



CYLINDER LOAN AGREEMENT

Any unit of gas sold shall be contained in a cylinder which at all times is to be owned by Phoenix Welding.

Phoenix Welding hereby lends the cylinders containing sold gas to Customer under the following terms:

1. Customer shall return each cylinder to Phoenix Welding when it is empty, provided that, in no event may Customer keep the cylinder for more than 90 days after its delivery to Customer.
2. If any cylinder is not returned to Phoenix Welding within 30 days after its delivery to Customer, Customer agrees to pay each such cylinder, on demand the current rental/demurrage rate per month on each cylinder not returned within 30 days after delivery to Customer; such payments shall not terminate after 90 days, but instead shall continue until all cylinders are returned.
3. Customer agrees to pay for any and all loss of or damage to any cylinder, or its fittings, from whatever cause, while such cylinder is in Customer's possession. Such payment shall be made to Phoenix Welding, on demand, at Phoenix Welding's then current established valuations and rates.
4. Customer agrees that he shall not refill any cylinder, nor shall he attempt to refill any cylinder, nor shall he have any cylinder refilled except by express agreement with Phoenix Welding.
5. In the event Customer violates any of the terms or conditions of this Cylinder Loan Agreement, or if Customer becomes bankrupt, or makes voluntary assignment for the benefit of creditors, or if a receiver of Buyer shall be appointed, Phoenix Welding, may, by given Customer 10 days notice, terminates this Cylinder Loan Agreement. Customer agrees within five (5) days of such termination to return to Phoenix Welding all loaned cylinders and Customer waives any and all claim to the value of the gas contained therein, which Customer agrees Phoenix Welding is entitled to retain as an offset against any damages to which Phoenix Welding is or may become entitled under this Agreement. If Customer fails to return any one or more of the loaned cylinders to Phoenix Welding within such five (5) day period, Phoenix Welding may, as to each loaned cylinder not returned, take either of the following remedies: (i) enter upon the premises where such loaned cylinder(s) are located and removed the same, and permission to enter Customer's premises during business hours for the purpose is hereby expressly granted by Customer, or (ii) charge Customer for the value of such loaned cylinder(s) at their then established valuation by Phoenix Welding. Phoenix Welding reserves the right to bring suit for the purpose of enforcing any provision of this Cylinder Loan Agreement and for the purpose of recovering damages for breach of any of its provisions. Customer agrees to pay to Phoenix Welding all expenses, including reasonable attorneys' fees and costs of suit incurred by it, in connection with any action brought either to enforce this Cylinder Loan Agreement or to recover damages for its breach.
6. This Cylinder Loan Agreement may not be transferred or assigned by Customer without the prior written consent of Phoenix Welding Supply.