NORTH GEORGIA FREIGHT, INC. STANDARD TERMS AND CONDITIONS

- 1. **RECEIPT OF LEASE EQUIPMENT** IN GOOD REPAIR AND WORKING CONDITION IS ACKNOWLEDGED BY LESSEE UPON ACCEPTANCE OF DELIVERY AND/OR EXECUTION OF THIS SHORT TERM EQUIPMENT LEASE AGREEMENT FORM BY LESSEE OF LESSEE'S AGENT
- 2. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF GEORGIA
- 3. TIME IS OF THE ESSENCE OF THIS AGREEMENT AND EACH AND ALL OF ITS PROVISIONS
- 4. IN NO EVENT SHALL NORTH GEORGIA FREIGHT, INC. (HEREINAFTER) "NGF" BE LIABLE FOR ANY EXEMPLARY, PUNITIVE, CONSEQUENTIAL OR INCIDENTAL DAMAGES, INCLUDING WITH LIMITATION, LOSS OF PROFIT OR GOOD WILL. NOTWITHSTANDING ANYTHING CONTAINED HEREIN TO THE CONTRARY, ANY DISPUTES, CONTROVERSIES, OR CLAIMS ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT SHALL BE RESOLVED PURSUANT TO THE TERMS OF THE SECTION HEREIN.

THE PARTIES HEREIN ACKNOWLEDGE AND AGREE THAT ANY AND ALL DISPUTES, CONTROVERSIES, OR CLAIMS ARISING OUT OF OR RELATING TO THIS AGREEMENT FOR ANY AND ALL BREACH OR ALLEGED BREACH HEREOF SHALL BE SUBMITTED TO AND SETTLED BY ARBITRATION IN THE CITY OF DAHLONEGA, GEORGIA PURSUANT TO THE GEORGIA ARBITRATION CODE (THE CODE) AS NOW OR HEREINAFTER AMENDED. THE DECISION OF THE ARBITRATOR SHALL BE FINAL AND BINDING AS TO ANY MATTERS SUBMITTED UNDER THIS AGREEMENT. JUDGEMENT ON THE AWARD RENDERED BY THE ARBITRATOR MAY BE ENFORCED BY EITHER PARTY IN ANY APPROPRIATE COURT OR AS PROVIDED IN THE CODE. EACH PARTY SHALL BEAR THE COSTS OF ITS OWN EXPERTS, EVIDENCE AND COUNSEL FEES. ARBITRATION SHALL BE THE EXCLUSIVE REMEDY TO RESOLVE AND AND ALL DISPUTES HEREUNDER AND NEITHER PARTY SHALL BE ENTITLED TO FILE ANY SUIT IN ANY COURT EXCEPT TO ENFORCE THIS ARBITRATION AGREEMENT OR THE ARBITRATION AWARD.

5. **USE CHARGES** PAYABLE BY LESSEE FOR EACH DAY (INCLUDING SATURDAYS, SUNDAYS AND HOLIDAYS) DURING WHICH EQUIPMENT IS IN THE POSSESSION OF CONTROL OF LESSEE SHALL COMMENCE ON THE DATE THE EQUIPMENT IS AVAILABLE FOR DELIVERY TO OR PICKUP BY LESSEE OR ITS AGENTS AND SHALL CONTINUE UNTIL SUCH EQUIPMENT IS REDELIVERED TO NGF AT THE REQUIRED LOCATION IN THE SAME CONDITION AS WHEN RECEIVED, NORMAL WEAR EXCEPTED, OR UNTIL PAYMENT IS MADE OF THE STIPULATED LOSS VALUE AS PROVIDED HEREIN. LESSEE SHALL PAY ALL INVOICES WITHIN TEN (10) DAYS FROM THE DATE OF INVOICE

