

# **SAMPLE RENTAL AGREEMENT WORDING**

## **RENTAL AGREEMENT Terms and Conditions**

1. The owner rents to the customer named on the reverse side hereof, and the customer rents from the owner the equipment described on the reverse side hereof. The equipment is rented f.o.b. owner's warehouse, and customer agrees that all equipment rented hereunder shall be used at the location set forth on the reverse side hereof, and customer shall not remove any of the equipment to any other location without prior written consent of owner.
2. Customer agrees to pay owner the rental charges specified on the reverse side hereof, in advance during the term of this Agreement. Customer shall be liable for and reimburse owner for any sales or use taxes, license or registration fees levied or assessed on the rental equipment, use or operation thereof.
3. Customer agrees at the expiration of this Rental Agreement to return the equipment at its expense to owner's warehouse in the same condition as when received, less normal wear and tear.
4. Customer shall take good care of the equipment in the use, maintenance and storage thereof, and without limiting the foregoing, shall keep the equipment in a covered area when not in use, keep the equipment clean, operate and permit operation of the equipment only within its rated capacity, refrain from altering the equipment without owner's written consent, and prohibit and prevent anyone who is not trained or authorized from making any repairs or adjustments to the equipment. Customer shall notify owner immediately of any physical damage that may occur to the equipment and shall promptly furnish owner, in writing, all information required by owner in connection therewith. Customer shall take care of normal needs of the equipment; including supplying fuel, oil and coolant, daily checking of general condition, including oil level, cooling system; water and batteries, recharging batteries, etc. The owner will service the equipment from time to time at its expense, and the customer agrees to make the equipment available for servicing during the owner's normal business hours. In the event that customer requires service at other than owner's normal business hours, customer agrees to pay the difference between the straight time and overtime rates for mechanics' time.
5. Customer agrees that the owner shall not be liable to the customer, nor this Contract be impugned for owner's failure to repair the equipment if disabled or furnish substitute equipment for any reason whatsoever and that the owner in no event is or shall be liable for special or consequential damages of any nature whatsoever or however caused.
6. **INDEMNIFICATION** - To the fullest extent permitted by law, the LESSEE shall indemnify and hold harmless the LESSOR and all of its agents, servants and employees from and against any and all claims, damages, losses and expenses, including but not limited to attorneys fees, arising out or resulting from the operation, maintenance and use of the equipment rented under this agreement, provided that such claim, damages, loss or expense is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of property; including the loss of use resulting therefrom, to the extent caused by in whole or part by the negligent acts or omissions of the LESSOR, LESSEE, or anyone directly or indirectly employed by them or anyone for whose acts they may be liable, regardless of whether or not such claim, damages, loss or expense is caused in part by the party indemnified hereunder.

## **7. INSURANCE PROCUREMENT**

A. LESSEE shall provide and pay for, all risk insurance against physical loss or damage to units in an amount equal to the full insurable value of the equipment. Such policies shall name LESSOR and its assigns as additional insureds as their interest may appear.

B. LESSEE also agrees to provide and pay for, at its own cost and expense, comprehensive general liability insurance, including contractual liability coverage which insures both the LESSEE and the LESSOR and their agents, servants and employees for any and all claims, accidents, liability, damages; loss and expenses arising out of or in any way resulting from the operation, maintenance and use of the equipment rented under this agreement, that results in bodily injury, sickness, disease, death or injury to or destruction of property, including the loss of use resulting therefrom. The insurance herein shall be primary insurance for the LESSOR and LEASEE and shall be in an amount not less than \$1,000,000 combined single limit for bodily injury or property damage.

C. LESSEE shall-furnish LESSOR with certificates of insurance evidencing the coverages set forth above which shall provide for thirty (30) days prior written notice by registered mail to LESSOR of any cancellation or change reducing coverage. The certificate of insurance shall specifically state that the LESSOR is an additional insured under the LESSEE's policy of insurance as reflected in Paragraph B above, and that the coverage for the LESSOR is primary coverage and not excess to or concurrent with any other insurance coverage that may be available to the LESSOR. The insurance so provided shall be effective during the period from the moment of delivery of each unit under lease to LESSEE until the moment of return or surrender of possession to LESSOR or his authorized representative.

8. In the event of default by customer in complying with or performing any of the provisions of this Rental Agreement, or if any execution or other writ or process shall be issued in any action or proceeding against customer whereby rented equipment may be seized or taken or distrained, or if a proceeding in bankruptcy, receivership or insolvency shall be instituted by or against the customer or its property, or if the customer shall enter into any arrangement or composition with its creditors, then and in any such event, owner shall have the right to take immediate possession of all rented equipment, and for such purpose owner may enter upon any premises where said rented equipment may be located without liable to any suit or action or proceeding by customer. Upon owner's retaking possession of said rented equipment pursuant to the provisions of this paragraph, this rental shall thenceforth terminate. The customer shall nevertheless remain liable for all sums due and unpaid, plus a reasonable amount for attorney's fees and such expenses as shall be expended or incurred in the seizure of said equipment or in the enforcement of any right hereunder.
9. This Agreement is a contract of rental only, and customer does not acquire title to any equipment rented hereunder.
10. Notices hereunder shall be in writing and shall be-mailed by registered or certified mail, return receipt requested to owner or customer at its address stated on the reverse side hereof.