

# EQUIPMENT LEASE AGREEMENT

## SOUTHLAND ELECTRICAL RENTALS

PO Box 1329, Burlington, NC 27216 Fax: 866-209-1120

AGREEMENT NO.:

LESSEE (hereinafter also referred to as "You" or "Your")				
Full Legal Name _____				
Address _____		City _____	State _____	Zip _____ County _____
TERMS AND CONDITIONS • READ CAREFULLY BEFORE SIGNING				
Quantity _____	Type, Make, Model Number of Equipment Leased _____			Serial # _____
☐ See attached schedule for additional equipment				
EQUIPMENT LOCATION (if other than above)				
Address _____		City _____	State _____	County _____
MONTHLY PAYMENTS OF \$ _____			ADVANCE PAYMENT \$ _____	
			SECURITY DEPOSIT \$ _____	
INITIAL TERM IN MONTHS: _____				
<p>1. <b>AGREEMENT.</b> H.E. Wilson Industries, Inc. a North Carolina corporation d/b/a Southland Electrical Rentals ("SER", "Lessor", "Us" and "We") agrees to provide the equipment referenced herein ("Equipment") and You agree to pay Us the amounts payable under the terms of this agreement ("Agreement") each period by the due date. To process an order by Customer, SER must first receive an executed purchase order ("PO") that is accepted by us. SER agrees to lease the Equipment to the first party to provide a valid and proper PO. If Customer fails to provide a valid and proper PO to SER, SER shall have no obligation to hold the Equipment and may rent the Equipment to a third party. SER shall not be liable or responsible for any damages suffered by Customer in the event the Equipment is leased to a third party.</p> <p>2. <b>PAYMENT OBLIGATION/DELIVERY AND ACCEPTANCE OF EQUIPMENT.</b> Your payment obligations hereunder will begin upon the earlier to occur of the following: (a) the date the Equipment is picked up by you at our facility or (b) thirty (30) days from the date hereof. You agree to pay the amounts payable under the terms of this Agreement by the due date.</p> <p>3. <b>LOCATION AND INSPECTION OF EQUIPMENT.</b> You will not move the Equipment from its location noted in the Agreement without Our prior written consent. We will have the right to enter the premises where the Equipment is located, in order to confirm the existence, condition and proper maintenance of the Equipment or to remove it pursuant to the terms of this Agreement.</p> <p>4. <b>PLACE OF CONTRACT/GOVERNING LAW.</b> THE PARTIES AGREE THAT THIS AGREEMENT IS BEING ENTERED INTO AND PERFORMED IN THE STATE OF NORTH CAROLINA AND THAT IT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF NORTH CAROLINA WITHOUT REGARD TO CHOICE OF LAW PRINCIPLES. You acknowledge that: (a) You sent Your credit application to Us in North Carolina, (b) this Agreement will not be deemed a contract until it is accepted/signed by Us in North Carolina, (c) this Agreement will be invoiced and administered in the State of North Carolina (though You may be directed in Our invoice to send Your payments to Our lock box in another state) and (d) this Agreement shall for ALL purposes be deemed to have taken place in the State of North Carolina and executed in the State of North Carolina.</p> <p>5. <b>CONSENT TO JURISDICTION AND VENUE OF LITIGATION.</b> YOU AGREE THAT ANY DISPUTE ARISING UNDER OR RELATED TO THIS AGREEMENT WILL BE ADJUDICATED IN THE FEDERAL OR STATE COURT LOCATED IN ALAMANCE COUNTY, NORTH CAROLINA. YOU HEREBY CONSENT TO PERSONAL JURISDICTION AND VENUE IN THAT COURT AND WAIVE ANY RIGHT TO TRANSFER VENUE. EACH PARTY WAIVES ANY RIGHT TO A TRIAL BY JURY.</p> <p>6. <b>ORIGINAL/FACSIMILE SIGNATURE/SECOND PAGE.</b> The original of this Agreement shall be that copy which bears a facsimile or original of Your signature and which bears Our original signature. BY SIGNING THIS PAGE, YOU ACKNOWLEDGE THAT YOU RECEIVED AND HAVE READ THE SECOND PAGE OF THIS TWO-PAGE AGREEMENT.</p> <p>7. <b>TITLE/OWNERSHIP/GRANT OF SECURITY INTEREST.</b> We own the Equipment. You covenant to keep the Equipment free and clear of all liens and encumbrances.</p> <p>8. <b>UNCONDITIONAL PAYMENT OBLIGATION.