



MASTER EQUIPMENT LEASE AGREEMENT

Agreement No. _____

LESSEE: _____

LESSOR:PCM Leasing Corp. (“PCM”)
P.O. Box 7057
Kansas City, MO 64113-0057
Phone: 816-361-1936
Fax: 816-361-1940

Attn: _____
Phone: _____ Fax: _____
State of Organization: _____

PCM Leasing Corp.

P.O. Box 7057
6317 Baltimore Ave.
Kansas City, MO 64113-0057

phone.816.361.1936
fax.816.361.1940
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Subject to the terms of this Master Equipment Lease Agreement (“Master Agreement”) and those of all Lease Addenda, if any, executed by PCM and Lessee now or in the future (collectively, “Addenda”), Lessee hereby leases from PCM the equipment (“Equipment”) described on one or more Equipment Lease Schedules (“Schedules”) and Delivery and Acceptance Certificates (“Acceptance Certificates”) executed by the parties now or in the future. The Master Agreement and all Addenda, Schedules, Acceptance Certificates and all related documents (collectively, the “Agreement”) constitute the entire agreement between the parties regarding lease of the Equipment. The Equipment described on each Schedule is defined herein as an “Equipment Group.” Unless otherwise provided, the terms of each Schedule and Acceptance Certificate apply only to the Equipment Group described thereon.

- 1. TERM OF AGREEMENT; EQUIPMENT GROUP LEASE TERM. The Agreement is effective upon PCM signing the Master Agreement and all initial Addenda and Schedules and it will continue in full force and effect thereafter until terminated, as provided herein. Either party may terminate the Agreement upon written notice to the other at any time after (A) expiration of all Equipment Group Lease Terms, as defined below, or (B) a default under the Agreement by the other party. The term of the lease of each Equipment Group shall begin on the day Lessee executes the Acceptance Certificate for such Equipment Group (“Commencement Date”) and shall continue for the period specified on the applicable Schedule unless the Agreement is terminated earlier (the “Equipment Group Lease Term”). If Lessee does not sign an Acceptance Certificate within thirty (30) days after delivery of the Equipment, Lessee shall, on PCM’s demand, either purchase the Equipment from PCM for all amounts paid by PCM to purchase the Equipment or reimburse PCM for all amounts for which PCM is liable as the result of PCM’s commitment to purchase the Equipment.
2. RENT AND OTHER CHARGES; PAYMENT. The amount of Monthly Rent and Total Rent for each Equipment Group is specified on the applicable Schedule. Monthly Rent is due and payable, in advance, without notice or demand on the first day of each month during the term unless another day is set forth on the applicable Schedule. If the Commencement Date is not a rent due date, the Monthly Rent for the first partial month shall be due and payable on the Commencement Date and shall be prorated based upon a thirty (30) day month. If the final day of the Equipment Group Lease Term is not the last day of a rental month, the Monthly Rent for the last partial month shall be similarly prorated. Amounts Lessee owes to PCM hereunder that do not otherwise have a specified due date shall be due upon PCM’s demand therefore. Notwithstanding any other provision hereof, Lessee shall pay all unpaid amounts owed to PCM under the Agreement for each Equipment Group on the last day of the applicable Equipment Group Lease Term. All Rent and other amounts due hereunder shall be paid to PCM at its place of business set forth above or to such other person or entity or at such other place as PCM designates, from time-to-time, in writing. Lessee shall pay PCM interest on all delinquent payments from the due date until paid at the rate equal to the lesser of 1.5% per month (18% per annum) and the maximum amount permitted by applicable law.
3. NET LEASE. The Agreement is a net lease with Lessee responsible for paying all taxes, insurance, repairs and maintenance on the Equipment.

