

OPPENHEIMER CINE RENTAL LLC

RENTAL TERMS & CONDITIONS

THIS AGREEMENT is made and entered into on the date set forth below between Oppenheimer Cine Rental, LLC ("Company") and the undersigned Customer regarding rental of equipment from time to time by Customer from the Company. Each rental by Company to Customer shall be subject to the following terms and conditions except as modified in writing and signed by both parties.

1. Ownership, Condition and Use of the Equipment.

1.1 All equipment is either owned by Company and or leased by the company, and Customer specifically acknowledges the Company's superior title and ownership of the equipment. Customer shall keep the equipment free of all liens, levies, security interests and encumbrances. Customer shall not remove or cover the tag or nameplate on any of the equipment showing ownership by Company, nor shall Customer permit any other person to do so.

1.2 Customer acknowledges and warrants that Customer and all users of equipment authorized or permitted by Customer have an understanding of the operating procedures for each piece of equipment rented. The equipment shall be used only by duly qualified employees or agents of Customer. Customer acknowledges and agrees that the equipment shall at all times remain under the immediate and exclusive control, supervision and direction of Customer.

1.3 Customer agrees that customer will examine and test all items of equipment prior to rental or upon receipt and notify company of any deficiencies. Customer shall be responsible for designating equipment that meets its own requirements for its intended uses. Customer acknowledges and understands that equipment will be leased without warranty or guarantee of any kind, express or implied, and that Company assumes no responsibility for the performance or nonperformance of the equipment.

1.4 In the event any item of equipment becomes inoperable after delivery, Customer shall return that item to Company, at Customer's expense, for exchange; provided, that any such inoperability shall not relieve Customer of responsibility in the event of damage, destruction or failure to return the equipment. Company's only obligation with respect to any non-working or inoperable equipment shall be: (a) to use reasonable efforts to replace or repair such equipment, but only if a defect in such equipment existed at the time of delivery and such defect was not readily apparent upon inspection; or (b) to refund all or part of any rental payment with respect to such non-working or inoperable equipment, as determined in the sole discretion of Company.

1.5 No item or any part of the equipment may be removed from the State of Washington, without the prior written consent of Company. The equipment shall not be used on hazardous assignments, or taken from the ground (other than on a regularly scheduled flight on a recognized commercial airline) except upon the prior written permission of Company and subject to the provisions of paragraph 6 hereof.

2. Rental Terms.

2.1 Each item of equipment will be rented to Customer for the period and at the rate listed on a rental contract executed at the time of each rental. The terms of Customer's credit are based on credit information in effect at the time of each rental. In the event of any change in the credit information, Company may, at its sole option and without prior notice to Customer, revise the terms of payment, but not the amount, and shall thereafter notify the Customer of such change(s).

2.2 Unless otherwise agreed in writing by Company, rental charges shall begin on the date specified in each rental Contract for delivery of equipment and shall continue until the equipment is returned to Company, as herein provided. Notwithstanding any arrangements with respect to the number of rental days, full daily rates shall be charged for each day and each piece of equipment not returned by 10:00 am on the date specified in Contract for the return of the equipment. When equipment is rented on the daily schedule, daily rates will be charged for each day, Sundays and holidays included, that the equipment is in Customer's possession.

2.3 Weekly rates shall be three (3) times the daily rate, except as noted in Company's catalog. The Company's catalog is available upon request. All orders shipped out of the State of Washington are subject to a minimum rental charge of two (2) days.

2.4 Rental and other charges are due and payable upon Customer's receipt of invoice. All past due accounts bear interest at the rate of 1.5% per month or at the highest rate of interest allowable by Washington law, whichever is higher. Customer agrees to pay Company for missing and/or damaged equipment within ten (10) days after the date of Company's billing for such missing and/or damaged equipment.

3. Customer's Obligations.

3.1 Customer assumes full responsibility and liability for the safekeeping and use of the equipment and for its return to Company's premises in good condition and repair, free from damage of any kind, in accordance with the terms of the Contract.

