

TOOL RENTAL AGREEMENT

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This Tool Rental Agreement (this "**Agreement**") is entered into as of [EFFECTIVE DATE] (the "**Effective Date**") by and between:

[OWNER / RENTAL SHOP LEGAL NAME], a [STATE] [ENTITY TYPE / individual] with an address at [OWNER ADDRESS] ("**Owner**"); and

[RENTER LEGAL NAME], an individual or [ENTITY TYPE] with an address at [RENTER ADDRESS] ("**Renter**").

Owner and Renter are each a "**Party**" and together the "**Parties**."

Recitals. Owner owns or holds for rental certain tools and is willing to rent them to Renter for a short period, and Renter wishes to rent those tools on the terms below. In consideration of the mutual promises below, the Parties agree as follows.

1. Tools and Rental Period

1.1 Tools. Owner rents to Renter the tools and accessories described as [DESCRIPTION OF TOOLS, including type, make, model, quantity, serial or asset numbers, and included accessories such as blades, bits, batteries, or chargers] (the "**Tools**"), in the condition described in [EXHIBIT A / "the checkout record below"].

1.2 Rental period. The rental period begins on [START DATE/TIME] and ends on [END DATE/TIME] (the "**Rental Period**"), unless extended or ended earlier under this Agreement.

1.3 Extension. Renter may request to extend the Rental Period before it ends. An extension takes effect only if Owner agrees, and the rental rate continues to apply during any extension.

1.4 Pickup and return. Renter will pick up the Tools at [PICKUP LOCATION] and return them to [RETURN LOCATION] by the end of the Rental Period.

2. Rental Charges and Deposit

2.1 Rental rate. Renter will pay a rental charge of [AMOUNT] per [hour / day / week], for a total estimated charge of [AMOUNT] in [CURRENCY] for the Rental Period.

2.2 Payment. Rental charges are due [in advance / on return], by [METHOD]. Additional charges (such as extensions, missing accessories, cleaning, blade or bit replacement, or fuel) are due on return or on invoice.

2.3 Security deposit. Renter will pay a refundable security deposit of [AMOUNT] before taking the Tools. Owner may apply the deposit to unpaid charges, repair or replacement of damaged, missing, or unreturned Tools and accessories, cleaning, or late-return fees, and will return the balance with an itemized statement within the time and in the manner required by applicable law.

2.4 Late return charges. If the Tools are returned after the Rental Period without an approved extension, Renter will pay a late charge of [AMOUNT per period] until the Tools are returned, plus any actual loss Owner incurs.

2.5 Taxes. Renter is responsible for applicable rental, sales, or use taxes.

3. Use and Care of the Tools

3.1 Permitted use. Renter will use the Tools only for their intended purpose, in accordance with the manufacturer's instructions and safety guidance, and in compliance with applicable law.

3.2 Qualified use. Renter represents that Renter and anyone Renter allows to use the Tools are competent to use them safely. Renter is responsible for the acts of everyone it allows to use the Tools.

3.3 Care. Renter will keep the Tools clean and protected, store them appropriately, and not overload, misuse, or expose them to conditions outside the manufacturer's specifications. Renter will return consumable parts (such as blades, bits, or sandpaper) **[in usable condition / replaced if worn beyond normal use]**.

3.4 No alteration. Renter will not alter, modify, disable any safety guard or device on, or remove any identifying mark from the Tools.

3.5 No transfer. Renter will not sublet, lend, or transfer possession of the Tools to anyone else, or remove them outside **[STATE / agreed area]**, without Owner's prior written consent.

4. Inspection, Damage, and Loss

4.1 Condition at checkout. The Parties will record the Tools' condition and any included accessories at checkout in **[EXHIBIT A]**. Renter accepts the Tools in that condition unless it notes objections at pickup.

4.2 Renter responsibility. Renter is responsible for loss of, theft of, or damage to the Tools and accessories during the Rental Period beyond ordinary wear, regardless of cause, except to the extent caused by a defect in the Tools or Owner's gross negligence.

