

TEDSBOX® Master Equipment Lease Agreement

This Master Equipment Lease Agreement (the “Agreement”) is made and entered on [DATE] (the “Effective Date”) by and between Tednologies, Inc., (the “Lessor”) an Alaskan corporation; and [NAME OF LESSEE] (the “Lessee”); collectively referred to herein as the “Parties.”

1. **EQUIPMENT SUBJECT TO LEASE.** The Lessor shall lease the equipment identified on the Attachments hereto, and in all subsequent Attachments hereto (the “Equipment”), to Lessee subject to the terms and conditions of this Agreement. Attachments to this Agreement, sequentially numbered (Attachment 1, Attachment 2, etc.), shall be added as necessary to record individual lease transactions and shall be subject to mutual agreement by Lessor and Lessee.
2. **LESSOR REPRESENTATIONS.** Lessor represents and warrants that he/she has the right to lease the Equipment as provided in this Agreement and that Lessee shall be entitled to quietly hold and possess the Equipment, and Lessor will not interfere with that right as long as Lessee pays the Lease fee in a timely manner and performs all other obligations under this Agreement.
3. **OWNERSHIP.** This agreement constitutes a lease or bailment of the Equipment and is not a sale or the creation of a security interest. Lessee will not have, or at any time acquire, any right, title, or interest in the Equipment, except the right to possession and use as provided for in this Lease. The Equipment is and shall remain the exclusive property of Lessor.
4. **WARRANTY.** Lessor warrants that, at the beginning of the Term, the Equipment is operable, in good condition (consistent with age and use) and available for use AS IS. ALL WARRANTIES, CONDITIONS, REPRESENTATIONS, INDEMNITIES AND GUARANTEES, WHETHER EXPRESS OR IMPLIED, ARISING BY LAW, CUSTOM, PRIOR ORAL OR WRITTEN STATEMENTS BY LESSOR OR OTHERWISE (INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE) ARE HEREBY OVERRIDDEN, EXCLUDED AND DISCLAIMED.
5. **LEASE TERM.** The term of each lease will be as agreed in each separate Attachment. The term shall begin on the Effective Date and shall terminate on the date agreed, unless otherwise terminated in a manner consistent within these terms. Lessee shall be entitled to possession of the Equipment on the first day of the Lease Term. At the expiration of the Lease Term, Lessee shall surrender the Equipment to Lessor by delivering the Equipment to Lessor or Lessor’s agent in as good condition and working order as it was at the commencement of the Agreement, at Lessee’s expense.
6. **PAYMENT TERMS.** All rental payments are due and payable in advance on the first day of each month after the execution of each Attachment during the term applicable to each rental. Any rental payment

not made by Lessee within thirty days of its due date will be subject to a late charge of one percent per day of the amount due.

7. **SECURITY DEPOSIT.** Prior to taking possession of the Equipment, Lessee shall deposit with Lessor, in trust, a security deposit of \$_____ as security for the performance by Lessee of the terms under this Agreement and for any damages caused by Lessee or Lessee's agents to the Equipment during the Lease Term. Lessor may use part or all of the security deposit to repair any damage to Equipment caused by Lessee or Lessee's agents. However, Lessor is not just limited to the security deposit amount and Lessee remains liable for any balance due or remaining under this Agreement. Lessee shall not apply or deduct any portion of any security deposit from the last or any lease term rent. Lessee shall not use or apply any such security deposit at any time in lieu of payment of rent. If Lessee breaches any terms or conditions of this Agreement, Lessee shall forfeit any deposit, to the extent permitted by law.

8. **CARE AND OPERATION.** The equipment may only be used and operated in a careful and proper manner as outlined in Tednologies, Inc. Doc. No. 2010-62-001, TEDSBOX® Operating Instructions, Latest Revision. Its use must comply with all laws, ordinances, and regulations relating to the possession, use or proper care of the equipment, including registration and/or licensing requirements, if any. The Lessee will assume all obligations and liabilities with respect to the possession of the Equipment, and for its use, condition, and storage, and for maintenance and repair, during the lease term. All installations, replacements, and substitutions of parts or accessories with respect to any of the Equipment will constitute accessions and will become part of the Equipment and will be owned by Lessor. Lessee will employ and have absolute control, supervision, and responsibility over any operators or users of the Equipment. Lessee will use the Equipment in a careful and proper manner and will not permit any Equipment to be operated or used in violation of any applicable federal, state, or local statute, ordinance, rule, or regulation relating to the possession, use, or proper care of the Equipment. Lessee agrees to reimburse Lessor in full for all damage to the Equipment arising from any misuse or negligent act by Lessee, its employees, and its agents. Lessee will indemnify and hold Lessor harmless from any liabilities, forfeitures, or penalties for violations of any federal, state, or local statute, rule, or regulation. Lessee warrants that the Equipment will be used for commercial or business purposes only.

9. **INSURANCE.** The Lessee shall insure the equipment in an amount of at least [WRITTEN DOLLAR AMOUNT] dollars (\$[NUMERICAL DOLLAR AMOUNT]).

