

**STERLING CRANE LLC  
BARE LEASE AGREEMENT**

This Lease Agreement is made and entered into on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

BETWEEN: STERLING CRANE LLC (Name)  
 \_\_\_\_\_ (Address)  
 \_\_\_\_\_  
 (hereinafter called "the Lessor")

AND: \_\_\_\_\_ (Name)  
 \_\_\_\_\_ (Address)  
 \_\_\_\_\_  
 (hereinafter called "the Lessee")

Attention: \_\_\_\_\_ Phone: \_\_\_\_\_

WITNESS that consideration of the mutual covenants and agreements hereinafter contained, the parties hereto agree as follows:

1. The Lessor hereby leases to the Lessee the equipment hereinafter described under the heading "Details of Equipment" (hereinafter called the "Equipment") commencing on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_ (hereinafter called the "Commencement Date") on the terms and conditions (including the General Conditions and the Special Conditions attached hereto) set forth in this Agreement for use by the Lessee at or near \_\_\_\_\_

The Lessee shall not move the Equipment from the above noted location without the prior written consent of the Lessor.

2. The Equipment shall be available for pick up by the Lessee at \_\_\_\_\_ in good condition and working order with all necessary tools peculiar to the Equipment and its operation but excluding any usual or standard tools and equipment, extra parts, extra wire rope, piping, hose, fuel, lubricants, supplies or crew.

**Details of Equipment**

Description	Lessor's Identification # or Manufacturer's Serial #	Replacement Value of New Equipment	Minimum Rental Period	Rental Rate Per Month (A)
One (1)	Unit # Serial #	\$		\$
Four (4) Wooden Pads		\$300.00 Each		
Freight:				
Delivery / Freight On:	\$			
Pick Up / Freight Off:	\$			

**INSURANCE WAIVER FEE FOR BOOM DAMAGE AND OVERLOAD COVERAGE ONLY WILL BE CHARGED @ 10% OF MONTHLY RENTAL RATE UNTIL SUCH COVERAGE IS PROVIDED BY LESSEE'S INSURANCE CARRIER. ALL OTHER STANDARD LIABILITY COVERAGE, PER CONTRACT, MUST STILL BE PROVIDED BY LESSEE.**

(A) In this agreement, a month shall be a 4-week, 28-day period.

\_\_\_\_\_  
**Lessor Initials / Date**

\_\_\_\_\_  
**Lessee Initials / Date**

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### 1. THE RENTAL PERIOD

The Rental Period shall commence on the date set forth above and shall include the date upon which the Equipment is picked up by the Lessee or the Lessee's agent (including any public carrier). Notwithstanding anything to the contrary contained herein, the Rental Period and the term of this Lease shall end upon and include the earlier of the following dates:

- (a) the date of the actual delivery of the Equipment by the Lessee to the Lessor at such location as may be designated in writing by the Lessor; or
- (b) the date immediately preceding the one year anniversary of the commencement date of the Rental Period (the "Anniversary Date").

If, for any reason, the Lessee retains possession of the Equipment beyond the Anniversary Date, such continued possession on the part of the Lessee shall be deemed to be without the consent of the Lessor, and the Lessee shall pay to the Lessor, by way of liquidated damages, an amount equal to the Rental payable in respect of the Equipment pursuant to Paragraph 2 "Calculation of Rental Charges" hereof for the period during which the Lessee retains possession of the Equipment beyond the Anniversary Date and, notwithstanding that the Lessor may, in its discretion, provide cartage for the return of the Equipment, the Lessee shall be deemed to be in possession of the Equipment without the Lessor's consent until the Equipment has been returned to its point of origin or such other location as may be designated in writing by the Lessor.

### 2. CALCULATION OF RENTAL CHARGES

The Lessee shall pay Rental for the entire Rental Period on each article listed under Details of Equipment at the rate herein stipulated and on the following basis:

- (a) The Rental Rate expressed in the "Details of Equipment" is the rental for a one month period, running from the day of commencement up to but not including the same day in the fourth week following.
- (b) The Rental Rate stipulated under Details of Equipment shall apply only when the Equipment is operated for no more than 176 hours in a month. In the event that the Equipment is operated in excess of 176 hours in a month, the Lessee agrees to pay for any such excess operation in accordance with the following formula:

$$\text{Hours of operation in excess of 176 hours per month} \div 176 \text{ hours} \times \text{Rental Rate}$$

The Lessee further covenants and agrees to open for inspection by the Lessor, any and all payroll records and hour meters for the purpose of verifying the actual hours worked.