3.2 Customer shall at its own expense, provide and maintain in full force and effect insurance covering all equipment rented from Company for full replacement cost thereof, without regard to depreciation, and for loss of rents of said equipment, from the date of each rental until the equipment is actually returned, including any damage while the equipment is in transit or storage. The coverage shall be in effect while Customer, its agents or employees inspect or handle the equipment at Company's place of business prior to the commencement of the rental. Said insurance shall name Company an additional insured and as loss payee, and the rights of Company under such insurance shall not be affected by any act or neglect or breach of condition by Customer. Such insurance shall be written by an insurer acceptable to the Company, with any deductible and/or policy limit as specified by Company. Said insurance shall cover all risks of physical loss or damage. Customer's liability insurance shall be issued on a non-contributory basis and shall be deemed primary insurance in the event of any claim or suit. Customer shall provide to Company a certificate of insurance in compliance with this paragraph prior to delivery of the equipment. Notwithstanding this paragraph, Customer shall remain primarily liable to Company for full performance under the Contract. Company may enforce its remedies directly against Customer without resort to insurance. Date of payment of claim by Customer's insurance

carrier shall be deemed the primary factor for appraising the amount of loss of rental income, as well as a primary factor in determining the replacement cost, feasibility and availability of replacement equipment. No reduction of the amount of a claim will be allowed by reason of the fact that replacement was less at the time of a loss than at the time of receipt of Customer's insurance carrier's payment for said loss. Company retains all rights to decide where and how to repair its equipment.

3.3 Customer agrees to reimburse the Company for any federal, state or local taxes or duties that might be levied upon the equipment or its use while in Customer's possession.

3.4 Customer shall not permit the equipment to be used in violation of any federal, state or municipal statutes or regulations and Customer shall indemnify and hold the Company harmless from any fines, forfeitures or penalties for violation of any such statutes or regulations.

3.5 Customer shall indemnify and hold Company, its officers, agents and employees, harmless and defend them from and against any and all losses, damage claims, demands of liability of any kind or nature whatsoever, including attorneys' fees and costs, arising from the use, condition (including, without limitation, latent and other defects) or operation of the equipment, and by whomsoever used or operated during and after the rental term hereof excluding those matters arising from the sole negligence or sole willful conduct of Company. This indemnification agreement shall continue in full force and effect during and after the term of the Contract for actions, losses, damages, demands and/or claims arising during the term of the Contract.

4. Loss or Damage to the Equipment.

4.1 All risk of loss with respect to the equipment is the responsibility of Customer. Customer's liability for lost, damaged, destroyed or missing equipment shall apply whether the loss, damage or destruction is caused by or results from the active or passive fault of Customer or through no fault of Customer. Any equipment which is lost, damaged or destroyed by Customer or its agents or employees after delivery to Customer and while away from Company's premises shall be deemed to have been lost, damaged or destroyed while in Customer's possession.

4.2 Customer shall maintain the equipment in good condition and repair during the rental period and until the equipment is returned to Company.

4.3 In the event any item of the equipment is destroyed, lost or stolen while in transit or in Customer's possession, Customer shall immediately (a) replace such equipment with equipment of the same type, kind, quality and value satisfactory to Company or (b) pay to Company the replacement cost without depreciation of such equipment. During the time the equipment is not available for use, rent shall continue to accrue and be paid by Customer.

4.4 In the event any item is damaged either in transit or while in the possession of Customer, Customer shall immediately return the equipment to Company for repair or restoration to its original condition. Customer shall pay all costs of such repairs or restoration, and shall continue to pay the full rental to Company until the equipment has been actually repaired or restored and returned to Company's inventory; Customer acknowledges that there may be delays in repair or replacement which are attributable to causes beyond Company's control, and Customer agrees to pay such rental nonetheless. Company's acceptance of the return of the equipment does not

represent a waiver by Company of any claims it may have against Customer including, but not limited to, claims for latent or patent damage to the equipment.

4.5 Customer agrees that the value of the equipment in the event of any loss or damage during the rental period shall be (a) the replacement costs of the lost or damaged equipment, determined without any reduction for depreciation, or, in the event such lost or damaged equipment cannot be replaced in kind, the cost of comparable new equipment, plus (b) applicable sales or use taxes, and applicable freight charges.

4.6 Whether an item of equipment can be repaired or must be replaced shall be determined solely by Company, in its sole discretion, and Company's determination shall be final and binding on Customer.

4.7 Company or its agents have the right 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.

5. Termination and Default.

5.1 Company shall have the sole option to terminate any rental, without cause, on 24 hours advance notice by mail, personal notice, telephone, facsimile or other similar methods of notification. In the event of such termination by Company, Customer shall immediately return the equipment to Company's premises.

