

Rental Alliance



Rental Agreement: L04585

Rental Agreement

Customer: 1270301 - WEBB COUNTY ROAD & BRIDGE

Rental Agreement (Equipment)

Date: 08/17/2016

HOLT TEXAS, LTD. a Texas limited partnership ("HOLT"), and Customer, as identified below, hereby enter into this Rental Agreement ("Agreement"), under the following terms and conditions:

LESSOR:

HOLT TEXAS, LTD.
3302 So. W.W. White Rd., San Antonio, TX 78222
P.O. Box 207916, San Antonio, TX 78220

CUSTOMER:

Send Invoice To	WEBB COUNTY ROAD & BRIDGE 7210 E SAUNDERS ST LAREDO TX 78041-9000
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Division: HOLT CAT HOLT Agribusiness
 HOLT Crane & Equipment

Ship to Location	WEBB COUNTY ROAD AND BRIDGE RENTAL ALLIANCE AGREEMENT CHARGE BY THE HOUR RENTAL RATE OF \$18.63 PER HOUR	Customer P.O. Number
		Customer Number: 1270301
		Contact Name/Phone: MARGARITA MAINHART X23 956-721-2585
Ship From LAREDO	Freight on Board (F.O.B.) Shipping Point	<input checked="" type="checkbox"/> Customer Pick-up <input type="checkbox"/> Common Carrier <input type="checkbox"/> Holt Transport

Rental RPO No Charge Demonstration Period (Begins: _____ Ends: _____)

Description of the Equipment covered by the Agreement (the "Equipment")

ITEM	QUANTITY
IDNO: HLK17882U MODEL: 416F ES	1.0
SERIAL NUMBER: OKSF00642	
PIN: *CAT0416FTKSF00642*	
DESC: 416F ES BACKHOE LOADER	
TIME OUT: 13:51 DATE OUT: 8/17/16 EXPECTED RETURN DATE: 99/99/99	
METER OUT: 606.0	

MISCELLANEOUS CHARGES		
LOSS DAMAGE WAVR 14% BOOK RATE	1	.00
1.5% TERP TAX	1	.00
RENTAL REFUELING CHARGE	1	4.50
TRANSPORT RND TR	1	.00
RENTAL TRANSPORT	1	.00

PLEASE SIGN & RETURN

Rental Alliance

Charge by the Hour

Rental Rate set at \$ 18.63 per hour

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WARRANTY The Equipment has the following warranty(s): Applicable manufacturer's warranty
 None - "As Is" with no warranty
 Other

Customer acknowledges receipt of the applicable Warranty form: N/A (Customer initial here)

CUSTOMER RENTS THE EQUIPMENT IN AN "AS-IS" CONDITION, WITH NO WARRANTY, EXPRESS OR IMPLIED: ✓ (Customer initial here)

THE WARRANTY LISTED ABOVE, IF ANY, ONLY APPLIES UPON PURCHASE OF THE EQUIPMENT AND ONLY TO THE EXTENT THERE IS ANY WARRANTY REMAINING THAT HAS NOT EXPIRED. N/A (Customer initial here)

Tier 4 Machine Yes No

LKE Eligible Yes No

Equipment Value: \$ 35,000

FOR HOLT'S REFERENCE ONLY	
PWC Code #	N/A
Release#	CR
Salesman's #	146
County	N/A

LOSS DAMAGE WAIVER (NOT AVAILABLE FOR CRANES AND GENERATORS 500KW AND LARGER):
The Loss Damage Waiver ("LDW") is not available for all rental transactions. HOLT may refuse to offer the LDW in its sole discretion. The LDW charge is 14% of the Base Rental installment per month. See Paragraph 12 of the Other Terms and Conditions for details.

Customer accepts the LDW: X (Customer initial here)

Customer declines the LDW: _____ (Customer initial here)

LDW not offered for this transaction: _____ (Customer initial here) _____ (Salesman initial here)

STATEMENT of TOTAL CHARGE for OPTIONAL LOSS DAMAGE WAIVER: If customer elects to purchase the Optional Loss Damage Waiver, the total charged to customer under this agreement shall be \$.00 /mo.

OTHER INSURANCE REQUIRED: Please see Paragraph 11 of the Other Terms and Conditions for additional insurance requirements.

SPECIAL INSTRUCTIONS:

EQUIPMENT RECONFIGURATION IS PROHIBITED UNLESS WRITTEN APPROVAL IS OBTAINED FROM HOLT'S RENTAL FLEET MANAGER.

OVERTIME: The above payment installment is based on a single shift rate of 8 hours a day for daily rentals, forty hours a week for weekly rentals, and 160 hours per four-week period. Customer agrees to pay overtime hours as 1/8 of daily rate, 1/40 of a week rate, or 1/160 of a 160 4 week period. Overtime charges are pro-rated based on the amount that the excess usage exceeded the maximum number of hours allowed.