</b> You agree that You are unconditionally obligated to pay all amounts due for the entire Agreement term no matter what happens, even if the Equipment is damaged or destroyed, if it is defective or if You no longer can use it. You are not entitled to reduce or set-off against payments or other amounts due to Us or to anyone to whom We transfer this Agreement, whether Your claim arises out of the Agreement or any manufacturer's liability, strict liability, negligence or otherwise.</p> <p>9. <b>USE AND MAINTENANCE.</b> You agree that this is a commercial transaction and that the Equipment will be used for business purposes only. You will keep the Equipment in good repair, condition and working order, except ordinary wear and tear, and will furnish all parts and servicing required. Equipment supplies and maintenance are not part of this Agreement. Until Your obligations hereunder are performed in full, You may modify the Equipment only with Our prior written consent.</p> <p>10. <b>DISCLAIMER OF WARRANTIES; LIMITATION OF LIABILITY.</b> YOU AGREE THAT WE HAVE NOT MANUFACTURED THE EQUIPMENT OR SOLD IT AND THAT YOU HAVE SELECTED THE EQUIPMENT BASED UPON YOUR OWN JUDGMENT. YOU HAVE NOT RELIED ON ANY STATEMENTS WE OR OUR EMPLOYEES HAVE MADE. WE HAVE NOT MADE AND DO NOT MAKE ANY EXPRESS OR IMPLIED REPRESENTATIONS OR WARRANTIES WHATSOEVER, INCLUDING WITHOUT LIMITATION, ANY CLAIM THAT YOU HAVE OR ASSERT AGAINST THE EQUIPMENT MANUFACTURER, INCLUDING ANY CLAIMS CONCERNING THE EQUIPMENT'S MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, SUITABILITY, DESIGN, CONDITION, DURABILITY, OPERATION, QUALITY OF MATERIALS OR WORKMANSHIP OR COMPLIANCE WITH SPECIFICATIONS OR APPLICABLE LAW. You are aware of the Equipment manufacturer and You will contact the manufacturer for a description of Your warranty rights, if any. We assign to You any warranties given to us. You will look solely to the Equipment manufacturer to settle any disputes and for performance under any disputes related to the Equipment. We disclaim any liability to You or third parties for loss, damage or injury of any kind, including direct, special, incidental, actual or consequential damages to You or third parties resulting from the installation or use of Equipment or from failure to deliver the Equipment. In the event the limitation of liability herein is disregarded by a court of competent jurisdiction, in no event will Our aggregate liability under this Agreement exceed the amounts received by Us hereunder for the affected Equipment that gives rise to the claim.</p>				
THE UNDERSIGNED CERTIFIES THAT HE/SHE HAS FULL AND PROPER AUTHORITY TO EXECUTE THIS AGREEMENT ON BEHALF OF THE LESSEE				
H.E. WILSON INDUSTRIES, INC. D/B/A				
SOUTHLAND ELECTRICAL RENTALS			LESSEE: (As Stated Above)	
By: _____ Date Accepted: _____		By: _____ Date Accepted: _____		
Signature		Signature		
Print Name & Title: _____		Print Name & Title: _____		
UNCONDITIONAL GUARANTY TO SER				
<p>In consideration of Lessor entering into the above Agreement in reliance on this Guaranty, the undersigned, jointly and severally, unconditionally and irrevocably guarantee to Lessor and to any assignee of Lessor, the prompt payment and performance of all of Lessee's obligations under the above Agreement and all existing and future Agreements between Lessor and Lessee. The undersigned is an owner of Lessee and acknowledges the direct and indirect benefit to Lessee from leasing Equipment hereunder. The undersigned agree(s): (a) that this is a guarantee of payment and not of collection and that Lessor may proceed directly against the undersigned without disposing of any security or seeking to collect from Lessee; (b) to waive all defenses and notices, including those of protest, presentment and demand; (c) that Lessor may extend or otherwise change the terms of the Agreement without notice to the undersigned; and (d) to pay all of Lessor's costs of enforcement and collection. This guarantee survives the bankruptcy of the Lessee and binds the undersigned s administrators, successors and assigns.</p>				
X _____, Individually		X _____, Individually		

