

# EQUIPMENT LEASE STANDARD TERMS & CONDITIONS



**THIS LEASE AGREEMENT** between William F. White International Inc. (“**WFWI**”) and the undersigned customer (the “**Customer**”) comprises the standard terms and conditions attached to all vehicles, lighting, grip, cameras, accessories, and other equipment (collectively “**Equipment**”) leased by WFWI to the Customer (described in each rental contract signed by Customer) (a “**Rental Contract**”). Each Rental Contract is deemed to incorporate these terms and conditions which shall apply to any use of Equipment by the Customer and are in addition to terms set forth in each Rental Contract.

## 1. RENTAL

The Equipment is rented by Customer at the prices specified in the Rental Contract. If such prices are not so specified, the rent will be the prices set forth in WFWI’s most recent catalogue rental price list. The Customer’s obligation to pay rent is unconditional and must be paid in full notwithstanding any claim for set off, reduction, abatement, or other claim. Rent is payable by Customer in the manner specified by WFWI in each Rental Contract.

## 2. TERM

The term of rental is set forth in each Rental Contract. Customer agrees to return the Equipment on or before 6:00 p.m. on the last day of the term or return date specified in the Rental Contract. Any extension of the term must be agreed to by WFWI in writing. Unless otherwise agreed in writing by WFWI, rent shall be paid on any Equipment not returned at the aforesaid return time at the daily rates for such Equipment specified in WFWI’s most recent catalogue rental price list.

## 3. USE

The Customer shall operate, use and preserve the Equipment for the purpose set forth in the Rental Contract. The equipment shall be used in the manner specified by the manufacturers of the Equipment, the written operating instructions supplied by WFWI, and in accordance with all applicable law. The Equipment must not be used for any illegal, improper or immoral purposes, nor in any manner which would cause the suspension, cancellation, impairment or nullity of any insurance or warranty in respect of the Equipment.

## 4. PLACE OF USE

The Equipment must be kept and used at the place specified in the Rental Contract. The Customer will not move the Equipment without the express written consent of WFWI. The Customer will not permit the Equipment to be taken from the ground in an aeroplane or any machine used for air travel without the prior written consent of WFWI. The Equipment shall at all times remain under the immediate control, supervision and direction of the Customer.

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## 5. DELIVERY AND FREIGHT

Customer shall accept delivery of the Equipment at WFWI's designated location. Customer shall be solely responsible for all costs and liabilities in connection with the transportation of the Equipment from and to the location designated by WFWI including, without limitation, all costs and expenses for crating, carting, insurance, loading and unloading. WFWI reserves the right to specify the carrier of the Equipment during transport.

## 6. POSSESSION AND CONTROL

The Equipment shall be deemed to be in the possession and control of the Customer ("Possession and Control") from the time the Customer accepts delivery of the Equipment at WFWI's designated location until the Customer returns the Equipment to WFWI at its designated location.

## 7. VEHICLES

All drivers of WFWI vehicles or vehicles rented to the Customer must be approved in writing by WFWI.

## 8. DELIVERY

The Customer agrees that delivery to the Customer is complete upon the Customer's representative, employee or agent taking physical delivery of the Equipment from WFWI's designated location, or otherwise accepting delivery.

## 9. RISK OF LOSS AND CARE

The Customer agrees to properly protect, safeguard and operate all Equipment while it is in its Possession and Control and to return the Equipment to WFWI at the termination or expiry of this lease at WFWI's designated location in as good condition as received (normal wear and tear exempted). While the Equipment is in the Customer's Possession and Control, the Customer shall maintain the Equipment in good condition and working order and shall bear and be responsible for all risk and liability for any injury or damage to or theft, loss or destruction of the Equipment from any source or cause whatsoever. If any Equipment is lost, stolen or destroyed, the Customer shall pay WFWI the full replacement cost of the Equipment on demand. If any Equipment is damaged, the Customer will pay WFWI, on demand, (a) the cost of repairing the Equipment so that it is in good working order and condition or (b) if, in WFWI's reasonable opinion, the Equipment cannot be properly repaired, the full replacement cost of such Equipment. The customer further agrees to compensate WFWI for its loss of revenue from lost rent calculated at the rental rate under the Rental Contract to the expiry of the term and thereafter at the daily rental set forth in WFWI's most recent catalogue rental price for the period until the Equipment is repaired or replaced.