RENTAL TERM AND PAYMENT DATES Rental Term 1 4-week period, beginning 8/17/16 ("Commencement Date")

Payment Date: The Payment Dates shall be the first day of each 4-week period for crane rentals, and the last day of each 4-week period during the Rental Term for all other equipment.



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PURCHASE OPTION: (IF APPLICABLE) OPTION PRICE: N/A
PURCHASE OPTION EXPIRES: N/A

Option Price [] does [] does not include the cost of manufacturer's extended warranty. (If neither is indicated the warranty cost is not included in the Option Price). If an Option Price and expiration is shown above, then Customer is granted an option to purchase the Equipment. If the Purchase Option is not exercised by _____, the Purchase Option will expire and the rental will continue month-to-month. HOLT, in its sole discretion, may replace the Equipment and at any time after the expiration of the Purchase Option.

The following terms and conditions shall apply to Customer's Purchase option:

- A. The Option is not assignable by Customer.
B. HOLT shall transfer to Customer (i) any remaining standard manufacturer's warranty on the Equipment, and (ii) if the Option Price includes the cost thereof, any remaining extended manufacturer's warranty on the Equipment. All such warranty transfers shall be only to the extent the warranty transferred is then valid and effective.
C. Customer may not exercise the Purchase Option at any time (i) that the Customer is in default of the performance of any of Customer's obligations under this Agreement, or (ii) Customer has not paid in full any open account balances due HOLT.
D. In order to exercise the Purchase Option Customer must pay to HOLT, in cash or certified funds, the Adjusted Option Price of the Equipment, together with all taxes on or measured by such purchase price. The term "Adjusted Option Price" shall mean the Option Price set forth above less any Base Rental Installments paid by Customer hereunder, plus non-warranty repairs to the Equipment made by HOLT for which HOLT has not been paid, plus interest on the Option Price from the Commencement Date to the date of payment at a rate equal to the lesser of (i) the Maximum Rate or (ii) the Prime Rate plus 3.0 percent.

Sales Tax Information:

Customer [] does [] does not claim that the rental of the Equipment is exempt from taxation under Chapter 151 of the Texas Tax Code. The reason Customer claims such an exemption is as follows: _____

If Customer claims an exemption, an Exemption Certificate conforming to applicable law must be provided upon execution. If not provided sales tax will be charged.



DISCLAIMER OF WARRANTIES AND WAIVER OF CLAIMS

HOLT IS NOT A MANUFACTURER OF THE EQUIPMENT. ALTHOUGH HOLT MAY BE RESPONSIBLE FOR ADMINISTERING WARRANTIES ISSUED BY THE MANUFACTURER, CUSTOMER ACKNOWLEDGES AND AGREES THAT: (1) ANY EXPRESS WARRANTIES BY THE MANUFACTURER FOR THE EQUIPMENT ARE NOT THE RESPONSIBILITY OF HOLT; AND (2) THE MANUFACTURER'S WARRANTY CONTAINS LIMITATIONS, AND, CUSTOMER MAY INCUR CERTAIN REPAIR, TRANSPORTATION OR OTHER CHARGES BY HOLT WHICH ARE NOT COVERED BY THE MANUFACTURER'S WARRANTY.

HOLT, BY VIRTUE OF HAVING RENTED OR SOLD THE EQUIPMENT UNDER THIS AGREEMENT, HAS NOT MADE AND DOES NOT MAKE ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO CONDITION, COMPLIANCE WITH SPECIFICATIONS OR REGULATIONS, QUALITY, DURABILITY, SUITABILITY, MERCHANTABILITY, FITNESS FOR USE OR FITNESS FOR A PARTICULAR PURPOSE, OR ANY OTHER WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, WITH RESPECT TO THE EQUIPMENT. HOLT IS NOT LIABLE FOR ANY DAMAGES (WHETHER ORDINARY, SPECIAL OR PUNITIVE) CAUSED BY ANY FAILURE OF THE EQUIPMENT TO OPERATE OR THE FAULTY OPERATION OF THE EQUIPMENT. HOLT IS NOT LIABLE FOR ANY DAMAGES OR LOSSES (WHETHER ORDINARY, SPECIAL OR PUNITIVE) RESULTING FROM THE INSTALLATION, OPERATION, REPAIR OR USE OF THE EQUIPMENT.

Other Terms and Conditions

THERE ARE ADDITIONAL TERMS AND CONDITIONS, INCLUDING, BUT NOT LIMITED TO, ARBITRATION, INDEMNIFICATION OF HOLT, AND WAIVER OF JURY TRIAL, CONTAINED IN THE OTHER TERMS AND CONDITIONS BELOW THAT ARE AN IMPORTANT PART OF THIS AGREEMENT. PLEASE REVIEW THE OTHER TERMS AND CONDITIONS BEFORE SIGNING THIS AGREEMENT.

