

INGERSOLL-RAND TERMS AND CONDITIONS - EQUIPMENT RENTAL

1. General. The Equipment Rental terms and conditions below are exclusive and in lieu of all other terms and conditions appearing on Lessee's purchase order or elsewhere. Lessee agrees to rent the Equipment for the term and at the stipulated rental rates and to pay such rental when due irrespective of any claims, demands, set-offs, actions, suits or proceedings that it may have or assert against Lessor.

2. Lessee Responsibilities. From the time the Equipment is shipped from Lessor's facility, until it is returned to Lessor's designated facility, Lessee shall: (i) use the Equipment solely in the conduct of its business; (ii) use and preserve the Equipment in a careful, proper and lawful manner; (iii) at its own expense, keep the Equipment in good repair, condition and working order and pay the cost of any and all parts and labor required for that purpose, using only parts manufactured or furnished by the manufacturer of the Equipment; (iv) not make any alternations to the Equipment; (v) promptly notify Lessor of any loss of or damage to the Equipment; (vi) assume the entire risk of loss of and damage to the Equipment, and injury or death to persons, from any cause whatsoever arising under this agreement; and (vii) be responsible for obtaining and following the procedures and requirements which may include Installation and Operating Manuals, Procedure, Guide, and any other instruction provided to Lessee by Lessor; and (viii) be liable for any damage to, or caused by Lessee for failure to install, operate, or maintain Equipment in accordance with those procedures and requirements.

3. Early Termination. Equipment returned prior to the rental end date may be rented to others and Lessor will have no obligation to make the Equipment available to Lessee. Lessee may be charged for the period of time that Lessor is unable to rent such Equipment to others or for the duration of the minimum rental period.

4. Attachments and Repairs. Lessee agrees that all equipment, attachments, accessories and repairs made to or placed upon the Equipment shall immediately become the property of Lessor, and subject to the terms and conditions of this agreement as if originally rented hereunder. Any alterations or modifications with respect to the Equipment are required to comply with any applicable law or any governmental rule or regulation and shall be at the expense of the Lessee.

5. Delivery. Unless otherwise specified in this Agreement, all Equipment must be unloaded upon delivery and upon termination reloaded by Lessee. Equipment rental does not include chemicals or spare parts. Lessee has inspected the Equipment and found it to be in good working order and unbroken condition when received unless Lessee advises Lessor promptly in writing. Freight, unloading, start up, rigging, installation, piping, disconnection, electrical work, and Equipment removal are not included in the rental charge and are the sole responsibility of Lessee. If Lessor performs any of the foregoing, the charges for such services will be billed to Lessee (usually in the first rental period). Rental and other periodic or billable charges shall be invoiced at the beginning of each rental period and are due net 10 days. Lessor reserves the right to increase freight charges due to extraordinary events, including Events of Force Majeure as defined herein.

6. Taxes. Lessee shall report and pay to the appropriate authority any and all license fees, registration fees, assessments, charges and taxes, including penalty and interest, assessed

7. Ownership. The Equipment shall at all times remain personal property of Lessor regardless of the degree of its annexation to any real property and shall not by reason of any annexation become a part thereof. Lessee shall keep the

Equipment at the address specified in this agreement at all times. Lessee shall not assign, sublet or pledge any of the Equipment or any interest in this agreement. The Equipment is to be used by Lessee and no other person, without written consent of Lessor.

8. Force Majeure. All rights and obligations under this agreement shall not be affected by any delay caused by any circumstances beyond the control of the parties, including but not limited to, Acts of God, fire, flood, war, shortages, allocations, government regulations or requirements, accidents, strikes, lockouts or concerted acts of workmen, restraint by court order or public authority, and action or non-action by or inability to obtain or keep in force the necessary authorizations, permits, licenses, certificates or approvals, each an "Event of Force Majeure". If Lessor is unable to carry out any material obligation under this agreement due to an Event of Force Majeure, this agreement will, at Lessor's election, (i) remain in effect but Lessor's obligations shall be suspended until the Event of Force Majeure terminates or (ii) be terminated upon 10 days' notice to Lessee, in which event Lessee shall pay Lessor for the period of time Lessee has the benefit of the rental to the date of termination.

9. Insurance and Indemnity. Lessee will procure, maintain, and pay for workmen's compensation insurance upon employee operators of the Equipment, which may be required in any jurisdiction where such Equipment may be used or operated, unless Lessee shall have qualified as a self-insured therefor. If, at any time, such insurance shall not be in effect, Lessee may not use or operate Equipment for which such insurance shall not be in effect. Lessee, at its own expense, will maintain all risk insurance coverage on the Equipment for its full replacement value, and also such other insurance as Lessor may require, in amounts and under policies acceptable to Lessor (with additional insured and loss payee endorsement in favor of Lessor). Upon request of Lessor, Lessee shall furnish certificates of insurance evidencing such coverage. Each policy shall provide for thirty (30) days written notice to Lessor of the cancellation or material modification thereof.