- A. Taxes. As additional rent, Lessee shall indemnify and defend PCM against all fees, charges and assessments and all sales, use, property, excise and other taxes (other than those measured by PCM’s net income) now or hereafter levied or imposed upon PCM with respect to (i) the Equipment or the purchase, possession, ownership, lease, use or operation thereof or (ii) the Agreement or the consummation of the transactions contemplated herein. Lessee shall provide PCM with prompt verification of payment of all such amounts. If Lessee is a tax-exempt entity, it must provide an exemption certificate.
B. Insurance. During the term of the Agreement, Lessee shall, at its expense, maintain (i) property damage insurance and “All Risk” insurance to protect against loss or damage to the Equipment in an amount at least equal to the full replacement cost of the Equipment and (ii) comprehensive general liability insurance in the amount of at least \$2,000,000 for the injury or death of any person or damage to any property. Such insurance shall be in a form and with insurers acceptable to PCM, shall name PCM as an additional insured and shall provide a waiver of subrogation in favor of PCM. PCM may, in its absolute discretion, apply the proceeds of said insurance to either replace or repair the Equipment and/or satisfy Lessee’s obligations under the Agreement. All insurance policies shall give PCM at least thirty (30) days prior written notice of any cancellation or amendment thereof. At PCM’s request, Lessee shall provide PCM with a copy of all insurance policies required hereunder. All insurance policies insuring against risk of physical loss of Equipment shall provide that the insurer may not invalidate any coverage with respect PCM or any of its assignees because of Lessee’s violation of any condition or warranty.
C. Repairs and Maintenance. During the term of the Agreement, Lessee shall, at its expense, keep the Equipment in good repair and working order. Unless otherwise provided on any Schedule, Lessee shall, at its expense, maintain a service agreement on all Equipment with a service provider and on terms and conditions reasonably acceptable to PCM. Such service agreements shall require the provider to keep the Equipment in good repair and working order and to furnish all parts, mechanisms, devices and service required for the Equipment to qualify for a service contract provided by the manufacturer or another provider at the end of the term of the Agreement. All parts, mechanisms, devices and other property installed by the service provider shall immediately become part of the Equipment and the property of PCM.

TERMS AND CONDITIONS (continued)

4. **UNCONDITIONAL OBLIGATIONS.** Rent and other amounts owing hereunder are absolute and unconditional and shall not be subject to delay, set-off, defense, counterclaim or recoupment for any reason whatsoever, even if the Equipment constitutes non-conforming goods or is defective in any way.

5. **TITLE; TAX BENEFITS; ENCUMBRANCES.** Ownership and title to the Equipment shall remain with PCM at all times and PCM shall enjoy all the benefits of ownership of the Equipment, subject to the terms of the Agreement. PCM is not a fiduciary of Lessee with respect to the Equipment. PCM shall, for federal, state and local income tax purposes, be entitled to all depreciation and other deductions incidental to ownership of the Equipment and to all interest deductions for any indebtedness incurred by PCM to finance acquisition of the Equipment. Lessee shall not take or assert any action or position that is inconsistent with PCM taking the tax attributes described above. At all times, Lessee shall keep the Equipment free and clear of all security interests, liens and other encumbrances and from proceedings by any person claiming an interest in the Equipment through Lessee. Lessee shall also mark the Equipment to indicate PCM's ownership thereof. Nothing set forth herein shall prohibit PCM from transferring title to or encumbering the Equipment.

6. **PERSONAL PROPERTY.** The Equipment is and, at all times, shall be personal property notwithstanding any attachment or affixation thereof to any real property or improvements thereon. Lessee shall ensure the Equipment remains personal property at all times even if affixed or attached to realty. Upon the request of PCM, Lessee shall obtain a written acknowledgement acceptable to PCM from the owner, landlord, holder of any encumbrance or other person having any interest in the real estate upon which the Equipment is located that (A) the Equipment is, and shall remain, personal property, (B) such person has no interest in the Equipment, including any landlord or similar lien, (C) PCM may, at any time, enter upon the property where the Equipment is located and remove the Equipment without hindrance and (D) such person shall give PCM notice of any default by Lessee under any agreement with such person.

7. **LOCATION; INSPECTION.** Lessee shall give PCM at least thirty (30) days prior written notice before moving the Equipment from the location set forth on the applicable Schedule. Under no circumstances, shall Lessee export or move any Equipment outside of the continental United States. PCM may inspect the Equipment at any reasonable time without prior notice to Lessee and PCM or its agents may enter upon any property where the Equipment is located in order to conduct such inspection.

