

LEASE OF EQUIPMENT, MOTOR VEHICLES OR TOOLS

Effective Date: _____

County and State: _____

Lessor (Name, Address & Zip Code)

LESSEE (Name, Address, Zip Code)

Equipment or Tools (Describe fully, giving manufacturer, make, model and serial number, quantity and any other pertinent information)

PART ONE SPECIFIC PROVISIONS FOR LEASE OF EQUIPMENT AND TOOLS

1. **Consideration.** For valuable consideration Lessor leases to Lessee the Equipment or Tools described above according to the terms hereinafter set forth.

2. **Term of Lease.** This lease shall be in effect for a period of _____, commencing at _____ on _____, and ending at _____ on _____.

3. **Rent.** Rent shall be paid [] daily; [] weekly; [] monthly. If monthly, it must be paid on or before the _____ day of each month beginning _____. Lessee shall pay the first month's rent in advance plus the last _____ months.

The amount of rent shall be calculated as follows:

____ Base daily rent of \$_____.

____ Base weekly rent of \$_____.

____ Base monthly rent of \$_____.

____ Increases in the base rent calculated on retail cost of living increases.

____ Late payment penalty of ____% of each rent payment when the payment is made more than 10 days after it is due

____ Sales or Transaction Tax charged by any governmental entity on the rental transaction.

____ Security Deposit of \$_____.

4. **Cost of Living Escalation.** If paragraph 1.3 provides for increases in base rent because of cost-of-living increases, then this paragraph shall be applicable. Since the base rent is predicated

upon the retail cost of living index remaining constant, then, should this lease be for more than one year, and should the **Statistical Abstract of the United States**, as published by the United States Government, evidence that on the January next following their first year of this lease the retail cost of living index has increased, then the amount of each rent payment shall be increased in that same percentage, beginning with the first payment due following the date that Lessor serves written notice to Lessee of this increase, with a copy or citation of the governmental reference reflecting and verifying the increase. Any increases in base rent from cost-of-living increases shall be retroactive to the date that the cost of living increase first became effective according to the government publication.

5. Sales and Transaction tax. If paragraph 1.3 provides that Lessee shall pay the sales or transaction taxes, then this paragraph is applicable. Lessee shall pay with each rent payment the amount of any sales or transaction tax on the rental transaction. If any sales or similar tax shall be levied or assessed by the United States of America, any state, county, city, town, district, agency or instrumentality thereof, upon or against Lessor by reason of the execution of this lease, or upon the rental thereby reserved, then and in such event, Lessee shall forthwith, upon demand by Lessor, reimburse Lessor for the amount of any such taxes or assessments paid by Lessor.

6. Security Deposit. To insure the Lessee's prompt and full payment of the rent and the faithful and timely performance of all provisions of this lease, and any extension or renewal thereof, Lessee shall pay a security deposit as set forth in paragraph 1.3. This deposit shall be provided by the purchase of an interest bearing Certificate of Deposit or its equivalent or by placing the fund in an interest bearing savings account in the joint name of the Lessor and Lessee as provided in paragraph 4.2. If any default shall be made in the performance of any of the covenants on the part of the Lessee herein contained with respect to any item or items of the leased premises, Lessor shall be entitled to that portion of the fund as is required to cover the default. Any such releasing of money from the fund for this purpose shall not be a defense to any action by Lessor arising out of said default: and, upon demand, Lessee shall restore the fund to the full amount set forth in this provision. Upon the expiration or earlier termination of this lease, or any extension or renewal thereof, provided Lessee has paid all the rent herein called for and fully performed all of the other provisions of this lease on its part to be performed, Lessor will release to Lessee any remaining balance in the fund. The party who is eventually entitled to the fund in whole or in part shall also be entitled to all the interest accrued or his pro rata share of the interest accrued.

7. Place of paying rent. Lessee shall pay rent to the address of Lessor as designated on page one of this lease, or to any newer address of which Lessor gives written notice to Lessee.

8. Applicable Law. This lease shall be subject to and governed by the laws of the State of _____ regardless of the fact that one or more of the parties now is or may become a resident of a different state.

