



Rental Agreement

This Rental Agreement (“Agreement”) is entered into as of the above date by and between ZTV Broadcast Services Inc. and referred to herein as “Lessor” and

_____, referred to herein as “Lessee”

whose principal place of business is in _____
and whose phone number is _____.

This Agreement shall include and be subject to the following terms and conditions:

1. **CONTINUING RENTAL AGREEMENT:** This Agreement shall apply to any rental of Property by Lessee occurring on or after the execution date of this Agreement. The parties acknowledge and agree that the terms and conditions of this Agreement shall to apply to all rental transactions until this Agreement is terminated by either party by providing the other party with thirty (30) days prior written notice of its intention to terminate the Agreement.
2. **LESSOR OBLIGATION:** Lessors sole obligation and liability to Lessee in the event of any malfunction or failure of the Property solely caused by Lessor shall be (i) the repair of the Property or (ii) to provide the Lessee with the same or similar Property.
3. **RENTAL TERM** shall begin on the date the Property leaves Lessor’s place of business and shall end when the Property is returned to Lessors place of business or at the place designated by the Lessor.
4. **DESCRIPTION OF PROPERTY:** The equipment (“Property”) subject to this Agreement shall be the specific items of Property listed on the Equipment Schedule or Rental Form prepared by Lessor and given to Lessee at the time of delivery of the Property to Lessee or to a third party at the direction of Lessee. Such Equipment Schedule and or Rental Form shall be deemed a part of this Agreement, as if fully incorporated herein. It shall be Lessee’s sole responsibility to determine that the Property delivered is in accordance with the Equipment Schedule or Rental Form and to notify Lessor immediately of any discrepancy thereon. Lessor shall not be responsible for any discrepancies not brought to Lessor’s attention at the time of delivery.
5. **DELIVERY and RETURN:** Lessee shall be deemed to have taken “Delivery” of the Property from the time the Property is set aside from Lessor’s general inventory for Lessee’s use. Lessee shall be deemed to have “Returned” the Property only at such time as Lessee has returned the Property to Lessor’s shipping department during Lessor’s regular business hours and the Property has been accepted by the Lessor. “Acceptance” by Lessor means that the Property has been unpacked, from its shipping container, examined for damage and scanned into Lessor’s computerized system as “returned”. The acceptance of the returned Property is not a waiver by the Lessor of any claims Lessor may have against Lessee, nor a waiver of claims for latent or after discovered damage to the Property.
6. **USE OF PROPERTY:** Lessee shall operate and use the Property in accordance with the manufacturer’s instructions use and shall neither abuse or misuse the Property nor use or store the Property in any manner or at any location that will subject it to abnormal or hazardous conditions or risk. Lessee will take all necessary precautions during the shipment, use or storage of the Property to protect the Property and all persons using the Property from injury or damage. The Property shall be used only by qualified employees, agents or sublessees of Lessee. Lessee shall not make any alterations, changes, modifications, or improvements to the Property without the prior written consent of Lessor and Lessee shall not deface, remove or cover any nameplate on the Property showing, Lessor’s name and identification or that of the manufacturer. All Property shall be used in accordance with applicable Federal, Provincial, or local laws or ordinances. All services and Property are used at your risk. Any circumstance, which may prevent satisfactory use, will not relieve you of the responsibility for rental charges. You assume full responsibility for Property while it is out of our possession, and you promise to return the Property on the date and hour agreed to in as good condition as received, natural wear from reasonable use excepted.
7. **INSPECTION / WARRANTY:** Lessor represents that all Property will leave its care in good working order Lessee shall inspect the Property immediately on delivery and shall notify Lessor at that time if Lessee determines that the Property is not in good working condition. After such delivery and inspection Lessee acknowledges that the Property is rented without any express or implied warranty or guaranty of any kind.
8. **RISK OF LOSS/REPAIR/NEW REPLACEMENT COST:** From the delivery of the Property to Lessee until its return to Lessor, as those terms are defined herein, including during any time of transit or shipment of the Property per Section 9 below Lessee shall bear any and all risk of loss and/or damage to the Property regardless of whether such loss or damage may have been caused by Lessee, Lessee’s agent, sublessee, shipper or any third party. If the Property is damaged, such liability shall include Lessor’s actual cost of repair and the payment of all continuing rental charges until the repaired Property can be restored to rental use by Lessor. If the Property cannot be timely repaired, then Lessee shall be liable for Lessor’s full actual new replacement cost for the Property as well as the payment of all continuing rental charges until the Property is replaced and restored to rental use by Lessor. The decision as to whether the damaged Property shall be replaced or repaired shall be solely Lessor’s. If the Property is lost, stolen or seized while in the possession of Lessee or any agent or sublessee of Lessee, or any carrier or storage facility, Lessee shall be liable for the full new replacement cost of the Property and all continuing rental charges until the replacement Property is restored to rental use by Lessor. Lessor shall be under no obligation to replace or repair Property until Lessee has paid for the damaged, lost or stolen Property. In such event, rental charges for the subject Property shall continue to accrue until Lessee has paid for the lost, stolen or damaged Property or until repairs are completed. Accrued rental charges cannot be applied against the new replacement cost or cost of repair of damaged, lost or stolen Property.



