

1. **Term** – Customer's rental of the Equipment begins at the Time Out and ends when the Equipment is returned to Owner's place of business. Customer shall return the Equipment no later than the Time Due Back unless an extension has been agreed upon by Owner and Customer and a new signed agreement has been received and approved by Owner. Except as provided in Paragraph 7, Customer shall return the Equipment in the same condition as when Customer picked up Equipment, reasonable wear and tear accepted, free of all damage. CUSTOMER ASSUMES ALL RISKS OF LOSS, DAMAGE OR DESTRUCTION OF THE EQUIPMENT, INCLUDING THEFT, VANDALISM AND ACTS OF GOD. "Reasonable wear and tear" means that expected from use under ordinary circumstances and as specified by the manufacturer for not more than eight hours in any period of twenty-four consecutive hours. "Returned" and "return" includes "unloaded" and "unload".
2. **Rents** – The rental rate quoted is applicable for maximum usage of eight (8) hours per day and/or forty (40) hours per week. Additional rent will be charged for usage in excess of that limit. 41 to 80 hours per week is 1-1/2 times the normal rental rate. 81 to 120 hours per week is 2 times the normal rental rate. For the period between the Time Out and the Time Due Back, the monthly rent applies to each period of at least 19 consecutive calendar days through one calendar month (a "monthly period"), the weekly rent applies to each period of at least three through seven consecutive calendar days not included in a monthly period (a "weekly period"), and the daily rent applies to each calendar day or any part of a calendar day not included in a monthly or weekly period. In addition, for each calendar day and any part of a calendar day Customer keeps the Equipment past the Time Due Back, twice the daily rent applies. The rents apply for the entire time Customer keeps the Equipment, including nights, weekends and holidays.
3. **Payment and Interest** – On Owner's demand, Customer shall pay in cash any amounts in addition to rent Customer is obligated to pay Owner under this Agreement. Customer shall also pay interest on all sums due from Customer to Owner which are not paid when due from the time due until paid in full at the highest rate permitted by RCW 19.52.020 if Customer rented the Equipment primarily for personal, family or household purposes or at the rate of 18% per year if Customer rented the Equipment primarily for other use.
4. **Transportation** – Customer shall provide and pay the cost of loading, unloading and transporting the Equipment, including vehicles and workmen, from, to and at Owner's place of business. Equipment being towed will require a Washington DOT temporary trip permit.
5.
  - a.) **Insurance** – Customer at its expense shall keep the Equipment insured, for the term of the Agreement and for any renewals or extensions, for the full insurable value of the Equipment, against fire and theft with extended or combined additional coverage and against such other risks ins such amounts as Owner may specify. Customer shall deliver to Owner a current Certificate of Insurance naming Owner as Loss Payee for the full value of the equipment and as Additional Insured for property damage and bodily injury liability for the entire term of the Agreement. Liability coverage minimums to be \$1,000,000US per occurrence and \$2,000,000US aggregate. Any and all insurance claims made shall be the sole responsibility of the Customer and Owner shall have no obligation to make any claims unless properly notified by Customer.
  - b.) **Sub-lessee Insurance** – Owner will not approve sub-leasing equipment unless the end user has also provided Certificates of Insurance as provided above listing SRS as Loss Payee and Additional Insured and SRS's Customer as Additional Insured.
6. **Use** – CUSTOMER HAS SELECTED THE EQUIPMENT FOR CUSTOMER'S INTENDED USE AND OWNER HAS NO RESPONSIBILITY FOR ASSURING THE EQUIPMENT IS SUITABLE FOR SUCH USE. Customer shall provide workmen with appropriate training, knowledge and skill in proper use and maintenance of the Equipment. Customer shall provide any necessary accessory and additional parts and equipment to properly and safely operate and maintain the Equipment. In its use of the Equipment, Customer shall comply with all applicable federal, state and local governmental laws, ordinances, regulations and orders, including but not limited to those related to occupational health and safety. Without Owner's prior written consent, Customer may not use the Equipment nor take it to any place other than the Customer's Job Site designated on the Rental Agreement. Customer shall not permit or suffer any other person to take the Equipment to any other place. If for any reason the Equipment is levied upon, seized or taken to any other place by any person (including but not limited to Customer and any person acting under authority of law), Customer shall immediately give Owner written notice thereof.
