

PowerCET Corporation

EQUIPMENT RENTAL TERMS & CONDITIONS

The following are terms and conditions that apply to the rental of equipment from PowerCET Corporation. By accepting equipment furnished under the agreement the customer whose name appears on this agreement accepts and agrees to the terms and conditions. Any modification to the terms and conditions must be in writing and signed by an officer of PowerCET Corporation. Equipment as referred to as herein shall include all related accessories, manuals and other items to be delivered as specified on the attached invoice.

WARRANTY: With respect to rental service, PowerCET Corporation warrants to the customer only that rental equipment when shipped is in good operating condition. If equipment is received not in good operating condition due to no fault of the customer, PowerCET Corporation shall (at its option) either repair equipment or supply replacement equipment subject to availability from PowerCET Corporation inventory. Defects or discrepancies in equipment must be reported to PowerCET Corporation in writing within 12 hours after customer receives the equipment, conclusively presumed that the equipment was as ordered, was received in good condition and is accepted. The remedies provided herein are customer's sole and exclusive remedies; in no event shall PowerCET Corporation be liable for direct, indirect, special incidental or consequential damages (including loss of profits) whether based on contract or any other legal theory. PowerCET Corporation makes no warranty expressed or implied that the equipment is fit for any particular purpose. Upon notice from customer during the course of rental, and upon return of equipment by customer, PowerCET Corporation will (at its option) repair or calibrate malfunctioning equipment.

PAYMENT TERMS: Terms are NET 30 days from date of invoice subject to credit department approval. Payments are delinquent 30 days from invoice and are subject to interest charges at 18% per annum but not exceeding the maximum lawful rate. PowerCET Corporation reserves the right to change the credit terms on further rentals at any time when in PowerCET Corporation's opinion, customers financial condition or previous payment record so warrants. Export payment terms are irrevocable letter of credit. All payments are to be in U.S. dollars. All applicable taxes will be added to the invoice and are payable by customer.

SHIPMENT DELIVERY: All quoted prices are F.O.B. PowerCET Corporation's supply office. All shipping costs, including cost of insurance are payable by customer. Equipment will not be sent nor returned by U.S. mail. Shipments of any products are subject to availability from PowerCET Corporation's inventory. PowerCET Corporation will make a reasonable effort to meet any delivery quoted. PowerCET Corporation will attempt to ship in accordance with customer shipping instructions. In the absence of specific instructions or if customer's instructions are deemed unsuitable, PowerCET Corporation reserves the right to ship by the most appropriate method. ALL RISK OF LOSS AND DAMAGE SHALL PASS TO CUSTOMER AT THIS F.O.B. SHIPPING POINT. PowerCET Corporation shall not be liable for delays in performance hereunder due to causes beyond its control including, but not limited to acts of nature, acts of government, labor disputes, delays in transportation and delays in delivery or non-delivery by PowerCET Corporation's suppliers.

LIABILITY: PowerCET Corporation shall not be responsible for loss or damages to customer's business or property or for injury or death to persons; and customer shall indemnify PowerCET Corporation and hold it harmless for claims for any of the foregoing, including associated legal fees and expenses.

DEFAULT: Should customer default in its obligations customer agrees to pay PowerCET Corporation for all costs and expenses incurred by PowerCET Corporation in recovering the equipment or moneys due and enforcing its rights. PowerCET Corporation shall be entitled to recover its legal fees and expenses whether or not formal legal action is instituted.

NOTIFICATION: Any required notices shall be given in writing at the address of PowerCET Corporation or customer as shown on the front of this contract or to such other address as either party may substitute by written notice to other.

ASSIGNMENT: Neither PowerCET Corporation or customer may assign or transfer any rights, duties or obligations herein without the prior written consent of the other and any proposed attempt to do so shall be null and void.

WAIVER: Should PowerCET Corporation choose not to exercise any of its rights that shall not constitute or be deemed a waiver or forfeiture of such rights.

PURCHASE RIGHTS: Customer has no purchase rights or purchase options under this agreement.

GOVERNMENTAL JURISDICTION: PowerCET Corporation shall be notified in writing of any binding U.S. governmental procurement regulations that will affect this contract. This agreement shall be governed by the state of California.

ERRORS: Stenographic, typographic and clerical errors in this agreement are subject to correction and customer hereby agrees to re-execute any documents that require corrections or signature.

OWNERSHIP: Rentals equipment remains the property of PowerCET Corporation. Customer shall not remove, deface or obscure ownership labels.

RATES: Rates quoted are for a calendar month. Minimum rental is for one month. After the first month, rental is prorated daily. Rental charge will commence the day PowerCET Corporation ships the rented equipment to customers.

EQUIPMENT USAGE: Customer shall not make any alterations, additions, modifications, or improvements to the equipment and shall use it only for the purpose and in the manner for which it was intended by the manufacturer. Customer may not permit the equipment to be used by another party or at a different location without the express written consent of PowerCET Corporation.

CUSTOMER OBLIGATIONS: Customer is responsible for damage to equipment due to abuse, misuse, or negligence. Customer agrees to pay the charge of repair if the equipment is so damaged. Equipment shall be returned to PowerCET Corporation in good condition and repair, wear from reasonable and proper use accepted. Customer is responsible for loss or damage to equipment from theft, mysterious disappearances, fire or any other cause. In accepting liability for the safe keeping of all rented equipment Customer agrees to pay PowerCET Corporation the replacement cost, new of any such equipment which the customer is for any reason unable to return to PowerCET Corporation at the end of the rental period. Rental charges will continue beyond the specified rental term until equipment is returned to PowerCET Corporation for replacement cost of the equipment. Unless otherwise agreed to in writing, customer shall pack the equipment for return to PowerCET Corporation in accordance with standard commercial practice. All packing will conform to requirements of carriers. If customer issues a change order causing delays or cancels an order less than two days prior to scheduled shipment Customer shall be subject to a 5% charge based upon the list price of the effected equipment.