

EQUIPMENT RENTAL AGREEMENT

1. **Parties.** This Equipment Rental Agreement (“Agreement”) is made and entered into on this day of _____, 20__ , by and between:

Lessor: Red Hat Rental, LLC dba Liberty Equipment Rental

Lessee: _____

(Name)

Address: _____

Phone: _____

Drivers License # and State: _____

2. **Equipment and Rental Terms:** The Lessor and Lessee agree to enter into a binding agreement for the lease of the following

Equipment: _____

Model/Serial: _____

Rental Period: _____ to _____

Rate: \$ _____ per Y hour Yday Y week Y month

Security Deposit: \$ _____

Lessee agrees to rent the Equipment subject to this Agreement.

Lessee shall use the Equipment only for its intended purpose and in a safe, lawful manner; not misuse, abuse or improperly operate the Equipment; not alter, modify or remove any identifying marks without Lessor’s consent; not sublease assign or transfer the Equipment without Lessor’s prior written consent; and comply with all applicable law and regulations relating to the use and operation of the Equipment.

Under this Agreement, the Equipment shall remain the property of the Lessor and must be returned to the Lessor in the same condition as the start of the Rental Period, reasonable wear and tear expected.

3. Payment Terms

- a. *Payment Obligation.* All rental charges are due in advance unless otherwise agreed in writing.
- b. *Recurring Charges.* For ongoing rentals, charges accrue continuously until Equipment is returned and accepted by Lessor.
- c. *Late Payments.* Past due amounts accrue interest at 1.5% per month (or maximum allowed by law).
- d. *Application of Payments.* Payments may be applied to any outstanding balance at Lessor’s discretion.
- e. *Security Deposit.* Lessor may apply the deposit to any unpaid amounts, damage, or loss.

f. *Acceleration.* Upon default, all unpaid rental amounts for the full rental period become immediately due.

1. Use, Operation & Control.

2. Lessee shall:

3. use Equipment only for its intended purpose;
4. operate safely and in compliance with all laws;
5. ensure only qualified operators use Equipment;
6. not sublease, assign, or relocate Equipment without consent;
7. be responsible for all fuel, consumables, and routine maintenance;
8. notify Lessor immediately of any accident and promptly submit any applicable police reports; and
9. be responsible for permits, fines, or violations while in possession of the Equipment.

Failure to comply with these obligations constitutes a breach of this Agreement.

10. Use of the equipment in the following circumstances is prohibited and constitutes a breach of this Agreement:

11. Use for illegal purposes in illegal manner;
12. Use when the equipment is in bad condition or is unsafe;
13. Improper, unintended use or misuse;
14. Use by anyone other than the Lessee or his/her employees without Lessor's written permission;
15. Use by anyone under 21 years of age or by anyone without a valid driver's or operating license (depending on type of equipment);
16. Use at any location other than the address furnished Lessor without Lessor's written permission (Does not apply to mobile equipment);
17. Use of Lessee while under the influence of alcoholic liquor or drugs; or
18. Use of rental vehicle by unlicensed driver.

4. Delivery, Inspection & Return.

- a. *Delivery Condition.* Equipment is deemed accepted in good condition unless Lessee provides written notice of defects within 24 hours.
 - b. *Return Condition.* Equipment must be returned in the same condition, reasonable wear and tear excepted. Equipment with gas/diesel engines must be returned full of fuel or Lessor will be charged at the current Lessee's rate. Lessee also agrees pay a reasonable cleaning charge for equipment returned dirty.
 - c. *Inspection.* Lessor's inspection upon return is conclusive absent manifest error.
19. *Failure to Return.* Continued possession after the rental period constitutes wrongful detention. If Lessee fails to return equipment to Lessor within 18 hours of the

Agreement termination date and time on the front of this Agreement, Lessor may consider said rental equipment stolen and may issue theft notices and take necessary steps to recover said equipment.

- 20. Equipment Failure & Duty to Stop Use.** If the equipment becomes unsafe or in disrepair as a result of normal use, Lessee agrees to discontinue use immediately and notify Lessor immediately who will replace the equipment with similar equipment in good working order if available. Lessee shall not repair or permit any third party to repair Equipment without Lessor's prior written consent. Lessor is not responsible for any incidental or consequential damage caused by delays or otherwise.

5. Late Fee (Returning Equipment).

- a. If Lessee rents the Equipment on an hourly basis and fails to return the Equipment by the end of the agreed rental period, Lessee shall be charged a late fee at the applicable hourly rate for up to two (2) hours following the scheduled return time. If the Equipment is not returned within such two-hour period, Lessee shall instead be charged the full daily rental rate, which shall apply in lieu of (and not in addition to) the hourly late fees. In addition, Lessee shall pay a late return charge equal to 10% of the applicable rental charges accrued during the late period, which the parties agree represents a reasonable estimate of administrative costs and loss of availability, and is not a penalty.
- b. If Lessee rents the Equipment on a daily or weekly basis and fails to return the Equipment by the end of the agreed rental period, a late fee of \$_____ shall be charged to the Lessee for each day the Equipment is late and not returned to the Lessor ("Late Fee"). In addition, the unpaid Late Fee shall accumulate interest at the maximum interest rate (usury rate) allowed under Governing Law.

