

TERMS AND CONDITIONS

1. **DEFINITIONS.** "G.T.S." means GridLock Traffic Systems, Inc. "Contract" means these Terms and Conditions and the Work Order. "Customer" means the person or entity identified as such on the Work Order, including any representative, agent, officer or employee of Customer. "Due Date" is the date by which the Rental Equipment must be returned to the Store Location. "Equipment" means the equipment described in the Work Order. "Materials" means the materials described in the Work Order. "Store Location" means the G.T.S. address in the upper left-hand corner of the Work Order. "Rental Equipment" means any Equipment which Customer rents pursuant to the terms of this Contract. "Rental Period" means the period of time between the date the Rental Equipment is delivered to the Customer and the Due Date set forth on the Work Order, except that the Rental Period may terminate earlier as provided in Section 24. "Rental Vehicle" means any vehicle described in the Work Order which Customer rents pursuant to the terms of this Contract. "Return Date" means the date the Equipment is actually returned to the Store Location. "Work Order" means the first page of this Contract which sets forth, among other things, the Customer's information, the Rental Period if applicable, and descriptions of the Equipment and Materials.
2. **AUTHORITY TO SIGN.** Any individual signing this Contract represents and warrants that he or she is of legal age and has the authority and power to sign the Contract on behalf of the Customer.
3. **DISCLAIMER OF WARRANTIES. EXCEPT AS MAY BE SPECIFICALLY SET FORTH IN THIS CONTRACT, G.T.S. DOES NOT WARRANT THE RENTAL VEHICLES, MATERIALS OR EQUIPMENT WILL BE FREE FROM DEFECTS AND DISCLAIMS ALL WARRANTIES, EITHER EXPRESS OR IMPLIED, MADE IN CONNECTION WITH THIS TRANSACTION, INCLUDING BUT NOT LIMITED TO THE WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.**
4. **INDEMNITY / HOLD HARMLESS / DAMAGES. CUSTOMER ACKNOWLEDGES AND ASSUMES ALL RISKS INHERENT IN THE USE OF THE RENTAL EQUIPMENT, RENTAL VEHICLES, MATERIALS OR EQUIPMENT AND WILL TAKE ALL NECESSARY PRECAUTIONS TO PROTECT ALL PERSONS AND PROPERTY FROM INJURY OR DAMAGE FROM THE RENTAL EQUIPMENT, RENTAL VEHICLES, MATERIALS OR EQUIPMENT. TO THE MAXIMUM EXTENT PERMITTED BY LAW, G.T.S. SHALL NOT BE RESPONSIBLE TO CUSTOMER OR TO ANY OTHER PARTY FOR, AND CUSTOMER AGREES TO DEFEND, INDEMNIFY AND HOLD G.T.S. HARMLESS FROM AND AGAINST, ANY LIABILITY, CLAIM, LOSS, DAMAGE OR INJURY (INCLUDING BUT NOT LIMITED TO ANY ATTORNEY'S FEES, LOSS OF PROFITS, BUSINESS INTERRUPTION OR OTHER SPECIAL OR CONSEQUENTIAL DAMAGES) CAUSED BY, OR IN ANY WAY CONNECTED WITH THE USE, MAINTENANCE, INSTRUCTION, OPERATION, POSSESSION, OWNERSHIP, OR RENTAL, OF THE RENTAL EQUIPMENT, MATERIALS OR EQUIPMENT, HOWEVER CAUSED.**
5. **DELIVERY, RECEIPT & INSPECTION OF RENTAL VEHICLES, EQUIPMENT AND MATERIALS; REPLACEMENT OF RENTAL VEHICLES, EQUIPMENT AND MATERIALS.** Title to any purchased Equipment or Materials shall pass to Customer upon Customer's payment for such Equipment or Materials. Risk of loss for the purchased Equipment and Materials shall pass when such Equipment and Materials leave the Store Location. Customer represents that Customer has inspected the Rental Vehicles, Equipment and Materials prior to taking possession thereof, and finds such Rental Vehicles, Equipment and Materials in good working order and repair and suitable for Customer's needs. Customer represents and warrants that Customer is familiar with the proper operation and use of each Rental Vehicle and item of Material or Equipment. In addition to inspecting the Materials and Equipment and to the extent Customer rents the Rental Equipment and/or Rental Vehicles, Customer represents and warrants that it has inspected or will inspect all hitches, bolts, safety chains, hauling tongues and other devices and materials used to connect the Rental Equipment to Customer's towing vehicle, if any, or to connect the Rental Vehicles to any materials or equipment. To the extent Customer rents the Rental Equipment or Rental Vehicles, Customer agrees to check filters, oil, fluid levels and tire air pressure, to clean and visually inspect the Rental Equipment and Rental Vehicles daily and to immediately notify G.T.S. when such Rental Equipment or Rental Vehicles needs repair or maintenance. Customer acknowledges that G.T.S. has no responsibility to inspect the Rental Equipment or Rental Vehicles while it is Customer's possession or any Equipment or Materials which is purchased by Customer. G.T.S. shall have the right to replace the Rental Equipment or Rental Vehicles with other similar equipment at any time and for any reason.
