



**RENTAL AGREEMENT**

Daily       Weekly

Lease Term \_\_\_\_\_ From \_\_\_\_\_ To \_\_\_\_\_

This Agreement is between \_\_\_\_\_ (hereinafter "Lessee") and TYLER CAMERA SYSTEMS, a division of NTT Enterprises, Inc., and its AGENTS (hereinafter "Lessor").

1. Lessee acknowledges that he has examined and tested the items of equipment listed in the Equipment Quote (hereinafter "Equipment") previously provided to Lessee and that the Equipment is in good and acceptable (to Lessee) working condition. Lessee accepts the same as is. Lessee acknowledges that Lessor makes no warranties or guarantees of any kind, express or implied. Lessor assumes no responsibility, implied in fact or law, for the performance or non-performance of any Equipment that (subsequent to delivery to Lessee) becomes inoperable.

2. **UNLAWFUL ACTS.** The Equipment may not be removed from the County of Los Angeles, State of California, without the attached, prior written consent of the Lessor. The Equipment leased hereunder shall be used only by Lessee's duly qualified employees and/or agents and in strict accordance with the laws of the location where it shall be used and shall be used only in the capacity contemplated by this Agreement.

At all times, Lessee shall keep the Equipment in Lessee's sole custody and shall not permit the Equipment to be used in violation of any federal, state or municipal statutes, rules or regulations. Lessee indemnifies and holds Lessor harmless from any and all fines, forfeitures, penalties, or any other damages, for the violation of any statute, law, ordinance, rule or regulation of any public authority.

3. **ASSIGNMENT AND SUBLETTING.** Lessee will not assign, transfer or sublet its rights under this Lease. Lessee will not pledge, mortgage or encumber the Equipment or Lessee's rights hereunder and Lessee will not permit same to be subjected to any lien, charge or encumbrance. Lessee shall not use or permit the use of the Equipment at any time except for lawful purposes and by duly-qualified, carefully selected employees and/or agents of Lessee. Lessee shall keep the Equipment in Lessee's sole custody.

4. **RETURN; REPAIR AND MAINTENANCE.** If any item of equipment is returned in a damaged or destroyed condition, or if any such item is not returned for any reason, Lessee shall pay to Lessor the replacement value of such item. Lessee specifically agrees that the fair market value of each item of Equipment is as posted in Lessor's office, a copy of which will be furnished to Lessee upon request.

If any item is returned in a repairable, damaged condition, Lessee shall pay to Lessor the cost of such repairs as determined by Lessor. In determining whether equipment shall be replaced or repaired, Lessor's judgment shall control. In the event Equipment needs repair, Lessee shall be liable for and shall pay rent at the rate provided in this Agreement until the Equipment has actually been repaired or replaced and returned to Lessor's rental inventory, and Lessee acknowledges that there may be delays in repair or replacement attributable to causes beyond Lessor's control. If the Equipment is irreparable, the full value as herein described shall become immediately due and payable. Acceptance of any returned Equipment is not a waiver by Lessor of any claims that it may have against Lessee.

In the event any or all of the Equipment is lost, stolen or is otherwise unreturnable to Lessor, or is confiscated by any governmental authority for any violations of law, Lessee shall be liable to and shall upon demand pay Lessor for all loss of the use of the Equipment, including lost profits, and shall further pay all costs in replacing such Equipment. In the event the Equipment is irreplaceable, Lessee agrees that the fair market value for such equipment will be all amounts Lessor would have to pay to fabricate such replacement Equipment.

5. **RATES AND INTEREST.** The terms of payment are based upon credit information at time of rental. Should there be any change in such information, Lessee agrees that Lessor is privileged to revise the terms of payment without further notice. The first rental day shall be the day of delivery to Lessee; the last rental day shall be the day of return if such return is after 10:00 a.m.

Daily rate: the daily rate will be charged for each rental day, including Sundays and Holidays.

