

# TERMS AND CONDITIONS

**RENTAL PERIOD:** Lessor hereby rents the Equipment to Lessee for the period commencing on its delivery to Lessee and ending upon its return to Lessor's premises, subject to change for minimum rental period. Lessor may terminate rental at any time by written notice to Lessee and/or by retaking the Equipment. Unless otherwise specified, rental is for one day period. No allowance will be made for Sundays, holidays or time in transit nor for any period of time the equipment may not be in actual use while in Lessee's possession. No option to purchase is contained in this agreement.

**RECEIPT AND USE OF EQUIPMENT:** By accepting delivery, Lessee acknowledges that he has received the equipment and all devices and materials used to connect the equipment to Lessee's towing motor vehicle in good working and secure conditions. Lessee shall not abuse, harm or improperly operate the equipment, and shall possess and operate it in conformance with all applicable laws and regulations. Bullet Rentals shall not be liable for injuries to persons or property resulting from customer's use, storage, transportation or operation of the equipment.

**FAILURE OF EQUIPMENT:** In the event of any failure of the leased equipment, of any nature whatsoever, Lessee at its expense shall immediately return it to Lessor's premises. Without Lessor's written authorization, Lessee shall not incur any expense for Lessor's account for the repair of the equipment.

**RETURN OF EQUIPMENT:** At the termination of this agreement, Lessee shall return all of the equipment to Lessor's premises during Lessor's regular business hours, in the condition and repair as when delivered to Lessee, subject only to reasonable wear and tear. Lessee shall be liable for all damages to loss of the equipment occurring because it was not returned within Lessor's regular business hours. If Lessor has agreed to deliver the equipment to Lessee or to pick up the equipment from Lessee, Lessee shall be responsible for all loss or damage to the equipment from time of delivery to Lessee and until picked up by Lessor.

**DAMAGED EQUIPMENT: REASONABLE WEAR AND TEAR:** If the equipment is returned in a damaged or excessively worn condition, Lessee shall pay Lessor the reasonable cost of repair and pay rental on the equipment at the regular rental rate until Lessee has paid therefore. Reasonable wear and tear shall mean only the normal deterioration to the equipment caused by ordinary and reasonable use on a one-shift (eight hours per day five day per week) basis. **The following shall not be deemed reasonable wear and tear:** damage resulting from lack of lubrication or maintenance of necessary oil, water and air pressure levels; damage resulting from lack of servicing or preventative maintenance suggested in the manufacturer's operation and maintenance manual, damage resulting from any collision, overturning, or improper operation of the equipment, including overloading or exceeding the rated capacity of the equipment, damage in the nature of dents, bending, tearing, straining or misalignment to the equipment or any part thereof; and wear resulting from use in excess of Lessor, and in a manner which will not adversely affect the operation or value of the equipment such as welding instead of replacing a part.

**MERGER CLAUSE:** Bullet Rentals sales staff, agents or employees may have made oral statements about the equipment described in this contract. Such statements do not constitute warranties, shall not be relied on by Customer, and are not part of the parties agreement. The entire agreement is embodied in this writing. This writing constitutes the final expression of the parties agreement, and it is a complete and exclusive statement of the terms of this agreement.

**DAMAGE WAIVER:** Be Lessee DAMAGE WAIVER, provided Lessee takes reasonable precautions to protect equipment, Lessor assumes risk of direct physical damage to the leased equipment except the following risks assumed by Lessee:

- A. Loss or damage resulting from overloading or exceeding the rated capacity of equipment.
- B. Loss or damage to motors or other electrical appliances or devices caused by artificial electric current or incorrect voltage.
- C. Damage to tires and tubes caused by blowouts, bruises, cuts road hazards or other causes inherent in the use of the equipment.
- D. Loss or damage resulting from lack of lubrication or other normal servicing of equipment.
- E. Loss due to theft or mysterious disappearance or shortage disclosed on inventory.
- F. Loss or damage caused by infidelity of Lessee, his employees, or person to whom the equipment is entrusted.
- G. Use of the equipment in violation of any of the terms of this agreement.
- H. Loss or damage resulting from lack of service batteries.

## DEFAULT:

If rental is not paid when due or if Customer fails to comply with any of the terms and conditions of this agreement, Bullet Rentals may, at its option terminate this agreement and at Customer's expense enter upon the premises where the equipment is stored, take possession of the equipment without previous notice or demand, and return it to the place of rental. These remedies are in addition to all other remedies Bullet Rental may have at law or under this agreement.

## LATE CHARGES:

Past due accounts are assessed a late charge of 2% per month, compounded monthly.

**INDEMNIFICATION:** Lessee shall indemnify and defend Lessor from any claim, loss or liability arising out of or related to any activity of Lessee with regard to the use of the Equipment or any condition of the Property caused by or under the control of Lessee (including any such claim, loss, or liability which may be caused or contributed to in whole or in part by Lessor's own negligence or failure to effect any repair or maintenance required by this lease. Lessee shall have no liability to Lessee for any loss or damage caused by third parties or any condition of the Property. The obligation to indemnify shall be used in the broadest sense and shall include but not be limited to court costs and attorneys fees incurred by Lessor.

