



# Mega Machinery Co.

12215 Highway 67, Lakeside, CA. 92040, Telephone (619) 561-7832 Fax (619) 561-9507

## Master Rental Agreement

Date: \_\_\_\_\_ MRA Expiration Date: \_\_\_\_\_

Customer Name (Lessor): \_\_\_\_\_

Customer Address: \_\_\_\_\_

Contact Name: \_\_\_\_\_ Email: \_\_\_\_\_

Telephone: \_\_\_\_\_ Tax Id: \_\_\_\_\_

### Terms and Conditions

- LESSOR and LESSEE agree that this document is the original contract and any variations, additions, or modifications thereto can only be made with the written consent of LESSOR.
- Terms of Payment: The rental for said equipment, which LESSEE promises to pay, shall be paid in the manner as indicated on the front of this agreement. Lessee is responsible for sales tax, except where they have furnished Mega with a California Resale Certificate.
- Normal Wear and Tear: The LESSEE agrees to return the equipment to the LESSOR in the same operating condition as stated on the reverse side of this Contract, less normal wear, and agrees to compensate the LESSOR in full for any damage done to the equipment which is not chargeable to normal depreciation. There will be a cleaning charge assessed for equipment that is returned dirty; minimum of one day rental.
- LESSEE's Examinations of Equipment: LESSEE acknowledges that he has examined and accepts responsibility for all hitches, bolts, safety chains, stop and tail lighting, hauling tongues, and brakes, together with all devices and materials used to attach the equipment to LESSEE's towing vehicles.
- Rental Vehicles: Rental vehicles are defined as those vehicles required to be licensed under the Vehicle Code of the State of California, and which are customarily driven upon the streets and highways in their use. LESSEE agrees that he will at his sole risk and expense, maintain bodily injury and property damage liability insurance on the rental vehicle during the that it is in his possession and until it is returned to the LESSOR.
- Fuel: The LESSEE is responsible for returning the LESSOR'S equipment with the same amount of fuel as when he took possession, and agrees to a fuel surcharge for any amount of fuel less than when LESSEE took possession.

### Liability Insurance

7. Our insurance certificate requirements are usual and customary to our industry and should not pose any difficulty to your insurance company to provide a certificate detailing the coverage that our insurance company demands. Many companies think they have complete coverage under their policy but the lack of the appropriate coverage on the certificate might be an indication that they have not purchased all the insurance they thought they had.

As an example, if you do not have rental equipment coverage, you may be exposed to a substantial uninsured loss if any equipment is stolen while in your care and custody; the time between when you get the equipment until it is returned to our store. This coverage is generally not that expensive but could save you thousands of dollars if a piece of equipment is stolen from your job site.

There may be several ways under different policies to obtain commercial general liability and the rented or leased equipment coverage. We will accept several different forms of coverage that various insurance companies use to cover against your exposure to loss, as long as the certificate provided to us meets our minimum coverage requirements.



Our minimum requirements are:

**Coverage Type**

Commercial general liability coverage	
Comprehensive with contract coverage	\$1,000,000
Automobile liability (non-owned). Bodily	
Injury and property damage	\$1,000,000
Worker’s compensation coverage	\$1,000,000 and waiver of subrogation
Inland Marine policy	\$ 300,000 or higher

Covers rented/leased equipment, all risk, including theft - Retail value of equipment

Certificate holder must be named as **additional insured** and **loss payee**

Certificate holder: Mega Machinery  
12215 Highway 67  
Lakeside, CA 92040

**PLEASE NOTE: You are responsible for all uninsured and underinsured losses while equipment is in your care and custody. Your insurance agent can explain this to you. If you have any questions, special requests, or needs, please have your agent call us at 619-561-7832.**

8. Disclaimer of Warranties: LESSOR makes no warranties, expressed or implied, as to the equipment’s merchantability or fitness for any particular purpose. LESSEE agrees to hold LESSOR harmless for all claims resulting from any loss, damage, or injury, of any and every nature whatsoever, including any special inconsequential damages; caused by, resulting from, or in any way connected with the rental of the equipment, the operation or use of the equipment, or any defect in or failure of the equipment.

