



RENTAL AGREEMENT WITH PURCHASE OPTION

DATE May 13, 2014

WARREN CAT, PO BOX 60662, MIDLAND, TX 79711-0622 Phone:(432) 571-4200

PURCHASER BROWN COUNTY 2
STREET ADDRESS 200 S BROADWAY ST #322
CITY/STATE BROWNWOOD,, TX COUNTY BROWN (049)
POSTAL CODE 76801-3136 PHONE NO. 325 646 0328
CUSTOMER CONTACT: EQUIPMENT JOEL KELTON
PRODUCT SUPPORT JOEL KELTON
PAYMENTS TERMS: NET PAYMENT ON RECEIPT OF INVOICE [X] OTHER []
RENTAL START DATE May 28, 2014

CUSTOMER NUMBER 9972200
Sales Tax Exemption # (if applicable) GOVT
CUSTOMER PO NUMBER
INSURANCE VALUE OF EQUIPMENT FOR INSURANCE \$42,000.00
CUSTOMER INSURES AGENT
PHONE #
POLICY #
[] INSURANCE BINDER ATTACHED

DESCRIPTION OF EQUIPMENT ORDERED / PURCHASED
MAKE: STERLING MODEL: WT4000 YEAR: 2007
STOCK NUMBER: C38905 SERIAL NUMBER: 2FZHAWDCX7AY57497
NIECE
4000 GAL NIECE WATER TRUCK
STERLING LT8500 W/300 HP CAT C7

RENTAL TERMS
4 WEEK RENTAL RATE \$4,000.00
OVERTIME RATE \$23.00
MINIMUM / MAXIMUM MONTHLY TERM 3 / 12
PURCHASE OPTION
PURCHASE OPTION PRICE \$42,000.00
EXTENDED WARRANTY PREMIUM
TOTAL SALES PRICE \$42,081.90
CUSTOMER IS RESPONSIBLE FOR ALL DAMAGES INCURRED TO EQUIPMENT WHILE ON RENT. CUSTOMER AGREES TO RETURN MACHINE FULL OF FUEL OR PAY FOR MACHINE TO BE RE-FUELED IF RETURNED; IF RETURNED THE MACHINE MUST BE IN CLEAN CONDITION AND NOT EXCESSIVELY DIRTY, OR ADDITIONAL CLEANING CHARGES WILL INCUR
IT IS THE RESPONSIBILITY OF THE CUSTOMER TO PAY FOR AND MAINTAIN THE EQUIPMENT IN GOOD RUNNING CONDITION AND TO PERFORM REGULARY SCHEDULED MAINTENANCE PER CAT SPECIFICATIONS USING OEM PARTS.
CUSTOMER PERFORM [X] DEALER PERFORM [] INITIAL
IF THE DEALER IS TO PERFORM THE SCHEDULED MAINTENANCE, THE CUSTOMER MUST MAKE REASONABLE ACCOMODATION TO PROVIDE THE MACHINE TO WARREN AT A MUTUALLY AGREEABLE TIME.

The conversion purchase price will be calculated from the Purchase Option Price, Less 100% of leases paid if machine purchased during 0-4 months; 80% of leases paid during 5-12 months; 70% of leases paid during 13-18 months. If purchase option isn't exercised within 18 months, RPO terms will be re-negotiated.
Transportation Cost:
If Purchase Option is not exercised customer is responsible for freight charges.
Additional Info:
AT ANY TIME DURING THIS RPO, BUT NOT LATER THAN THE ENDING DATE HEREIN, THE CUSTOMER SHALL HAVE THE OPTION TO PURCHASE THE EQUIPMENT AT THE PURCHASE OPTION PRICE (IF ANY) STATED ON THE RPO ORDER PROVIDED THE CUSTOMER IS NOT IN DEFAULT UNDER THE RPO. THE PURCHASE OPTION PRICE MAY BE ADJUSTED UPWARD AND DOWNWARD AT LESSOR'S DISCRETION BASED UPON THE FOLLOWING FACTORS (ADJUSTED OPTION PRICE); BILLED RENTALS, UNPAID RENTALS, TAXES, MAINTENANCE AND REPAIR EXPENSES, AND OTHER FACTORS DETERMINED BY LESSOR.
UPON THE EXERCISE OF THIS OPTION AND FULL PAYMENT OF THE ADJUSTED OPTION PRICE, LESSOR WILL EXECUTE AND DELIVER TO THE CUSTOMER ALL DOCUMENTS NECESSARY TO EFFECT TRANSFER OF OWNERSHIP OF THE EQUIPMENT TO THE CUSTOMER, FREE AND CLEAR OF ALL ENCUMBRANCES, SECURITY INTERESTS, AND LIENS. THE CUSTOMER AND LESSOR MAY CONSIDER CREDIT PAYMENT OF THE ADJUSTED OPTION PRICE WHICH CREDIT IS TO BE NEGOTIATED AT THE TIME THE OPTION IS EXERCISED.
IF ADDITIONAL REPAIR COSTS (INCLUDING TRAVEL AND OVERTIME PREMIUMS, OVER AND ABOVE REGULARY SCHEDULED MAINTENANCE AND REPAIRS NOT COVERED BY WARRANTY) ARISE WITHIN THE LEASE PERIOD THE CUSTOMER AGREES TO PAY FOR THESE REPAIRS.
WHEN THEY RAISE [X] AT TIME OF CONVERSION [] INITIAL

[] CATERPILLAR EQUIPMENT WARRANTY INITIAL
The customer acknowledges that they have received a copy of the Warren CAT/Caterpillar Warranty and has read and understood said warranty. Scheduled oil sampling (S.O.S.) is mandatory with this warranty. The customer is responsible for taking oil samples at designated intervals from all power train components and failure to do so may result in voiding the warranty. Any Field Service travel and mileage expense and SOS expense during the Caterpillar standard warranty period is a covered expense. Travel and mileage expense is not covered for skid steer loaders, multi-terrain loaders, compact excavators, or compact wheel loaders. SOS expense during any extended warranty period is a covered expense.

[] USED EQUIPMENT WARRANTY INITIAL
All used equipment is sold as is where is and no warranty is offered or implied except as specified here:
Warranty applicable:

CSA:
NOTES:

THIS AGREEMENT IS SUBJECT TO THE TERMS AND CONDITIONS OF THE MASTER LEASE AGREEMENT

Notice is hereby given that Warren Power & Machinery, Inc. has assigned its rights (but not its obligations) under this purchase order to CATD Exchange Services, LLC to purchase the rental equipment described herein as part of an IRC Section 1031 Exchange. This assignment has no effect on your rights or obligations hereunder.

WARREN CAT
ORDER RECEIVED BY Chris Vestal
APPROVED AND ACCEPTED ON [Signature] PURCHASER
REPRESENTATIVE BROWN COUNTY 2
BY [Signature] SIGNATURE
June 2, 2014 (Exhibit #1)