EQUIPMENT RENTAL AGREEMENT

This Equipment Rental Agreement (this "Owner") is made effective as of _____, between _____(the "Owner"), and _____ (the "Client") and states the agreement (the "Agreement") of the parties as follows:

EQUIPMENT SUBJECT TO RENTAL. The Owner shall rent the equipment described as follows:
_____
_____
_____.

PAYMENT TERMS. The Client shall make _____ payments of $_____ per _____. Payments shall be due _____.

SERVICE CHARGE. If any Rental installment is not paid within _____ after the due date, the Client shall pay to the Owner a late charge of $ _____.

NON-SUFFICIENT FUNDS. The Client shall be charged $_____ for each check that is returned to the Owner for lack of sufficient funds.

SECURITY DEPOSIT. In addition to the rental payment charge, the Client shall pay a security deposit of $_____ at the time that this Agreement is signed. This deposit will be returned to the Client at the termination of this Agreement, subject to the option of the Owner to apply it against Rental charges and damages. Any amounts refundable to the Client shall be paid at the time this Agreement is terminated. The security deposit shall not bear interest.

RENTAL TERM. This Agreement shall begin on the above effective date and shall terminate on _____, unless otherwise terminated in a manner consistent with the terms of this Agreement.

CARE AND OPERATION OF EQUIPMENT. The equipment may only be used and operated in a careful and proper manner. Its use must comply with all laws, ordinances, and regulations relating to the possession, use, or maintenance of the equipment, including registration and/or licensing requirements, if any.

ALTERATIONS. Client shall make no alterations to the equipment without the prior written consent of the Owner. All alterations shall be the property of the Owner and subject to the terms of this Agreement.

MAINTENANCE AND REPAIR. The Owner shall maintain at the Owner's cost, the equipment in good repair and operating condition, allowing for reasonable wear and tear. Such costs shall include labor, material, parts, and similar items.

OWNER'S RIGHT OF INSPECTION. The Owner shall have the right to inspect the equipment during Lessee's normal business hours.

RETURN OF EQUIPMENT. At the end of the Rental term, the Client shall be obligated to return the equipment to the Owner at the Client's expense.

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OPTION TO RENEW. If the Client is not in default upon the expiration of this Agreement, the Client shall have the option to renew this Agreement for a similar term on such terms as the parties may agree at the time of such renewal.

OPTION TO PURCHASE. If the Client is not in default under this Agreement, the Client shall have the option to purchase items of equipment at the end of the rental term for the price specified for such items of equipment in the attached Equipment Schedule. The Client shall exercise this option by providing written notice to the Owner of such intent at least 30 days prior to the end of the rental term.

ACCEPTANCE OF EQUIPMENT. The Client shall inspect each item of equipment delivered pursuant to this Agreement. The Client shall immediately notify the Owner of any discrepancies between such item of equipment and the description of the equipment in this Agreement. If the Client fails to provide such notice before accepting delivery of the equipment, the Client will be conclusively presumed to have accepted the equipment as specified in the Agreement.

OWNERSHIP AND STATUS OF EQUIPMENT. The equipment will be deemed to be personal property, regardless of the manner in which it may be attached to any other property. The Owner shall be deemed to have retained title to the equipment at all times, unless the Owner transfers the title by sale. The Client shall immediately advise the Owner regarding any notice of any claim, levy, lien, or legal process issued against the equipment.

RISK OF LOSS OR DAMAGE. The Client assumes all risks of loss or damage to the equipment from any cause, and agrees to return it to the Owner in the condition received from the Owner, with the exception of normal wear and tear, unless otherwise provided in this Agreement.

INDEMNITY OF OWNER FOR LOSS OR DAMAGES. Unless otherwise provided in this Agreement, if the equipment is damaged or lost, the Owner shall have the option of requiring the Client to repair the equipment to a state of good working order, or replace the equipment with like equipment in good repair, which equipment shall become the property of the Owner and subject to this Agreement.

LIABILITY AND INDEMNITY. Liability for injury, disability, and death of workers and other persons caused by operating, handling, or transporting the equipment during the term of this Agreement is the obligation of the Client, and the Client shall indemnify and hold the Owner harmless from and against all such liability. Client shall maintain liability insurance of at least $ _____.

CASUALTY INSURANCE. The Client shall insure the equipment in an amount of at least $_____.

DEFAULT. The occurrence of any of the following shall constitute a default under this Agreement:

A. The failure to make a required payment under this Agreement when due.

B. The violation of any other provision or requirement that is not corrected within 30 days day(s) after written notice of the violation is given.

C. The insolvency or bankruptcy of the Client.

D. The subjection of any of Lessee's property to any levy, seizure, assignment, application or sale for or by any creditor or government agency.

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RIGHTS ON DEFAULT. In addition to any other rights afforded the Owner by law, if the Client is in default under this Agreement, without notice to or demand on the Client, the Owner may take possession of the equipment as provided by law, deduct the costs of recovery (including attorney fees and legal costs), repair, and related costs, and hold the Client responsible for any deficiency. The rights and remedies of the Owner provided by law and this Agreement shall be cumulative in nature. The Owner shall be obligated to re-lease the equipment, or otherwise mitigate the damages from the default, only as required by law.

NOTICE. Notices under this Agreement shall not be deemed valid unless given or served in writing and forwarded by mail, postage prepaid, addressed as follows:

OWNER:

_____
_____
_____

CLIENT:

_____
_____
_____

ASSIGNMENT. The Client shall not assign or sublet any interest in this Agreement or the equipment or permit the equipment to be used by anyone other than the Client or Client's employees, without Lessor's prior written consent.

ENTIRE AGREEMENT AND MODIFICATION. This Agreement constitutes the entire agreement between the parties. No modification or amendment of this Agreement shall be effective unless in writing and signed by both parties. This Agreement replaces any and all prior agreements between the parties.

GOVERNING LAW. This Agreement shall be construed in accordance with the laws of the State of _____.

SEVERABILITY. If any portion of this Agreement shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this Agreement is invalid or unenforceable, but that by limiting such provision, it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

WAIVER. The failure of either party to enforce any provision of this Agreement shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Agreement.

CERTIFICATION. Lessee certifies that the application, statements, trade references, and financial reports submitted to Owner are true and correct and any material misrepresentation will constitute a default under this Agreement.

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ARBITRATION. Any controversy or claim relating to this Agreement, including the construction or application of this Agreement, will be settled by binding arbitration under the rules of the American Arbitration Association, and any judgment granted by the arbitrator(s) may be enforced in any court of proper jurisdiction.

OWNER:

By: _____

Name Printed _____

Date _____

CLIENT:

By: _____

Name Printed _____

Date _____

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