9. **TRANSPORT AND SHIPMENT:** In the event the Property rented by Lessee is transported or shipped, whether from Lessor to Lessee, or to any third party or location, or upon its return to Lessor, or at any time between "Delivery" and "Return" of the Property, the risk of loss during that transport and shipment shall be solely Lessee's. Lessee, at Lessee's option, shall be entitled to select its own shipper or transport service and shall notify Lessor of that selected shipper or transport service at the time the rental order is placed. If Lessee declines to make such election, and requests transport by a shipper or transport service selected by Lessor, then Lessee shall still remain solely responsible for risk of loss during that transport or shipment and shall continue to maintain insurance on the Property as provided herein. Lessor shall bear risk of loss during transport or shipment only during times when Lessor's own employees are directly handling the transport or shipment.
10. **INDEMNIFICATION:** Lessee agrees to defend, indemnify and hold Lessor, its affiliates and their respective directors, officers, employees and agents harmless against any claim, liability loss, costs, damages, expenses, or demands arising directly or indirectly out of, or in connection with the use of the Property leased from Lessor by Lessee.
11. **PROPERTY INSURANCE:** Lessee shall at all times from the delivery of the Property to Lessee to its Return to Lessor, including during times of shipment and storage, maintain property insurance covering the Property from damage or loss from any cause whatsoever. Such property insurance shall be in an amount sufficient to cover the full new replacement cost of the Property and Lessor's rental charges until the Property is repaired or replaced. Lessor shall be named an additional insured and loss payee on such policy or policies and, upon request by Lessor, Lessee shall provide Lessor with proof of such insurance.
12. **COMMERCIAL GENERAL LIABILITY INSURANCE:** Lessee shall, at its own expense, maintain commercial general liability insurance, which includes coverage for independent contractors and contractual liability coverage specifically referring to this Rental Agreement and to the hold harmless agreement herein. Said insurance shall name Lessor as an additional insured and provide that said insurance is primary coverage with respect to all insured's the limits of which must be exhausted before any obligation arises under Lessor's insurance. Such insurance shall remain in effect during the course of the rental agreement, and shall include the following coverages: broad form contractual liability, personal injury liability, completed operations, and products liability. Such insurance shall have provided general total limits of not less than \$2,000,000 (including the coverages specified above), personal injury and advertising injury of not less than \$1,000,000 and per occurrence limits of no less than \$1,000,000.
13. **NOTICE OF INSURANCE:** Before obtaining possession of the Property leased, Lessee shall provide Lessor a Certificate of Insurance and applicable endorsements confirming each of the coverages specified above. All Certificates of Insurance shall be signed by an authorized agent or representative of the insurance company. All insurance maintained by Lessee pursuant to the foregoing provisions, shall be issued by an insurance carrier licensed to do business in the Province of Ontario. The failure of Lessor to demand such notice or proof of insurance shall not excuse Lessee from providing it. **The Lessor requires a copy of the Lessee's current Insurance certificate on file.**
