

EQUIPMENT LEASE

O. K. Ko-Op RUBBER WELDING SYSTEM

This Indenture, executed in duplicate, made and entered into by and between the O. K. KO-OP RUBBER WELDING SYSTEM, a business trust, of Littleton, Colorado, hereinafter designated the "Lessor," and the Lessee named in the Equipment Lease Specifications set forth on the reverse side hereof, which, by this reference, are incorporated herein and made a part hereof, WITNESSETH:

1. That in consideration of the payment of the rent and the keeping and performance of the covenants and agreements by the said Lessee hereinafter set forth, the said Lessor hereby leases unto the said Lessee the Leased Chattels listed and described in said Equipment Lease Specifications to have and to hold the same unto the said Lessee for a primary term of one year from the date hereof, at and for a monthly rental in the amount stated in said Equipment Lease Specifications under the heading "monthly rental for 12 months."

2. And the said Lessee in consideration of the leasing of said Chattels as aforesaid covenants and agrees as follows, to-wit:

A. That the monthly rental payments above stated shall be due and payable and paid by Lessee to Lessor monthly in advance commencing on the 1st day of the month following date of shipment of the Leased Chattels by Lessor to Lessee;

B. That in addition to the monthly rental above stated and as additional rental due and payable hereunder, Lessee shall pay when due (1) any and all sales, use, excise, property or other taxes, assessments or fees of any nature whatsoever imposed by any governmental authority either upon this transaction or upon said Leased Chattels or upon rental payments hereunder during the term of this Lease and (2) fire insurance premiums on the Leased Chattels as hereinafter provided;

C. That simultaneously with the execution and delivery of this Lease, the Lessee shall pay to Lessor a deposit as security for Lessee's performance of this Lease in such amounts as are set forth in the Equipment Lease Specifications under the heading, "Deposit";

D. That Lessee shall pay all freight and shipping charges and costs for delivery of the Leased Chattels to Lessee and for the return of the Leased Chattels to Lessor upon termination of this Lease however caused;

E. That the Leased Chattels shall be kept and operated at and only at the location stated in the Equipment Lease Specifications and that same shall not be removed therefrom and shall not be operated elsewhere without the prior written consent of Lessor;

F. That Lessee shall insure and keep insured throughout the term of this Lease the Leased Chattels against loss by fire in an amount not less than four times the amount of the deposit made by Lessee to Lessor under the provisions of paragraph 2C hereof, and policy, to that extent, to be payable to Lessor, and Lessee shall furnish Lessor with a certificate of insurance showing such coverage to be in force at all times hereunder; Lessor will apply any such insurance proceeds to the repairing or replacement of the damaged equipment, and Lessee shall pay Lessor any deficiency as between the cost of such repair or replacement and the amount of such insurance proceeds;

G. That Lessee shall not mortgage or encumber the Leased Chattels nor permit same to be subjected to any mortgage, lien, claim, levy, attachment or encumbrance of any nature whatsoever and if any such is imposed, asserted or attempted, however caused, Lessee shall immediately take such steps as necessary to free said Leased Chattels therefrom;

H. That Lessee shall at all times maintain and preserve the Leased Chattels in good repair and in good operating condition, shall operate same in a workman-like manner, shall not dismantle nor alter said Leased Chattels nor change nor substitute any parts or accessories thereof, and shall not operate said Leased Chattels while same are not in good repair. If said Leased Chattels are lost, stolen, damaged, destroyed or become inoperative from the time said Leased Chattels leave Lessor's plant, while in transit, and until same are returned to Lessor, for any reason, Lessee, at Lessee's sole expense, undertakes to immediately repair or replace same in accordance with instructions of Lessor, whereupon such repaired or replaced Chattels shall be fully subject to the terms of this Lease as the original Leased Chattels hereunder. Upon termination of this Lease, however caused, Lessee agrees to immediately surrender and deliver up said Leased Chattels to Lessor, freight prepaid by Lessee, at such place as Lessor may direct, in as good order and condition as when the same were shipped to Lessee, ordinary wear excepted;

I. That Lessor's nameplates or other identification marks on the Leased Chattels shall not be removed, defaced, damaged or in any manner obscured at any time;

J. That Lessee shall not at any time question, dispute, attack or defend against the validity, right, title or interest of Lessor or of Lessor's grantors in or to the Leased Chattels or any inventions, patents, trade marks or trade names relating thereto or connected therewith;

K. That the Lessor and its agents may, at any time, enter the Lessee's premises for the purpose of inspecting, testing, altering, or repairing of said Leased Equipment.

