

KONTROLLED ACCESS TEMPORARY SECURITY, INC.
RENTAL AGREEMENT

This Rental Agreement (the “Agreement” of “Lease”) is hereby incorporated by this reference as the Terms and Conditions in connection with any equipment rented from Kontrolled Access Temporary Security, Inc. (“KATS”).

Whereas, “Leased Equipment” shall mean the security doors, window covers, lights and materials to be supplied on rental, and:

Whereas “Lessee” shall mean the person, firm or company to be supplied with the Leased Equipment by KATS.

Now therefore, the KATS and Lessee agree that the leasing of the Leased Equipment shall be governed by the terms and conditions contained herein.

1. **Lease Commencement, Termination and Orders.** The lease of Leased Equipment commences upon receipt by KATS of a written or verbal order (Order) from proposed Lessee. All replacement or additions to Leased Equipment shall also be subject to the terms and conditions set forth herein without the need for any written order unless requested by KATS. Lessee’s request to remove Leased Equipment from Lessee’s site or to terminate the Agreement may be initiated by a verbal request by Lessee, but must be followed up with a written confirmation submitted to KATS within 2 days of the initial request in order to be considered valid. All Orders must be in writing between KATS and Lessee.

2. **Term.** The Lease shall remain in effect until the later of (a) the date specified on the written Order; or (b) the date the Leased Equipment is returned to KATS or (c) if the Lessee fails to pay any amounts due for the Leased Equipment, the date the leased Equipment is removed by KATS. The expiration or termination of the Lease shall not affect Lessee’s obligations hereunder. It is Lessee’s responsibility to notify KATS within 2 weeks of the end of the term to arrange for removal of the Leased Equipment. If no such notice is provided, the term shall automatically renew for 1-month increments, and at 1-month rental rates, subsequent to the end of the initial term, unless the parties have agreed otherwise in writing.

3. **Rental, Installation and Removal Charges.** Lessee shall pay the rental and installation charges for the Leased Equipment in the amounts and on the dates set forth in the Order attached hereto or supplied to Lessee. Equipment charges are based on the actual quantity of window covers and/or doors deployed. Actual quantities of window cover(s) installed may differ from the original Order, and any variances shall be credited or charged to Lessee as necessary. Rental rates are deemed accepted by the Lessee upon commencement of the Agreement, or installation on the property, whichever occurs first. Installation charges, including minimum costs are based on the number of visits made. If the installation cannot be performed due to means beyond KATS control, a charge for the visit will still be assessed per the rates set forth in Section 19, Service Rates of this Agreement. Rental fees, installation and removal fees are charged as set forth in the Order

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signed by KATS and Lessee and will be invoiced and due at the commencement of the Term specified by the Order, including renewal terms. In the event the Leased Equipment is removed from the site prior to termination of the full Term per the Order, any unexpired rental periods are non-refundable, and the Lease is deemed to be terminated. KATS accepts no responsibility for inaccuracies or misunderstandings arising through verbal orders, instructions or other information provided by telephone by the Lessee, its employees or agents.