11. **PAYMENTS/DOC FEE/NO PREPAYMENT/CREDIT MEMOS.** Payments are due monthly, beginning the date set forth in Section 2, or any later date designated by Us and continuing on the same day of each following month until fully paid. We may charge You a reasonable fee to cover documentation and investigation costs. If an advance payment is required, the amount exceeding one payment shall be applied to the last payment(s) during the term or any renewal term. If You choose to make any payment due under this Agreement early, You will not be entitled to take a discount off of the aggregate amount of the payments to be made to Us. We made an investment in reliance on the stream of cash flows anticipated by the payment schedule set forth in this Agreement. An early payment discounted for interest would frustrate Our purpose in extending You credit under this Agreement. If SER requires an advance payment ("Advance Payment"), the Advance Payment shall be applied to the final payment(s) to become due under this Agreement. SER will issue credit memos which will only be valid for 120 days. Credit memos will be issued against specific invoices only for approved returns or adjustments and will not be applied to open account balances. Credit memos are non-transferable.
12. **SECURITY DEPOSIT.** If You are required to pay Us a security deposit ("**Security Deposit**"). We may, without further notice to You and without prejudice to Our other remedies, apply part or all of the Security Deposit toward the cure of any default. In such event, You shall, within five (5) business days after written demand, pay Us an amount equal to the amount so applied to restore the Security Deposit to its original amount. We may deposit the Security Deposit into an account with our own funds and commingle it with our assets. You will not be entitled to receive interest on the Security Deposit and it will be returned to You at the end of the term, after We apply the Security Deposit to any outstanding amounts due and payable to Us.
13. **LOSS OR DAMAGE.** You assume and bear the risk of loss or damage to the Equipment after you pick up the Equipment from SER premises, except as provided in Section 14 below. If the Equipment is lost or damaged, You agree to replace or repair the Equipment and to continue to make all payments, except as provided in Section 14 below. You shall be liable for the return of the Equipment to Our warehouse in the same condition the Equipment was in at the time the Equipment was received by You, ordinary wear and tear excepted. As may be specified by Us, certain Equipment shall be tarped when hauled to Your location and when returned to Us. If You fail to comply with this tarping requirement, We reserve the right to charge You for any resulting damage.
14. **INSURANCE.** You agree: (a) to keep the Equipment fully insured against loss at its replacement cost, with Us named as loss payee; (b) to maintain comprehensive general liability insurance acceptable to Us; (c) to provide proof of insurance satisfactory to Us no later than thirty (30) days following the commencement of this Agreement, and thereafter upon Our written request; (d) if You fail to obtain and maintain property loss insurance satisfactory to Us and/or You fail to provide proof of such insurance to Us within thirty (30) days of the commencement of the Agreement, We have the option, but not the obligation, to secure property loss insurance on the Equipment from a carrier of Our choosing in such forms and amounts as We deem reasonable to protect Our interest; (e) if We place insurance on the Equipment, We will not name You as an insured and Your interests may not be fully protected and (f) if We secure insurance on the Equipment, You will pay Us an amount for the premium which may be higher than the premium that You would pay if You placed the insurance independently and may result in a profit to Us through an investment in reinsurance. Any insurance proceeds received will be applied, at Our option, (i) to repair, restore or replace the Equipment or (ii) to pay Us the remaining scheduled payments under the Agreement, discounted per year.