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The Customer shall immediately notify WFWI if any Equipment becomes damaged, lost, stolen or destroyed. In no case shall the Customer repair any Equipment without WFWI's written authorization. Any maintenance or authorized repairs shall be performed only by technicians who are familiar with and have the technical competence to performance such services.

## 10. INSURANCE

The Customer will at all times during the rental period maintain "All Risk" Insurance in full force and effect satisfactory to WFWI covering all Equipment (including vehicles), at full replacement cost, and for loss of use (rent) of the Equipment. Insurance coverage shall begin from the time the Customer accepts delivery until the time the Equipment is returned to WFWI's warehouse in good working order. Any lapse or cancellation of the required insurance will be a breach of this Agreement and will entitle WFWI to immediately repossess the Equipment.

Should the Customer fail to provide WFWI written proof of insurance satisfactory to WFWI twentyfour hours prior to the Equipment leaving WFWI's warehouse, or fail to pay to its insurer the cost of maintaining the insurance in full force and effect, WFWI may but is not obliged to procure suitable insurance at the expense of the Customer.

The Customer's insurance must name WFWI as an additional insured and first loss payee in a manner satisfactory to WFWI. The Customer's insurance must be primary and not contributory to any policy maintained by WFWI.

## 11. CREDITS

The Customer agrees to give credit to WFWI on all positive copies of all film or television productions that may be produced with the Equipment substantially as follows (to the extent applicable):

- a) Production Equipment supplied by William F. White International Inc.
- b) Camera and Lighting Equipment supplied by William F. White International Inc.
- c) Lighting Equipment supplied by William F. White International Inc.
- d) Camera Equipment supplied by William F. White International Inc.

Where graphic images or logos are granted the credit will include WFWI's logo. WFWI will supply the Customer with its logo, on request and at no cost.

## 12. IDENTIFICATION

The Customer agrees not to remove any barcode label, tag or nameplate affixed to the Equipment.

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## 13. INSPECTION

WFWI or its agents may at any time, at reasonable hours, inspect the Equipment. Customer will allow WFWI to enter the premises where the Equipment is located.

## 14. LIENS AND TAXES

The Customer must keep the Equipment free of liens, charges, and encumbrances of every nature and kind whatsoever and must pay all fees, taxes, or other which may be levied or assessed against the Equipment in connection with the possession or use thereof by the Customer.

## 15. WARRANTIES

WFWI represents that the Equipment is in good working order and that WFWI has the right to lease the Equipment to Customer. WFWI makes no other representations or warranties to Customer whatsoever, whether express or implied, including, without limitation, any representations as to merchantable quality or fitness use or suitability for any particular purpose or design, condition, performance, functioning or material or workmanship. WFWI is not responsible for engineering in connection with any use of the Equipment or for end results achieved by the Equipment, or for any accidents arising from the use of the Equipment.

## 16. INDEMNITY AND LIABILITIES

WFWI shall not be liable for and Customer will indemnify WFWI and its directors, officers, agents, representatives and employees from and against any liabilities, claims, demands, actions, losses, expenses, judgments or any other damages (including, without limitation for personal injury or property damage or any indirect, special, consequential or punitive damages), directly or indirectly arising out of or resulting from Customer's use, possession or maintenance of the Equipment, whether during or after the term of any Rental Contract. Subject to Section 19(c), Customer agrees that the liability of WFWI, if any, arising out of any Rental Contract, including breach of any representation and warranty, is limited to money damages not to exceed the total rent payable under such Rental Contract. In no circumstances will WFWI be liable for any other damages or costs including indirect or consequential damages, loss of profits or punitive damages. In no circumstances will the Customer be entitled to any injunctive relief.

## 17. ASSIGNMENT AND SUBLETTING

The Customer may not, without obtaining the prior written consent of WFWI (which consent may be arbitrarily withheld by WFWI), assign, transfer, pledge or hypothecate this agreement or any interest herein or the Equipment or any part thereof or sublet the Equipment or permit the use thereof by any person other than the Customer or employees of the Customer.

