

**ADAPT LASER SYSTEMS LLC**  
**GENERAL TERMS AND CONDITIONS OF RENTAL AGREEMENT**

- 1. General.** Capitalized terms are defined below. Unless other terms are specified in the Rental Agreement (attached hereto and incorporated herein by reference), which shall control over any conflicting terms, the following terms and conditions (this “Agreement”) will govern the lease of any and all Equipment by Lessor to Lessee under the Rental Agreement. Any terms and conditions that may be contained in any order or other form provided by Lessee will be without force and effect, regardless of when received by Lessor. Likewise, any brochures or illustrations relating to the Equipment that Lessor provides to Lessee are not considered binding unless they are explicitly referred to as binding within the Rental Agreement. By signing the Rental Agreement, Lessee accepts this Agreement, and the lease and delivery by Lessor of the Equipment will be conclusively presumed to be subject to this Agreement.
- 2. Definitions.** The following terms, when used in this Agreement, have the meanings set forth below:

  - (a) “Authorized Individual” means a person who is properly trained by Lessor, at the sole and absolute discretion of Lessor, to use the Equipment and who is not under the influence of drugs or alcohol or otherwise impaired.
  - (b) “Equipment” means all of the equipment, including, without limitation, lasers, parts, and accessories, leased under the Rental Agreement. Unless otherwise specified in the Rental Agreement, all lasers are Laser Class 4 products.
  - (c) “Lessee” means the initial end user of the Equipment identified in the Rental Agreement, and includes any of its representatives, agents, officers or employees.
  - (d) “Lessor” means Adapt Laser Systems LLC.
  - (e) “Site Address” means Lessee’s address identified on the Rental Agreement where Lessee agrees the Equipment will be located during the Rental Period.
  - (f) “Services” as used herein means all labor, supervisory, technical and engineering, installation, repair, consulting, training or other services provided by Lessor under the Rental Agreement.
- 3. Term.** Except as provided herein, the term of this Agreement (the “Rental Period”) shall commence and end on the dates specified in the Rental Agreement. If such dates are not specified in the Rental Agreement, the Rental Period shall commence upon delivery of the equipment at the Site Address and shall continue until the Equipment is returned in accordance with Section 6 hereof.
- 4. Rental Rate.**

  - (a) The rental rate is specified in the Rental Agreement. The rental rate is estimated based upon (i) representations and information provided by Lessee to Lessor, (ii) the Rental Period (if the Rental Period is extended as provided herein, the rental rates are subject to change), and (iii) for the Equipment’s use for “one shift,” being not more than eight (8) hours per day and forty (40) hours per week, unless otherwise agreed to in writing.
  - (b) This Agreement is a net lease and Lessee intends the rental rates hereunder to be net to Lessor. Lessee shall pay any other costs relating to Lessee’s use or possession of the equipment, including, without limitation, (i) additional fees for more than “one shift” use; (ii) return delivery to Lessor under Section 6; (iii) maintenance, repairs and replacements to the Equipment as provided herein; and (iv) a cleaning fee if required (as determined in the sole discretion of Lessor).
- 5. Payments.** Lessee agrees to pay the rental rates specified in the Rental Agreement, as such rates may be adjusted according to the terms hereof, in immediately available funds, on the first day of each consecutive month of the Rental Period. Lessee shall pay any invoices sent by Lessor within thirty (30) days after the date of Lessor’s invoice. No portion of any rental rate will be deemed to constitute payment for any equity interest or any other ownership interest in the Equipment. All payments shall be made directly by Lessee in United States Dollars. Each payment received will be applied first to the oldest charge due under this Agreement and then any current payments. If Lessee fails to pay any amounts as required when due, Lessee shall pay Lessor, in addition to such amounts, interest at the lesser of an annual rate of twelve percent (12%) or the highest rate allowed by law governing this Agreement on any unpaid and delinquent balance.
- 6. Return and Renewal.**

- (a) Lessee shall promptly return the Equipment to Lessor at the end of the Rental Period in the condition required by this Agreement, in accordance with the packaging instructions provided by Lessor, and to a location designated by Lessor. This Agreement shall not terminate and rental charges shall continue to accrue until Lessor confirms that the Equipment is returned in the condition required herein. Notwithstanding the foregoing, Lessor may terminate this Agreement at any time, for any reason, upon written notice to Lessee. The Rental Period shall end upon such termination and Lessee shall return the Equipment to Lessor immediately upon receiving notice of such termination. Lessee shall remain liable for any loss of or damage to the Equipment until Lessor confirms that the Equipment is returned in the condition required herein.
  - (b) Any extension of the Rental Period must be mutually agreed upon in writing by Lessor and Lessee.
  - (c) Nothing contained herein is intended to relieve Lessee of its obligation to return the Equipment or restrict Lessor's right to recover the same in the event of termination of this Agreement. At the time of return, the Equipment must be (i) free and clear of all liens (other than liens created by Lessor) and rights of third parties under sublease or similar agreements or arrangements, and (ii) in as good operating condition as when delivered to Lessee hereunder, ordinary wear and tear excepted.
- 7. Title.** Lessor shall at all times retain ownership and title to the Equipment (including for tax purposes). All documents of title and evidence of delivery shall be delivered to Lessor. Lessee shall, at its expense, protect and defend Lessor's title against all persons, at all times keeping the Equipment free from any legal process or encumbrance whatsoever, including but not limited to liens, attachments, levies and execution (other than those arising from claims against Lessor unrelated to the Equipment), and shall give Lessor immediate written notice thereof and shall indemnify Lessor from any loss caused thereby.
- 8. Training and Inspection.**
- (a) Training. With each initial delivery of laser Equipment, Lessor will provide Lessee with operating and safety training at the time of installation of such laser. Such training will be performed by Lessor at a time mutually agreed upon by Lessor and Lessee. The extent of such training will be solely at Lessor's discretion. If Lessee requests additional training, additional fees may apply, which Lessee agrees to pay.
  - (b) Inspection. Lessee shall inspect the Equipment immediately upon delivery of the Equipment to the Site Address. Unless Lessee provides written notice to Lessor specifying any defect in or other proper objection to the Equipment within 3 business days of such delivery, Lessee agrees that it shall be conclusively presumed, as between Lessor and Lessee, that Lessee has fully inspected and acknowledged that the Equipment is in full compliance with the terms of this Agreement, in good condition and repair, and that Lessee is satisfied with and has accepted the Equipment in such good condition and repair. Lessor shall have the right at any time during Lessee's business hours to enter the Site Address and shall be given free access thereto and afforded necessary facilities for the purpose of inspection.
- 9. Permitted Use.** Lessee agrees that Lessor has no control over the manner in which the Equipment is operated during the Rental Period by Lessee or any third party that Lessee implicitly or explicitly permits to operate the Equipment or to otherwise be on the Site Address. Lessee represents, warrants and covenants that (a) prior to each use, Lessee will inspect the Equipment to confirm that it is in good condition, without defects, and is suitable for Lessee's intended use; (b) any apparent agent at the Site Address is authorized to accept delivery of the Equipment (and if authorized by Lessee, Lessor may leave the Equipment at the Site Address without a written receipt); (c) Lessee shall immediately notify Lessor if the Equipment is lost, damaged, stolen, unsafe, disabled, malfunctioning, levied upon, threatened with seizure, or if any related incident occurs; (d) Lessee has received from Lessor all information needed or requested regarding the operation of the Equipment; (e) Lessee will obtain all training that Lessor, in its sole discretion, requires prior to the Equipment's use; (f) only Authorized Individuals shall use and operate the Equipment; (g) the Equipment's use shall be in a careful manner, in compliance with all operational and safety instructions provided on, in or with the Equipment and all federal, state and local laws (including OSHA), permits and licenses; and (h) the Equipment will be stored and operated under the proper conditions, including, without limitation, (i) in temperatures between forty (40) degrees Fahrenheit and ninety-seven (97) degrees Fahrenheit and (ii) in humidity, non-condensing, above ten percent (10%) and below ninety-five percent (95%).
- 10. Prohibited Use.** Lessee shall not (a) alter or cover up any decals or insignia on the Equipment or remove any operational or safety instructions; (b) move the Equipment from the Site Address without Lessor's prior written consent; or (c) operate the Equipment in a negligent, illegal, unauthorized or abusive manner, including, without

limitation, failing to store and/or operate the Equipment under proper conditions, as described in Section 9 hereof; (d) use the Equipment or any images thereof in any promotional materials or publications (print, audiovisual or electronic); (e) allow the use of the Equipment by any person who is not an Authorized Individual; or (f) alter or modify the Equipment without Lessor's prior written consent. Lessee acknowledges that the Equipment may be dangerous if used improperly or by untrained parties or otherwise in violation of this Agreement.

- 11. Maintenance.** Lessee shall perform routine inspections and maintenance on the Equipment, including, without limitation, replacing the protective glass cover on the front of the laser as needed, checking filters and fluid levels, and cleaning and visually inspecting the equipment at least daily prior to use. All other maintenance or repairs may only be performed by Lessor, but Lessor has no responsibility during the Rental Period to inspect or perform any maintenance or repairs, unless Lessee requests a service call from Lessor. If Lessee reasonably determines that the Equipment is in need of repair, it shall discontinue use and immediately notify Lessor. If Lessor determines that repairs to the Equipment are required, Lessee shall pay the full cost of repairs, including travel expenses for repairmen, and rental of the Equipment until the repairs are completed, ordinary wear and tear excepted. Lessor has the right to enter and inspect the Equipment wherever located. Lessee has the authority to and hereby grants Lessor the right to enter the physical location of the Equipment for the purposes set forth herein. Lessee agrees that repair or replacement of the Equipment is Lessee's exclusive remedy for Lessor's breach of this Section 11. Notwithstanding Lessor's service commitment, Lessor shall have no obligation if Lessee breaches this Agreement to stop the Rental Period, commence repairs or lease other Equipment to Lessee until Lessee or its agent has inspected such Equipment and agreed to pay for such costs.
- 12. Limitation of Lessor's Liability.** IN NO EVENT, REGARDLESS OF THE FORM OF THE CLAIM OR CAUSE OF ACTION (WHETHER BASED IN AGREEMENT, INFRINGEMENT, NEGLIGENCE, STRICT LIABILITY, OTHER TORT OR OTHERWISE) SHALL LESSOR'S LIABILITY TO LESSEE AND/OR ITS CUSTOMERS AND/OR SUBLESSEES EXCEED RENTAL CHARGES UNDER THIS AGREEMENT. IN NO EVENT SHALL LESSOR'S LIABILITY TO LESSEE AND/OR ITS CUSTOMERS AND/OR SUBLESSEES INCLUDE INCIDENTAL, CONSEQUENTIAL, INDIRECT OR PUNITIVE DAMAGES. The term "consequential damages" shall include, but not be limited to, loss of anticipated profits, business interruption, loss of use, revenue, reputation and data costs incurred.
- 13. Disclaimer of Warranties.** THE EQUIPMENT IS BEING DELIVERED BY LESSOR TO LESSEE "AS IS, WHERE IS". LESSOR HAS NOT MADE OR SHALL NOT BE DEEMED TO HAVE MADE, AND HEREBY EXPRESSLY DISCLAIMS, ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE TITLE, CONDITION, DESIGN, OPERATION, MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE OF ANY EQUIPMENT OR ANY PART THEREOF, AS TO THE ABSENCE OF LATENT OR OTHER DEFECTS, WHETHER OR NOT DISCOVERABLE, AS TO THE ABSENCE OF ANY INFRINGEMENT OF ANY PATENT, TRADEMARK OR COPYRIGHT, AS TO THE ABSENCE OF OBLIGATIONS BASED ON STRICT LIABILITY IN TORT, OR ANY OTHER REPRESENTATION OR WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, WITH RESPECT TO ANY EQUIPMENT OR ANY PART THEREOF.
- 14. Indemnification.** To the fullest extent permitted by applicable law, Lessee will defend, indemnify, and hold harmless Lessor, its subsidiaries, affiliates, parents, partners, their successors and assigns, and each of their respective past and present directors, officers, employees and agents (collectively "Lessor Indemnitees") from and against any and all losses, damages, liabilities, demands, claims, actions, judgments, charges, court costs, and legal or other expenses, including, without limitation, reasonable attorneys' fees ("Liabilities"), which Lessor Indemnitees may sustain, incur, or become liable for in defending or compromising any suit, action, or other proceeding arising out of, related to, or in any way connected with Lessee's use or operation of the Equipment or Services, regardless of where, how and by whom operated, including, without limitation, Lessee's misuse of such Equipment or Services, or any other acts or omissions, willful misconduct or negligence, whether active or passive, on the part of Lessee; provided, however, Lessee will have no indemnity obligations under this Section 14 for any Liabilities caused solely by the willful misconduct or negligence of a Lessor Indemnitee.
- 15. No Subletting or Assignment.** Lessee may not sublease, assign or otherwise transfer its rights or obligations under this Agreement, or the Equipment or any interest therein, to any third party without the prior written consent of Lessor.

**16. Insurance.** During the Rental Period, Lessee shall maintain, at its own expense, the following minimum insurance coverage: (a) general liability insurance of not less than One Million Dollars (\$1,000,000) per occurrence, including coverage for Lessee's contractual liabilities herein; and (b) property damage insurance covering the Equipment and its operation and handling for the amount of at least Five Hundred Thousand Dollars (\$500,000) or another reasonable amount specified by Lessor. Lessee shall provide Lessor with certificates of insurance evidencing the coverage required above prior to any rental and any time upon Lessor's request. To the extent Lessor carries any insurance, such insurance will be considered excess insurance. The insurance required herein does not relieve Lessee of its responsibilities, indemnification or other obligations provided herein, or for which Lessee may be liable by law or otherwise.

**17. Default; Remedies.**

- (a) Default. Lessee shall be in default if Lessee (i) fails to make any payment hereunder when due; (ii) fails to make payment when due of any indebtedness of Lessee to Lessor arising independently of the Rental Agreement; (iii) fails to perform any other covenant or agreement herein and such non-performance continues for five (5) days after written notice thereof to Lessee by Lessor; (iv) fails to return Equipment immediately upon Lessor's demand; (v) is in default under any other agreement with Lessor, (vi) Lessee becomes insolvent or makes an assignment for the benefit of creditors; or (vii) Lessee applies for or consents to the appointment of a receiver, trustee, or liquidator of Lessee or of all or a substantial part of the assets of Lessee under any applicable bankruptcy act (including, without limitation, a petition for reorganization, arrangement, or extension) or under any other insolvency law or law providing for the relief of debtors.
- (b) Remedies. If Lessee defaults under Section 17(a), then, to the extent permitted by applicable law, Lessor shall have the right to exercise any one or more of the following remedies:
  - (i) To declare the entire amount of rent hereunder immediately due and payable;
  - (ii) To bring legal action for and recover all rents and other payments then accrued or thereafter accruing with respect the Equipment;
  - (iii) To take possession of the Equipment without demand, notice, or legal process, wherever such Equipment may be located. Lessee hereby waives any and all damages occasioned by such taking of possession. Any said taking of possession shall not constitute a termination of this Agreement unless Lessor expressly so notifies Lessee in writing;
  - (iv) To terminate this Agreement; and
  - (v) To pursue any other remedy at law or in equality.
- (c) Notwithstanding any action which Lessor may take under Section 17(b), Lessee shall be and remain liable for the full performance of all obligations on the part of Lessee to be performed under this Agreement. All such remedies are cumulative, and may be exercised concurrently or separately.

**18. Governing Law and Dispute Resolution.**

- (a) Governing Law. This Agreement will be governed by the laws of the State of Missouri, and the United States without reference to its conflicts of laws provisions; exclusive jurisdiction and venue for any action, suit or proceeding concerning this Agreement will be in the federal or state courts located in the city of Kansas City, Jackson County, Missouri, U.S.A.; and each party submits to exclusive personal jurisdiction in the State of Missouri for any such action, suit, or proceeding.
- (b) Arbitration. The parties agree that all claims, disputes and other matters in question arising out of or relating to this Agreement, or the breach hereof, shall be decided by binding arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association in force at the time the demand is filed. The arbitration is to be held before an independent arbitrator mutually agreeable to the parties. Before beginning the hearings, the arbitrator must take an oath or provide an undertaking of impartiality. The location of the arbitration proceeding and hearing shall be in Kansas City, Missouri. The award when rendered by the arbitrator shall be final and it is agreed that judgment may be entered upon it in accordance with the Federal Arbitration Act in any court having competent jurisdiction. The costs and expenses of the arbitrator shall be shared equally by Lessor, on the one hand, and Lessee, on the other hand, unless the arbitrator makes an express finding that a party or parties should pay all or a portion of another party's attorneys' fees.

**19. Jury Trial Waiver.** TO THE EXTENT PERMITTED BY LAW, IN ANY ACTION TO ENFORCE OR INTERPRET THIS AGREEMENT, THE PARTIES HEREBY KNOWINGLY, VOLUNTARILY, AND

INTENTIONALLY WAIVE ANY RIGHT TO A TRIAL BY JURY, THIS WAIVER BEING A MATERIAL INDUCEMENT TO ENTERING INTO THIS AGREEMENT.

- 20. Force Majeure.** Notwithstanding any provision contained herein to the contrary, neither Party shall be deemed to be in default hereunder for failing to perform obligations arising pursuant to this Agreement if such failure is the result of any acts of state or governmental action, riots, disturbances, war (whether by formal declaration or informal action), strikes, lockouts, terrorism, slowdowns, prolonged shortage of energy supplies, epidemics, fire, flood, hurricane, typhoon, earthquake, lightning and explosion (an “event of Force Majeure”).
- 21. Miscellaneous.** Time for payment is of the essence. Lessee acknowledges that it has not been induced to purchase any Equipment or Services from Lessor by any representation or warranty not expressly set forth herein. This Agreement constitutes the entire agreement of the parties and supersedes all existing agreements and all other oral or written communications between the parties concerning the subject matter contained herein. Lessee’s obligations hereunder shall survive the termination of this Agreement. None of the terms and conditions contained herein may be added to, modified, superseded, or otherwise altered except by a written document signed by an authorized representative of Lessor. Any waiver or failure to enforce any provision herein on one occasion will not be deemed a waiver of any other provision or of such provision on any other occasion. Section headings contained herein are intended for convenience of reference only and will not affect the interpretation of any provision. If any provision of this Agreement is held to be prohibited or unenforceable, the parties will promptly substitute for the invalid provision a valid and enforceable provision which most closely approximates the intent and economic effect of the invalid provision and the remaining provisions will continue in full force and effect. Lessee and the person signing the Rental Agreement represent that (a) they both have full authority to execute, deliver and perform this Agreement, and (b) this Agreement constitutes a legal, valid and binding obligation of Lessee, enforceable in accordance with its terms.