## TERMS AND CONDITIONS OF RENTAL AGREEMENT

**AGREEMENT OF RENTAL ONLY:** This agreement is one of rental only and the Customer, hereafter referred to as "RENTER" will not have, or acquire, any right, title, or interest legal or equitable, in the equipment except the right to use the same during the Rental Term, subject to the provisions of this agreement. Title and ownership of the Equipment shall remain with Cheronimo, referred to as "OWNER" for the remainder of this document. RENTER is responsible to keep the equipment free from levy, legal process, tax and other claims, liens, and encumbrances, and upon request, RENTER will provide proof of payment of any taxes, the nonpayment of which may result in a lien. RENTER will also promptly pay, as additional rent, all expenses, including, attorney's fees that OWNER may incur in defending or removing any claim, lien or encumbrance upon the equipment. The equipment shall remain personal property of the OWNER, even where it, or any part of the equipment, may become attached to real property. OWNER may substitute the equipment rented to RENTER under this agreement with equivalent equipment at any time during the rental term. RENTER is responsible for payment of all registration fees, license fees, assessments, charges, and taxes, together with any penalties or interest that may be imposed by any taxing authority with respect to the ownership, possession, use, rental, or value of the equipment, whether the same is assessed to RENTER or OWNER, and upon request, RENTER will be required to provide to OWNER proof of payment of same. RENTER also appoints OWNER as true and lawful attorney-in-fact to prepare and execute, in RENTER's name and on RENTER's behalf, any financing statements necessary or advisable to protect OWNER's interest in the equipment.

**RENTAL PERIOD:** Rental starts upon opening of the Snow+Mow Shed, hereafter referred to as SHED, door to remove equipment, and ends when all equipment removed from SHED by RENTER is placed back inside the SHED. There is no allowance for holidays, time in transit, RENTER's failure to return all items at the same time, or any period of time that the equipment may not be in actual use while in RENTER's possession.

RECEIPT/RETURN/RETAKING OF EQUIPMENT: When RENTER accesses the SHED, RENTER is responsible to make sure all equipment is in good order and condition. OWNER agrees to inspect and maintain the equipment on a regular basis, but does not inspect the equipment after every customer rental. RENTER acknowledges this and accepts responsibility for ensuring equipment is in safe and proper working condition prior to use. Upon completed use of all equipment taken from the SHED, RENTER agrees to place all equipment back into the SHED in the same or better condition as when the rental period began, ordinary wear and tear excepted. If RENTER does not return all rented items by the end of the day in which the items were first taken, fails to pay within terms, or fails to provide adequate protection from loss or damage, as determined by OWNER, RENTER agrees that OWNER and its agents may take all action reasonably necessary to retake the rented items without prior notice or legal process. RENTER also assumes full responsibility for any damage or loss, physical or pecuniary, caused by retaking the rented items and agrees to pay all costs and expenses incurred in retaking the equipment.

**USAGE RATES:** Rental rates are charged on a per-minute basis, with three separate tiers. These rates are displayed on the outside of the SHED as well as on OWNER's website. Rates do not apply to items individually. Rates apply to the amount of time that any or all items are removed from the SHED. No distinction is made between the removal of one item or several items from the SHED.

**CONTINUOUS BILLING:** RENTER agrees to return all rented items to SHED when finished using the items. If RENTER fails to return all rented items to the SHED, RENTER will continue to be billed for all time that the unreturned items remain in RENTER's possession at a rate of \$10 per hour. No consideration is given by OWNER for partial returns. If multiple items are removed from the SHED, the rental period does not end until ALL items have been returned to the SHED.

**CONDITION:** RENTER agrees and guarantees to return the equipment covered by this agreement in as good condition as when received and, if otherwise, to pay the expense of putting it in such condition, less ordinary wear and tear due to normal use in the hands of a competent operator. Equipment returned unfit for service will remain "on rent" with RENTER until repairs are completed to restore the equipment to a fit and safe condition.

**INSURANCE:** RENTER is required, at RENTER's expense, at all times from the time of removing any item from the SHED, to maintain insurance against all risks of loss or damage from any cause for not less than the full replacement value and shall carry public liability and property damage insurance covering the equipment.

**LOSS OR DESTRUCTION OF THE EQUIPMENT:** If the equipment should be lost, stolen, destroyed or rendered unfit for service, RENTER is responsible for payment to OWNER for the full value of the equipment, together with interest at eighteen percent (18%) per annum until said sum is paid.

**EQUIPMENT PROTECTION PLAN (EPP):** If the equipment is used in compliance with this agreement and if RENTER is charged for EPP, which is NOT insurance, on the face of this agreement and if RENTER has taken all reasonable precautions to safeguard rented items and use them in a safe and responsible manner, OWNER assumes the following risks of direct physical loss or damage to the rented items for all but fifty percent (50%) of the replacement cost of items stolen while on rental EXCEPT: 1) The first \$500.00 of each claim for loss or damage as a result of theft, vandalism or malicious mischief. 2) Use of the equipment in violation of any of the terms of this agreement. 3) Loss or damage to accessories such as air hoses, hand tools, tool steel, electric cords, welding cable, fuel tanks, blades, and other similar items. 4) Damage or loss as a result of overloading or exceeding the rated capacity of the equipment. 5) Damage to electrical appliances motors or other electrical devices caused by artificial current. 6) Loss or shortage due to mysterious disappearance or conversion. 7) Damage or loss as a result of failure to provide sufficient and proper maintenance and servicing of equipment, including but without limitation, lubrication, change of filters when required, and maintenance of proper air, oil, water, or fuel pressures or levels. 8) Loss or damage to tires or tubes, such as blowouts, bruises, cuts or other causes inherent in the use of the equipment. 9) Any engine damage which occurs from the use of improper fuel. 10) Disappearance of the equipment or theft or conversion not documented with the applicable public authorities (such as a police report) and a copy promptly supplied to OWNER, and any other failure of RENTER to promptly notify OWNER of any damage or loss, and to cooperate fully with OWNER supplying all necessary information to document the claim. RENTER agrees to pay fifty percent (50%) of the replacement cost immediately upon discovery of loss and agrees that this payment does NOT convey title to RENTER. If any such equipment is recovered at a later date, OWNER may, at its sole option, offer the equipment for sale to RENTER at current market value less the amount already paid for its loss, or refund to RENTER the amount already paid and retake possession and use of the equipment.