8. **USE OF EQUIPMENT.** Lessee shall use the Equipment (A) in its business, (B) according to the manufacturer's instructions, (C) as required by applicable insurance policies and (D) in compliance with all applicable laws and regulations. Lessee shall not alter or modify any Equipment without the prior written consent of PCM, except for changes suggested or required by the manufacturer or as the result of required repairs. Whether or not an alteration or modification is permitted, PCM shall own all property representing such alterations and modifications. If required by PCM, at the end of the Equipment Group Lease Term, Lessee shall, at its expense, restore the Equipment to its original condition.

9. **RISK OF LOSS.** Lessee bears the entire risk of loss of the Equipment from any cause or hazard or from use or operation of the Equipment. If any item of Equipment is damaged, Lessee shall, at its expense, promptly repair the damaged item to restore it to its previous condition. If any item of Equipment is destroyed, stolen or damaged beyond repair as determined by PCM in its sole discretion ("**Destroyed Equipment**"), Lessee shall pay the Loss Value of all Destroyed Equipment to PCM upon its demand. Unless stated otherwise in any Schedule or Supplement, the "**Loss Value**" of Destroyed Equipment is the greater of (A) the fair market value of the Destroyed Equipment on the date of the loss, as determined by PCM in its reasonable discretion, and (B) the present value of all unpaid rents plus the fair market value of the Destroyed Equipment on the last day of the applicable Equipment Group Lease Term, as determined by PCM in its sole discretion. Lessee shall continue to pay rent for Destroyed Equipment until PCM receives full payment of the Loss Value.

10. **LESSEE REPRESENTATIONS.** Lessee represents and warrants to PCM that (A) if Lessee is an entity, it is duly organized and, at all times during the Agreement, will be validly existing and in good standing under the laws of the jurisdiction set forth above, (B) all persons executing the Master Agreement and all Addenda, Schedules and Acceptance Certificates on behalf of Lessee are, and will be, authorized representatives of Lessee empowered to obligate Lessee and upon PCM's request, Lessee shall deliver a certificate by Lessee's secretary or other authorized person that all signatories are so authorized, (C) the Agreement does not violate any other agreement binding on Lessee, (D) the Equipment will be used exclusively for business purposes other than agriculture and (E) Lessee has not taken possession of any of the Equipment prior to the execution of this Master Agreement.

11. **PCM WARRANTIES.** Subject to the rights of any lender to which PCM has granted a security interest in the Equipment and any prior default under the Agreement by Lessee, PCM warrants that Lessee shall have quiet enjoyment of the Equipment during the applicable Equipment Group Lease Term. **Except for this warranty and as specifically provided in any Schedule, PCM MAKES NO EXPRESS OR IMPLIED WARRANTY AS TO ANY MATTER WHATSOEVER, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE AND LESSEE AGREES AND ACKNOWLEDGES THAT PCM IS LEASING THE EQUIPMENT TO LESSEE ON AN "AS IS" BASIS.**

12. **MANUFACTURER WARRANTIES.** To the extent permitted, PCM hereby assigns to Lessee the benefit of all express and implied warranties given to PCM, as the purchaser or owner of the Equipment, by the manufacturer or supplier of the Equipment. Upon Lessee's request, PCM shall take all reasonable action for Lessee to obtain the benefits of any such manufacturer or supplier warranty. **LESSEE HEREBY WAVES ALL CLAIMS AGAINST PCM UNDER ANY MANUFACTURER OR SUPPLIER WARRANTY.** Lessee's sole remedy for the breach of any manufacturer or supplier warranty is an action against such person. PCM shall not be required to participate in any action against a manufacturer or supplier unless Lessee agrees to indemnify, defend and hold harmless PCM from all losses, costs and expenses that PCM suffers or incurs in an agreement reasonably acceptable to PCM and Lessee provides PCM with satisfactory assurances of Lessee's ability to fully perform such agreement. Upon Lessee's default hereunder, Lessee shall be deemed to have re-assigned all manufacturer and supplier warranties to PCM and to have appointed PCM as Lessee's attorney-in-fact, which appointment is coupled with an interest and is irrevocable, to take all action necessary for PCM to receive the benefits of such warranties.