9. Failure of Equipment: Waiver of Damages: in the event of any failure of the leased equipment, of any nature whatsoever, LESSEE at its expense shall immediately return it to LESSOR’S premises. Without LESSOR’S written authorization LESSEE shall not incur any expense for LESSOR’S account for the repair of the equipment. In no event shall LESSOR be responsible for special of consequential damage whatsoever or howsoever caused.

10. No Assignment of Encumbrance: LESSEE agrees to keep the equipment free from any lien and encumbrance of any kind, and agrees not to assign this Agreement or any interest hereunder not to sublet or hire out the equipment without the prior written consent of LESSOR.

**Loss or Destruction of the Equipment**

11. Loss or destruction of the equipment is the responsibility of the LESSEE. If the equipment should be damaged, lost or stolen, or destroyed or rendered unfit for service, the LESSEE agrees to pay the LESSOR the full value of that equipment together with interest at the highest legal rate until the full sum is paid.

12. Loss or Destruction of the Equipment: If the equipment should be lost, stolen, destroyed, or rendered unfit for service, the LESSEE agrees to pay the LESSOR the full value thereof, together with interest at the highest legal rate until said sum is paid.

13. If damage waiver has been charged on the face of this agreement for waiver of subrogation then Paragraph 11 is void and the following is substituted therefor:

LESSOR and LESSEE agree that LESSOR waives any claim against LESSEE for direct physical loss of or damage to the leased equipment from any external cause. Except as follows:

***Please Initial***



- \_\_\_\_\_ A. The first \$1000.00 claim for loss or damage as a result of theft, vandalism, or malicious mischief.
- \_\_\_\_\_ B. Accessories such as air hose, tool steel, electric cord, blades, welding cable, LPG tanks, fuel containers, and other similar items are excluded from theft coverage and LESSEE shall be responsible for same.
- \_\_\_\_\_ C. Use of the equipment in violation of any of the terms of this agreement.
- \_\_\_\_\_ D. Damage or loss as a result of overloading or exceeding the rated capacity of the equipment, damage to crane, dragline, or derrick booms, or forklift masts, or mast carriages.
- \_\_\_\_\_ E. Loss caused by negligence or willful neglect of LESSEE.
- \_\_\_\_\_ F. Damage to electrical appliances, motors, or other electrical devices caused by artificial electrical current.
- \_\_\_\_\_ G. Loss or shortage due to mysterious disappearance of conversion.
- \_\_\_\_\_ H. Damage or loss as a result of the lack of lubrication or normal servicing of the equipment.
- \_\_\_\_\_ I. Loss or damage to tires or tubes, such as blowouts, bruises, cuts, or other causes inherent in the use of the equipment.
- \_\_\_\_\_ J. Any engine damage which occurs from the use of improper fuel.
- \_\_\_\_\_ K. Disappearance of the equipment or theft or conversion not documented with the applicable public authorities (such as police report), and a copy promptly supplied to LESSOR, and any other failure, of LESSEE to promptly notify LESSOR of any damage or loss, and to cooperate fully with LESSOR supplying all information necessary to document said claim.

**NOTE- THIS WAIVER OF SUBROGATION DOES NOT APPLY TO ANY BODILY INJURY OR PROPERTY DAMAGE LIABILITY CLAIMS.**

14. Refusal to Return Equipment: This equipment is not for sale. If the LESSEE fails or refuses to return the equipment to the LESSOR after the expiration of 10 days from the initial date of hiring hereunder and after the LESSOR has mailed written notice of demand to LESSEE to do so to the address of LESSEE set forth on the reverse side hereof, it is agreed that said failure and/or refusal of LESSEE shall be deemed willful and a conversion, and LESSOR shall have the right to claim punitive damages for each day thereafter that LESSEE fails and refuses to return said equipment. LESSEE further agrees, that if he moves from the address set forth on the reverse side hereof, he will immediately notify LESSOR of his change of address, and in any case, not later than five (5) days after said change has taken place.