- 6. Risk of loss.** Lessee assumes all risk of loss, theft, damage, or destruction of the Equipment from delivery or pickup, until return. Such loss or damage shall not relieve Lessee of any obligations under this Agreement, including the obligation to pay, and such obligations are not limited by insurance proceeds. In the event of loss or damage, Lessee shall, at Lessor's option:

- i. Repair to Lessor's satisfaction;
- ii. Replace with equivalent Equipment; or
- iii. Pay the greater of fair market value or scheduled value, plus accrued rent.

- 7. Insurance.** Insurance for the Equipment by the Lessee is: (check one)

Y - Not Required. There is not insurance required to be obtained by the Renter under this Agreement for the Equipment. The Lessee shall be fully responsible for any loss, damage, or destruction of the Equipment.

Y - Required. Lessee shall obtain and maintain for the entire term of this Agreement, at its own expense, commercial general liability insurance in the amount of at least \$1,000,000 per occurrence; and property insurance covering the Equipment for its full replacement value. Policies must name Lessor as additional insured, name Lessor as loss payee, include waiver of subrogation in favor of Lessor, and be issued by carrier rated A- or better. Proof of insurance is required before delivery. If Lessee fails to maintain required insurance, Lessor may obtain such insurance, and Lessee shall reimburse Lessor for the cost.

8. Indemnity. To the fullest extent permitted by law, Lessee shall defend, indemnify and hold Lessor harmless from and against all claims, losses, liabilities, damages, judgments, and all legal proceedings, and any and all costs and expenses in connection therewith (including attorneys' fees) arising out of or in any manner related to the delivery, rejection, non-delivery, possession, use, transportation, or return of the Equipment or with this Agreement, including, without limitation, (a) claims for injury to or death of persons (b) for damage to property and (c) claims relating to defects in the Equipment. Lessee agrees to give Lessor seventy-two (72) hours' notice of any such claim or liability.

9. Disclaimer of Warranties. The Equipment is provided "as is, where is," with all faults. Lessor makes no warranties, express or implied, including any warranties of merchantability or fitness for a particular purpose.

21. Limitation of Liability. To the fullest extent permitted by law: (1) Lessor shall not be liable for indirect, incidental, or consequential damages including, but not limited to, loss of time, inconvenience, or business interruption; and (2) Lessor's total liability shall not exceed amounts paid under this Agreement.

10. Default and Remedies. The following constitute default: failure to pay when due, failure to return the Equipment, misuse or unauthorized use, failure to maintain insurance, or insolvency or bankruptcy. Upon default, Lessor may: terminate this Agreement, repossess Equipment without notice, enter premises where Equipment is located (as permitted by law), and/or recover all damages, costs, and attorney's fees.

11. Termination. Lessor may terminate immediately upon default. Otherwise, early termination by Lessee requires written notice and payment of all accrued charges plus a minimum rental commitment or early termination fee.

12. Security Interest. Lessee grants Lessor a security interest in the Equipment and proceeds thereof until all obligations are satisfied. Lessor may file UCC financing statements.

13. Governing Law. This Agreement shall be governed under the laws located in the State of Missouri. Venue shall lie exclusively in Clay County, Missouri.

- 14. Severability.** If any provision of this Agreement is held to be invalid or unenforceable, such provision shall be enforced to the fullest extent permitted by law, and the remaining provisions shall remain in full force and effect. The captions in this Agreement are for convenience only and shall not define or limit any of the terms hereof.
- 15. Survival.** All representations, warranties, covenants and indemnities of Lessee made or agreed to in this Agreement and any certificates delivered in connection herewith shall survive the expiration, termination or cancellation of this Agreement.
- 16. Entire Agreement.** This Agreement constitutes the entire Agreement between the Parties with respect to the subject matter hereof and supersedes all prior and contemporaneous agreements, negotiations, representations, and understandings, whether written or oral. No amendment, modification, or waiver of any provision of this Agreement shall be valid or binding unless set forth in a written instrument signed by duly authorized representatives of both Parties. No oral statements, course of dealing, or course of performance shall be deemed to modify or amend this Agreement.

<Signature Page to Follow>



BY EXECUTION HEREOF, THE SIGNER CERTIFIES (S)HE HAS READ THIS ENTIRE LEASE, THAT LESSOR OR ITS REPRESENTATIVES HAVE MADE NO AGREEMENTS OR REPRESENTATIONS EXCEPT AS SET FORTH HEREIN AND THAT (S)HE IS DULY AUTHORIZED TO EXECUTE THIS AGREEMENT ON BEHALF OF LESSEE.

LESSOR:

LESSOR

Red Hat Rental, LLC

By: _____

Name: _____

Title: _____

LESSEE

By: _____

Name: _____