6. **USE OF EQUIPMENT AND RENTAL VEHICLES.** Customer represents and warrants that Customer will not use or allow anyone to use the Rental Equipment or Rental Vehicles: (a) for an illegal purpose or in an illegal manner; (b) without a validly issued license or certification which is not expired, if required under any applicable law; (c) who is not qualified to operate it or (d) in a manner contrary to this Contract. To the extent a license or certification is required under applicable law, Customer shall provide G.T.S. with a copy of the license or certification of any person who will operate such Rental Equipment or Rental Vehicles.
7. **COMPLIANCE WITH APPLICABLE LAWS.** Customer agrees, at Customer's sole expense, to comply with all applicable municipal, state, and federal laws, ordinances and regulations (including but not limited to O.S.H.A.).
8. **MALFUNCTIONING OR DEFECTIVE EQUIPMENT OR RENTAL VEHICLES.** Should the Rental Equipment or Rental Vehicles become unsafe, malfunction, or require repair or maintenance, Customer shall immediately cease using the Rental Equipment and/or Rental Vehicles and immediately notify G.T.S. If such condition is the result of normal operation, G.T.S. will repair or replace the Rental Equipment or Rental Vehicles with similar equipment in working order if such replacement equipment is available. G.T.S. has no obligation to repair or replace Rental Equipment or Rental Vehicles rendered inoperable by misuse, abuse or neglect by Customer or any third party during the Rental Period. Customer's sole remedy for any failure or defect in Rental Equipment or Rental Vehicles, except those for which G.T.S. has no obligation to repair or replace as set forth in the preceding sentence, shall be the termination of any Rental Charges (as defined herein) accruing after the time of failure. Customer must return the Rental Equipment or Rental Vehicles to the Store Location within 24 hours from the time of defect on order to terminate Rental Charges. Customer shall notify G.T.S. of any defective purchased Equipment or Materials within twenty-four (24) hours of delivery or pickup of the purchased Equipment or Materials and G.T.S. will provide a mutually agreed upon remedy.
9. **RETURN OF RENTAL EQUIPMENT AND RENTAL VEHICLES, DAMAGED & LOST RENTAL EQUIPMENT AND RENTAL VEHICLES.** At the expiration of the Rental Period, or earlier termination of the Rental Period under this Contract, Customer will return the Rental Equipment and Rental Vehicles to the Store Location during G.T.S.'s regular business hours, such Rental Equipment and Rental Vehicles to be in the same condition and repair as when delivered to Customer, reasonable wear and tear, as defined below in Section 10, excepted. To the maximum extent permitted by law, Customer shall be liable for all damages to or loss of the Rental Equipment and Rental Vehicles from the time the Rental Equipment and Rental Vehicles leave the Store Location until the Rental Equipment and Rental Vehicles are returned to the Store Location, including but not limited to any damage during transit to or from Customer. In the case of the loss or destruction of any Rental Equipment or Rental Vehicles or inability or failure of Customer to return same to G.T.S. for any reason whatsoever, Customer will pay G.T.S. the then full replacement list value together with the full rental rate as specified until such Rental Equipment or Rental Vehicles are replaced. If the Rental Equipment or Rental Vehicles are returned in a damaged or excessively worn condition, Customer shall pay G.T.S. the reasonable cost of repair and pay Rental Charges on the Rental Equipment or Rental Vehicles at the regular rental rate until all repairs have been completed. G.T.S. shall be under no obligation of commencing repair work until Customer has paid to G.T.S. the estimated costs of such repair.
10. **REASONABLE WEAR AND TEAR.** Reasonable wear and tear of the Rental Equipment or Rental Vehicles shall mean only the normal deterioration of the Rental Equipment or Rental Vehicles caused by ordinary and reasonable use basis. The following shall not be deemed reasonable wear and tear: (a) damage resulting from any collision, overturning, or improper operation, including overloading or exceeding the rated capacity of the Rental Equipment or Rental Vehicles; (b) damage in the nature of dents, bending, tearing, staining, and misalignment to or of the Rental Equipment or Rental Vehicles or any part thereof; (c) any other damage to the Rental Equipment which is not considered ordinary and reasonable in the equipment or vehicle rental industry. Customer shall not, and shall not allow anyone else, to repair the Rental Equipment or Rental Vehicles, and such repairs shall be performed only by G.T.S. employees or contractors.