9. Maximum Legal Interest. If any monies are owed under the terms of this lease, all of the provisions of the lease notwithstanding, the parties intend that the party owing sums to the other as the result of performances under the lease, shall incur as a penalty the maximum legal rate of interest that is in effect at the time of the accrual of the charge. Interest thus imposed shall be charged also on any costs, legal fees, or any other obligation arising out of this lease. If the laws of the state which govern this lease have no maximum legal interest limit the rate shall be _____%.

10. Renewal. Lessee shall have the right to renew for an additional _____ term upon

____ days' written notice to Lessor upon: ☐ Same terms; ☐ Different terms as follows:

11. Purchase Option. ☐ Lessee is given no option to purchase the Equipment or Tools: ☐ Lessee shall have the right to purchase the Equipment or Tools upon giving _____ days written notice to Lessor on the following terms:

12. Delivery of Equipment or Tools. Lessor shall deliver the Equipment or Tools to Lessee or its agent at:

☐ The address of Lessee set forth on page one of this lease.

☐ The following address:

13. Costs of Delivery. The costs of delivery shall be borne by ☐ Lessor; ☐ Lessee.

14. Maintenance and Repairs. Lessee, at its own cost and expense, shall keep the Equipment or Tools in good repair, condition and working order, and shall furnish any and all parts, mechanism and devices required to keep the Equipment or Tools in good mechanical and working order, ☐ EXCEPT THAT Lessor shall pay the first \$_____ of costs incurred for repairs, maintenance and other allowable expenses either directly to the persons or entities furnishing such repairs, maintenance or services or by reimbursement to Lessee.

If Lessee refuses or neglects to commence repairs within days after receipt of written demand from Lessor, or adequately to complete such repairs without liability to Lessor for any loss or damage that may accrue to Lessee's stock or business by reason thereof, and if Lessor shall make such repairs, Lessee shall pay to Lessor, on demand, as additional rent, the costs thereof with interest at the maximum legal rate from the date of commencement of those repairs.

PART TWO

GENERAL PROVISIONS FOR LEASE OF EQUIPMENT OR TOOLS

1. Lessee's Inspection; Conclusive Presumptions. Lessee shall inspect the Equipment or Tools within _____ hours after receipt thereof. Unless Lessee, within that period of time, gives written notice to Lessor specifying any defect in or other proper objection to the Equipment or Tools, Lessee agrees that it shall be conclusively presumed, as between Lessor and Lessee, that Lessee has fully inspected and acknowledged that the Equipment or Tools are in good condition and repair, and that Lessee is satisfied with and has accepted the Equipment or Tools in such good condition and repair.

2. Lessor's Inspection. Lessor shall at any and all times during business hours have the right to

enter into and upon the premises where the Equipment or Tools may be located for the purpose of inspecting the same or observing its use. Lessee shall give Lessor immediate notice of any attachment or other judicial process affecting any item of Equipment or Tools and shall, whenever requested by Lessor, advise Lessor of the exact location of the Equipment or Tools.

3. Use by Lessee. Lessee shall use the Equipment or Tools in a careful and proper manner and shall comply with and conform to all laws, ordinances and regulations which relate in any way to the possession, use or maintenance of the Equipment or Tools. If at any time during the term hereof Lessor supplies Lessee with labels, plates or other markings stating that the Equipment or Tools are owned by Lessor, Lessee shall affix and keep the same upon a prominent place on the Equipment or Tools.

4. Alterations by Lessee. Without the prior written consent of Lessor, Lessee shall not make any alterations, additions or improvements to the Equipment or Tools. All additions and improvements of whatever kind or nature made to the Equipment or Tools shall belong to and become the property of Lessor upon expiration or earlier termination of this lease except as provided in paragraph 10. Lessor shall not unreasonably withhold approval, and if there is a dispute as to reasonableness, it shall be determined by arbitration.

