

## **RULE BROADCAST SYSTEMS, INC.**

### **Terms and Conditions**

1. This is a lease of the equipment described on the reverse side hereof. The term of this lease is as specified on the reverse side hereof. Rentee agrees to promptly notify Rule Broadcast Systems, Inc. (also referred to herein as "Rentor") and obtain agreement to any extension of the rental term. At no time will rental prices accrue toward the purchase of any rental equipment.
2. All rentals are F.O.B. our premises. Equipment may be picked up on the day before the shoot day after 3:00 PM; if equipment is picked up before 3:00 PM, an extra days rental will be charged. Equipment must be returned by 10:00 AM on the day following the shoot day, or an additional day's rental charges will be incurred.
3. The rentee agrees not to remove or cover the tag or name plate on equipment showing ownership by Rule Broadcast Systems, Inc.. Rentee shall not make any alterations, additions, or improvements to said equipment without the written consent of Rule Broadcast Systems, Inc.. At all times during business hours, Rentor shall have the right to inspect equipment and observe its use.
4. Rentee acknowledges that he has fully inspected and accepted said equipment, and that said equipment is in good condition and repair. Rentee hereby assumes and shall bear the entire risk of loss and damage to the equipment from any and every cause, except ordinary wear and tear resulting from proper use of the equipment. Upon the expiration or earlier termination of this lease, Rentee shall return the equipment and all accessories to Rentor, in the same condition as said equipment was at the time of delivery hereof to the rentee, except as provided above.
5. The Rentee shall compensate the Rentor for any loss it may sustain as a result of the rentee cancelling all or part of an order.
6. Rentee acknowledges and agrees that Rentor makes no warranty, express or implied, regarding the equipment, including though not limited to, its merchantability or fitness for any purpose. Rentor's obligation to Rentee shall be limited to the repair or replacement of equipment which is defective, when delivered to Rentee and Rentee agrees that this shall be its sole and exclusive remedy against the rentor.
7. The Rentee must not sell, loan, assign, pledge, encumber, part with possession, or suffer any lien to be created over rented equipment, and Rentor may terminate any rental without notice in the event of any rentee making any attempt to do so or making any act or omission which, in the opinion of the Rentor, jeopardizes Rule Broadcast Systems, Inc.'s rights in the equipment or becoming the subject of any bankruptcy or liquidation proceedings, or becoming insolvent or allowing any judgement or well founded claim to remain unsatisfied or failing to pay any rental costs or any other sum due Rule Broadcast Systems, Inc., or failing to comply with any of these conditions.
8. Rentee shall pay Rentor all costs and expenses, including attorney's fees, incurred by Rentor in exercising any rights or remedies hereunder or enforcing any of the terms, conditions, or provisions hereof.
9. Rentee agrees to indemnify and hold harmless Rentor from any and all claims, actions, suits, proceedings, costs, expenses, damages and liabilities, including reasonable attorney fees arising out of, connected with, or resulting from the lease of any equipment or the employment of any personnel provided by Rentor hereunder provided, however, that Rentee shall have no obligation to indemnify and hold harmless Rentor for his sole negligence or the intentional or wanton misconduct of any personnel by Rule Broadcast Systems, Inc. hereunder.
10. Rentor shall be entitled to use up to 10% of the billed daily time on the job at its discretion for maintenance, etc., without any deduction for such "Down Time" from the total charges payable by the rentee. Rentor shall make a reasonable effort to have its equipment functioning to meet Rentee's shooting schedule, however, Rentor shall not be liable for consequential damage, such as compensation payable to personnel caused by malfunctioning of equipment. Rentor cannot be responsible for Rentee's failure to operate the equipment properly. In the event of equipment failure or malfunction, Rentee should notify Rentor by telephone. Rule Broadcast Systems, Inc. cannot accept responsibility for malfunctions reported after termination of rental.
11. Rentee shall secure and maintain at his own expense (a) All Risks of Loss insurance coverage for Direct Physical Loss of or damage to the equipment rented from the Rentor, and (b) Comprehensive General Liability insurance in an amount of not less than \$1,000,000.00 combined single limit for Personal Injury, Bodily Injury, and Property Damage. The Comprehensive General Liability Form shall include the coverage parts for broad form contractual liability. Rentee shall provide Certificates of Insurance, signed by an authorized representative of the rentee's insurance company in duplicate, evidencing that rentee is in compliance with the insurance provisions of this agreement. Rule Broadcast Systems, Inc. shall be named as Additional Insured and Loss Payee as its interest may appear in reference to any and all equipment provided by Rentor under the terms and conditions of this agreement. Each such certificate issued to Rentor shall stipulate that the coverages indicated on the insurance certificate shall be primary coverage and not contributing with any other insurance maintained by rentor. The insurance company is required to notify Rentor prior to any cancellation or reduction in the limits of liability. It is agreed that rentee's insurance coverage shall commence at the time any of Rentor's equipment leaves Rentor's premises and shall remain in full force and effect until the equipment is returned to the premises of Rentor unless Rentor shall stipulate that such equipment is to be returned to a specific location other than Rule Broadcast Systems, Inc.'s premises.