

TERMS AND CONDITIONS

Exhibit "A"

These Terms and Conditions are incorporated herein as part of the Rental Agreement (Agreement.) These Terms and Conditions apply to the rental of Equipment described in the Agreement, including all parts of and accessories to such Equipment. This Agreement is between the person or entity (LESSEE) named in the Agreement and Yellow Iron, LLC (Lessor.) Both parties acknowledge that this Agreement consists solely of all the terms written or printed herein.

1. NATURE OF AGREEMENT: This Agreement is solely for the purpose of creating a rental transaction which allows Lessee to use the Equipment as permitted by this Agreement. Lessee represents and warrants to Lessor that the Equipment herein is to be used solely and exclusively for business or commercial purposes and that Equipment is owned solely by Lessor. Lessee acknowledges and agrees that only Lessor may transfer the Equipment or assign any rights or obligations under this Agreement. Any attempted transfer of the Equipment except by Lessor shall be void. Neither Lessee nor any Authorized Operators (defined below) are agents of Lessor. The Equipment shall not be serviced, modified, or repaired without Lessor's prior written approval, except for the normal periodic and basic services set forth in Paragraph 5. Lessee shall not cause or permit any liens or encumbrances to attach to the Equipment and shall defend, indemnify and hold Lessor harmless from any claim, action, loss, liability, and expense by reason thereof, including, without limitation, reasonable attorney's fees.

2. WHO MAY OPERATE THE EQUIPMENT: Only Lessee and Lessee's employees (Authorized Operators) in the course of such employee's regular employment may operate the Equipment. All Authorized Operators must be at least 21 years old, be properly qualified to operate the Equipment, and have a valid operator's license with respect to the Equipment where required by law or custom in the applicable trade. Lessee shall not allow any person who is not qualified and who has not received and understands safety and operating instructions to operate or use the Equipment. Lessee shall not allow any person to use or operate the Equipment when it is in need of repair or when an unsafe condition or situation exists, or modify, misuse, harm or abuse the Equipment.

3. COMPLIANCE WITH LAWS/USE OF EQUIPMENT: Lessee shall not allow anyone to use the Equipment for any illegal purpose, in any illegal manner or in an unsafe manner. Lessee acknowledges that Lessor has no physical control over the use of the Equipment. Lessee agrees at its sole cost and expense to comply with all municipal, county, state and federal laws, and ordinances and regulations, including those promulgated by O.S.H.A. and M.S.H.A., which apply to the use of the Equipment during the rental period. Lessee further agrees to pay all licenses, fees, permits or taxes arising from the use, operation, or registration of the Equipment, including, without limitation, any such items subsequently determined to be due.

4. RENTAL CHARGES: Lessee shall pay Lessor on demand for all rental time, mileage charges, service charges, transportation charges, refueling service charges, and other charges and sums in accordance with this Agreement; all sales and use taxes or tax reimbursements imposed with respect to the Equipment and this Agreement; and all expenses, including reasonable attorney's fees, incurred by Lessor in collecting same. **The basic daily, weekly or monthly rental, as applicable, will entitle Lessee to a maximum of one-shift use (i.e. a maximum of 8 hours per day; 40 hours per week; 160 hours per month.) Use in excess of one shift (double shift) will be payable at a rate of 70% of the corresponding daily, weekly or monthly rental; plus the normal rate for one shift use.** All such charges are subject to final audit and revision, as applicable, by Lessor. Lessor shall have a lien as allowed by law for charges incurred hereunder upon the premises and improvements upon which the Equipment is employed or located. Rentals are FOB at Lessor's address: 3250 W. Idaho Street, Elko, Nevada. Shipping charges from Lessor's address to the Lessee's destination and return to Lessor and all loading, unloading, assembling and dismantling shall be paid by Lessee. All rates for rentals in excess of one (1) month are subject to change on thirty (30) days notice in writing to the Lessee. Lessee and any person or entity to who, with Lessor's written consent, Lessee expressly directs the charges incurred under this Agreement to be billed, shall be jointly and severally liable and responsible for payment of all such charges. Charges not paid on time, as required by this Agreement, shall be subject to a late payment fee of 1-1/2% per month on the entire unpaid balance. Lessee may also be charged a reasonable fee for any check used for payment hereunder that is returned unpaid for any reason whatsoever. Rental charges are for "time out" not time for which the Equipment is actually used. No allowance will be made for Sundays, holidays, or time in transit. Weekly rate applies if the Equipment is out at least seven (7) consecutive days but less than twenty-eight (28) consecutive days. Monthly rate applies if the Equipment is out at least twenty-eight (28) consecutive days. Any rental not on either a weekly or monthly rate shall be deemed a daily rate.