Lessee shall promptly notify Lessor of each accident involving any Equipment, including time, place, nature of the accident or damage, and such other information as may be known; advise Lessor of all correspondence, notices, or documents received; aid in the investigation and defense of all such claims; and assist in the recovery of damages, from third parties liable therefor. Lessee shall indemnify and defend Lessor its directors, officers, employees, agents and representatives, from any and all claims, actions, suits, proceedings, fines, penalties, costs, expenses, damages and liabilities, including attorneys' fees arising out of or alleged to arise out of (a) Lessee's acts or omissions in connection with the use, operation, handling, repair, maintenance, and/or alteration and modification of the Equipment; (b) the condition of building or physical plant equipment, and suitability of the Equipment for Lessee's purpose; and (c) this agreement or its breach thereof, other than to the extent caused by the negligence or willful misconduct of Lessor.

Lessee will immediately notify Lessor if a refrigerant leak or inadvertent venting is discovered by Lessee. Lessee must also notify any and all regulatory authorities (e.g., environmental protection agencies) in accordance with applicable laws and regulations. Lessee shall be liable for, and indemnify Lessor against, any fines, claims, injuries, losses or damages resulting from of any refrigerant leak to the extent not caused by Lessor.

10. Equipment Damage. In the event of damage to or loss, destruction or theft of the Equipment or any part thereof, Lessee shall pay to Lessor the full value of the Equipment at the time of such occurrence except to the extent that Lessor receives proceeds of Lessee's insurance covering such Equipment. Such payment may, at Lessor's option, be applied (i) to repair such Equipment, or (ii) to afford Lessee a pro rata reduction in the rental payments attributable

to the lost or damaged Equipment, or (iii) to replace the Equipment with equipment of the same make and the same or later model. In either case, rental charges will continue until the Equipment is replaced or reimbursement is made in full. Lessor, at its sole discretion may report as stolen all Equipment not returned within ten (10) days of the end of the rental period. Lessee will pay all collection fees, court costs, attorney's fees or any other expense required to enforce the terms and conditions of this Agreement.

11. Warranty. LESSEE UNDERSTANDS THAT LESSOR MAKES NO REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, WITH RESPECT TO THE EQUIPMENT, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

12. Limitation of Liability. Lessor shall not be liable for any direct, indirect, special or consequential damages or loss (i) resulting from the non-delivery, delivery, manufacture, installation, use or operation of the Equipment, or from any defects in, failures, malfunctions, repairs, replacements or alterations thereof, or (ii) without limitation, any other liability of any nature with respect to the Equipment, or this agreement or any breach thereof. In no event will Lessor's liability in connection with the provision of products or services or otherwise under this agreement exceed the entire amount paid to Lessor by Lessee under this agreement.

13. Equipment Return. Upon termination of this agreement, Lessee will, at its own cost and expense, promptly return the Equipment to Lessor at the address of Lessor's choosing, on the date required and in the same condition as received, reasonable wear and tear and normal depreciation excepted. If the Equipment is not returned in the same condition as received, Lessee shall be liable to Lessor for a cleaning fee. Any repairs or replacements, during or immediately following the rental, required in Lessor's sole judgment to make the Equipment operate properly due to Lessee's improper installation, abuse, misuse, or unusual wear will be charged to Lessee at the local time and material rates then prevailing. All repairs to Equipment must be performed by Lessor, unless otherwise agreed to by Lessor.

14. Breach. If Lessee breaches its obligations under this agreement, including payment, or if Lessee becomes insolvent or ceases to do business as a going concern, or if the Equipment or any part of it is abused, illegally used or misused, or if Lessee makes an assignment for the benefit of creditors, or if a petition in bankruptcy or for arrangement or reorganization is filed by or against Lessee, or if property of Lessee is attached or a receiver is appointed for Lessee or any of Lessee's property, or if Lessee is in default pursuant to the provisions of any other agreement by and between Lessor and Lessee, or whenever Lessor may deem the rentals or Equipment insecure, Lessee hereby authorizes Lessor to enter, with or without legal process, any premises where the Equipment may be to take possession thereof, or at the request of Lessor, Lessee will assemble the Equipment and make the Equipment available to the Lessor, in whole or in part as requested, at such place or places designated by the Lessor. Lessor may terminate this Agreement as to any or all

herein are cumulative and any or all such remedies may be exercised in lieu of or in addition to any remedies at law, in equity or under statute. If after default this agreement is placed with an attorney for collection of unpaid rentals or enforcement of any other right or remedy of Lessor, Lessee shall pay reasonable attorneys' fees as well as all other costs and expenses associated with such proceedings. Waiver of any default shall not be a waiver of any other or subsequent default.

15. Notice. All notices required to be given hereunder shall be in writing and shall be deemed adequately given if sent by registered or certified mail to the other party at the registered address of such other party, or at such other place as either party may designate in writing.

16. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of North Carolina. This document and any attachments hereto constitute the entire agreement of the parties with respect to the subject matter hereof. No variation or modification of this document and no waiver of any of its provisions or conditions shall be valid unless in writing and signed by both parties.

Equipment Rental Form 6.16