



201 Pemberton Way
Austin, TX 78737

Rental Agreement

This Lease, made and entered into this _____ day of _____, _____ between Heavy Equipment, LLC. herein designated as Lessor, and _____, herein designated as Lessee, Witnesseth:

That for and in consideration of the mutual covenants herein contained and upon the Terms and Conditions thereof does hereby lease, hire and take from the Lessor, the personal property described in Schedule A.

The term of this lease shall begin upon _____ and end on _____. See Terms and Conditions for payment provisions. Lessee hereby agrees to pay Lessor rent for the equipment as set forth in Schedule A. Rental payment shall be sent to 201 Pemberton Way Austin, TX 78737. Upon signing this lease, Lessee hereby agrees to lease this unit for a period of not less than _____, and agrees to maintain payments accordingly whether he has use or not for the described unit(s).

TERMS AND CONDITIONS

1. Lessee covenants and agrees that he will not assign, transfer, sell, hypothecate, nor encumber this lease agreement
2. Lessee shall, at his own cost and expense, maintain in full force and effect during the term hereof with a reputable insurance company - insurance of at least the following limits: protecting the interest of Lessor and Lessee for bodily injury - \$1,000,000.00 each occurrence and for property damage - \$500,000.00. Lessee shall also procure fire, theft and comprehensive insurance of either the actual cash value or the following amount \$225,000. Such policies shall provide that they may not be canceled nor reduce coverage without at least 30 days advance written notice to Lessor. A certificate of insurance shall be issued acceptable to Lessor confirming coverage for the above and specifically confirming coverage for the liability assumed under Paragraph 5.
3. Lessee covenants and agrees to maintain the above-described vehicle at his own expense, and to pay all operating and maintenance costs and expenses involved therein during the term of this lease agreement. Lessor will be responsible for repair of major deficiencies in the engine and drive train and hydraulics systems; if such deficiencies are determined to result from excessive use and/or improper operation and maintenance rather than improper design and/or manufacture lessee will be responsible for any repairs.
4. Lessee covenants and agrees not to alter said vehicle without first obtaining the written consent of Lessor, or his assigns.
5. Lessee agrees to defend, indemnify and hold Lessor harmless against and all liability for injury to or death of person, or loss of or damage to property of the lessee or others, arising from the Lessee's use of the leased vehicle described herein, however accruing.
6. Lessee covenants and agrees in addition and its own expense to keep the vehicle at all times in full and proper operating condition in compliance with all state, federal and local requirements for equipment of similar nature and to return the leased unit described herein at the expiration of this leased agreement to Heavy Equipment, LLC.
7. Full payment must be made within 30 days from the day of delivery.

Customer: _____ Equipment: _____ Date: _____

8. Lease amount shown does not include any applicable freight of hauling.
9. Written proof of insurance in amounts stated in #2 of Terms and Conditions will be submitted by Lessee prior to execution of this Lease Agreement.
10. A qualified operator, fully trained and familiar with the operation and care of heavy construction equipment is required to run this _____ at all times.
11. Vehicles will not be operated in a careless or reckless manner such as to cause excessive wear and tear or damage to the vehicle or any component parts attached thereto.
12. Lessee shall pay and discharge all sales and use taxes now or hereafter ownership, leasing, renting, possession or use, whether the same is assessed on Lessor or Lessee, together with any penalties or interest in connection therewith.
13. In the event of default or any dispute regarding the interpretation or enforcement of this lease, the prevailing party be entitled to recover, in addition to its costs, reasonable attorney's fees, whether or not litigation is commenced, and all courts, including Appellate and Bankruptcy Courts.
14. This lease is an "open end" lease and no portion of the payments made on rent will be applied toward future purchase. This lease shall supersede all prior written or oral agreements concerning the vehicle herein leased.
15. This lease shall be binding upon and endure to the benefit of the parties, their heirs, assigned successors in interest, executors or personal representatives.

Lessee Signature _____ Date _____

Lessor Signature _____ Date _____

SCHEDULE A:

Equipment Description	Rental Rate	Tax Rate	Total
_____	_____	<u>8.5%</u>	_____.

Notes:

ALL RENTALS ARE BASED ON AN 8-HOUR DAY, 40 HOUR WEEK, OR 160 - HOUR MONTH, ANY HOURS OVER 160 WILL BE BILLED 1 ½ TIMES THE PRO-RATED AMOUNT BASED OFF OF THE ORIGINAL RENTAL RATE. WE CHARGE \$5.50/GALLON IF FUEL IS NOT REPLACED.

Hours on Machines Upon Delivery:

Hours on this machine when it left our yard: _____.

Fuel: _____% We charge \$5.50 a gallon

Customer: _____ Equipment: _____ Date: _____.