

EQUIPMENT LEASE AGREEMENT

Paratore Audio-Visual, Inc. ("Lessor") hereby leases to the Customer ("Lessee") and Lessee hereby leases from Lessor all machinery, equipment and other property ("Equipment") at rental prices described on the front side or in additional schedules, subject to the terms and conditions set forth herein. Said rental fees shall be payable on the signing by Lessee. Additional leased Equipment and extension of duration shall cause the rental prices to be adjusted accordingly. Accrued lease payments do not apply against any purchase price. No allowance will be made for unused Equipment. This Agreement may be executed by facsimile signature and shall be fully enforceable against a party that has executed it by facsimile signature. In the event that Lessor and Lessee enter into additional agreement for the rental of additional Equipment, this Agreement shall serve as the master agreement.

1. **Terms.** The duration of this lease for Equipment shall commence on the date stated on the front side and terminate on such date as the Equipment has been returned to Lessor. Rent, taxes and other charges payable for the duration stated on the front side shall be paid to Lessor at its address when invoiced. Lessee agrees that its obligations to pay all charges shall be absolute and unconditional and not be affected by any setoff, counterclaim, recoupment, defense or other right that Lessee may have against Lessor or assignee. Lessee hereby grants to Lessor the right to terminate this agreement on 24 hours written notice. On the occurrence of said notice, Lessee shall immediately return to Lessor at risk and expense of Lessee the Equipment in the same condition as when first leased. Lessor shall thereupon, upon said receipt, refund only the unexpired portion of the rental charges.
2. **Delivery.** Lessee shall not remove or return any Equipment from or to Lessor without having notified Lessor and obtained written consent. Lessor will arrange for delivery and return of Equipment to and from the location on the front side on or about the date given. Lessor shall not be responsible for delays in delivery which are caused by act of God, war, civil disturbance, strike, storm, fire, flood, transportation contingencies, material or labor shortage, law, regulation, act of order of any government or any agency or official thereof, or any other causes not within its control. Lessee shall pay all transportation, insurance and other Equipment costs of delivery and return to and from said Lessee location.
3. **Inspection.** Lessee shall inspect Equipment on the same day after its arrival. Unless Lessee notifies Lessor, specifying any defect in or other proper objection to the Equipment, it shall be conclusively presumed that Lessee has fully inspected the Equipment, that it is in good condition and repair and that Lessee is satisfied and has accepted that Equipment.
4. **Ownership.** Lessee shall not sublease, assign, loan, repair or alter the Equipment. All Equipment shall remain personal property of Lessor and shall not become fixtures. Lessee will deliver to Lessor waivers of interest and liens for all claims on the real property on which the Equipment is located. Lessee shall keep the Equipment free and clear of all liens, encumbrances and charges. Lessee shall deliver to Lessor documents including Uniform Commercial Code Financing Statements to protect the title of Lessor. Lessor may affix tags or signs to the Equipment and Lessee shall not remove them. Leased Equipment shall remain under the immediate control, supervision, direction and possession of Lessee at all times. Lessee assumes all risk in the use and operation of the Equipment and shall be responsible at all times for providing safety devices to protect users or operators. Lessee shall install the Equipment in safe and adequate facilities in compliance with all Federal, State and Local laws, rules and regulations, and all industry standards, and all conditions and requirements of any insurance policies required. It shall be lawful for Lessor and its agents to enter any premises for the purpose of viewing Equipment conditions.
5. **Damages.** Lessee hereby assumes and shall bear the full responsibility for and the entire risk of loss and damage to the Equipment from any and every cause whatsoever while the same is in transit or in the possession of Lessee. No loss or damage to the Equipment or any part thereof shall affect or impair any obligation of Lessee under this lease, which shall continue in full force and effect. Lessee agrees to compensate Lessor the extent of the full new replacement value should any item of said Equipment not be returned or be returned in a damaged or broken condition, due to any cause whatsoever. Lessee further agrees to compensate Lessor in rent for any passage of time as the result of replacement or repairs made to broken or damaged Equipment. Lessee shall promptly give notice to Lessor of any Equipment loss or damage and the circumstances and extent of loss or damage. Lessee shall return Equipment to Lessor in good repair, condition and working order. Acceptance of Equipment return is not a waiver of any claims for damages to the Equipment.
6. **Insurance.** During rental terms from delivery to return and at all times when Equipment is in the care, custody and control of Lessee, Lessee shall obtain and maintain at its own cost the following insurance policies. The insurance company writing these policies shall have an AM Best Rating of A-VII and at least \$30,000,000.00 as a policyholder surplus.
