

LEASE OF CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY



This agreement, made and entered into this _____ day of _____, 20____, by and between

(Indicate full name of owner as shown on intrastate certificate together with full mailing address)
herein after called "LESSOR" and _____
(Indicate full name, including
_____, hereinafter called "LESSEE".
business name if any, and address of the person leasing the authority)

WITNESSETH:

That in consideration of the rents to be paid and of the covenants, terms and conditions to be kept and performed as hereinafter set forth and subject to the approval of the Public Service Commission of the State of Montana, IT IS HEREBY MUTUALLY AGREED AS FOLLOWS:

- (1) Lessor does hereby lease, demise and let upto Lessee that certain Certificate of Public Convenience and Necessity issued by the Department of Public Service Regulation, Montana Public Service Commission, bearing PSC No. _____, a copy of which Certificate is annexed hereto, marked Exhibit _____, and by this reference made a part hereof, together with the rights, privileges, duties and obligations of the Lessor existing under and by virtue of the ownership of said Certificate.
- (2) The term of this lease shall be for a period of _____ months commencing upon approval of this lease of the Department of Public Service Regulation, Public Service Commission of the State of Montana.
- (3) Immediately upon approval of this lease by the said Public Service Commission, the Lessee shall become entitled to operate exclusively under the authority described in Exhibit _____, hereof to the full extent thereof, for and during the entire term of this Lease and any renewal thereof, unless this Lease be sooner terminated as hereinafter provided.
- (4) As for the rental of said Certificate, Lessee shall pay to the Lessor the sum of _____ per month during the term of this Lease, payable monthly in advance; the first rental payment shall be due and payable immediately upon approval of this lease by the Montana Public Service Commission, and monthly on the same day of each month hereinafter during the entire period of this Lease.
- (5) All equipment used by Lessee in his operation under said leased Certificate shall be provided by the Lessee at his own expense and shall be registered with the Montana Public Service Commission in conformity with the equipment specifications prescribed by the laws, rules and regulations of the said Montana Public Service Commission.
- (6) Lessee agrees that the operation to be conducted under and by virtue of the authority leased shall be the entire responsibility of the Lessee and Lessee agrees to hold and save Lessor harmless from all loss, damage or liability arising or accruing out of or in any way connected with the operations of the authority leased by the Lessee.
- (7) Lessee agrees that his operations under said leased Certificate shall be covered by the Lessee's insurance presently in force and effect and on file with the Montana Public Service Commission, or in the event the insurance presently in effect does not cover the leased operations, Lessee agrees to procure such insurance to cover such operation in such amount as the Public Service Commission may specify, but with limits of liability not less than _____ for bodily injury and property damage and _____ for cargo damage and to cause the Lessor to be named in the said policy as an additional named insured, all without cost to the Lessor.

- (8) The cost of licenses, other charges fixed by the Public Service Commission under its rules and regulations or required by law, and those fees and compensation provided for in 69-12-402, 69-12-407, 69-12-421; 69-12-422, 69-12-423, MCA, coming due and payable during the terms of this lease, shall be paid by Lessee.
- (9) Lessee agrees to employ competent licensed persons to operate Lessee's motor vehicles under the leased Certificate during the term of this Lease and to hold and save Lessor harmless from any claims for such drivers for salaries, wages and expenses incurred in connection with the Lessee's operations under the leased Certificate.
- (10) Lessee agrees to conduct all of his operations under said leased Certificate in conformity with and pursuant to the rules, regulations, orders and instructions of the Department of Public Service Regulation, Public Service Commission of the State of Montana and the laws of the State of Montana governing the operation of for hire carriers.
- (11) In the event that Lessee shall default in any of the promises, payments, covenants or agreements in this lease contained, or should a petition of bankruptcy be filed by Lessee or a petition in bankruptcy be filed against lessee and the same not be removed or dismissed within thirty (30) days thereafter, or should the Lessee in any manner place the Certificate in jeopardy or otherwise endanger continuance of the Certificate in full force and effect, each and all of which shall be deemed material defaults and such defaults continue for a period of ten (10) days after notice thereof has been given Lessee in writing, by Lessor, the Lessor, at this option, may elect to terminate this Lease without further notice or demand and declare the rental paid under the provisions hereof forfeited as and for liquidated damages for the breach of this agreement, or Lessor may, at his option, pursue any other remedy available to him under the laws of the State of Montana.
- (12) All notices required or permitted herein shall be served personally or by certified mail. Notices to the Lessor shall be addressed to the Lessor at _____, and to the Lessee at _____. Notice shall be complete upon posting if deposited in the United States mail within the State of Montana.
- (13) Lessee shall not assign this Lease or sublet the Certificate without written consent of Lessor and the permission of the Public Service Commission first had and obtained.
- (14) It is further covenanted and agreed that all of the covenants and agreements herein contained are binding upon the respective parties hereto, their heirs, successors and assigns.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands the day and year first above written.

(Signature of Lessor)

(Title & Telephone Number of Lessor)

(Signature of Lessee)

(Title & Telephone Number of Lessee)

This lease must be submitted to the Montana Public Service Commission, 1701 Prospect Avenue, P.O. Box 202601, Helena, Montana 59620-2601, for approval.