

## Terms and Conditions for Rental

PLEASE READ THESE TERMS AND CONDITIONS VERY CAREFULLY. THE TERMS AND CONDITIONS FOR THE SALE OF SERVICES AND RENTAL EQUIPMENT TO THE CUSTOMER ARE LIMITED TO THOSE CONTAINED HEREIN. ANY ADDITIONAL OR DIFFERENT TERMS OR CONDITIONS IN ANY FORM DELIVERED BY THE CUSTOMER ARE DEEMED TO BE MATERIAL ALTERATIONS AND ARE HEREBY REJECTED

- \*Rental equipment is on a 24 hr rental window. All products must be returned before 5pm or another day will be charged.
- \*Rental Equipment that has been damaged will be subject to Parts and labor costs.
- \*If equipment is not working properly then MID Industrial Tools, Inc. (herein after called "MID") must be notified within 24Hrs to arrange a replacement.
- \*If a Freight/hot shot service is needed and it is not MID. all costs will be paid up front and subject to a +20% charge
- \*A \$250 Charge will be assessed for call out after hours, on weekends and holidays
- \*An excessive clean up charge of \$85/Hour will be charged for equipment that has been returned with unnecessary dirt, grease etc...
- \*Customer is responsible for equipment rented and understands that if the equipment is lost or stolen the customer will pay for a replacement.

### **Terms and Conditions**

Customer Hereby Rents from MID Industrial Tools, Inc. (herein after called "MID") the equipment listed on the Order Confirmation hereof (Equipment) pursuant to the terms and conditions listed on the order confirmation and terms set out below (Collectively in this agreement).

- 1) **Rental Term:** Unless otherwise set forth on the order confirmation, the equipment rented, will be charged daily for the disclosed rate, with a minimum of one day beginning on the date picked up or delivered. This process will automatically continue day to day upon the Terms and Conditions of this Agreement until equipment is returned to MID.
- 2) **Rent:** The Customer will pay the daily rate as well as applicable taxes and any surcharges that may apply. For rental terms less than one month, the customer will be invoiced after equipment is returned, more than one month the customer will be invoiced every 28 days. In either case the terms are NET 30 payable to MID with approved credit terms unless otherwise determined in writing to be different. Overdue payments will be charged a 1.50% interest rate monthly from the date due. Customer will be required to pay MID all collection and legal costs incurred while trying to collect the debt. If required, customer will provide a valid credit card number to keep on file and held as security to pay all rental costs, return of equipment and performance of all other obligations of the Terms and Conditions.
- 3) **Default and Remedies:** Upon any default by the Customer's payment obligations or any other obligations described in this Agreement, or if Customer repudiates its obligations hereunder or becomes insolvent, dissolves, ceases business, or generally not paying its debts as the same they come due, or any equipment is levied, seized or attached. Or if equipment is in default with any other Agreement with MID has the right to exercise any

one or more of the following, which are cumulative not alternative; (a) Terminate this Agreement and recover possession of equipment. (b) Recover all daily rental fees as well as future rental fees due until equipment is returned to MID. (c) Demand the customer return, and Customer shall return, all Equipment, provided that customer fails to return Equipment within 5 days of MID demand, Customer will be obligated to pay MID, immediately a sum of cash equal to the replacement value Equipment in question not returned to MID and (d) Such other rights and laws are available to MID under applicable law. MID will be entitled to all cost and expenses incurred (Including legal fees and costs) by MID enforcing any of the terms and/or provisions included in this Agreement.