THESE TERMS AND CONDITIONS SUPERSEDE ALL OTHER TERMS AND CONDITIONS PRESENTED BY OR TO CUSTOMER UNLESS PROVIDED IN A DOCUMENT SIGNED BY AN AUTHORIZED REPRESENTATIVE OF BOTH PARTIES AND CONTAINING A REFERENCE TO THIS RENTAL AGREEMENT.

HOLT: HOLT TEXAS, LTD.

By: Holt Nevada GP, Inc., General Partner

By: _____
(Signature)

(Printed Name)

(Printed Title)

Date: _____

CUSTOMER:

WEBB COUNTY ROAD & BRIDGE

By: X _____
(Signature)

X _____
(Printed Name)

X _____
(Printed Title)

Date: X _____



**HOLT TEXAS, LTD.
OTHER TERMS AND CONDITIONS**

1. TERM: The Term of this Agreement begins on the Commencement Date and continues for the Rental Term; provided, however, Customer's obligation to pay Rental Installments shall not be for less than (i) Commencement Date through the Minimum Termination Date, if applicable, and the period of time from when the Equipment is delivered to Customer until the Equipment is returned to the possession of HOLT.

2. RENT AND OTHER PAYMENTS: Customer shall pay HOLT each Rental Installment in advance for crane rentals, and in arrears for all other rentals, on or before each succeeding Payment Date, without demand, deduction or offset. If Customer defaults in the payment of any sum of money to be paid under this Agreement, Customer shall pay HOLT, as additional rent, interest on such unpaid sum from its due date to the date of payment at the Maximum Rate. Such additional rent is in addition to, and not in lieu of, other rights and remedies HOLT may have. All amounts due and owing hereunder shall be payable at the offices of HOLT set forth above. If the time for payment of any amount due hereunder is not otherwise stated herein, payment shall be due Upon Receipt. If the Equipment is to be used for demonstration only, all provisions of this Agreement shall still be fully effective, and Customer shall be responsible for any usage after the date the demonstration period ends. Unless otherwise specified above, the rental for usage after the Demo Period shall be HOLT's then current standard daily rate for the Equipment.

3. ACCEPTANCE AND DELIVERY: Customer shall inspect the Equipment upon receipt. Customer shall be presumed to have accepted the Equipment unless the Customer notifies HOLT of any defects within twenty-four (24) hours. The notice shall be provided telephonically and in writing to HOLT and shall set forth in complete detail the defects in the Equipment to which Customer objects. HOLT shall have the right to repair or replace the Equipment, within a reasonable time, or to cancel or rescind this Agreement, without liability to the Customer, except for return of any amounts paid.

4. TITLE: Title to the Equipment shall at all times remain in HOLT. Customer, at its expense, shall protect and defend the title of HOLT and keep it free of all claims and liens. All replacements, repairs, improvements, alterations, substitutions and additions shall constitute accessions to the Equipment and title thereto shall vest in HOLT.

5. LOCATION OF EQUIPMENT: Customer shall not remove the Equipment from the location set forth on the first page of this Agreement without HOLT's written consent. Customer represents that the Equipment will not be affixed to any real estate or other goods so as to become fixtures on such real estate or accessions to other goods.

6. USE: So long as Customer is not in default under this agreement, Customer shall be entitled to the possession, use and quiet enjoyment of the Equipment during the Rental Term in accordance with the terms of this Agreement. Customer warrants that: (1) The Equipment will at all times be used and operated solely in the conduct of Customer's business and not for personal, family or household use, and in accordance with the operation, use and/or instructional materials supplied to Customer; (2) Customer will comply with all applicable laws, acts, rules, regulations and orders affecting the Equipment or use thereof and shall be responsible for obtaining all authorizations, licenses, and certifications to operate the Equipment; (3) the Equipment will be used solely for the purpose for which it was designed and intended, and will not be abused or used beyond its rated capacity; and, (4) Customer will only allow skilled operators trained and certified in the use of the Equipment to operate the Equipment. Customer shall operate the Equipment with reasonable care and diligence and use reasonable precautions to prevent loss, damage, or injury. The Equipment is not to be used in or near salt water. Customer will pay for damages resulting from such use. Equipment that is run in sand and has excessive wear will result in additional charges to Customer.

