

Flagstaff Equipment Co., Inc.

dba: Flagstaff Equipment Rentals,

Flagstaff Equip Rental

Corporate office: 500 N. Grant Street, Flagstaff, AZ 86004 (928) 774-1969

Rental Location: 3535 E Industrial Dr, Flagstaff, Az 86004 (928) 606-7490

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Rental Agreement, Terms and Conditions

Section A

Lessor: Flagstaff Equipment Co., Inc. dba Flagstaff Equipment Rental, Flagstaff Equip Rental

Lessee agrees to the following Rental agreement, terms and conditions:

I hereby rent and agree to pay rental charges for the equipment described on the invoice or reservation. By accepting and taking possession of the equipment, the lessee agrees to all terms and conditions outlined in the rental contract, regardless of whether the contract has been signed by paper or electronic signature. I have examined and determined the equipment to be in good and safe working order for my intended purposes and further agree that if any of such equipment or any part thereof is lost, damaged, stolen, vandalized or destroyed during the term of the rental agreement that I shall promptly pay for all necessary repairs therefore or Lessor's replacement cost whichever is less. The terms of this rental agreement is understood to begin as of the date and time stated hereon and ends only when the rented equipment is returned to Lessor's place of business and I acknowledge that if any equipment or part thereof is lost , damaged, stolen, vandalized or destroyed that rental charges shall continue until I pay Lessor for the repairs of replacement of same. A \$20 lost key fee will be charged if equipment is returned without it. A fee of \$7.50 per Gal of fuel will be charged should the equipment be returned not topped off.

Hours of use: It is understood that the equipment will be operated for not more than 8 hours in any one day, 40 hours in any one week or 160 hours in any one month. Weekend rentals (if paid for at a rate of 1 and ½ days), typically Friday through Monday may not exceed 12 machine hours. Lessee agrees that he/she will pay additional rental prorated at the applicable daily, weekly or monthly rate for each hour that the equipment is used in excess of such time. If such equipment has an hour meter, Lessee agrees to keep it connected to the equipment at all times. Equipment not returned on time, shall be billed at 1 ½ times the normal rate.

As the lessee of the rented equipment, you agree to conduct daily inspections, including checking all fluids and ensuring proper greasing of the equipment to maintain its optimal performance and safety. You further acknowledge the importance of maintaining adequate Diesel Exhaust Fluid (DEF) levels in applicable equipment and agree not to allow DEF levels to deplete to the point of equipment malfunction. Additionally, you commit to keeping the rented equipment reasonably clean, understanding that

cleanliness contributes to its longevity and efficient operation. The lessee also agrees to state if the equipment will be used for asphalt related work and in doing so will return the equipment free of asphalt, should the equipment not be returned cleaned of asphalt lessee agrees to pay a minimum of \$300 plus tax (9.181%) so that FEC may have the equipment restored to proper condition.

Furthermore, in the event that the rented equipment is not adequately maintained as per the agreed-upon terms, FEC reserves the right to assess and charge for any excessive costs incurred to restore the machine to proper working order, recognizing that neglectful maintenance may result in additional expenses and downtime.

If Lessee fails to pay rental and or other charges due, pursuant to this agreement or breaches any of its provisions, Lessor may immediately take possession of the equipment and Lessee will be liable for any and all costs to repossess the equipment and legal costs to collect money owed.

I hereby agree to release Lessor i.e., Flagstaff Equipment Co., Inc. dba Flagstaff Equipment Rental, Flagstaff Equip Rental from any claim or claims of damage or injury caused to any person and/or property including myself through the use of said equipment and I hereby waive any claims against Lessor for damage or injuries which I, or any person and/or property claiming by, through or for me may suffer through the use of said equipment.

I the lessee, acknowledge and agree to the following terms and conditions in relation to the loading and/or unloading of rental equipment provided by Flagstaff Equipment.