- (c) After expiration of the minimum rental period, the rental payment for any succeeding period shall be the proportionate part of the monthly rate according to the number of calendar days in such period based on a 28 (twenty-eight) day month.
- (d) Rentals shall not be subject to any set-off or deduction for any reason whatsoever and, without limiting the generality of the foregoing, by reason of non-working time howsoever caused during the Rental Period or any extension thereof, nor shall the Lessee be relieved from his responsibility to pay rent for the entire Rental Period by reason of the fact that the Equipment is returned prior to the expiration of the minimum rental period.
- (e) Rental at the Rental Rate shall be paid by the Lessee to the Lessor until the Equipment is returned to the Lessor in good operating condition, reasonable wear and tear excepted. If repairs are found to be required by the Lessor, the Lessee shall continue to pay Rental at the Rental Rate until the Equipment is returned to good operating condition as determined by the Lessor.
- (f) The Lessee shall pay any and all applicable taxes related in any way whatsoever to rent payable by the Lessee to the Lessor under this Lease, including sales tax and SMM tax of 2% of rental rate.

### 3. PAYMENT

The rentals due under this Lease shall be paid monthly in advance at the office of the Lessor. All overdue payments shall bear interest at the rate of 2% per month (26.8% per annum) without prejudice to the Lessor's right as hereinafter stipulated to terminate this Lease for non-payment of Rental.

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Lessor Initials / Date

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Lessee Initials / Date

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**4. LOADING, UNLOADING AND TRANSPORTATION**

Lessor at its own expense shall load the Equipment for transit to the Lessee and upon return, unload it, and shall pay all demurrage occurring at its own shipping or receiving point. Lessee at its own expense shall do all other loading, unloading, installing, dismantling and hauling and shall pay all demurrage accruing at its own shipping or receiving point, including all freight and switching charges. It is further understood that when equipment covered by this contract is shipped on its own wheels, that Lessee at his own expense shall provide a responsible person to accompany the shipment both to and returning from his receiving point. Freight prices are based on unrestricted access to jobsite for immediate unloading or loading during normal working days and hours, and do not include overtime unless otherwise specified.

**5. RECALLING AND RETURNING NOTICE**

The Lessor may recall any or all of the Equipment upon giving 30 (thirty) days written notice to the Lessee and, subject to the provisions of General Condition No. 2 as to the Lessee's obligation to pay rental for a minimum period, the Lessee may return any or all of the Equipment to the Lessor at any time. Notwithstanding anything contained in this Agreement to the contrary, the Lessor reserves the right to recall the Equipment at any time and without notice to the Lessee when in the Lessor's opinion the Equipment is endangered or imperilled by any reason or cause whatsoever. Any action taken by either the Lessor or the Lessee as set forth herein shall be without prejudice to any other rights or remedies that the Lessor or Lessee may have respectively.

**6. MAINTENANCE, OPERATION AND REPAIRS**

Lessee agrees said equipment shall be operated by competent employees only and shall be maintained in the same condition as when shipped to it by Lessor, to pay for all damages to the Equipment, including starters and alternators, and to return same, in as good condition as when shipped by Lessor, to the storage yard designated by the Lessor, usual and ordinary wear and tear excepted repairs, cleaning and or repainting of equipment necessitated by the use of Equipment on projects that have a caustic or corrosive atmosphere or other similar conditions are to the Lessees expense. Tire wear and cost of repairs of cuts and punctures are to the Lessees expense. Tire wear shall be determined by the percentage of wear incurred during the rental period as fixed by independent appraisal to be obtained promptly by the Lessor following termination of the rental period. Minor repairs, servicing, and/or cleaning of Equipment performed by Lessor, will be charged to the project under the same Purchase Order as the rental as per the following: Mechanic's rate - \$82.00/hour straight time, \$110.00/hour overtime; mileage - \$2.25/mile; subsistence and travel expenses – cost + 10%; plus standard charges for parts and material as required. Lessee shall pay all freight, demurrage, storage, switching, drayage, truckage, towing or other charges against said Equipment.