IN THE EVENT OF REDELIVERY OF THE EQUIPMENT TO NGF PRIOR TO THE EXPIRATION OF THE BILLING PERIOD IN EFFECT AT THE TIME OF REDELIVERY, USE CHARGES FOR THE FINAL PARTIAL BILLING PERIOD SHALL BE ADJUSTED TO THE APPROPRIATE WEEKLY OR DAILY RATE, AS APPLICABLE. ALL PAYMENTS SHALL BE MADE IN US CURRENCY TO THE ADDRESS AS DIRECTED BY NGF. OVERDUE PAYMENTS MAY BE INCREASED BY A MONTHLY SERVICE CHARGE EQUAL TO THE GREATER OF THE MAXIMUM RATE PERMITTED BY LAW OR 1 ½% OVER THE THEN CURRENT PRIME RATE. THE SPECIFIC UNIT OF EQUIPMENT COVERED BY THIS LEASE AGREEMENT, AS WELL AS THE DELIVERY/PICKUP DATE AND TERMINATION DATE OF SUCH UNIT, SHALL BE AS SET FORTH ON THE LEASE AGREEMENT HEREOF AND ON NGF MONTHLY INVOICES WHICH ARE INCORPORATED HEREIN BY REFERENCE. NGF RESERVES THE RIGHT TO CHARGE, UPON THIRTY (30) DAYS PRIOR WRITTEN NOTICE, ANY TERM OR PROVISION HEREOF, INCLUDING WITHOUT LIMITATION THE USE CHARGES TO BE PAID HEREUNDER.

6. **CONDITION OF EQUIPMENT** SHALL BE MAINTAINED BY LESSEE AT LESSEE'S EXPENSE AND ALL EQUIPMENT REDELIVERED TO NGF TO BE IN THE SAME CONDITION AS WHEN RECEIVED, NORMAL WEAR EXPECTED. LESSEE SHALL NOT USE THE EQUIPMENT FOR THE TRANSPORTATION OR STORAGE OF UNPROTECTED CORROSIVE SUBSTANCES, TRASH, MEDICAL AND/OR SOLID WASTE AND/OR HAZARDOUS MATERIALS. LESSEE SHALL NOT REMOVE, OBSCURE, OBLITERATE OR OTHERWISE ALTER ANY MARKS OF IDENTIFICATION ON THE EQUIPMENT WITH THE PRIOR WRITTEN CONSENT OF NGF. UPON TEMRINATION, ALL MARKS OR IDENTIFICATIONS OR LOGOS APPLIED TO THE EQUIPMENT BY OR FOR LESSEE SHALL BE REMOVED AND THE SURFACE RESTORED AT LESSEE'S EXPENSE. IF EQUIPMENT IS EQUIPPED WITH RADIAL TIRES, LESSEE SHALL RETURN THE EQUIPMENT WITH RADIAL TIRES OF EQUAL CONDITION. EQUIPMENT AND LESSEE SHALL BE RESPONSIBLE FOR THE FULL COST OF SUCH REPLACEMENT, INCLUDING ALL LABOR COSTS AND ROAD SERVICE CHARGES, IF ANY.

IN CASE OF PARTIAL LOSS OR DAMAGE TO ANY EQUIPMENT, LESSEE SHALL MAKE ALL NECESSARY REPAIRS AND/OR REPLACEMENTS AT LESSEE'S EXPENSE ACCORDING TO NGF STANDARDS. IN THE ALTERNATIVE, WITH RESPECT TO ANY EQUIPMENT REDELIVERED TO NGF IN A DAMAGED CONDITION, LESSEE SHALL BE LIABLE TO NGF FOR THE FULL COST OF ANY SUCH REPAIRS, INCLUDING ANY NECESSARY DRAYAGE CHARGES.

EQUIPMENT PROVIDED TO LESSEE IS A STORAGE TRAILER, SUCH EQUIPMENT IS INTENDED FOR STORAGE USE ONLY AND SHOULD NOT BE USED TO TRANSPORT MERCHANDISE AND/OR FREIGHT OVER THE ROAD. IF LESSEE, FOLLOWING INITIAL DELIVERY OF SUCH STORAGE TRAILER, OPERATES SUCH UNIT OVER-THE-ROAD IN VIOLATION OF THE PRECEEDING SENTENCE, LESSEE SHALL BE RESPONSIBLE FOR ALL DRAYAGE AND ROAD SERVICE CHARGES AND LESSEE SHALL PAY NGF A MILEAGE CHARGE OF \$10.00 PER MILE TRAVELED BY SUCH STORAGE TRAILER FOLLOWING INITIAL DELIVERY TO LESSEE AND IMMEDIATELY CEASE TRANSPORTING ANY MATERIAL.

