

## **FORTIFIED EQUIPMENT AND...**

### **TRACK STEER EQUIPMENT LEASE**

This Equipment Lease (this "Lease") is made effective between Fortified Equipment And... (the "Lessor"), 455 South County Road 300 West, Connersville, IN, 47331, and the Lessee, who agrees to these terms at signing.

**EQUIPMENT SUBJECT TO LEASE:**The Lessor shall lease the equipment listed on the attached Exhibit "A".

**PAYMENT TERMS:**The total lease payment, based on the rate of \$350.00 per day of use, and is due at the reserving of equipment.

A. Free delivery within 15 miles of Lessor's business address and the Lessee's address listed on this Agreement. A \$40.00 fuel charge will be added for any miles between 16 and 30 miles from Lessor's business address and the Lessee's address listed on this Agreement. An \$80 fuel charge will be added for any miles between 31 and 45 miles from the Lessor's address listed on this Agreement

B. There will be a fuel surcharge of \$7.95 per gallon charged to the credit card on file if the equipment is returned with less than a full tank of gas.

**LATE RETURN:** The Lessee shall pay the sum of \$400 per day beginning after the last day of the agreed return date based on this lease. Should an extension be needed, the extension must be in writing and is also based on the availability of equipment.

**SERVICE CHARGE:** The Lessee shall be charged \$50 for a returned check for lack of sufficient funds, plus balance due immediately for any returned checks. A returned check for lack of funds will result in repossession of rented equipment.

**SECURITY DEPOSIT:** In addition to the lease payment charge a security deposit of \$400 shall be charged. Any amounts refundable to the Lessor shall be paid at the time this lease is terminated, subject to the option of the Lessor to apply it against any lease fees, late charges, and damages. The security deposit shall not bear any interest.

**LEASE TERM:** This lease shall begin on the above effective date and shall terminate on the date agrees upon, unless otherwise terminated in a manner consistent with the terms of this lease.

**CARE AND OPERATION OF EQUIPMENT:** The equipment may only be used and operated in a careful and proper manner. Its use must comply with all laws, ordinances, and regulations relating to the possession, use, or maintenance of the equipment, including registration and/or licensing requirements, if any.

**ALTERATIONS:** The Lessee shall make no alterations to the equipment without the prior written consent of the Lessor.

**MAINTENANCE AND REPAIR:** The Lessee shall maintain, at Lessee's cost, the equipment in good repair and operating condition, allowing for reasonable wear and tear. Such costs shall include labor, materials, parts, and similar items.

**LESSOR'S RIGHT OF INSPECTION:** The Lessee has the right to inspect the equipment during Lessors normal business hours.

**RETURN OF EQUIPMENT:** At the end of the lease term, the Lessee shall return the equipment to the Lessor at the expense of the Lessee.

**OPTION TO RENEW:** If the Lessee shall have the option to renew this lease for a similar term on such items as the parties may agree at the time of such renewal. Renewal is based on availability of equipment's usage.

**ACCEPTANCE OF EQUIPMENT:** The Lessee shall inspect each item of equipment delivered pursuant to this lease. The Lessee shall notify the Lessor of any discrepancies between such item of the equipment and the description of the equipment, in the Equipment. If the Lessee fails to provide such notice before accepting delivery of the equipment, the Lessee will be conclusively presumed to have accepted the equipment as specified in the Equipment Schedule.

**OWNERSHIP AND STATUS OF EQUIPMENT:** The equipment shall be deemed to be personal property, regardless of if the manner in which it may be attached to other property. The Lessor shall be deemed to retain the title at all times, unless the Lessor transfers the title to Lessee by sale. The Lessee shall immediately advise the Lessor regarding any notice of any claim, levy, lien, or legal process, issued against the equipment.

**RISK OF LOSS OR DAMAGE:** The Lessee assumes all risks of loss and damages to the equipment from any cause and agrees to return it to the Lessor in the condition received from the Lessor, except for normal wear and tear, unless otherwise provided in this Lease.