11. **CUSTOMER PERSONAL PROPERTY.** With respect to any personal property left in or on the Rental Vehicles upon expiration of the Rental Period, G.T.S. is not a bailee or warehouseman of Customer's, or any other person's personal property. G.T.S. expressly disclaims any custody, control or responsibility for Customer's, or any other person's personal property. G.T.S. or its agents may remove Customer's or any other person's personal property from the Rental Vehicles. Under no circumstances is G.T.S. or its agents responsible for any personal property that may be lost, stolen or damaged. Any personal property left in or on the Rental Vehicles upon expiration of the Rental Period may be considered abandoned, unclaimed property in accordance with applicable law.
12. **REFUELING SERVICE CHARGE.** To the maximum extent permitted by law, Customer acknowledges that a refueling service charge will be applied to all Rental Vehicles not returned with a full tank of fuel ("Refueling Service Charge"). Customer acknowledges that the Refueling Service Charge is not a retail sale of fuel. Customer may avoid the Refueling Service Charge if Customer returns the Rental Vehicles with a full tank of fuel.
13. **ACCIDENTS, THEFT AND VANDALISM.** Customer must promptly and properly report any accident, theft or vandalism involving any Rental Vehicle to G.T.S. and to the police in the jurisdiction in which such incident takes place. Customer shall obtain details of witnesses and other vehicles involved and their drivers, owners, and relevant insurances whenever possible. If Customer or any individual who is permitted to operate the Rental Vehicle receives any notice or demand as to such an incident, such documentation must be promptly provided to G.T.S. Customer and any operator of the Rental Vehicle shall cooperate fully with G.T.S.'s investigation of such incident and defense of any resulting claim. Customer and any operator of the Rental Vehicle shall authorize G.T.S. to obtain any records or information relating to any incident, consent to the jurisdiction of the courts of the jurisdiction in which the incident occurs, and waive any right to object to such jurisdiction.
14. **PARKING AND TRAFFIC VIOLATIONS.** Customer will be responsible for, and will pay without delay, all parking and traffic violations, as well as other expenses and penalties, all towing, storage, and impound fees and all tickets incurred during the Rental Period. If Customer is issued an automatic traffic violation, Customer agrees to pay a service charge comprised of the amount of such violation plus a flat fee of [INSERT AMOUNT], which is the amount of G.T.S.'s out-of-pocket administrative costs for its traffic violation management service ("Traffic Violation Service Charge"). The Traffic Violation Service Charge will be billed to the Customer when information regarding any such violation, and expenses related thereto, is received by G.T.S., and may be charged at a later date.
15. **TOLLS; VIOLATIONS AND FEES.** Customer acknowledges that it is responsible for and will pay all tolls and toll violations. If Customer uses a toll-by-plate system, or incurs a toll or toll violation, Customer agrees to pay a tolling service charge in the amount of the toll plus a flat fee of INSERT AMOUNT to cover G.T.S.'s out-of-pocket administrative costs for its toll management service ("Tolling Service Charge"). The exact cost of the Tolling Service Charge will be calculated and charged based on actual usage of a toll-by-plate system or the toll or toll violation incurred. The Tolling Service Charge will be billed to Customer when information regarding toll-by-plate usage and/or the toll or toll violation incurred, and expensed related thereto, is received by G.T.S., and may be charged to Customer at a later date. Customer may avoid the Tolling Service Charge by paying tolls with its own transponders, by using another toll payment system, or by avoiding toll roads altogether.
16. **LATE RETURN.** Customer's right to possess the Rental Equipment and Rental Vehicles terminates on the expiration of the Rental Period and retention of possession after this time is a material breach of this Contract. If not returned by the Due Date, Customer shall continue to be liable for the Rental Equipment and Rental Vehicles and charged the Rental Charges

