

NATIONAL POWER CORPORATION
TERMS AND CONDITIONS FOR RENTAL EQUIPMENT (REV. 7/14)

1. **CONTRACT.** Customer's rental of Equipment is governed exclusively by this Contract. All of these terms and conditions are incorporated into this and all future contracts between NPC and Customer upon Customer's receipt of NPC's Equipment under those contracts. Any other terms in Customer's order documents will be void and have no effect. "Customer" is identified on the front side hereof and includes any of its representatives, agents, officers or employees, and anyone signing this Contract on their behalf. "Equipment" is the equipment and/or services identified on the front side hereof, together with all replacements, repairs, additions, attachments and accessories thereto and all future Equipment rented. "Site Address" is the location that Customer represents the Equipment will be located during the Rental Period and is identified on the front side hereof. "NPC" is National Power Corporation and its affiliated companies, their respective officers, directors, employees, and agents. Customer rents the Equipment from NPC pursuant to this Contract. Customer shall pay NPC the rental rates (including any minimum rental on the front side hereof) and other charges described herein when due, return the Equipment to NPC as required herein, and otherwise comply with this Contract. This Contract is a true lease. The Equipment (a) is and shall remain the personal property of NPC and (b) shall not be affixed to any other property. Customer authorizes NPC to file precautionary UCC financing statements and other similar filings and recordings with respect to any item of Equipment.

2. **PERMITTED USE.** Customer agrees that NPC has no control over the manner in which the Equipment is operated during the Rental Period. Customer warrants that: (a) prior to each use, Customer will inspect the Equipment to confirm that it is in good condition and without defects, includes readable decals and operating and safety instructions, and is suitable for Customer's intended use; (b) NPC is authorized to deliver the Equipment to the Site Address to any apparent agent of Customer; (c) Customer shall immediately notify NPC if the Equipment is lost, damaged, stolen, unsafe, disabled, malfunctioning, levied upon, threatened with seizure, or if an Incident occurs; (d) Customer has received from NPC all information needed or requested regarding the operation of the Equipment; (e) NPC is not responsible for providing operator or other training unless Customer specifically requests in writing and NPC agrees to provide such training in writing; (f) only individuals who are properly trained to use the Equipment and who are not under the influence of drugs or alcohol or otherwise impaired shall use and operate the Equipment; (g) the Equipment will be used in a careful manner, in compliance with all operational and safety instructions provided with the Equipment and all laws, permits and licenses; and (h) the Equipment shall be kept in a secure location.

3. **PROHIBITED USE.** Customer shall not (a) alter or cover up any decals or insignia on the Equipment or remove any operational or safety instructions; (b) assign its rights under this Contract; (c) move the Equipment from the Site Address without NPC's written consent; or (d) use the Equipment in a negligent, illegal, unauthorized or abusive manner.

4. **MAINTENANCE.** Customer shall perform routine maintenance on and cleaning of the Equipment in accordance with the manufacturer's specifications. All other maintenance or repairs may only be performed by NPC, but NPC has no responsibility during the Rental Period to inspect or perform any maintenance or repairs unless Customer requests a service call. If NPC determines that repairs (other than Ordinary Wear & Tear) to the Equipment are required, Customer will pay the full cost of repairs and rental of the Equipment until the repairs are completed. "Ordinary Wear and Tear" means normal deterioration considered reasonable in the equipment rental industry for one shift use. NPC has the right to enter and inspect the Equipment wherever located at any time. Customer represents that it has the authority to and hereby grants NPC the right to enter the physical location of the

Equipment for the purposes set forth herein. Customer agrees that repair or replacement of the Equipment is Customer's exclusive remedy for NPC's breach of this Contract. However, in the event Customer breaches this Contract, NPC shall have no obligation to stop the Rental Period, commence repairs, or rent other equipment to Customer until Customer has paid all damages resulting from its breach.

5. **CUSTOMER LIABILITY.** DURING THE RENTAL PERIOD, CUSTOMER ASSUMES ALL RISKS ASSOCIATED WITH THE POSSESSION, CUSTODY, AND OPERATION OF AND FULL RESPONSIBILITY FOR, THE EQUIPMENT, INCLUDING BUT NOT LIMITED TO, PERSONAL INJURY, DEATH, RENTAL CHARGES, LOSSES, DAMAGES AND DESTRUCTION, INCLUDING CUSTOMER TRANSPORT, LOADING AND UNLOADING. "Incident" means any fine, citation, theft, accident, casualty, loss, injury, death or damage to person or property, claimed by any person, or entity that appears to have occurred in connection with the Equipment. After an Incident, Customer shall (a) immediately notify NPC, the police, if necessary, and Customer's insurance carriers; (b) secure and maintain the Equipment and the surrounding premises in the condition existing at the time of such Incident, until NPC or its agents investigate; (c) immediately submit to NPC copies of all police or other third party reports; and (d) as applicable, pay NPC, in addition to other sums due herein, the rental rate for Equipment until the repairs are completed or Equipment replaced plus (i) the manufacturer's suggested list price on the date of the loss ("MSLP") of the lost or destroyed Equipment ("lost" being when Equipment's location is unknown, or Customer is unable to recover it, for a period of 30 days); or (ii) the full cost of repairs of damaged Equipment. Accrued rental charges shall not be applied against these amounts. NPC shall have the immediate right, but not the obligation, to reclaim any Equipment involved in any Incident.

