

RENTAL AGREEMENT ADDITIONAL TERMS AND CONDITIONS

1. **DEFINITIONS.** "STWS" means South Texas Waste Systems identified on the first page of this Rental Agreement from whom the customer has rented the equipment. "Equipment" means any one or more of the items identified as such on the first page of this rental agreement, and shall include any accessories, attachments or other similar items delivered to customer. "Customer" means the person or entity identified as such on the first page of this rental agreement, including any representative, agent officer or employee of customer. "Store Location" means the STWS address in the upper left hand corner on the first page of this rental agreement. "Rental Period" means the period of time between the "date out" and "date due in," set forth on the first page of this rental agreement except that the rental period may terminate earlier as provided in paragraph 18 hereof.

2. **AUTHORITY TO SIGN.** Any individual signing this rental agreement represents and warrants that he or she is of legal age, and has the authority and power to sign this Rental Agreement on their own behalf or for the customer.

3. **CONSENT TO OBTAIN CONSUMER CREDIT REPORT.** The individual signing the contract who is either a principal of the credit applicant, recognizing that his or her individual credit history may be a factor in the evaluation of the credit history of the applicant, hereby consents to and authorizes the use of a consumer credit report on the individual signing the contract by the name business credit grantor from time to time as may be needed, in the credit evaluation process.

4. **INDEMNITY/HOLD HARMLESS. TO THE FULLEST EXTENT PERMITTED BY LAW, CUSTOMER AGREES TO INDEMNIFY, DEFEND AND HOLD STWS HARMLESS FROM AND AGAINST ANY AND ALL LIABILITY, CLAIM, LOSS, DAMAGE OR COSTS (INCLUDING, BUT NOT LIMITED TO, ATTORNEY'S FEES, LOSS OF PROFIT, BUSINESS INTERRUPTION OR OTHER SPECIAL OR CONSEQUENTIAL DAMAGES, DAMAGES RELATED TO BODILY INJURY, DAMAGES RELATING TO WRONGFUL DEATH) CAUSED BY OR IN ANYWAY ARISING OUT OF OR RELATED TO THE OPERATION, USE, MAINTENANCE, INSTRUCTION, POSSESSION, TRANSPORTATION, OWNERSHIP OR RENTAL OF THE EQUIPMENT, INCLUDING WHENEVER SUCH LIABILITY, CLAIM, LOSS, DAMAGE OR COST IS FOUND IN WHOLE OR IN PART, UPON ANY NEGLIGENT OR GROSSLY NEGLIGENT ACT OR OMISSION OF STWS OR THE PROVISION OF ANY ALLEGEDLY DEFECTIVE PRODUCT BY STWS. THIS INDEMNITY PROVISION APPLIES TO ANY CLAIMS ASSERTED AGAINST STWS BASED UPON STRICT OR PRODUCT LIABILITY CAUSES OF ACTION OR BREACH OF WARRANTY.**

5. **INSPECTION OF EQUIPMENT.** Customer acknowledges that Customer has inspected the equipment prior to taking possession thereof, finds it in good working order and repair, and suitable for customer's needs. Customer is familiar with the proper operation and use of the item rented.

6. **LIMITATION OF LIABILITY.** In no event shall STWS be responsible to Customer or any other party for any loss, damage or injury caused by, resulted from or in anyway connected with the equipment, its operation or its use., STWS failure to deliver the equipment as require hereunder, or STWS failure to repair or replace non-working equipment. Customer acknowledges and assumes all risks inherent in the operation, use and possession of the equipment from the time the equipment is delivered to the customer until the equipment is returned to STWS and will take all necessary precautions to protect all persons and property from injury or damage from the equipment.

7. **USE OF EQUIPMENT.** Customer will not use or allow anyone to use the equipment: (a) for an illegal purpose or in an illegal manner; (b) without a license, if required under any applicable law or (c) who is not qualified to operate it. Customer agrees, at Customer sole expense, to comply with all applicable municipal, state and federal laws, ordinances and regulations. Customer acknowledges that STWS has no responsibility to inspect the equipment while it is in customer's possession. STWS shall have the right to replace the equipment with other similar equipment at any time or for any reason.