15. LESSOR'S Right To Remove Equipment from LESSEE's premises: If LESSEE fails to make any of the rental payments provided for herein, or fails to keep the equipment in proper condition, or misuses the equipment in any manner, or does not perform any of the conditions set out herein, or if a petition in bankruptcy be filed by or against the LESSEE, or if the LESSEE shall make an assignment for benefit of creditors, the LESSOR may, without notice, take possession of the equipment wherever situated. The LESSEE further agrees to pay all of LESSOR'S costs and expenses incurred in connection with the retaking of said equipment.

16. The customer shall pay reasonable attorney's fees if any part of the account is handed to an attorney for collection, whether or not the court action is taken or a judgment is rendered.

17. LESSOR'S Right to Inspection: The LESSOR shall have the right, at any time during business hours, to enter the LESSEE's premises for the purpose of inspecting the equipment and making any repairs and adjustment necessary to the proper and safe operation thereof. LESSOR also reserves the right, in its sole discretion, to remove the equipment covered by this agreement and to replace the same with similar equipment at any time during the term hereof.

18. Indemnification: Lessee assumes liability and shall indemnify, defend and hold harmless lessor, its agents, employees, officers, directors, successors, and assigns from and against, and all liabilities, obligations, losses, demands, damages, injuries (including, but not limited to, bodily injury, illness and death), claims, penalties, suits, actions, costs, and



expenses, including attorneys' fees, whatsoever of, of whatsoever kind and nature, relating to or arising out of the use, condition (including, but not limited to, latent and other defects and whether or not discoverable by lessee or lessor), operation, ownership, selection, delivery, leasing, or return of the equipment, regardless of where, how, and by whom operated, or any failure on the part of lessee to perform or comply with the conditions of this lease. The parties agree that lessor shall only be liable or responsible for actions of sole negligence or willful misconduct

Without limiting the generality of the foregoing, lessee shall, at its own cost and expense, defend lessor against all claims, suits or proceedings commence by anyone in which lessor is named as a party for which lessor is alleged to be liable or responsible as a result of or arising out of the equipment, or any alleged act or omission by lessor, and lessee shall be liable and responsible for all costs, expenses, and attorney's fees incurred in the defense and/or settlement, judgment, or other resolutions thereof. In the event any such action is commenced naming lessor as a party, lessor may, in its sole discretion, elect to defend said action on its own behalf with counsel of its choice, and lessee shall be liable for and reimburse lessor for all costs, expenses, and attorney's fees incurred by lessor in such defense.

The indemnities and assumptions of liabilities and obligations herein provided for shall continue in full force and effect notwithstanding the expiration or other termination of the lease.

**Purpose of this Clause:** It is understood and agreed by the parties that the purpose of this clause is to completely shift the risk of all claims relating to or arising out of the lease of the equipment to lessee hereunder. It is the intention of the parties that this clause be interpreted broadly and in favor of the lessor.

19. Preliminary Notice: With the RENTAL CONTRACT Lessor will include a Preliminary Notice Information Request Form; Lessee must fill out this form and return it to Lessor by the end of the following business day.

**Damage Waiver**

\*An additional fee, as noted, of the total rental, after the first \$1,000, Mega agrees to waive claims for damage to equipment as specified in this contract. This is required unless a Certificate of Insurance is already on file with Mega. Customer understands that Damage Waiver is not insurance.

The rate shall be 10% of the pretax total. Damage Waiver will be charged unless declined and signed below.

Authorized signature for decline \_\_\_\_\_ Date: \_\_\_\_\_

I have read and understand the terms and conditions of the Mega Machinery Company Master Rental Agreement. This will serve as my agreement to these terms and conditions for a period of (2) years from date signed.

Company Name: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Printed Name: \_\_\_\_\_