

Ace Video
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Ace Video Rental Contract
Terms & Conditions
PLEASE READ THIS DOCUMENT CAREFULLY

1. GETTING STARTED.

These terms and conditions form part of the rental contract (the "Rental Contract") between You and Ace Video, ("Ace Video"), and apply to all the equipment and/or vehicles (the "Equipment") rented by You. These terms and conditions constitute additional provisions of, and guides to interpretation of the Rental Contract. In the event of a conflict between these terms and conditions hereof and any other document generated by You or by Ace Video, the terms of this Rental Contract shall prevail.

2. PRE-PRODUCTION - TESTING THE EQUIPMENT.

TEST THE EQUIPMENT ("EQUIPMENT" INCLUDES ALL TYPES OF RENTAL PRODUCTION EQUIPMENT AND/OR VEHICLES). You will always have an opportunity to test and examine the Equipment to determine that the Equipment is in good working order. You may test the Equipment at the rental facility, on location, or at another place. If the equipment malfunctions, or if You believe that the equipment is malfunctioning, **do not attempt to repair without the express written consent of Ace Video.** Any attempt to repair the equipment can serve as the basis for a total loss of the equipment.

YOU ARE CONSIDERED TO HAVE TAKEN DELIVERY OF THE EQUIPMENT and therefore assume all risk of loss or damage from the time that the Equipment is set aside from Ace Video's general rental inventory for Your use even if Ace Video, or its agents are delivering the Equipment. You are responsible for any damage You cause to equipment, property or person(s), during testing. After completing Your tests You must notify Ace Video of any defective or inoperable equipment immediately upon discovering the defect. Unless You notify Ace Video of a defect or problem with the equipment supplied, You agree that the Equipment is in good working order and that the Equipment is acceptable to You.

3. TRANSPORTING EQUIPMENT - PICK UP & DELIVERY.

YOU PICK UP AND RETURN THE EQUIPMENT at Ace Video's facility, during business hours. IF YOU DO NOT PICK UP AND/OR RETURN THE EQUIPMENT AT OUR FACILITY YOU ARE RESPONSIBLE FOR TRANSPORTATION TO AND/OR FROM ANY LOCATION. At Your request and expense, Ace Video may arrange shipment of the Equipment to Your designated location. You are responsible for all costs (transportation charges, taxes, duties, broker's fees, bonds, insurance and any other costs) incurred during transit even if Ace Video is the carrier. Ace Video is not responsible for shipping delays or losses once the Equipment is delivered to Your carrier. Ace Video will not accept collect shipments from You.

4. YOUR RESPONSIBILITIES WITH REGARD TO THE EQUIPMENT

YOU ASSUME ALL RISKS OF LOSS. Once You have taken delivery of the Equipment, Your responsibility includes, but is not limited to, risks while in transit, at all locations named and unnamed, at all studios,

while on Your own premises and while in use, or storage on the rental facility's premises. PLEASE NOTE: All non-consumable supplies, including but not limited to surge protection devices, boxes, fiber cases, canvas bags, corrugated boxes, manuals, power cords and computer cabling provided with the Equipment, whether or not specified herein, shall be deemed to be a part of the Equipment and shall be returned to Ace Video with the Equipment. You are responsible for all losses as determined by Ace Video even if Your Insurance Company does not pay the costs as stipulated in this Rental Contract. Please be advised that any item(s) returned to Ace Video (including but not limited to audio and videotapes) that was not rented from Ace Video is not the responsibility of Ace Video, and Ace Video disclaims any liability for those items.

5. YOUR RESPONSIBILITY ENDS WHEN THE EQUIPMENT IS RETURNED AND THE RENTAL TERM HAS EXPIRED. Equipment will not be deemed to have been returned until all of the following conditions have been met: 1) property has been brought back to the premises during normal business hours; 2) an inventory has been completed and a missing and damaged list has been compiled, if needed; and 3) the term of the Rental Contract has expired.

6. YOU ARE RESPONSIBLE FOR ALL EQUIPMENT BEING STORED FOR YOU BY THE RENTAL HOUSE. You are responsible for all equipment (including but not limited to camera(s), props, sets & wardrobe) which is picked up or stored by Ace Video for Your ultimate use. Ace Video shall be acting as Your agent in storing any such property which belongs to third parties. All risks of physical loss to property which is transported or stored by Ace Video for Your benefit shall remain Your responsibility.

7. RESTRICTIONS UPON THE USE OF THE EQUIPMENT
LOCAL USE ONLY, UNLESS OTHERWISE AGREED. Unless otherwise agreed to in writing by Ace Video, You may only use the equipment within the State of New York. Should You need to remove any of the equipment outside the State of New York, You must make arrangements with Ace Video, prior to the removal of said equipment. It will be deemed a breach of this Contract should You remove the equipment from the State of New York without Ace Video's express written consent.

8. USE BY QUALIFIED TECHNICIANS ONLY. The Equipment may be used only by Your duly qualified employees and/or agents and in strict accordance with the use contemplated in the Rental Contract. You shall keep the Equipment in Your sole custody and shall not permit the Equipment to be used in violation of any laws. NO SUBLEASE BY YOU IS PERMITTED. You may not sublease all or part of the Equipment without the written consent of Ace Video or unless it is indicated on the Ace Video Invoice or Order Acknowledgement.

9. DO NOT REMOVE SERIAL NUMBERS OR COVER COMPANY LOGOS. You may not remove or cover over any serial numbers, tags, nameplates, or identifying logos on the Equipment showing ownership by Ace Video. All equipment provided by Ace Video is to be deemed to be the property of Ace Video. No proof of ownership of any kind is required or necessary in order for Ace Video to seek compensation, reimbursement or claim for any lost damaged or stolen equipment.

10. NO WARRANTY OR GUARANTY: UNSAFE CONDITIONS

Except as provided by the law, Equipment is rented to You without warranty or guaranty of any kind, expressed or implied, and Ace Video assumes no responsibility unless agreed to in writing. In no event shall the liability of Ace Video be more than the amount of the daily rental for the specific equipment involved. Ace Video reserves the unconditional right to remove all or part of its equipment if it determines that unsafe or dangerous conditions exist at the location where its equipment will be used. In the event of such removal by Ace Video, You will still be responsible for charges due under the rental contract.

11. EQUIPMENT DAMAGED OR DESTROYED WHILE IN THE FIELD

A. As soon as You discover that equipment in the field is defective, You should notify Ace Video of the problem and if necessary return the Equipment to Ace Video, freight pre-paid, for evaluation. Ace Video will make a reasonable effort to repair or replace the Equipment in the shortest amount of time.

B. In the event that equipment is lost, damaged or destroyed on location while Ace Video's agents, employees or representatives are involved, directly or indirectly, in the setup or removal, You will be responsible for all damages to the equipment

12. LOSS AND DAMAGES. Upon return of damaged equipment, Ace Video will make a determination of the extent of the damage and the required repairs. You and/or Your representative(s), will have a reasonable amount of time to inspect the damage. In determining whether equipment shall be replaced or repaired, Ace Video's judgment shall be conclusive upon You. Should Ace Video determine that the equipment must be replaced, You will be responsible for the cost to replace the same item or the closest comparably equipped model, at current M.S.R.P. ("Manufacturers Suggested Retail Price"), without deduction for depreciation. BE ADVISED: cosmetic damage to any rental item, including prop equipment, may be chargeable against You. BE FURTHER ADVISED: You shall not affix any adhesive material, such as Velcro, to the bezel of a Plasma display, LCD Panel and/or any other type of display, or to the unit's attached accessories. Adhesive material may result in permanent damage to the unit. In the event Ace Video determines that an adhesive was placed on a rental unit and irreversible damage has occurred, or there are nicks, scratches and/or discoloration defects to the surface of the rental unit, YOU shall pay Ace Video for any repair or replacement parts for Ace Video's hourly service charges and minimum fee for making repair.

13. LOST, STOLEN OR DESTROYED EQUIPMENT. In the event that after delivery to You, any of the Equipment is lost, stolen, damaged beyond repair, destroyed or otherwise disappears or is not returned for any reason, You will be responsible for the cost to replace the same item or the closest comparably equipped model, at current M.S.R.P., without deduction for depreciation. In the event of lost stolen or destroyed equipment, Ace Video may deposit any check or charge any credit card left by You as a security deposit, for up to the full amount of the replacement cost of the equipment, without any delay or any advanced notice to You.

14. AS SOON AS YOU REALIZE THAT EQUIPMENT IS MISSING, NOTIFY ACE VIDEO, AND FILE A POLICE REPORT. In all instances immediately report

any missing, lost, or stolen equipment to Ace Video and file a report with the local authorities.

15. RENTAL CHARGES AND LATE CHARGES

YOU MUST RETURN THE EQUIPMENT ON THE DATE SPECIFIED in the Rental Contract or be subject to additional charges. The last rental day shall be the day specified in the Rental Contract or up until 10:00AM of the next business day. A full additional day's rental will be charged for any Equipment not returned by 10:00AM. Full daily rates shall be charged for each day Equipment is not returned after the date specified for the return of the Equipment. In the event all or part of the rented equipment is delayed in returning, shipping or seized by any third party and kept beyond the last rental day specified in the rental contract You will be billed at the full list rental rate, as defined by Ace Video's current rate sheet, until the equipment is returned to Ace Video. After three (3) days however, Ace Video reserves the right to declare the delayed or missing equipment a "total loss" and receive full replacement as if it were stolen or damaged beyond repair. This shall be in addition to Your obligation to pay the full daily rental rate for the equipment which is based on standard rate card rates. All costs shall accrue interest at the highest rate allowed by the State of New York. In the event the rental rate is not published in Ace Video's current rate sheet, Ace Video will provide two (2) written quotes from New York City rental companies. Ace Video will then take the average of the two (2) quotes as the daily list rental rates.

16. IF YOU RETURN THE EQUIPMENT IN DAMAGED OR NON-WORKING CONDITION, the lease period will be extended by the shortest reasonable time necessary to repair such damage or replace non-repairable equipment and return the item(s) to Ace Video's general inventory. The extended rental period shall apply only to the damaged or non-working item(s), unless the item(s) forms a part of other equipment. There may be delays in repair or replacement attributable to causes beyond Ace Video's control. The acceptance of the return of the Equipment by Ace Video is not a waiver by Ace Video of any claims that it may have against You.

17. RENTAL CHARGES FOR THE DAMAGED OR NON-WORKING ITEM(S) shall accrue at full list price as defined by Ace Video for the item(s) irrespective of any package discounts or other discounts agreed to at the inception of the Rental Contract, until the item(s) is repaired and/or replaced and the invoice for damages has been paid in full to Ace Video. If requested by Ace Video, You shall advance the money in order to allow Ace Video to repair or replace the equipment by the next business day. If Ace Video is not able to have the damaged equipment repaired to its full satisfaction, Ace Video shall nonetheless be entitled to full M.S.R.P. for the damaged equipment, without set-off for any prior advance by You for the repair.

18. WEEKENDS AND HOLIDAYS. When on a daily schedule, You will be charged the daily rental rate for weekend days and Holidays. MINIMUM CHARGES. There may be minimum rental periods and/or special minimums applicable to Equipment to be used other than locally.

19. CREDIT INFORMATION AND PAYMENT TERMS

THE TERMS OF PAYMENT are based upon credit information You supply at the time of rental. Should there be any change in such information, You agree that Ace Video may demand immediate payment without prior notice.

PAYMENT TERMS. Rental invoices and loss and damage invoices are payable upon receipt of invoice unless other arrangements are made with Ace Video. Payments due for 30 days or more shall be considered past due. For each month or part of a month thereafter, a late charge of one and one-half percent per month in addition to any payment may be assessed, which You are expected to pay. If the company places the account in the hands of an attorney or other agency for collection, You agree to pay reasonable collection costs, attorney fees and court costs. You agree to pay Ace Video directly or as directed by Ace Video or its agent.

20. RENTAL PAYMENTS DO NOT APPLY TO PURCHASE PRICE. Rental payments may not be applied to the purchase price of any equipment.

21. CANCELLATION PENALTIES. Ace Video shall be entitled to compensation, not to exceed the rental payments, for any losses Ace Video may sustain because of Your cancellation of all or part of an order. Unless otherwise specified, if You have prepaid for the equipment rental, or if You have issued a Purchase Order, and You cancel the Contract less than three (3) business days prior to the commencement of the rental period, You will be responsible for the full contract rental amount, including but not limited to any disbursements made by Ace Video.

22. INSURANCE REQUIREMENTS

YOU MUST INSURE ALL THE EQUIPMENT. Prior to accepting delivery of the equipment, You must provide a Certificate of Insurance from Your Insurance Broker, or from the Carrier, in a form acceptable to Ace Video. The Certificate(s) of Insurance must indicate the limits of the Liability Coverage, Property Insurance and Workers Compensation. The Certificate must indicate the amount of the deductible under the Policy and it must name "ACE VIDEO, its successors and/or assigns as Loss Payee as our interest may appear". You shall, at Your expense, and at all times during the rental, maintain in full force and effect insurance covering all equipment rented, from all sources, for full M.S.R.P. (without deduction for depreciation), including vehicles, and for loss of use (rents) of the equipment. Coverage must begin from the time You or Your agents accept delivery of the equipment and continue until the time the equipment is returned and accepted by Ace Video. Such insurance shall be written by reputable insurers acceptable to Ace Video; Your insurers shall agree to be the primary insurers of such Equipment during the rental period. Notwithstanding this paragraph, You shall remain primarily liable to Ace Video for full performance under the terms and conditions of the Rental Contract. **Ace Video may enforce its remedies directly against You without resort to Your insurance.**

A. PROPERTY INSURANCE. (i) Your insurance should be on a worldwide basis; shall name Ace Video as Loss Payee for loss or damage to the property rented; shall cover "All Risk", "replacement value" and "mysterious disappearance" for loss or damage of equipment; vehicles physical damage coverage shall include the perils of "Comprehensive" and "Collision"; and all policies shall provide for 10 days written notice to Ace Video before any policy shall be modified or canceled. Limits shall be sufficient to encompass all property at risk, regardless of source, but in no event less than \$1,000,000.

(ii) You are responsible for the full list price (M.S.R.P.) of the equipment damaged or lost, with full new factory warranty plus shipping and handling and insurance. At Ace Video's

discretion, You may also be charged for any expenses it incurs for locating and valuing the missing or damaged equipment.

(iii) You are responsible for the daily rental rate in the event damaged equipment cannot be repaired up to and including the date of delivery of new replacement equipment Ace Video. If a piece of equipment that is part of a system is damaged or in any other way inoperative, and it renders the system inoperable, the daily rental rate shall apply to the entire system covered under the original rental agreement.

(iv) Cost of replacement or substituted equipment: If the identical model of lost or damaged equipment is no longer available, the model that most clearly meets or exceeds the specifications of the lost or damaged equipment will serve as the replacement equipment at the full list price (M.S.R.P.) without set-off for depreciation or difference in new model price. Ace Video reserves the right to choose the supplier or manufacturer of its choice for the replacement price of the equipment, which price shall include full factory warranty and the cost of next day shipping.

(v) Ace Video reserves the right not to replace the lost or damaged equipment and to be paid in full by You, without delay, on the next business day following Ace Video's decision to accept payment of the lost or damaged equipment. In the event Ace Video elects to receive payment for the lost or damaged equipment in lieu of replacement, the daily rental rate shall apply until Ace Video receives full payment from You. Should Ace Video elect not to replace the lost or damaged equipment, the M.S.R.P. plus shipping and handling, plus the cost of the daily rental rate, will be conclusive as the amount due Ace Video. In the event antique or prop equipment is lost or damaged, Ace Video shall serve as the sole arbiter of the price of that equipment.

(vi) Automatic total losses: Water damage, smoke damage, any exposure to chemicals and/or any electrical or physical shock will be considered a total loss of the equipment and subject to the above replacement provisions.

B. LIABILITY INSURANCE. You shall name Ace Video as an additional insured on Your liability insurance and Your liability insurance shall be deemed primary and non-contributory insurance in the event of any claim or suit. Liability insurance shall meet the following minimums:

- i. Commercial General Liability: \$1,000,000 per occurrence & annual aggregate
- ii. Automobile Liability: \$1,000,000 combined single limit
- iii. Foreign Liability, if filming outside the U.S.A. or Canada: \$1,000,000 per occurrence limit
- iiii. Aircraft Liability, if filming from an aircraft: \$5,000,000.

23. THE RIGHTS OF ACE VIDEO ARE NOT AFFECTED BY YOUR NON-PERFORMANCE. Your insurers shall agree that the rights of Ace Video under the insurance coverage as described in the preceding paragraphs shall not be affected by any act or neglect or breach of condition by You, other than non-payments of insurance premiums.

Should You fail to procure or pay the cost of maintaining in force the insurance specified in the Rental Contract or to provide Ace Video upon request with satisfactory evidence of the insurance, Ace Video may, but shall not be obligated to, procure the insurance and You shall reimburse Ace Video on demand for its cost. Lapse or cancellation of

the required insurance shall be an immediate and automatic default of this agreement.

You, or Your insurance company, agree to subrogate and indemnify Ace Video should any claim be made by an unrelated third party against Ace Video.

24. TITLE AND OWNERSHIP

You specifically acknowledge Ace Video's superior title and ownership of the Equipment and must keep the Equipment free of all liens, levies and encumbrances. You may not assign or pledge the Equipment. All equipment provided by Ace Video is to be deemed to be the property of Ace Video. No proof of ownership of any kind is required or necessary in order for Ace Video to seek compensation, reimbursement or claim for any lost damaged or stolen equipment.

25. RIGHT OF ENTRY AND INSPECTION

Ace Video shall have the right to inspect the Equipment at any time during the rental term. You shall make any and all arrangements necessary to permit a qualified employee of Ace Video access to the location of the Equipment. If a breach of any of the provisions of the Rental Contract occurs, Ace Video has the right to remove all of the Equipment without any liability to You, and without prejudice to Ace Video's right to receive rent due or accrued to, including the date of removal of the Equipment. In the event You default under the terms of this Agreement, You agree that Ace Video is authorized to peacefully by its own means, or with judicial assistance, to enter Your premises, or areas within Your control, and remove the equipment. You hereby waive any claim for trespass or any other tort. You shall be responsible, and shall indemnify and reimburse Ace Video upon demand, for any and all claims, damages and costs arising in connection with any repossession of the Equipment by Ace Video or its agents under the provisions of this Agreement, including, without limitation, costs of transportation, storage, freight, insurance and attorney's fees and other fees and expenses.

26. INDEMNIFYING ACE VIDEO

You hereby indemnify and hold harmless Ace Video, its officers, directors, agents and employees, from and against any and loss, liability and expenses, including attorney's fees and expenses, for property damage or personal injury, including death, arising out of or in connection with the use or operation of the Equipment. Ace Video hereby notifies You that software or operating systems provided as part of the Equipment are protected under the copyright laws of the United States and that You are prohibited from duplicating, reproducing, publishing, reverse engineering or otherwise making any unauthorized use thereof. The indemnification set forth herein from Your unauthorized use, duplication, reproduction or publication of copyrighted materials is included with the Equipment.

27. MISCELLANEOUS ASPECTS OF THE RENTAL AGREEMENT

THIS AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF NEW YORK. The Rental Contract shall be deemed to have been made in New York County and shall be interpreted and the rights and liabilities of the parties determined, in accordance with the laws of the State of New York. WHEN THE CUSTOMER IS A CORPORATION. The person executing the Rental Contract on behalf of such corporation warrants that he/she has full authority of such corporation to sign the Rental Contract and

obligate the corporation. DEFAULT AND BREACH OF TERMS: Each Rental Contract includes provisions for remedies in the event of default by You in payment of rent, or Your breach of any terms of the Rental Contract, etc. Please read these sections in the Rental Contract carefully to understand Your rights.