14. **NOTICE OF CANCELLATION OF INSURANCE:** Lessee shall provide Lessor within thirty (30) days written notice prior to the effective cancellation, material change, or modification to any insurance required to be maintained by Lessee pursuant to the foregoing / provisions.
15. **WAIVER OF SUBROGATION:** All insurance maintained by Lessee pursuant to the foregoing provisions shall contain a waiver of subrogation against Lessor.
16. **FAILURE TO PROCURE INSURANCE:** Should Lessee fail to procure or maintain and in force the insurance specified herein, or to provide Lessor upon request with satisfactory evidence of insurance, Lessor may, but shall not be obliged to, procure the insurance and Lessee shall reimburse Lessor on demand for all costs. Lapse or cancellation of the requirement of insurance shall be an immediate and automatic default of this Agreement and Lessor at its sole discretion may immediately terminate the Agreement.
17. **SUBLEASE BY LESSEE:** The grant by Lessee of a sublease of the Property shall not affect Lessee's obligation to procure insurance for the benefit of Lessor as provided herein nor shall such sublease otherwise effect or diminish any of Lessee's obligations under this Agreement.
18. **REMOVAL FROM PROVINCE/COUNTRY:** Lessee shall not remove the Property from the Province of Lessor's applicable Place of Business without Lessor's prior written consent.
19. **LEGAL FEE'S:** Lessee hereby agrees to pay all of Lessor's legal fees and costs actually incurred by Lessor in enforcing the terms of this Agreement regardless of whether or not a legal action is filed.
20. **INCORPORATION BY REFERENCE:** This Agreement and any attached or future Equipment Schedules are incorporated by reference and made an integral part of the Agreement. The Agreement and any Equipment Schedules constitutes the entire agreement between the parties as to the issues covered herein. No agreements, representations, or warranties other than those specifically set forth in this Agreement or in the attached Equipment Schedule(s) shall be binding on any of the parties unless they are also set forth in a writing that is signed by both parties.
21. **SECURITY DEPOSIT:** Lessor may, require Lessee to give Lessor a security deposit in an amount determined by Lessor. If the security deposit is paid by credit card, Lessee and/or charge card holder waive all rights to dispute charges with credit card company and agree to resolve disputes as if the charges were made as cash payments. In the event that the credit card company fails to honor Lessor's charges for any reason, or if the credit available is insufficient to cover any claim(s) of the Lessor, Lessee shall remain liable for the full amount of the claim(s). The election by Lessor to request and accept a security deposit in lieu of a proof of insurance certificate from Lessee, or for any other reason, does not constitute a waiver or limitation by Lessor of any of Lessor's rights or Lessee's obligations under this Agreement.
22. **TITLE AND OWNERSHIP:** This Agreement constitutes a lease and not a sale of the Property or the creation of security interest therein. No part of the rental payments made under this Agreement shall be deemed payment towards the purchase of any Property. Lessee specifically acknowledges Lessor's superior title and ownership of the Property and must keep the Property free of all liens, levies and encumbrances.
23. **SURRENDER:** Upon the termination of this Agreement, Lessee shall return all Property to Lessor in the same condition as at the delivery to Lessee, ordinary wear and tear excepted and pay all outstanding fees.