6. **NO WARRANTIES.** NPC does not design or manufacture the Equipment and is not the agent of the parties that do. NPC DISCLAIMS ALL REPRESENTATIONS AND WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE EQUIPMENT, ITS DURABILITY, CONDITION, MERCHANTABILITY, OR FITNESS FOR ANY PARTICULAR PURPOSE. CUSTOMER ACKNOWLEDGES ACCEPTANCE OF THE EQUIPMENT ON AN "AS IS, WHERE IS" BASIS, WITH "ALL FAULTS" AND WITHOUT ANY RECOURSE WHATSOEVER AGAINST NPC. CUSTOMER ASSUMES ALL RISKS ASSOCIATED WITH THE EQUIPMENT AND RELEASES NPC FROM ALL LIABILITIES AND DAMAGES (INCLUDING LOST PROFITS, PERSONAL INJURY, AND SPECIAL, INCIDENTAL, AND CONSEQUENTIAL DAMAGES) IN ANY WAY CONNECTED WITH THE EQUIPMENT, ITS OPERATION, OR USE OR ANY DEFECT OR FAILURE THEREOF OR A BREACH OF NPC'S OBLIGATIONS HEREIN.

7. **RELEASE AND INDEMNIFICATION.** Customer agrees to indemnify, defend and hold harmless NPC from and against any and all suits, actions, proceedings, losses, damages, claims, fines, penalties, costs and expenses (including reasonable attorneys' fees) arising out of or resulting from: (i) injuries to or death of any person or damage to property, including theft, in any way arising out of Customer's use or possession of the Equipment; (ii) any failure of Customer to perform its obligations under this Contract, or breach by Customer of this Contract; and (iii) any violation of any law or other governmental requirement by Customer. In no event shall Customer's indemnity and hold harmless obligations, or portions or applications thereof, apply to any suits, actions, proceedings, losses, damages, claims, fines, penalties, costs and expenses caused by willful misconduct or negligence of the party indemnified or held harmless. Furthermore, Customer specifically waives any immunity provided against this indemnity by an industrial insurance or workers' compensation statute.

8. **INSURANCE.** During the Rental Period, Customer shall maintain, at its own expense, the following minimum insurance coverage: (a) general liability insurance of not less than \$1,000,000 per occurrence, including

coverage for Customer's contractual liabilities herein such as the release and indemnification clause contained in Section 7; (b) property insurance against loss by all risks to the Equipment, in an amount at least equal to the Manufacturer's Standard List Price; (c) worker's compensation insurance as required by law; and (d) if the Equipment is to be used on any roadway, automobile liability insurance (including comprehensive and collision coverage, a non-owned vehicle endorsement, and uninsured/underinsured motorist coverage), with a combined single policy limit of \$1,000,000. Such policies shall be primary and non-contributory to any insurance of NPC, on an occurrence basis, contain a waiver of subrogation in favor of NPC, name NPC as an additional insured and loss and delivery payee, and provide for NPC to receive at least 30 days prior written notice of any cancellation or material change in coverage. At NPC's request, Customer shall provide NPC with certificates of insurance evidencing the coverages required above prior to any rental and any time thereafter. NPC's insurance will be considered excess to any insurance carried by Customer. THE INSURANCE REQUIRED UNDER THIS CONTRACT SHALL NOT OPERATE TO RELIEVE (OR OTHERWISE LIMIT) CUSTOMER OF ITS RESPONSIBILITIES, OBLIGATIONS, OR LIABILITY UNDER THIS CONTRACT OR APPLICABLE LAW.

9. RENTAL RATES. The total charges specified in this Contract are: (a) estimated based upon Customer's representation of the estimated Rental Period and rental rates beyond the estimated Rental Period may change; and (b) for the Equipment's use for "one shift," being not more than 8 hours per day and 40 hours per week unless otherwise noted. Weekly and 4 week rental rates shall not be prorated. Customer is responsible for (i) all rental rates, fees, licenses, taxes and governmental charges based on Customer's use of the Equipment, including additional fees for more than "one shift" use; (ii) delivery and pickup costs to and from NPC; (iii) maintenance, repairs, and replacements to the Equipment as provided herein; (iv) a cleaning fee if cleaning is needed; (v) fees for lost keys; and (vi) fuel used during the Rental Period (Customer may either return the Equipment fully fueled or a fuel charge, calculated to cover NPC's direct and indirect costs of refueling the Equipment, shall be assessed).