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## 18. DEFAULT BY CUSTOMER

If the Customer fails to pay the rent specified in the Rental Contract when due, or becomes bankrupt or insolvent, or if a receiver is appointed to manage Customer's affairs or if Customer breaches any provision of this Agreement, or if the Equipment is levied upon or becomes liable to seizure, WFWI may, at its option, terminate the Rental Contract without notice to the Customer. Upon termination WFWI may take possession of the Equipment without becoming liable for trespass and may recover all rent due for the term of the Rental Contract and all expenses incurred in retaking possession of the Equipment. WFWI may also claim any other amounts and damages owing pursuant to this Agreement including, without limitation, pursuant to paragraphs 9 and 16. In the event WFWI takes any legal steps to enforce terms of the Agreement, the Customer agrees to pay all reasonable legal fees and costs incurred by WFWI in connection with such action.

## 19. RENTAL OF SPECIALTY EQUIPMENT

In addition to the above, any time the customer rents Specialty Equipment, (as defined below), the following terms and conditions will also apply:

- a) If Customer terminates this Rental Contract any time prior to the date designated for delivery of the Specialty Equipment under the Rental Contract, Customer shall pay to WFWI the full amount of rent that would have been payable under the Rental Contract had such contract not been terminated less any rent actually received by WFWI during the term of such Rental Contract from being able to otherwise rent such Equipment.
- b) In addition to the payment set out in clause (a), if Customer terminates this Rental Contract prior to the date designated for the delivery of the Specialty Equipment, Customer shall pay WFWI any amounts WFWI is required to pay the Technicians (as defined below) related to such equipment for the term of the Rental Contract.
- c) The Customer agrees to examine and test all Equipment promptly upon receipt thereof and to forthwith notify WFWI if the Equipment is not in good working order, WFWI shall attempt to repair or replace any malfunctioning Equipment and Customer's exclusive remedy shall be an adjustment of the rent for the time, if any, during which the Equipment is not in service.

**Technicians** - Customer agrees that the use and operation of the Specialty Equipment requires trained and competent technicians. Customer agrees that it shall, during the term of this Rental Contract, directly engage the services of one or more technician(s) (the "Technicians") as required by WFWI in the Rental Contract from a list provided by WFWI. The hourly rate for the Technicians shall be determined as noted on the Rental Contract.

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**Specialty Equipment** - is comprised of Cranes, Motion controls, Insert vehicles, Remote Heads, UAV (Unmanned Aerial Vehicles), Aerial Equipment, Balloon lights or any specialty equipment requiring a skilled technician.

## 20. GENERAL CONTRACT TERMS

- a) The Customer will pay all reasonable legal fees and expenses incurred by WFWI in protecting its rights under this agreement.
- b) The Customer will, at its expense, promptly upon WFWI's written request, execute and deliver any instrument and to take any action as may reasonably be necessary in the opinion of WFWI to perfect and keep perfected as against third parties the interests of WFWI in the Leased Property. The Customer authorizes WFWI to record such documents as WFWI may consider appropriate and agrees to pay all costs in connection with them.
- c) Any monies which are not paid by the Customer when due bear interest calculated daily from the due date thereof to the date of payment, at a rate per annum equal to the commercial lending rate of interest, expressed as an annual rate, which Bank of Montreal quotes in Toronto as the reference rate of interest (commonly known as "prime") for the purpose of determining the rate of interest that it charges to its commercial customers for loans in Canadian funds, plus 2%.
- d) All rights and remedies of WFWI hereunder are cumulative and are in addition to any other rights and remedies of WFWI and may be exercised in any order, sequence or combination.
- e) No terms or condition of this agreement may be waived, amended or varied except by writing signed by both parties.
- f) Forbearance or indulgence by WFWI of any term or condition of this Agreement as to a Rental Contract will not constitute a waiver of such term or condition to be performed by the Customer.
- g) Time is in all respects of the essence hereof.
- h) Subject to Section 17, this agreement enures to the benefit of, and is binding upon, the parties hereto, their respective heirs, executors, administrators, successors and assigns.
- i) This Agreement and the Rental Contract shall be construed in accordance with the laws of the Province of Ontario.

**Accepted and Agreed** to by (the "Customer")

**Accepted and Agreed** to by **William F. White International Inc. ("WFWI")**

by: \_\_\_\_\_  
Signature of Authorized Signing Officer

by: \_\_\_\_\_  
Signature of Authorized Signing Officer

by: \_\_\_\_\_  
Print Name of Authorized Signing Officer  
and position

by: \_\_\_\_\_  
Print Name of Authorized Signing Officer  
and position