- I the lessee acknowledges that they are solely responsible for properly loading and/or unloading the rental equipment into their truck and/or trailer.
- I the lessee understand that the loading and unloading process involves inherent risks, including the risk of personal injury, property damage, or other potential liabilities.
- I the lessee hereby releases and discharges Flagstaff Equipment, its officers, employees, agents, and representatives from any and all claims, liabilities, demands, actions, or causes of action arising out of or in any way connected to the loading and unloading of the rental equipment.
- This release includes, but is not limited to, claims for negligence, breach of contract, and strict liability.
- I the lessee agree to take all necessary precautions during the loading and unloading process to minimize the risk of injury, damage, or loss.
- I the lessee release Flagstaff Equipment from all liability and acknowledge that I the lessee am fully responsible for proper hookup of trailers and to verify that all but not limited to, chains and trailer brakes. I also will verify trailer lights function and any and all objects placed on trailer are properly strapped/chained down and trailer is capable of the load requirements.

I hereby agree to and totally indemnify and hold Lessor harmless from any, all and every expense incurred by reason of any claims made against Lessor, by any person or group of persons of any nature relative to any claim, damage or injury suffered by any reason of the possession of use and/or operation of said equipment during the term of this rental and/or during all time which said equipment is in my possession, including but not limited to any actual or asserted violation of the Occupational Safety and Health act of 1970(OSHA) or any local, state or federal law of regulation including but not limited to attorneys fees charged by counsel chosen by Lessor, court costs and related expenses, amounts paid in

satisfaction of any judgment or in settlement of any such claim decisions relative to any such settlement to be in the sole discretion of Lessor.

The Lessee agrees to pay all legal fees, attorney fees, and collection costs incurred by the Lessor in enforcing any terms of this lease agreement, including but not limited to costs associated with any legal action, arbitration, mediation, or collection proceedings.

Lessee agrees to use the rented equipment only for legal purposes and to obey all laws, ordinances and traffic regulations relative to the use of said equipment.

Lessee may not sublease, transfer possession of said equipment out of the state of Arizona without Lessor's prior written consent. The laws of the state of Arizona shall govern this agreement and all rights and liabilities arising there from. This rental agreement may be altered only by written agreement between Lessor and Lessee. Any extension of rental time must be in writing to be valid.

Lessee will not without the consent of Lessor, install any accessories or devices on the equipment if such installation will impair the originally intended function or use of the Equipment. All accessories or devices fixed to the Equipment shall automatically become the property of the Lessor unless such part or device can be removed without in any way affecting the originally intended function of the Equipment. Any damage to the Equipment caused by the removal of such accessories or devices shall be repaired at Lessee's expense.

Lessee shall, when ever requested, advise Lessor the exact location of the Equipment. The Lessee and its representatives may for the purpose of inspection at all reasonable times enter upon any job, building or place where equipment is located. Lessor may remove the Equipment without notice to Lessee if in the opinion of Lessor it is being used beyond its capacity or in any other manner improperly cared for or abused.

This is an agreement for rental only and nothing herein shall be construed as conveying to Lessee any right, title or interest in or any item of Equipment rented or leased hereunder, except as a Lessee. I understand the correct operation of the rental equipment or will assign a qualified operator

Section B

Flagstaff Equipment Co., Inc. dba Flagstaff Equipment Rental, Flagstaff Equip Rental, Physical Damage Protection Plan. Physical Damage Protection Plan is not insurance for equipment that is stolen or missing, therefore Lessee is responsible for any stolen or missing equipment. **Lessee may decline the Physical Damage Protection Plan by submitting to the Lessor proper insurance documents listing the Lessor as additional insured for any lost , damaged, stolen, vandalized or destroyed equipment prior to the rental.**

By accepting Physical Damage Protection Plan and paying 14% of the gross rental charge, Lessor and Lessee agree if any accidental damage of the rented equipment occurs while on rent and or in the possession of the Lessee that Lessee agrees to pay 50% of the total cost to repair the damage and any loss of rent incurred for downtime of equipment due to damage at published dealership rates of labor and MSRP of parts. All damage repairs will be performed by Flagstaff Equipment Co., Inc.