**REJECTION OF DAMAGE WAIVER:** If Lessee has insurance covering such loss or damage, Lessee shall exercise all rights available to him under said insurance, take all action necessary to process said claim and Lessee further agrees to assign said claim and any and all proceeds from such insurance to lessor. Upon request of Lessor, Lessee shall furnish name of his insurance agent, insurance company and complete information concerning insurance coverage carried. Lessor's waiver of claims against Lessee as herein set forth is contingent upon Lessee's prompt making of and submission to Lessor copy of police report where applicable.

**SUBLETTING AND LOCATION:** No items of leased equipment shall be sublet or assigned, or removed from the location at which Lessee represented it was intended to be used, or removed from the state of Lessor's premises, except by written consent of Lessor.

**RETAKEING EQUIPMENT:** If the equipment is not returned at the termination of the rental or for any reason, it becomes necessary for the Lessor to retake the equipment to protect it from loss of damage, Lessor and its agents may go upon Lessee's property and retake the equipment without notice and legal process, and Lessee waives for himself, agents and employee all claims for damages and loss, physical and pecuniary caused by retaking by the Lessor. Lessee agrees to pay all cost and expenses incurred by Lessor in retaking the equipment.

**COMPLIANCE WITH LAW AND SAFETY REGULATIONS:** As Lessor has no control over the use of the equipment by Lessee, Lessee agrees at its sole expense to comply with all laws and regulations, including the Occupational Safety and Health Administration act of 1970 (OSHA) and all other Federal, State and Local laws, regulations and ordinances, which may affect the equipment while it is in the possession of lessee and lessee shall indemnify and hold Lessor harmless from any liability or expense, including attorney's fees, resulting from any actual or asserted violations of such laws, regulation and ordinances.

**ATTORNEY'S FEES:** In the event this agreement is delivered to an attorney for enforcement, Lessee agrees to pay Lessor's attorney's fees, including court costs of appeal. Lessee agrees to pay in addition to all court costs and attorney fees, all out of pocket costs and expenses of any kind incurred by Lessor in the enforcement of the terms of this agreement.

**DAMAGE WAIVER:** When a piece of equipment has been delivered to you, the Lessee, it is in your care, custody and control. Therefore you are responsible for all damage. You therefore are required to:

1. Provide Bullet Rental & Sales, Inc. with proof of insurance from your agent showing sufficient comprehensive coverage for the replacement value of the equipment prior to the completion of your rental period or the first month's rent, whichever comes first. If Lessee fails to produce the required proof of insurance, Bullet Rental & Sales, Inc. may charge lessee for Damage Waiver Coverage.

**WARNING: LESSOR RESERVES THE RIGHT TO NOT OFFER THE DAMAGE WAIVER.**

**WARNING: LESSEE IS RESPONSIBLE FOR DAMAGE AND REPAIRS TO TIRES AND FOR DAMAGE TO BATTERIES DUE TO LACK OF SERVICE.**

**WARNING: THE DAMAGE WAIVER DOES NOT COVER CONSUMABLE ITEMS SUCH AS CARBIDE BITS, DRILL STREEL, BREAKER STEEL, TRENCHER TEETH, TILLER TINES, DIAMOND SAW BLADES, ETC.**

**LESSEE IS RESPONSIBLE FOR TRAILER HOOKUPS, INCLUDING LIGHTS.**

1. EQUIPMENT MUST BE RETURNED CLEAN.
2. TIRE DAMAGE AND REPAIR ON ANY TRUCK, TRIALER, TRACTOR, LIFT TRUCK, ETC. ARE ALWAYS CUSTOMER'S RESPONSIBILITY TO REPAIR OR REPLACE.
3. WE CHARGE FOR TIME OUT NOT TIME USED.
4. LESSEE WILL KEEP EQUIPMENTY LOCKED AND GUARDED WHEN NOT IN USE.

**Warranty Disclaimer:** Lessor does not guarantee performance of the equipment. There is no warranty of merchantability and no warranty of fitness for particular purpose. There are no warranties, either express or implied, in connection with the lease of this equipment. Lessor shall not be liable for any damage suffered by Lessee resulting from nonperformance or faulty performance of the equipment, including but not limited to poor-work product, time loss, and inability to perform the task of any other cause whatsoever.

**Limitation of Liability:** Lessor has explained safety hazards and features of the equipment to Lessee. However, Lessee understands that there is an inherent risk associated with the use of the equipment and that not all potentially dangerous situations may be known or anticipated by either Lessor or Lessee. Lessee accepts all risks associated with the use of the equipment. Lessor's liability hereunder is limited to replacement of equipment or refund of rental payments, as Lessor may choose. This is Lessee's sole and exclusive remedy whether in contract, tort or otherwise, and Lessor shall not be liable for injuries to persons or property resulting from Lessee's use, storage, transportation or operation of the equipment.

In no event shall Lessor be liable for incidental or consequential damages or commercial losses of any nature, nor for any other loss or damage of any kind except as set forth above. Lessee shall save, defend and hold Lessor harmless from any expense or liability in connection with this agreement.

Customer Signature: \_\_\_\_\_

Date: \_\_\_\_\_

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