10. **ENCUMBRANCES, TAXES AND OTHER LAWS.** Lessee shall keep the Equipment free and clear of any liens or other encumbrances, and shall not permit any act where Lessor's title or rights may be negatively affected. Lessee shall be responsible for complying with and conforming to all laws and regulations relating to the possession and use of the Equipment. Furthermore, Lessee shall promptly pay all taxes, fees, licenses and governmental charges, together with any penalties or interest thereon, relating to the possession and use of the Equipment. Lessee will promptly notify Lessor and

send Lessor copies of any notices, reports, or inquiries received by Lessee from taxing authorities concerning delinquent taxes or other assessments.

11. **ALTERATIONS.** Lessee shall make no alterations to the equipment without prior written consent of the Lessor. All alterations shall be property of the Lessor and subject to the term within. Lessor shall have the right to inspect the equipment during Lessee's normal business hours upon request.

12. **MAINTENANCE, DAMAGE AND LOSS.** Lessee will, at Lessee's sole expense, keep and maintain the Equipment clean and in good working order and condition during the Lease Term. In the event the Equipment is lost or damaged beyond repair, Lessee shall pay to Lessor the replacement cost of the Equipment; in addition, the obligations of this Agreement shall continue in full force and effect through the Lease Term. Repair and maintenance will only be accomplished by Tednologies, Inc. authorized representatives. The rent on any damaged item will not be prorated or abated while the Equipment is being serviced or repaired. Lessor or authorized representative will provide service, maintenance, repairs and parts for the Equipment as needed. If any Equipment covered by this Lease is damaged, lost, stolen, or destroyed, or if any person is injured or dies, or if any Equipment is damaged as a result of its use, maintenance, or possession, Lessee will promptly notify Lessor of the occurrence, and will file all necessary accident reports, including those required by law and those required by insurers of the Equipment Lessee, its employees, and agents will cooperate fully with Lessor and all insurers providing the insurance under this Lease in the investigation and defense of any claims. Lessee will promptly deliver to Lessor any documents served on or delivered to Lessee, its employees, or its agents in connection with any claim or proceeding at law or in equity begun or threatened against Lessee, Lessor, or both, concerning the Equipment. If any Equipment is lost, stolen, destroyed, or damaged beyond repair, Lessee will pay Lessor in cash the fair market value on date of such loss, minus any net proceeds of insurance for the Equipment received by Lessor. On payment, this Lease will terminate with respect to that item of Equipment and Lessee will become entitled to the Equipment on an "as-is" basis, without warranty, express or implied, for any matter whatsoever.

13. **RENEWAL.** If the Lessee is not in default upon the expiration of this lease, the Lessee shall have the opportunity to renew this Lease under such terms as the Parties agree upon.

14. **CANCELLATION.** The Terms of this Agreement may not be cancelled during the term of any applicable lease.

15. **DEFAULT.** If Lessee fails to perform or fulfill any obligation under this Agreement, Lessee shall be in default of this Agreement. Subject to any statute, ordinance or law to the contrary, Lessee shall have seven (7) days from the date of notice of default by Lessor to cure the default. In the event Lessee does not cure a default, Lessor may at Lessor's option (a) cure such default and the cost of such action may be added to Lessee's financial obligations under this Agreement; or (b) declare Lessee in default

of the Agreement. If Lessee shall become insolvent or bankrupt, cease to do business as a going concern, if a receiver or trustee for the goods and chattels of Lessee is appointed, or in case of an assignment by Lessee for the benefit of creditors, or if a petition has been filed by or against Lessee under the Bankruptcy Act or similar federal or state statute, Lessor may immediately declare Lessee in default of this Agreement. In the event of default, Lessor may, as permitted by law, re-take possession of the Equipment. After default, Lessee will reimburse Lessor for all reasonable expenses of repossession and enforcement of Lessor's rights and remedies, together with interest at the rate of ten percent (10%) per annum from the date of payment. The remedies of Lessor will be cumulative to the extent permitted by law, and may be exercised partially, concurrently, or separately. The exercise of one remedy will not be deemed to preclude the exercise of any other remedy

16. **LIMITATION OF LIABILITY.** Lessee assumes all risk and liability for the loss of or damage to the Equipment, for the death of or injury to any person or property, and for all other risks and liabilities arising from the use, condition, possession, or storage of the Equipment. Nothing in this Lease will authorize Lessee or any other person to operate any of the Equipment so as to impose any liability or other obligation on Lessor. TO THE MAXIMUM EXTENT PERMITTED UNDER APPLICABLE LAW, LESSOR SHALL NOT BE LIABLE TO LESSEE, AND LESSEE COVENANTS THAT IT SHALL NOT ASSERT A CLAIM AGAINST LESSOR, UNDER ANY LEGAL THEORY, WHETHER IN AN ACTION BASED ON A CONTRACT, NEGLIGENCE, TORT, STRICT LIABILITY, OR OTHERWISE PROVIDED BY STATUTE OR LAW, (i) FOR ANY INCIDENTAL, SPECIAL, EXEMPLARY, CONSEQUENTIAL, OR STATUTORY DAMAGES, OR ANY DAMAGES RESULTING FROM LOST PROFITS, INTERRUPTION OF BUSINESS, OR LOSS OF GOODWILL, EVEN IF LESSOR HAD BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, OR (ii) FOR DAMAGES RELATED TO OR ARISING OUT OF THIS AGREEMENT IN AN AMOUNT THAT EXCEEDS THE FEES ACTUALLY PAID BY LESSOR UNDER THIS AGREEMENT. LESSEE HEREBY VOLUNTARILY WAIVES ANY CLAIM THAT THESE EXCLUSIONS DEPRIVE IT OF AN ADEQUATE REMEDY OR CAUSE THIS AGREEMENT TO FAIL OF ITS ESSENTIAL PURPOSE. PARTIES, HEREBY ACKNOWLEDGE AND AGREE THAT ANY WARRANTY DISCLAIMERS AND LIMITATION OF LIABILITY PROVISIONS SET FORTH ABOVE HAVE BEEN NEGOTIATED AND ARE FUNDAMENTAL ELEMENTS OF BASIS OF THIS AGREEMENT.