4.3 Repair or replacement cost. For damaged Tools, Renter will pay the reasonable cost of repair. For lost, stolen, or unrepairable Tools, Renter will pay the replacement value stated in **[EXHIBIT A]** or, if not stated, the fair market value of comparable tools.

4.4 Malfunction. If a Tool malfunctions through no fault of Renter, Renter will stop using it and notify Owner. Owner will, at its option, repair or replace the Tool or refund the rental charge for the unusable period. This is Renter's exclusive remedy for a malfunctioning Tool.

4.5 Notice of incident. Renter will notify Owner promptly of any damage, malfunction, accident, injury, or theft involving the Tools.

5. Risk of Loss; Disclaimer; Indemnity

5.1 Risk of loss. Risk of loss for the Tools passes to Renter at pickup and remains with Renter until the Tools are returned to and accepted by Owner.

5.2 Disclaimer. Except for the representations expressly stated in this Agreement, Owner provides the Tools "AS IS" and disclaims all other warranties, express or implied, including merchantability and fitness for a particular purpose, to the fullest extent permitted by applicable law. Nothing in this Agreement waives any non-waivable consumer-protection right that applicable law grants to Renter.

5.3 Assumption of risk and indemnity. Renter assumes the risks of operating the Tools and will indemnify and hold Owner harmless from claims, losses, and reasonable expenses arising from Renter's use, possession, or operation of the Tools during the Rental Period, except to the extent caused by a defect in the Tools, Owner's breach, or Owner's gross negligence.

5.4 **Limitation.** Except for Renter's payment and indemnity obligations and a Party's gross negligence or willful misconduct, neither Party is liable for indirect, incidental, special, consequential, or punitive damages arising from this Agreement.

6. Return of Tools

6.1 **Condition on return.** Renter will return the Tools and all accessories at the end of the Rental Period in the same condition as at checkout, ordinary wear excepted, and reasonably clean.

6.2 **Inspection.** Owner will inspect the Tools on return and note any damage, missing items, or cleaning charges in **[EXHIBIT A / "a return record"]**.

6.3 **Failure to return.** If Renter does not return the Tools when due and does not respond to Owner's written demand within **[NUMBER]** days, Owner may treat the Tools as lost, charge their replacement value, apply the deposit, and pursue any remedy available at law, including recovery of the Tools.

7. Default and Remedies

7.1 **Default.** Renter is in default if Renter fails to pay when due, breaches a material term, uses the Tools in a prohibited way, or fails to return the Tools when due.

7.2 **Owner's remedies.** On default, Owner may, after any notice required by applicable law, terminate this Agreement, recover the Tools by lawful means, apply the deposit, and recover unpaid charges, damages, and reasonable costs of collection permitted by law. Owner's remedies are cumulative and in addition to any remedy available at law or equity.

8. General Provisions

8.1 **Ownership.** The Tools remain Owner's property at all times. This Agreement is a rental only and gives Renter no ownership or purchase right unless the Parties agree otherwise in writing.

8.2 **Governing law and venue.** This Agreement is governed by the laws of the State of **[STATE]**, without regard to its conflict-of-laws rules. The Parties submit to the exclusive jurisdiction of the state and federal courts located in **[COUNTY, STATE]**.

8.3 **Assignment.** Renter may not assign this Agreement or sublet the Tools without Owner's prior written consent.

8.4 **Notices.** Notices must be in writing and sent to the addresses above (or as updated in writing) and are effective on receipt.

8.5 **Entire agreement; amendment.** This Agreement, with its exhibits, is the entire agreement between the Parties on its subject and supersedes prior discussions. It may be amended only by a writing signed by both Parties.

8.6 **Severability and waiver.** If any provision is unenforceable, the rest remains in effect. A Party's failure to enforce a provision is not a waiver.

8.7 **Counterparts and electronic signature.** This Agreement may be signed in counterparts and by electronic signature, each of which is an original and all of which together form one agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

OWNER**RENTER**

Signature: _____

Signature: _____

Printed name: **[NAME]**Printed name: **[NAME]**Title: **[TITLE / N/A]**Title: **[TITLE / N/A]**

Date: _____

Date: _____

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