

Highway Equipment Company 22035 Perry Highway Zelenople, PA 16063 Phone: (724) 452-7800 Fax: (724) 452-4222	Highway Equipment Company Dubois Route 219 North • PO Box 625 Dubois, PA 15801 Phone: (814) 371-3600 Fax: (814) 371-6770	Highway Equipment Company McKean 5846 West Road McKean, PA 16426 Phone: (814) 476-7755 Fax: (814) 476-1759	Machinery Rental Corporation 6465 Hamilton Avenue Pittsburgh, PA 15206 Phone: (412) 361-3600 Fax: (412) 361-1624
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Made this _____ day of _____, 20____, by and between Highway Equipment Company, (hereinafter called the Lessor) a Pennsylvania Corporation, having its principal office at 22035 Perry Highway, Zelenople, Pennsylvania 16063, and _____ (hereinafter called the Lessee.) Equipment to be located at _____ Witnesseth: That for and in consideration of the payments, covenants, and agreements hereinafter set forth and subject to the TERMS AND CONDITIONS hereof, the Lessor hereby leases and rents to the Lessee the Machinery and/or Accessories, hereinafter called Equipment, described below: It is agreed, the Lessor may from time to time substitute the Equipment listed on The Rental Contract Agreement for an equivalent or similar piece of Equipment without the prior consent or approval of the Lessee. The Equipment is authorized for use only by the Lessee, its authorized agents and employees in full compliance with the terms of this Agreement and all applicable laws, rules and regulations.

EQUIPMENT DESCRIPTION: _____ Value: \$ _____

THERE ARE NO ORAL OR WRITTEN PROMISES, TERMS, CONDITIONS OR REPRESENTATIONS OF MERCHANTABILITY, QUALITY OR FITNESS FOR ANY PURPOSE, OR WARRANTIES, EXPRESSED OR IMPLIED, CONCERNING THIS CONTRACT OR THESE GOODS, OTHER THAN THOSE CONTAINED HEREIN IN WRITING, IF ANY. THE EQUIPMENT IS PROVIDED TO LESSEE STRICTLY "AS-IS AND WITH ALL FAULTS".

The Rental Period shall be for a minimum term of _____ at a minimum daily/weekly/monthly rental rate per single shift of \$ _____ plus tax for which the Lessee agrees to pay to Lessor at its place of business the total minimum rent of \$ _____ plus tax, which rental is all due in advance.

THE RENTAL PERIOD shall begin on and include the date of delivery of the equipment to the Lessee or his agent, or to a public carrier for transit to the Lessee, and shall end on and include the date of delivery of the equipment to the Lessor following the expiration of the minimum rental period.

LOSS DAMAGE WAIVER FOR PHYSICAL DAMAGE TO THE MACHINE. Lessee will indicate either: Insurance: A) _____ Lessee accepts the insurance provided by Highway Equipment Company at 10% of the rental rate and with a \$5,000.00 deductible for each incident. For Equipment less than \$5,000.00 in value the Company does not provide insurance. (Please initial above or below) OR

B) Lessee declines _____ the company's physical loss or accident insurance to the equipment and will provide Lessor a Certificate of Insurance for General Liability within (10) ten business days of the rental commencement. Any damage to the equipment caused by misuse, carelessness or improper operation is not covered, and is the sole responsibility of the Lessee. The Certificate of Insurance will name Lessor as an additional insured and/or loss payee for the full replacement value of the Equipment. The Lessee is responsible for any and all loss of damage of or to the rented Equipment.

EQUIPMENT OPERATION Lessee has received, inspected and accepted the Equipment in good operating condition along with training and user manuals for the safe transportation, operation, maintenance, storage and repair of the Equipment.

INSPECTION Lessor reserves the right to inspect the Equipment at any time during normal business hours without providing Lessee prior notice or notification.

FUEL All rental equipment is sent with a full tank of fuel. Lessee will return equipment with a full tank or will be invoiced the cost to fill the tank at Lessors standard rate.

RENTAL BILLING CYCLE is 28 days (160 hours), one week is seven (7) days (40 hours), one day is eight (8) hours, and Overtime use will be billed on an hourly basis.

The rental period shall be for a minimum of _____ day/week/month at the rate specified above plus all taxes and freight, which is all due in advance and is for use only on a single shift basis. Double or multi shift rates must be negotiated in advance.