**INDEMNITY OF LESSOR FOR LOSS AND DAMAGES:** Unless otherwise provided in this Lease, if the equipment is damaged or lost, the Lessor shall have the option of requiring the Lessee to repair the equipment to good working order, or replace the equipment with like equipment in good working order, which equipment shall become property of the Lessor and be subject to this Lease.

**LIABILITY AND INDEMNITY:** Liability for injury, disability, and death of workers, and other persons caused by the operating, handling, or transporting of the equipment during the term of this Lease is the obligation of the Lessee, and the Lease shall indemnify, and hold the Lessor harmless from and against all such liability. Lessee shall obtain liability insurance of at least \$100,000.

**CASUALTY INSURANCE:** The Lessee shall insure the equipment in the amount of \$100,000.

**TAXES AND FEES:** During the term of this Lease the Lessee shall pay all applicable taxes, assessments, and licenses and registration fees on the equipment.

**DEFAULT:** The occurrence of any of the following shall constitute a default under this Lease.

A. The violation of any provision or requirement that is not corrected within 3 days written notice is given.

B. The insolvency or bankruptcy of the Lessee.

C. Any use of the equipment outside its scope of use or by any persons not legally allowed to use equipment.

D. The subjection of any of the Lessee's property to any levy, seizure, assignment, application, or sale for or by any creditor or government agency.

**RIGHTS ON DEFAULT:** In addition to rights afforded by the Lessor by law, if the Lessee is in default under this lease, without notice to or demand on the Lessee, the Lessor may take possession of the equipment as provided by law. The Lessor will hold the Lessee responsible for any recovery fees, repairs to equipment, attorney fees, or other fees associated with the recovery of the equipment. The rights and remedies of the Lessor provided by law, and this agreement shall be cumulative in nature. The Lessor shall be obligated to re-lease the equipment, or otherwise mitigate the damages from default, only as required by law.

**NOTICE:** All notices required or permitted under this Lease shall be deemed delivered in person or by mail, postage prepaid, addressed to the appropriate party at the address shown for the party at the beginning of this Lease.

**ASSIGNMENT:** The Lessee shall not assign or sublet any interest in this Lease or the equipment or the permit of the equipment to be used by anyone other than the Lessee or the Lessee's employees, without Lessor's prior written consent.

**ENTIRE AGREEMENT AND MODIFICATION:** This Lease constitutes the entire agreement between the parties. No modification or amendment shall be effective unless in writing and signed by both parties. This Lease replaces all prior agreements between the parties.

**GOVERNING LAW:** This Lease shall be construed in accordance with the laws of the State of Indiana.

**SEVERIBILITY:** If any portion of this Lease shall be held to be invalid or unenforceable, for any reason, the remaining provision shall be continued to be valid and enforceable. If a court finds that any portion of this Lease is invalid and unenforceable, but that by limiting such provision, it would become valid and enforceable, then such provisions shall be deemed to be written, construed, and enforceable as do limited.

**WAIVER:**The failure of either party to enforce any provisions in this Lease shall not be construed as a waiver or limitation of the party's right to subsequently enforce and compel strict compliance with every provision of this Lease.

**CERTIFICATION:** Lessee certifies that the application, statements, trade references, and financial statements submitted to Lessor are true and accurate, and any misrepresentation will constitute a default under this Lease.

**DISPUTE RESOLUTION:** The parties will attempt to resolve any dispute arising out of/or relating to this Agreement through friendly negotiations amongst the parties. If the matter is not resolved by negotiation, the parties will resolve the issue by using the Alternative Dispute Resolution.

**SIGNATORIES:** By signing below the Lessee agrees to the terms and conditions of this lease in full and without question or dispute.

LESSEE:

By: \_\_\_\_\_ DATE: \_\_\_\_\_

**EXHIBIT A**

Equipment Schedule

Equipment Description: Tracked Steer