Weekly rate: Daily rate will be charged for the first four- (4) days of seven (7).

All orders shipped out of the State of California are subject to a charge of two (2) rental days.

Rental rates paid will not be applied to the purchase price of any equipment listed herein.

6. **TITLE AND OWNERSHIP.** Lessee specifically acknowledges Lessor's superior title and ownership of the Equipment and shall keep the Equipment free from all liens, levies and encumbrances. Lessee acknowledges that it shall be responsible for all taxes, transportation charges, duties, broker fees, bond, and all other costs imposed upon the leasing or use of the Equipment.

Lessee agrees not to remove or cover the tag or nameplate on equipment showing Lessor's ownership.

7. **BANKRUPTCY-INSOLVENCY.** The appointment of a receiver to take possession of all, or substantially all, of Lessee's assets; the making of a general assignment for the benefit of creditors by Lessee, the issuance of a writ of attachment or execution for levy upon Lessee or any part of Lessee's property, or any action taken against or suffered by Lessee under any insolvency or bankruptcy act shall constitute a default by Lessee and a breach of this Lease and in addition to all other remedies of Lessor, Lessor may thereupon terminate this Lease and repossess any or all of the Equipment without prior notice to Lessee or to any receiver, trustee, assignee for the benefit of the creditors, or levying officer.

8. **DEFAULT.** In the event Lessee should fail to make any of the rental payments when due or should fail to perform any other covenant or condition hereof to be performed by Lessee or should any of the events described in paragraph 6 hereof occur, Lessor may, in addition to all other remedies provided by law, exercise any one or more of the following, with or without demand, notice or legal process:

(a) Recover from Lessee all sums then due;

(b) Repossess the Equipment (by entering upon Lessee's premises, if necessary) without liability for trespass, or responsibility with respect to the Equipment or to any article left in or attached to same; and recover from Lessee all damages sustained by Lessor as a result thereof;

(c) Recover from Lessee any and all damages, which Lessor shall have sustained by reason of the nonperformance by the Lessee of the terms and conditions of this Lease;

(d) Retain, free from any claim by Lessee, all payments or other property previously received under this Lease;

(e) Recover from Lessee all expenses incurred by Lessor in protecting its rights under this Agreement, including, without limitation, attorney's fees, and court costs, costs of locating, repossessing, repairing, reconditioning and storing the Equipment.

9. **SET-OFF.** Sums payable to Lessor hereunder shall not be subject to any abatement, defense, set-off, counterclaim or recoupment, by reason of any damage to or loss or destruction of the Equipment, partial or total, or by reason of any interruption from whatever cause in the use, operation or possession of the Equipment. Lessee hereby expressly waives the provisions of California civil Code, Sections 1932(1) and 1933 (4).

10. **RIGHT OF ENTRY.** Upon termination of the Lease period or upon the breach of any provision hereof, or in the event of proceedings in bankruptcy with regard to Lessee, or the levying of any legal process upon any item of equipment herein described, or upon any use of equipment in derogation or violation of Lessor's superior title and ownership, Lessor and its agents shall have the right at any time thereafter to remove all Equipment without any liability for damage caused by any such entry for such purpose and without prejudice to Lessor's right to receive rent due or accrued to and including date of removal of the Equipment. Lessee expressly gives permission to the Lessor and/or its agents at all reasonable times to enter the premises upon which the Equipment is kept for the purpose of viewing the state and condition of the Equipment.

11. **INDEMNITY AND LIABILITY.** Lessee agrees to indemnify Lessor and to hold Lessor harmless from any and all claims, actions, suits, proceedings, costs, expenses, damages, and liabilities, including attorneys' fees, arising out of, in connection with, or resulting from the use or possession of the Equipment. Lessor shall not be liable for any loss or damage of any kind, resulting from any delay, detention, late delivery, non-delivery, defect or deficiency in Equipment or other materials supplied, handled, stored, repaired, transported, received or processed or the services of technicians, drivers, or any other personnel or service provided by Lessor.