17. **DISPUTE RESOLUTION.** This Agreement and any dispute relating to this Agreement shall be governed by and interpreted in accordance within the law and Parties irrevocably agree that the courts within the State of Alaska shall have exclusive jurisdiction to settle any dispute which may arise out of, under, or in connection with the Agreement, regardless of individual party location. Parties irrevocably submit to the exclusive jurisdiction of the federal and state courts located within the State of Alaska.

18. **INDEMNITY.** Lessee agrees to indemnify and hold Lessor, its subsidiaries, affiliates, and respective officers, agents, partners and employees, harmless from any loss, liability, demand, claim or legal proceedings brought or threatened, including expenses suffered or incurred arising out of Lessee use of the equipment, the functionality of the equipment, or any violation of this Agreement or injury to or death of any person including but not limited to agents or employees of Lessee. The indemnities

and assumptions of risk, liabilities, and obligations by Lessee arising under the Lease during the Lease's term will continue in effect after the termination of Lease, regardless of the reason for termination.

19. **SEVERABILITY.** In the event, that any portion of this Agreement is held to be unenforceable for any reason, the remainder of this Agreement shall continue in full force and effect. If any provision of this Agreement is deemed invalid or unenforceable by any court of competent jurisdiction, and if limiting such provision would make the provision valid, then such provision shall be deemed to be construed as so limited.
20. **WAIVER.** The failure of either party to enforce any provisions of this Agreement shall not be deemed a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Agreement. The acceptance of lease fee by Lessor does not waive Lessor's right to enforce any provisions of this Agreement.
21. **ASSIGNMENT.** Neither this Agreement nor Lessee's rights hereunder are assignable except with Lessor's prior written consent. Lessor may assign its rights to any successor or acquirer of Lessor's rights in the Equipment.
22. **BINDING EFFECT.** The covenants and conditions contained in the Agreement shall apply to and bind the Parties and the heirs, legal representatives, successors and permitted assigns of the Parties.
23. **FORCE MAJEURE.** With the exception of any payment obligations, neither Party shall be liable for failing to perform its obligations hereunder (other than payment obligations) were delayed or hindered by war, riots, embargoes, strikes or acts of its vendors or suppliers, accidents, acts of God, or any other event beyond its reasonable control.
24. **ATTORNEY'S FEES.** In any action to construe or enforce this Agreement brought by a party hereto, the prevailing party shall be entitled to recover its reasonable attorney's fees and costs in addition to any damages or other remedy awarded.
25. **SURVIVAL.** All terms and provisions of this Agreement that should by their nature survive the termination shall so survive.

26. **NOTICE.** Any notice required or otherwise given pursuant to this Agreement shall be in writing and mailed certified return receipt requested, postage prepaid, or delivered by overnight delivery service to:

Lessor:

Lessee:

Tednologies, Inc. _____
5640 Fenwick Circle _____
Anchorage, Alaska 99516 _____

Either party may change such addresses from time to time by providing notice as set forth above.

27. **ENTIRE AGREEMENT.** This Agreement, including any Attachments attached hereto and made part hereof, constitutes the entire agreement between Lessor and Lessee with respect of the subject matter hereof. This Agreement supersedes any prior agreements, representations, or dealings between the Parties. There are no other promises, conditions, understandings or other agreements, whether oral or written, relating to the subject matter of this Agreement. This Agreement may be modified in writing and must be signed by both Lessor and Lessee.

IN WITNESS WHEREOF, the Parties hereto have executed this Equipment Rental Agreement by a duly authorized representative effective as of the date set forth at the top of this Agreement.

Tednologies, Inc.

[NAME], [TITLE] [DATE]

[LESSEE NAME]

[NAME], [TITLE] [DATE]

ATTACHMENT FORM

Attachment No. _____

Equipment Leased: _____

Lease Rate: _____ per day/week/month/year

Lease Term: _____

Start Date: _____

End Date: _____

Lessor:

Lessee:

TEDNOLOGIES, INC.:

By: _____

By: _____

Title: _____

Title: _____

Date signed: _____

Date signed: _____