

IMAGECRAFT EQUIPMENT RENTAL AGREEMENT

This Equipment Rental Agreement ("Agreement") is entered into as of this ____th day of _____ 20__ (the "Effective Date"), by and between Imagecraft Productions, Inc. ("Imagecraft") with its place of business located at 1812 Burbank Blvd #1006, Burbank, California 91506, and _____ ("Customer")

1. DEFINITIONS

- 1.1 The Equipment Delivery Receipt shall mean a document prepared by Imagecraft setting forth in detail the Equipment subject to this Agreement. The Equipment Delivery Receipt is attached and deemed a part of this Agreement, as fully incorporated herein.
- 1.2 The Imagecraft Rental Order ("Quotation") shall mean a document specifying the rental rate of the Equipment. The Quotation is deemed a part of this Agreement, as fully incorporated herein.

2. TERMS

- 2.1 Equipment Rental and Acknowledgments – Customer acknowledges that this is a rental of Equipment and not a sale, conditional or otherwise. Unless otherwise specified in the Equipment Delivery Receipt, all Equipment is rented on a day-to-day basis and the rental rate as set forth in the Equipment Delivery Receipt shall apply to each full day or any fraction thereof which has elapsed between the time the Equipment is delivered to Customer and the time it is returned to Imagecraft. The manner by which "Delivery" and "Return" are to be accomplished are described herein below.
- 2.2 Rental Day Cut-Off and Continued Accrual of Charges - Pickup by Customer from Imagecraft or shipment by Imagecraft of Equipment after 4:00 PM shall not be deemed a rental day. Return of Equipment to Imagecraft after 10:00 AM is deemed an additional rental day. Where the Equipment has not been returned to Imagecraft by the date specified in the Equipment Delivery Receipt, Customer shall continue to accrue daily rental charges on the Equipment on a day-to-day basis at the rate contained on the applicable invoice, until such time as the Equipment has been returned to Imagecraft in the manner provided for below.
- 2.3 Delivery – Customer, by signing this Agreement, acknowledges that the Equipment will be deemed delivered for all purposes when it leaves Imagecraft's place of business in the possession of the Customer, any agent of the Customer, or any third party carrier as authorized by the Customer. Customer bears full responsibility for all transportation arrangements for the Equipment (including the selection of any third party carriers, if required). Any modifications to this provision must be made in writing and signed by an authorized representative of Imagecraft. Should Customer fail to specify in writing the exact manner by which transportation and delivery shall be accomplished, Customer shall be deemed to have authorized Imagecraft to employ methods of delivery that Imagecraft, in its sole discretion, deems to be appropriate for the particular circumstances under which the transportation and/or delivery will occur, including the use of any third party carriers, drayage houses, and/or storage facilities, with the Customer bearing the entire risk of loss and/or damage to any Equipment once it has left Imagecraft's place of business. In the event Imagecraft agrees in writing to deliver the Equipment to a location away from Imagecraft's place business, Customer shall provide Imagecraft with detailed written instructions for the manner and location of such delivery. If the Customer fails to provide such instructions, or if such instructions fail to address specific aspects of the delivery process, Customer shall be deemed to have authorized Imagecraft to accomplish delivery in any manner that Imagecraft, in its sole discretion, deems to be appropriate for the particular circumstances under which the delivery will occur, including delivery to a drayage house or storage facility, with the Customer bearing the entire risk of loss and/or damage to the Equipment once it is no longer in the physical custody of authorized Imagecraft employees.
- 2.4 Return –Equipment is deemed "Returned" to Imagecraft when it has been delivered to Imagecraft's place of business. Customer will continue to bear any and all risk of loss and/or damage to Equipment until Return has been accomplished in this manner. Equipment that has been damaged or destroyed while in the possession of Customer, an agent of the Customer or any third party carrier, as authorized by Customer, is not deemed to have been "returned" to Imagecraft until such time as it has been repaired (as provided below) and Customer has been released in writing by an authorized representative of Imagecraft from liability for any further rental charges, or Imagecraft has received full replacement value from Customer or Customer's insurer, including payment of any unpaid and/or continuing rental charges. Equipment that has been lost, stolen or seized by a governmental agency while in the possession of the Customer, an agent of the Customer (including, but not limited to, drayage houses, storage facilities and/or hotel concierge desks) or any third party carrier shall not be deemed to have been "returned" to Imagecraft until Imagecraft has received full replacement value from the Customer or Customer's insurer, including payment of any continuing rental charges, or Equipment has been released by the governmental agency or third party and is in the physical possession of Imagecraft, in an undamaged condition. Under no circumstances shall

