

## LOSS DAMAGE WAIVER:

The Patriot Rentals Loss Damage Waiver is a simple, affordable, and easy to use program offered by Patriot Rentals that enables customers to significantly reduce their potential financial liability on rental equipment when it is lost or damaged. It is not insurance, but can fill gaps in your insurance coverage. Purchasing a Loss Damage Waiver does not excuse you from obtaining the required general liability insurance coverages, but it can save you from expensive repairs and deductibles.

How does the Loss Damage Waiver work? In exchange for purchasing the Loss Damage Waiver, the customer limits their responsibility to pay for certain included damages or loss. Without a Loss Damage Waiver, the renter is responsible for all charges to bring the rented items back to their original condition, or if lost, the full replacement value of the equipment, as well as lost rental revenues while the equipment is down for repair or replacement.

What it covers: Theft, vandalism, and accidents occurring under normal operating conditions, loss or damages due to flood, storm, earthquake, or other external factors. It also fully covers fees associated with repair downtime, including loss of rental income, late fees, and transportation costs.

What it does not cover: The Loss Damage Waiver does not cover loss or damage due to negligence, misuse, or abuse of equipment. Items such as broken glass, broken mirrors, track or tire damage, are not covered. Any theft or vandalism not reported to the police with a copy of the report submitted to Patriot Rentals will not be covered.

Damage waiver fee: Charges for this waiver will be 10% of the total rental rate. No LDW fee is applied to purchases, delivery charges, or taxes.

How do I use my Loss Damage Waiver? It is the customer's responsibility to contact Patriot Rentals and file a report within 24 hours of the occurrence to evaluate the cause of the damage. In the event of theft or vandalism, the customer must also file a police report, and a copy of that report must be provided to Patriot Rentals. If Patriot Rentals personnel deems that the damage or loss was not caused by negligence or abuse, the customer will be covered according to the following schedule.

Coverage schedule: Repairs up to the first \$200 are 100% covered. After the first \$200, repairs and expenses will be covered 50/50 up to \$3,500. Customer will be fully responsible for any damages or repairs in excess of \$3,500. Theft: 80% of the retail purchase price of new equipment is covered (customer is responsible for 20%, up to a maximum of \$25,000).

### Damage Waiver Exclusions:

The customer must take reasonable measures to protect against loss or damage. Patriot Rentals personnel will determine if the loss and/or damage of rented item(s) was caused by customer negligence or abuse. If, in the opinion of Patriot Rentals personnel, the damage or loss was due to customer negligence or abuse, the customer is solely responsible to bring the rented item(s) back to their original condition or pay for the item if deemed by Patriot Rentals Personnel to be damaged beyond repair or the item(s) was lost or stolen.

- Damage caused by exceeding or overloading the rated capacity of equipment, or failure associated with equipment rolling or tipping over, or if operating instructions are not followed.
- Damage from lack of providing lubrication or other normal servicing of equipment.
- Loss or damages associated with vandalism, malicious mischief, theft, of conversion or equipment not documented by the customer's prompt filing with applicable public authorities (with an immediate written copy to Patriot Rentals LLC, of a formal written report).
- Wrongful conversion by the customer in possession of the equipment or infidelity of customer's employees or persons to whom the equipment is entrusted.
- Loss or damage arising from gross negligence which includes, without limitation, misuse, abuse, or intentional damage, as well as mysterious disappearance.
- Loss or damage caused by the use of the equipment in violation of any terms of the rental agreement.
- Loss or damage caused by failure to keep the equipment in a secure area after the unit is called off rent.
- Loss or damage resulting from sinking or submerging equipment in water or mud.
- Loss or damage resulting from dishonest or criminal activity of the customer or its authorized representative.
- Loss or damage that was or should have been expected due to an extraordinary application or use of the equipment, as well as Loss or Damage as a result of a demolition project.
- Damages or loss associated with use or operation of equipment by a person other than qualified employees of the customer, including damages to or loss of equipment loaned to a third party.
- Loss or damages resulting from exposure to radioactive, contaminated, or other hazardous material.
- Normal wear items, including, but not limited to, tires, tracks, and undercarriages.
- Theft of accessories, such as, but not limited to, air hoses, electric cords, blades, welding cable, liquid fuel tanks, harnesses, lanyards and other similar items.
- Damages resulting from road use (i.e., dump truck or trailer or during equipment transport) where an accident was involved with or without another vehicle.
- Your failure to responsibly and properly secure the equipment by, among other things, leaving keys readily available to any unauthorized operator or not reasonably restricting access to the equipment, and failure to secure equipment down properly during transport.