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24. **INSPECTION:** Lessor shall have the right to inspect the Property or observe its use at all reasonable times upon request.
25. **SEVERABILITY:** The provisions of this contract shall be severable so that the invalidity, unenforceability or waiver of any of the provisions shall not affect the remaining provisions.
26. **TERMS OF RENTAL:** Unless otherwise specified in writing, the Property shall be leased on a day-to-day basis and all rates shall apply to each full day or any fraction thereof which has elapsed between the time the Property leaves Lessor's premises and the time it is returned to Lessor's premises. Lessee agrees to return the Property on the date and time specified on the equipment schedule. If Lessee fails to return the Property by the return date specified, Lessee is liable for the daily rental cost of the Property until it is returned. The rental fee payable for any item of Property shall be the Lessor's standard daily rental rate for such equipment. Lessor's standard daily rates are subject to change at any time without notice. Lessor may discount rates upon their discretion. Discounts may be revoked at any time. All rates are freight on board Lessor, and Lessee is responsible for all shipping and delivery charges. No allowance will be made for items delivered to but not used by Lessee.
27. **PAYMENT AND CHARGES: Payment Terms: First order, credit card. Credit card charged when Property is delivered, unless credit is established beforehand, then terms are Net 30.** Provincial and Federal taxes apply (exemption certificates applicable). Rental rates may be offered to Lessee based upon Lessee's credit information available to Lessor at time of rental. Lessee agrees rental invoices and loss or damage invoices are payable upon receipt of invoices or use of the Property. Any discounts granted by Lessor may be revoked at any time after thirty (30) days. If credit card is supplied by Lessee to Lessor, Lessee acknowledges and grants Lessor the unequivocal right to recover from Lessee's credit card immediately and/or consecutively any charges or amounts due Lessor until paid in full. Rental payment may not be applied to the purchase or repair or replacement cost of the Property.
28. **INTEREST CHARGES:** If credit is extended, **terms are NET 30 DAYS** plus interest at 1.75% per month 20% ANNUAL PERCENTAGE RATE, on balance due over 30 days. There will be an additional service charge on delinquent accounts. Unpaid claims by Lessor against Lessee shall bear interest at the rate of 1.75% per month until paid; provided, however, that if such interest rate exceeds the maximum amount allowed under the laws of the State of Lessor's applicable rental office then that maximum amount shall instead apply.
29. **CANCELLATION:** In the event of cancellation, charges may apply in consideration of Lessor's preparing, holding in reserve or sub-renting Property on Lessee's behalf. Lessor shall be entitled to compensation for any losses sustained because of full or partial cancellation of order. Cancellation is subject to payment of the first day rental or forfeiture of deposit, whichever is greater.
30. **DEFAULT:** In the event Lessee shall fail to make any of the rental payments when due or shall fail to perform any other covenant or condition hereof to be performed by Lessee, 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 Property (by entering upon Lessee's premises, if necessary) without liability for trespass, or responsibility with respect to the Property 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 that Lessor shall have sustained by reason of non-performance by the Lessee of the terms and conditions of this Agreement; D). Retain, free from any claim by Lessee, all payments or other property theretofore received under this Agreement; E). Recover from Lessee all expenses incurred by Lessor in protection of its rights under this Agreement, including, without limitation, attorney's fees, court costs, and costs of location, repossessing, repairing, reconditioning and storing the Property.
31. **BANKRUPTCY:** Neither this Agreement nor the Property is assignable or transferable by operation of law. If any proceeding under the Bankruptcy and Insolvency Act, as amended, is commenced by or against the Lessee, or if the Lessee is adjudged insolvent, or makes any assignment for the benefit its creditors or if a writ of attachment or execution is levied on any item or items of the Property and is not released or satisfied within ten (10) days thereafter, or if a receiver is appointed in any proceeding or action to which the Lessee is a party with authority to take possession or control of any item or any item or items of the property, Lessor shall have and may exercise any one or more of the remedies set forth in Section 31 (DEFAULT) hereof. This Agreement shall, at the option of the Lessor, without notice, immediately terminate and shall not be treated as run asset of Lessee after the exercise of said option and Lessor shall recover from Lessee any and all costs or damages associated with recovery of the Property.
32. **GOVERNING LAW:** This Agreement shall be governed by and interpreted according to the laws in force from time to time in the province of Ontario, without reference to its conflicts of laws principles, and any necessary judicial proceedings shall be taken before the courts in the City of Toronto.
33. **AGREEMENT:** By signing, you indicate that you have read the terms and conditions set out above and you agree to pay all charges for rental, repair, replacement, and cartage of the Property. You also agree to pay all collection fees, legal fees, court fees, or any other fees or expenses incurred in the collection of these charges or in the recovery of the Property. If you are signing as an agent, you are attesting that you have the authority to bind the principal and you agree to be jointly and severally liable with the principal under the terms of this contract.

LESSOR: ZTV BROADCAST SERVICES INC.

I (Lessee) have read and agree to all the terms and conditions of this rental agreement.

LESSEE

Printed Name / Title: _____ / _____

Signature: _____ Date: _____