set forth in this Contract until the Return Date. Rental Equipment and Rental Vehicles shall be returned during G.T.S.'s regular business hours.

17. **RENTAL VEHICLE TRACKING.** You should have no expectation of privacy or confidentiality as to the places where the Rental Vehicles are driven while rented to you. You agree that we may, where permitted by law, use GPS precise location tracking devices installed in the Rental Vehicle or location data technology in order to track or locate Rental Vehicles which may be late for their scheduled return, reported stolen, suspected of being lost, stolen, or abandoned or as may be required by law enforcement, to maintain our fleet, to improve our services, to identify Rental Vehicles that have been damaged and may require roadside assistance, or as necessary to defend, protect, or enforce our rights in connection with the use of the Rental Vehicles. You agree that the Rental Vehicles may transmit such location data to us, and further agree to ensure that drivers of any Rental Vehicles are provided notice and/or consent to such GPS tracking for these purposes.
18. **RENTAL CHARGES AND RATES.** Customer shall pay G.T.S. rental charges on the Rental Equipment commencing when the Rental Equipment and/or Rental Vehicles leave the Store Location and ending when the Rental Equipment and/or Rental Vehicles are returned to the Store Location ("Rental Charges") and shall pay for any purchased Equipment and Materials upon delivery of the same to Customer's designated location ("Rates"). The amount of such Rental Charges and Rates shall be provided to Customer in writing. Rental Charges accrue each day during the Rental Period, up to and including the Return Date, including but not limited to Saturdays, Sundays and holidays. Unless otherwise provided in the Work Order, Rental Equipment is subject to a ten (10) day minimum Rental Period.
19. **TAXES.** All Rental Charges and Rates are exclusive of any present or future federal, state, or local tax with respect to the Rental Equipment, Rental Vehicles, Equipment, and Materials. All taxes will be charged as a separate line item unless Customer provides G.T.S. with a valid tax exemption certificate.
20. **PAYMENT.** Unless otherwise agreed by G.T.S., all amounts due hereunder shall be payable in full, without any offset or deduction, upon delivery or pick up of the Rental Equipment, Rental Vehicles, and/or purchased Equipment and Materials. If Customer fails to return the Rental Equipment or Rental Vehicles by the Due Date, any amounts due as a result shall be payable in full immediately upon request by G.T.S.. Customer and G.T.S. agree that interest shall accrue on all past due amounts at a rate equal to the lesser of 2% per month (24% per annum) or the maximum rate allowed by applicable law. Customer may elect to make payments by credit card; a surcharge not to exceed three percent (3%) shall apply to the extent permitted by law.
21. **FAILURE TO DELIVER.** G.T.S. does not guarantee delivery of Rental Vehicles, Equipment or Materials by any specified date or time. Customer releases and discharges G.T.S. from any and all liability or damages (including but not limited to consequential and special damages) which might be caused by G.T.S.'s failure or inability to deliver any Rental Vehicles, Equipment or Materials by any specified date or time.
22. **TITLE / NO PURCHASE OPTION / NO LIENS.** This Contract is not a contract for sale of the Rental Equipment, unless clearly specified in writing by G.T.S. as a sale, and title to the Rental Equipment shall at all times remain with G.T.S. Unless covered by a specific supplemental agreement signed by G.T.S., the Customer has no option or right to purchase the Rental Equipment or Rental Vehicles. Customer shall keep the Rental Equipment and Rental Vehicles free and clear of all mechanics and liens and encumbrances.
23. **TIRE / TUBE REPAIR OR REPLACEMENT.** If tires or tubes on Rental Equipment or Rental Vehicles require repair or replacement, Customer shall inform G.T.S. and G.T.S. shall repair and replace the same within a reasonable time; provided, however, that Customer shall be responsible for all costs and expenses associated with such repair and replacement. G.T.S. shall be under no obligation of commencing repair work or replace tires or tubes until Customer has paid to G.T.S. the estimated costs of such repair or replacement. For the avoidance of doubt, costs to repair and replace tires or tubes are not included in the Rental Charges.