This Loss Damage Waiver is NOT insurance. You are still responsible for all personal injuries or property damage as set forth in the Rental Contract or during operation of the equipment. The Loss Damage Waiver is enforced for the same duration as the rental period. A rental period begins when you pick up the rented equipment and ends when the rented item is returned.

Early returns will not be prorated and no discount or refund will be given for early returns. Any extension of rental duration must be approved by Patriot Rentals and does not guarantee any discounted weekly or monthly rate. All rentals must be returned within 24 hours to be considered 1 day, or 6 hours to be considered a half day rental. Any rental returned after 24 hours will be charged 1/8th of the day rate for each hour it's late. Likewise, any half day rental that is returned after 6 hours will be charged 1/6th of the half day rate for each hour it's late until the day rate is reached. A credit card will be held on file for all rentals. You must return equipment cleaned or incur a \$50 per hour cleaning fee. You must return any equipment full of diesel or incur \$12 per gallon fill-up charge. Any hour over allotted time will incur a \$40 per hour charge.

A \$50 deposit will be held for all accessories rented or borrowed during this rental. By declining our limited damage waiver purchase option, customer is fully responsible for any and all damages to equipment during their rental period. This includes, but is not limited to, damage from normal or abnormal operating conditions and any mechanical failure of equipment.

#### TERMS & CONDITIONS:

1. Terms: Patriot Rentals PC, LLC("Lessor") hereby rents to the customer name on Page 1 ("Customer") Equipment(s) described on Page 1, together with all tools, tires, attachments, additions, and accessories related thereto (collectively the "Equipment") for the rental period described on Page 1, which begins when Equipment is delivered to Customer and/or the job location described on Page 1, and continues in effect until Equipment is returned to Lessor and/or actual pickup of Equipment, as set forth herein (the "Rental Period") subject to all terms and provisions contained in this Rental Out Contract (the "Contract").

2. Customer Responsibilities: Customer shall pay all rental rates and other charges set forth in this Contract when due. Title to and ownership of Equipment shall remain Lessor at all times. In addition to the responsibilities set forth herein, Customer shall; (a) ensure that all safety and operating information, including manuals, log books and warning labels supplied with Equipment are attached to or otherwise kept with Equipment and brought to the attention of, and explained to, and reviewed with each and every person operating of otherwise utilizing the Equipment; (b) not alter, deface, erase or remove any identifying mark, plate, or number on or in Equipment or otherwise interfere with Equipment; (c) not alter, fix, or attach anything to Equipment; and (d) not permit the key(s) to be left in the ignition while the Equipment is unattended.

3. Customer Representations: By renting Equipment from Lessor, Customer represents and warrants that (a) upon delivery of Equipment, (i) the Lessor identified for Customer the weather resistant compartment (for manual storage) (ii) the Customer confirmed the manuals, as specified by manufacturer, are included with Equipment, (iii) the Lessor reviewed the control functions with the Customer, (iv) the Lessor reviewed the operating controls, safety devices, and manuals specific to Equipment with a qualified person or operator of Customer who shall use Equipment, and who is appropriate age, experience, and properly trained to use Equipment, and (v) the qualified person or operator of Customer who shall use Equipment is familiarized with location, purpose, and function of all operating controls, safety devices, and manuals specific to Equipment and prior to each use of equipment Customer has or will inspect Equipment and verify that Equipment is fully operable and in good working condition, free from defects and fit for Customer's intended use, and any and all operators of Equipment are authorized by Customer, and are competent, trained, and qualified and licensed to operate Equipment, and Equipment shall only be used for its stated and intended purpose.