28. LEGAL FEES, EXPENSES, ETC.: In the event that Ace Video takes legal action against You to enforce any of Ace Video's rights under this Agreement, including without limitation (i) any of Ace Video's rights to receive rentals, indemnification, reimbursement, costs of collection of any other sum provided for herein or (ii) any of Ace Video's rights to expenses incurred by Ace Video, directly or indirectly, in connection with such legal action, including, without limitation, attorney's and expert witness fees.

29. ENTIRE AGREEMENT. The signed Rental Contract and these Terms & Conditions constitute the entire agreement between You and Ace Video. Any changes must be made in writing and agreed to by both parties. If any provision of this Rental Agreement is found to be void and unenforceable by a court of competent jurisdiction, the remaining provisions of this Contract shall nevertheless be binding upon the parties with the same effect as though the void or unenforceable part had been severed and deleted.

30. FOREIGN USE (OUTSIDE THE U.S.) / ADDENDUM #1
You must notify a U.S. based Ace Video of Your intention to use the Equipment outside the U.S.A. and gain our permission to do so.

31. TERMS AND CONDITIONS APPLY. All of the preceding terms and conditions apply to Equipment which is rented from Ace Video and is transported to a location outside the U.S.A.

32. SHIPMENT OUTSIDE THE U.S.A. Ace Video will only allow shipment through an established Customs Broker, contracted by You. Said U.S. Customs Broker is to register the equipment with United States Customs, using a United States Customs Form 4455, prior to the Equipment leaving the U.S.A. A certified copy of the registration form must be returned to Ace Video OR said Customs Broker will arrange a Carnet through the United States Council of the International Chamber of Commerce, stipulating that You: "shall (1) return the said products described in the Carnet to the USA, or (2) pay such customs duties, excise taxes, and/or charges which may be imposed by any country for it's failure to return said products". A certified copy of the Carnet must be returned to the renter.

33. ACE VIDEO WILL PROVIDE AN ITEMIZATION OF ALL EQUIPMENT, Listing: brand name; country of origin/manufacture; item; serial numbers; and replacement value.

34. ALL BROKERAGE CHARGES AND SHIPPING CHARGES, fees and taxes are to be borne by You and prepaid prior to shipment.

35. RETURNING SHIPMENTS SHOULD BE CONSIGNED TO THE ORIGINATING CUSTOMS BROKER for clearance and re-entry into the U.S. In no cases is the Equipment to be shipped directly back to Ace Video. Returning shipments should contain instructions to the Customs broker regarding the disposition of the Equipment after clearing the U.S. Customs (i.e.

deliver equipment to Ace Video, or to Your U.S.A. address).

36. YOU ACKNOWLEDGE THAT RENTAL CHARGES ACCRUE for time in transit, including the time Equipment may be in the hands of the designated Customs broker, or U.S. Customs Service. You acknowledge and agree that the payment of U.S. Import Duty Taxes which may be levied for foreign made goods, is Your responsibility, even though You followed the above procedures.

37. CANCELLATION POLICIES / ADDENDUM #2
In the event of cancellation when on a daily or weekly schedule, cancellation charges may apply in consideration of Ace Video's preparing, holding in reserve or sub-renting equipment, facilities or vehicles on Your behalf. By keeping Ace Video informed of Your production schedule You can either minimize or avoid cancellation fees.

38. EFFECTIVE FOR ONE YEAR
This Contract shall remain in full force and effect for One Year from the date set forth below. Ace Video reserves the right to ask You to re-execute this Agreement in the event of a change of circumstance.

Company Name _____

Address _____

THE ABOVE TERMS AND CONDITONS ARE HEREBY AGREED TO:

X _____ Date _____

Print Name & Title

Other Responsible Party or 3rd Party Billing

Company Name _____

Address _____

THE ABOVE TERMS AND CONDITIONS ARE HEREBY AGREED TO:

x _____ Date _____

X _____
Print name and Title

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