7. **Maintenance, Defects, Repairs and Cleaning** – Customer shall perform any maintenance of the Equipment required on account of the Customer's use and possession, including but not limited to lubricant and filter replacement. OWNER IS NOT THE MANUFACTURER OF ANY PART OF THE EQUIPMENT AND ALL OF THE EQUIPMENT IS RENTED TO CUSTOMER AS IS, WITH ALL FAULTS. Customer shall immediately cease use of any part of the Equipment needing repairs while in Customer's possession and promptly give Owner written notice of the need for repair and, if requested by Owner, permit Owner to inspect the Equipment at the Customer's job site. Customer shall not do or have done any repairs to the Equipment, unless preauthorized in writing by Owner. At Owner's election, Owner shall make necessary repairs at Customer's job site or Customer shall return the Equipment needing repairs to Owner's place of business for such repair. If the need for repair is caused by act or neglect of Customer or by any risk assumed by Customer under this Agreement, Customer shall pay Owner's costs of repair. Otherwise, Owner shall pay such costs. Customer's liability for rental of the Equipment needing repair for which Owner is responsible is abated for the period between Owner's receipt of Customer's notice and the time of repair or replacement. Customer shall also pay Owner's costs of performing maintenance Customer failed to perform (including any repairs or replacements required because maintenance was not timely performed) and Owner's costs of cleaning not performed by Customer. Filters must be removed before Customer returns Equipment to Owner. If Owner's employees perform repairs, maintenance or cleaning, "Owner's costs" thereof are the total of 1) costs of parts and supplies plus 10%, 2) travel expenses of 30 cents per mile, 3) labor at \$125.00 per supervisor hour and \$100.00 per mechanic hour, 4) costs of testing and disposal of any materials left in the Equipment. (All pricing is quoted in US dollars.)
8. **Indemnity** – CUSTOMER ASSUMES ALL RISKS OF DESTRUCTION OR DAMAGE TO PROPERTY, INCLUDING CUSTOMER'S AND OR INJURY TO OR DEATH OF ANY PERSON, INCLUDING CUSTOMER'S EMPLOYEES, IN ANY WAY ARISING OUT OF CUSTOMER'S POSSESSION, USE, TRANSPORTATION OR HANDLING OF THE EQUIPMENT OR DEFECTS IN OR FAILURE OF THE EQUIPMENT and shall indemnify, defend and save Owner harmless from any and all claims, demands, liabilities and costs (including attorney's fees and other expenses of defense) imposed upon, asserted against or incurred by Owner related to such matters. Customer waives and releases the effect of employer immunity under any worker's compensation acts.
9. **No Assignment** – Without Owner's prior written consent, none of Customer's rights or obligations under this Agreement are assignable. Any assignment made without such consent shall be void and of no force or effect, except that at Owner's election, such attempted assignment shall be a default under this Agreement. "Assignment" includes but is not limited to any subletting, transfer of possession to anyone except Owner, and permitting or suffering all or any part of the Equipment to be used by any person except Customer or its employees.
10. **Default** – Customer shall be in default under this Agreement upon its failure to perform when due any of its obligation under this Agreement or any other equipment rental agreement with Owner or Customer's credit agreement with Owner, or if Customer commits or suffers any event of insolvency or if Owner reasonably deems itself insecure and Customer does not furnish adequate assurance of performance within three days after Owner's demand. An "event of insolvency" includes but is not limited to the filing of any petition for relief under the Federal Bankruptcy Code, the filing of a petition for receivership or conservatorship, the making of an assignment for the benefit of creditors, or any other act indication Customer is not able to pay its debts as they become due in ordinary course of business. Upon or at any time after Customer's default, Owner may by written notice delivered or mailed to Customer at the address shown on the front hereof terminate all Customer's rights under this Agreement effective when the notice is delivered or mailed, as applicable. Upon such termination, Customer shall immediately return the Equipment to Owner's place of business in the condition required by this Agreement and upon Customer's failure to do so, Owner is authorized to enter upon any place where any part of the Equipment is located and retake possession thereof. In addition to any damages caused by Customer's default, Customer shall pay all costs incurred by Owner on account of Customer's default, including but not limited to expenses of regaining possession, attorneys' fees and, if Owner elects to cure the default, Owner's costs of cure. Owner's remedies for default provided in this Agreement are cumulative with and in addition to such other remedies as may be provided by law.
11. **No Waiver** – Owner's failure to require Customer's strict performance of any of its obligations under this Agreement shall not waive Owner's right to require strict performance of any other or similar obligation or strict performance in the future of the same obligation. No waiver of any of Owner's rights shall be effective unless in writing signed by Owner. Owner's acceptance of any payment under this Agreement after any default by Customer shall not waive that or any other default, whether or not Owner knows of the default. Consent by Owner to one event is not consent for any other event or for the same or a similar event in the future.
12. **Miscellaneous** – Time is of the essence of this Agreement Title to the Equipment shall remain in Owner at all times. This transaction is a rental of equipment and is not a sale. Owner's rights are those of an owner and lessor of the Equipment and not those of a secured party or a seller. In any action between the parties arising out of this Agreement, the losing party shall pay the prevailing party's costs and expenses of the action, including reasonable attorney's fees. "Action" includes appeals and arbitration. If Customer is a partnership or more than one person, the general partners or all such persons, as applicable, are jointly and severally liable upon Customer's obligation under this Agreement. Notice to or the act of one or more but less than all such partners or persons is notice to or the act of all of them. Where Owner's consent is required, it may be refused or conditioned in Owner's absolute discretion.