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# EQUIPMENT RENTAL AGREEMENT

by and between Vermeer-Illinois Inc. hereinafter called  
**LESSOR, and below Named LESSEE.**

Town of Cortland Joel Sumnerhill  
 Company Name, Lessee Name of Person Calling  
100 South Llanos Street  
 Street Address  
Lucas P. Cortland IL 60112-0517 815-756-9684  
 Salesman City State Zip Code Phone Number

This agreement, made and entered into this 8 day of March, 2022 by and between VERMEER-ILLINOIS, INC. hereinafter called LESSOR and Town of Cortland hereinafter called LESSEE; withneseth that in consideration of the payments and rentals hereinafter provided for, and of the terms and conditions hereof, the lessor hereby agrees to lease and does lease to the lessee, and the lessee agrees to lease from the lessor, the following described Equipment belonging to the lessor, to wit:

Equipment Make, Model, Description	Full Serial #	Rental Rates			Hour Meter/Mileage
		Day	Week	Month	
BC1800XL	10051 or 6311		\$7,500		Out
					In
			+ Wearables		Out
					In
					Out
					In
* Rental for 2-3 Months will get 100% applied to Sale Price					Out
					In
					Out
					In
					Out
					In

The items listed above are referred to as the "Equipment"

Total Value of Equipment: \$106,764.00

Rental Start Date: \_\_\_\_\_

Other Charges			
Sales Tax			
Subtotal			

All rental payments are due and payable in advance at the start of the rental period and in advance at the start of subsequent periods. Rental rates are based on a 28 day month and 160 hours per month. Any usage in excess of these rates will cause an additional charge based on a prorata calculation of these rates. Lessee is responsible for digging teeth replacement, pocket breakage, segment wear and daily lubrication. Lessee, will provide for minor adjustments and minor replacement of parts. Minor adjustments shall include but not be limited to such items as tightening hydraulic leaks, replacing broken hydraulic fittings, repairing broken drive chains, replacing zerks as needed to lubricate, tightening and replacing bolts and lugs on such Equipment as needed and repairing flat tires in the field. Lessee agrees to return with full fuel tank. Also see additional pages for further requirements. Any alteration or modification of this agreement shall be in writing and signed by the parties hereto. Lessee acknowledges receipt of a signed copy hereof. All conditions stated on the following pages are considered to be a part of this agreement.

Delivery to Lessee at: \_\_\_\_\_

Special Instructions: \_\_\_\_\_

Delivery: None  
 Description Total Cost

Pick Up: None  
 Description Total Cost

Other Charges:  
 Description Total Cost

Initials ☐ Lessee received rental Equipment Operator's Manual. I, or my designated operator(s), will read it before operating the Equipment. Dealer adequately explained safety and operation of Equipment. Operating controls are functioning properly.

Initials ☐ Lessee has provided approved proof of insurance.

Lessee Signature \_\_\_\_\_

Title \_\_\_\_\_ Date \_\_\_\_\_

**TELEMATICS:** The Equipment may be equipped with telematics hardware and software ("Telematics") that transmit data to Lessor, Vermeer Manufacturing Company, or other Vermeer dealers (collectively, "Vermeer Parties"). Lessee agrees that the Vermeer Parties, including their affiliates, successors and assigns, without further notice to Lessee, have the right to: (i) access, use, collect and disclose, directly or indirectly, any data generated by, collected by, or stored in, the Equipment or any hardware or devices interfacing with or reporting the Equipment including location data ("Machine Data") and (ii) update, remove, modify, or install additional Telematics, including devices on the Equipment, from time to time. Machine Data may be transferred out of the country where it is generated, including to the U.S.A. In the event that the Machine Data includes Lessee's personal information or data, Lessee hereby consents to and authorizes the collection, use and disclosure of such personal information or data, to permit the Vermeer Parties to access and use the Machine Data. Lessee warrants that it has obtained any necessary consent from its employees or any other third parties, including with respect to the transfer of Machine Data to other jurisdictions, to comply with any applicable privacy laws or contractual agreements consistent with the foregoing. Lessee shall not use any devices installed on the Equipment to track the location of any person unless Lessee has first obtained any necessary approvals from such person to permit Lessee and the Vermeer Parties to track such location. Lessee shall not remove, modify or disable any devices installed on the Equipment without Lessor's prior written consent.