12. **INSURANCE.** Lessee shall, at its expense, at all items from the time of delivery of Equipment to the Lessee, maintain liability and property insurance in amount and with insurance companies satisfactory to Lessor (California-admitted and with a rating of no less than "A"), protecting Lessor as an additional insured and providing for thirty (30) days written-notice to Lessor before any policy shall be modified or canceled. Lessee shall deliver to Lessor, upon request, evidence of the insurance coverage satisfactory to Lessor. Should Lessee fail to procure or pay the cost of maintaining in force the insurance specified above or to provide Lessor, upon request, with satisfactory evidence of the insurance, Lessor may, but shall not be obligated to, procure the insurance, and Lessee shall reimburse Lessor on demand for its cost. Suffering lapse or cancellation of the required insurance shall be an immediate and automatic default by Lessee under this Agreement, and;

If Lessee uses Aircraft in conjunction with "Lessor's" equipment, Lessee will obtain a Certificate of Insurance from the Aircraft operator's aircraft liability insurance carrier showing the following:

1. Lessor is included as Additional Insured;
2. Aircraft operators' liability coverage shall be considered primary and non-contributing with any other insurance carried by the "Lessor".
3. In the event the insurer elects to cancel the policy, thirty (30) days advance written notice shall be given to the "Lessor".
4. Insurer will provide a Physical Damage waiver of subrogation in favor of the Lessor.

*Certificate of Insurance shall be mailed to:*

*Tyler Camera Systems  
14218 Aetna St  
Van Nuys, CA 91401*

13. **FOREIGN USE.** All Equipment leaving the United States must be registered with U.S. Customs prior to departure. Lessor will furnish Lessee with a statement giving serial number, country of origin and value of equipment at Lessee's request. Adequate bonds and Lessee's fees are to be provided by and paid by Lessee. Any delay due to the Lessee's failure to register Equipment shall be charged at normal day rates until Lessee returns equipment.

14. **SHIPPING COSTS.** All shipments of Equipment made on the behalf of Lessee by Lessor will be shipped collect for freight charges and insurance. All Equipment returned to Lessor by Lessee must be shipped prepaid.

15. **CANCELLATION.** Lessee accepts full responsibility for the failure of conditions suitable for use of the Equipment. Lessor shall be entitled to the agreed-upon rental charges regardless whether Lessee is actually able to make use of the Equipment.

In the event of prior cancellation for any reason, the following charges shall apply, (at Lessor's discretion) in consideration of Lessor holding equipment available:

- (a) 20% of the daily rental rate may be charged for cancellation one (1) day before the time set for the Lease to commence.
- (b) 50% of the daily rental rate may be charged for cancellation on the day set for the Lease to commence,
- (c) 100% of the rental rate will be charged regardless of the reason for cancellation after the time set for the Lease to commence,

When on a weekly rate, or where the pricing has been discounted, Lessee guarantees rental for the term specified on the signed quote. The Equipment will be billed in accordance with the advertised rates for the term it was used if returned prior to the guaranteed term. No reductions shall be made in the event of cancellation, and all deposits shall be forfeited.

16. This Agreement shall be governed by the laws of the State of California and should any legal proceedings arise out of this Agreement, the prevailing party, in addition to any other recovery, shall be entitled to recover all reasonable expenses including attorney fees. The prevailing party shall be entitled to attorney fees regardless whether resolution is through judicial process or the result of good-faith negotiations between the parties.

This Agreement expresses the entire agreement between the parties and any change thereto must be in writing and acknowledged by all Parties hereto. I have read all (4) pages and agree to items numbered 1 thru 16.

The undersigned warrants and represents that he/she has the authority to bind the Lessor to all of the terms hereof.

Signed, this \_\_\_\_ day of \_\_\_\_\_, 200\_\_

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Lessee Project / Production Title

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Signature Print Name Here