

RENTAL TERMS & CONDITIONS OF BUSINESS

1 DEFINITIONS

1.1. In these terms: "MO-SYS" means Mo-Sys USA Inc.; "Client" means the legal entity accepting MO-SYS's quotation for the supply of Equipment or Services or whose order for Equipment or Services is accepted by MO-SYS or the party otherwise commissioning the Services in each case as named on MO-SYS's invoice; "Equipment" shall mean all and each item of equipment referred to in this Agreement to be supplied by MO-SYS and all additions, alterations and replacements to that Equipment; "Dry Rental" shall mean the rental of Equipment without the supply of operational personnel; "Rental Charge" means MO-SYS's charges for provision of Equipment and/or Services; "Services" shall mean the installation, operation and removal of the Equipment and/or other services as described in this Agreement; and "writing" shall include electronic mail.

2 PROVISION OF EQUIPMENT AND SERVICES

2.1. MO-SYS shall provide and Client shall accept the Equipment and engage the Services of MO-SYS at the location(s) ("Studio") as described in MO-SYS's rental agreement or order acceptance or, if none, MO-SYS's most recent quotation for the shoot ("Agreement") subject to these terms, which contain the entire agreement between MO-SYS and the Client and shall apply to the exclusion of all other terms and conditions and shall not be varied except as confirmed in writing by MO-SYS.

2.2. Client acknowledges that Equipment was selected by Client as suitable for its purpose and Client has not been induced to enter into this Agreement by any prior representation (whether innocently or negligently made) except as specifically contained in this Agreement.

2.3. Unless otherwise expressly agreed in writing by MO-SYS, all Equipment supplied by MO-SYS is supplied on rental in accordance with these terms and no ownership interest in the Equipment shall pass to Client or any third party.

2.4. MO-SYS will use reasonable efforts to ensure Equipment is in good working order on delivery and of satisfactory quality and will provide the Services using reasonable care and skill and in accordance with this Agreement.

3 ORDER ACCEPTANCE AND CANCELLATION

3.1. No order or booking submitted by the Client shall be deemed accepted unless and until MO-SYS has issued a Rental Agreement or order acceptance signed on behalf of MO-SYS or by some other act of acceptance on the part of MO-SYS or unless MO-SYS in its discretion waives any such requirement. MO-SYS may stipulate payment of an initial deposit(s) as a condition of acceptance or performance.

3.2. Client shall be responsible for ensuring the accuracy of any order but MO-SYS reserves the right to make changes in the manner of performance of the Services to comply with health and safety and other applicable legal requirements.

3.3. Following acceptance by MO-SYS, Client may not cancel or terminate this Agreement except with MO-SYS's written consent and then only on terms that Client indemnifies MO-SYS in full against all loss (including, without limitation, MO-SYS's loss of profit and reimbursement of all costs) incurred prior to or as a result of cancellation or termination.

4 RENTAL CHARGES

4.1. MO-SYS's charges for provision of Equipment and/or Services shall be as stated in the Agreement. Any extra Equipment or Services later required will be chargeable in addition. Client shall be liable for continuing Rental Charges at the same rate as provided in this Agreement: if Equipment is lost stolen damaged or destroyed, until its repair or replacement

(in such case any continuing Rental Charges not to exceed a further 13 weeks rental); and, in the case of a Dry Rental or where Client arranges transit, if Equipment is returned late, until date of its actual return to MO-SYS.

4.2. Client shall pay Rental Charge (and any VAT), notwithstanding that the production shoot may not have taken place, to be received by MO-SYS in cleared funds on or before the date(s) specified for payment or, if none, on or before the earlier of (i) 3 working days prior to date of supply of the Equipment or Services and (ii) 30 days from date of MO-SYS's invoice. It is a condition that each payment due under this Agreement is paid on time without any deduction, set-off or counterclaim. Any discounts quoted or agreed may be forfeited at MO-SYS's discretion if payment is received after the due date.

4.3. If the Client fails to pay any sum on the due date then, without limiting any other right or remedy, MO-SYS may: cancel or suspend provision of Services and Equipment to the Client under this or any other agreement between the parties; apply any payment made by Client (notwithstanding any express instruction by Client) towards the discharge of any sums due to MO-SYS under this or any other agreement between the parties; and/or charge Client interest (both before and after judgement) on the amount unpaid at the rate of 1% per month calculated on a daily basis until payment in full together with all costs, charges and expenses reasonably incurred by MO-SYS (including legal fees) in recovering overdue amounts.