5. Insurance. Lessee shall keep the Equipment or Tools insured against all risks of loss or damage from every cause whatsoever (including fire, theft and personal injury) for the highest insurable value for the balance of the term of this lease and any extensions and renewals thereof and shall carry public liability insurance, both personal injury and property damage, covering the Equipment or Tools, all sufficient to protect, indemnify and save Lessor harmless. All insurance shall be in a form and amount and with companies satisfactory to Lessor. All insurance for loss or damage shall provide that loss, if any, shall be payable to Lessor, and all this liability insurance shall be in the joint names of Lessor and Lessee. Lessee shall pay the premiums therefor and deliver to Lessor the policies of insurance, duplicates thereof, or other evidence satisfactory to Lessor of such insurance coverage. Each insurer shall agree, by endorsement upon the policy or policies issued by it or by independent instrument furnished to Lessor, that it will give Lessor ____ days' prior written notice of the effective date of any alteration or cancellation of such policy. The proceeds of the insurance payable as a result of loss of or damage to the Equipment or Tools shall be applied at the option of Lessor:

a. Toward the replacement, restoration or repair of Equipment or Tools which may be lost, stolen, destroyed or damaged;

b. Toward payment of the obligations of Lessor hereunder.

Lessee hereby irrevocably appoints Lessor as Lessee's attorney-in-fact to make claims, receive payments, and execute and endorse the name of Lessee on all documents, checks or drafts received in payment for loss or damage under any insurance policy. If the lease term is less than six months, Lessor will carry all necessary insurance on the Equipment or Tools.

6 Loss and Damages. If the lease term is six months or longer, Lessee assumes and shall bear the entire risk of loss or damage to the Equipment or Tools from any and every cause whatsoever. No loss or damage to the Equipment or Tools or any part thereof shall impair any obligation of Lessee under this lease which shall continue in full force and effect.

In the event of loss or damage of any kind whatever to any item of Equipment or Tools, Lessee, at the option of Lessor, shall:

a. Place the same in good repair, condition and working order.

b. Replace the same with like Equipment or Tools in good repair, condition and working

order.

7. **Indemnification.** Lessee shall indemnify and save Lessor harmless from any and all injury to or loss of the Equipment or Tools from whatever cause, and from liability arising out of the use, maintenance or delivery thereof, but shall be credited with any amounts received by Lessor from insurance procured by Lessee. Damage for any loss or injury shall be based on the then true and reasonable fair market value of the Equipment or Tools which shall mean replacement cost.

8. **Lessee Pays All Taxes.** Lessee shall pay and bear:

a. All sales, use, excise, personal property and other taxes and all governmental assessments, fees and charges payable during the term hereof with respect to each item included in this lease or the ownership, possession, rental, transportation or delivery thereof, except that Lessor shall pay and bear all net income and gross receipt taxes on or measured by rentals payable hereunder.

b. All occupational and other governmental fees, taxes, charges and assessments which may be imposed in connection with any item included in this lease and as a result of its particular use by Lessee.

9. **Encumbrances.** Lessee shall keep the Equipment or Tools free and clear of all levies, liens, and encumbrances.

10. **Removal of Accessories.** Lessee shall have the right, upon the expiration of the term of this lease, or at any time during such term in the event that Lessee shall not be in default, to remove from the Equipment or Tools all accessories placed thereon by Lessee, even though permanently affixed to the Equipment or Tools; provided, however, that Lessee, in effecting removal, shall restore the Equipment or Tools to good, safe, sound, orderly and slightly condition.

11. **Lessee's Assignment.** Without the prior written consent of Lessor, Lessee shall not (a) assign, transfer, pledge or hypothecate this lease, the Equipment or Tools or any part thereof or any interest therein; or (b) sublet or lend the Equipment or Tools or any part thereof, or permit the Equipment or Tools or any part thereof to be used by anyone other than Lessee or Lessee's employees. Consent to any of the foregoing prohibited acts applies only in the given instance and is not a consent to any subsequent like act by Lessee or any other person. This consent by Lessor shall be given unless Lessor has a valid reason for its denial which can be substantiated.

Any attempted assignment, sublease or sale of this lease or any interest therein shall be null and void and have no effect unless such consent shall have been obtained. Any assignment by operation of law shall be subject to the same conditions and restrictions as an assignment by Lessee. If such consent is given by Lessor, any and all sub-lessees shall be responsible lessee and Lessee shall not be relieved of any liability hereunder by Lessee's assignment, vacation or subletting thereof.