**4) Delivery, Acceptance and Return:** Unless otherwise set forth on the order confirmation Customer will be responsible for arranging shipping, picking up equipment at MID facility located at 7407 Spencer Hwy Suite 420, Pasadena Tx 77505 or any future locations located elsewhere. Upon accepting Equipment, Customer is responsible for inspecting such equipment and upon departing with such Equipment has deemed to acknowledge to MID that such Equipment conforms to aspects of Customers order and that no parts are missing. Unless Customer notifies MID in writing within 24 hrs of pickup or delivery, it will be conclusively presumed that Equipment was delivered to Customer in good operating condition, with no missing parts and Customer has accepted Equipment for all purposes under the terms and condition of this Agreement. Any Equipment to be delivered pursuant of this Agreement shall be delivered to the Terms and Conditions specified on the Order Confirmation. All Equipment shipped shall be insured (From Warehouse to warehouse) for the replacement value of such Equipment. For the avoidance of doubt, risk of loss with respect to the Equipment shipped shall pass to customer upon delivery to the initial carrier. Any fees or expenses incurred by MID in connection with shipping or insuring Equipment shipped will be invoiced in accordance to paragraph 2. Customer will have sole responsibility to file any claims with any carrier for any delay, loss or damage to such Equipment in transit and will be nonetheless liable to MID in accordance to paragraph 9. Unless Customer notifies MID in writing to the contrary within 24 hrs after receipt of any item of Equipment so shipped, it will conclusively have presumed that such Equipment was delivered to Customer in good operation condition with no parts missing, that the Equipment conforms to all respects to Customer's Order and that the Customer has accepted the Equipment to all purposes under this agreement. Customer shall return the Equipment in good operating condition to MID at the end of this Rental Agreement either in person, arranged HOT SHOT service with MID, or prepaid insured shipping carrier to 7407 Spencer Hwy Suite 420, Pasadena, TX 77505. An \$85/hr cleaning charge will be charged to Equipment and/or items returned unclean with excessive grease/grime, foreign substance and/or dirt.

**5) Limited Warranty; Exclusive Remedy; Exclusion of Warranties:** The sole and exclusive warranty made by MID is the Limited Warranty and that each item of equipment, shipped or made available for pickup by customer, will be in good working order. If proved to MID's reasonable satisfaction that any Equipment does not conform to such limited warranty, customer's sole and exclusive remedy shall be that MID at its election, will (a) repair or replace item of Equipment that is not in good working order at the expense of MID, including, if applicable, all shipping, delivery and abatement of rental cost for lost time of non-conforming Equipment being replaced or repaired. Or (b) Terminate this Agreement without any liability to Customer. The foregoing remedy and

exclusive warranty are the exclusive warranty and remedy and are in lieu of any oral representation and all other warranties and remedies whether implied or statutory, other than foregoing limited warranty, MID has not made or does not now make any representation or warranty, express or implied, with respect to any matter whatsoever including, without limitation, the design compliance with specification operation, or condition of any Equipment (or any part thereof), the merchantability or fitness of any Equipment for a particular purpose, or issues regarding patent infringement, Title and the like.