5.2 If Customer fails to make any of the rental payments when due or fails to perform any of the other terms, covenants or conditions of this Agreement or any rental, or if any execution or other writ or process issued in any action or proceeding against Customer whereby the equipment might become or appear to become in danger of being seized or detained, or if proceedings in bankruptcy, receivership or insolvency are instituted by or against Customer or his property, or if Customer enters into any arrangement or composition with creditors, or if any judgment is obtained against Customer, or for any other reason Company feels it is insecure, then Company may declare the Contract terminated and may, without notice or demand, by process of law or otherwise, retake possession of the equipment, and, for such purpose, Company or its agents or employees may enter upon any premises where the equipment may be, and may remove the same there from, with or without force, and with or without notice of intention to retake the equipment, without any liability for damage caused by any such entry and without prejudice to Company's right to receive monies due Company for rental, repair, replacement or other costs and damages. Company shall also have the right to exercise any and all other remedies authorized by law or under this Agreement and all such remedies are cumulative and may be exercised concurrently or separately.

6. Shipment and Return of the Equipment.

6.1 All leased equipment that is due to leave the United States must be registered with U.S. Customs prior to departure. Company will furnish Customer with a statement giving the serial number, country of origin and value of the equipment at Customer's request. Adequate bonds and customs fees are to be provided by and paid for by Customer. Any delay due to Customer's failure to register any of the equipment shall be charged as a normal day until the equipment is returned to Company. No allowance will be made with respect to any time lost due to improper

documentation, or foreign or domestic customs impoundment, or confiscation by any government agency.

6.2 All air and surface shipment of equipment made on behalf of Customer will be shipped collect for freight charges and insurance. Company is authorized by Customer to act as agent for Customer in arranging shipment for delivery of the equipment. Company shall not be responsible for any failure of Customer, its agents or authorized or designated carriers to accept or pick-up the equipment. All equipment returned to Company by Customer must be shipped prepaid. Company does not guarantee on-time delivery or return of equipment.

6.3 Customer agrees to return the equipment on the date specified in each rental Contract. Return of the equipment will be deemed complete when all equipment has been returned to Company's place of business and checked in by Company to ascertain satisfactory conditions of the equipment.

7. Cancellation.

7.1 In the event of cancellation while on a daily rental schedule for any reason, including weather, the following charges shall apply in consideration of Company's preparing equipment and holding it available:

(a) Cancellation more than 24 hours before the time set for delivery of the equipment to Customer, 25% of the daily rental unless the cancellation is due entirely to weather, in which case there shall be no charge.

(b) Cancellation any time after the time set for delivery of the equipment to Customer, the full daily rental rate will be charged, regardless of the reason for the cancellation.

7.2 When on a weekly schedule rate, Customer guarantees rental for the minimum number of weeks specified in each rental Contract and no reductions shall be made in the event of cancellation.

8. Miscellaneous.

8.1 In the event the Company is forced to retain the services of an attorney to enforce its rights under this agreement, whether or not suit is filed, the Company shall be entitled to recover from the Customer its reasonable attorneys fees and costs incurred, including expert costs if any. The Company's rights to recover from Customer such fees and costs shall include any attorneys fees and costs incurred by the Company in collecting and/or enforcing any judgment it may obtain against Customer.

8.2 If the equipment under this Agreement and/or Rental Contracts is used in a production where screen credits are provided, customer agrees to list company in its screen credits as follows: "Cameras and Lenses Provided by Oppenheimer Cine Rental LLC"

8.3 The parties agree that the Contract may be executed in any number of counterparts, each of which shall be deemed an original, and shall become effective when all of the counterparts have been signed and delivered to each party. The Contract may also be executed in facsimile form.

8.4 The Contract shall be governed by the laws of the State of Washington, Customer hereby consents to the personal and subject matter jurisdiction of the State of Washington irrespective of Customer's contacts with the State of Washington. Venue for any claim and/or action arising out of any rental Contract or this Agreement shall be King County, Superior Court, State of Washington unless otherwise agreed to by the parties in writing.

8.5 The Contract represents the entire agreement between the parties with respect to its subject matter and may not be amended or modified except in a writing signed by both parties. Time is of the essence in this agreement. Customer acknowledges that the Company has made no representation or warranties other than those expressly included herein.

8.6 In the event the Company fails to promptly enforce any right it may possess under this agreement, said action shall not be construed as a Waiver to enforce said right by the Company and further shall not be deemed a waiver of any subsequent breach of the same or any other term, covenant or condition of the Contract.

COMPANY

CUSTOMER SIGNATURE

DATE

PRINT NAME

TITLE