Lessee specifically acknowledges and agrees that Lessor makes no representation or warranty, express or implied, as to the merchantability, fitness for a particular purpose, non-infringement, those arising out of usage of trade or course of dealing or any other matter, in each case, with respect to any of the Telematics. Lessor shall have no responsibility for any direct, indirect, special or consequential damages.

**RETURN OF EQUIPMENT:** Lessee agrees, at the expiration of the term hereof or sooner termination of this lease, to return, transportation cost prepaid, all of the Equipment to Lessor at the place of business of lessor above stated in the same operating condition, order, repair and appearance as when received (ordinary wear and tear excepted) and free of all liens and encumbrances. Lessee agrees not to modify, bypass or alter any emissions controls by installing a defeat device, chipping mechanism or similar device. Lessee further agrees to pay all costs to return any emissions controls to OEM standards.

**LOSS OR DAMAGE:** The Lessee agrees to pay the Lessor for all loss and damages to the Equipment arising from any cause whatsoever that may occur during the life of this lease and until such Equipment has been returned into possession of the Lessor and accepted by it. It is agreed by the parties hereto, that the value as herein before stated is hereby accepted as the true value and shall be used in case of arbitration or adjustment. In making such adjustment it is understood that no rentals theretofore paid or due shall apply to the payment of such loss. It is further understood and agreed that in making any adjustment for loss or damages to Equipment, Lessee shall be credited with the amount of insurance payment received by Lessor under insurance policies, if an insurance recovery is affected thereunder. Lessee, in addition to liability for loss or damage herein otherwise provided for, shall be liable for all loss and damage to said Equipment caused by strikes, riot and civil commotion arising from any cause whatsoever.

**INSPECTION:** Lessee shall, whenever requested, advise Lessor of the exact location of the Equipment. Lessor or its representatives may, for the purpose of inspection, at all reasonable times, enter upon any job, building or place where the Equipment is located and may remove the same without notice to Lessee, if the Equipment is, in the opinion of the Lessor, being used beyond its capacity or in any manner improperly cared for or abused.

**WARRANTY:** Lessee agrees that each item of Equipment is of a size, design and capacity selected by Lessee and that the same is suitable for its purpose. Lessor is not the manufacturer of the Equipment and has made no representation or warranty, statutory or otherwise, and undertakes no obligation with respect to the Equipment or its performance except and only to the extent of such obligations as may be undertaken in a written statement designated "Warranty" executed by Lessor concurrently herewith and attached hereto. Such Warranty applies only to items specifically enumerated therein. Lessor assumes no obligation whatsoever to Lessee for time lost or penalties suffered by Lessee while Equipment is inoperable for any reason and no deductions are to be made from rental payments therefor. The Lessor shall not be liable for any direct, indirect, special or consequential damages. The receipt and acceptance by the Lessee of said Equipment shall constitute acknowledgement that said property has been accepted and found in good, safe and serviceable condition, and fit for use, unless the Lessee makes claim to the contrary to the Lessor within three days after receipt of said Equipment.

**SUPPLIES, MAINTENANCE AND REPAIRS:** Lessee shall be responsible for and shall bear the expense of all fuel, lubrication, and maintenance for each item of Equipment. Lessor undertakes no obligation with respect to repairs or replacement of parts, attachments, accessories or Equipment, except pursuant to written warranty as provided in the section of this lease entitles "WARRANTY". Lessee shall, at its expense, at all times during the term hereof, maintain each item of Equipment in good operating order, repair and appearance and shall lubricate and practice preventative maintenance at regular intervals as suggested in manufacturer's service manual; receipt of a copy of which is hereby acknowledged by Lessee. Lessee agrees to maintain said Equipment in the same condition as when delivered to it by Lessor, usual and ordinary wear excepted. Lessee agrees that in effecting maintenance and repairs, it will have such work performed only by qualified persons who are satisfactory to Lessor.

