

FIRE, THEFT AND VANDALISM WAIVER TERMS AND AGREEMENT

These terms and agreement are entered into this ____ day of _____, _____, between Stowers Machinery Corporation, Stowers Power Systems, and Stowers Rental & Supply, Inc., and their successors, assigns and affiliates (collectively referred to herein as "Lessor"), and _____ ("Lessee").

Lessee acknowledges that it has signed a Credit Application and Master Account Agreement (the "Master Agreement") with Lessor for the rental of Equipment from the Lessor. The Master Agreement is incorporated herein by reference. Lessee acknowledges that it must either maintain physical damage insurance or accept this agreement as a condition precedent to any rental of Equipment from Lessor. By signing this agreement below, Lessee acknowledges that it does not maintain such insurance and has not provided Lessor with any required certificate of insurance, and that it accepts the Fire, Theft and Vandalism Waiver ("FTV Waiver") described herein for all rental of Equipment from Lessor; provided, however, the FTV Waiver will not apply to the rental of specific Equipment for which Lessee provides such proof of insurance and specifically declines the FTV Waiver for such Equipment in a subsequent, written rental agreement with Lessor. LESSEE RECOGNIZES THAT THE FTV WAIVER IS NOT INSURANCE. In addition to all rent and other charges due Lessor, Lessee shall pay for the FTV Waiver an amount equal to a percentage, as determined by Lessor from time to time, of the gross rental amount due Lessor.

Lessor agrees that in the event of a "Waiver Occurrence," defined below, Lessor shall waive, subject to the terms of this agreement, Lessee's responsibility for damage or loss to the Equipment in an amount exceeding the larger of: (a) \$1,000 per item of Equipment; or (b) an amount equal to two times the Four Week Rate of rental in effect at the commencement of the Rental Period per item of Equipment.

WAIVER OCCURRENCES

The following are Waiver Occurrences:

1. Damage to the Equipment caused by natural disasters such as floods, earthquakes, fires or other natural disasters.
2. Theft of the Equipment from Lessee, provided reasonable precautions were taken to protect and secure the Equipment and a police report was promptly issued.
3. Damage to the Equipment caused by vandalism not resulting from Lessee's negligence or malfeasance, and provided a police report was promptly issued.

In the event of the happening of a Waiver Occurrence, the Lessee must immediately notify Lessor in writing sent to the Lessor c/o the Credit Manager at P.O. Box 14802, Knoxville, TN 37914. Failure to notify the Lessor within 72 hours after the happening of a Waiver Occurrence may void the waiver at the option of the Lessor.

EXCLUSIONS FROM WAIVER

The FTV Waiver shall not apply in the following circumstances, or if the loss or damage is due, in whole or in part, to the following occurrences or causes:

1. Theft of accessories, such as hoses, blades, tires, electric cords, tools and other similar items.
2. Loss or damage caused by improper use, failure to secure Equipment during transportation, or exceeding or overloading the rated capacity of the Equipment, all as determined solely by the Lessor.
3. Loss or damage to motors or other electrical devices caused by surges in electrical current.
4. Loss or damage resulting from misuse or abuse of the Equipment, including the failure to maintain the Equipment, keep proper oil, fuel, hydraulic, coolant or pressure levels, lack of lubrication or other maintenance or normal servicing of the Equipment, all as determined solely by the Lessor.
5. Loss or damage resulting from the use of the Equipment in a grossly negligent or reckless manner.
6. Loss or damage caused by intentional acts or abuse of Lessee or its agents or employees, malicious mischief or neglect.

7. Loss or damage to tires or tubes caused by blowouts, bruises, cuts, road hazards or other causes inherent in the use of the Equipment.

8. Loss or damage caused by use or possession of the Equipment in violation of any terms of the Master Agreement, or any law, ordinance or regulation.

9. Wrongful conversion by Lessee, or by its agents or employees, or persons to whom Lessee has entrusted the Equipment, carriers for hire excepted.

10. Entrustment of the Equipment to persons not subject to the Master Agreement or in the hire or employment of Lessee, or use of the Equipment at a location or jobsite not expressly described in a written rental agreement.

11. Loss or damage caused by failure to keep the Equipment in a secure area during the Rental Period and until returned to Company.

12. Loss or damage caused by the failure to keep the Equipment in a locked enclosure or otherwise secured when not in use.

13. Loss or damage caused by failure to use proper fuel or additives.

14. Loss or damage occurring when the Equipment is in possession of a third-party.

15. Loss or damage that was, or should have been, expected due to an extraordinary application of the equipment.

In the event of any loss or damage to the Equipment covered by the FTV Waiver, Lessor will be subrogated for, and be assigned, the rights of Lessee, to the extent of all amounts waived hereunder, to recover against any person or entity for such loss or damage. Lessee will execute and deliver whatever instruments and papers are required and do whatever else is reasonably necessary to secure such rights. Lessee will cooperate fully with Lessor in the prosecution of those rights and will neither take nor permit nor suffer any action that may prejudice Lessor's rights with respect thereto.

Signature: _____
Printed Name: _____
Company: _____
Title (if any): _____
Date: _____