**EQUIPMENT FAILURE:** RENTER agrees that OWNER's only obligation in the event of failure or defect in rented items shall be the termination of the charges at the time of failure, provided the Equipment is returned to the SHED as soon as possible from the time of failure.

**POSSESSION AND LEGAL FEES:** RENTER agrees not to part possession or sublet this agreement without the written consent of OWNER. RENTER also agrees to pay all attorneys' fees, collection charges, or other expenses that may be incurred by OWNER due to RENTER's failure to comply with the provisions within this agreement.

COMPLIANCE WITH LAWS AND SAFETY: As OWNER has no control over the items being rented by RENTER, RENTER agrees at RENTER's own expense to comply with all Federal, State and Local laws, regulations, and ordinances, which may affect the rented items and their use while in RENTER's possession, including the Occupational Safety and Health Administration Act (OSHA). RENTER is required to take reasonable and proper care of the equipment, and at RENTER's own expense and cost, make all necessary repairs and replacement except warranty items, if any. If RENTER defaults and does not make payment or rent or otherwise, the rental shall terminate immediately at the option of OWNER.

**INSPECTION:** OWNER shall at any time during reasonable business hours have the right to enter on the premises where RENTER is using the equipment to inspect the equipment or observe its use. At OWNER's request, RENTER is required to give immediate notice of the exact location of the equipment. RENTER is required to give OWNER immediate notice of any attachment or other judicial process affecting any item of equipment.

HOLD HARMLESS: It is expressly agreed and understood that OWNER shall not in any case or under any circumstances be held liable to any person, including RENTER, as the Customer, for any loss or damage, or claim or judgment, or loss or damage of any kind or character whatsoever to persons or property, or otherwise arising from or in any manner connected with the use, operation, maintenance, handling, storage, erection, assembly, dismantling, servicing or transportation of the equipment; and any and all claims for loss or damage are hereby specifically waived by RENTER. RENTER agrees to indemnify and hold harmless OWNER from any and all such claims for loss, damage or liability including attorney's fees and cost incurred in defense or any claims. RENTER agrees to pay for any and all damages or loss to rented items except as provided under Equipment Protection Plan; to hold OWNER harmless from any loss, damage or injury suffered in connection with RENTER's use operation, possession or transportation of rented items; and to keep rented items locked and guarded when not in use.

**SEVERABILITY:** In the event any provision of this Agreement is held by a court or other tribunal of competent jurisdiction to be unenforceable, that provision will be enforced to the maximum extent permissible under applicable law, and the other provisions of this Agreement will remain in full force and effect. The parties further agree that in the event such provision is an essential part of this Agreement, they will begin negotiations for a suitable replacement provision.

**HAZARDOUS MATERIAL:** RENTER shall not expose the equipment to any HAZARDOUS MATERIAL or WASTE. In the event the equipment is exposed to any hazardous material or waste, RENTER shall immediately (1) notify OWNER, (2) remove the equipment from such exposure and (3)

completely clean and decontaminate the equipment. If the equipment cannot be completely cleaned, decontaminated and otherwise discharged from all adverse effects of such exposure, RENTER agrees to pay OWNER the full value of the equipment, together with interest at the rate of eighteen percent (18%) per annum from that date until the said sum is paid in full. RENTER also agrees to indemnity and hold OWNER harmless from any and all claims, actions, expenses, damages, costs and liabilities arising from any such exposure of the equipment to hazardous material or waste. This indemnification survives and continues after the term of this lease or rental.

**DEFAULT:** Time is of the essence and RENTER shall be in default under this agreement upon the occurrence of any of the following: (a) The misstatement or false statement in connection with noncompliance with, or nonperformance of any of RENTER's obligations under this agreement; (b) The failure to pay any rent or other amounts provided within this agreement when the same is due and payable; (c) The failure of RENTER to perform any other provisions of this rental which RENTER is required to perform. In the event of default, RENTER will be required to relinquish possession of rented equipment to OWNER upon demand.

**DEMO:** Should this agreement pertain to the demonstration use of the equipment, it is understood that ownership of the equipment is retained by OWNER. Furthermore, any costs associated with the damage or excessive use to the equipment during the demo period will be the responsibility of the RENTER as would the costs associated with the theft or destruction, regardless of responsibility, of the equipment. RENTER agrees to provide necessary comprehensive and liability insurance, naming Cheronimo as additional insured, during the demo period. Demo period is not to exceed 5 minutes unless otherwise specified in writing.

IT IS UNDERSTOOD THAT NO WARRANTIES OF ANY KIND, WHETHER EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, ARE OR HAVE BEEN MADE OR AUTHORIZED BY CHERONIMO WITH RESPECT TO ANY PRODUCTS DESCRIBED HEREIN.