**OPERATION:** Lessee agrees that the Equipment shall be used solely in the conduct of Lessee's business and within Lessee's possession and under its control, that said Equipment is to be used solely by the Lessee or his employees and for the purpose for which it was intended, that said Equipment will be operated only by competent employees of Lessee and shall not be used beyond its normal capacity. When Equipment is not in use, it will be kept in a protected area.

**LIABILITY:** Lessee shall be liable for all expenses, damages and claims arising out of its possession, operation, or transportation of the Equipment herein described, and shall defend, indemnify and hold the Lessor and its assigns harmless therefrom.

**INSURANCE:** Lessee shall at all times at Lessee's own cost and expense keep the Equipment insured in the amount of the full replacement value of each item of Equipment against all risks of loss or damage (including, but not limited to burglary, theft, vandalism and fire), using the all risk or special perils coverage form and subject to a deductible acceptable to Lessor. Lessee shall further maintain at all times and at Lessee's own cost and expense a general liability insurance policy, including products-completed operation coverage upon the Equipment and, if applicable, auto liability coverage, against bodily injury, including death, and against property damage, including loss of use, in the minimum amounts of \$1,000,000 per occurrence and \$2,000,000 in the aggregate unless Lessor specifies a different amount. Lessee shall provide a certificate of insurance in favor of Lessor. Lessee agrees that all insurance shall be written by companies reasonably satisfactory to Lessor and shall contain an agreement of the insuring company not to cancel the same until at least ten (10) days' notice is provided to Lessor. Lessee shall at all times and at Lessee's own cost and expense carry and keep in force worker's compensation insurance for the protection of all persons working for Lessee or under its authority in, on, or around the Equipment. Nothing contained in this paragraph shall be deemed to limit Lessee's liability or indemnity obligations contained in this Agreement.

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Lessee shall immediately report any vandalism, malicious mischief, or theft of the Equipment to appropriate law enforcement authorities and to Lessor. Lessor shall not waive any claims against Lessee for loss or damage to the Equipment arising from anything other than the causes listed above, including, without limitation: the gross negligence, recklessness, or willful misconduct of Lessee, fraudulent or dishonest acts by any authorized representative of Lessee or by others to whom the Equipment is entrusted by Lessee, mysterious disappearance, use of the Equipment beyond its rated capacity (overload), improper maintenance or repair of the Equipment, wear and tear, mechanical breakdown or failure, or overturn or tipping. In the event of any loss or damage to the Equipment, Lessor shall be subrogated with respect to any right of Lessee to recover against any person or entity. Lessee shall execute and deliver whatever instruments and papers are required and do whatever else is necessary to secure such rights. Lessee shall cooperate fully with Lessor and/or its insurers in the prosecution of such rights.

The Loss Damage Waiver is not insurance coverage and shall not be interpreted or construed as insurance coverage, but rather is a waiver of certain claims arising from the loss of or damage to the Equipment. Purchase of the Loss Damage Waiver by Lessee shall not excuse Lessee of its obligation to maintain any other type of insurance required hereunder (other than loss or damage insurance), including without limitation, public liability insurance and worker's compensation insurance.

**SUB-LEASING:** The Lessee shall have no right to sub-lease the said Equipment nor remove it from the County and State specified in this contract without the written consent of the Lessor.

**TITLE:** Title to the Equipment shall at all times be vested in the Lessor unless transferred to the Lessee through sale. The Lessee shall give Lessor immediate notice of any levy attempted upon said Equipment, or if said Equipment from any cause becomes liable to seizure, and to indemnify Lessor against all loss and damages caused by any such action.

