



Conditions of Lease

This Equipment Lease Order ("Order") is made as of the date stated on the face of the Order by and between 24Hr Safety, LLC ("Lessor") with principal offices at 200 Georgia Ave., Deer Park, Texas 77536 and the customer leasing the equipment as stated on the face of this Order ("Lessee"). Lessee's placement of the Order to which these Conditions of Lease are attached is expressly conditioned upon Lessee's full acceptance of all terms and conditions herein. These Conditions of Lease, the Order to which they are attached, and any specifications or other documents attached to and referenced on the face of this Order comprise the entire agreement between Lessee and Lessor.

Article 1. THE RENTAL PERIOD. The rental period extends from the time the equipment leaves Lessor's properties until it is returned to Lessor's properties. On out of town shipments, the date of the Bill of Lading is the beginning of the rental period, and the rental period ends on the date that the equipment is returned to Lessor's yard or the date of the return Bill of Lading, if stipulated by the Lessor.

ARTICLE 2. RENTAL RATES. Lessee agrees to pay the agreed upon rental rates to Lessor for the entire rental period. Rental rates are not subject to any deductions on account of non-working time. The fractions of the month at the end of the rental period shall fall under the daily and weekly rates, whichever costs Lessee less.

ARTICLE 3. TERMS OF PAYMENT. Rental will be billed on a 28-day cycle billing. Rentals shall be paid by Lessee within 30 days of the generated cycle billing unless otherwise agreed upon by both parties prior to the rental. Rentals lasting less than 28 days shall be paid by Lessee within 30 days of final rental billing unless otherwise agreed upon prior to rental.

If the Lessee fails to take possession or cancels the rental after the equipment has been pulled and staged, Lessee may be subject to a 1-day rental or cancellation fee.

ARTICLE 4. LOADING AND FREIGHT CHARGES. The equipment is rented PPAD (prepay and add) unless otherwise specified at the time of rental. Any charges incurred including but not limited to loading, unloading, fuel, and transportation charges are to be paid by Lessee unless otherwise specified on the face of this Order. If the lessee does not furnish shipment instructions, the Lessor will select the method of shipment.

ARTICLE 5. NOTICE OF RETURN OR RECALL. The Lessor may recall any and all equipment upon 10 days written notice to the Lessee. If any rental is not paid within 30 days of the due date, or the Lessee violates the terms of this lease, or is involved in bankruptcy, receivership, or insolvency, the Lessor may, without notice, declare the entire amount due and payable, terminate the lease without court order, and/or take possession of this equipment without being liable for trespassing. Lessee will pay all legal and transportation costs incurred by Lessor in the repossession of the equipment.

ARTICLE 6. REPAIRS AND MAINTENANCE. The Lessor is required to supply the equipment in good operating condition. The Lessee acknowledges by signing the Order that it accepts the equipment as being in good working condition. The Lessee agrees that it will pay the cost of all repairs during the rental period including labor, materials, parts, and other items, except from normal wear and tear. "Normal wear and tear" is defined as use of the equipment under normal work conditions with qualified personnel providing operation, maintenance and service. If repairs exceeding the normal wear and tear are necessary upon the return of the equipment, Lessor is authorized to make such repairs and bill the Lessee for all such costs, which Lessee shall pay to Lessor within ten (10) days of receipt of a reasonably documented invoice. Lessee agrees not to cover, alter, substitute, or remove and safety device, identifying insignia, numbers,



or markings on the equipment. Lessee will not permit the equipment to be abused, overloaded, or used beyond its capacity.

ARTICLE 7. ARTICLE INSPECTION. Lessor will have the right at any time to inspect its own equipment and will be given free access and the necessary facilities to accomplish the inspection.

ARTICLE 8. INDEMNITY, LIABILITY, AND INSURANCE. At its own expense, the Lessee shall indemnify, save, and hold the Lessor harmless against all loss or damages to the equipment or liability, losses, or claims arising through use of the equipment during the term of this Order. If the equipment is destroyed through fire, flood, explosion, or any other cause while in Lessee's care, custody, or control, the Lessee will repay the Lessor the replacement value of the equipment. No rental payments shall apply as part of the repayment of loss. **In no event shall Lessor be liable whatsoever for any consequential, incidental, special, exemplary, or punitive damages, costs, or expenses.** Lessee is responsible for the equipment while in Lessee's care, custody, and/or control, and Lessee shall obtain and maintain reasonable and sufficient insurance throughout the rental period. Lessee's insurance policies shall be primary and non-contributory and shall name Lessor as a loss payee or additional insured. Lessee's insurance obligations in no way limit Lessee's ultimate liability under this Order. Lessor may require a copy of the Lessee's insurance certificate at the time of Order execution.

ARTICLE 9. TITLE. Title to and full ownership of the equipment shall at all times remain vested in the Lessor. Lessee may not assign, transfer, or sublet the equipment, and Lessee agrees to keep the equipment free and clear of any claims, liens, or encumbrances. Lessee further agrees to use the equipment in accordance with all applicable government rules, regulations, ordinances, and laws. The Lessee shall give the Lessor immediate notice in case any equipment is levied upon or becomes subject to seizure or other encumbrance.

ARTICLE 10. WAIVERS/AMENDMENTS. No waiver of any part or article of this Order shall be construed to be a waiver of any other part or article or be recognized unless it is in writing and signed by both parties. This Order may only be amended by a document expressly declaring to amend this Order that is signed by both parties hereto.

ARTICLE 11. LESSOR NOT LIABLE. It is mutually agreed that the Lessor will not be liable for any loss, delay, or damage of any kind, resulting from defects or inefficiency of the equipment involved in this Order. The Lessor shall be held harmless by Lessee for any and all losses, claims, and/or damages occurring during the rental period which arises out of use or operation of the equipment.

ARTICLE 12. ATTORNEY'S FEES. Lessee agrees to pay to Lessor any reasonable attorney's fees and other costs/expenses incurred by Lessor in connection with enforcement of this Order.

ARTICLE 13. GOVERNING LAW; VENUE. This Order, including the interpretation and enforcement hereof, and the resolution of all disputes arising out of or in connection with this Order shall be governed by, interpreted, and construed in accordance with the laws of the State of Texas, without regard to its conflict of law principles. Lessor and Lessee hereby consent and submit to the jurisdiction of the courts of Harris County, Texas for purposes of enforcement of this Order and waive any objection to such venue.

ARTICLE 14. GENERAL PROVISIONS. If any provision of this Order is found to be void or unenforceable, that provision shall be reformed by the applicable court or arbitration tribunal to comply with the law, if possible, and the balance of the terms of this Order shall be construed in harmony therewith to give effect to all provisions of this Order. The obligations and rights of Lessor and Lessee which accrue during the term of this Order or are otherwise reasonably capable of surviving termination or expiration, shall survive any such termination or expiration.