13. **RETURN OF EQUIPMENT AND SHIPMENT.** Upon expiration of a Equipment Group Lease Term, Lessee shall return the Equipment in such Equipment Group to PCM. Upon termination of the Agreement for any reason, Lessee shall return all Equipment to PCM. Lessee shall return all Equipment in the same condition as it was in when Lessee originally took possession, except for ordinary wear and tear. At its risk, Lessee shall deliver the affected Equipment to PCM's location specified above or such other location within the continental United States as PCM designates at least ten (10) days before shipment by Lessee. Lessee shall remove and transport the Equipment in a manner that protects it from damage and, if the Equipment is covered by a service contract, that preserves the ability of the Equipment to qualify for such a service contract. Lessee shall pay all removal, transportation, rigging, drayage and in-transit insurance charges incurred to return the Equipment to PCM within the continental United States.

14. **INFORMATION.** Lessee hereby consents to all credit investigations and reviews PCM conducts during the term of the Agreement and agrees to provide PCM with all authorizations necessary for PCM to conduct such credit investigations. PCM may use this Master Agreement as evidence of Lessee's consent if Lessee fails to promptly provide any authorization requested by PCM. Lessee shall promptly provide PCM with Lessee's annual financial statements and all other financial and other information regarding Lessee or the Equipment that PCM requests from time-to-time. Lessee shall immediately

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notify PCM of the filing of any proceeding involving the Equipment or that would have a material adverse effect on Lessee if adversely decided.

15. CHARACTERIZATION OF LEASE; FINANCING STATEMENTS.

Unless provided to the contrary in any Addendum or Schedule, PCM and Lessee expressly intend that all transactions governed by the Agreement are true leases and are not security transactions or conditional or other sales of the Equipment. Notwithstanding the express intent of PCM and Lessee that the Agreement represents true leases of the Equipment, if a court determines the transactions under the Agreement are not true leases but are security transactions, then in such event Lessee hereby grants PCM a security interest in the Equipment and all accessions thereto, substitutions and replacements thereof and proceeds thereof, including insurance proceeds, to secure Lessee's timely performance of its current and future obligations under the Agreement. Lessee agrees to take all actions that PCM determines are reasonably necessary or desirable to perfect any security interest or to evidence its ownership of the Equipment, including the filing of UCC financing statements. Filing of UCC financing statements shall not be deemed an expression of intent contrary to that set forth above and shall not have any effect on the characterization of the leases hereunder. Lessee hereby irrevocably appoints PCM as Lessee's attorney-in-fact, which appointment is coupled with an interest, to (A) execute and file on Lessee's behalf, UCC financing statements in order to (i) provide notice of PCM's ownership of the Equipment, (ii) perfect PCM's interest as a lessor against conflicting interests in the Equipment and (iii) perfect any security interest granted to PCM by Lessee and (B) insert on the appropriate Schedule the Commencement Date and the Equipment location. PCM may also file a copy of this Master Agreement and all applicable Addenda and Schedules as financing statements. Upon PCM's request, Lessee shall also execute and deliver to PCM all financing statements, instruments, assurances and other documents that PCM determines are reasonably necessary or desirable.

16. ASSIGNMENT; SUBLETTING. PCM may assign, encumber or otherwise transfer the Agreement without Lessee's consent. If so transferred, the transferee shall have and may exercise all discretion, rights and powers that PCM has hereunder. Upon such a transfer, all references to PCM in the Agreement shall include the transferee; provided, however, **NO TRANSFEREE SHALL BE CHARGEABLE WITH ANY OF PCM'S OBLIGATIONS OR LIABILITIES UNDER, OR WITH RESPECT TO, THE AGREEMENT.** Upon PCM's request, Lessee shall acknowledge transfer hereof by PCM by executing an acknowledgment of transfer or such other similar document in a form acceptable to PCM. Without PCM's prior written consent, Lessee shall not (A) assign, pledge or otherwise transfer the Agreement, the Equipment or any interest in either to any person, (B) sublease the Equipment or (C) permit anyone other than Lessee or a wholly-owned subsidiary of Lessee to use or possess the Equipment. For purposes hereof, a transaction or a series of related transactions shall be considered an assignment of the Agreement if Lessee's owners entitled to vote immediately prior to such transactions may vote less than fifty percent (50%) of the votes entitled to be cast immediately after such transactions.