8. **DISCLAIMER OF WARRANTIES. STWS MAKES NO WARRANTIES, EXPRESS OR IMPLIED, AS TO THE MERCHANTABILITY OF THE EQUIPMENT OR ITS FITNESS FOR ANY PARTICULAR PURPOSE. THERE IS NO WARRANTY THAT THE EQUIPMENT IS SUITED FOR CUSTOMER'S INTENDED USE, OR THAT IT IS FREE FROM DEFECTS, EXCEPT AS MAY BE SPECIFICALLY SET FORTH IN THIS RENTAL AGREEMENT, STWS DISCLAIMS ALL WARRANTIES, EITHER EXPRESS OR IMPLIED, MADE IN CONNECTION WITH THIS RENTAL TRANSACTION.**

9. **MALFUNCTIONING EQUIPMENT.** Should the equipment become unsafe, malfunction or require repair, customer shall immediately cease using the equipment and immediately notify STWS. Is such condition is the result of normal operation; STWS will repair or replace the equipment with similar equipment in working order; if such replacement equipment is available. STWS has no obligation to repair or replace the equipment rendered inoperable by misuse, abuse or neglect. Customer's sole remedy for any failure or defect in equipment shall be the termination of any rental charges accruing after the time of failure. Customer must return or surrender the equipment to the store location within 24 hours from the time of defect in order to terminate rental charges.

10. **RETURN OR SURRENDER OF EQUIPMENT / DAMAGE & LOST EQUIPMENT.** At the expiration of the rental period, Customer will return or surrender the equipment to the store location during STWS regular business hours. Such equipment to be in the condition and repair as when delivered to customer, subject to reasonable wear and tear, as defined below. Customer shall be liable for all damages to or loss of the equipment from the time the equipment leaves the store location until the equipment is returned or surrendered to the store location, including any damages during transit to or from Customer. In the case of the loss or destruction of any equipment, or inability or failure to return or surrender same to STWS for any reason whatsoever, Customer will pay STWS the then full replacement list value together with full rental rate as specified until such equipment is replaced. If the item is returned in a damaged or excessively worn condition, Customer shall pay STWS the reasonable cost of repair and pay Rental on the equipment at the regular rental rate until all repairs have been completed. STWS shall be under no obligation to commence repair work until Customer has paid to STWS the estimated cost therefor.

11. **REASONABLE WEAR AND TEAR.** Reasonable wear and tear of the equipment shall mean only the normal deterioration of the equipment caused by ordinary and reasonable use on a one shift (8 hours per day, 40 hours per week) basis. The following shall not be deemed reasonable wear and tear: (a) damage resulting from any collision, overturning or improper operation, including overloading or exceeding the rated capacity of the equipment; (b) damage in the nature of dents, bending, tearing, staining, corrosion or misalignment to or of the equipment or any part thereof; (c) wear resulting from use in excess of shifts for which rented; and (d) any other damage to the equipment which is not considered ordinary and reasonable in the equipment rental industry. Repairs to the equipment shall be made to the reasonable satisfaction of STWS and in a manner which will not adversely affect the operation, manufacturer's design, or value of the equipment.

12. **LATE RETURN.** Customer agrees that if the equipment is not returned or surrendered by the end of the rental period, STWS in its sole discretion may require Customer to do any of the following: (a) continue to pay the rental rate applicable to the equipment as specified on the front page of this rental agreement; (b) for periods less than 24 hours, pay the full daily rental rate applicable to the equipment; or (c) pay any increased rental rate in effect at the time of or after the expiration of the rental period.

13. **RENTAL PERIOD / CALCULATION OF CHARGES.** Rental charges commence when the equipment is delivered to the location indicated by customer and end when the Customer calls for the pick up of the equipment. Rental charges accrue during Saturdays, Sundays, and Holidays. Rental rates are based on an 8 hour day, 40 hours per week, and 160 hours per 4 week period. Customer's right to possess the equipment terminates on the expiration of the rental period and retention of possession after this time is a material breach of this rental agreement. **TIME IS OF THE ESSENCE.**

14. **DEPOSIT.** In addition to securing the payment of rental charges hereunder, Customer agrees that any rental deposit shall be deemed to be a guarantee by Customer of the full and complete performance of each and all of the terms, covenants and agreements to be performed by Customer hereunder, and in the event of any breach by customer, the deposit will be credited against any damages, cost or expense incurred by STWS as a result of the breach.

15. **PAYMENT.** All Accounts Due hereunder shall be payable in full upon the end of the rental period, return or surrender of the equipment to STWS, or 30 days following STWS' invoice to customer, whichever comes first. Customer acknowledges that timely payment of rental charges is essential to STWS business operations, and it would be impractical and extremely difficult to fix actual damages caused by late payment. Customer and STWS agree that there shall be added to all past due rental charges a late payment fee equal to the lesser of 2% per month (24% per annum) on any such past due amounts, or the maximum amount allowed by applicable law.

16. **TITLE / NO LIENS.** The rental agreement is not a contract of sale, and title to the equipment shall at all times remain with STWS. Notwithstanding the previous sentence, Customer shall keep the equipment free and clear of all mechanics and other liens and encumbrances.