- 7. IN CASE OF TOTAL LOSS OF A UNIT OF EQUIPMENT BY THEFT, CONFISCATION, FIRE, DESTRUCTION, DAMAGE BEYOND ECONOMIC REPAIR OR ANY OTHER TOTAL CASUALTY, LESSEE SHALL PAY NGF THE STIPULATED LOSS VALUE OF SUCH UNIT OF EQUIPMENT WHICH SHALL BE EQUAL TO EITHER THE FAIR MARKET VALUE, AS DETERMINED BY NGF OR NGF'S BOOK VALUE OF SUCH UNIT, AS OF THE FIRST DAY OF THE MONTH OF SUCH LOSS OR CASUALTY, WHICHEVER IS GREATER. NGF RESERVES THE RIGHT TO DETERMINE WHETHER A UNIT OF EQUIPMENT HAS IN FACT SUFFERED AN EVENT OF TOTAL LOSS OR DAMAGE BEYOND ECONOMIC REPAIR.
- 8. NGF HAS NOT MADE AND DOES NOT MAKE ANY REPRESENTATIONS OR WARRANTIES, EITHER EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, THE CONDITION OF THE EQUIPMENT OR IT'S MERCHANTABILITY OR ITS FITNESS FOR ANY PARTICULAR PURPOSE, HOWEVER, NGF SHALL EXTEND TO LESSEE ALL WARRANTIES, IF ANY, OFFERED BY THE MANUFACTURER OF THE EQUIPMENT BUT MAKES NO REPRESENTATION OR WARRANTY ON ITS OWN BEHALF WITH RESPECT TO THE EQUIPMENT.
- LESSEE HEREBY AGREES TO INDEMNIFY NGF AND HOLD NGF HARMLESS FROM AND AGAINST ANY AND ALL LOSS OR LIABILITY (INCLUDING RESPONSIBLE ATTORNEY FEES) FOR INJURIES OR DAMAGES TO ANY PERSON OR PROPERTY ARISING OUT OF OR INCIDENT TO THE USE, POSSESSION OR CONTROL OF THE EQUIPMENT BY LESSEE.

- 10. **INSURANCE** COVERING THE EQUIPMENT SHALL BE MAINTAINED BY LESSEE, AT LESSEE'S EXPENSE, AND SHALL INCLUDE:
- A) ALL RISK INSURANCE COVERING PHYSICAL LOSS OF OR DAMAGE TO THE EQUIPMENT FROM ANY CAUSE WHATSOEVER. NGF SHALL BE NAMED LOSS PAYEE;
- B) COMPREHENSIVE AUTOMOBILE LIABILITY COVERAGE PROTECTING NGF FROM AND AGAINST ALL LOSS AND DAMAGE, IF ANY SUSTAINED, BECAUSE OF DEATH OF OR INJURY TO ANY PERSON AS A RESULT OF THE USE, POSSESSION OR CONTROL OF THE EQUIPMENT BY LESSEE. COVERAGE MUST INCLUDE MINIMUM LIMITS OF \$750,000 COMBINED SINGLE LIMIT OR \$750,000 BODILY INJURY AND \$250,000 PROPERTY DAMAGE. NGF MUST BE SHOWN AS AN ADDITIONAL INSURED
- C) COMPREHENSIVE GENERAL LIABILITY COVERAGE PROTECTING NGF FROM AND AGAINST ALL LOSS AND DAMAGE IT MAY SUSTAIN OR SUFFER BECAUSE OF DEATH OF OR INJURY TO ANY PERSON OR DAMAGE TO THE PROPERTY OF ANY PERSON AS A RESULT OF THE USE, POSSESSION OR CONTROL OF THE EQUIPMENT BY THE LESSEE. COVERAGE MUST INCLUDE MINIMUM LIMITS OF \$750,000 GENERAL AGGREGATE OR \$750,000 EACH OCCURRENCE AND INCLUDE CONTRACTUAL COVERAGE FOR HOLD HARMLESS AGREEMENTS. NGF MUST BE SHOWN AS ADDITIONAL INSURED.