- Imagecraft be deemed to have accepted a “return” of the Equipment until such time as each item has been unpacked from its shipping container, examined by Imagecraft employees and individually bar code scanned into Imagecraft’s computerized inventory system as returned and undamaged.
- 2.5 Authorized Use - Customer agrees that the Equipment shall be used only by duly qualified employees and/or agents or Customer or third-party carriers as authorized Customer. The Equipment will be used in compliance with standard operating procedures prescribed for the equipment and only for the purpose or production contemplated. Except in those circumstances where labor is supplied by Imagecraft, Customer shall keep the equipment in its sole custody and control.
- 2.6 Damage – Customer shall have full responsibility and liability to Imagecraft for the actual cost to repair or replace any Equipment which, during the period between Delivery and Return (as defined above), has been lost, stolen, or damaged from any cause whatsoever (excluding a malfunction to which Imagecraft’s limited warranty applies, as defined below, or due to normal wear and tear). Customer further assumes any and all risk of loss once Equipment leaves Imagecraft’s place of business until such time as Equipment is returned to Imagecraft as provided herein. Customer shall also be liable to Imagecraft for continued rental charges during a reasonable time required to repair or replace damaged equipment, to the extent the Customer is responsible under the provisions of this Agreement for such damage or loss. Customer shall be liable to Imagecraft for the full replacement cost of all Equipment which must be replaced as a result of damage, loss, or Customer’s failure to return Equipment to Imagecraft. Customer’s liability is primary and shall only be reduced in the event and to the extent Imagecraft actually receives any applicable insurance proceeds. Acceptance by Imagecraft of the return of any Equipment shall not be deemed a waiver of any claims which Imagecraft may have against Customer under this provision, even if any damage for which the Customer is liable hereunder is discovered later.
- 2.7 Insurance - Customer shall provide to Imagecraft a Certificate of Insurance acceptable to Imagecraft, with Imagecraft named as an additional insured with regards to General Liability and as the Loss Payee, in a form and amount satisfactory to Imagecraft, evidencing Customer’s insurance covering all risk of loss to the Equipment at replacement cost value plus any continuing rental charges at the same rate set forth on the Sales Order (such payments to continue until the date of receipt of the replacement cost by Imagecraft), including coverage of the Equipment while in transit. Customer’s insurance must include rented or leased equipment coverage and must provide coverage during the entire time of rental or lease, including transport of the equipment from and to Imagecraft’s place of business (both in the Continental U.S. or abroad), even if transport is accomplished by a third-party carrier authorized by Customer. Should Customer fail to procure or pay cost of maintaining in force the insurance specified in the terms of his Agreement, or to provide the Imagecraft upon hire of the Equipment with satisfactory evidence of insurance, then Imagecraft may, but shall not be obligated to, procure the insurance and Customer shall reimburse Imagecraft on demand for its actual verifiable cost. Lapsed or cancellation of the required insurance shall be an immediate and automatic breach of this agreement.
- 2.8 Security Deposit - Imagecraft may, at Imagecraft’s option, require Customer to provide a security deposit in a reasonable amount determined by Imagecraft. Said security deposit, if provided by credit and/or charge card, shall be final. Customer waives all rights to dispute charges with credit/charge card company and agree to resolve disputes as if the charges were made as cash payments. In the event that credit/charge card company fails to honor Imagecraft’s charges for any reason, or if the credit charge or credit available shall be insufficient to cover the claims of Imagecraft under this agreement, Customer shall remain absolutely liable for all claims as set forth herein. The election of Imagecraft to require and accept a security deposit in lieu of a proof of insurance certificate from Customer, or for any other reason, does not constitute a waiver or limitation by Imagecraft for any of Imagecraft’s rights or Customer’s obligations under this agreement.
- 2.9 Personnel – In the event, Imagecraft provides Customer with personnel at any point, the Personnel supplied by Imagecraft shall act in the capacity dictated by Customer. It is acknowledged and agreed by Customer that in performing any personnel services, Imagecraft’s personnel will be acting under the direct supervision and control of Customer and not Imagecraft. Customer shall be solely responsible for providing supervision and control as will protect the personnel, Equipment and any third parties from injury or loss. In view of such supervision and control by Customer, Imagecraft and its personnel shall bear no liability for any loss or injury sustained.
- 2.10 International Transportation of Equipment - Customer must notify Imagecraft of any intention to use Equipment outside the Continental U.S. and must receive written permission by Imagecraft before any intercontinental transport of Equipment occurs. For rentals outside the Continental U.S., Customer is responsible for prepayment of all customs duties, excise taxes, brokerage charges, shipping fees and taxes

and/or other charges that may be imposed by any country. Any additional equipment rentals needed; due to impound or delays in shipping or customs are the responsibility of the Customer. Customer hereby acknowledges that daily rental charges shall accrue for time in transit, including time equipment may be in the hands of customs and are the responsibility of Customer.

- 2.11 Termination of Agreement by Imagecraft - Regardless of the rental period specified in the Equipment Delivery Receipt, Imagecraft reserves the right to, by notice to Customer, cancel any Equipment Delivery Receipt at any time during the term of rental if Imagecraft deems that Customer is misusing Equipment, the terms of this Agreement are not being met, or Customer has breached this Agreement in any other manner.
- 2.12 Cancellation by Customer - Subject to the first day rental or forfeiture of deposit or an amount contractually established for this rental in advance, whichever is greater. Notwithstanding the foregoing, Customer shall not be responsible for any cancellation fee unless the notice period is under twenty four (24) hours.
- 2.13 Payments and Charges - Rental rates are offered to Customer based upon Customer's credit information available to Imagecraft at time of rental. If Customer's credit information is incorrect or changes during the course of rental, Imagecraft may revise the applicable rate without notice. Customer agrees rental invoices and loss or damage invoices are payable upon receipt of invoices. Any discounts granted by Imagecraft may be revoked at any time after 30 days. If credit card is supplied to Imagecraft by Customer, Customer acknowledges and grants Imagecraft the right to recover from Customer's credit card charges or amounts due to Imagecraft as set forth herein. Rental payment may not be applied to the purchase or repair or replacement costs of the Equipment.
- 2.14 Late Charges - Imagecraft may levy a service charge of 3% per month on past due accounts.
- 2.15 Sublease by Customer - The grant by Customer of a sublease of Equipment shall not affect Customer's obligation to procure insurance for the benefit of Imagecraft as provided herein, nor shall such a sublease otherwise affect or diminish any of Customer's obligations under this Agreement
- 2.16 Surrender - Upon the expiration or earlier termination of this Agreement, Customer shall return Equipment and all accessories (including, but not limited to, sensors, connectors, cable, terminations, power cords, operation or maintenance manuals, and test charts furnished by Imagecraft) to IMAGECRAFT in the same condition as at the delivery to Customer, ordinary wear and tear excepted, Imagecraft's acceptance of the return of the equipment is not a waiver by it of any claims it may have against Customer nor a waiver of claims for latent or patent damage to the equipment.
- 2.17 Attorney's Fees - Customer agrees to pay all reasonable attorneys fees and costs actually incurred by Imagecraft in enforcing the terms of this contract regardless of whether or not Legal action is taken.
- 2.18 Right of Entry and Inspection - Imagecraft shall have the right to inspect the Property at anytime during the rental period. If a breach of any of the provisions in this contract occurs Imagecraft will have the right to enter the premises and remove Equipment / Property without liability to Customer and without prejudice to Imagecraft's rights to rent due and or any other fees.

3. REPRESENTATIONS, WARRANTIES AND INDEMNIFICATION

- 3.1 Imagecraft's Limited Representations and Warranties - Imagecraft represents and warrants that Equipment is operational, free from defects and in good working order and will function properly when used for its intended purpose when it leaves its place of business. Imagecraft is not responsible for Customer's failure to operate the equipment properly. Imagecraft represents and warrants it has complied and will continue to comply with all applicable laws, regulations, and business codes, as well as all applicable manufacturer's specifications. In the event of a malfunction, Customer must notify Imagecraft immediately. Imagecraft is not responsible for any malfunction reported after the termination of this Agreement for such Equipment. The limited warranty provided herein shall not apply to any malfunction resulting from mishandling or improper operation of the Equipment after Delivery of the Equipment to Customer. Except as set forth herein, Imagecraft makes no warranty with respect to the Equipment and expressly disclaims any warranty, implied or otherwise, that the Equipment is suitable for Customer's intended use. Imagecraft shall not be liable for any consequential damages and its liability for any breach of warranty granted hereunder shall be, in Imagecraft's sole discretion, replacement or repair of any defective Equipment or a refund of rent paid by Customer in connection with such Equipment.
- 3.2 Customer's Representations and Warranties - Customer represents that it has examined Equipment and it is in good working condition. The Customer shall at all times retain Equipment in its own custody and Customer shall not permit Equipment to be moved from the address specified in the Equipment Delivery Receipt, without the prior written consent of Imagecraft. The Customer shall operate Equipment in accordance with the manufacturer's instructions and contemplated use and shall not use Equipment in any manner which will subject it to abnormal or hazardous conditions, including, but not limited to: not using

Equipment in accordance with manufacturer's instructions and contemplated use, negligence (defined as, but not limited to, failure to provide prudent security measures to prevent theft or carelessness in maintaining Equipment properly); or misuse (defined as, but not limited to, improper use of Equipment causing damage due to utilization of Equipment in a manner for which it is not designed). Customer shall not make any alterations or improvements to Equipment without the prior written consent of Imagecraft and shall not deface, remove, or cover any nameplate on Equipment showing Imagecraft's ownership of Equipment. Customer shall not attempt to service or repair any of the Equipment and any attempt to do so will void the limited representations and warranties made by Imagecraft above. Customer represents and warrants that Equipment shall be operated in accordance with applicable Federal, State or local law.

- 3.3 Indemnification - Customer agrees to indemnify Imagecraft and to hold Imagecraft, its employees and agents harmless from and against any and all losses, damages, claims, demands or liability, including reasonable outside legal expenses, arising from the use, condition (including, without limit, latent and other defects) or operation of the equipment except to the extent Imagecraft is obligated to indemnify hereunder, and by whosoever used or operated during the rental term. This indemnification shall continue in full force and effect during and after the term of the rental for causes arising during the term of the rental.

4. MISCELLANEOUS PROVISIONS

- 4.1 Amendment - This Agreement may not be amended, except by a writing signed by Imagecraft.
- 4.2 Waiver - Any waiver of the provisions of this Agreement or of a party's rights or remedies under this Agreement must be in writing to be effective. Failure, neglect or delay by a party to enforce the provisions of this Agreement or its rights or remedies at any time will not be construed and will not be deemed to be a waiver of such party's rights under this Agreement and will not in any way affect the validity of the whole or any part of this Agreement or prejudice such party's right to take subsequent action.
- 4.3 Governing Law - This Agreement shall be governed by and construed in accordance with the laws of the United States and the State of California. The parties consent to the courts in Los Angeles County and irrevocably waive any and all claims and defenses either might otherwise have in any action or proceeding based upon any alleged lack of personal jurisdiction, improper venue, *forum non conveniens* or any similar claim or defense.
- 4.4 Severability - If any provision of this Agreement is held by a court of competent jurisdiction to be unenforceable, such provision shall be enforced to the maximum extent permissible so as to effect the intent of the parties, and the remaining provisions of the Agreement shall continue in full force and effect.
- 4.5 Notices - All notices, requests, demands, waivers and other communications required hereunder shall be in writing and shall be deemed to have been duly given (a) when personally delivered; (b) one (1) business day after posting when sent by registered private overnight carrier (e.g., DHL, Federal Express, etc.); or (c) five (5) business days after posting when sent by certified United States mail, prepaid. Notice shall be sent to the parties at the addresses set forth above or at such other address as either party shall furnish to the other party in writing pursuant to the above. Notices to Imagecraft shall be sent to its place of business.
- 4.6 Titles and Subtitles - The titles and subtitles used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement.
- 4.7 Counterparts - This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.
- 4.8 Entire Agreement - This Agreement constitutes the complete and exclusive understanding and agreement of the parties relating to the subject matter hereof, and supersedes all prior or contemporaneous understandings, agreements and communications, whether oral or written, between the parties with respect to the subject matter hereof.

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

("CUSTOMER")

By: _____

Printed Name: _____

Title: _____

Dated: _____

IMAGECRAFT PRODUCTIONS, INC.

("IMAGECRAFT")

By: _____

Printed Name: _____

Title: _____

Dated: _____

INITIALS _____, _____