15. **INDEMNITY.** You agree to indemnify Us and our affiliates with respect to all claims for losses imposed on, incurred by or asserted against Us including attorney's fees and costs of defense, plus interest, where such claims in any way relate to the Equipment or Your use of the Equipment and to release Us and our affiliates from any and all claims, demands, debts, obligations, damages (actual or consequential), costs, and expenses of any kind or nature whatsoever that You may have arising out of or in any way related to such disputes and/or to the Equipment. Furthermore, You agree, if requested by Lessor, to defend and hold Us and our affiliates harmless against any claims for losses or injuries caused by the Equipment or Your use of the Equipment.
16. **TAXES.** All prices are exclusive of any present or future sales, revenue or excise tax, value added tax, turnover tax, import or export duty, or any other tax applicable to the Equipment. You will pay when due, either directly or by reimbursing us, all taxes and fees relating to the Equipment and this Agreement. Sales or use tax due upfront will be payable over the term with a finance charge.
17. **INTEREST ON DELINQUENT PAYMENTS, LATE CHARGES, AND ADVANCES.** If any payments or additional amounts required to be paid by You under this Agreement are not paid when due, such overdue amounts will accrue interest, at Lessor's election, from the due date until paid, at the lower one and one-half percent (1.5%) per month or the highest rate allowed by applicable law. In addition, You will pay Us a "late charge" equal to: (a) the greater of ten (10) cents for each dollar overdue or twenty-six dollars (\$26.00) or (b) the highest lawful charge, whichever is less. This late charge will be due and payable with the next monthly payment due. In the event that We have to make advance payments of any kind to preserve the Equipment, or to discharge any tax, the amount advanced by Us will be repayable by You to Us, together with interest until paid.
18. **DEFAULT.** Any of the following events or conditions will constitute default hereunder: (a) You fail to pay any sum due to Us on or before the due date thereof; (b) You fail to observe or perform any other term, covenant or condition of this Agreement and such failure continues for ten (10) days following the receipt of written notice from Us; (c) the filing by or against You of a petition under the Bankruptcy Code or under any other insolvency law providing for the relief of debtors; (d) the voluntary or involuntary making of an assignment or sale of a substantial portion of Your assets, appointment of a receiver or trustee for You or for Your assets, commencement of any formal or informal proceeding for dissolution, liquidation, settlement of claims against or winding up of Your affairs, or You cease doing business as a going concern; (e) any representation or warranty made by You herein or in any document delivered by You in connection herewith that proves to have been misleading in any material respect when made; (f) You are in default under any other contract with Us or any entity that is affiliated with Us; (g) a change in the ownership of You, including through merger, reorganization or a change in more than twenty-five percent (25%) of the voting interest of You; (h) the Equipment is, in the opinion of Us, in danger of loss or abuse; (i) the determination in good faith by Us that the prospect of payment to Us is impaired; or (j) the tampering with, loss of, damage to or destruction of the Equipment.
19. **REMEDIES.** Upon the occurrence of an event of default, We may, at Our option, require You to pay (a) all past due amounts under this Agreement and (b) all future amounts to become due during the unexpired term of this Agreement, discounted at the rate of six percent (6%) per annum. We may directly debit Your ACH bank account or charge Your credit card for amounts owed. Upon a default, We may also choose to repossess the Equipment. We may also use any other remedies available to Us under applicable law. If We repossess and sell the Equipment, We will reduce the amount You owe by what We receive, less applicable expenses. We may also hold payments made by you prior to repossession as liquidated damages and compensation for all expenses incurred by Us in retaking the Equipment. You acknowledge that Our damages from a default by You are difficult to ascertain, and that this amount represents liquidated damages and is not intended as a penalty. These remedies will be applied, to the extent allowed by law, cumulatively. In addition, You agree to pay Us all costs and expenses, including attorney's fees, incurred by Us, in exercising or attempting to exercise any of Our rights or remedies. A waiver of default shall not be construed as a waiver of any other or subsequent default. Upon a default, You hereby appoint Us Your attorney-in-fact to do, at Your expense, all acts required for You to perform under this Agreement.