**7. OPERATION OF EQUIPMENT**

Lessee is solely responsible for providing a skilled, experienced, competent, certified operator and/or driver for Equipment supplied by Lessor. Lessee takes sole and full responsibility and liability for the safe operation of Equipment at all times, and indemnifies and holds harmless Lessor for the actions of operator or related personnel, including but not limited to, operator's failure to follow safe, accepted operating or transport practices per industry standards and requirements, local or Federal guidelines and certification or licensing requirements, and manufacturer's published guidelines and recommendations for safe operation of Equipment.

**8. DAMAGE TO EQUIPMENT**

All risks of loss or damage to the Equipment, accidental or otherwise shall be borne by Lessee. The appraisal of any such loss or damage shall be based upon the replacement value of new equipment as stated under the heading "Details of Equipment". In making such adjustment it is understood that no rentals, paid or due, shall apply to the payment of such loss. The rental period shall continue until all repairs to the Equipment are completed. Lessee shall and does hereby indemnify and hold Lessor harmless from any liability of any kind arising out of possession, maintenance, use, operation, and/or failure of the leased Equipment, whether defective or not.

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**9. LIABILITY OF LESSEE**

The Lessee shall be liable to the Lessor for and shall indemnify and save harmless the Lessor, its directors, officers, employees, agents, owners, successors, and assigns, of and from any and all liabilities, losses, costs, damages, charges, legal fees and disbursements (including those legal fees on a solicitor and his own client basis with the right of full indemnity), fines, penalties, expenses, claims, causes of action, actions, suits, proceedings, fines and demands, all of whatever kind or nature, which the Lessor may suffer or incur or be liable for, directly or indirectly, howsoever caused and arising in any way whatsoever by virtue of the Equipment being leased hereunder to the Lessee including, without restricting the generality of the foregoing, by reason of:

- (i) the possession, operation, handling, transportation or use of the Equipment or any part thereof by or while in the hands or possession of the Lessee, its servants, agents, employees or carriers;
- (ii) the Equipment being in the possession of and/or being used by any person other than the Lessor during the Rental Period; or
- (iii) personal injuries, property damage (including environmental damage) during the Rental Period when the Equipment is not in the possession of the Lessor, and any consequential loss or damage arising therefrom.

The Lessor shall not be responsible in any way whatsoever, directly or indirectly, for or by reason of the Equipment not being fit for the purpose of the work that it may be required to perform or for the condition of all or any portion of the Equipment. The Lessee hereby remises and fully releases the Lessor of and from any and all claim which it may have against the Lessor for any direct or indirect loss or damage howsoever occasioned which the Lessee may suffer, either directly or indirectly, by reason of the condition of all or any portion of the Equipment, failure of all or any portion of the Equipment (whether mechanical or structural) or the suitability of all or any portion of the Equipment for the work that the Lessee requires the Equipment to perform. The Lessee shall not sue the Lessor for any such loss or damage which it may suffer. It is the intent of this Lease and agreed to by both parties hereto that all and every cost, expense, rate, tax or charge in any way related to the Equipment, except as otherwise expressly set forth herein to the contrary, will be the responsibility of and be paid for by the Lessee without any variation, set-off or deduction whatsoever. This covenant of indemnification shall survive the termination of this Agreement.

**10. INSPECTION AND REPAIR**

Prior to picking up or taking possession of the Equipment the Lessee may, at its own expense, inspect the Equipment at a time and place designated by the Lessor. By taking possession of or picking up the Equipment the Lessee shall be deemed to have accepted that the Equipment is in good condition and running order with the effect that from the time of picking up or taking possession of the Equipment the Lessee shall be forever stopped and prevented from claiming that as at the Commencement Date the Equipment was not in good condition and running order or fit for the Lessee's purposes. The Lessee's right to inspect the Equipment is accepted by the Lessee in lieu of any warranties, representations or guarantees and it is agreed that the Lessor makes no warranties, representations or guarantees whatsoever as to the Equipment, its condition, its performance or its fitness for the purpose intended. Lessee agrees to complete and return to Lessor a signed equipment inspection report upon delivery of machine. Failure to return equipment inspection report to Lessor at time of delivery waives any right by Lessee to dispute damage charges to equipment noted by Lessor while in possession of Lessee. The Lessor shall have the right at any time or times to enter upon the premises where the Equipment is located and shall be given free access thereto and afforded all necessary facilities for the purposes of inspecting the Equipment.

