to Customer's property and retake the Equipment without giving the Customer notice and without legal process. Customer hereby grants Carlson Equipment Rentals or Carlson Equipment Rentals agent, permission to come, onto any property wherein said Equipment is located for the purpose of retaking it, except that Carlson Equipment Rental shall not enter on the Customer's premises unlawfully or commit any breach of the peace in repossession of the goods. Carlson Equipment Rentals shall be entitled to recover Carlson Equipment Rental costs for any such repossession as provided in the Rental contract.
15. **Collection and Repossession of Costs-** Customer agrees to pay, upon demand, all reasonable costs and expenses incurred by Carlson Equipment Rentals in collecting any amount owed by Customer, or in recovering any Equipment owned by Carlson Equipment Rental, including reasonable attorney's fees.
16. **Severability-** In any clause, provision or paragraph of this Rental Contract, shall not waive or diminish Carlson Equipment Rental's right thereafter or with any other provisions of this Rental Contract. Waiver of any default. Carlson Equipment Rentals' rights hereunder are cumulative and are not alternative.
17. **Special Provisions Regarding Trailers-** Customer accepts full responsibility for any personal property (including but not limited to, Equipment) transported on Equipment, and agrees to save Carlson Equipment Rental harmless from any claim for loss or damage to such property. Customer further acknowledges that Customer has examined the coupling mechanism and safety chain, that the trailer is securely attached to the Customer's automobile on leaving Carlson Equipment Rental place of business, that the Customer will periodically inspect said Equipment and the coupling mechanism and chain and will maintain them in a safe and secure condition while in use. Customer further agrees that Customer will not sublet said Equipment or assign this Rental Contract and will not use or permit use of this Equipment with any other automobile.