3. The Lessor covenants and agrees as follows, to-wit:

A. That the Lessor will pay interest to Lessee on the deposit made under the provisions of paragraph 2C above, at the rate of five per cent (5%) per annum, payable semi-annually on a calendar year basis, said interest to be due and payable within ninety (90) days following the close of each such semi-annual period, interest to start running on said deposit from the first day of the month following date of receipt of such deposit by Lessee, and Lessor further undertakes and agrees within sixty (60) days following termination of this Lease, however caused, to refund said deposit to Lessee provided that Lessee, at such time, has fully performed all of Lessee's obligations to Lessor hereunder;

B. The Lessor warrants the Leased Chattels for a period of ninety (90) days from date of delivery of said Chattels to Lessee as against breakdowns caused by defective materials or workmanship and, if so caused, the Lessor will repair or replace the equipment without cost to Lessee upon return of such equipment to factory of Lessor, shipping charges prepaid by Lessee, and the Lessor will repair or replace the Leased Chattels at Lessee's current established repair or replacement charges to be paid by Lessee, following and ninety (90) day period in the event of breakdowns for any cause, at Lessee's cost, shipping charges in and out to be paid by Lessee.

4. Both parties covenant and agree as follows, to-wit:

A. That the primary term of this Lease shall be for a period of one (1) year from the date hereof as above stated and that if Lessee shall not be in default hereunder, said Lease shall be automatically renewed from year to year thereafter, provided however, that monthly rental for the Leased Chattels for any such subsequent years shall be at monthly rental rates as set forth in the rental schedule for such respective years in the Equipment Lease Specifications; provided further that Lessee may pay to Lessor advance rentals hereunder covering periods of one or more years' rental and in such case Lessee shall be entitled to a discount on such advance rental payments to the extent of five per cent (5%) of any such advance annual rental. Further, in the event and only in the event that this lease is terminated by Lessee, Lessor will refund to Lessee the unearned portion of any such advance rental paid to Lessor by Lessee, provided that the Leased Chattels on which such advance rental has been paid are returned to Lessor by Lessee in accordance with Lessor's instructions and with all freight, shipping, handling, crating, and other like charges prepaid by Lessee, and provided said Chattels are in as good condition as when delivered to Lessee, ordinary wear only excepted, and provided further that there is no indebtedness owing to Lessor by Lessee, Lessor retaining the right to apply all or any part of any such unearned portion of advance rental toward the payment of any such indebtedness;

B. That if Lessee hereafter desires to lease additional chattels from Lessor and the Lessor is agreeable thereto the same shall be added to the Leased Chattels covered by this instrument by appropriate rider in writing signed by each party hereto, whereupon all of the terms, conditions, undertakings, and agreements of this instrument shall apply in full force and effect to such additional Leased Chattels, except that the rental hereunder and the deposit to be made hereunder shall be increased to cover rental payments and deposit for such additional Leased Chattels, and if both parties agree that Lessee may terminate this Lease as to any part of the Leased Chattels same may be accomplished by similar rider and the rental and deposit hereunder shall be decreased accordingly;

C. That if the Lessee herein shall be a former holder of operator's franchise from Lessor and in possession of chattels of Lessor under such operator's franchise and shall elect to subject said Chattels to the terms, conditions, undertakings and agreements of this instrument, then the execution of this Lease by Lessee embracing such Chattels in the

Equipment Lease Specifications hereof, shall operate to cancel said operator's franchise formerly held by the Lessee from Lessor and thereafter said Chattels shall be governed entirely by the terms, provisions, undertakings and agreements hereof, provided that in such case, no deposit shall be required of Lessee hereunder on Chattels formerly held by Lessee under the terms of said former operator's franchise, and rental payments on such Chattels subjected hereto shall be in the amount of One Dollar (\$1.00) per month, plus taxes or assessments and fire insurance premiums related to said Chattels as provided in Paragraph 2B hereof, and in such case, said rental of One Dollar (\$1.00) per month covering said Chattels shall be due and payable in semi-annual installments of Six Dollars (\$6.00) each, same to be payable on January 1 and July 1 in advance in each year hereunder;

D. That this Lease shall not confer upon the Lessee nor authorize the Lessee to use any of Lessor's trade marks or trade names relating to any phase of Lessor's business except that during the term of this Lease, Lessee shall have the right to represent that Lessee is a Lessee of and operator of equipment of the O. K. Ko-Op Rubber-Welding System, Lessor to have the exclusive right to dictate the form and medium of notice or representation so used, as to size, copy, color, script and the like;

E. That title to the Leased Chattels is and shall remain in the Lessor at all times, that Lessee shall never assert any title thereto nor interest therein other than the interest of a Lessee hereunder, that the sole relationship between the parties hereunder is that of Lessor and Lessee and that Lessee is not and shall not represent Lessee to be an agent or representative of Lessor in any manner whatsoever;