MONTHLY RENTAL RATES Shall not be subject to any deductions on account of non-working time in the month, but the amount of rent payable for any fraction of a month after the minimum rental period shall be the monthly rental rate pro-rated according to the number of calendar days in such fraction.

THE RENTAL RATES Herein specified are for the use of the equipment for an operating shift of eight (8) hours per day or less, and if the Equipment is used for additional shifts the rental rate shall be increased one hundred percent for each additional shift.

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. The Lessee at his own expense shall do all other loading, unloading, installing, dismantling and hauling and shall pay all demurrage accruing at his own shipping or receiving point, including all freight and switching charges. The Lessee agrees to indemnify, defend and to hold harmless the Lessor for any and all injuries and damages. It is understood that the Lessee shall prepay the return transportation charges on the Equipment to the Lessor's yard.

USE, MAINTENANCE AND OPERATION Said Equipment is for use at or near the place designed above and shall not be removed therefrom nor made a part of any Equipment or building so as to become a fixture without the written consent of the Lessor. The Lessee is not permitted to remove the equipment from the state of _____ unless written consent is provided by the Lessor. The Lessee shall not remove, alter, disfigure or cover up any numbering, lettering or insignia displayed upon the Equipment, and shall see that the Equipment is not subjected to careless or needlessly rough usage, and Lessee shall at their own expense maintain the Equipment in good repair and operative condition, and in such condition return it to the Lessor. Lessee is responsible for each 250 hour routine service (while in possession of Lessee) which includes but not limited to filter and fluid changes as required by the manufacturer. The Lessee is also responsible for the replacement of expendable items that include but are not limited to hoses, cutting edges, teeth, belts and filters. The Lessee shall have the option to have a joint inspection made of the Equipment before returning it to the Lessor or within five days after returning the Equipment at Lessor's facility to determine liability for repairs and damage to the Equipment.

In the event joint inspection is not demanded, the Lessor shall be the sole judge of the repairs necessary to place it in good repair and operative condition, the cost of which is to be paid by the Lessee. The Lessee shall at his own expense comply with all county, state or municipal laws governing the operation of Equipment of this class.

IN WITNESS WHEREOF The parties have executed this contract, individuals in person, corporations by duly authorized officers intending to be legally bound hereby. It is hereby declared and understood between the parties hereto that no agreement, written or verbal, exists modifying or altering this contract. The Lessee acknowledges that he has read this Contract before signing and understood the terms thereof.

INSURANCE AND INDEMNIFICATION THE LESSEE AT HIS OWN EXPENSE, BUT IN THE NAME AND FOR THE BENEFIT OF THE LESSOR, INSURE SAID EQUIPMENT AGAINST LOSS FOR FULL REPLACEMENT VALUE THAT MAY OCCUR OR BE CAUSED BY FIRE, FLOOD, EXPLOSION, THEFT OR OTHERWISE, AND LIABILITY OF ANY AND EVERY KIND. FURTHER, UNLESS EXPRESSLY WARRANTED HEREIN TO THE CONTRARY, LESSEE HEREBY AGREES TO INDEMNIFY AND HOLD LESSOR HARMLESS FROM ANY AND ALL CLAIMS AND DEMANDS AND EXPENSES WHATSOEVER WHETHER THE SAME BE INCIDENTAL, CONSEQUENTIAL OR FROM ANY CAUSE OF LOSS INCLUDING BUT NOT LIMITED TO LOSS OF TIME OR INJURY OR DEATH TO ANY OTHER PERSON OR PROPERTY WHICH MIGHT ARISE FROM THE USE OR OPERATION OF THE EQUIPMENT HEREIN SOLD, LEASED OR SERVICED. LESSOR IS NEITHER THE DESIGNER NOR MANUFACTURER OF THE EQUIPMENT. ALSO, LESSEE AGREES TO INDEMNIFY AND HOLD HARMLESS FROM AND AGAINST ALL LIABILITY AND EXPENSES BASED UPON DAMAGE TO PROPERTY OR INJURY TO OR DEATH OF ANY PERSON ARISING OUT OF OR ATTRIBUTED TO THE USE OF SAID EQUIPMENT.

