

# INDUSTRIAL SCIENTIFIC – RENTAL TERMS AND CONDITIONS

**THE PARTIES:** Industrial Scientific Corporation will be referred to below as "Company"; customer/the party renting equipment will be referred to as "Lessee."

**RENTAL PERIOD:** The Rental Period starts the day Lessee receives the equipment and ends the day Lessee ships the equipment back to Company. The minimum rental period is one week (seven consecutive calendar days). The Lessee will be charged the lesser of the applicable weekly rate or monthly rate. Either Party may terminate this Agreement by providing written notice to the other Party. The term breaks down as follows:

1. If the equipment is returned prior to 30 days, Industrial Scientific will invoice based on the amount of time the equipment was out on rent as follows:
  - i. 1-9 days = 1 week rental
  - ii. 10-16 days = 2 weeks rental
  - iii. 17-30 days = 3 weeks rental (*This is also the monthly rate. The 4<sup>th</sup> week ends up being free when out for 1 month.*)
2. If the rental equipment is not returned at Day # 30:
  - a. Industrial Scientific will invoice for 1 month rental and start the rental clock again for the next cycle. If the equipment has not been returned at the end of the 2<sup>nd</sup> month, Industrial Scientific will invoice that 2<sup>nd</sup> month rental and start the rental clock again for the next cycle. This process repeats until the equipment is returned.

**SHIPPING METHODS AND COSTS:** Lessee shall pay delivery shipping costs. For rentals in the United States only, Company will pay the return shipping costs provided Lessee uses the supplied pre-paid Fed Ex return label; Lessee shall pay return shipping costs for all rentals outside the United States or if it fails to use the pre-paid Fed Ex label for rentals in the United States. Lessee will be billed until the day equipment is provided to the carrier for return shipment to Company. If Lessee decides to increase or decrease the amount of equipment rented under this Agreement, only the rental costs are impacted and all terms of this Agreement will continue to apply to the revised amount of rental equipment in Lessee's possession.

**FINANCIAL RESPONSIBILITY:** Lessee assumes complete financial responsibility for the loss of the equipment and will pay for all repairs due to misuse, abuse, or accidental damage. Repairs for normal wear and tear and general maintenance will be provided by Company at no charge. Only Company may service Company's equipment and rental equipment is regularly serviced prior to rental. Lessee will notify Company immediately if a service problem develops in the field. In most cases, a replacement instrument will be issued to eliminate instrument down time.

**DISCLAIMER:** Company will not be liable for any SPECIAL, INDIRECT, INCIDENTAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO LOSS OF PROFITS, LOSS OF USE, OR FOR LOSSES OR DAMAGES CAUSED BY THE EQUIPMENT. If Company should be held liable for damages to Lessee for any cause related to this Agreement, or its breach, such damages, in the aggregate, will not exceed the lesser of (i) the total amount of rental fees actually paid under this Agreement, or (ii) the actual damages incurred. Lessee waives its right to collect any greater amount. The equipment is warranted to conform to Company's standard specifications. Company does not warrant that the equipment will meet Lessee's requirements, or that the equipment will be error free. Company's sole obligation under this warranty is limited to correction of equipment defects. Lessee acknowledges that it alone has determined the intended purpose and suitability of the rented equipment. THE LIMITED WARRANTY SET FORTH IN THIS SECTION AND THE OBLIGATIONS AND LIABILITIES HEREUNDER ARE IN LIEU OF, AND LESSEE WAIVES, ALL IMPLIED GUARANTEES AND WARRANTIES, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE AND IT IS IN LIEU OF ANY LIABILITY OF COMPANY UNDER ANY PROVISIONS OF THIS AGREEMENT AND ANY PROVISIONS OF ANY APPLICABLE LAW. Repair or servicing by an unauthorized repair facility will invalidate this limited warranty.

**CALIBRATION:** There are no charges for standard pre-calibration or post-calibration of the instruments as long as no other service is required. Calibration to nonstandard gases is usually available for an additional fee.

**DECONTAMINATION:** Lessee is required to protect the equipment from environmental contamination, and if necessary, is required to decontaminate the unit. In cases where the instrument is exposed to or coated with toxic chemicals, it is mandatory that Company be notified in writing of the contaminating materials that may be present. Failure to decontaminate the equipment shall result in a service fee.

**SUBLEASING:** No subleasing or sub renting is allowed without the written permission of Company.

**LOSS OF USE:** Should a rental instrument fail during the rental period for any reason, Lessee agrees to immediately contact Company for instructions or diagnostic aid. Replacement instruments are typically available immediately. Company shall not be responsible for incidental or consequential losses resulting from instrument down time.

**CREDIT TERMS:** Company will bill Lessee monthly and Lessee agrees to credit terms of net 30 days from the invoice date and a financing charge of 1.5% per month on overdue items. Lessee further agrees to pay any collections costs incurred to collect the account balance, including reasonable attorney's fees.

**LESSEE'S RESPONSIBILITIES:** Lessee shall: (a) use the rented equipment in accordance with instructions provided by Company; (b) if it becomes necessary for Company to deliver to Lessee replacement equipment for rented equipment then in Lessee's possession, promptly return the replaced rented equipment then in its possession to Company in prepaid shipping packages provided by Company packed in a commercially reasonable manner pursuant to Company instructions. In addition, if Lessee does not return such replaced rented equipment within seven (7) days after receipt of the replacement equipment and prepaid shipping materials, Lessee shall purchase such replaced equipment from Company for an amount equal to the current retail price charged by Company for the equipment; (c) only permit its employees, and no other parties, to use the rented equipment; (d) replace any lost, stolen or otherwise missing rented equipment at an agreed upon pricing schedule at time of replacement; (e) refrain from creating or attempting to create, or permitting others to create or attempt to create, by reverse engineering or otherwise any rented equipment supplied by Company; and (f) perform a functional "bump" test on each gas detection instrument prior to each day's usage, which is a brief exposure of the instrument's sensor to a known concentration of gas(es) for the purpose of verifying sensor and alarm operation and is not intended to be a measure of the accuracy of the equipment. If equipment fails to operate properly following any functional "bump" test, a full instrument calibration should be performed.

**RIGHTS ON TERMINATION:** Following termination or expiration of this Agreement, Company shall have no further responsibilities to Lessee. If, following termination, Lessee has outstanding obligations to pay Company for the rented equipment, those outstanding obligations will survive termination and Lessee will continue to be liable to Company for all outstanding payments due. Notwithstanding anything to the contrary set forth herein, no termination or expiration of this Agreement shall relieve any Party from any obligations that are outstanding on, or relate to matters or claims occurring or arising prior to, the date of such termination or expiration or which survive termination or expiration by their own terms.

**MISCELLANEOUS:** Title to equipment delivered under this Agreement remains vested with Company at all times. Lessee agrees to pay all taxes relating to this Agreement and the rented equipment. This Agreement may be amended only by a writing signed by the Parties. This Agreement shall be construed according to the laws of the Commonwealth of Pennsylvania without regard to its principles of conflicts of laws. No Party is liable for failure to perform its obligations under this Agreement (other than accrued obligations to make payments of money) if its performance has been delayed, interfered with or prevented by an event of Force Majeure, which means any circumstances that are not within the reasonable control of the Party affected thereby. A Party declaring Force Majeure will give prompt notice to the other Party and take reasonable actions to remove the event of Force Majeure or mitigate its effect. This Agreement contains the entire agreement of the Parties and supersedes all prior agreements, and all contemporaneous oral agreements, relating to such transactions.