POLICIES OF INSURANCE SHALL BE VALID AND IN FORCE UNTIL THE EQUIPMENT IS REDELIVERED TO NGF AND SHALL BE ISSUED BY INSURERS ACCEPTABLE TO NGF. LESSEE WILL PROVIDE NGF WITH CERTIFICATE(S) OF INSURANCE EVIDENCING THE REQUIRED COVERAGE PRIOR TO DELIVERY OR ACCEPTANCE OF ANY EQUIPMENT. SUCH CERTIFICATE(S) SHALL CONTAIN A REQUIREMENT THAT NGF RECEIVE THIRTY (30) DAYS PRIOR WRITTEN NOTICE OF CANCELLATION OF MATERIAL CHANGE. IN THE EVENT LESSEE FAILS TO PROCURE AND MAINTAIN THE INSURANCE REQUIRED BY SECTION 7(A) ABOVE AND TO DELIVER THE APPLICABLE CERTIFICATE OF INSURANCE AS REQUIRED HEREIN, LESSEE SHALL BE DEEMED TO HAVE ACCEPTED, FOR THE DURATION OF THE FAILURE, THE TERMS AND CONDITIONS OF THE COLLISION DAMAGE, FIRE AND THEFT WAIVER OPTIONS OFFERED BY NGF AND MADE AVAILABLE TO LESSEE AND LESSEE SHALL PAY TO NGF THE STANDARD CHARGES IMPOSED THEREFO, INCLUDING ROAD SERVICE, TOWING OR DRAYAGE CHARGES, IF ANY.

THE INSURANCE REQUIREMENTS OF THIS SECTION 10 MAY BE SATISFIED IN WHOLE OR IN PART BY A SELF-INSURANCE PROGRAM MAINTAINED BY LESSEE WHICH IS ACCEPTABLE TO NGF, PROVIDED HOWEVER NGF SHALL BE NAMED AS AN ADDITIONAL LOSS PAYEE AND/OR ADDITIONAL INSURED UNDER SUCH PROGRAM INCLUDING UMBRELLA POLICIES, IF ANY, WHICH MAY BE A PART THEREOF. LESSEE SHALL PROVIDE TO NGF EVIDENCE OF SUCH SELF-INSURANCE PROGRAM UPON NGF'S REQUEST, AND IN ADDITION, SHALL PROVIDE A LETTER FROM AN AUTHORIZED OFFICER CERTIFYING THAT LESSEE HAS FULLY ASSUMED THE LIABILITIES IMPOSED BY THE INSURANCE REQUIREMENTS OF THIS SECTION 10 TOGETHER WITH A COPY OF LESSEE'S MOST RECENT FINANCIAL STATEMENTS WHICH SHALL BE SATISFACTORY TO NGF.

11. AS A CONDITION PRECEDENT TO NGF ENTERING INTO THIS EQUIPMENT LEASE AGREEMENT AND TO NGF DELIVERING THE EQUIPMENT TO LESSEE, AND AS SECURITY FOR THE FULL PERFORMANCE BY LESSEE OF ITS OBLIGATIONS HEREUNDER, A SECURITY DEPOSIT IN THE AMOUNT SET FORTH ON LEASE AGREEMENT SHALL BE DELIVERED TO NGF BY LESSEE PRIOR TO DELIVERY OR ACCEPTANCE OF ANY EQUIPMENT. SUCH SECURITY DEPOSIT MAY BE USED TO OFFSET ANY AMOUNTS DUE AND OWING BY LESSEE TO NGF PURSUANT TO THIS EQUIPMENT LEASE AGREEMENT. THE SECURITY DEPOSIT, OR ANY BALANCE THEREOF, IF ANY, WILL BE RETURNED TO LESSEE AFTER ALL OF THE EQUIPMENT LEASED HEREUNDER HAS BEEN RETURNED TO NGF AND AFTER DEDUCTION OF ANY AMOUNTS DUE AND OWING BY LESSEE TO NGF, INCLUDING BUT NOT LIMITED TO, ALL UNPAID USE CHARGES AND REPAIR OR REPLACEMENT EXPENSES.