The Lessor shall, at the Lessor's option, either have the right to inspect the Equipment at the Lessee's shipping point prior to reshipment and shall be given sufficient notice prior to reshipment to make such an inspection or shall have the right to perform the final inspection at its yard upon delivery of the Equipment by the Lessor.

The Lessor shall promptly notify the Lessee, in writing, of any repairs or maintenance required, normal wear and tear excepted, arising out of the Lessee's use of the Equipment. The Lessee shall either make suitable arrangements to promptly carry out the required maintenance or repairs or shall authorize the Lessor to carry out said work at Lessee's sole cost.

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### 11. TITLE

Title to the Equipment shall at all times be and remain vested in the Lessor and nothing contained in the Lease shall be deemed to have the effect of conferring upon the Lessee any right or title whatsoever in or to the Equipment, or any right to purchase the Equipment.

The Lessee shall give the Lessor immediate notice in the event that the Equipment or any part thereof is levied upon or becomes liable to seizure.

### 12. TERMINATION OF LEASE

Should Lessee fail to make any payment for more than five (5) days after it becomes due, fail to maintain, operate or return the Equipment as herein provided, or the Equipment is in danger because of strikes or any other condition, or Lessee violates any provision of this lease, or becomes bankrupt, the Lessor may immediately terminate this lease and without notice, enter the premises occupied by Lessee without being a trespasser thereon and take possession of and remove said Equipment with or without process of law, Lessee providing Lessor for the purpose unobstructed ingress and egress, to recover all rentals due, recover full damages for any injury to the equipment and in addition Lessee shall pay all costs of removal of said Equipment from the possession of the Lessee and all freight, demurrage, storage, labor or other charges on or against said Equipment incurred during or by the removal, shipping and return to the possession of Lessor at Lessor's yard, or equivalent point designated by Lessor.

### 13. INSURANCE

Without restricted the generality of Article 9 Liability of Lessee, the Lessee shall provide, maintain, and pay for the insurance coverages specified below during the term of the lease:

- A. Comprehensive General Liability, including contractual Liability with bodily injury and property damage limits of liability of no less than \$1,000,000 per occurrence and \$2,000,000 General Aggregate, Occurrence Form Only.
- B. Inland Marine All Risk Coverage with any overload or boom exclusion deleted for the full replacement value of the equipment as hereinbefore stated.
- C. Worker's Compensation with an "All States" endorsement.
- D. 30 days notice of cancellation.
- E. Certificate stating as an explicit written condition "Includes boom damage and overload coverage."
- F. Certificate stating Sterling Crane LLC named as Additional Insured and Loss Payee.
- G. Lessee is responsible for any deductibles and loss of Equipment usage.

The Lessee shall, upon request, provide the Lessor with a certificate of insurance evidencing the coverage described herein is in force and effect. The insurers shall be required to provide 30 days prior written notice of termination or cancellation of the said coverages.

Where the Equipment is being transported by the Lessee as a motor vehicle under its own power, the Lessee shall ensure that the equipment at all times prominently displays appropriate license plates registered in the name of the Lessor. Where the Lessee caused the Equipment to be transported by any carrier, the Lessee shall ensure that such carrier maintains "All Risks" Cargo Insurance with adequate Limits of Liability.

### 14. SUBLETTING

None of the Equipment shall be sublet by the Lessee. The Lessee shall not assign or transfer its interest in this Lease or part with possession of all or any portion of the Equipment without the prior written consent of the Lessor which consent may be arbitrarily withheld.

### 15. NOTICE

Any notice required to be given hereunder by any party shall be in writing and shall be well and sufficiently given if delivered or sent by prepaid registered post to any party hereto at the respective address as set forth on the first page of this Agreement. Any notice delivered as aforesaid shall be deemed to have been received on the date of delivery and any notice mailed shall be deemed to have been received on the fifth day after the date it is post marked.

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**16. SURVIVAL**

The parties acknowledge that the provisions of this Lease which are by their context meant to survive the expiry or sooner termination hereof for the benefit of the Lessor shall survive such termination or early expiry, as the case may be, for the benefit of the Lessor and shall not be merged therein or therewith.