20. **ASSIGNMENT.** You have no right to sell, assign or sublease the Equipment or this Agreement. WE MAY SELL OR ASSIGN THIS AGREEMENT OR OUR RIGHTS IN THE EQUIPMENT, IN WHOLE OR IN PART, TO A THIRD PARTY WITHOUT NOTICE TO YOU. YOU AGREE THAT IF WE SELL OR ASSIGN AN INTEREST IN THIS AGREEMENT, THE ASSIGNEE WILL HAVE OUR RIGHTS, BUT WILL NOT HAVE OUR OBLIGATIONS AND WILL NOT BE SUBJECT TO ANY CLAIM, DEFENSE OR SET-OFF THAT YOU COULD ASSERT AGAINST US OR ANY THIRD PARTY.
21. **MISCELLANEOUS.** If a court finds any provision of this Agreement to be unenforceable, the remaining terms of this Agreement shall remain in effect. All notices will be deemed properly given and received (a) on the day delivered to such party at the address provided herein if delivered by facsimile or (b) if sent by certified mail or nationally recognized overnight carrier, on the second business day after such notice is mailed. All such notices will be addressed to the parties at the addresses provided herein, unless a party notifies the other of changes in writing. You agree that this Agreement is the entire agreement between the parties regarding the leasing of the Equipment and supersedes all prior communications between the parties relating to the Equipment, including the PO. In the event of a conflict between the terms of this Agreement and the PO, the terms of this Agreement shall control. Time is of the essence for this Agreement. The rights, duties and obligations of the parties which by their nature are intended to survive beyond the termination of this Agreement shall survive the Agreement's termination. Your payment in full of amounts owed hereunder shall survive and continue as valid and enforceable rights, duties and obligations. Any term, provision, or condition in conflict with, in addition to, or in modification of this Agreement shall not be binding upon Us unless such term, provision, or condition is accepted in writing by an authorized officer of SER. Any attachment or other document described or referred to herein or attached hereto is hereby incorporated herein by reference. Facsimile or other electronic signatures are acceptable to the parties. Except as expressly provided for herein, there is no third party beneficiary to this Agreement and nothing contained herein shall be deemed, directly or indirectly, to create a third party beneficiary to this Agreement. If We ever receive, collect or apply as interest a sum in excess of the highest lawful rate, then such excess amount shall be applied to reduce the outstanding amounts owed by You.
22. **CUSTOMER WAIVERS.** You waive any rights now or hereafter (a) to reject or revoke acceptance of the Equipment or (b) to require Us to sell or otherwise use or dispose of the Equipment in mitigation of Our damages. In the event of Your default, You waive notices of Our intent to accelerate the payments, the acceleration of the payments and of the enforcement of Our rights hereunder. To the extent You are permitted by law, You waive all defenses You would otherwise have under the Uniform Commercial Code and common law.
23. **END OF TERM.** At the end of the initial term of this Agreement (or any renewal term) ("**End Date**"), this Agreement will automatically renew for successive twelve (12) month renewal terms unless (a) You provide Us written notice of Your intent to return the Equipment at least sixty (60) days prior to the End Date and (b) You timely return the Equipment to the location designated by Us, at Your expense. If the returned Equipment is not immediately available for use by another without need of repair, You will reimburse Us for all repair costs. You cannot pay off this Agreement or return the Equipment prior to the End Date without our consent. If We consent, We may charge you, in addition to other amounts owed, an early termination fee equal to five percent (5%) of the amount of Your payment obligations under this Agreement.

Agreement No.:

Initials: