

## **Digital Image Associates, LLC**

### **RENTAL TERMS AND CONDITIONS**

This Equipment Rental ("Rental") between Digital Image Associates ("Digital Image") and the Customer is made effective as of the dates indicated on the Rental Invoice/Contract and includes the following terms in addition to those on file at our office.

#### **RENTAL EQUIPMENT SUBJECT TO THIS CONTRACT.**

Digital Image shall provide the equipment listed on accepted Estimate and/or Invoice.

#### **SERVICE CHARGE.**

If any Rental installment is not paid within ten (10) days after the due date, the Customer shall pay to Digital Image a surcharge of 1% of monies overdue, per day. At this time, the Rental will cease and the equipment shall be returned immediately to the Digital Image.

#### **NON-SUFFICIENT FUNDS.**

The Customer shall be charged \$250.00 for each check that is returned to Digital Image for lack of sufficient funds.

#### **SECURITY DEPOSIT.**

A Security deposit is required for all customers without an insurance certificate on file. This deposit will be returned to the Customer at the termination of this Rental, subject to the option of Digital Image to apply it against Rental charges or damages. Any amounts refundable to the Customer shall be paid at the time this Rental is terminated. The security deposit shall not bear interest.

#### **RISK OF LOSS OR DAMAGE.**

The Customer assumes all risks of loss or damage to the Rental equipment from any cause (except to the extent caused by the negligence or willful misconduct of Digital Image or is the result of prior neglect, inadequate maintenance or manufacturing or design defect(s) of the equipment.), and agrees to return it to Digital Image in the condition received, with the exception of normal wear and tear. Digital Image, or their appointed agent, will determine normal wear and tear. All reasonable determinations made by Digital Image are final.

#### **INSURANCE AND INSURANCE CERTIFICATE.**

The Customer shall insure the Rental equipment for its full replacement value under an "ALL RISKS" POLICY INCLUDING AUTO PHYSICAL DAMAGE COVERAGE. A copy of the insurance certificate shall be provided to Digital Image prior to the commencement of the Rental. The sole beneficiary of the insurance relating to physical loss or damage to the equipment will be stated on the certificate as "Digital Image Associates, LLC". Digital Image will be named additional insured and loss payee. Failure of the insurance company to honor a claim in no way changes the obligation of the Customer to compensate Digital Image for the full new replacement value of the equipment, in the event its deemed a total loss, and all loss of rental income until replacement is settled, for actual and verifiable loss of use, not to exceed 60 days. The minimum paid term of the Insurance must be for the initial period of the Rental plus one-month.

#### **RENTAL TERM.**

This Rental shall begin on the above effective date and shall terminate on return in fully working condition to Digital Image's facility. If the equipment has to be repaired, the equipment will continue to be Rented until it is repaired for actual and verifiable loss of use, not to exceed 60 days. The Rental period will end only when the equipment has been returned to a fully working state. At any time Digital Image has the right to terminate the Rental with 7 days written notice to the customers address as indicated on the rental contract.

#### **CREDIT REFERENCES.**

The customer will provide credit references as required by Digital Image.

#### **CARE AND OPERATION OF EQUIPMENT.**

The Rental equipment may only be used and operated in a careful and professional manner. Its use must comply with all laws, ordinances, and regulations relating to the possession, use, or maintenance of the equipment, including registration and/or licensing requirements, if any.

#### MAINTENANCE AND REPAIR.

The Customer shall maintain the Rental equipment in good repair and operating condition. No equipment may be painted or modified without prior approval. The Customer shall pay all costs required to maintain the equipment in good operating condition. Such costs shall include labor, materials, parts and similar items.

#### COMPANY'S RIGHT OF INSPECTION.

Digital Image shall have the right to inspect the Rental equipment during Customer's normal business hours, after giving Customer reasonable notice and not to interfere with production activities in any way.

#### RETURN OF EQUIPMENT.

At the end of the Rental period, the Customer shall be obligated to return the equipment to Digital Image at the Customer's expense. Any freight, insurance or customs charges, related to the rented equipment incurred during or at the end of the rental, will be billed to the Customer's account.

#### ACCEPTANCE OF EQUIPMENT.

The Customer shall inspect each item of equipment received pursuant to this Rental. The Customer shall immediately notify Digital Image of any discrepancies between such item of equipment and the description of the equipment on the Estimate or Invoice. If the Customer fails to provide such notice in writing within 1 day after the receipt of the equipment, the Customer will be conclusively presumed to have accepted the equipment as specified. Any subsequent claim that the equipment was missing or not provided in fully functional order will not be considered.

