TERMS AND CONDITIONS OF RENTAL CONTRACT

- 1. For good and valuable consideration, you and Rick & Kelly Enterprises, Inc., an Illinois corporation, d/b/a "Ace Hardware and Outdoor Center" (hereinafter, "ACE") agree as follows: As used herein, "Page 1" refers to the first page or "face" of this Contract; "Contract" refers to Page 1 together with these Terms and Conditions of Rental Contract, "Rented Item(s)" or "Item(s)" means the Item(s) rented to you, as identified on Page 1; "Site" means the location/address set forth on Page 1 where the Item(s) are to be delivered, installed and/or used; "Customer," "Lessee," "you" and "your" mean the customer or lessee identified on Page 1, and "Lessor," "we," "us" and "our" mean ACE.
- 2. You agree to rent from ACE, and ACE agrees to rent to you, the Rented Item(s) for the period(s) specified on Page 1 (the "Term"). You agree to pay ACE the rent set forth on Page 1 (the "Rent"), together with any other charges accruing hereunder, without proration, reduction or setoff, until all Rented Item(s) is/are returned to <u>and accepted by ACE</u> in the return condition required under Section 5 below. Unless otherwise specifically agreed by ACE, all rental rates are for normal use of the Rented Item(s) on: (a) a <u>single-event</u> basis for special events-related Items (including without limitation inflatables and other party-rental items), and (b) a <u>single-shift</u> basis for all other Items (including without limitation, tools and equipment), not exceeding 8 hours per day, 40 hours per week, and 160 hours per 28-day period, and otherwise in accordance with the terms hereof and the "Instructions" described in Section 8. You agree to pay ACE additional prorated Rent for overuse and late return(s) of Rented Item(s). No allowance will be made for time in transit, weekends, holidays, weather events or any other period of nonuse unless otherwise separately agreed in writing by ACE.
- 3. We have estimated the Rent based on your estimate of the length of the Term (the "Estimated Rent"). You agree: (a) to pay ACE: (i) the Estimated Rent, together with any deposit specified on Page 1 in advance (together, the "Prepayment"); and (ii) any additional amounts coming due hereunder upon demand; and (b) that: (i) ACE may deduct any amount you owe hereunder from any Prepayment; (ii) no interest will accrue on any Prepayment; (iii) no Prepayment will be deemed a limit of your liability to ACE; and (iv) all Prepayments are NON-REFUNDABLE unless otherwise specifically agreed by ACE. Anything remaining with, in or on any Rented Item(s) upon return to ACE will, at ACE's option, be deemed surrendered and abandoned.
- 4. Upon your receipt (or our delivery to the Site) of the Item(s), unless you immediately reject it/them), you represent, warrant, acknowledge and agree that: (a) each Item: (i) is in good repair and operating condition and is in all ways acceptable to you; (ii) is appropriate for your purposes; and (iii) was selected (not based on any recommendation by ACE), carefully examined and inspected, solely by you or your agent(s); and (b) you: (i) have received, carefully read and understood the training, instructions, user manuals, maintenance requirements, and other information, if any (including all EPA, OSHA, NFPA, IFC, IBC, ASSE, ASME, IEEE, SAIA and/or ANSI Standards) regarding the proper and safe transportation, installation, fueling, use, maintenance and storage of such Item(s) ("Instructions"); (ii) will fully comply therewith (including EPA Tier 4 regulations, as applicable); (iii) have been made aware of the need to use all recommended and required safety equipment (INCLUDING FALL PROTECTION DEVICES); (iv) will use each Item only for its intended purpose, in a reasonable and safe manner; (v) will give any required notice(s) to, and obtain all necessary licenses, authorizations and permits from, the appropriate governmental authorities as well as the owner(s) of the Site; (vi) will advise all local utilities and cable companies, and properly mark all underground lines and cables, before using any Item(s) to dig or disturb the ground surface; (vii) will immediately cease using any Item that breaks down, malfunctions or proves defective (a "Malfunction"); and (viii) will ensure that all other users of the Rented Item(s) comply fully with this Contract at all times. You agree to notify ACE immediately if any of the above statements proves untrue or misleading. You must provide notice to owners and operators of underground utilities or CATS facilities as required under the Illinois Underground Utility Facility Damage Prevention Act, 220 ILCS 50-1, et seq. (as amended, the "Act"). For line locations, call 811 or go to www.illinois1call.com at least 3 full business days prior to digging or disturbing the ground surface.