**DEFAULT:** If the Lessee shall fail to make any rental payment when due, shall attempt to sell or encumber any interest in the Equipment, shall cease doing business as a going concern, shall institute or have instituted against him any proceedings under any bankruptcy or insolvency law, shall make an assignment for the benefit of creditors or shall fail to comply with any other provision of this Lease, or if any attachment, execution, writ, etc. or other process is levied against the Equipment or any of Lessee's property, or if for any reason Lessor deems itself unsafe, the Lessor may immediately and without notice declare the entire balance of the rental payments due and payable together with all expenses of collection by suit or otherwise, including reasonable attorney fees, collection agency fees, court costs, deposition and transcript costs, expert witness fees, sheriff's fees, special process server fees and bond costs. If any of the above events shall occur, Lessee agrees to surrender possession of the Equipment on demand and Lessor may enter upon Lessee's premises to the full extent allowed by law and take possession thereof. On the occurrence of any Event of Default Lessor shall have the right to enter the premises occupied by the Equipment, take possession of the Equipment and remove the Equipment.

**TERMINATION:** After the initial rental period, Lessor shall have the right to terminate the right to rent the Equipment described in this agreement at any time, by giving the Lessee three days written notice by facsimile or regular mail. Lessee shall then immediately return the Equipment to the Lessor's place of business.

**TAXES:** Lessee shall pay all taxes whatsoever by whomsoever payable (other than Federal or State income taxes of Lessor) on or relating to the Equipment leased hereunder, the purchase, sale, rental, use or operation thereof, or the location(s) in which the Equipment is operated. Lessee shall reimburse to Lessor, upon demand, as additional rent, the amount or amounts of any such costs and taxes paid by Lessor, it being the intent of this Agreement that Lessor shall receive the rent hereunder as a net return on the Equipment leased hereunder.

**PAYMENT:** Lessee shall pay the rent due on the first day of each rental period for the Equipment. In the event Lessee fails to make said payment when due, interest shall accrue on the amount owed at the rate of 1.5% per month on the unpaid balance.

**COMPLIANCE WITH LAWS:** The Lessee agrees, at Lessee's expense, to comply with and conform to all Municipal, State and Federal laws and regulations relating to the Equipment and its use, operation, erection, dismantling and transportation including all federal and local Department of Transportation regulations, licensing and building code requirements and shall defend, indemnify and hold harmless Lessor from all loss liability or expense resulting from actual or asserted violation of such laws, requirements or regulations. Lessee shall require all operators to possess all licenses and/or certifications required by any laws or regulations.

**ASSIGNMENT:** Lessee agrees that Lessor may assign this Lease, and all right, title and interest of Lessor in and to the Equipment, and all rents due or to become due to Lessor hereunder (of which assignment Lessee hereby waives notice) and Lessee agrees to recognize such assignment. Lessee's obligation to pay rent under this Lease shall not as to any such assignee be subject to any diminution or right of set-off, counterclaim or recoupment whatsoever arising out of any breach of any obligation of the Lessor hereunder or by reason of any other liability at any time owing by the Lessor to the Lessee. Lessee shall not assign this Lease or any rights hereunder or to the items of Equipment.

**GENERAL:** Time is of the essence of this lease. Lessor's failure at any time to require strict performance by Lessee of any of the provisions of this Lease shall not waive or diminish Lessor's right thereafter to demand strict compliance therewith or with any other provisions. Waiver of any default shall not waive any other default. The remedies in this Lease provided in favor of Lessor shall be available to its successors and assigns and shall not be deemed exclusive, but shall be cumulative, and shall be in addition to all other remedies in its or their favor existing at law or in equity. The parties agree that this is the entire agreement and that no oral representation or agreement has been made which would modify this agreement or be a condition precedent or subsequent to the enforcement of this agreement and that this agreement may not be modified except by a writing signed by each of the parties.

**RENTAL PERIOD:** The time basis of rates shall be based upon one shift of 8 hours per day, 40 hours per week, or 160 hours per month of a 28 consecutive day period. If the Equipment is rented by the day, the rate for overtime is one-eighth of the daily rate for each hour in excess of eight. If it is rented by the week, the rate for overtime is 1/40 of the weekly rate for each hour in excess of 40. If it is rented by the month, the overtime rate is 1/160 of the monthly rate for each hour in excess of 160 hours in any one 30 consecutive day period.

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