4.4. MO-SYS may at any time before the production shoot, increase the rental charge to reflect any matter apparent on a subsequent production shooting plan, any increase in cost due to any factor beyond the control of MO-SYS or change or delay caused by the Client. MO-SYS will provide timely notice to Client of any such increase. To the extent this Agreement has not been performed (but not otherwise), if Client following consultation with MO-SYS does not accept the increase and MO-SYS does not waive it, Client may cancel this Agreement by written notice given within 5 working days of notice of increase (but not less than 3 working days prior to commencement of Equipment rental or Services) provided that Client indemnifies MO-SYS in full against all costs, charges and expenses incurred by MO-SYS prior to or as a result of cancellation.

4.5. Each rental day comprises 10 hours. Any additional hours used over and above 10 hours are charged at 1.5x the standard rate for the next two hours, and 2.0x the standard rate for anything over 12 hours. Breaks for meals must be included for Mo-Sys Technicians at least every 4 hours. Any additional rental resources used but not originally quoted for, will be invoiced the day following use and will be payable immediately.

5 RISK AND INSURANCE

5.1. The Equipment shall be at the risk of the Client from the time of delivery at the Studio or, if earlier, delivery to Client's carrier, until its return to MO-SYS's premises or, if earlier, possession is taken by MO-SYS's carrier.

5.2. Client shall at its own expense insure Equipment with an insurance company of repute (naming MO-SYS as a loss payee): against all loss or damage (whether or not the Client's or MO-SYS's fault) in an amount equal to its replacement cost new; and against liability for any continuing Rental Charges under Clause 4.1 until earlier of: return of Equipment to MO-SYS in good working order and condition (fair wear and tear excepted) or (if not capable of economic repair) its replacement with equivalent new equipment; or receipt by MO-SYS of payment in full of its replacement cost new and all other sums due hereunder.

5.3 Client hereby irrevocably authorises MO-SYS in name and on behalf of Client to make any claims under the insurance in respect of loss of or damage to Equipment; to settle or compromise such claims; and to receive and give good discharge to insurers for any moneys payable. Client shall not do or allow to be done any act or thing whereby insurance of Equipment may be invalidated.

5.4 If Equipment is lost or damaged, Client shall notify MO-SYS forthwith, assist in making appropriate claims under such insurance and not without MO-SYS's consent settle or compromise any claim.

5.5 Client will on request at any time produce to MO-SYS the insurance policy and receipt for current premium. If Client fails to keep Equipment insured to MO-SYS's satisfaction or to produce policy or receipt or if MO-SYS so agrees in writing, MO-SYS may insure Equipment, in consideration of which Client will pay MO-SYS further sum equal to 12.5% of MO-SYS's charges (before any discount) for relevant Equipment or Services.

5.6 MO-SYS accepts no responsibility for loss or damage to any equipment or materials of the Client or any third party, which MO-SYS may agree to store or transport, and any such equipment or materials shall at all times be at the Client's risk.

6 HEALTH AND SAFETY

6.1 Client shall take all reasonable steps to safeguard the health, safety and welfare of MO-SYS's personnel while at the Studio, to safeguard the Equipment from theft, loss or damage and to give MO-SYS adequate notice of any unusual risks. Without prejudice to the foregoing, the Client acknowledges that MO-SYS shall not be obliged to continue supply of Equipment or Services (and may take down all or any Equipment previously installed) where, in MO-SYS's reasonable opinion, the installation poses a material risk to health and safety or to the Equipment;

6.2 Where a support structure is supplied by the Client, Client shall ensure that the surface, on which the Equipment and structure will be installed, will be stable under load and that the structure will be fit for the purpose and will comply with all health and safety and other relevant regulations. Client shall provide MO-SYS on request with copies of certificates of compliance and structural engineering calculations verifying adequacy of Client's structure. Equipment dimensions and weights and representational drawings of structures are available on request from MO-SYS but are approximate and representational only and do not obviate the need for the Client to obtain appropriate professional advice.

7 CLIENT'S UNDERTAKINGS

Client undertakes to MO-SYS that Client shall:

7.1 grant or procure access for MO-SYS to and from the Studio at such times as MO-SYS may reasonably require to discharge its obligations;

7.2 where applicable, provide free of charge within a reasonable distance of the operating position of the Equipment at the Studio: a video feed of the relevant format; an uninterrupted power supply terminated in an appropriate connection; and such other facilities as MO-SYS may reasonably require.