- 12. ALL LAWS, RULES AND REGULATIONS, WHETHER GOVERNMENTAL OR OTHERWISE, INCLUDING THE FEDERAL HIGHWAY ADMINISTRATION (FHWA) ANNUAL INSPECTION AND COMPLIANCE REQUIREMENTS, APPLICABLE TO THE USE, POSSESSION OR CONTROL OF THE EQUIPMENT BY LESSEE SHALL BE COMPLIED WITH BY LESSEE AT LESSEE'S EXPENSE. NGF WILL PROVIDE, AT IT'S EXPENSE, ORIGINAL MOTOR VEHICLE REGISTRATIONS AND LICENSE PLATES TOGETHER WITH ANY REQUIRED RENEWALS. LESSEE SHALL BE RESPONSIBLE FOR ALL OTHER REGISTRATION, LICENSE PLATE OR OTHER SIMILAR FEES WHICH MAY BE REQUIRED
- 13. ALL TAXES AND ASSESSMENTS, INCLUDING WITHOUT LIMITATION ALL IMPORT AND CUSTOMS DUTIES AND ALL WITHHOLDING, PROPERTY, SALES AND/OR USE TAXES, AND ALL PENALTIES OR OTHER CHARGES OR FEES ARISING OUT OF OR INCIDENT TO THE USE, POSSESSION OR CONTROL OF THE EQUIPMENT BY LESSEE PRIOR TO ITS RETURN TO NGF SHALL BE THE RESPONSIBILITY OF LESSEE. IN ORDER TO AVOID THE OBLIGATION TO REMIT ANY APPLICABLE WITHHOLDING, PROPERTY, SALES AND/OR USE TAX TO NGF, LESSEE MUST PROVIDE A DULY AUTHORIZED EXEMPTION CERTIFICATE ISSUED BY OR ACCEPTABLE TO THE RELEVENT TAXING AUTHORITY.
- 14. **NO ASSIGNMENT** BY LESSEE OR ANY INTEREST OR SUBLETTING OF ANY OF THE EQUIPMENT SHALL BE PERMITTED WITHOUT THE PRIOR EXPRESS WRITTEN APPROVAL OF NGF.
- 15. UPON BREACH BY LESSEE OF ANY OF THE TERMS AND CONDITIONS UNDER WHICH THE EQUIPMENT MAY BE USED HEREUNDER, UPON CANCELLATION OF ANY GUARANTEE OF LESSEE'S OBLIGATION HEREUNDER, UPON BREACH BY LESSEE OF ANY TERMS OR CONDITION OF ANY OTHER AGREEMENT WITH NGF, OR UPON BANKRUPTCY OR INSOLVENCY OF LESSEE (INCLUDING ACQUIESCENCE IN THE APPOINTMENT OF A TRUSTEE OR RECEIVER, OR COMMENCEMENT OF ANY DISSOLUTION OR LIQUIDATION PROCEEDING), NGF SHALL HAVE THE RIGHT, WITHOUT PREJUDICE TO ANY OTHER RIGHTS OF REMEDIES AVAILABLE HEREUNDER, AT LAW OR IN EQUITY, TO TERMINATE THIS LEASE AGREEMENT (WHEREUPON THE TERMS AND CONDITIONS SHALL CONTINUE TO APPLY TO THE EQUIPMENT THEN IN THE POSSESSION OR CONTROL OF LESSEE UNTIL ITS REDELIVERY AND/OR DEMAND THE IMMEDIATE RETURN OF THE EQUIPMENT AS PROVIDED HEREIN AND/OR IMMEDIATELY REPOSSESS THE EQUIPMENT. LESSEE SHALL ASSIST NGF IN ANY RETURN OR REPOSSESSION EFFORT AND SHALL BE LIABLE FOR ALL REASONABLE EXPENSES THEREOF, AS WELL AS FOR ALL UNPAID USE CHARGES, ALL NECESSARY EQUIPMENT REPAIR OR REPLACEMENT EXPENSES AND ANY OTHER DAMAGES TO NGF DUE TO LESSEE'S BREACH, INCLUDING RASONABLE ATTORNEYS' FEES.
- 16. **NO WAIVER** BY NGF OF ANY BREACH OR DEFAULT HEREUNDER, OR OMISSION OR DELAY BY NGF IN EXERCISING ANY OF ITS RIGHTS HEREUNDER, OR COURSE OF DEALING BETWEEN NGF AND LESSEE SHALL OPERATE AS A WAIVER BY NGF TO SUBSEQUENTLY REQUIRE FULL COMPLIANCE WITH THIS WITH THIS LEASE AGREEMENT OR AS A WAIVER OF ANY OF NGF'S RIGHTS OR REMEDIES HEREUNDER.
- 17. **NO AMENDMENT**. THIS AGREEMENT CONTAINS THE ENTIRE AGREEMENT OF THE PARTIES AND IT MAY NOT BE CHANGED ORALLY, BUT ONLY BY AGREEMENT IN WRITING, SIGNED BY THE PARTY AGAINST WHOM ENDORSEMENT OF ANY WAIVER, CHANGE, MODIFICATION, EXTENSION OR DISCHARGE IS MADE.
- 18. **WRITTEN NOTICES** AND OTHER COMMUNICATIONS REQUIRED TO BE GIVEN HEREUNDER, INCLUDING THOSE REQUIRED FOR BILLING PURPOSES, MAY BE SENT, UNLESS OTHERWISE SPECIFICALLY PROVIDED, BY E-MAIL OR DELIVERED BY MAIL, POSTAGE PREPAID TO THE ADDRESS SET FORTH HEREIN.