5. LESSEE'S RESPONSIBILITIES: Lessee must return the Equipment to Lessor in the same good and clean condition it is in when Lessee receives it, ordinary wear expected. In the event the Equipment is returned in need of cleaning, charges will be at Lessor's prevailing cleaning rates. The Equipment must be returned to Lessor's address by the Due Date specified in the Agreement, or sooner if demanded by Lessor. Lessee acknowledges that it must confirm return receipt of the Equipment by Lessor at the expiration or earlier termination of this Agreement. Until such time as Lessor receives actual possession of the Equipment, Lessee agrees to hold said Equipment in a safe and secure manner. The equipment shall be used only in accordance with the manufacture's safety and operational instructions and within its rated capacity. Lessee shall notify Lessor immediately of any accident, damage or failure involving the Equipment and promptly furnish Lessor all information in writing and assistance required by Lessor in connection therewith. Lessee shall perform or cause to be performed and pay for all normal periodic and other basic service, adjustments and lubrication of the Equipment, including, but not limited to: checking of the equipment before each shift; checking and maintaining crankcase, engine, transmission, cooling and fluid systems daily; checking tire pressures, battery fluid charge levels, electrical systems; and replacement of all consumables, such as fuel, lubricants, filters and ground engaging tools (tips, cutting edges, etc.) as recommended in the service manual. If the Equipment fails to operate properly or becomes in

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Date: _____
Initial: _____

need of repair, Lessee shall immediately cease using same and immediately notify Lessor. Lessee shall record and supply to Lessor at expiration or earlier termination of this Agreement fuel receipts and driver trip records containing mileage breakdown by state. Failure to comply with the foregoing fuel and mileage requirements shall entitle Lessor to \$.05 per unrecorded mile as the additional rent hereunder, which Lessee hereby agrees to pay. IF THE EQUIPMENT IS USED IN ANY MANNER THAT WOULD CONSTITUTE A DEFAULT OR VIOLATION OF THIS AGREEMENT, OR IS OBTAINED FROM LESSOR BY FRAUD OR MISREPRESENTATION, OR IS USED IN FURTHERANCE OF ANY ILLEGAL PURPOSE, ALL SUCH USE OF THE EQUIPMENT SHALL BE WITHOUT LESSOR'S PERMISSION.

6. RISK OF LOSS: All loss of or damage to the Equipment from any cause whatsoever during the term hereof or while in Lessee's care, custody or control, whether exclusive or not, and whether or not due to the fault of Lessee, including, but not limited to, fire, flood, theft, comprehensive losses, collision, rollover and acts of God shall be the sole responsibility of Lessee and be paid to Lessor promptly upon Lessee's receipt of an invoice therefore. Such responsibility is limited to the value of the Equipment at the time it is lost or damaged, less its salvage value, plus an administrative fee and Lessor's related expense, such as loss of use, appraisal fees or recovery costs. THE COST OF LABOR, PARTS, AND SUPPLIES FOR SUCH REPAIRS WILL BE EITHER LESSOR'S CURRENT PREVAILING RATES, OR THE ACTUAL REPAIRER'S RATE FOR LABOR, PARTS AND SUPPLIES PLUS HANDLING CHARGED TO LESSOR, AS APPLICABLE, AND IN THE SOLE DISCRETION OF LESSOR. Use of the Equipment by persons or entities other than Lessee or Authorized Operators shall be at Lessee's sole risk. Lessee and any Authorized Operators hereby assume all risk of loss or damage and waive all claims against Lessor by reason of any property left, stored, loaded or transported by Lessee or Authorized Operators and shall be at Lessee's sole risk. Lessee and any Authorized Operators hereby assume all risk of loss or damage and waive all claims against Lessor by reason of any property left, stored, loaded or transported by Lessee or any other person or entity in or upon the Equipment, and further agree to indemnify and hold harmless Lessor from and against all loss, liability, claim, litigation or expense, including, but not limited to, reasonable attorney's fees arising out of such loss or damage.

7. DEFAULT: The following events shall constitute a default under this Agreement. (1) The non-payment by Lessee for a period of ten (10) days of any amount required to be paid under this Agreement by Lessee; (2) The non-performance by Lessee of any term or condition of this Agreement (except non-payment of any amount due hereunder) if it is not cured within fifteen (15) days after written notice of non-performance from Lessor; (3) The filing by or against the Lessee of any petition under the bankruptcy laws, debt moratorium laws, or any laws, or any law for the relief of, or relating to, debtors; (4) The appointment is set aside or withdrawn or stayed within thirty (30) days of the date of the appointment; (5) The subjection of Lessee's property to any levy, seizure, attachment, garnishment, assignment, distraint, or sale for or by any creditor or governmental agency, unless the process is set aside within ten (10) days of the date of such subjection.