- 6) Limitation of Liability:** It is further agreed that MID will have no liability to the Customer or Customers of the Customer, or any third party (a) For any direct, in direct special or consequential damages based on strict and absolute tort liability, or MID negligence or otherwise. Customer agrees that MID will not be liable for any delay in delivery of, or any failure to deliver any Equipment or (b) For any amount more than aggregate daily rental fee paid by customer hereunder.
- 7) Owner Personal Property Use:** The Equipment shall remain property of MID and MID retains the title hereto. Customer shall keep the Equipment free from all claims, liens, security interests and encumbrances. Equipment always shall remain personal property, whether any Equipment will become affixed to or part of any real property or real property improvements. Customer shall not make any modifications, alterations or additions to the Equipment without the permission from MID in writing prior to agreement. Customer represents and warrants that (a) Customer has selected all Equipment for Customer's intended uses without MID's assistance. (b) Customer is solely responsible to for ensuring that Equipment is suitable for its requirements in every way. (c) Equipment is being rented for lawful business purposes and Customer will use Equipment in compliance with applicable law; And(d) Equipment will be used exclusively by customers and its affiliates. MID may inspect Equipment at any time.
- 8) Manuals, Packaging & Accessories:** MID shall include with each piece of Equipment an applicable operating and safety manual, receipt of which is hereby acknowledged by customer and the contents is charged with knowing and understanding. All toolboxes, containers and other packaging materials shall remain the sole property of MID and shall be returned to MID in their original state along with all Equipment. Any manuals, packaging materials or other non- expendable ancillary items and accessories which are lost, destroyed or damaged or which are not returned to MID will be charged to Customer at full replacement cost at a minimum charge of \$100 per item.
- 9) UCC Article 2A: TO THE EXTENT PERMITTED BY APPLICABLE LAW, CUSTOMER WAIVES ALL (a) RIGHTS AND REMEDIES CONFERRED UPON LEASE BY ARTICLE 2A OF THE UNIFORM COMMERCIAL CODE and (b) RIGHTS HERE OR HEREAFTER CONFERRED BY STATUE OR OTHERWISE WHICH MAY LIMIT OR MODIFY MID RIGHTS UNDER OR WITH RESPECT TO THIS AGREEMENT**
- 10) Risk of Loss:** Care of Equipment, Insurance: Customer is responsible for safekeeping of all Equipment and shall bare the risk of any lost, damaged or stolen Equipment for any reason. Customer shall insure each item of Equipment against loss or damage for not less than the replacement value of each item and if requested by MID shall provide proof of such insurance. At MID's option Customer shall either replace or pay the replacement cost of any item of Equipment which is modified, lost, damaged beyond

repair, destroyed or stolen. Until an item has been repaired, replaced or the replacement cost has been therefor has been paid by the customer, the rental term shall continue, and customer shall continue to pay the daily rental fees with respect thereto. If the Equipment comes back with labels affixed stating the equipment is owned by MID or any affiliates of MID, Customer will not alter, disfigure, deface, remove or cover up any labels, tags, lettering, plates or other identification on Equipment and will take such reasonable steps to ensure proper identification of equipment.

**11) Customer's Unconditional Obligations:** Customers obligations are non-cancelable, Customer agrees that its obligations to pay daily rental fees and to perform all other obligations here under shall be absolute, irrevocable, unconditional and independent and shall be paid and performed without abatement, deduction, or offset of any kind or nature whatsoever.

**12) Indemnification of MID:** Customer shall Indemnify, Hold harmless, and if so requested by MID, defend MID against all losses, liabilities, damages, penalties, expenses, (Including legal fees and costs), claims, actions, and suits whether in contract or in tort, arising out of or related to Customer's selection, possession, use, abuse or neglect of the Equipment or Customer's breach of its representations, warranties or obligations under this Agreement.

**13) Taxes:** Customer is responsible and shall pay all applicable taxes associated with the Equipment, which include sales tax, personal and property tax which may be imposed by taxing authority.

**14) Export Compliance:** Customer agrees and acknowledges that the Equipment shall not be used or stored in or re-exported, shipped, transported or otherwise diverted to any other locations outside the United States or outside territorial waters of the United States without prior written consent from MID. Upon written consent from MID to certain guidelines will be discussed and followed.

**15) Other Provisions:** This Agreement shall be governed by and construed in accordance with the internal laws (As opposed to conflicts of law provisions) of the state of Texas. The Terms and Conditions of this Agreement set forth the entire agreement between MID and Customer with respect to the Equipment and shall not be amended except in writing and signed by both parties. The Terms and Conditions of this Agreement supersede and replace any inconsistencies of provisions set forth in any purchase order of Customer relating to the Equipment or any part thereof. Customer hereby authorizes MID to obtain credit bureau reports and make such other credit inquiries as MID deems necessary. Without MID prior written approval, Customer will not assign or grant a security interest in the Equipment, this Agreement or its interests here under or enter any sub-lease with respect to the Equipment. Any failure of MID to require strict performance by the customer or any waiver by MID shall not be construed as a waiver of any other breach of the same or any other provision.