#### EARLY RETURN OF RENTED ITEMS.

Equipment rented for periods longer than one day and returned early are due a credit only under the following circumstances. Equipment rented for a one (1) week period will be due a credit only if it is returned prior to the number of days charged for the Rental expiring. Example: a three (3) day charge for a week Rental returned after the third day would receive no credit. Equipment rented for one (1) month with a ten (10) day Rental charge and returned after the tenth day would receive no credit. All equipment ordered and purchased for a particular job will receive no credit. Sub-rented equipment will receive credit for early return only if the supplier agrees to an early return credit.

#### FAILURE TO PERFORM.

If the equipment fails to perform after the initial acceptance it will be the responsibility of the customer to notify Digital Image. Digital Image will not be held responsible for any errors or omissions due to the operator's lack of technical capability.

#### OWNERSHIP AND STATUS OF EQUIPMENT.

The Rental equipment will be deemed to be personal property, regardless of the manner in which it may be attached to any other property. Digital Image shall be deemed to have retained title to the equipment at all times, unless Digital Image transfers the title by sale. The Customer shall immediately advise Digital Image regarding any notice of any claim, levy, lien, or legal process issued against the equipment.

#### WARRANTY.

Digital Image makes no warranties; express or implied, as to the Rental equipment. The Customer assumes the responsibility for the condition of the equipment.

#### INDEMNITY OF COMPANY FOR LOSS OR DAMAGES.

If the Rental equipment is damaged or lost by Customer, Digital Image, in conjunction with Customer's representatives, shall have the option of requiring the Customer to repair the equipment to a state of good working order, or replace the equipment with like new equipment, which equipment shall become the property of Digital Image and subject to this contract.

#### LIABILITY AND INDEMNITY.

Liability for injury, disability, and death of workers and other persons caused by operating, handling, or transporting the equipment during the term of this Rental is the obligation of the Customer, and the Customer shall indemnify and hold Digital Image harmless from and against all such liability, except to the extent caused by the negligence or willful misconduct of Digital Image. Customer shall maintain liability insurance of at least \$2,000,000.00 U.S. unless waived in writing by Digital Image.

#### PROPERTY INSURANCE.

The Customer shall insure the equipment in an amount sufficient to cover the new replacement cost of the equipment and any loss of Rental income, as referenced above.

#### TAXES AND FEES.

During the term of this Rental, the Customer shall pay any or all taxes, assessments, and license and registration fees on the equipment.

#### DEFAULT.

The occurrence of any of the following shall constitute default under this Rental:

- A. The failure to make a required payment under this Rental when due.
- B. The violation of any other provision or requirement that is not corrected within 4 Day(s) after written notice of the violation is given.
- C. Application or sale for or by any creditor or government agency.

#### RIGHTS ON DEFAULT.

If the Customer is in default under this Rental, without notice to or demand on the Customer, Digital Image may peaceably take possession of the equipment as provided by law, deduct the costs of recovery (including reasonable outside attorney fees and legal costs), repair, and related costs, and hold the Customer responsible for any deficiency. Digital Image shall be obligated to re-rent the equipment, or otherwise mitigate the damages from the default, only as required by law.

#### ASSIGNMENT.

The Customer shall not assign or sublet any interest in this Rental or the equipment or permit the equipment to be used by anyone other than the Customer or Customer's employees, without Company's prior written consent.

#### ENTIRE AGREEMENT AND MODIFICATION.

This contract constitutes the entire agreement between the parties. No modification or amendment of this contract shall be effective unless in writing and signed by both parties. This contract replaces any and all prior agreements between the parties.

#### GOVERNING LAW.

This contract shall be construed in accordance with the laws of the State of California.

#### SEVERABILITY.

If any portion of this contract shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this contract is invalid or unenforceable, but that by limiting such provision, it would become valid and enforceable, then such provision shall be deemed to be written, construed and enforced as so limited.

#### WAIVER.

The failure of either party to enforce any provision of this contract shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this contract.

#### CERTIFICATION.

Customer certifies that the application, statements, and trade references submitted to Digital Image are true and correct and any material misrepresentation will constitute default under this contract.

#### SALE.

In the case of a purchase of equipment or expendables, all sales are final. In the event of a problem with or non-performance by any purchased item the manufacturer's stated warranty is the purchaser's sole remedy. Returns may be accepted on new unmodified products in the first 30 days with a 30% restocking charge at the sole discretion of Digital Image.