- 5. You agree to protect, properly maintain and care for each Rented Item at all times, keep it safely and securely stored and locked when not in use, and return it to ACE on time, clean and otherwise in good order, condition and repair, properly serviced and maintained, and free of damage, marks, burns, mold, mildew, dirt, food, scuffs and scrapes. If you fail to do so, you will pay ACE: (a) Rent for each succeeding full rental period until all Rented Item(s) have been returned or replaced as required hereunder; and (b) any and all costs and expenses ACE may incur in connection with your failure to do so. Certain Items may be delivered on pallets, or in crates, cartons or boxes, and may be stacked, bagged, racked, folded, rolled and/or strapped ("Packed"). Upon return, you will ensure that all Rented Items are properly Packed, using the same packing materials. YOU AGREE NOT TO PACK ANY RENTED ITEM UNLESS IT IS COMPLETELY DRY. IMPROPER PACKING, OR PACKING ITEMS THAT ARE WET OR DAMP, MAY RESULT IN MOLD, MILDEW OR OTHER DAMAGE, FOR WHICH YOU WILL BE LIABLE.
- 6. If we agree to deliver and/or retrieve any Item(s), you will: (a) pay our regular charge(s) for the same, and for all waiting time; (b) be present at the Site at the agreed time(s); (c) ensure the Site is reasonably clean, safe and secure; and (d) ensure our personnel have full access thereto. We will not be responsible for delay(s) caused by other parties, including providers of other items or services ("Other Providers") for which you hereby release and hold harmless ACE, its agents and employees. If you are not present upon delivery and/or retrieval of any Item(s), you agree to accept the statements of ACE's representatives regarding the same (including status, condition, quality, utility, quantities, freedom from defects and proper installation).
- 7. WARNINGS: "TEMPORARY STRUCTURES" (INCLUDING WITHOUT LIMITATION, INFLATABLES), AS WELL AS LIFTS, POWERED TOOLS AND EQUIPMENT (INCLUDING ITEMS USED FOR DIGGING, DRILLING, CUTTING, GRINDING, SPRAYING, BREAKING, BORING, HEATING, COOKING, LOADING, TOWING AND/OR HAULING), CAN BE DANGEROUS, AND MAY MOVE, SHIFT, TIP, SINK, OVERTURN, LEAK, OR COLLAPSE, PARTICULARLY DURING SEVERE WEATHER AND/OR ON STEEP TERRAIN. EXERCISE, AND ENSURE ALL OTHERS EXERCISE, EXTREME CARE AT ALL TIMES WHEN DEALING WITH SUCH ITEMS.
- 8. YOU AGREE TO PROVIDE ANY AND ALL APPLICABLE FAMILIARIZATION, TRAINING, INSTRUCTIONS AND WARNINGS TO ALL USERS AND OCCUPANTS OF THE RENTED ITEM(S), and ensure that each Rented Item is used safely and only: (a) for its intended purpose(s) and in accordance with the manufacturer's instructions; (b) within its rated capacity; (c) unless otherwise specifically agreed by ACE in writing on a case-by-case basis, at the Site; (d) BY COMPETENT AND PROPERLY TRAINED, QUALIFIED, CERTIFIED, FAMILIARIZED, AND/OR LICENSED (AS APPLICABLE) OPERATORS; and (e) otherwise in full compliance with the Instructions as well as all applicable laws, rules and regulations, at all times. You will not, nor will you permit anyone else to: (i) abuse, misuse, overuse, remove, conceal, repair, alter, modify, damage or destroy any Rented Item; (ii) violate any applicable law, policy of insurance or warranty; or (iii) take possession of or exercise control over any Rented Item without ACE's prior consent (which may be granted, conditioned, or withheld in ACE's sole discretion). YOU AGREE TO: (A) ENSURE THAT ALL CHILDREN IN, ON OR NEAR ANY RENTED ITEM(S) ARE SUPERVISED BY A COMPETENT ADULT AT ALL TIMES, AND (B) POST IN A CONSPICUOUS PLACE AN OSHA-COMPLIANT EVACUATION PLAN FOR ALL RENTED TEMPORARY STRUCTURES.
- 9. Except with respect to Rented Items we rent from one or more third parties (each, a "Third-Party Owner" or "TPO") and then re-rent to you ("Re-Rented Items"), ACE owns and will retain title to all Rented Items at all times. Your only right with respect to such Item(s) (including Re-Rented Item(s)) is to use it/them in full compliance with this Contract during the Term. You will not permit the taking or existence of any lien, claim, security interest or encumbrance on any such Item. You shall not loan, transfer, sublease or assign any Rented Item or this Contract without the prior written consent of ACE, and if applicable, the TPO(s). We may sell and/or assign any or all of the Rented Item(s) and/or this Contract, in which event, you will attorn to the assignee, who will not be responsible for any pre-existing obligations or liabilities of ACE or any TPO.
- 10. In the event of a Malfunction as defined in Section 4, you will immediately notify ACE, and return Malfunctioning Item(s) to ACE. Provided the Malfunction did not result from or in connection with the wrongful or negligent act(s) or omission(s) of, or any breach of this Contract by, you or anyone you permit to use or deal with the Rented Item(s), we will at our sole option: (a) repair the subject Item; (b) provide you with a comparable Item; or (c) return the unused portion of the Rent and cancel this Contract. The foregoing remedies are EXCLUSIVE. ACE will have no other obligation(s) regarding Malfunctions, all of which you waive, together with all associated incidental, consequential, special, exemplary and punitive damages, if any.

- 11. ACE IS NOT THE MANUFACTURER OR DESIGNER OF ANY RENTED ITEM(S), EACH OF WHICH IS PROVIDED "AS-IS". EXCEPT ONLY AS REQUIRED BY APPLICABLE LAW, NEITHER ACE NOR ANY TPO MAKES ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED (INCLUDING ANY WARRANTY OF MERCHANTABILITY, SUITABILITY, FITNESS FOR A PARTICULAR PURPOSE, FUNCTION, DESIGN, QUALITY, CAPACITY, FREEDOM FROM DEFECTS AND/OR WORKMANLIKE PERFORMANCE, AS WELL AS ANY WARRANTY(IES) ARISING FROM OR IN CONNECTION WITH COURSE OF DEALING, COURSE OF PERFORMANCE OR USAGE OF TRADE) REGARDING ANY ITEM(S) OR SERVICE(S) REFERENCED IN THIS CONTRACT, NOR DOES ACE OR ANY TPO MAKE ANY WARRANTY AGAINST INTERFERENCE OR INFRINGEMENT, ALL OF WHICH YOU WAIVE. NO DESCRIPTIONS, SPECIFICATIONS, MODELS, DEPICTIONS, OR ADVERTISEMENTS OFFERED OR ACCEPTED BY ACE OR ANY TPO CONSTITUTE REPRESENTATIONS OR WARRANTIES.
