

## **CONDITIONS OF BUSINESS**

In these Conditions of Business Louma UK (a division of Adamglow Limited) is referred to as "The Company" and the company, person(s), or firm dealing with the Company is referred to as the "Customer" and all items hired out by the Company in the course of its business are referred to as the "Equipment". Louma Systems SA Paris, is referred to as Louma Systems.

All pages of these Conditions of Business must be signed and dated prior to the first Hire Agreement between the Company and the Customer. The signing of any subsequent Hire Agreements deems that subsequent Hire Agreement also to be under the terms of Louma UK's Conditions of Business. Should the circumstances of the Customer or the person who originally signed the Conditions of Business alter in any way or form the Customer must inform the Company immediately, failure to do so deeming the Customer is acting in breach of the Conditions of Business of Louma UK. However, acceptance of delivery or collection by the Customer of the equipment or any part thereof shall be deemed to constitute acceptance of these Conditions of Business and all other conditions whether written, printed or otherwise are hereby excluded and in particular any conditions of the Customer are hereby excluded.

These Conditions of Business shall apply to all transactions for the supply of equipment, materials and services (including the services of technicians and other personnel) by the Company. The Company enters into all agreements with the Customer solely on the terms of these Conditions and no statement by any representative of or on behalf of the Company shall vary these Conditions unless such representation or statement is made in writing and is signed by a director of the Company.

**1.** The Customer acknowledges and agrees by placing Orders with the Company that - (a) this is a business transaction into which both parties are freely entering, (b) there are clauses contained in these conditions which exclude limit or modify the liability of the Company its directors servants and agents and provide a right to indemnity from the Customer in certain circumstances.

**2. Equipment - (i)** The term "equipment" shall include the 'Louma Crane' and all trucks, vans lighting and grip, camera and accessories hired by the Customer from the Company, whether or not such items are individually listed on the hire contract.

**(ii)** The Company reserves the right to change, without notice, equipment specifications and hire rates published in any literature.

**(iii)** The Customer shall not make any alterations, additions, modifications or improvements without prior consent of the Company. Failure to do so will result in the Customer being liable for any charges relating to returning the equipment to its original condition at the time of the beginning of the hire period at the discretion of the Company.

**(iv)** The Company and its directors, servants or agents may at all reasonable times have access to the Louma Crane and other equipment for the purpose of inspecting it in order to determine its state and condition.

**3. Ownership -** The Customer acknowledges that the Company or Louma Systems is the legal owner of all the equipment hired from the Company (even if certain items are hired in). The Customer must not sell, loan, assign, pledge, encumber or part with possession or suffer any lien to be created over hired equipment and the Company may terminate any hiring forthwith and without notice in the event of a Customer making any attempt to do so or doing any act or failing to do any act which, in the opinion of the Company, jeopardises the Company's rights in the equipment.

**4. Period of Hire - (i)** The period of hire and hire charge commences when the equipment is made available to the Customer or when it leaves the premises of the Company, whichever is the earlier, and is terminated at the end of the agreed hire period or when the equipment is returned to the premises of the company, which ever is the later.

**(ii)** In the event of any accidental loss or damage of returned equipment the hire period shall be extended, at the Customers' expense, provided that any amount of any additional hire charge payable is as a direct result of accidental loss or damage to the equipment until such time as the equipment can be repaired or replaced by the Company to the original specifications of the equipment at the time of the commencement of the hire period for a period not exceeding 13 weeks from the date of termination of the Hire Agreement. The 13 week period may be extended should the equipment hired and subsequently lost or damaged be hire-in equipment where the Company is obliged to paying continuing hire or lease charges to the owner until such time as the equipment is repaired or replaced or payment is made to the owners of the equipment to their satisfaction. Any additional charges will cease when it is deemed that the continuation of any hire charges exceeds the replacement value of the equipment.

**(iii)** When the equipment is delivered or collected by the Company such transportation of the equipment is at the Customers' own risk and expense and the Customer shall be liable for any physical loss or damage and delay to the equipment for the period of hire in accordance with section 4(i) of these Conditions whether or not the equipment is in the custody of the Company, its directors, servants or agents except in the instance of negligence by the Company.