12. **Lessor's Assignment.** It is understood that Lessor may assign this lease or mortgage the Equipment or Tools, and that the assignee may assign the lease. All rights of Lessor hereunder may be assigned, pledged, mortgaged, transferred or otherwise disposed of, either in whole or in part, without notice to Lessee. If Lessor assigns this lease, the rentals due or to become due hereunder or any other interest herein, whether as security for any of its indebtedness or otherwise, no breach or default by Lessor hereunder or pursuant to any other agreement between Lessor or Lessee, should there be one, shall excuse performance by Lessee of any provision hereof. No such assignee shall be obligated to perform any duty, covenant or condition required to be performed by Lessor under the terms of this lease.

13. **Right of Lessor to Pay Obligations of Lessee to Others.** If Lessee shall fail or refuse to

pay any sums due to be paid by it under the provisions of this lease, or fail or refuse to maintain the Equipment or Tools or any part thereof as herein provided, then, and in such event, Lessor, after 10 days' notice in writing by Lessor to Lessee, shall have the right to pay any such sum or sums due to be paid by Lessee and to do and perform any work necessary to the proper maintenance of the Equipment or Tools; and the amount of such sum or sums paid by Lessor for the account of Lessee and the cost of any such work, together with interest thereon at the maximum legal rate from the date of payment thereof by Lessor until the repayment thereof to Lessor by Lessee, shall forthwith be paid by Lessee upon demand in writing.

The payment by Lessor of any such sum or sums or the performance by Lessor of any such work shall be prima facie evidence of the necessity therefor.

14. **Surrender.** Upon the expiration or earlier termination of this lease, with respect to any item of Equipment or Tools, Lessee shall return it to Lessor in good repair and condition and working order, ordinary wear and tear resulting from proper use thereof alone excepted, in the following manner as specified by Lessor:

a. By delivering such items of Equipment or Tools at Lessee's cost and expense to such place as Lessor shall specify within the city or county in which it was delivered to Lessee or to which it was moved with the written consent of Lessor;

b. By loading that item of Equipment or Tools at Lessee's cost and expense on board such carrier as Lessor shall specify and shipping the same, freight collect, to the destination designated by Lessor.

15. **Event of Default.** Each of the following shall be deemed an Event of Default:

a. Default in the payment of rent or other payments hereunder.

b. If Lessee shall default in the performance or observance of any covenant or condition of this lease by the Lessee to be performed or observed following the expiration of the period of 10 days after giving notice of such default or defaults or failure to Lessee by Lessor.

c. Abandonment of the Equipment or Tools.

d. The filing or execution or occurrence of:

(1) A petition in Bankruptcy by or against Lessee.

(2) A petition or answer seeking a reorganization, arrangement, composition, readjustment, liquidation, dissolution or other relief of the same or different kind under any provision of the Bankruptcy Act.

(3) Adjudication of Lessee as a bankrupt or insolvent; or insolvency in the bankruptcy equity sense.

(4) An assignment for the benefit of creditors whether by trust, mortgage, or otherwise.

(5) A petition or other proceeding by or against Lessee for, or the appointment of a trustee, receiver, guardian, conservator or liquidator of Lessee with respect to all or substantially all its property.

(6) A petition or other proceeding by or against Lessee for its dissolution or liquidation, or the taking of possession of the property of the Lessee by any governmental authority in connection with dissolution or liquidation.

(7) The taking by any person of the Equipment or Tools or any part thereof upon execution, attachment, or other process of law or equity and such writ is not satisfied or released within ____ days.

16. **Fair Notice of Default.** The parties are desirous of giving one another fair notice of any

default before sanction are imposed. In the event of an act of default with respect to any provision of this lease, neither party can institute legal action with respect to such default without first complying with the following conditions:

a. Notice of such event of default must be in writing and mailed to the other party by U.S. Certified Mail, return receipt requested.

b. Such written notice shall set forth the nature of the alleged default in the performance of the terms of this lease and shall designate the specific paragraph(s) therein which relate to the alleged act of default;

c. Such notice shall also contain a reasonably understandable description of the action to be taken or performed by the other party in order to cure the alleged default and the date by which the default must be remedied, which date can be not less than __ business days from the date of mailing the notice of default.