8. REMEDIES OF LESSOR: Should Lessee in any way fail to observe or comply with any provision of this Agreement, Lessor may, at its sole option, exercise any and all of the following remedies: (1) Termination of this Agreement; (2) Retake the Equipment; (3) Declare any outstanding rent and charges due and payable and initiate legal process to recover the monies; (4) Pursue any other remedies available to Lessor. Exercise of any remedy available to Lessor shall not constitute an election of remedies or a waiver of any additional remedies to which Lessor may be entitled. In case of default by Lessee or if Lessor reasonable deems itself insecure under this Agreement in relation to the Equipment, Lessor may peaceably enter the premises where the Equipment is located and render inoperative or remove the Equipment with or without process of law and in such case Lessor may also terminate this Agreement without notice to Lessee or prejudice to any remedies or claims which Lessor might otherwise have for rent, expense of retaking, court costs and reasonable attorney's fees. In addition, Lessee shall pay to Lessor a sum equal to the balance of the rent and other payments called for hereunder for the remainder of the rental term specified in the Agreement as liquidated damages and not as a penalty. Lessee shall remain liable for the Equipment or for any loss or injury to the Equipment notwithstanding such termination. The remedies provided herein in favor of Lessor are not exclusive but shall be cumulative and in addition to all other remedies existing at law or in equity, any one or more which may be exercised simultaneously or exclusively.

9. EXPOSURE TO HAZARDOUS MATERIAL OR WASTE: Lessee shall not expose the Equipment to any hazardous material or waste. In the event the Equipment is exposed to any hazardous material or waste, Lessee shall immediately (1) notify Lessor in writing, (2) remove the Equipment from such exposure and (3) completely clean and decontaminate the Equipment. If the Equipment cannot be completely cleaned, decontaminated and otherwise discharged from all adverse effects of such exposure, Lessee shall pay Lessor the full value of the Equipment, together with interest thereon from the date until said sum is paid in full. Lessee agrees to indemnify and hold Lessor harmless from any and all claims, actions, expenses, damages, costs and liabilities arising from any such exposure of the Equipment to hazardous material or waste, including, without limitation, reasonable attorneys' fees. This indemnification shall survive and continue after the termination of this Agreement.

10. INDEMNITY AGREEMENT: Lessee agrees to defend, indemnify and hold harmless Lessor, its subsidiaries and affiliated companies and their officers, directors, managers, members, agents and employees, from and against any and all liability, claims, judgments, costs, attorneys' fees, or demands of litigation arising from the use, maintenance, operation or possession of the Equipment including, but not limited to, those arising from injury to or death of the Lessee, Authorized Operator, Lessee's employees or agents, or any other person or entity, from damage to any property, save and except there shall be no obligation on the part of the Lessee to defend, indemnify, and hold harmless Lessor, if the liability, claims, judgments, costs attorneys' fees, or demands of litigation otherwise giving rise to such obligation arise from the sole negligence or willful misconduct of such parties or entities. If Lessee refuses to defend, indemnify and hold harmless such parties or entities and subsequently a determination is made that liability is not due to the sole negligence or willful misconduct of such parties or entities, Lessee shall reimburse any and all liability, claims, judgments, costs, attorneys' fees or demands of litigation incurred by

such parties or entities. Lessee agrees to notify Lessor immediately in writing in case of any accident and to obtain the names, addresses, telephone numbers and other pertinent information from all parties involved and all witnesses.

11. FORCE MAJEURE/INFRINGEMENT: Any failure of performance by Lessor due to causes beyond Lessor's reasonable control, including, but not limited to, acts of civil or military authority, acts of difficulties, failure of transportation, and delays of suppliers, shall not be deemed to be a default of Lessor hereunder. Lessor shall not be liable to Lessee in any manner whatsoever resulting from the leasing, performance or use of the Equipment or services provided hereunder.

