

TERMS AND PROVISIONS OF AGREEMENT

1. The rental period shall begin on and include the date of shipment to the lessee and shall end on and include the date of return to the lessor's warehouse or receiving point. If equipment is kept longer than the specified minimum rental period, the rental shall continue at the same rate, with a proration of rentals on any combination of monthly, weekly or daily rates which is to lessee's advantage. Lessee will pay rent from delivery until pickup at the rates listed on the reverse side. Excess use of equipment shall mean all hours in excess of 8 hours a day, 40 hours a week, and 170 hours a month.

2. Lessee agrees to perform all maintenance such as, but not restricted to lubrication, greasing, cleaning, checking tires, tightening of nuts, bolts, etc. Lessee agrees to pay lessor for damage arising from improper maintenance.

3. Lessee agrees to perform all minor repairs, including, without limitation, the replacement of filters, cables, cutting edges, hoses, packing, clutch plates, brakes, and other wearing parts as needed. Lessee agrees to perform all major repairs necessitated by reasons other than ordinary wear and tear. Lessor agrees to perform all major repairs necessitated by ordinary wear and tear unless prevented from doing so by strike or other cause beyond its control. ALL repairs done by lessor will be done during normal working hours (8:00 a.m. to 4:30 p.m. Monday through Friday except holidays). Repairs outside of these hours will be billed to lessee at prevailing overtime rate.

Lessor, in its sole discretion, shall determine whether repairs are minor or major, and whether any major repair is necessitated as a result of ordinary wear and tear, and lessee agrees to be bound thereby.

4. The tire charge shown on the face of this document covers normal tread wear only. Costs of repair and damage are to be borne by the lessee.

The receipt and acceptance by the lessee of said equipment shall constitute acknowledgement that said property has been accepted and found in good, safe and serviceable condition, and fit for use. Lessor makes NO WARRANTIES expressed or implied and specifically DISCLAIMS ANY IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE.

5. The lessor shall not be liable in any event to the lessee for any loss, delay or damage of any kind or character resulting from defects in, or condition or inefficiency of equipment hereby leased. In the event

the lessee accepts the machinery and equipment, as herein provided, and thereafter the said machinery proves defective, or unfit for use, because of accident or otherwise, or, if for any other reason lessee desires to discontinue the use of said machinery or equipment, the only remedy of lessee shall be to return the machinery to lessor and terminate this contract as herein elsewhere provided for.

6. The lessee agrees to pay the lessor for all loss and damage occasioned by fire, theft, flood, accident, explosion, wreck, an act of God, or any other cause.

7. The lessee agrees to indemnify the lessor against all loss, damage and expense arising from any action on account of any injury to person or property of any character whatsoever occasioned by the operation, handling or transportation of any of the equipment during the rental period, including that arising from negligence of lessor.

8. Should any of the provisions of this lease be violated by lessee, the rental for the entire period herein specified may, at the option of lessor, become forthwith due and payable, and the lessor, or its agent may, without notice, enter the premises occupied by lessee without being a trespasser thereon and take possession of and remove said equipment with or without process of law. Any watchman or other person in charge of the equipment is hereby authorized and directed to deliver said equipment to lessor or its agent without inquiring as to any default.

In the event of default, lessee agrees to pay all costs incurred by lessor in enforcing any right it may have, including, without limitation, reasonable attorneys fees.

9. Lessee agrees to return the equipment at the termination of this lease, to lessor's designated receiving point, in the same condition as when received, ordinary wear and tear excepted.

10. All rental payments are due in advance. Interest at the rate of 18% per month annum will be charged on all rentals that have not been paid 30 days after invoice date.

11. This agreement shall be governed and construed under the laws of the State of Utah. Lessee agrees that jurisdiction and venue shall at the sole discretion of lessor lie with the Circuit or District Court of Salt Lake County, State of Utah and by its signature on the reverse side submits itself to the jurisdiction of that court.