17. **Remedies.** If Lessee, with regard to any items of Equipment or Tools, fails to pay any rent or other amount herein provided within ____ days after the rent is due and payable, or if Lessee, with regard to any item or items of Equipment or Tools, fails to observe, keep or perform any other provision of this lease required to be observed, kept or performed by Lessee, Lessor shall have the right to exercise any one or more of the following remedies:

a. To declare the entire amount of rent hereunder immediately due and payable as to any or all items of Equipment or Tools without notice or demand to Lessee.

b. To sue for and recover all rents and other payments then accrued or thereafter accruing with respect to any or all items of Equipment or Tools.

c. To Take possession of any or all items of Equipment or Tools without demand or notice wherever they may be located and without any court order or other process of law. Lessee hereby waives any and all damages occasioned by such taking possession. Any such taking of possession shall not constitute a termination of this lease as to any or all items of Equipment or Tools unless Lessor expressly so notified Lessee in writing.

d. To terminate this lease as to any or all items of Equipment or Tools.

e. To pursue any other remedy at law or in equity.

Notwithstanding any such repossession or any other action which Lessor may take, Lessee shall remain liable for the full performance of all obligations on the part of Lessee to be performed under this lease.

18. **Concurrent Remedies.** No right or remedy herein conferred upon or reserved to Lessor is exclusive of any other right or remedy herein or by law or equity provided or permitted, but each shall be cumulative of every other right or remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise and may be enforced concurrently therewith or from time to time.

19. **Consequential Damages.** In no event shall Lessor be liable for any loss of profits or other consequential damage or any inconvenience resulting from any theft of, damage to, loss of, defect in or failure of any Equipment or Tools included in this lease or the time consumed in recovering, repairing, adjusting, servicing or replacing these; and there shall be no abatement or apportionment of rental during this time.

20. **Court Action, Attorneys' Fees and Costs.** If, upon failure of either party to comply with any of the covenants, conditions, rules or regulations of and in this lease, suit or arbitration should be brought for damages on account thereof, or to enforce the payment of rent herein stipulated, or to recover possession of the Equipment or Tools, or to enforce any provision

hereof, the losing party agrees to pay to the prevailing party reasonable costs and expenses incurred in prosecuting these suits or arbitration, as determined by the court or arbitrator, including attorneys' fees and the value of time lost by the prevailing party or any of its employees in preparing for or participating in any arbitration or litigation in connection therewith. Interest shall accrue on that award at the maximum legal rate on all monetary amounts awarded for principal, interest, attorneys' fees, costs and all other amounts, from the date of that award until paid.

21. **Prorations.** If any prorations are required to be made under the terms of this lease, the prorations shall be made as of the first day of the lease term.

22. **Holdover.** If Lessee shall holdover after the expiration of the term hereof, with the consent of Lessor, express or implied, such tenancy shall be from month to month only, and not a renewal hereof; and Lessee agrees to pay rent and all other charges as herein above provided, and also to comply with all covenants of this lease for the time Lessee holds over. If Lessee shall hold over without the consent of Lessor, express or implied, then Lessee shall be construed to be a tenant at sufferance at double the rent herein provided, prorated by the day until possession is returned to Lessor. If Lessee shall hold over with the consent of Lessor, Lessee shall be entitled to possession until Lessor has given 30 days' notice that such month to month tenancy shall be terminated; otherwise, notice is only required as hereinafter provided as notice of default.

23. **Title.** The Equipment or Tools are, and shall at all times be and remain, the sole exclusive property of Lessor or Lessor's assignees; and Lessee shall have no right, title or interest therein or thereto except as expressly set forth in this lease. Lessee shall give Lessor notice in case any Equipment or Tools are levied upon or becomes liable to seizure from any cause.

24. **Warranties.** Lessor does hereby assign to Lessee, during the lease term hereof, all of Lessor's interest in the warranty of the manufacturer or vendor of the Equipment or Tools, a copy of which is attached hereto. NO OTHER WARRANTIES, EXPRESS OR IMPLIED, ARE MADE BY LESSOR, INCLUDING ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR PURPOSE.