 - a. Commercial General Liability is to include, but not be limited to, bodily injury and property damage to a third party with a broadened form contractual limit. This Commercial General Liability insurance policy will have a combined single limit of at least one million United States dollars per occurrence and at least two million US dollars in its aggregate.
 - b. "All Risk" property insurance is to include, without limitation, transit coverage for the 100% replacement value of all the Equipment in the care, custody and control of Lessee.All insurance shall be on an occurrence basis, contain a waiver of subrogation against Lessor and be evidenced by a Certificate of Insurance forwarded to Lessor prior to rental. All insurance shall name Lessee as an Insured and Lessor and its subsidiaries, and each of the officers, directors and employees as an Additional Insured and Loss Payee as their interest may appear. All insurance shall require the insurer to give Lessor at least ten days prior written notice of any alteration in any terms thereof or of the cancellation thereof.
7. **Indemnity.** Lessee expressly agrees to indemnify, defend and hold harmless Lessor and all its subsidiaries and each of Lessor's officers, directors, and employees as the "Indemnified Entities" from any and all claims, liabilities, demands, suits, actions, proceedings, losses, cost and damages or expenses of any kind, description or nature whatsoever which may be brought or made against or incurred by the indemnified entities or any of them on account of loss of or damage to any property or for any injuries to or death of any person, or for any other reason caused by, or arising out of, or contributed to, in whole or in part, by any alleged act or failure to act by Lessor and all its subsidiaries, its officers, directors, employees, agents or representatives during ownership, selection, possession, leasing, operation, control, use, maintenance, delivery and return of any of the Equipment.
8. **Warranty.** Lessee takes the Equipment "as-is" and Lessor gives no warranty hereunder. In the event any of the Equipment is inoperable, in the sole judgment of Lessor, during the term of this agreement, Lessor will replace any such piece of equipment. Except for the obligation to replace inoperable equipment, Lessor will have no other liability with respect to the Equipment. Except as expressly set forth herein, Lessor gives no warranty or representation, including, but not limited to the implied warranty of merchantability or fitness or against interference or infringement. No terms, representation or warranty express or implied, not herein set forth in writing shall bind Lessor. In no event shall Lessor be liable for any consequential, incidental, indirect or special damages in connection with this agreement under any circumstances whatsoever for the entire Equipment rental term.
9. **Default.** "Event of Default" will occur if Lessee fails to pay when due or fails to fulfill any condition of this agreement. "Event of Default" will occur if any writ or order of attachment or any petition is filed against Lessee under the Bankruptcy Act or any insolvency laws. Lessee will still remain liable to Lessor for full performance of this agreement. Lessor may terminate the lease and take immediate repossession of Equipment by entry with or without force, with or without notice and without any liability to Lessee in any suit.
10. **Taxes.** In addition to the rent provided herein, Lessee shall pay or reimburse Lessor for all taxes, fees, charges, licenses, and assessments. These additions are upon the Equipment or are in respect to the manufacture, purchase, delivery ownership, leasing use or return of the Equipment, assessed or imposed under the authority of a federal, state or local taxing jurisdiction. Applicable sales and use taxes shall be added to the total unless Lessee provides satisfactory evidence of a direct payment or a valid exemption certificate.
11. **Interest.** If Lessee fails to pay Lessor when due any part of the sum required, Lessee shall pay Lessor interest on the delinquent payment at a rate equal to the highest lawful rate with no reduction. Lessee hereby waives any and all existing and future claims, as offsets, against any payments due. Lessee agrees to pay all Lessor collection and legal fees.
12. **Remedies.** No Lessor right or remedy is exclusive, but may be cumulative and enforced concurrently. Lessee shall pay all the expenses Lessor incurs in exercising its rights. No Lessor single, partial or delay in exercise of any right or remedy hereunder shall operate as a waiver thereof or preclude any other or further exercise of another right or remedy.
13. **Modification.** No modification, departure or waiver of any provision or part of this lease shall be effective unless Lessor gives its signed consent and notice is sent to Lessee. All notices between parties shall be in writing and deemed sent on the date of posting by registered mail or certified mail, return receipt requested, postage prepaid and addressed.
14. **Laws.** Lessor and Lessee state this Equipment Lease Agreement shall be constructed in accordance with, applicable to and governed by the laws of the State of New York.
15. **Credit.** Where available and applicable, the Customer shall give appropriate credit in the form "Audio-Visual Equipment has been supplied by Paratore Audio-Visual, Inc."