10. PAYMENT. Customer shall pay amounts due, without any offsets, in full at the time of rental, unless NPC approves Customer's executed credit application (credit customers must pay upon receipt of NPC's invoice). Customer must notify NPC in writing of any disputed amounts, including credit card charges, within 15 days after the receipt of the invoice/contract or Customer shall be deemed to have irrevocably waived its right to dispute such amounts. At NPC's discretion, any credit account with a delinquent balance may be placed on a cash basis, deposits may be required and the Equipment may be picked up without notice. Due to the difficulty in fixing actual damages caused by late payment, Customer agrees that a service charge equal to the lesser of 1.5% per month or the maximum rate permitted by law shall be assessed on all delinquent accounts until paid in full. Deposits are only required to be returned after all amounts are paid in full. Customer agrees that if a credit card is presented to pay for charges or to guarantee payment, Customer authorizes NPC to charge the credit card all amounts shown on the Contract and charges subsequently incurred by Customer, including but not limited to, loss of or damage to the Equipment and extension of the Rental Period.

11. RETURN OF EQUIPMENT. "Rental Period" commences when the Equipment is either picked up by Customer or delivered to Customer at the Site Address. The Rental Period ends when the Equipment is returned to the NPC during normal business hours provided Customer has otherwise complied with this Contract. NPC may terminate this Contract at any time and for any reason. At the end of the Rental Period, the Equipment shall be returned to NPC in the same condition it was received, less Ordinary Wear and Tear, and free of any hazardous materials and contaminants. The Rental Period and this Contract shall not terminate and rental charges will continue to accrue until NPC confirms that the Equipment is returned in the condition required herein. If NPC delivered the Equipment to Customer, Customer will

notify NPC that the Equipment is ready to be picked up at the Site Address and obtain a Pickup Number from NPC, which Customer will keep as proof of the call. Customer remains liable for any loss of or damage to the Equipment until NPC confirms that the Equipment is returned in the condition required herein. Customer will not be charged the rental charges from the date the Pickup Number is given, provided Customer has otherwise complied with this Contract. No pickups occur on Saturdays or Sundays. If the Equipment is not returned by the estimated end of the Rental Period specified on the front side hereof, Customer agrees to pay the applicable rental rate for the Equipment until the end of the actual Rental Period.

12. DEFAULT. Customer shall be in default if Customer: (a) fails to pay sums when due; (b) breaches any provision of this Contract; (c) becomes a debtor in a bankruptcy proceeding or goes into receivership; (d) places the Equipment at risk in NPC's reasonable opinion; (e) fails to return Equipment immediately upon NPC's demand; or (f) is in default under any other contract with NPC. If a Customer default occurs, NPC shall have, in addition to all rights and remedies at law or in equity, the right to repossess the Equipment without judicial process or prior notice. Customer shall pay all of NPC's costs, including reasonable costs of collection, court costs and attorney's fees, incurred in exercising any of its rights or remedies herein. The use of false identification to obtain Equipment or the failure to return Equipment by the end of the Rental Period may be considered theft, subject to criminal prosecution and civil liability where permitted, pursuant to applicable laws. NPC shall not be liable due to seizure of Equipment by order of governmental authority.

13. LIMITATION OF LIABILITY. IN CONSIDERATION OF THE RENTAL OF THE EQUIPMENT, CUSTOMER AGREES THAT NPC'S LIABILITY UNDER THIS CONTRACT, INCLUDING ANY LIABILITY ARISING FROM NPC'S OR ANY THIRD PARTY'S COMPARATIVE, CONCURRENT, CONTRIBUTORY, PASSIVE OR ACTIVE NEGLIGENCE OR THAT ARISES AS A RESULT OF ANY STRICT OR ABSOLUTE LIABILITY, SHALL NOT EXCEED THE TOTAL RENTAL CHARGES PAID BY CUSTOMER UNDER THIS CONTRACT.

14. COMPLIANCE WITH EXPORT AND IMPORT LAWS. Customer agrees that removal of the Equipment from the United States ("U.S.") is prohibited under this Contract. If Customer desires or causes the transport and/or operation of the Equipment outside of the U.S., Customer must (a) notify NPC prior to taking such action, (b) execute an amendment to this Contract, which amendment is incorporated herein, and (c) obtain NPC's consent. Although prohibited under this Contract, if Customer exports or re-exports the Equipment, Customer agrees that the Equipment is subject to and must comply with U.S. export control laws and regulations.

15. MISCELLANEOUS. This Contract, together with any Customer-executed credit application, constitutes the entire agreement of the parties regarding the Equipment and may not be modified except by written amendment signed by the parties. The parties expressly and irrevocably agree: (a) this Contract and any related tort claims shall be governed by the laws of North Carolina, without regard to any conflicts of law principles; and (b), if any provision of this Contract is prohibited by any law, such provision shall be ineffective to the extent of such prohibition without invalidating the remaining provisions. Customer's obligations hereunder shall survive the termination of this Contract. All of Customer's rights in and to the Equipment are subordinate to all rights, title and interest of all persons, including NPC's lenders, who have rights in the Equipment. Headings are for convenience only. A photo or fax copy of this Contract shall be valid as the original. Any failure by NPC to insist upon strict performance of any provision of this Contract shall not be construed as a waiver of the right to demand strict performance in the future. Customer and the person signing this Contract represent that: (i) they both have full authority to execute, deliver and perform this Contract; and (ii) this Contract constitutes a legal, valid and binding obligation of Customer, enforceable in accordance with its terms.