F. That Lessor makes no warranties, either express or implied, to Lessee, as to said Leased Chattels or as to the operation and the use thereof except the specific ninety (90) day warranty against defective material or workmanship hereinabove set forth, and no agent or representative or employee of Lessor has any right to make any warranty, express or implied, and no such warranty or representation shall be binding upon Lessor; that Lessor shall not be liable to Lessee or to any other person or organization by reason of any operations or activities of Lessee or arising out of or by reason of Lessee's possession, operation and use of the Leased Chattels and Lessee specifically undertakes and agrees to indemnify and save harmless the Lessor from any and all rights, claims, demands, actions, causes of actions, damages, or loss or expense of any kind or character whatsoever which may occur to any person or property or organization at any time from the existence, use, operation, misuse, abuse, or condition of the Leased Chattels or which may be occasioned by defective installation or wiring of said Leased Chattels or from any other cause during the Lease hereunder;

G. That if Lessee at any time shall be in default as to any indebtedness owing by Lessee to Lessor, the Lessor shall have the right to apply Lessee's deposit hereunder toward the payment of said indebtedness, and if same shall occur during the life of this Lease and Lessor shall so apply said deposit or any part thereof to the payment of any indebtedness owing from Lessee to Lessor, and shall notify Lessee thereof, Lessee shall immediately pay over to Lessor such amount so as to restore the full amount of the deposit required hereunder immediately;

H. That this Lease is personal between the parties and that Lessee shall not sell, assign, sublease, or otherwise transfer this Lease or any rights or equipment hereunder, without the prior written consent of Lessor first obtained, and upon such written terms as may be prescribed by Lessor thereafter and Lessor reserves the right in its absolute discretion to grant or refuse such consent. Any attempted sale, assignment, or transfer contrary to the terms hereof shall be inoperative and void and shall constitute a default of this Lease;

I. That Lessee shall not acquire, possess, operate or use O. K. Rubber Welding equipment other than the Leased Chattels listed in the Specifications hereof without the prior written consent of Lessor;

J. That the right of possession of the Leased Chattels and the strict performance of each and all of the terms, conditions, undertakings and agreements herein, is of the essence hereof, and both parties specifically agree that any default thereof cannot be compensated for in damages and that by reason thereof, the Lessor shall have and is hereby authorized by Lessee to procure the specific performance of this agreement and of each and every provision hereof in any court having jurisdiction of the parties, and the Lessee hereby specifically consents to any decree of specific performance which any court may enter herein in case of any default by Lessee hereunder;

K. That no assent, expressed or implied, to any breach of any one or more of the terms, conditions, covenants, or agreements hereof shall be deemed or taken to be a waiver of any succeeding or other breach;

L. That time shall be of the essence hereof;

M. That it is expressly understood and agreed by and between the parties hereto that if the rent above reserved, or any part thereof, shall be in arrears, or if default shall be made in any of the terms, conditions, covenants or agreements herein contained to be kept or performed by the said Lessee, or if the said Lessee shall be or become insolvent, bankrupt, shall make an assignment for creditors, or any attachment or levy be asserted against the Leased Chattels, or adverse claim be made to the Leased Chattels by, through, or under the Lessee, or if Lessee discontinues the use or operation of the Leased Chattels for a period of sixty (60) days, or becomes sixty (60) days past due on any open account or other indebtedness with Lessor, it shall and may be lawful for the said Lessor, at Lessor's option, to declare said Lease ended, and to enter into the premises where said Leased Chattels may be located, or any part thereof, either with or without process of law, and to thereupon and immediately repossess the same, using such force as may be necessary in so doing, without being liable to prosecution or in damages therefor, and the said Leased Chattels again to repossess and enjoy as in the first and former estate of the said Lessor, and if at any time said term shall be ended as aforesaid or in any other way, the said Lessee hereby covenants and agrees to surrender and deliver up said Leased Chattels peacefully to the said Lessor immediately upon the termination of said term, and if the Lessee shall remain in possession of the same after the termination hereof, said Lessee shall be deemed guilty of a forcible detainer of the said Leased Chattels and same may be removed from Lessee's possession, forcibly or otherwise, with or without process of law and in no such case shall Lessor be considered as being a trespasser and Lessee further undertakes and agrees to pay to Lessor any and all cost and expense including but not limited to travelling expenses, attorney fees, shipping charges and the like which may be incurred or expended by Lessor in enforcing any and all of Lessor's rights hereunder, and Lessor shall have the right to apply any and all deposits of Lessee hereunder toward the payment of any such costs or expenses and, in addition to Lessor's other remedies, Lessor shall have the right to proceed against Lessee for any deficiency and Lessee agrees to forthwith pay same to Lessor;

N. It is further specifically understood and agreed that the Lessor is a business trust existing under Articles of Trust, administered by trustees, officers and agents acting in a representative capacity only, and not as individuals, and no personal liability shall attach to such persons or any of them in the execution of the trust or in connection with this Lease or all matters arising hereafter between the parties, and Lessee specifically understands and agrees that all obligations of Lessor shall be satisfied or performed out of the trust estate only;

