



Magnetic Image Video

HD Production Services & Equipment Rental

(415) 456-7900 rentals@mivideo.com

EQUIPMENT RENTAL AGREEMENT TERMS AND CONDITIONS

1. Representations, Warranties and Agreements: Customer has selected the Equipment without relying upon any suggestion or recommendations of Magnetic Image Video and Customer understands and agrees that Magnetic Image Video assumes no responsibility for the Equipment as being fit for any particular purpose. Customer agrees that the Equipment was selected by it.

Magnetic Image Video represents and warrants as follows: (1) the Equipment is free from known defects and is in good working order to the best of their knowledge at the inception of the rental; (2) Magnetic Image Video is responsible for routine repair and maintenance of the Equipment prior to rental; (3) Magnetic Image Video has the right to enter into the rental of the Equipment.

Customer agrees as follows: (a) except as set forth in Magnetic Image Video's representations and warranties above, the Equipment is rented to Customer without any warranty or guaranty of any kind, express or implied, and specifically, there is no warranty of merchantability or fitness for a particular purpose; (b) Magnetic Image Video shall not be held responsible with respect to production downtime, loss of profits, extra expense, indirect damages, production delays; and (c) except as set forth in Magnetic Image Video's representations and warranties above, Customer is responsible for all costs associated with any repair or replacement (without deduction for depreciation) of the Equipment necessitated as a result of Customer's usage, possession, transportation or failure to return the Equipment for any reason, including, without limitation, as a result of the negligence or willful misconduct of Customer, its employees, agents, or contractors. Customer represents, warrants and agrees that Customer has complied and will continue to comply with all applicable federal, state and local laws, rules, regulations, ordinances, licensing requirements and business codes, and manufacturer's recommendations as to the safe use of the Equipment.

2. Rates and Late Charges. The terms of payment are based upon credit information at time of rental. Should there be any change in such information, Customer agrees that Magnetic Image Video is privileged to revise the terms of payment without further notice. Rent is payable upon receipt of invoice. All invoices not paid within 30 days from invoice date bear late charges at the rate of 1.5% per month (18% annually). If Magnetic Image Video places the account in the hands of an attorney or collection agency for collection, customer agrees to pay reasonable attorneys' or agency fees and court costs which may accrue.

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

a. Cancellation and Early Return Charges. Customer agrees to 100% payment and full compensation to Magnetic Image Video for the cancellation of any rental agreement or the early return of rented equipment, whereas the notice given falls within a time period of less than 24 hours notice. Email and voicemail messages are not valid forms of cancellation notice.

b. Customer accepts that any extension of the rental duration is at the sole discretion of Magnetic Image Video.

c. All pricing discounts agreed with the customer are exclusive to the rental contract. Any changes to the agreed contract during the rental period may affect discounts.

3. Testing and Inspection: Customer acknowledges that its representative has inspected and tested all Equipment at the time of rental and that all Equipment is in good and working order and acceptable to Customer. Should customer choose to not test or inspect the equipment in advance of filming Magnetic Image Video cannot be held responsible for equipment that is not complete or appropriate to the Customers particular purpose.

4. Non-Working Equipment: Customer shall notify Magnetic Image Video immediately of any malfunction and/or alleged damage of any Equipment. In the event Equipment is not functioning and/or damaged other than as a result of Customer's negligence or willful acts, Customer shall have the option of accepting other like Equipment in exchange for such non-working Equipment or returning all Equipment and canceling this agreement should Magnetic Image Video not be able to provide substitute Equipment in a timely fashion. The rental charges for all such non-working Equipment so returned to Magnetic Image Video shall be abated from the time of acceptance and return to Magnetic Image Video. Likewise, rental charges shall accrue and be owed for any replacement Equipment.

5. Technician/Operation: Customer shall only allow the Equipment to be used by qualified technicians and/or, if licensing is required by law for the use of any Equipment, duly licensed personnel, and only in strict accordance with the instructions of the Equipment manufacturer. Such qualified or licensed technicians and personnel should know all the proper protocols to safeguard the public, data and Equipment, and should be competent with regard to the normal operation of the Equipment. Customer shall keep the Equipment in their sole custody and shall not permit the Equipment to be used in violation of law. Customer shall process and or view their footage and back-up their content or data in a timely manner.

a. Customer acknowledges they must receive the written consent of the Magnetic Image Video before modifying/upgrading or changing in any manner the operational software of rented equipment. Should a client make a mechanical or software modification to the rented equipment, Customer will accept full responsibility for any and all damages connected with their actions. Magnetic Image Video reserves the right to bill for the time required to reset/ reinstall software to Magnetic Image Video specifications.

b. Customer acknowledges they have read and understand US Department of Transportation, FAA and IATA laws regarding shipment of lithium batteries. <http://SafeTravel.DOT.Gov/> Lithium batteries are considered hazardous cargo and Customer is responsible for handling Equipment in accordance international transportation laws. Magnetic Image Video cannot be held accountable or responsible for a Customer in violation of these laws.