12. MERGER/MODIFICATION/SEVERABILITY: This Agreement expresses the entire Agreement between the parties with respect to the subject matter hereof. No change, modification or alternative terms hereof will be effective as against Lessor unless same is in writing and signed by a duly authorized officer of Lessor. Lessee's execution of this Agreement and/or acceptance of delivery of any Equipment to be furnished hereunder shall constitute Lessee's acceptance of all the terms and conditions contained herein; and the exclusion of any terms and conditions otherwise stated by Lessee contained in any of Lessee's documents that conflict with or limit in any way any of the terms and conditions contained herein. The paragraph headings contained in this Agreement are for convenience and will not be used to expand or limit the actual terms and conditions hereof. This Agreement shall be governed and construed in all respects by the laws of the STATE Of NEVADA and the parties consent to the exclusive jurisdiction of courts located in Elko County, Nevada. If any provision, or any part of any provision of this Agreement or the application thereof is hereafter held invalid or unenforceable, the remainder of this Agreement shall not be affected thereby, and to this end the provisions of this Agreement or the application thereof is hereafter held invalid or unenforceable, the remainder of this Agreement shall not be affected thereby, and to this end the provisions of this Agreement are declared severable.

13. LESSEE'S INSURANCE OBLIGATION: Lessee shall, at its expense, at all times during the term of this Agreement, maintain in force public liability and property damage insurance with a limit for bodily injury, including death, of at least **\$1,000,000 per occurrence** with **\$2,000,000** aggregate, and with a limit of liability for property damage of each accident, on a primary and not excess or contributory basis, against Lessee's liability for damage sustained by any person or persons, including but not limited to, agents or employees of Lessee as a result of the maintenance, use, operation, possession, storage, erection dismantling, servicing, or transportation of the Equipment. Lessee's insurance shall name Yellow Iron, LLC as an "additional insured" on their commercial liability policy and that coverage is in place for rented and leased equipment with a limit that is at least as high as the value of the rented or leased equipment. Lessee shall, on demand, furnish Lessor a certificate evidencing such insurance endorsed to show that such insurance may not be canceled or materially modified except on twenty (20) days prior written notice to Lessor at PO Box 2030, Elko, NV 89803. Lessee's failure to provide evidence of insurance to Lessor upon demand shall entitle, but shall not obligate, Lessor to procure insurance for Lessee's benefit, the cost of which will be paid by Lessee as additional rent hereunder. Lessee agrees to accept the terms and conditions of said insurance. Lessee and its agents and employees shall cooperate fully with Lessor and Lessee's insurer in the investigation, prosecution and/or defense on any claim arising there from and will do nothing to impair or invalidate the applicable insurance coverage. Lessor's acquiescence in Lessee's certificate(s) of insurance will not be deemed a waiver or modification of Lessee's insurance, indemnity or any other obligations under this Agreement. The aforesaid Lessee's insurance obligation in no way limits Lessee's ultimate liability hereunder.

14. CONDITION OF THE EQUIPMENT: Lessee acknowledges having examined the Equipment upon its delivery to Lessee. Lessee's acceptance or use of the Equipment without immediate notice to Lessor that the Equipment is not in good mechanical condition constitutes Lessee's acknowledgement that the Equipment is in good mechanical condition at that time. If, during Lessee's possession of the Equipment, it is found by Lessee not to be in good mechanical condition as a result of conditions not the responsibility of Lessee hereunder, nor caused by the fault or negligence of Lessee or its employees or agents, Lessee shall so notify Lessor. Lessor then may, at its option and without any other liability or responsibility by Lessor to Lessee: (1) Repair or suitably replace the Equipment within a reasonable time during Lessor's normal working hours with the commencement or running of the terms of this Agreement to be tolled for the period the Equipment is "down"; or (2) Remove the Equipment and terminate this Agreement and refund payments of rental charges, if any, for the unexpired terms of this Agreement, less whatever is due Lessor for damage to or maintenance of Equipment which is the responsibility of Lessee. Lessee agrees to provide full access to the Equipment to Lessor's representatives so as to enable Lessor to meet its responsibilities hereunder. Notwithstanding the foregoing provisions in Paragraph 14, Lessee agrees to indemnify and hold harmless Lessor to the extent provided in Paragraph 10 of this Agreement.

15. REFUELING SERVICE CHARGE: Lessor agrees to provide the Equipment to the Lessee with full fuel tanks. Lessee agrees to return Equipment with full fuel tanks. If Lessee returns the Equipment with the fuel tank(s) less than full, Lessee shall pay a refueling service charge to Lessor equal to Lessor's then prevailing refueling charge for the number of gallons required to refill the tank(s) at the time of return.

16. STATUS OF EQUIPMENT AS PERSONAL PROPERTY: The Equipment is and at all times shall remain personal property, notwithstanding that the equipment or any part may now be or may become attached to permanently rest upon any real property.

17. 28 CONSECUTIVE DAYS EQUALS ONE BILLING MONTH.