PART THREE GENERAL LEASE PROVISIONS

1. **Arbitration.** At the option of either party, disputes may be settled by arbitration. The manner of arbitration shall be as follows:

The parties adopt by reference the provisions of the "Uniform Arbitration Act" and agree that, should any bona fide disputes arise out of this agreement or out of the agreed performances of the parties pursuant thereto, the parties may elect to arbitrate that dispute by the Lessor and Lessee selecting and agreeing upon a disinterested attorney to serve as arbitrator.

Should one of the parties or his attorney refuse or delay the selection of an arbitrator for more than ten days after the mailing of written notice, mailed to its last known address, stating a desire to arbitrate, then the party desiring arbitration may petition the court or a court commissioner ex parte to have an arbitrator selected, and the costs and reasonable attorney fees for this shall be charged against the delinquent party in the arbitration award.

The parties shall share the costs of the arbitrator's services, comply with his arbitration procedures, and abide by his award within ten days after receiving a copy of his decision.

The arbitrator shall assess the fees of the arbitrator against the losing party based upon the prevailing hourly rates and out-of-pocket expenses.

After the award by the arbitrator, should the losing party take the matter to court, then the arbitrator shall set an amount as reasonable attorneys' fees and costs of the contemplated court proceedings for the losing party to pay to the other party as a prerequisite to the filing of a court action by the losing party.

Should it be necessary for either party to seek the assistance of a court to enforce the arbitration award, then, in that event, the losing party shall pay to the winning party an amount which is determined by the court for the court costs, reasonable attorneys' fees, and the time lost to the winning party for his or his agents' having to prepare for and appear in a court action.

2. **Corporate Lessee.** If Lessee is a corporation, then if, at any time during the term of this lease, any part or all the corporate shares shall be transferred by sale, assignment, bequest, inheritance, operation of law or other disposition, so as to result in a change in the present control of the corporation by the person or persons now owning a majority of the corporate shares, Lessor may terminate this lease and the demised term at any time after such change in control by giving Lessee ___ days prior written notice of such termination.

3. **Corporate Authority.** If Lessee is a corporation, each person executing this lease represents and warrants that he is duly authorized to execute and deliver this lease on behalf of the corporation. Those persons further represent that the terms of this lease are binding upon the corporation. The corporation shall deliver to Lessor a certified copy of its Board of Directors' resolution ratifying or authorizing the execution of this lease within _____ (___) days after its execution.

4. **Nature of Relationship Between Parties.** The sole relationship between the parties created by this agreement is that of lessor and lessee. Nothing contained in this lease shall be deemed, held, or construed as creating a joint venture or partnership between the parties.

5. **Notices.** Copies of all notices and communications concerning this lease shall be mailed to the parties at the addresses written on page one of this lease, and any change of address shall be communicated to the other party in writing. Any documents which may adversely affect the rights of any party to this lease shall be dispatched by certified mail, return receipt requested. For all documents mailed to persons in the continental United States, the time period on all notices shall begin running on the day following the date that the document is postmarked. For documents mailed to persons outside the continental United States, the time period begins to run on the date that the document is received by the other party.

6. **Waiver and Consent.** Lessor's consent to or waiver of any of the terms or conditions of the lease on any one occasion shall not be deemed a waiver or consent with regard to any such term or condition for any other occasion or to any other act or conduct. The waiver by Lessor of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant or condition.

Whenever under this lease provision is made for Lessee to secure the written consent or approval by Lessor, such consent or approval shall be in writing and shall not be unreasonably withheld.

No covenant, term or condition of this lease shall be waived except by written consent of the Lessor and the forbearance by Lessor in any regard whatsoever shall not constitute a waiver of the covenant, term or condition to be performed.

7. **Provisions of Lease.** Each term and each provision of this lease to be performed by Lessee

shall be construed to be both a covenant and a condition.