6. Risk of Loss or Damage: Customer assumes all risk of loss or damage to rented Equipment whether or not covered by Customer's insurance. Customer is deemed to have taken constructive possession of the Equipment the moment Equipment set aside from Magnetic Image Video general inventory for Customers use. Customer is responsible for picking up and returning the Equipment to/from the rental facility during normal business hours.

a. Customer assumes all risks inherent in inspection and testing and shall be liable for all damage caused to Equipment or persons on Magnetic Image Video premises.

b. Magnetic Image Video does not initiate shipping of Customers Equipment. At the Customers request we may help facilitate a shipment on a Customers account with a common carrier of Customers choice. Customer is responsible for all liabilities and costs associated with loss, damage, delays in transit, customs duty and importation fees associated with their shipment.

c. At the Customers request Magnetic Image Video may assist with the delivery of Equipment to or from a San Francisco Bay Area location. Customer is deemed to have taken constructive possession of the Equipment when it is placed in the possession of courier company or delivered to the requested location by a Magnetic Image Video employee. Magnetic Image Video is not responsible for any loss damage to Equipment after delivery to Customers choice of location.

7. Storage: Customer bears the risk of loss for all property not provided by Magnetic Image Video (including but not limited to camera(s), props, sets, and wardrobe) stored and/or transported by Rental Company for Customer's ultimate use. Magnetic Image Video shall be acting as the agent of Customer in storing and/or transporting property which belongs to third parties.

8. Insurance: Customer shall at its expense, and at all times during the rental, maintain in full force and effect a limit of insurance covering all Equipment and/or Vehicles rented hereunder, from all sources, as herein provided. All Equipment shall be insured for the full replacement cost without deduction for depreciation. All Vehicles shall be insured at actual cash value. In addition, all Equipment and Vehicles shall be insured for actual verifiable loss of use of the Equipment or Vehicles (i.e. rental charges based on the greater of either the actual verifiable loss of business or the average rental history of the Equipment or Vehicles, as computed for the period of time the Equipment or Vehicle(s) is being repaired and/or replaced not to exceed 90 days). Customer shall deliver to Magnetic Image Video evidence of Customer's insurance coverage prior to Customer taking either constructive or actual possession of the Equipment and/or Vehicle(s). Customer will forward a Certificate of Insurance evidencing Customer's liability, automobile, property and worker's compensation insurance with a reputable insurance carrier acceptable to Magnetic Image Video that complies with coverage requirements as enumerated within this rental agreement.

a. Property Insurance: Customer's insurance shall be on a worldwide, replacement cost basis without deduction for depreciation, shall name Magnetic Image Video as Loss Payee for loss or damage to the property rented; shall cover "All Risk" of loss or damage to Equipment; shall include the perils "Comprehensive" and

“Collision” for Vehicle physical damage coverage; and shall provide for 10 days written notice to Magnetic Image Video before any policy shall be modified or cancelled. In determining whether the Equipment (not including Vehicles) shall be repaired or replaced, the manufacturer’s judgment shall be conclusive upon both parties. Limits shall be sufficient to encompass all property at risk, regardless of source, but in no event less than \$1,000,000. Magnetic Image Video will not accept insurance covering the Equipment that contains a theft exclusion from unattended vehicle(s).

b. **Liability Insurance:** Customer shall name Magnetic Image Video as an additional insured on their liability insurance. Customer’s liability insurance shall meet the following minimum limits: Commercial General Liability \$1,000,000 per occurrence and annual aggregate; Automobile Liability (including non-owned and hired automobiles) \$1,000,000 combined single limit; Umbrella Liability in the amount \$2,000,000 per occurrence and annual aggregate; Foreign Liability, if filming outside of the United States and Canada, \$1,000,000 per occurrence; Aircraft Liability, if filming from any aircraft, \$5,000,000; Watercraft Liability, if filming from any watercraft, \$5,000,000 (Note rented Vehicle(s) will only be driven by licensed driver(s) employed by Customer).

c. **Primary Coverage:** Customer’s property, automobile and liability coverage is the primary coverage for Equipment and/or Vehicle(s) and said coverage must be issued on a non-contributory basis. Furthermore, Customer’s insurance carrier shall agree that the rights of Magnetic Image Video under Customer’s insurance policy shall not be affected by any unintentional act, neglect or breach of condition by Customer. Customer shall remain primarily liable to Magnetic Image Video for full performance under the terms and conditions of this rental agreement in the event of a dispute with their insurance carrier and for uninsured losses. Lapse or cancellation of Customer’s insurance, as required by this agreement, shall allow Magnetic Image Video to immediately and automatically terminate this agreement, at its option.