4. Payment: Early returns will not be prorated and no discount or refund will be given for early returns. Any extension of rental duration must be approved by Patriot Rentals and does not guarantee any discounted weekly or monthly rate. All rentals must be returned within 24 hours to be considered 1 day, or 6 hours to be considered a half day rental. Any rental returned after 24 hrs will be considered as an additional day rental and will be charged for the additional day(s). Likewise, any half day rental that is returned after 6 hours will be considered a full day rental and will be charged as a full day rental. Customer shall pay Lessor all amounts due in full within 1 day of the date of invoice. If Customer has directed charges to be billed to another person and such person shall fail to make payments, Customer shall be responsible to pay such charges. All accounts not timely paid shall bear interest at the rate of 3% per month, or the maximum rate permitted by law, until paid in full. Customer shall pay Lessor all time and mileage, service, fuel, or other charges at the rates set forth or otherwise computed in this Contract. Lessor may retain the security deposit of 10% of rental rate to apply to any amount due herein. Deposits shall be returned to Customer after all amounts due Lessor are paid in full. Customer agrees Lessor may charge credit card or bank account on file for any damages, unpaid balances, missing items or equipment, or monies owed to Lessor by Customer, including additional rental fees incurred by Customer keeping equipment beyond original agreed upon rental period. Lessor will make no special provisions or offer any explicit or implied discounts to Customer if they keep equipment past original due date and Customer agrees to pay all normal daily rates for each day beyond original agreed upon return date/time, unless otherwise authorized via writing by Lessor.

5. Return of Equipment: Equipment shall be returned to the Branch or location, during normal business hours, at the end of the Rental Period, or earlier if reasonably demanded by Lessor, together with all tools, tires, and accessories, and in the same condition as when received, normal wear and tear expected. Notwithstanding anything to the contrary contained herein, Lessor at its discretion may demand the return of Equipment at any time during the Rental Period if in Lessors reasonable discretion, such demand might not be complied with. Lessor has the right to repossess the Equipment, terminate this Contract without any liability for any loss or damage which may be sustained as a result of such demand, termination, or repossession. If Lessor is unable to repossess Equipment, Lessor at its discretion, may bill Customer for the entire value of Equipment, in addition to Rental fees already accrued. Any item not returned by the original agreed upon return date and time shall and may be considered theft of service and Lessor may make criminal charges against Customer and consider the action as theft against Lessor.

6. Default: Customer shall be in default under this contract if; (i) Customer fails to pay any amounts owed to Lessor when due; (ii) makes any misstatement or immaterial fact or claim; (iii) fails to return Equipment as required hereunder; (iv) breaches any representations made in this Contract; (v) or fails to perform any other condition outlined in this Contract. Upon a default, then, in addition to all rights and remedies available to Lessor at law or in equity, Lessor shall have the right to terminate this contract, and require the Customer to immediately pay Lessor the sum of the then unpaid amounts due to Lessor hereunder. Lessor shall further have the right to repossess Equipment by any lawful means hereunder, and without any further legal process. Customer agrees the Lessor shall not be liable for any claims for damage, loss, and/or trespass arising out of the repossession of Equipment. Customer shall pay all costs and reasonable attorneys fees and collection costs incurred by Lessor in any of Lessor's collection efforts and/or actions to recover possession of Equipment, or to enforce any term of this Contract or to collect any sums of money, damages, or costs from Customer herein.

7. Damages: Customer shall be responsible if at any time Equipment is damaged, lost, stolen, sustains excessive wear and tear, or is otherwise in need of repair and replacement. Customer shall immediately discontinue use of Equipment and notify Lessor. Customer shall not permit any repairs to Equipment,

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without Lessor's consent. Customer shall be responsible for all fire, collision, theft, damage and loss arriving out of or relating to Customer's use and/or possession of Equipment, except for ordinary wear and tear. If Equipment is damaged, Customer shall be liable for Equipment's actual cost and repair and the payment of all continuing rental charges until Equipment is replaced and restored to rental use by Lessor. Lessor shall have the sole discretion as to whether Equipment is replaced or repaired, which shall be binding on Customer. In the event of equipment downtime due to damages caused by and liable by Customer, Customer is fully responsible to pay for reasonable loss of rental revenue while the equipment is being repaired or replaced. Reasonable revenue consists of an average dollar amount of missed revenues based off the prior 90 days rentals of the same equipment.