16. **DEFAULT.** Customer shall be deemed to be in default should customer in any way fail to pay any amount when due hereunder, or to perform, observe or keep any provision of this rental agreement, or should the customer become "insolvent" (as defined herein), or should STWS anticipate that customer may become insolvent or that customer may otherwise become in default. If customer is in default, STWS may do anyone or more of the following: (a) Terminate the rental Period; (b) declare the entire amount due hereunder immediately due and payable and commence legal action therefore; (c) cause STWS employees or agents, without notice or legal process, to enter upon Customer's property and take all action necessary to retake and repossess the equipment, in which event Customer waives all claims for damages and losses, physical and pecuniary, caused thereby and shall pay all costs and expenses incurred by STWS in retaking and repossessing ; or (d) pursue any other remedies available by law. The Customer shall be considered "insolvent" if the customer (i) shall generally not pay, or shall be unable to pay, or shall admit its inability or anticipated inability to pay its debts as such debts become due; or (ii) shall make an assignment for the benefit of creditors, or petition or apply to any tribunal for the appointment of the custodian , receiver or trustee for it or a substantial part of its assets; or (iii) shall commence any proceeding under any bankruptcy, reorganization, arrangement, readjustment of debt, dissolution or liquidation law or statute of any jurisdiction, whether now or hereafter in effect; or (iv) shall have had any such petition or application filed or any such proceeding commenced against it in which an order for relief is entered or an adjudication or appointment is made; or (v) shall take any action indicating its consent to, approval of, or acquiescence in any such petition, application, proceeding, or order for relief or the appointment of the custodian, receiver, or trustee for all or any substantial part of its properties.

17. **CUSTOMER'S INSURANCE COVERAGE.** Customer agrees to maintain and carry as its sole cost adequate liability, physical damage, public liability, property damage and casualty insurance for the full replacement cost of the equipment, including all risks of loss or damage covered by the standard extended coverage endorsement, to cover any damage or liability arising from the handling, transportation, maintenance, operation, possession or use of the equipment during the entire rental period. When requested Customer shall supply STWS proof of such insurance by certificate of insurance clearing setting forth the coverage for the equipment and naming STWS as loss payee and additional insured, such insurance and evidence thereof to be in amounts and forms satisfactory to STWS. The certificate of insurance and policy shall provide that STWS shall receive not less than 30 days' notice prior to any cancellation of the insurance required hereunder.

18. **NO ASSIGNMENT, LENDING OR SUBLETTING.** Customer shall not sublease, subrent, assign, or loan the equipment without first obtaining the written consent of STWS. And, any such action by Customer, without STWS written consent, shall be void. Customer agrees to use and keep the equipment at the job site set forth on the first page of this Rental Agreement unless approves otherwise in writing. STWS may at any time, without notice to customer, transfer or assign this rental agreement or any equipment or any moneys or other benefits due or to become due hereunder..

19. **ENTIRE AGREEMENT / ONLY AGREEMENT.** The terms and conditions on the first page of this rental Agreement, together with the additional terms and conditions hereof, represent the entire agreement between the customer and STWS with respect to the equipment and the rental of the equipment. There are no oral or other representations or agreements not included herein. None of STWS' rights or customer's rights may be changed and no extension of the terms of this Rental Agreement may be made except in writing, signed by both STWS and Customer. Any use of customer's purchase order number on this rental agreement is for customer's convenience only.

20. **ORDER OF PRECEDENCE.** The terms and conditions of this rental agreement shall control under any conflicting preprinted terms and conditions contained in Customer's purchase order or similar documents.

21. OTHER PROVISIONS.

A. Any failure of STWS to insist upon strict performance by Customer of any terms and conditions of this rental agreement shall not be construed as a waiver of STWS' right to demand strict compliance. Customer has carefully reviewed this rental agreement and waives any principal of law which will construe any provision hereof against STWS as the draftsman of this rental agreement.

B. Customer agrees to pay all reasonable costs of collection, court, attorneys' fees and other expenses incurred by STWS in the collection of any charges due under this rental agreement or in connection with the enforcement of its terms.

C. Customer shall pay the rental charge(s) without any offsets, deductions or claims.

D. The Federal and State courts in the county in which STWS is located shall have exclusive jurisdiction over all matters relating to this rental agreement. **TRIAL BY JURY IS WAIVED.**

CRIMINAL WARNING: The use of false identification to obtain equipment or the failure to return or surrender the equipment by the end of the Rental Period may be considered a theft subject to criminal prosecution pursuant to applicable criminal or penal code provisions.