4. **Failure to Pay.** Where Lessee fails to pay per the terms of the written Order signed by both parties, KATS may recover the Leased Equipment without any notice to Lessee. KATS shall have the right, using all reasonable means to enter any premises on which the Leased Equipment may be located and take possession of the Leased Equipment thereof without any liability to KATS, including liability for damage to property resulting at the time of removal (or thereafter) of the Leased Equipment.
5. **Security Deposit.** KATS may demand a security deposit from the Lessee. Such deposit shall be held as security against the return of the Leased Equipment in substantially the same condition as delivered to Lessee minus normal wear and tear, and, unless KATS so agrees, no part of the deposit will be available to satisfy the amounts due under the Lease. At the termination of the Lease, KATS will refund the deposit less any amounts owed by the Lessee under this Lease including amounts to repair or replace Leased Equipment damaged or lost due to the negligent or reckless act of the Lessee. Lessee is required to obtain a printed receipt from KATS for the amount deposited, and no deposit will be refunded without the production of such receipt. KATS reserves the right to apply any deposits it received against any unpaid balance due for any of Lessee's accounts with KATS.
6. **Payment Terms.** Payment shall be made by Lessee per the terms of the Order(s) signed by both Lessee and KATS. In the absence of any other language to the contrary, payment terms for all Orders shall be due prior to the commencement of installation unless otherwise agreed to by the parties per the terms of a written Order signed by both parties. In the event Lessee fails to pay per the terms of the Order, Lessee shall reimburse KATS all costs and expenses (including but not limited to legal costs) incurred in the collection of any overdue amounts. If a check is returned to KATS by the Lessee's bank for non-sufficient funds a charge of \$37.00 will be made. Lessee hereby authorizes KATS to charge Lessee's credit card on file to settle all unpaid invoices in the event that such invoices are delinquent, and/or in the event that Lessee has sold the property without notifying KATS to remove the Leased Equipment.
7. **Inspection and Warranties.** KATS agrees to take all reasonable steps to ensure that the Leased Equipment is in working condition as of the date of its delivery to the Lessee. Nevertheless, the Lessee is responsible for inspecting the Leased Equipment and satisfying itself as to its fitness for the particular purpose in which it is employed. KATS MAKES NO WARRANTIES, EITHER EXPRESSED OR IMPLIED AS TO THE MERCHANTABILITY OR

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FITNESS FOR PARTICULAR PURPOSE OF THE LEASED EQUIPMENT OTHER THAN THOSE CONTAINED HEREIN AND LESSEE AGREES THAT KATS' LIABILITY FOR ANY FAILURE OF THE LEASED EQUIPMENT, RESULTING IN LOSS, DAMAGE OR INJURY DIRECT OR INDIRECT FROM DEFECTIVE MATERIAL, FAULTY WORKMANSHIP OR OTHERWISE HOWSOEVER ARISING AND WHETHER OR NOT CAUSED BY NEGLIGENCE SHALL BE LIMITED TO AND NOT EXCEED ONE MONTHS RENTAL FOR ALL SAID LEASED EQUIPMENT.

8. **Insurance and Risk of Leased Equipment.** The Lessee is responsible for the safe custody of all Leased Equipment and shall insure and keep the same insured against all risks. The Lessee must inform KATS of any discrepancies between Order quantities and delivered quantities of Leased Equipment within 48 hours of delivery. If any Leased Equipment is lost, damaged or stolen while in the possession of the Lessee, the Lessee shall bear the cost of replacement and an additional installation charge. Replacement cost for KATS Window Covers is \$500.00 each, and replacement cost for KATS Security Doors is \$2500.00 each. Rents for any lost, stolen or damaged Leased Equipment shall be due and payable up to and including the day which such loss or theft is discovered and reported to KATS. KATS reserves the right to inspect their Leased Equipment periodically during the term of the rental period and assess a charge for damaged or lost equipment.
9. **Default and Remedies.** All Leased Equipment remains the property of KATS. The following shall constitute an Event of Default under this Lease: (a) any rent and/or installation charges and/or damaged or lost equipment charges payable under this Lease are in arrears for forty-eight (48) hours; (b) Lessee fails to perform an affirmative, non-monetary covenant contained in this Lease; (c) Lessee becomes insolvent and unable to pay its debts as they become due or any case or proceeding under any bankruptcy or insolvency law is commenced with respect to the Lessee and the same is not dismissed within thirty (30) days; (d) the Leased Equipment or any amounts due hereunder become the subject of a lien or other such encumbrance; or (e) the Lessee violates any other terms or conditions contained herein or on any Order(s). If any such Event of Default occurs, KATS may terminate this Lease after giving the Lessee twenty-four (24) hours notice verbally or in writing (no notice period will be given as per section 4 of this Agreement) and thereupon, KATS shall have the right, using all reasonable means to enter any premises on which the Leased Equipment may be located and take possession of the Leased Equipment thereof without any liability to KATS, including liability for damage to property resulting at the time of removal (or thereafter) of the Leased Equipment. Any failure of KATS to enforce its rights under this Lease shall not be considered a waiver of those rights by KATS.
10. **No Equipment Handling by Lessee.** Unless otherwise agreed to in writing and signed by KATS on the attached Order, the Lessee, its employees or agents shall not, under any circumstances, move, take down, relocate, dismantle or refit any or all of the Leased Equipment at any time. All handling of Leased Equipment MUST be performed by KATS upon request by Lessee and is subject to the appropriate charges. Any violation of this

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section by Lessee, its employees or agents shall release KATS from all warranties provided herein and from all liability for any damage to the Leased Equipment, Lessee's site, Lessee or any other party. The Lessee shall be liable for all damage or loss of Leased Equipment as a result of being removed by non KATS personnel.

11. **Damages from Forced Entry or Installation.** KATS or others retained by KATS may be required to force entry unto Lessee's site where the Lessee has authorized such action or where necessary for KATS to take possession of the Leased Equipment under the provisions of this Agreement. KATS shall not be liable for consequences of such forced entry including without limitation any damage to property or glass breakage resulting from such forced entry. Further, KATS shall not be responsible or liable for any damage caused to Lessee's property caused during installation or removal of the Leased Equipment by KATS. This includes but is not limited to broken glass, damage to paint work, carpets, window frames, walls, doors and floors.
12. **Taxes.** It is the responsibility of KATS to collect and remit the appropriate taxes to the applicable taxing agencies as appropriate for this Lease transaction. Lessee is responsible to pay all applicable taxes associated with the Lease transaction and included on KATS invoices. Any increase or change in the taxes due in connection with this Lease transaction shall be billed and paid by Lessee with 30 days of receiving such invoice. KATS reserves the right to bill retroactively for any taxes due in connection with this Lease transaction, as appropriate. If Lessee is a tax-exempt organization, Lessee shall provide KATS with proof of its tax-exempt status.
13. **No Sublease.** The Lessee shall not sublease the Leased Equipment or transfer this Lease or the equipment to a third party without written consent from KATS.
14. **Force Majeure.** Neither party shall be liable for any failure or delay in performance under this Agreement (other than for delay in the payment of money due and payable hereunder) to the extent said failures or delays are proximately caused by causes beyond that party's reasonable control and occurring without its fault or negligence, including, without limitation, failure of suppliers, subcontractors, and carriers, or party to substantially meet its performance obligations under this Agreement, provided that, as a condition to the claim of non-liability, the party experiencing the difficulty shall give the other prompt written notice, with full details following the occurrence of the cause relied upon. Dates by which performance obligations are scheduled to be met will be extended for a period of time equal to the time lost due to any delay so caused.
15. **Notices.** Written notices shall be deemed received as of the USPS postage mark.
16. **Severability.** If any provision of this Lease is deemed invalid or unenforceable for any reason, all other provisions shall remain in full force and effect.

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17. **Governing Law.** This Lease shall be governed by and construed in accordance with the laws of the State of Illinois.
18. **Applicability.** Unless otherwise agreed to by KATS in writing, the above Terms and Conditions shall apply to all Orders signed by both KATS and Lessee. This Agreement shall override in the case of any conflicts between Orders and this Agreement. The execution of Lessee's Order by Lessee shall be deemed acceptance of all terms herein. Rental of all Leased Equipment is subject to the terms and conditions herein and acceptance of Leased Equipment shall automatically bind the TERMS AND CONDITIONS contained herein and those specified on any Order.
19. **Service Rates.** Rates for the following services shall be as follows unless otherwise specified on Lessee's Order:

SERVICE RATES:	
Normal Service Hour Rates (7am to 5pm)	
2 Person Crew – 1 Hour	\$75.00 / Hr
Emergency Service Hour Rates (5pm to 7am)	
2 Person Crew – 1 Hour	\$140.00 / Hr