8. Assumption of Risk: Customer is fully liable for proper unloading and loading of equipment, as well as connections to truck and trailer, and assumes any and all damages or injuries due to improper use and technique. Although Lessor staff may help Customer with loading, Customer assumes all risk and liability for personal or bodily injury, property damages, etc., and holds Lessor blameless. Customer also assumes all liability to damages caused to sidewalk, asphalt, lawn and other property damage as a result of unloading and loading of equipment by Lessor's drivers and staff. During the rental period, Customer hereby assumes any and all risk arising out of or in any way related to this Contract and or Customer's use, misuse, possession, operation of, and responsibility for Equipment, including without limitation, losses, damages, injury, death, and rental charges. Customer shall immediately notify Lessor, the Police, if applicable, and Customer's insurer if any theft, vandalism, accident, casualty, loss, death, injury, damage, fire, or any other damages to person or property occurs in connection with Equipment and shall submit any and all copies or reports, possess, pleading, notices, etc. or papers of any kind received by Customer regarding in the same to Lessor. This provision survives the termination of this Contract.

9. Insurance: Without limiting Customer's responsibilities, indemnifications, or other obligations contained within this Contract, Customer shall, at its own expense, secure and maintain the following insurance in effect during the Rental Period; (a) General Liability Insurance with limits no less than \$1,000,000 per occurrence and \$2,000,000 aggregate; (b) property insurance against damage and/or loss by or to Equipment; and (c) workers compensation covers and employer's liability coverage on a primary basis for workers compensation benefits incurred or claimed by Customer's agents, employees, and representatives. All insurance set forth herein shall be primary, non-contributory, and name Lessor as additional insured. Upon Lessor's request, Customer shall provide evidence of such coverage.

10. Damage Waiver: A damage waiver of no more than 15% of the gross rental rate may be charged to Customer, unless Customer furnishes adequate insurance acceptable to Lessor. The Damage Waiver shall not constitute insurance, and Customer assumes the risk of all loss or damage to equipment as set forth herein. The damage waiver applies solely to Act of God or normal wear and tear, and shall not relieve or otherwise limit any of Customer's responsibilities or obligations contained in this contract. Customer acknowledges that the Damage Waiver does not and shall not apply to any other loss or damage, which shall be the responsibility of the Customer, including, but not limited to, theft, vandalism, malicious mischief, excessive wear and tear, or Customer's breach of this contract. The Damage Waiver is in effect until evidence of insurance is received by Lessor. Damage Waiver amounts are refundable as credit for the 60 days immediately preceding Lessor's receipt of evidence of insurance. All other damage waiver amounts invoiced before receipt of evidence of insurance are not refundable. Damage Waiver is not insurance nor is it a Warranty of any kind.

11. No Warranties: Customer acknowledges that Equipment shall be rented on an "as-is, where-is" basis, with all faults, and without any recourse to Lessor. Lessor disclaims all representations and warranties, express or implied, including without limitation, all implied warranties of merchantability, all implied warranties arising from course of performance, course of dealing or usage of trade, and all implied warranties of fitness for a particular purpose. Additionally, Lessor hereby disclaims any of its obligations or liabilities arising from the statute, warranty contract, tort or negligence. Customer is not relying on any representations of Lessor that equipment is suited for Customer's intended use, or is free from defects in its design, capacity, materials used, performance, or workmanship. Lessor further disclaims any liability whatsoever for loss, damage, or injury to customer or third parties as a result of any such defects, blatant or otherwise in Equipment.

12. Environmental Charge: An Environmental Charge may be added to help offset costs associated with environmental safety and compliance (i.e., inspections, permits, registrations, classes, training, etc.). Amounts collected are used by Lessor at its own discretion and do not constitute a tax, surcharge, or fee mandated by the Government or regulating agency.

13. Indemnification: Customer agrees that all Equipment and persons operating the Equipment are under its exclusive control, custody, and supervision. To the fullest extent permitted by law, Customer shall indemnify, release, defend (with counsel approved by Lessor), protect and hold Lessor, its officers, agents and employees, harmless from and against any and all liabilities, losses, causes of action, judgments, penalties, demands, and claims of every kind and character, however arising or incurred, for injuries, death, or damage to or loss of property, including Equipment, claimed for or against Lessor, including but not limited to losses caused in part by the active or passive negligence or faults of Lessor, its officers, agents, and employees, arising out of or relating to (a) Customer's usage, possession, operation, storage, or control of Equipment during the Rental Period; (b) Customer's failure to comply with the terms and conditions of this Contract, including, without limitation, Customer's representations herein. With respect to claims by employees of Customer or its suppliers that indemnity obligations created under this Section shall not be limited by the fact of, amount, or type of benefits or compensation payable by or for Customer or its suppliers under any worker's compensation, disability benefits, or other employee benefits, acts or regulations, and Customer waives any limitation of liability arising from workers compensation or such other acts or regulations. Customer's indemnity obligations created under this Section shall survive the expiration or termination of this Contract.