**(iv)** Where the hire period shall be extended from the Hire Agreement period, all the terms of conditions of Business shall be extended. Any extension, when arranged verbally, must be confirmed immediately in writing by the Customer, a copy of which may be signed and transmitted by facsimile (fax) or email and be deemed to be an original.

## LOUMA UK CONDITIONS OF BUSINESS (continued)

**4 (v)** The Customer acknowledges the special nature and uniqueness of the Louma Crane equipment and consequently, the booking demands placed upon said equipment. Failure by the Customer to return the equipment promptly to the premises of the Company or to a designated location specified by the Company may cause the Company or Louma Systems loss of rental, goodwill due to the Companys' inability to supply any following customer's equipment requirements. The equipment must be returned no later than 2359 hours on the final day of the Hire Agreement unless stated and agreed by the Company.

The Customer acknowledges that it must take into consideration any transportation time from its own location to the designated location of the Company and any preparation time required and specified by the Company in order to allow the Company adequate time for it to fully prepare the equipment for the following customer. After the 2359 hours deadline or after any other time limit that may be agreed in the Hire Agreement, the Company reserves the right to reposes the equipment by its directors, servants or agents so that it may carry out its own ongoing contractual obligations. This clause shall not be prejudiced by clause 9(ii) of these Conditions where the Company accepts no liability to the Customer in respect of any costs relating to loss of production time caused by any equipment malfunction or failure.

**5. Charges - (i)** The Company sets the hire charge rates in accordance with its latest published tariffs and such charges exclude Value Added Tax at the prevailing rate or any other taxes which may be applicable which will be charged at the appropriate rate.

**(ii)** In the case of long periods of hire the Company shall invoice weekly which shall be settled by the Customer upon receipt. Unless the contrary shall be agreed the Company reserves the right to cancel the Hire Agreement and repossess all or any of the equipment in the event of failure to pay on the due date or dates (time to be of the essence).

**(iii)** The Company reserves the right to alter its prices and terms of invoicing at any time but no such alteration shall effect an agreement of hire then current.

**(iv)** The reduced rate for weekly hire of equipment is for any seven consecutive days. Any additional part-week hire periods will be charged at daily or weekly rates, whichever is the less.

**(v)** The Company renders all invoices for settlement within 30 days from the date of invoice by the Customer unless a credit period is arranged in the Hire Agreement and stated in writing on the invoice. Late payment may result in interest being charged.

**(vi)** The Customer shall be solely responsible for payment of the hire charges and may not substitute as Hirer any other company, person or firm without the written agreement of the Company. The Customer remains liable for the satisfactory conclusion of the Hire Agreement at the discretion of the Company.

**6. Cancellation -** Due to the extreme demand for the Louma Crane, and the difficulty of rebooking at short notice, the Customer is liable, upon signature of the Hire Agreement or by issuing an official Customer order for all hire charges relating to the Hire Agreement whether or not the Customer can use the Louma during that period. In an event of the Customer cancelling an order for all or part of the hire period the Company, in good faith, shall make every reasonable effort to find substitute bookings for the Louma Crane and if successful will release the Customer from its obligation to pay for those days.

**7. Subletting -** The Customer shall not assign any contracts of hire or sublet the equipment or loan or permit any other person company or firm to use or examine said equipment. At all times of the period of hire the equipment must be under the direct control, supervision and direction of the Customer.

**8. Technicians and other personnel - (i)** Where the Company supplies the service of technicians and other personnel such services are supplied subject to the terms of any relevant union agreements and contract of service and the Customer shall observe and perform the same.

**(ii)** The Customer shall only allow the equipment to be used by technicians entirely competent and familiar with the hired equipment.

**(iii)** The Customer acknowledges that the use and operation of the Louma Crane and other equipment requires trained and competent technicians and the Customer will not hire or retain the services of any technicians to work on or operate the equipment without the prior consent in writing of the Company whose consent will not be unreasonably withheld.