7. REPAIRS AND MAINTENANCE: Except for repair costs covered by an express HOLT or manufacturer warranty, if any, Customer, at its expense shall: (1) keep the Equipment in good and efficient working order and condition, (2) pay as provided in this agreement all costs, expenses, fees and charges incurred in connection with the use or operation of the Equipment including, but not limited to, maintenance, storage and servicing, and pay HOLT, upon demand, its regular charges for any parts or labor furnished in making any repairs. Customer's maintenance obligations shall include, but not be limited to, the performance of all daily maintenance recommended in applicable manufacturer operation, lubrication and/or maintenance guides ("Daily Maintenance"). In connection with the performance of Daily Maintenance, Customer shall (i) utilize fluids, lubricants and filters which meet current manufacturer specifications, and at all times maintain levels as recommended by the manufacturer; (ii) utilize scheduled oil sampling from HOLT; (iii) be responsible for all cleaning of the Equipment as required for maintenance, including but not limited to, removal of brush or debris from undercarriage, belly pans, radiator and engine compartment; (iv) be responsible for boom and rope damage, tire and tube replacement, fuel and fuel quality, ground engaging tools (buckets, ripper shanks, etc.), glass breakage, make-up fluids, cleaning and painting; (v) be responsible for notifying HOLT of any unusual noises or problems with respect to the Equipment; and (vi) be responsible for making the Equipment available for maintenance and inspection by HOLT.



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8. TAXES: Customer shall pay all taxes, fees, assessments and other governmental charges of any kind or character on or relating to the Equipment, including Dealer's Heavy Equipment Tax (applicable if Purchase Option is exercised) and/or Off Road Heavy Duty Tax, as well as the sale, purchase, rental, ownership, use, value added, possession, shipment, transportation, delivery or operation thereof, including the exercise of any option which may accrue or be levied, assessed or imposed during the term of this Agreement, or which remain unpaid as of the date of surrender of the Equipment to HOLT, along with any penalties, fines or interest thereon. Customer shall reimburse HOLT for any payments made by HOLT which are the obligation of Customer under the Agreement, but Customer may defer payment as long as it is in good faith and by appropriate proceedings, contesting the validity or the amount thereof, unless such contest would adversely affect the title of HOLT to any Equipment or would subject any Equipment to forfeiture or sale.

9. LOSS AND DAMAGE: Customer assumes all risk of and shall be solely responsible for all damage and loss to the Equipment from any cause whatsoever, whether or not such loss or damage is or could have been covered by insurance. The Agreement shall not terminate and there shall be no abatement, reduction, suspension or deferment of Rental installments for any reason, including damage to or loss of the Equipment. Customer shall promptly give HOLT written notice of any loss or damage, describing in detail the cause and the extent of such loss or damage. Customer shall notify appropriate law enforcement authorities within two (2) hours of discovery of the theft or vandalism. Customer shall at its expense, and to HOLT's satisfaction, promptly repair any damage or loss to the Equipment, or reimburse HOLT for the value of the Equipment, including partial or complete destruction, and including intentionally caused damage or theft. HOLT shall not be liable and Customer waives any claim it might have (i) for injury to Customer's business or any loss of income therefrom; (ii) for damage to the property of Customer, or (iii) for injury to the person of Customer or Customer's agents, representatives and employees resulting from this Agreement or caused in any way by the Equipment.

10. CUSTOMER'S INDEMNITIES: CUSTOMER WILL INDEMNIFY, DEFEND AND HOLD HARMLESS HOLT FROM ANY AND ALL CLAIM, EXPENSE, CAUSE OF ACTION, DAMAGE, LIABILITY, COST, PENALTY, TAX, ASSESSMENT, CHARGE, PUNITIVE DAMAGE OR EXPENSE, INCLUDING, BUT NOT LIMITED TO, THE ACCOUNT OF HOLT OR CUSTOMERS: (1) RELATING TO THE EQUIPMENT OR ANY PART THEREOF, INCLUDING, WITHOUT LIMITATION, THE MANUFACTURE, CONSTRUCTION, PURCHASE, DELIVERY, ACCEPTANCE OR REJECTION, INSTALLATION, OWNERSHIP, SALE, LEASING, REMOVAL OR RETURN OF THE EQUIPMENT, OR RESULTING FROM THE USE, MAINTENANCE, REPAIR, REPLACEMENT, OPERATION OR THE CONDITION THEREOF (WHETHER DEFECTS ARE LATENT OR DISCOVERABLE) OR (2) BY REASON OF OR AS A RESULT OF ANY ACT OR OMISSION OF CUSTOMER, OR ANY AUTHORIZED OR UN-AUTHORIZED SUBLESSEE OR USER OF CUSTOMER'S, OR HOLT (THE "INDEMNIFIED CLAIMS"). CUSTOMER SHALL COOPERATE FULLY WITH HOLT AND ALL INSURERS IN THE INVESTIGATION AND DEFENSE OF ANY CLAIMS OR SUITS ARISING FROM THE OPERATION OF THE EQUIPMENT. CUSTOMER WILL PROVIDE THIS INDEMNIFICATION, DEFENSE AND HOLD HARMLESS FROM THE DATE THE INDEMNIFIED CLAIMS ARE FIRST MADE, UNTIL THERE IS A FINDING OF FACT BY AN ARBITRATOR, JURY OR INDEPENDENT TRIER OF FACT THAT HOLT WAS NEGLIGENT OR OTHERWISE AT FAULT, AND RESPONSIBLE FOR SOME PORTION OF THE DAMAGES, AFTER WHICH HOLT WILL ASSUME THE COST OF ITS OWN DEFENSE. HOLT MAY SELECT AND DIRECT THE COUNSEL WHO DEFENDS HOLT IN THE INDEMNIFIED CLAIMS. CUSTOMER WILL HAVE NO RIGHT OF REIMBURSEMENT FROM HOLT FOR ANY DAMAGES PAID OR INCURRED PRIOR TO THE DATE OF SUCH FINDING OF FACT.

11. INSURANCE: Customer agrees to provide HOLT with a Certificate of Insurance providing evidence of coverages in accordance with HOLT's specific requirements as follows: **See Figure 1.1**

The payment of any insurance premium and applicable deductible shall be the sole responsibility of Customer. Customer shall promptly notify all insurers and HOLT of each and every occurrence that may become the basis of a claim or cause of action and provide HOLT with all information requested by HOLT about each occurrence. Customer shall furnish HOLT with the required Certificate of Insurance prior to the release of the Equipment to Customer. Any insurance obtained by Customer under this Agreement or otherwise maintained by Customer shall be primary to any policies held by or providing coverage to HOLT, and the coverage afforded HOLT under such policies shall delete any excess clause or coinsurance clause that requires sharing or renders primary any other insurance covering HOLT. Proceeds of all insurance shall be payable first to HOLT, and after HOLT has been paid all sums due to it, any remainder shall be delivered to Customer.

Neither review nor failure to review such certificates shall constitute approval thereto or be deemed to waive or diminish HOLT's rights under this Agreement. Neither failure to comply nor full compliance with the insurance provisions of this Agreement shall limit or relieve Customer from its liability and/or indemnity obligations in this Agreement.

12. LOSS DAMAGE WAIVER (NOT AVAILABLE FOR CRANES AND GENERATORS 500KW AND LARGER):
If HOLT offers LDW and Customer does purchase the LDW, then Customer will still be required to provide all other insurance coverages as listed above. HOLT agrees that Customer's financial responsibility shall be limited to \$10,000 for costs resulting from damage, loss or theft of the Equipment. The LDW shall not apply in the event of Theft unless the Customer reports the theft to appropriate law enforcement authorities within 2 hours of discovery and provides a copy of the police report to HOLT as soon as practicable. The LDW shall not apply with respect to: (i) overturn, rollover, or upset, (ii) undercarriage wear in excess of 5% per month, (iii) rubber tire wear in excess



of 5% per month, or tire cuts and abrasions, or (iv) damage, loss or theft resulting from improper or unsafe operation, improper care, improper storage, damage intentionally caused by the Customer or Customer's employees, damage that results from the Customer's willful or wanton misconduct, or improper precautions to secure the Equipment, HOLT and Customer acknowledge that nothing in this Agreement is intended to be construed as creating an insurer/ insured relationship between HOLT and Customer. HOLT shall be under no obligation to accept Customer's Certificate of insurance in lieu of the LDW if provided by the Customer after the Commencement Date, and even if accepted by HOLT, Customer shall not be entitled to any refund of LDW charges accrued prior thereto.

This contract offers an options loss damage waiver for an additional charge to cover your responsibility for loss of or damage to the heavy equipment. You do not have to purchase this coverage. Before deciding whether to purchase this loss damage waiver, you may consider whether your insurance policies afford you coverage for loss of or damage to the heavy equipment rented and the amount of deductible you would pay under your policy.

13. EVENTS OF DEFAULT: Each of the following is an event of default under this Agreement: (1) Customer's failure to pay any Rental Installment or other sum payable to HOLT or any affiliate of HOLT when due, whether such indebtedness arises hereunder or otherwise; (2) Customer's ceasing to do business as a going concern, becoming insolvent, taking advantage of any law for the relief of debtors, making an assignment for the benefit of creditors or a filing under the U .S. Bankruptcy Code by or against Customer; (3) HOLT deems the Equipment in jeopardy or feels insecure with respect to Customer's continued ability to make payments or the value of the Equipment; or (4) Customer fails to perform any other obligation imposed on Customer under this or any other HOLT Agreement.

14. REMEDIES ON DEFAULT: In the event of any default by Customer, HOLT is entitled to any one or more of the following remedies:

(a) HOLT may take possession of the Equipment and terminate the Agreement and Customer's rights hereunder.

(b) HOLT may proceed by court action to enforce performance of the terms of this Agreement and to recover damages for the breach hereof.

(c) HOLT may withhold delivery of the Equipment, take possession of any Equipment previously delivered, and/or stop delivery of the Equipment by any bailee.

(d) HOLT may take possession of the Equipment and recover from Customer immediately, as liquidated damages, and not as a penalty, an amount equal to the sum of the unpaid Rental Installments for the remainder of the Rental term, plus other unpaid sums due under this Agreement, discounted to its present value at a rate of interest equal to the rate earned on U .S. Treasury securities of a like term, plus incidental damages incurred by HOLT.

(e) Without terminating this Agreement, HOLT may take possession of the Equipment and sell, relet or otherwise dispose of the Equipment. In the event the Equipment is relet, HOLT may recover from Customer as damages (i) the accrued and unpaid rent as of the date of the commencement of the term of the new rental agreement, (ii) plus the present value (calculated as provided in subsection (d) above), as of the same date, of the remaining Rental Installments for the unexpired portion of the Rental Term, (iii) less the present value (calculated as provided in subsection (d) above), as of the same date, of the rent under the new rental agreement applicable to the period of time equal to the unexpired portion of the Rental Term, and (iv) plus any incidental damages incurred by HOLT. In the event the Equipment is sold or otherwise disposed of, HOLT may exercise any one or more of the remedies provided above. In no event shall HOLT be required to sell or relet the Equipment, nor required to rebate or pay back any gain or profit as a result of selling or reletting the Equipment.

HOLT is not required to give Customer any notice of default before exercising any of the above remedies. In taking possession, HOLT may enter upon any premises where the Equipment may be located and remove the Equipment or store it on the premises without charge. Any claim for damages caused by the taking possession, storage or removal is hereby waived by Customer. The remedies provided herein shall not be exclusive, but shall be cumulative and in addition to all other remedies existing at law or in equity.

15. ASSIGNMENT AND SUBLEASE: HOLT may assign any of its rights and obligations hereunder without notice, including, but not limited to, assignment of the HOLT equipment sale and/or trade-in purchase rights under this Agreement, if converted to a sale or trade-in purchase, to HLKE, Inc. No assignee of HOLT, including HLKE, Inc., as qualified intermediary or the assignee's officers, directors, agents, or employees, shall be obligated to perform any covenant, condition or obligation required to be performed by HOLT hereunder. However, in the event any assignee agrees to assume the obligations of HOLT, Customer agrees that HOLT shall be released from all further liability hereunder. Neither this Agreement nor any of Customer's rights hereunder shall be assignable by Customer without the prior written consent of HOLT. Customer agrees it will not, without the prior written consent of HOLT, allow the Equipment to be operated by persons other than employees of Customer trained in the proper operation of the Equipment or rent or sublease any Equipment to others, without the prior, written consent of HOLT's Rental Fleet Manager. In the event such written consent is given by HOLT, Customer shall ensure that its sub-lessees comply with all obligations of Customer in this Agreement.



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16. RETURN: Upon the expiration or earlier termination of this Agreement, Customer shall promptly return the Equipment to HOLT free and clear of all mortgages, liens, security interests, charges, encumbrances and claims, and in the same operating order, repair, condition and appearance as when received, ordinary wear and tear excepted. Customer shall make such return at its expense and risk, freight and insurance prepaid, to the destination specified by HOLT. In the event Customer remains in possession of the Equipment after the expiration or earlier termination hereof, Customer shall be a Lessee at Will, and all terms and conditions of the Agreement shall continue in full force and effect. If Equipment is returned dirty or damaged, Customer shall be responsible for excess cleaning and repair charges in an amount determined by HOLT.

17. TRANSPORTATION CHARGES: All transportation charges shall be borne by the Customer, including, but not limited to, all loading, unloading, installing, dismantling and hauling, all demurrage accruing at its own shipping or receiving point, and all freight and switching charges both upon delivery and return.

18. CUSTOMER'S WARRANTIES: In addition to the other warranties contained herein, Customer warrants to HOLT that (i) if Customer is a corporation, limited liability company or limited partnership, Customer is duly organized and validly existing in good standing under the laws of the state in which it is organized and has duly authorized the execution, delivery and performance of this Agreement; and (ii) the Agreement has been duly and validly executed and delivered by Customer and constitutes a valid contract which is fully enforceable against Customer according to its terms.

19. NOTICES: All notices required or permitted hereunder shall be in writing and shall be deemed duly given as of the date of proof of receipt or refusal of delivery if delivered personally or mailed, by certified mail, return receipt requested, to the respective addresses of the party set forth above or any other address designated by notice given in accordance with this section.

20. USURY: This Agreement is a lease, and not a financing agreement or arrangement. However, if this Agreement shall ever be determined to be a financing agreement or arrangement involving the loan of monies, this paragraph shall apply. It being the intention of the parties to strictly conform to the applicable usury laws, all agreements between the Customer and HOLT, whether now existing or hereafter arising and whether written or oral are hereby expressly limited so that in no event, whether by reason of acceleration of the maturity of the obligations secured hereby or otherwise, shall the amount paid or agreed to be paid to HOLT for the use, forbearance, or detention of money hereunder or otherwise, exceed the maximum amount permissible under applicable law. If fulfillment of any provision or of any document evidencing or securing the obligations secured hereby shall involve exceeding the limits prescribed by law, then the obligation to be fulfilled shall be reduced to the legal limit; and if HOLT shall ever receive anything of value deemed interest under applicable law which would exceed interest at the highest lawful rate, an amount equal to any excessive interest shall be applied to the reduction of the principal amount owing hereunder and not to the payment of interest, or if such excessive interest exceeds the unpaid balance of principal hereof, such excess shall be refunded to the Customer. All sums paid or agreed to be paid to HOLT for the use, forbearance, or detention of the indebtedness of the Customer to HOLT hereof shall, to the extent permitted by applicable law, be amortized, prorated, allocated, and spread throughout the full stated term of such indebtedness so that the rate of interest on account of such indebtedness is uniform throughout the term thereof.

21. MAXIMUM RATE: "Maximum Rate" shall be the lesser of: 1) 1.5% per month (18% per annum); or 2) the highest non-usurious rate of interest allowed by Texas law.

22. PRIME RATE: "Prime Rate" shall mean the prime rate as published in The Wall Street Journal, Southwest Edition. The Prime Rate shall be adjusted by HOLT as often as it does so in accordance with HOLT's normal billing practices.

23. MISCELLANEOUS: Time is of the essence of this Agreement. This Agreement represents the entire agreement between HOLT and Customer and all other representations or agreements, whether oral or in writing, are superseded by this Agreement. This Agreement may only be modified by a written agreement signed by an authorized representative of Customer and HOLT. If any provision of this Agreement or the application thereof is hereafter held invalid or unenforceable, the remainder of the Agreement shall not be affected thereby. To this end, the provisions are declared severable. If there is more than one Customer, the obligations of Customers hereunder are joint and several. Subject to the terms hereof, this Agreement shall be binding upon and inure to the benefit of HOLT and Customer and their respective personal representatives, successors and assigns. This Agreement shall be governed and construed according to the laws of the state of Texas. Each party hereby irrevocably and unconditionally consents to submit to the exclusive jurisdiction of the courts of the state of Texas and the United States of America located in San Antonio, Texas, for any actions, suits or proceedings arising out of or relating to this Agreement, excluding any claims arbitrated under paragraph 25 hereof.



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24. SECURITY AGREEMENT: HOLT and Customer intend and agree that this Agreement is a lease only, and not a financing agreement or arrangement. However, in the event the purchase option set forth above is timely exercised by Customer or title to any Equipment is transferred to Customer, this paragraph shall be deemed to automatically create a financing agreement or arrangement wherein Customer shall grant, upon the date of title transfer, to HOLT a security interest in the Equipment and any and all additions and substitutions thereto or therefore and all proceeds thereof or other benefits or products attributable thereto to secure the payment of all liabilities and obligations of Customer incurred in connection with the Equipment and any other liability of Customer to Holt whether now existing or hereafter arising and all renewals, extensions and rearrangements of such liabilities. HOLT is authorized and is appointed by Customer as its irrevocable attorney-in-fact to file such financing statements and any amendments thereto as HOLT may deem necessary, advisable or protective in connection with the lease and possible sale of the Equipment. Customer expressly authorizes HOLT to file a financing statement on the Equipment after the execution of this Agreement as a protective measure. Customer agrees to pay the cost of filing or recording the same in all public offices at any time and from time to time whenever filing or recording is deemed by HOLT to be necessary or desirable. If the Customer shall default in the payment or performance of any obligation or liability secured hereby, HOLT may exercise any rights and remedies granted by the Texas version of the Uniform Commercial Code or by this Agreement. Customer authorizes HOLT to file such financing statements covering the Equipment as HOLT deems necessary: (i) to perfect a security interest in the Equipment or (ii) to release, terminate and void Customer's interest in the Equipment.