- 12. INDEMNITY/HOLD HARMLESS. TO THE MAXIMUM EXTENT PERMITTED UNDER APPLICABLE LAW, YOU HEREBY: (A) ASSUME ALL RISK OF INJURY, LOSS, DAMAGE, DESTRUCTION AND ENVIRONMENTAL CONTAMINATION OF, TO, AND/OR ARISING IN CONNECTION WITH, THE ITEM(S) AND SERVICE(S) REFERENCED IN THIS CONTRACT, INCLUDING WITHOUT LIMITATION, ALL LIABILITIES, CLAIMS AND DAMAGES ARISING IN CONNECTION WITH THE SELECTION, PROVISION, INSPECTION, DESIGN, MANUFACTURE, TRANSPORTATION, DEMONSTRATION, STORAGE, USE, LOADING, UNLOADING, MAINTENANCE, REPAIR AND/OR RETRIEVAL THEREOF, WHETHER OR NOT YOUR FAULT; (B) RELEASE AND DISCHARGE ACE AND EACH TPO FROM AND AGREE TO INDEMNIFY, DEFEND AND HOLD HARMLESS ACE AND EACH SUCH TPO, AND THEIR RESPECTIVE OWNERS, OFFICERS, MANAGERS, DIRECTORS, AGENTS, EMPLOYEES, INSURERS, REPRESENTATIVES, SUBROGEES, SUCCESSORS AND ASSIGNS, FOR, FROM AND AGAINST ANY AND ALL LIABILITIES, CLAIMS, DAMAGES, LOSSES, COSTS AND EXPENSES (INCLUDING WITHOUT LIMITATION, ATTORNEYS' FEES) ARISING FROM OR ASSOCIATED WITH ANY AND/OR ALL OF SUCH ITEM(S) AND/OR SERVICES (INCLUDING WITHOUT LIMITATION, THOSE ARISING FROM THE NEGLIGENCE OR CLAIMED NEGLIGENCE OF ACE). You hereby waive any and all rights, claims and damages arising under the Uniform Commercial Code, as well as all incidental, consequential, special, exemplary and punitive damages, against ACE and each TPO.
- 13. You agree to maintain all insurance ACE deems necessary in connection herewith, which may include liability insurance coverage with minimum limits of at least \$1,000,000 per occurrence, and property damage/inland marine insurance covering all Rented Items for the full (new) replacement value thereof: (i) naming ACE as an additional insured and loss payee; (ii) waiving subrogation against ACE; (iii) being primary and non-contributory; and (iv) including such other provisions as ACE may deem necessary.
- 14. If and <u>only if</u>, we have offered, and you have elected to purchase, the <u>OPTIONAL DAMAGE WAIVER</u> (set forth on Page 1 <u>if available</u>) and paid the Damage Waiver Fee referenced therein <u>prior to commencement</u> of the Term, you will have no liability to ACE for 80% of the cost to repair or replace Item(s) covered by Damage Waiver ("Covered Item(s)") (up to \$5,000) which suffer physical damage during the Term; provided however, that <u>you will remain fully liable for</u>: (a) all damage to or loss of: (i) Item(s) not covered by Damage Waiver; (ii) Covered Item(s) lost or damaged as a result of: (A) your breach of this Contract; (B) theft or other failure to return such Item(s) to ACE; (C) gross negligence, misuse and/or abuse; (D) vandalism and/or malicious mischief, (E) use of alcohol or drugs; and/or (F) use of any Item in violation of any applicable law or policy of insurance; (iii) glass, tires, tracks, belts, chains, knobs and/or hoses; (b) 20% of all repair/replacement costs for each Covered Item; and (c) all repair/replacement costs for Covered Items exceeding \$5,000 in the aggregate across all Covered Items. You may decline Damage Waiver if you comply fully with this Contract. <u>DAMAGE WAIVER IS NOT INSURANCE</u>, NOR IS IT A WARRANTY.