24. **DEFAULT.** Customer shall be deemed to be in default: (a) if Customer fails in any way to pay any amount when due hereunder; (b) if Customer fails to perform, observe or keep any provision of this Contract; (c) if Customer becomes "insolvent" (as defined herein); or (d) should G.T.S. anticipate that Customer may become insolvent or that Customer may otherwise become in default. If Customer is in default, G.T.S. may do any one or more of the following: (w) expedite the Due Date as set forth on the Work Order and terminate the Rental Period; (x) declare the entire amounts due hereunder immediately due and payable and commence legal action therefore; (y) cause G.T.S.'s employees or agents, without notice or legal process, to enter upon Customer's property and take all action necessary to retake and repossess the Equipment, in which event Customer waives all claims for damages and losses, physical and pecuniary, caused thereby and shall pay all costs and expenses incurred by G.T.S. in retaking and repossessing; or (z) pursue any other remedies available by law. The Customer shall be considered "insolvent" if the Customer (i) shall generally not pay, or shall be unable to pay, or shall admit its inability or anticipated inability to pay its debts as such debts become due; or (ii) shall make an assignment for the benefit of creditors, or petition or apply to any tribunal for the appointment of a custodian, receiver, or trustee for it or a substantial part of its assets; or (iii) shall commence any proceeding under any bankruptcy, reorganization, arrangement, readjustment of debt, dissolution, or liquidation law or statute of any jurisdiction, whether now or hereafter in effect; or (iv) shall have had any such petition or application filed or any such proceeding commenced against it in which an order for relief is entered or an adjudication or appointment is made; or (v) shall take any action indicating its consent to, approval of, or acquiescence in any such petition, application, proceeding, or order for relief or the appointment of a custodian, receiver, or trustee for all or any substantial part of its properties.
25. **CUSTOMER'S INSURANCE COVERAGE.** Customer agrees to maintain and carry, at its sole cost, liability, physical damage, public liability, property damage and casualty insurance in amounts sufficient to cover the full replacement cost of the Rental Equipment and Rental Vehicles, including all risks of loss or damage covered by the standard extended coverage endorsement, to cover any damage or liability arising from the handling transportation, maintenance, operation, possession or use of the Rental Equipment or Rental Vehicles during the entire Rental Period and until the Return Date, including any duration after the Due Date during which Customer remains liable for damage to or loss of the Rental Equipment and Rental Vehicles pursuant to Section 17. Notwithstanding the foregoing, at a minimum, Customer shall purchase and maintain the following insurance coverage during the term of this Agreement:
 - (a) Commercial General Liability insurance issued by an insurer with an A.M. Best rating of not less than A(-) containing policy limits of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate;
 - (b) Commercial Automobile Liability insurance to include owned, non-owned, hired and rented vehicles, issued by an insurer with an A.M. Best rating of not less than A(-) and licensed in Indiana with policy limits of not less than \$1,000,000 combined single limit; provided that such policy limits shall be not less than \$5,000,000 combined single limit to the extent Customer rents Rental Vehicles;
 - (c) Worker's Compensation and employer's liability insurance at not less than the statutory required amounts and containing an express waiver by the insurer of any right of subrogation against G.T.S.;
 - (d) Property and/or inland marine insurance in amounts sufficient to cover the full replacement value of the Rental Equipment that is in the care, custody, and control of Customer, but in no event less than \$1,000,000; and
 - (e) Umbrella/Excess liability insurance in amounts not less than \$5,000,000 unless otherwise provided by G.T.S. in writing.