**(iv)** Where the services of technicians and other personnel of the Company are made available for use by the Customer, such technicians and other personnel shall be deemed to be employees of the Customer so long as their services are available, and the Company shall not be liable for any loss, damage or injury caused by them to the Customer, the servants and agents of the Customer or any third parties.

**(vi)** In so far as any exclusion, limitation or modification of liability or indemnity hereinafter appears, the Company contracts on behalf of itself its directors servants and agents and the same shall insure to the benefit not only of the Company but also of its directors, servants and agents.

**9. Suitability and Condition of Equipment - (i)** Notwithstanding that the Company believes its standards to be among the highest in the industry in which it is engaged and is constantly reviewing its administrative and technical procedures with a view to effecting improvements wherever practicable, it does not and cannot give any guarantee that equipment and materials supplied will not be in some respects defective or unfit for their purpose.

(ii) The Company or Louma Systems will use its best endeavours to supply and hire out the equipment in a good and working condition. If the equipment is or becomes defective the Company will, at its discretion, either replace the equipment or make every reasonable effort to repair any defective part as soon as possible without additional charge to the Customer, but in no circumstances shall the Company or Louma Systems be liable for transportation charges or for any loss or damage of whatever kind however caused arising out of or in connection with the use or the inability to use the equipment and materials supplied or agreed to be supplied, including any loss of production time. The Customer shall be insured against such risks in respect of the rest of its operation. Notwithstanding the foregoing, the Customer shall not be required to pay hire charges in respect of any period which the equipment is defective unless such defective condition is caused by a) the act or default of the Customer, its servants or its agents or b) the act or default of the technicians and other personnel supplied by the company acting in accordance with the directions of the Customer or its servants or agents.

(iii) The Company or LOUMA SYSTEMS shall not be responsible for any damage to negatives, any aspect of shooting, the quality of the equipment or the results obtained.

**10. Customer's Obligations - (i)** The Customer shall inform the Company of any use of the equipment in exceptional or hazardous conditions and shall be liable for the cost of any additional insurance which the Company may arrange in consequence thereof.

(ii) The Customer will obtain all necessary licences, permits and permissions for the use of the equipment and not use the equipment or permit the same to be used contrary to any law or regulation or bye-law for the time being in force in the country where the equipment is to be used. The Company confirms that no further licence, permit or permission from the Company is required for use of the equipment by the Customer.

(iii) The Customer will compensate the Company for any direct loss which the Company may suffer as a result of any cancellation or variation of any order for the supply of equipment materials or services or failure to return any hired equipment to the Company's premises at the termination of the agreed hire period in good condition, fair wear and tear excepted provided that the Customer's liability in respect or in connection herewith shall not exceed £11,000

#### **CLAUSE 11 DELETED**

**12. Insurance - (i)** The Customer undertakes to (a) insure all hired equipment supplied by the Company and Louma Systems at its full replacement value against physical loss or damage from the time it leaves the Company's premises until the time that it is returned to the Company's premises. Such insurance may be at the option of the Customer be effected by the Customer or by the Company on behalf of the Customer and (b) take out adequate insurance up to a limit of £1,000 000 to cover its obligations to the Company under the provisions of clause 8(v) thereof.

#### **Summary of Insurance Cover -**

A. Cover is provided against All Risks of loss or damage within the U.K. or especially agreed to in respect of equipment hired out by Louma UK excluding: 1. Loss or damage caused by moth wear and tear, gradual deterioration, misuse (other than by accident), mechanical derangement or (to the extent that the value of the hired equipment exceeds £125,000) confiscation by Customs or other Authorities. 2. Loss or damage directly or indirectly caused by or arising from war invasion act of foreign enemy hostilities (whether war be declared or not) civil war, rebellion, revolution, insurrection or military or usurped power. 3. Loss or destruction of or damage to any equipment whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss or any legal liability of whatsoever nature directly caused to or arising from (i) ionising radiations or contaminations by radioactivity from any explosive nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. (ii) the radioactive toxic explosion or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