9. Missing and Damage: Magnetic Image Video shall provide Customer (with a copy to the accounting department of Customer and another department or person if otherwise designated) with a list of missing and damaged Equipment, if any, within three business days after the Equipment has been returned to Magnetic Image Video. Magnetic Image Video upon receipt of the compilation of the repair or replacement cost estimates will forward these estimates to Customer. Customer shall have the option of making arrangements with Magnetic Image Video to have their crew member(s) verify the Equipment physically returned to Magnetic Image Video at a time that is mutually agreeable within the first day of return.

10. Clearing of Data: Customer is responsible for erasing all recorded data (in any form) prior to the return of the Equipment to Magnetic Image Video, and Customer authorizes Magnetic Image Video to clear the Equipment of any and all data immediately upon return of the Equipment to Magnetic Image Video. It shall be the sole responsibility and obligation of Customer to arrange for the safeguarding and storage of Customer’s images, content or data prior to the return of the Equipment to Magnetic Image Video.

11. Title: Customer specifically acknowledges Magnetic Image Video’s superior title and ownership of the Equipment and must keep the Equipment free of all liens, levies and encumbrances except those caused by or resulting from Magnetic Image Video’s acts. Customer may not assign or pledge the Equipment.

12. Default: In the event that Customer (a) fails to make payment when due hereunder, (b) fails to obtain or maintain the insurance required under Section 8 above throughout the rental term, or (c) becomes insolvent, files a petition in bankruptcy, seeks the appointment of a receiver (or has a receiver appointed) for all or a substantial portion of its property, or has an involuntary petition in bankruptcy filed against it, Customer shall be in default hereunder. Upon such default, Magnetic Image Video may, in its sole discretion, terminate this rental agreement and, and to the extent permitted by law, immediately repossess the Equipment without any prior notice to Customer, the receiver, bankruptcy trustee, assignee for the benefit of the creditors, or levying officer. Customer hereby grants to Magnetic Image Video the right and permission to lawfully enter the Customer’s premises where the Equipment is kept following any such default for the purpose of repossessing the Equipment without liability of trespass or any liability for any damage that might occur as a result of such entry.

13. Indemnity: Customer agrees to indemnify, defend and hold harmless Magnetic Image Video and its officers, employees, agents and licensees against any and all claims, actions, damages, liabilities and expenses arising from the use, possession or operation of the Equipment and by whomsoever operated at the direction of the Customer, Customer’s breach of any representations or warranties made herein, or from the negligence or willful conduct of Customer, its employees, agents or contractors. This indemnification shall survive the term of the rental agreement. Magnetic Image Video agrees to indemnify, defend and hold harmless Customer and its officers, employees, agents and licensees solely as respects bodily injury and property damage claims, actions, damages, liabilities and expenses arising from Magnetic Image Video’s negligence or willful misconduct of Magnetic Image Video, or that of Magnetic Image Video’s employees, agents, or contractors, Magnetic Image Video not having the right to rent the Equipment or Magnetic Image Video’s failure to maintain insurance enumerated in 8 above. This indemnification shall survive the term of the rental agreement.

14. Entire Agreement: Customer agrees that they have read and fully understand and accept all provisions of this agreement prior to executing this agreement. The signed Rental Contract together with these Terms and Conditions constitute the entire agreement between Magnetic Image Video and Customer. In the event of conflict between any terms or provisions of the Rental Contract and these Terms and Conditions, the terms and provisions of these Terms and Conditions shall govern and control. Any changes must be made in writing and signed by both parties. If Customer is a corporation or other entity, the person executing the Rental Contract represents and warrants that he/she has full power and authority to execute the Rental Contract on behalf of the entity and bind such entity to the agreements, terms and conditions hereof. Customer acknowledges that a photocopy or electronic version of this document shall constitute the same consent as an original.

15. Governing Law: This rental agreement has been entered into in the State of California and shall be governed by laws of the State of California, without reference to any conflicts of law principles. Customer and Rental Company agree to the State of California having the sole jurisdiction to govern any and all disputes arising between Customer and Rental Company as respects the rental of Equipment.

16. Definitions: As used in the Rental Contract and these Terms and Conditions, the following terms have the following meanings: “Customer” shall mean the entities and/or individuals so identified on page 1 of the Rental Contract; “Equipment” shall mean all equipment and/or vehicle(s) so listed in the Rental Contract; and, “Vehicle” shall mean those motorized and other means of conveyance so listed in the Rental Contract.

SIGNATURE: _____ DATE: _____

FIRST NAME: _____ LAST NAME: _____

PHONE: _____ EMAIL: _____

DRIVER’S LICENSE: _____

COMPANY NAME: _____

STREET ADDRESS: _____

CITY: _____ STATE: _____ ZIP: _____