Damages covered under Physical Damage Protection Plan:

- **Glass:** chips, cracks, shattering

- **Seats:** rips, stains, tears
- **Paint/external damage:** scuffs scrapes, dings
- **Track/wheel damage:** cuts or rock or metal wheel damage
- **Light/housing:** cracking, breaking, or shattering

Damages not covered under Physical Damage Protection Plan:

- Fraudulent or dishonest acts with the machine in the possession of the lessee
- Abuse, negligence, carelessness, vandalism
- Tires and tire damage, as well as tracks, regardless of cause
- Use of machine beyond Rated operating capacity or overloading
- Loss due to mysterious disappearances or shortage on disclosed inventory
- Loss or damage resulting from improper maintenance on extended rental agreements, equipment must be greased every 8 hours and fluids checked daily.
- Loss or damage from any rollovers or machine being tipped over.
- Use of equipment in violation of any or the terms of this agreement.

Notice of Damages or accidents:

All damage and accidents shall be immediately reported to Flagstaff Equipment Co., Inc. dba Flagstaff Equipment Rental, Flagstaff Equip Rental. All damage repairs must be performed by Flagstaff Equipment Co. Inc. Failure to comply with notice shall render this Physical Damage Protection Plan null/void and Lessee will be responsible for all costs of and damage repair. Disclaimer; FEC does not send out loaders with front door/glass door but at the lessee's request we at FEC can accommodate and add the front door/glass door but lessee accepts any and all damages caused to the front door/glass door and accepts full responsibility should it crack, shatter, chip will pay for all costs of and damage repair regardless of it being an accident or not.

Section C

Section 13-1806 - Unlawful failure to return rented or leased property; notice; classification

A. A person commits unlawful failure to return rented property if, without notice to and permission of the lessor of the property, the person knowingly fails without good cause to return the property within seventy-two hours after the time provided for return in the rental agreement.

B. If the property is not leased on a periodic tenancy basis, the person who rents out the property shall include the following information, clearly written as part of the terms of the rental agreement:1. The date and time the property is required to be returned.2. The maximum penalties if the property is not returned within seventy-two hours of the date and time listed in paragraph 1.C. If the property is leased on a periodic tenancy basis without a fixed expiration or return date the lessor shall include within the lease clear written notice that the lessee is required to return the property within seventy-two hours from the date and time of the failure to pay any periodic lease payment required by the lease.

D. It is a defense to prosecution under this section that the defendant was physically incapacitated and unable to request or obtain permission of the lessor to retain the property or that the property itself was in such a condition, through no fault of the defendant, that it could not be returned to the lessor within such time.

E. Unlawful failure to return rented or leased property if the property is a motor vehicle is a class 5 felony. In all other cases, unlawful failure to return rented or leased property is a class 1 misdemeanor.

A.R.S. § 13-1806

Section D

2016 Arizona Revised Statutes

Title 44 - Trade and Commerce

§ 44-1799.41 Heavy equipment rental agreements; requirements; definition

Universal Citation: [AZ Rev Stat § 44-1799.41 \(2016\)](#)

44-1799.41. Heavy equipment rental agreements; requirements; definition

A. A person in the business of renting heavy equipment property located in this state shall include in the rental agreement a one and one-half per cent surcharge of the gross rental receipts for any item of heavy equipment rented by a customer. The total amount of the surcharge that is collected by the business is for the purposes of paying personal property tax that is levied by all taxing jurisdictions against the heavy equipment property.

B. For the purposes of this section, " heavy equipment property" means rental property of an industry that is described under code 532412 or 532490 of the 2002 north American industry classification system as published by the United States census bureau.

Environmental Charge of 4% not to exceed \$15.00 based only on rental equipment amount.