Prior to or upon delivery of the Rental Equipment and Rental Vehicles, Customer shall supply to G.T.S. proof of such insurance by Certificate of Insurance clearly setting forth the coverage for the Rental Equipment and Rental Vehicles, providing that said insurance be primary to and will not seek contribution from any other insurance, and naming G.T.S. as the loss payee and additional insured; such insurance and evidence thereof to be in amounts and form satisfactory to G.T.S. The Certificate of Insurance and policy shall provide that G.T.S. shall receive not less than 30 days' notice prior to any cancellation of the insurance required hereunder. To the extent Customer rents Rental Vehicles, such Rental Vehicles shall be specifically scheduled as a covered vehicle on Customer's Commercial Automobile Liability insurance policy and Customer shall provide proof thereof to G.T.S.

NO ASSIGNMENT, LENDING OR SUBLETTING. Customer shall not sublease, sub rent, or loan the Rental Equipment or Rental Vehicles or assign this Contract without first obtaining the written consent of G.T.S., and any such action by Customer without G.T.S.'s written consent shall be void and be deemed a breach of this Contract. Customer agrees to use and keep the Rental Equipment at the jobsite set forth on the Work Order unless G.T.S. approves otherwise in writing.

NOTICE. Any notices given under this Agreement shall be in writing and may be delivered: (a) by hand; (b) by U.S. mail, certified or registered, return receipt requested; (c) by electronic mail if followed by overnight courier service. Notice shall be deemed to have been received: if hand delivered, when so delivered; if mailed, five (5) days after deposit as certified or registered mail; and if by electronic mail, when so delivered. All notices, including any updates to either party's address, shall be sent to the addresses set forth in the Work Order.

WAIVER. Any failure of G.T.S. to insist upon strict performance by Customer on any terms and condition of this Contract shall not be construed as a waiver of G.T.S.'s right to demand strict compliance. Customer has carefully reviewed this Contract and waives any principle of law, which would constitute any provision here against G.T.S. as the drafterperson of Contract.

GOVERNING LAW, VENUE. This Contract shall be governed by and construed in accordance with the laws of the state in which the Store Location is located, and the federal and state courts in such state shall have exclusive jurisdiction over matters relating to this Contract.

TRIAL BY JURY. Customer waives its right to any jury trial with respect to any litigation directly or indirectly arising out of, under or in connection with this Contract.

NO SEVERABILITY. If any portion of this Contract is found by a court of competent jurisdiction to be illegal, invalid, or unenforceable, such portion shall be deleted, and all other terms and conditions of this Contract shall remain in full force and effect.

COSTS, FEES, AND EXPENSES. Customer agrees to pay all reasonable costs of collection, including but not limited to court costs, attorneys' fees, and other expenses incurred by G.T.S. in the collection of any charges due under this Contract or in connection with the enforcement of its terms.

ENTIRE AGREEMENT, AMENDMENT. This Contract represents the entire agreement between the Customer and G.T.S. with respect to the Materials, Equipment Rental Equipment, and Rental Vehicles and supersedes all prior agreements and understandings, whether written or oral. This Contract may only be amended in writing, signed by both G.T.S. and Customer.