**17. NO RELIANCE ON LOAD MEASURING DEVICE**

If any crane has been fitted with a load measuring device, the Lessee hereby acknowledges and agrees that the Lessor has made no warranties or representations whatsoever with respect to the ability of the said load measuring device to accurately or consistently measure the weight of loads being lifted by such crane. The Lessee further acknowledges and agrees that it is the responsibility of the Lessee to independently determine the weight of every load to be lifted by any crane comprising all or a portion of the Equipment so as to ensure that any such load to be lifted does not exceed the rated load as determined by such crane's capacity chart and that the load measuring device shall be used as an operator-aide only. The Lessee will be liable for and shall indemnify and save harmless the Lessor of and from any and all liabilities, losses, costs, damages, charges, legal fees and disbursements (including those on a solicitor and his own client basis with right of full indemnity), fines, penalties, expenses, actions, suits, proceedings and demands, all of whatever kind or nature which the Lessor may suffer or incur or be liable for, either directly or indirectly, by reason of failure of any load measuring device to perform consistently or accurately, notwithstanding the negligence of the Lessor directly or indirectly related thereto. The Lessee hereby remises and releases the Lessor of and from any and all liabilities, losses, costs, damages, claims and demands which it may have against the Lessor, either directly or indirectly, arising by reason of the failure of any load measuring device to perform consistently or accurately, notwithstanding the negligence of the Lessor. Without restricting the generality of the foregoing, the Lessee covenants and agrees that he shall not sue the Lessor for any such losses, or costs, damages, claims or demands. As well, the Lessee acknowledges and agrees that if he relies in any way whatsoever on any such load measuring device that he does so completely at his own risk.

**18. TAXES**

Lessee agrees to comply with all municipal, state and federal laws relating to the operation of said Equipment and to pay all costs and expenses of every character occasioned by or involving the use or operation of the Equipment, and to pay all legal assessment, taxes or public charges which may be levied upon said Equipment while in the possession of the Lessee. Lessor may pay the same and recover the amount of any such payment, with interest at 18% per annum from the Lessee on demand.

**19. OTHER CONDITIONS**

In case any matter is written or typed into this written contract other than such as is necessary to fill the blanks provided, such matter shall be deemed an addition to the contract; and it is specifically understood and agreed that such added matter is not intended to alter the meaning or intention of the printed clauses of the contract. Both Lessor and Lessee agree that no modification of this contract shall be binding upon them or either of them unless such modifications shall be in writing and duly accepted in writing. The omission by Lessor at any time to enforce any default or right to reserve to it, or to require performance of any of the terms, covenants or provisions hereof by Lessee at the time designated shall not be a waiver of any such default or right to which Lessor is entitled, nor shall it in any way affect the right of Lessor to enforce such provisions thereafter. The remedies of the Lessor are cumulative, not alternative and the entry of judgment by confession or otherwise and the issuance of execution for unpaid rental or other sums to be paid hereunder by Lessee, or any part thereof, and say such action shall not operate to release Lessee, until the full amount of the rental due and all other sums to be paid hereunder have been paid.

**20. DISPUTES OR LITIGATION**

Lessor and Lessee agree that any contract disputes will be litigated in the State of Colorado, and governed by the laws and statutes thereof.

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**INSPECTION, MAINTENANCE AND RECORDKEEPING REQUIREMENTS**

**Maintenance Reports:** Maintenance is required as per the manufacturer's specifications found in the Operator's Manual.

**Daily Inspection Reports:** Sterling Crane LLC has provided each crane with a log to assist you in complying with OSHA inspection requirements. Bare rental customers are required to designate a competent person to inspect cranes on a daily basis and record inspection in the Crane Log Book. If you do not locate a Crane Log book, please contact our Service Office immediately at (303) 422-0578.

The following items are being furnished to assist you in OSHA compliance. If they are not returned, you will be charged the amounts listed.

CRANES RETURNED WITHOUT CRANE LOG:	\$500.00 FEE
CRANES RETURNED WITHOUT OPERATOR'S MANUAL:	\$500.00 FEE
CRANES RETURNED WITHOUT FIRE EXTINGUISHER:	\$100.00 FEE
CRANES RETURNED WITHOUT LOAD CHART:	\$500.00 FEE

LESSOR: Sterling Crane LLC

LESSEE:

By: \_\_\_\_\_

By: \_\_\_\_\_

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

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

Witness: \_\_\_\_\_

Witness: \_\_\_\_\_

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

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