

RENTAL TERMS & CONDITIONS

1. The equipment rented hereby is a part of the inventory of COMPANY and may be sold by COMPANY at any time to any person or entity. This equipment is NOT SUBJECT to a LEASE PURCHASE and shall remain available for LESSEE'S use only so long as all charges accruing for that use are paid currently and so long as COMPANY does not reclaim this equipment for any reason.

The equipment shall at all times remain and be the sole and exclusive property of the COMPANY and LESSEE shall have only the right to use it under the conditions herein contained. The leased equipment shall not be transferred, leased, used or subject to the control of any person other than LESSEE. This lease shall not be assigned by LESSEE by his own act or by operation of law. The equipment will not be removed from LESSEE'S premises and will not be used at any other place or for any purpose without the consent of COMPANY.

2. The LESSEE shall at all times and at his own expense keep the leased equipment in good, safe and efficient working order, repair and condition and shall not permit anyone to injure, deface or remove it or any part thereof. LESSEE agrees to erect, maintain and use the equipment in a safe and proper manner and in conformity with all laws and ordinances pertaining thereto and in accordance with COMPANY safety rules and regulations. The COMPANY shall have no responsibility, direction or control over the manner of erection, maintenance, use or operation of said equipment by the LESSEE. The LESSEE assumes all responsibility for claims asserted by any person whatever growing or of the erection and maintenance, use or possession of said equipment, and agrees to hold the COMPANY harmless from all such claims.

3. LESSEE acknowledges that he has inspected each item of equipment leased hereunder, LESSEE agrees that receipt of the leased equipment and removal of it from the COMPANY'S premises shall be construed as an absolute acknowledgement by LESSEE that when delivered to LESSEE by COMPANY the equipment was in good order and repair, and was in all respects adequate, sufficient and proper for the purposes of which it was intended.

4. At COMPANY'S sole option, and without any obligation on its part, COMPANY shall at all times have the right of free access to the leased equipment for any purpose whatsoever, including, but not limited to, the rights to inspect it, to watch its use or operation, to determine the nature and extent of its use and to sell the equipment.

5. The leased equipment shall be returned to the COMPANY in as good condition as when received, normal wear and tear caused by reasonable and proper use excepted. As between LESSEE and COMPANY, LESSEE shall bear the entire risk of damage to, loss of, or destruction of the equipment, and, in case the equipment, or any part thereof, is destroyed, damaged or lost, whether with or without fault on the part of LESSEE, LESSEE shall pay to the COMPANY a sum equal to COMPANY'S retail list price of the equipment and all rental charges incurred to date.

6. COMPANY has the right to terminate this lease without notice. In the event of LESSEE'S breach of any of its terms, conditions or promises, or in the event LESSEE becomes insolvent, or in the event any proceedings in bankruptcy or receivership are instituted against LESSEE, or in the event any execution, levy, distraint or attachment is levied or threatened to be levied upon the lease equipment, the lease shall be automatically terminated. Upon termination or expiration, LESSEE shall forthwith deliver such equipment to the COMPANY at its nearest warehouse, in as good order and condition as it is now, ordinary wear and tear caused by reasonable and proper use excepted, and the COMPANY shall have the right to repossess the leased equipment immediately. LESSEE hereby agrees to indemnify COMPANY and its agents from all claims by LESSEE or any other person for or by reason of or on account of such repossession.

7. The LESSEE agrees to pay an attorney's fee or other collection fee of 35% of total amount due, including interest and service charges, should this lease be placed for collections and LESSEE further agrees to pay any court costs incurred by COMPANY for collections. It is agreed that Venue in any legal actions shall be in Fairfax, Virginia.

8. LESSEE agrees to pay all bills rendered it by COMPANY on the 10th of the month next following date of invoice; and LESSEE further agrees that if such bills are not paid by the due date, LESSEE will pay COMPANY an additional two percent (2%) per month interest and service charge, which will be added to LESSEE'S account.

9. It is agreed that there shall be added to the rental price any excise, sales, use, occupational or other tax imposed upon LESSEE incident to this lease.

10. This lease comprises the entire lease and contract between the parties and it is acknowledged that there are no understandings, representations, warranties, promises, verbal or otherwise, pertaining to this lease or to the equipment which are not incorporated herein expressly, by references or by rider attached hereto.

11. This equipment is leased "as is". The LESSOR makes no warranty, express or implied, regarding the equipment.

12. The LESSOR reserved the right to repossess this equipment at any time and any place in the event of the failure of LESSEE to pay the rent as required herein. The costs of such repossession, including attorney's fees, shall be born by the LESSEE.

13. The LESSEE is responsible for repairing flat tires.

14. The LESSEE is responsible for the use of safety equipment.

15. The COMPANY is not responsible for and damages to LESSEE'S vehicle while loading or unloading of equipment or tools.

16. INDEMNIFICATION: LESSEE assumes responsibility for, and shall indemnify, defend and hold harmless lessor, its agents, employees, officers, directors, successors, and assigns from and against, any and all liabilities, obligations, losses demands, damages, injuries (including but not limited to, bodily injury, illness and death), claims, penalties, suits, actions, costs, and expenses, including attorney fees, or whatsoever kind and nature, relating to or arising out of the use, condition (including, but not limited to, latent and other defects and whether or not discoverable by lessee or lessor), operation, ownership, selection, delivery leasing, or return of the equipment, regardless of where, how, and by whom operated, or any failure on the part of lessee to perform or comply with the conditions of this lease.

Without limiting the generality of the foregoing, lessee shall, at its own cost and expense, defend lessor against all claims, suits or proceedings commenced by anyone in which lessor is named as a party for which lessor is alleged to be liable or responsible as a result of or arising out of the equipment, or any alleged act or omission by lessor, and lessee shall be liable and responsible for all costs, expenses, and attorneys fees incurred in the defense and/or settlement, judgement, or other resolution thereof. In the event any such action any such action is commenced naming lessor as a party, lessor may, in its sole discretion, elect to defend said action on its own behalf with counsel of its choice, and lessee shall be liable for and reimburse lessee for all costs, expenses, and attorney fees incurred by lessor in such defense.

The indemnities and assumptions of liabilities and obligations herein provided for shall continue in full force and effect notwithstanding the expiration or other termination of the lease.

Purpose of this Clause: It is understood and agreed by the parties that the purpose of this clause is to completely shift the risk of all claims relating to or arising out of the lease of the equipment to lessee hereunder, It is the intention of the parties that this clause be interpreted broadly and in favor of lessor.

Client Signature

Mega Rentals Signature