SHOULD THE LESSEE RETAIN EQUIPMENT BEYOND THE MINIMUM RENTAL PERIOD The holding thereof shall be subject to all terms and conditions of the Contract. All rental payments plus applicable taxes for the additional periods shall be payable in advance, any unearned rental paid to be refunded to the Lessee on a pro-rata basis.

DELIVERY It is understood and acknowledged by the Lessee that any manual or physical possession of said equipment by the Lessee prior to the date of this Contract has been for the purpose of inspection, trial and examination only, and has not been a delivery thereof, and that delivery thereof to the Lessee for use is to be made forthwith upon the execution of this Contract.

REPOSSESSION AND CONFESSION OF JUDGMENT The Lessor or its agent may inspect said Equipment at any time and if in its opinion or the opinion of its agent, the provisions of this contract are not being complied with the Lessor may take possession of and remove from the possession of the lessee without legal process, at the expense of the Lessee, the Equipment herein mentioned, the Lessee agreeing to provide the Lessor for that purpose unobstructed ingress and egress; and the Lessee upon every default in the payment of rental and upon any and every breach of covenants herein as well as by reason of any failure to make repairs when necessary, empowers Lessor to remove said Equipment without legal process. In addition to empowering Lessor to take said Equipment without legal process, Lessee hereby empowers any attorney of any court of record to appear for the Lessee and confess judgment against the Lessee for such amounts as may at any time be due as rental, transportation, repair charges and/or any other charges in connection with said Equipment or use thereof as herein provided, and a statement of any officer of the Lessor filed with such judgment shall be sufficient to establish the amount due, together with costs and attorney's commission of fifteen per cent for collections, hereby waiving all errors, stays, exemption for debt now or hereinafter enforced in this state or elsewhere.

TERMINATION OF CONTRACT Time is of the essence. Should the lessee fail to make any payment when due or fail to maintain and operate or return the Equipment as provided by this Contract or substantially violate any provision thereof, or become bankrupt, or receiver be appointed for lessee's business, or an assignment for the benefit of creditors, the Lessor may immediately terminate this Contract, take possession of the Equipment without becoming liable for trespass, and recover all rental due, full damages for any injury to and all expenses incurred in returning the equipment.

REMEDIES The omission by the Lessor at any time to enforce any default or right reserved to it, or to require performance of any of the terms, covenants or provisions hereof by the Lessee at the time designated, shall not be a waiver of any such default or right to which the Lessor affect the right of the Lessor to enforce entitled nor shall it in any way affect the right of the Lessor to enforce such provisions thereafter. The remedies of the Lessor are cumulative, not alternative, and the entry of judgment by confession or otherwise, and the issuance of execution for the whole unpaid rental or other sums to be paid hereunder by the Lessee, or any part thereof, shall in no manner affect any of the Lessor's rights hereunder. The Lessee agrees that all provisions of this Agreement will remain in "full force and effect". The Lessor may exercise all remedies simultaneously, pursuant to the terms hereof, and any such action shall not operate to release the Lessee until the full amount of the rental due and all other sums to be paid hereunder have been paid in cash.

TITLE The title to the equipment shall at all times be and remain with the Lessor. The Lessee shall give the Lessor immediate notice in case any equipment is levied upon or from any cause become liable to seizure. This contract and all terms and conditions, rights, and remedies herein contained and set forth shall bind the parties hereto, their heirs, executors, administrators, successors and assigns. The singular number when used in referring to the Lessee shall be interpreted to refer to and include the plural number whenever necessary and if the Lessee's are two or more in number their liability hereunder shall be joint and several. This contract shall be binding only when accepted and signed by an official of the Lessor at its office, 22035 Perry Highway, Zelenople, PA. 16063.

SALE OF EQUIPMENT All equipment, attachments and accessories remain the property of Highway Equipment Company and are subject to sale to other parties at any time unless the Lessee has executed an Agreement To Purchase from Highway. This Rental Contract Agreement does not provide the Lessee with an option to purchase the equipment. Any Sales Agreement for the equipment must be separately agreed upon in writing by both parties. If Highway agrees to sell the equipment to the Lessee, a portion or none of the previously paid rental charges may be applied towards the purchase price of the equipment.

LESSEE: _____
 By: _____
 Title: _____

LESSOR: **HIGHWAY EQUIPMENT COMPANY**
 By: _____
 Title: _____