PART FOUR CONSTRUCTION AND INTERPRETATION

- 1 **Entire Agreement.** The terms of this document constitute the entire agreement between the parties, and the parties represent that there are no collateral agreements or side agreements not otherwise provided for within the terms of this agreement.
2. **Shareholding.** If any earnest money or security deposit or bond is required by this agreement, it shall be provided by the purchase of an interest-bearing certificate of deposit or its equivalent or by placing the funds in an interest-bearing savings account in the joint names of the adverse contracting parties. The certificate of deposit or the savings account passbook shall be placed in escrow with a stakeholder other than the parties until the conditions or performance occur which permit the release of the funds or require the return of the funds, at which time the parties shall jointly sign the necessary documents to release the funds. The party who is eventually entitled to the funds in whole or in part shall also be entitled to all the interest accrued on his pro rata share of such funds.
3. **Interpretation.** Whenever any word is used in this agreement in the masculine gender, it shall also be construed as being used in the feminine and neuter genders, and singular usage shall include the plural and vice versa, all as the context shall require.
4. **Partial Invalidity.** If any provision of the contract is held to be invalid or unenforceable, all the remaining provisions shall nevertheless continue in full force and effect.
5. **Marginal Headings.** The marginal and topical headings of the paragraphs of this agreement are for convenience only, and are not to be considered a part of this agreement or used in determining its content or context.
6. **Modification.** Any modification or amendment of this agreement shall be in writing and shall be executed by all parties.
7. **Succession of Benefits.** The provisions of this agreement shall inure to the benefit of and be binding upon the parties thereto, their heirs, executors, administrators and permitted assignees.
8. **Time.** Time is of the essence in this agreement for each and every term, condition, covenant and provision

PART FIVE EXECUTION, ACCEPTANCE AND ACKNOWLEDGMENT

1. **Effective Date.** This legal instrument has been executed by the parties intending that it be effective on the effective date set forth on the caption page. The parties recognize that they effectuated a meeting of the minds among themselves on that effective date and intended that this instrument take effect on that date even though because of the exigencies of the modern world, the mechanics of drafting, the convenience of the parties, and the economy of travel, it may have been necessary to actually sign and notarize the documents at a later time.
2. **Effective Place of Execution.** The parties intend that the place of execution be that county and state that is set forth in the caption of this instrument. The effective place of execution is the place that the parties intend this instrument to have been executed incorporating all laws, for purposes of conflicts of laws, which apply to that effective place of execution. The parties

recognize that, due to the exigencies of the modern world, the mechanics of drafting, the convenience of the parties, and the economy of travel, this instrument may be executed by one or all the parties at some other geographic place and possibly at multiple places. However, in spite of this, they intend that it be deemed executed at the effective place of execution.

3. **Interlineations and Initials.** The parties recognize that because of the exigencies of the modern world, the mechanics of drafting, the convenience of the parties, and the economy of costs, they may have in their own handwriting made minor changes in this instrument. These minor changes have been initialed by all parties, if any changes have been made, fore and aft of the change on all originals to prevent any extension or alteration of that change by any of the parties or others. Unless otherwise indicated by the placement of a date besides the change, these changes were intended by the parties to have occurred as of the effective date of this instrument. Any interlineated changes made by the parties after the effective date of this instrument shall be initialed by all parties, dated, and have the date itself initialed fore and aft by all parties to this instrument.

4. **Execution.** All parties named in the caption as parties shall sign below and at least one of the parties shall initial all pages of all original copies of this instrument. Furthermore, all documents such as schedules, exhibits and like documents which are expressly incorporated herein shall be initialed by all parties and either exchanged or attached to the originals which are given to any party named on the caption page of this instrument. It is the intent of the parties that all pages be initialed on all originals that are exchanged in order that no substituted pages or misunderstanding shall ever become possible to create problems in satisfying the intended objectives of this instrument.

5. **Acknowledgment.** The notary public who have acknowledged the signatures of the various parties as designated in the acknowledgments hereof certify that this instrument was acknowledged by the signing party before the notary on the date of the notarization. If the instrument was subscribed by any of the parties in a representative capacity, then the notary ascertained that the signing party signed for the principal named by that party and in the capacity in which that party indicated he signed.

PART SIX ADDITIONAL PROVISIONS

1. **Additional Provisions.** The parties add to, delete or change the terms and conditions of this lease as follows:

[] **Additional numbered provisions are attached as an addendum.**

Signature of Lessor

Signature of Lessee

STATE OF _____)
COUNTY OF _____)

Subscribed and Sworn before me this ____ day of _____, 20____.

By

Notary Public _____ (Seal)