

Lease Agreement

Lessor: _____ **Lessee:** _____

Equipment: _____

Insurance Value: _____

Rental Rates: _____

Mobilization: _____

Terms of Rental:

1. Under the attached General Conditions of Lease, the Lessor leases to the Lessee all equipment identified above at the stated rates.
2. Lessee will provide a certificate of insurance per paragraph 11 of the General Conditions of Lease prior to release of leased equipment.
3. Lessee represents that the equipment will be used at:

_____ Address _____ City _____ State

Lessee agrees to take delivery of the equipment on or about _____

The Lessee and Lessor for themselves, their successors, executors, administrators and assigns, agree to the full performance of their respective obligations under this Agreement, including the General Conditions as set forth on page 2 of this document.

IN WITNESS HEREOF, LESSEE and LESSOR do hereby sign this Agreement, effective on the date shown below.

Lessor Signature: _____ **Title:** _____

Name: _____ **Dated:** _____

Lessee Signature: _____ **Title:** _____

Name: _____ **Dated:** _____

General Conditions of Lease

1. **Rental Period.** The Rental Period shall cover all time consumed in transporting the equipment, including the date upon which transit to the Lessee begins and the date upon which transit from the Lessee ends at the Lessor's unloading point, unless otherwise agreed.
2. **Rental Charges.** The Lessee shall pay rental for each article of equipment named in the List of Equipment. Rental rates are based on usage of 8 hours per day, 40 hours per 7-day period, and 176 hours per 30-day period. Should the Lessee use any equipment longer than the above specified hours in any specific period, the Lessee agrees to pay for such additional usage. Except as otherwise provided in this Lease, the amount of rent shall not be subject to any reduction because of nonuse during the rental period nor because equipment is returned before expiration of the guaranteed minimum rental period.
3. **Payment.** Payments of rental shall be due prior in the period for which payment is made at the office of the Lessor or such other place as may be mutually agreed upon. Late payment shall bear interest at the lesser of 18% or the maximum amount permitted by law.
4. **Loading, Unloading and Transportation.** The Lessor, at its Own expense, shall load the equipment for transit to the Lessee and upon its return unload it, and shall pay all demurrage charges accruing at its own shipping or receiving point, The Lessee, at its own expense, shall do all unloading, installing, dismantling, and reloading, and shall pay all demurrage accruing at its own shipping or receiving point, and all freight in both directions; providing, however, that unless otherwise specifically agreed, the Lessee shall not pay return transportation charges greater than those necessary to move the equipment to the location from which it was received.
5. **Maintenance and Repair.** Lessee shall pay all costs of minor repair and routine maintenance during the rental period except for "Normal Wear and Tear", which is defined as use of the equipment under normal conditions.
Lessor shall repair or, at its option, authorize Lessee to repair, for Lessor's account, the component damaged as a result of Normal Wear and Tear. If an authorized representative of the Lessor is not available, the Lessee may proceed with the repair but shall notify the Lessor as soon as possible thereafter.
Repairs and overhauls performed by Lessee and chargeable to Lessor pursuant to this Agreement shall be charged at cost with Lessee's normal burden included. Cost includes labor rates and fringe benefits prevailing in the area and parts at actual cost. An invoice for such repairs shall be submitted by Lessee to Lessor no later than the end of the second calendar month following receipt of invoices for such repairs from suppliers and repairers.
Lessee shall furnish Lessor with a copy or Lessee's Shop order and repair records indicating Lessor's equipment number, date of repair, engine hour/mileage, and description of items replaced and work performed.
Any part of the equipment which becomes unserviceable for reasons which are the responsibility of the Lessor and cannot be repaired within a reasonable time shall be replaced by the Lessor.
Lessor shall not be liable for any loss, delay or, damage of any kind or character resulting for the non-availability of the equipment during the rental Period.
Prior to the end of the rental, Lessee shall complete its obligation with respect to minor repair and/or routine maintenance.
Lessor shall perform a final inspection after equipment has been returned by Lessee. Lessor shall inform Lessee in advance of the inspection date and Lessee shall be afforded the opportunity to witness the inspection. This inspection and estimate of required repairs, if any, shall form the basis for allocation of any final repair costs between Lessor and Lessee. When possible, this estimate shall be prepared at the time of inspection; approval by both Lessor and Lessee shall occur no later than sixty (60) days after the date of the inspection.
6. **Disclaimer.** It is understood and agreed between the parties that the Lessor is not the manufacturer of the equipment or its agent. Lessor makes no warranty or representation against patent or latent defects in material or workmanship, nor that the equipment will meet the requirements of any law, rules, regulation, specifications or contracts which provide for specific machinery, apparatus, or particular methods, other than that of the original manufacturer of the equipment as is set forth in the manufacturer's catalog for such equipment.
7. **Operation.** Lessee shall cause the equipment to be operated in a safe and reasonable manner. The equipment shall not be removed from the location without the prior written approval of the Lessor.
8. **Taxes.** Lessor shall be liable for and shall pay for all licenses, permits, fees, customs, taxes, assessments, penalties and fines, if any, assessed or levied by government, governmental body or agency or other public authority against or with respect to the equipment, the Lease and the transaction which it represents or any interest in or any part of it, or arising out of the ownership, use, operation or possession of the equipment except for those caused as a result of the actions of Lessee.
9. **Force Majeure.** The Lessee agrees to hold the Lessor harmless from any loss or damage to the equipment occasioned by fire, theft, flood, accident, explosion, wreck, act of God, or any other cause, whether or not Lessee is negligent, that may occur during this Lease until such equipment has been returned to and accepted by Lessor. The current value of the equipment stated on the List of Equipment shall be the basis for valuation in determining the loss, damage or injury to the equipment. No rentals previously paid or due shall be applied to the payment of such loss. No rentals will be due after such loss, notwithstanding other terms of this Lease.
10. **Hold Harmless.** Lessee agrees to indemnify and hold Lessor and its related or affiliated entities harmless from any and all actions, proceedings, claims, damages, liability (including strict liability), losses and expense, including attorney's fees, arising out of or resulting from Lessee's use, negligence, fault or omission in maintenance, operation, handling, conversion, transportation or storage of the equipment during the rental period, for which the Lessor and its related or affiliated entities may be liable because of bodily injury, including death, sustained by any person or persons, including employees of Lessee, or on account of damage to property including loss of use. This indemnity and hold harmless provision shall continue in full force and effect notwithstanding the termination of this Lease, whether by expiration of time, operation of law or otherwise.
11. **Insurance.** Lessee shall provide evidence of and maintain Comprehensive General Liability Insurance including Broad Form Property Damage and Blanket Contractual, with limits of at least \$1,000,000 per occurrence for bodily injury and \$1,000,000 per occurrence for property damage liability. Lessee shall also indemnify and protect Lessor against, and on demand shall pay to Lessor in full for any destruction or loss of or damage to the leased equipment, however caused, during the rental period. Lessee shall procure and maintain "All-Risk" Equipment Insurance to the current market value of the equipment for any and all loss or damage to the equipment during the rental with the insurer's waiver of subrogation against the Lessor. Such Comprehensive General Liability Insurance and "All-Risk" Equipment Insurance shall be written with companies acceptable to Lessor, and shall name Lessor and its related affiliated entities as additional insureds and loss payees. The insurance afforded for the additional insureds is primary and any other valid and collectible insurance available to the additional insureds shall be excess. Certificate of insurance evidencing the above obligations shall be delivered to the Lessor within ten (10) days from date of this Lease, but in any event no later than time of delivery at point of origin.