17. DEFAULT. Lessee shall be in default under the Agreement upon the occurrence of any of the following events: (A) Lessee makes a materially false or misleading representation or warranty in the Agreement or in any other document furnished to PCM, including credit applications, (B) PCM does not receive payment of any amount owed hereunder within ten (10) days after the due date, (C) Lessee fails to timely comply with any term of the Agreement requiring Lessee to take action within a specified time, (D) Lessee fails to comply with any other provision of the Agreement and such breach is not remedied within ten (10) days after written notice thereof from PCM, (E) a bankruptcy, insolvency, receivership, liquidation, dissolution or similar proceeding is instituted by or against Lessee or any guarantor of all or some of Lessee's obligations under the Agreement, if any, or (F) Lessee, or a guarantor of all or some of Lessee's obligations under the Agreement, if any, defaults on any other agreement with PCM or any material agreement with any third party.

18. PCM'S RIGHT TO PERFORM. If Lessee fails to make any payment or to perform any obligation under the Agreement, PCM may, but is not obligated

to, do so on Lessee's behalf. On demand, Lessee shall reimburse PCM for all payments made by PCM and all expenses, including its reasonable attorney's fees, incurred or suffered by PCM in connection with making such payment or performing such other obligation.

19. REMEDIES. Upon a default by Lessee under the Agreement, PCM may, in addition to any other remedies available at law or in equity, exercise one or more of the following remedies: (A) terminate the Agreement, Lessee's rights hereunder and Lessee's interest in the Equipment either in whole or with respect to one or more Equipment Groups, (B) declare all sums owed hereunder, whether or not then due, immediately due and payable, (C) withhold or suspend, in whole or in part, performance of PCM's obligations hereunder, (D) take possession of the Equipment, wherever located, without demand or notice and without court order or other process of law and (E) sell, dispose of, hold, use or re-lease any repossessed Equipment as PCM, in its sole discretion, decides without any duty to account to Lessee. PCM's exercise of any of the foregoing remedies shall not constitute a termination of the Agreement unless PCM terminates the Agreement, in whole or in part, by written notice to Lessee. Lessee hereby grants PCM and its agents the right to enter onto any property owned, leased or otherwise controlled by Lessee to peaceably retake possession of the Equipment. All remedies hereunder are cumulative and PCM may exercise them concurrently or separately. Nothing contained herein shall be construed to limit the ability of PCM to pursue all remedies available to it with respect to Lessee, whether such remedies are at law or in equity. If Lessee defaults under the Agreement, it agrees to reimburse PCM for all reasonable costs and expenses, including reasonable attorney's fees, that PCM incurs to collect amounts due or to exercise its other rights hereunder, including, without limitation, transporting, repairing, refurbishing, storing, re-leasing and selling the Equipment.

20. INDEMNIFICATION; LIMITATION OF LIABILITY. Lessee hereby agrees to indemnify, defend and hold harmless PCM, its shareholders, directors, officers, employees and other agents, successors and assigns from and against all claims, damages, liabilities and expenses, including reasonable attorneys fees, suffered or incurred by PCM which, directly or indirectly, arise out of, are connected with, or result from, the Agreement, any breach thereof by Lessee or the ownership, possession, condition, operation, use, maintenance, manufacture, selection, lease or purchase of the Equipment or any other interest therein, (collectively, "Losses"); provided, however, Lessee shall not have any indemnification obligation hereunder to the extent the Losses result solely from PCM's gross negligence or willful misconduct. **UNDER NO CIRCUMSTANCES SHALL PCM OR ITS SHAREHOLDERS, DIRECTORS, OFFICERS, EMPLOYEES OR OTHER AGENTS BE LIABLE FOR LESSEE'S LOSS OF PROFITS, LOSS OF USE OF THE EQUIPMENT OR ANY OTHER INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES SUFFERED AS THE RESULT OF ANY ACTION OR INACTION BY PCM, WHETHER OR NOT LESSEE HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.**