ALL NOTICES TO NGF SHALL BE ADDRESSED TO:

NORTH GEORGIA FREIGHT, INC – PO BOX 1598 – DAHLONEGA, GA 30533.

NOTICE WILL BE DEEMED EFFECTIVE UPON RECEIPT. ANY CHANGE OF ADDRESS BY EITHER PARTY SHALL BE COMMUNICATED TO THE OTHER BY NOTICE GIVEN AS PROVIDED HEREIN.

19. **THE CONFIDENTIALITY** OF THIS LEASE AGREEMENT SHALL BE STRICTLY MAINTAINED BY LESSEE AND THE TERMS AND CONDITIONS HEREOF, INCLUDING WITHOUT LIMITATION THE USE CHARGES APPLICABLE HEREUNDER, SHALL NOT BE RELEASED OR REVEALED TO ANY THIRD PARTY.



LESSOR: NORTH GEORGIA FREIGHT, INC PO BOX 1598 DAHLONEGA, GA 30533 (P) 678-862-0575 (F) 844-256-4425

LEASE AGREEMENT	
No.	

NORTH GEORGIA FREIGHT/LESSOR (hereinafter) "NGF" does rent to the lessee designated below (Lessee) the below ("TRAILER") upon the **STANDARD TERMS AND CONDITIONS** set forth above.

	RATE SCHEDULE & EXPLANATION	OF CHARGES:
Date of Lease:	DAYS @ PER DAY	\$
Lessee:	WEEKS @PER DAY	\$
Address:	MONTHS @ PER DAY	\$
City, State, Zip:	SALES TAX (TO BE BILLED MONTHLY)	
Sales Tax: County/Rate:	COUNTY	
Contact Person & Phone #:	RATE%	\$
Trailer #/Type:	DELIVERY FEE	\$
License # & state:	PICK UP FEE	\$
Year:	SUBTOTAL	\$
Make:	DOWN PAYMENT (EXCLUDING SALES TAX)	\$
Vin:	TOTAL DUE	\$
 Maintain and upkeep lighting to meet DOT requirements Check all coupling devices. Check that all safety pins, slider pins and connecting locks are in locked position. Check all brakes including trailer brake connections. Properly adjust brakes Check trailer for water leaks. Lessor assumes No Liability of contents damage due to any type of water leaks or water damage due to any type of water leaks or water damage INFORM NGF PROMPTLY IF UNIT IS LOST, STOLEN OR INVOLVED IN AN ACCIDENT. Lessee must have current liability/physical damage insurance on leased equipment throughout the full term of the lease. 		
PAYMENT SCHEDULE: I HAVE READ AND UNDERSTAND THE ABOVE RESPONSIBILITII	PURCHASE OPTION: If Lessee complies with all the standard term this lease, Lessor agrees, and Lessee has the the leased trailer/equipment for the sum of	option, to purchase
TERMS AND CONDITIONS, AMOUNT OF PAYMENT, PAYMEN	Γ SCHEDULE & PURCHASE OPTION, IF ANY.	
Signature & Title:	Date:	