14. Limitation of Liability: In no event shall Lessor be liable for any incidental indirect, special, impact or consequential damages, or in the cumulative aggregate, for any damages in excess of the total rental charge paid by Customer under this Contract. Customer's sole and exclusive remedy shall be limited to repair or replacement, at Lessor's discretion, of any defects in equipment, which Lessor determines occurred during normal use.

15. Taxes: Customer shall be responsible for all taxes imposed by applicable government authorities.

16. Equipment Owned by Third Party: In the event Equipment is the subject of a Lease Agreement with third parties, Customer acknowledges and agrees that all of its rights under the Contract in and to Equipment, including Customer's rights to its possession, are subordinate and subject to the rights and claims of the Third Party Lessor to take possession of Equipment, without any liability of the Third Party Lessor to the Customer. In the event the Third Party Lessor takes possession of Equipment, Lessor shall timely provide to Customer substitute Equipment reasonably similar to Equipment, but in no event shall any failure by Lessor to do so diminish, in anyway, Third Party Lessor's right to possession of Equipment.

17. Charges: All mileage, time, and other charges specified in this Contract shall be calculated as follows: (a) metered time (based on the hour meter on Equipment) over eight (8) hours per 24 hour day, forty (40) hours per 7 day week, and one hundred and twenty (120) hours per 28 day month, will be charged in addition to the daily, weekly, or monthly rate, at a rate of 1/8th the daily rate, 1/40th of the week, or 1/120th, respectively; (b) mileage charges, when applicable, shall be calculated using the odometer on Equipment, in addition to time charges. Equipment shall be provided to Customer with a full tank of fuel, and Customer, at its expense, shall return Equipment with a full tank of fuel. Lessor reserves the right to charge Customer for less than full

tanks of fuel upon return of Equipment at a rate of \$12 per gallon. A cleaning fee of \$50 per hour will be applied for Equipment returned dirty and not properly cleaned. Under no circumstances is Lessor responsible for damages to tires or tracks on equipment, and thus remains the responsibility of the Customer. Optional damage waiver does not cover tires and track damages, as well as glass replacement, etc. For any repair or service call required by Lessor to repair or service the equipment either in the field or in Lessor's facilities, Customer will be charged the current shop rate and/or service call rate and applicable mileage.

18. Mechanics Lien or Residence Lien: In the event of default by Customer and failure to pay dues owed to Lessor, Customer agrees that Lessor has the right to impose either a mechanics lien or a residence lien against the Customer in order to collect any dues and fees owed to Lessor. The type of lien filed will depend on whether the equipment was used for personal, residential, or commercial use.

19. Miscellaneous: No term of this Contract can be waived or modified except by a writing that we have signed. This Contract constitutes the entire agreement between you and us. All prior representations and agreements between you and us regarding this rental are merged into this Contract. This Contract shall be construed and enforced in accordance to the laws of Utah. The parties agree that any action related to this Contract or subject matter thereof shall be brought and maintained only in the state of Utah. The Contract is incorporated into Customer's credit application by reference, as if fully set forth herein, irrespective of whether purchaser executes contract. Subject to the terms, conditions, representations, warranties, and promises to the Guaranty of the Customer's credit application, this Contract contains the entire understanding between Lessor and Customer and supersedes all prior understanding and agreements in respect to the subject matter herein.

In witness whereof, I agree to all of the terms and conditions listed on this term sheet and have reviewed and accepted all terms listed. I warrant that I am solely responsible for any and all damages or losses while renting this equipment and agree to take full liability for said losses or damages. I have also done a pre-inspection of the equipment before signing this agreement and have listed any damages on this form, and authorize my credit card to be charged in the event of any uncollected dues, damages, or fees.

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