21. NOTICES. All notices and consents under the Agreement shall be in writing. A party shall deliver notices and other communications under the Agreement by certified or registered mail (return receipt requested), overnight delivery, teletype or personal delivery. Notices delivered by (A) mail shall be deemed made when postmarked and received three (3) days after the postmark, (B) overnight delivery shall be deemed made upon delivery to a national carrier regularly providing overnight delivery services and received on the first business day after delivery to such carrier, (C) teletype shall be deemed sent and received when receipt is acknowledged by the recipient, the recipient's agent or automated response and (D) personal delivery shall be deemed sent and received when delivery is tendered to the recipient or recipient's authorized agent. A party shall send all notices to the address set forth on the face page hereof or to any other address of which a party gives notice to the other party.

22. GENERAL

A. PCM's performance of its duties hereunder shall be excused if caused by events or conditions wholly or partially beyond its control. In

TERMS AND CONDITIONS (continued)

particular, PCM shall not be liable to Lessee for any delay in delivery of the Equipment caused by any person other than PCM, including the Supplier.

B. A party's waiver of any provision of this Agreement, or of any default hereof, shall be a waiver of only said specific provision or default and shall not be a waiver of any other provision or any future breach hereof.

C. Lessee's obligations under the Agreement, including Lessee's representations and warranties, shall survive termination of the Agreement, in whole or with respect to any Equipment Group, for any reason.

D. If any provision of the Agreement is held to be invalid or unenforceable, it shall continue in force and effect as if not containing the particular invalid or unenforceable provision and the rights and obligations of each party shall be construed and enforced as if the invalid or unenforceable provision was not included therein.

E. The Agreement shall not be amended or modified in any manner (including by past, present or future course of dealing between the parties or by usage of trade) except by a written instrument signed by duly authorized representatives of PCM and Lessee. No purchase order or other document

delivered by Lessee will modify, supersede, add to or otherwise vary the terms of the Agreement unless PCM specifically agrees to do so, in writing.

F. The Agreement shall be governed by the laws of the State of Missouri without regard to its choice of law provisions. PCM and Lessee agree that (i) any federal or state court sitting in Jackson County, Missouri shall have personal jurisdiction over them, (ii) venue for the resolution of any dispute under the Agreement is proper in any such court and (iii) such court shall be the exclusive forum for deciding any dispute between PCM and Lessee arising out of the Agreement or relating to the Equipment.

G. If the Master Agreement or any Addendum, Schedule, Acceptance Certificate or other document or instrument is executed by more than one person as Lessee, each signatory shall be jointly and severally liable for all obligations of Lessee under the terms of the Agreement and all references to "Lessee" in the Agreement shall apply to all such persons.

BY EXECUTION HEREOF, LESSEE ACKNOWLEDGES THAT LESSEE HAS (A) READ THE ENTIRE MASTER AGREEMENT AND ALL ASSOCIATED ADDENDA, SCHEDULES AND ACCEPTANCE CERTIFICATES, (B) UNDERSTANDS ALL OF THE TERMS OF ALL SUCH DOCUMENTS AND (C) AGREES TO BE BOUND BY THEIR TERMS. LESSEE FURTHER AGREES THAT THE MASTER AGREEMENT AND ALL ASSOCIATED ADDENDA, SCHEDULES AND ACCEPTANCE CERTIFICATES ARE THE COMPLETE AND EXCLUSIVE STATEMENT OF THE TERMS OF THE AGREEMENT BETWEEN LESSEE AND PCM AND THEY SUPERCEDE ALL PRIOR PROPOSALS, AGREEMENTS AND COMMUNICATIONS, WHETHER ORAL OR WRITTEN, BETWEEN LESSEE AND PCM REGARDING THE SUBJECT MATTER HEREOF.

PCM LEASING CORP.

LESSEE:

BY: _____
Signature Date

BY: _____
Signature Date

Printed Name Title

Printed Name Title