B. Conditions - 1. All ordinary and reasonable precautions for the safety of the equipment must be taken. 2. In the event of loss or damage the Customer shall (i) forthwith notify the Company and the Police where necessary, and take any other practicable steps towards discovery and recovery (ii) as soon as practicable after this give a full report of the circumstances to the Company. (iii) at the same time furnish to the Company any particulars or evidence as may reasonably be required by them to substantiate their claim. 3. The due observance and fulfilment of the terms and conditions and endorsements of this policy by the Insured in so far as they relate to any thing to be done or complied with by him and the truth of the statements and answers in the instructions shall be conditions precedent to the liability of the Insures to make payment under this Policy.

C. Endorsements. 1. Payment for equipment lost or damaged is on the basis of the reinstatement of such equipment in a condition equal but not better or more extensive than when new. 2. The Company is liable for the first £1000 of any claim. 3. Liability for loss or damage by fire, lightning, aircraft, explosions, riots, civil commotion and malicious damage, is limited to £100,000 any one occurrence. Note: the above is a summary only of the terms exceptions and conditions of the policy and full details will be supplied on request.

**LOUMA UK CONDITIONS OF BUSINESS (continued)**

**(iii)** Where the Customer does not effect its own insurance, the Customer shall notify the Company prior to hired equipment leaving the company's premises and the Company will effect insurance corresponding to the terms of insurance set out in the Hire Agreement on the Customer's behalf. Full details of the cover provided and the terms, exceptions and conditions of the policy shall be made available by the Company at the Customer's request.

It must be noted that the Customer is required to pay the first £1000 of any loss and that while the cover which the Company can effect represents the maximum cover available on a general basis under present conditions, the customer will nevertheless remain liable for additional hire charges and for all risks of loss or damage (including for example war risks) without limitation in accordance with these Conditions.

A charge will be made by the Company to the Customer in respect of such insurance. The Customer undertakes to make full disclosure of all material circumstances affecting such insurance (for example overseas or hazardous or abnormal use or use which may expose equipment to the elements or use involving non-scheduled aviation) and undertakes not to do or omit to do anything which would have the effect of invalidating such insurance. Any such disclosure must be made to the company by recorded delivery to reach it in sufficient time for underwriters to be consulted.

**(iv)** The Customer shall have the benefit of insurance maintained by the Company on trucks, vans and other road vehicles driven by the Company's servants and agents and other persons with the express written permission of the Company within the United Kingdom (excluding Northern Ireland). No other persons are permitted to use the Company vehicles. In the event of the Customer using trucks, vans and other vehicles outside the United Kingdom (excluding Northern Ireland), the Customer shall reimburse the Company for any additional premiums or charges incurred by the Company in respect of such use.

**13.** Time is not of the essence of any contract with the Customer and the Company shall not be liable for any delays in the supply of equipment materials and services by it, or any losses whatsoever due to any such delays howsoever caused.

**14. General - (i)** No acceptance of the return or repossession of the equipment nor the granting of any indulgence by the Company shall constitute a waiver by the Company of any of its rights under these Conditions of Business.

**(ii)** Headings in these Conditions of Business are for ease of reference only and shall not reflect the construction thereof.

**(iii)** If events beyond Louma UK's reasonable control prevent Louma UK from performing its obligations hereunder Louma UK may without liability cancel this agreement provided that the Customer shall not be required to pay any hire charges in respect of periods of periods during which Louma UK is prevented from performing its obligations hereunder or in respect of any period beyond the cancellation date.

**(iv)** These Conditions of Business shall be governed and interpreted according to English Law and the Customer shall submit to the jurisdiction of the English Courts. In the event of any disputes between the Customer and Louma Systems, they shall be subject to the jurisdiction of the courts in Paris and shall be subject to French Law in accordance with section VIII of Louma Systems' General Conditions Of Hire.

I have read the above four pages and agree to comply with these Conditions of Business.

Signed ..... Name (Please Print) .....

Customer ..... Date .....