- 15. Your duties hereunder are <u>unconditional</u>. If you or any guarantor: (a) fail to fully and timely pay or perform any of your obligations under this Contract; (b) provide any incorrect or misleading information to us; (c) become insolvent; or (d) die or cease conducting business, or if any Rented Item(s) shall be lost, damaged or destroyed (except to the extent covered by Damage Waiver), you will be in default, whereupon, ACE may with or without legal process or notice (and without liability to you), to the maximum extent permitted under applicable law: (i) terminate your rental; (ii) seek relief from any automatic stay; (iii) recover, lock or disable the Rented Item(s) without being guilty of trespass or liable for personal injuries or property damage (for which you agree to indemnify, defend and hold hamless ACE); (iv) perform your obligations hereunder on your behalf, without being obligated to do so; (v) purchase replacement Item(s) as necessary; (vi) recover from you and/or any guarantor ACE's associated direct and indirect damages, losses, costs and expenses (including without limitation, Rent for the remainder of the Term and attorneys' fees); and/or (vii) pursue any other rights and/or remedies available hereunder, at law and/or in equity, all of which shall be cumulative.
- 16. To the maximum extent permitted under applicable law, ACE will be entitled to a lien on: (a) all real property improved with any Rented Item(s) (and/or on which it/they may be located or used), and (b) all personal property attached to, or placed or stored in or on, any Rented Item(s). You agree to pay ACE the maximum lawful charge for any check you write which is returned unpaid. ACE may, without notice or liability to you, inspect and/or monitor (e.g., via GPS or telematics) any Rented Item(s) at any time, and all data generated thereby will be deemed the sole property of ACE. If any performance required of ACE is delayed or rendered impractical as a result of any act or omission of any Other Provider(s) or any "Act of God" (e.g., any event, fact or circumstance beyond ACE's reasonable control), ACE will be excused from such performance. All amounts due hereunder but not timely paid will bear interest at the lesser of: (a) 18% per annum, or (b) the highest rate permitted under applicable law until paid. Except only as otherwise expressly set forth herein, this Contract cannot be further amended or extended except in a writing signed by both you and ACE. ACE's maximum liability in connection with this Contract is limited to the amount(s) actually paid by you to ACE hereunder. This Contract allocates to you certain risks, and that allocation is reflected in a reduced Rent. You will pay all sales, use, transfer and other taxes, fines, fees, assessments and other charges related to each Item. No failure or delay in the exercise of any rights or remedies will constitute a waiver of any right or remedy ACE may have. We will be entitled to recover from you our attorneys' fees, costs and expenses in any legal action commenced in connection herewith, if we prevail against you.
- 17. This Contract is a true "operating" lease, and not a "disguised financing. If any provision of this Contract is deemed invalid or unenforceable by any court of competent jurisdiction, such provision will be modified to the minimum extent necessary to make the same valid and enforceable, or if no such modification shall be possible, deleted, and the remainder of this Contract will remain valid and in full force and effect. Time is of the essence hereof. There are no third-party beneficiaries hereto, other than the TPO(s), if any. This Contract will be deemed to apply not only to all Item(s) identified on Page 1, but also to all other Items you obtain from ACE at any time (except only as may otherwise be agreed by ACE). This Contract, and any Addenda provided by ACE (each of which is incorporated herein), constitute the entire agreement between you and ACE, superseding all other oral and written agreements and representations (Including our website and advertising). Except only as expressly provided herein, this Contract cannot be modified without the express written consent of ACE. This Contract shall be interpreted under the laws of the State of Illinois. Proper venue for all civil legal proceedings commenced in connection herewith shall lie solely and exclusively in the federal and state circuit courts located in or nearest Lee County, IL (unless waived by ACE). You hereby consent and submit to such jurisdiction and venue, and you waive any and all claims that such venue constitutes an inconvenient forum. Digital, electronic, photocopied and facsimiled signatures and initials appearing on this Contract will be deemed originals for all purposes.
- 18. Any item(s) sold to you ("Sale Items"), as provided on Page 1 are provided "AS-IS" and "WITH ALL FAULTS," and are subject to the terms of this Contract (modified as necessary to address sales). All item(s) not specifically identified as Sale Items on Page 1 will be deemed to be "Rented Item(s)".
- 19. WARNING: Failure to return rented property may be deemed theft, resulting in CRIMINAL PROSECUTION. For details, see ILCS, Chapter 720, Art. 5, § 16-1.1, 16-3 and 16A-3(h).