O. Further it is agreed that this Agreement regardless of where executed or of where the Leased Chattels may be located shall be governed as to execution, delivery, performance, and enforcement by the laws of the State of Colorado;

P. That this instrument contains the entire agreement between the parties, all prior undertakings, understandings, representations, and agreements and matters relating to the same and relating to the use of the Leased Chattels are incorporated and resolved herein and no amendment, change or variation hereof or addition hereto shall be of any force or effect save and unless the same be in writing and duly executed by the parties hereto;

Q. This Lease is subject to approval by the President or a Vice President of Lessor and same shall not be effective or binding upon Lessor until and unless the same has been personally countersigned by said President or Vice President on the reverse side hereof

IN WITNESS WHEREOF, the said parties have executed this instrument the day and year stated in the Specifications.

O. K. Ko-Op RUBBER WELDING SYSTEM

RECEIVED

1956 JUN 18 AM 10:30

Heiler Caldwell

Lee

STATE OF ALABAMA }
SHELBY COUNTY }
I, L. G. Walker, Judge of Probate hereby
certify that the within Deed was
filed in this office for record the 28 day
of May 1956 at 8 o'clock A. M.
of 1956 and examined 8-2-56
page 28 and the Mortgage Tax of \$
and the Deed Tax of \$
has been paid.
Deed Tax of \$
Judge of Probate
Fee \$ 4.00

State of Colorado
County of Adams
I, William H. H. H. H. being first duly sworn, depose and say:
That I am the Vice President of O. K. KO-OP RUBBER WELDING SYSTEM, a business
trust organized and existing under and by virtue of the laws of the State of Colorado and in whose
trust is made this Affidavit.
That the above and foregoing Lease is, and he acknowledges it to be, a true and correct
copy of the lease existing between said O. K. KO-OP RUBBER WELDING SYSTEM and the lessor(s)
herein named and he further acknowledges that he executed the same as his voluntary act and deed.
Subscribed and sworn to before me this 28 day of May 1956
My Commission expires May 25, 1959
Notary Public

State of Alabama
County of Shelby
I, William H. H. H. being first duly sworn, depose and say that the above
and foregoing Lease is, and he acknowledges it to be, a true and correct copy of the lease
existing between the O. K. KO-OP RUBBER WELDING SYSTEM and the lessor(s) herein named and
the undersigned and he further acknowledges that he executed the same as his voluntary act and
deed.
Subscribed and sworn to before me this 28 day of May 1956
My Commission expires May 25, 1959
Notary Public

State of Alabama
County of Shelby
I, William H. H. H. being first duly sworn, depose and say that the above
and foregoing Lease is, and he acknowledges it to be, a true and correct copy of the lease
existing between the O. K. KO-OP RUBBER WELDING SYSTEM and the lessor(s) herein named and
the undersigned and he further acknowledges that he executed the same as his voluntary act and
deed.
Subscribed and sworn to before me this 28 day of May 1956
My Commission expires May 25, 1959
Notary Public

3. Date of Lease November 1, 1964

4. Location of Leased Chutele Alabaster, Alabama

5. Leased Chutele, Deposit and Rental Schedule:

Leased Chutele	Serial Number	Deposit	Monthly Rental 1st 12 Months	Monthly Rental 2nd 12 Months	Monthly Rental 3rd 12 Months	Monthly Rental 4th 12 Months	Monthly Rental Thereafter
Model J Copper		\$	\$	\$	\$	\$	\$

- Model PG Copper
- Model TG Copper
- Model HG Copper
- Model HW Welder
- Model GW Welder
- Dummy Arm
- DG Tube Plate
- Sidewall Welder
- B-300 Buffer Base
- B-500 Precision
- Att. & Sticker

THE BELOW LISTED DETAILS ARE HERBY SUBJECTED TO ALL C.O.P. TERMS OF
THIS LEASE UNDER THE PROVISIONS OF PARAGRAPH 40 ON THE REVERSE SIDE
HEREOF:

WELDERS

CAPPERS

MISC. EQUIPMENT

CR-957

TRUCK, BOILING, T-437

D.P. TUB C PLATE H-4-114

SIDEWALL WELDER H-4-115

TOTALS: \$ \$ \$ \$ \$ \$ \$

7. These Equipment Lease Specifications constitute the basis of the Lease appearing on the reverse side
hereof and are incorporated therein and made a part thereof by this reference. These Specifications have
been read, examined, and are hereby approved.

COUNTERSIGNED:
O.K. KO-OP RUBBER WELDING SYSTEM
By William H. H. H.
President, Vice President, Lease

Filed 7/28/56 8 PM