25. ARBITRATION: THE PARTIES HERETO SHALL SUBMIT TO BINDING ARBITRATION ANY DISPUTED QUESTION OR CONTROVERSY ARISING UNDER THIS AGREEMENT OR ARISING OUT OF OR RELATING TO THE TRANSACTION CONTEMPLATED BY THE AGREEMENT. ANY SUCH ARBITRATION SHALL BE CONDUCTED AT SAN ANTONIO, BEXAR COUNTY, TEXAS. ANY PARTY MAY INITIATE THE ARBITRATION, BY NOTICE IN WRITING TO THE OTHER PARTY, SETTING FORTH THE NATURE OF THE DISPUTE, THE AMOUNT INVOLVED, IF ANY, AND THE REMEDY SOUGHT. ANY PARTY DESIRING TO INITIATE ARBITRATION SHALL SERVE A WRITTEN NOTICE OF INTENTION TO ARBITRATE TO THE OTHER PARTY AND TO THE AMERICAN ARBITRATION ASSOCIATION OFFICE IN OR CLOSEST TO SAN ANTONIO, TEXAS. SUCH NOTICE OF INTENTION TO ARBITRATE MAY BE INFORMAL AND NEED NOT COMPLY WITH RULE 6 OF THE AMERICAN ARBITRATION ASSOCIATION. LEGAL ACTION REGARDING THIS AGREEMENT AND ANY LIABILITIES HEREUNDER SHALL EITHER BE BROUGHT BY ARBITRATION, AS DESCRIBED HEREIN, OR BY JUDICIAL PROCEEDINGS AND THEN REFERRED TO ARBITRATION, BUT SHALL NOT BE PURSUED IN DIFFERENT OR ALTERNATIVE FORUMS. THE ISSUE OF WAIVER PURSUANT TO THIS PARAGRAPH IS AN ARBITRABLE ISSUE. THE ARBITRATORS SHALL BE SELECTED IN ACCORDANCE WITH THE COMMERCIAL ARBITRATION RULES OF THE AMERICAN ARBITRATION ASSOCIATION. DEPOSITIONS MAY BE TAKEN AND OTHER DISCOVERY OBTAINED IN ANY ARBITRATION UNDER THIS AGREEMENT. THE ARBITRATORS, OR A MAJORITY OF THEM, ARE SPECIFICALLY EMPOWERED TO DECIDE (BY DOCUMENTS ONLY, OR WITH A HEARING, AT THE ARBITRATORS SOLE DISCRETION) PRE-HEARING MOTIONS WHICH ARE SUBSTANTIALLY SIMILAR TO PREHEARING MOTIONS TO DISMISS AND MOTIONS FOR SUMMARY ADJUDICATION. THE AWARD OF THE ARBITRATORS, OR A MAJORITY OF THEM, SHALL BE FINAL AND BINDING UPON THE PARTIES HERETO AND JUDGMENT THEREON MAY BE ENTERED IN ANY COURT HAVING JURISDICTION. ALL STATUTES OF LIMITATIONS, WHICH WOULD OTHERWISE BE APPLICABLE, SHALL APPLY TO ANY ARBITRATION PROCEEDING HEREUNDER. THE PROVISIONS OF THIS SECTION SHALL SURVIVE ANY TERMINATION, AMENDMENT, OR EXPIRATION OF THIS AGREEMENT UNLESS ALL THE PARTIES HERETO OTHERWISE EXPRESSLY AGREE IN WRITING. THE PARTIES HERETO ACKNOWLEDGE THAT THIS AGREEMENT EVIDENCES A TRANSACTION INVOLVING INTERSTATE COMMERCE IN THAT THE FUNDS, WHICH MAY BE ADVANCED OR COMMITTED UNDER THIS AGREEMENT, ARE DERIVED FROM INTERSTATE FINANCIAL MARKETS. THE FEDERAL ARBITRATION ACT SHALL GOVERN THE INTERPRETATION, ENFORCEMENT, AND PROCEEDINGS PURSUANT TO THE ARBITRATION CLAUSE IN THIS AGREEMENT. THE ARBITRATORS, OR A MAJORITY OF THEM, MAY AWARD ATTORNEY'S FEES AND COSTS IN THEIR DISCRETION. OTHERWISE, EACH PARTY SHALL BEAR ITS OWN EXPENSES IN CONNECTION WITH PREPARATION FOR THE PRESENTATION OF ITS CASE AT THE ARBITRATION PROCEEDINGS AND THE FEES AND EXPENSES OF THE ARBITRATORS AND ALL OTHER EXPENSES OF THE ARBITRATION SHALL BE BORNE EQUALLY BY THE PARTIES TO SUCH ARBITRATION.

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Figure 1.1

COVERAGE	EQUIPMENT MINIMUM LIMIT	CRANE MINIMUM LIMIT	ADDITIONAL INSURED	LOSS PAYEE	WAIVERS OF SUBROGATION
Equipment	Equipment Value, including all attachments	1) Equipment Value, including all attachments and 2) including Boom Collapse Coverage with No Overload Exclusion	N/A	Holt Texas, LTD.	N/A
General Liability	\$1,000,000/occurrence	\$3,000,000/occurrence	Holt Texas, LTD.	N/A	YES
Auto Liability	\$1,000,000/occurrence	\$3,000,000/occurrence	Holt Texas, LTD.	N/A	YES
Worker's Compensation and Employer's Liability	\$1,000,000 EL Limit	\$3,000,000 EL Limit	N/A	N/A	YES
Include in Description	1. All Rented Equipment, including all attachments. OR 2. Make, Model, Serial Number and Value of Equipment, including all attachments.				
Certificate Holder	Holt Texas, LTD. 3302 South W.W. White Rd. San Antonio, TX 78222 Attn: Machine Division Sales Fax# 210-648-0079				