7.3 where MO-SYS's Services are dependent on provision of equipment or services by Client or its contractor, ensure that all such equipment and services are provided on time when required; the equipment is of adequate quality and specification and in good working order; and the services are provided by persons of adequate competence and experience using reasonable care and skill;

7.4. obtain all necessary licences and consents relating to the Studio and the communication or use by MO-SYS of live or pre-recorded material;

7.5. if transit of Equipment is arranged by Client, arrange any necessary customs clearances, comply with all applicable import/export regulations and pay all related duties;

7.6. (except in case of a Dry Rental) not permit the Equipment to be operated other than by MO-SYS personnel nor open the outer case or otherwise interfere with the Equipment;

7.7. in event of Equipment breakdown or malfunction, not attempt or arrange any repair without MO-SYS's prior authorisation;

7.8. not to sell, sub-let or otherwise dispose of or part with Equipment or any interest therein or do or permit to be done any act or thing which may prejudice or jeopardise MO-SYS's rights in the Equipment but to keep Equipment in its or MO-SYS's possession and control free from lien, charge or encumbrance so that Equipment shall at all times remain property of MO-SYS or its legal owner;

7.9. to permit or procure for MO-SYS or its agents access to any premises to inspect or remove Equipment;

7.10. to notify MO-SYS in writing of any change in Client's contact details and forthwith upon request to inform MO-SYS of the location of Equipment;

7.11. (notwithstanding termination of this Agreement) indemnify MO-SYS and keep MO-SYS fully and effectively indemnified against all liabilities whatsoever arising out of the operation and use of Equipment and any breach by Client of this Agreement (including without limitation loss, damage or injury caused by any negligent act or omission or wilful misconduct of the Client, its employees, agents or sub-contractors or any claim that any such use or communication of any material infringes any patent, copyright, trade mark, registered design, design right or other intellectual property right of any third party) and against all costs, claims, demands, expenses and liabilities incurred by MO-SYS in connection therewith provided such indemnity shall not extend to liability for MO-SYS's negligence.

8 ADDITIONAL CLIENT UNDERTAKINGS (DRY RENTAL ONLY)

Client undertakes during the continuance of this Agreement and until return of Equipment to MO-SYS:

8.1. to check Equipment before taking into use, to notify MO-SYS forthwith of any repair or maintenance required to Equipment and not to permit such repair or maintenance other than by MO-SYS or with its authority;

8.2. to ensure Equipment is only used in a proper manner without risk to health and safety and not contrary to any law or for any purpose for which Equipment is not designed or reasonably suited; and not to make any modification to Equipment, open the outer case (unless required in normal use) or remove any notices or serial numbers on the Equipment.

9 EXCLUSION AND LIMITATION OF LIABILITY

9.1. Client acknowledges that electronic equipment may suffer breakdown or malfunction from time to time without fault and that consequences to Client of breach of this Agreement by MO-SYS may be disproportionate to MO-SYS's Rental Charges. Therefore, Client agrees that MO-SYS's entire liability to the Client in respect of this Agreement and any breach or negligent act or omission (including liability for acts or omissions of MO-SYS's employees, agents and sub-contractors) shall be limited as follows:

9.1.1. except as provided in these terms, all conditions, warranties and representations concerning the Services and Equipment, their state, quality, description, fitness for purpose or otherwise are excluded to the fullest extent permitted by law;

9.1.2. MO-SYS's liability in respect of each event or series of connected events shall not exceed the total Rental Charges received by MO-SYS except that in the case of recorded material, MO-SYS's liability shall be limited to the cost of replacing blank media only and in the case of loss of or damage to physical property caused by MO-SYS's negligence, MO-SYS's liability shall be limited to £1,000,000;

9.1.3. MO-SYS will not be liable for any loss, damage or expense caused by any interruption or loss of use of Equipment, increased cost of working, delay, loss of profit or goodwill, special, consequential or indirect damage however caused, even if reasonably foreseeable or MO-SYS was advised of the risk of its occurrence;

9.1.4. Client shall give MO-SYS reasonable details of any claim in writing without delay and no later than 90 days of occurrence of the matter giving rise to the claim;

9.1.5. all Equipment agreed to be sold by MO-SYS is sold "as is" and no warranty is given as to performance, functionality, fitness for purpose or that it is of satisfactory quality, unless otherwise agreed by MO-SYS in writing.

9.1.6. nothing in these terms shall limit or exclude MO-SYS's liability in respect of death or personal injury resulting from MO-SYS's negligence.

9.2. If so requested by Client, MO-SYS may consider accepting higher limits of liability subject to payment by Client of an additional charge.

9.3. MO-SYS shall not be liable to the Client by reason of any delay or failure in performing MO-SYS's obligations due to any cause beyond MO-SYS's reasonable control including, without limitation, fire, flood, material adverse weather conditions (when MO-SYS shall be entitled not to install or, if installed, may take down all or any of the Equipment), interruption of power supply, war, act of terrorism or civil disturbance, industrial action or trade dispute or blockade, legal or governmental restriction or embargo ("Force Majeure"). In the event of Force Majeure, if the Equipment has been installed at the Studio, Client shall be liable to pay the Rental Charge in full but otherwise the provisions of clause 3.3 shall apply.

10 TERMINATION

10.1. This Agreement shall forthwith terminate without notice if Client (being an individual) dies or is subject to an interim order or the presentation of a bankruptcy petition; or enters into any arrangement or composition with creditors; or (being a limited company) enters into compulsory or voluntary liquidation (not being for the purpose of reconstruction or amalgamation on terms previously approved by MO-SYS in writing); or has a receiver appointed or a petition presented for an administration order; or has any distress, execution or other legal process made in respect of Client's property; or if anything analogous to the foregoing under the laws of any jurisdiction occurs in relation to the Client.

10.2. MO-SYS may terminate this Agreement forthwith by notice without liability to Client if: Client fails to pay in full any sum owing to MO-SYS or any affiliated company of MO-SYS on its due date for payment; Client commits a breach of any other provision of this or any other agreement with MO-SYS or an affiliated company of MO-SYS and (if a breach capable of being remedied) fails to remedy such breach within 7 days after notice requiring the same; or performance by MO-SYS is prevented by Force Majeure; or MO-SYS or Client is unable to obtain insurance for Equipment and MO-SYS's personnel on terms (including insurance premium) to MO-SYS's satisfaction.

10.3. Upon termination, all sums due under this Agreement shall become immediately payable by the Client and, in the case of a Dry Rental, Client shall no longer be in possession of Equipment with MO-SYS's consent and (without prejudice to Client's obligations and other rights and remedies of MO-SYS) Client shall at Client's expense return Equipment to MO-SYS in good working condition (fair wear and tear excepted) and in default MO-SYS may forthwith without notice repossess Equipment and all costs and expenses (including without limitation, any legal costs and expenses) incurred by MO-SYS in locating, repossessing or restoring Equipment shall be payable by the Client.

10.4. Termination or cancellation shall not limit any other right or remedy of either party against the other under these terms or at law and all sums then owing to MO-SYS by Client shall become immediately due and payable.

11 CONFIDENTIALITY AND DATA PROTECTION

11.1. Each party shall treat as it does its own confidential information all information obtained from the other pursuant to this Agreement which is marked "confidential" or the equivalent or has the necessary quality of confidence about it.

11.2. Both parties will comply with all applicable legislation regarding privacy, data protection, unsolicited communications, telecommunication and security.

12 GENERAL

12.1 Assignment and other dealings

12.1.1 Mo-Sys USA Inc. may at any time assign, mortgage, charge, subcontract, delegate, declare a trust over or deal in any other manner with any or all of its rights and obligations under the Contract.

12.1.2 The Customer shall not assign, transfer, mortgage, charge, subcontract, delegate, declare a trust over or deal in any other manner with any of its rights and obligations under the Contract.

12.2 Severance. If any provision or part-provision of the Contract is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this clause 12.2 shall not affect the validity and enforceability of the rest of the Contract.

12.3 Waiver. A waiver of any right or remedy under the Contract or by law is only effective if given in writing and shall not be deemed a waiver of any subsequent right or remedy. A failure or delay by a party to exercise any right or remedy provided under the Contract or by law shall not constitute a waiver of that or any other right or remedy, nor shall it prevent or restrict any further exercise of that or any other right or remedy. No single or partial exercise of any right or remedy provided under the Contract or by law shall prevent or restrict the further exercise of that or any other right or remedy.

12.4 No partnership or agency. Nothing in the Contract is intended to, or shall be deemed to, establish any partnership or joint venture between the parties, constitute either party the agent of the other, or authorise either party to make or enter into any commitments for or on behalf of the other party.

12.5 Entire agreement. The Contract constitutes the entire agreement between the parties and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to its subject matter. Each party acknowledges that in entering into the Contract it does not rely on and shall have no remedies in respect of any statement, representation, assurance or warranty (whether made innocently or negligently) that is not set out in the Contract. Each party agrees that it shall have no claim for innocent or negligent misrepresentation or negligent misrepresentation based on any statement in the Contract. Nothing in this clause shall limit or exclude any liability for fraud.

12.6 Third party rights.

12.6.1 Unless it expressly states otherwise, the Contract does not give rise to any rights to third parties to enforce any term of the Contract.

12.7 Variation. Except as set out in these Conditions, no variation of the Contract shall be effective unless it is agreed in writing and signed by the parties (or their authorised representatives).

12.8 Governing law. The Contract and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the laws of the State of California, United States of America

12.9 Jurisdiction. Each party irrevocably agrees that the courts of California shall have exclusive jurisdiction to settle any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with the Contract or its subject matter or formation.