

## HIRE TERMS AND CONDITIONS

### 1. Interpretation of Words in this Contract;

**Commencement** – means the date when (a) the Customer takes possession of the Equipment; or (b) the date the Parties enter into an agreement pursuant to an applicable Hire Document; or (c) the date of supply of Equipment by Digital Logic to the Customer pursuant to a PPS Lease.

**Collateral** - means the same as that term is defined in the PPSA.

**Contract** - means this contract entered into between the Parties.

**Customer** – means the customer hiring the Equipment.

**Digital Logic** – means Digital Logic Pty Ltd ACN 101 449 932.

**Equipment** – means all of the kinds of equipment, and assets owned by Digital Logic and includes but is not limited to film production equipment, cameras, lenses, tripods, audio and lighting equipment (or any part or component thereof).

**GST** - means GST within the meaning of the GST Act.

**GST Act** - means *A New Tax System (Goods and Services Tax) Act 1999* (as amended).

**Hire Document** – means any and all document(s) which Digital Logic may require the Customer to sign (or accept in a way Digital Logic considers appropriate in respect of the lease of Equipment and including, but not limited to any applicable credit trade application agreement entered into between the Parties.

**Hire Period** - Means from Commencement until the end of the period that the Customer hires the Equipment.

**Monies Hereby Secured** means all monies, including the amount of money equal to the Price, for which the Customer may now or hereafter be indebted or liable or contingently indebted or liable to the Digital Logic on any account or for any reason whatsoever and together with any interest upon such monies as charged by the Digital Logic to the Customer.

**Parties** – means the Customer and Digital Logic as parties bound by this Contract.

**PPSA** - means the *Personal Properties Securities Act 2009 (Cth)* and the *Personal Property Securities Regulations 2010 (Cth)* as amended.

**PPS Lease** - means the same as that term is defined in the PPSA.

**Price** – means the amount payable by the Customer to Digital Logic as set out in the applicable Hire Document setting an amount to be paid by the Customer to Digital Logic.

**Privacy Act** - means the *Privacy Act 1988 (Cth)* and its amendments.

**Purchase Money Security Interest** means the same as that term is defined in the PPSA.

**Registration** - means

(i) The same as defined in the PPSA; and (ii) Also, means registration of the Security Interest on the relevant register to enable the Security Interest to have priority in accordance with this Contract.

**Security Interest** - means the Security Interest (as defined in the PPSA) and created by this Contract. The term 'Security Interest' shall be defined to mean the Purchase Money Security Interest if Digital Logic so determines in accordance with this Contract and the PPSA.

The terms "**Debtor**", "**Financing Change Statement**", "**Financing Statement**", "**Grantor**", "**Proceeds**", "**Secured Party**", "**Security Agreement**", and "**Security Property**" have the meanings given in the PPSA.

### 2 Digital Logic Obligations

Digital Logic will:

- 2.1 Allow the Customer to take and use the Equipment for the Hire Period.
- 2.2 Provide the Equipment to the Customer clean and in good working order.
- 2.3 Maintain the absolute legal right to refuse to hire any or all of the Equipment to the Customer at any time and on the basis of any grounds determined by Digital Logic (in its sole discretion) to be reasonable.
- 2.4 Maintain the absolute legal right to determine the amount of the Price, and the Hire Documents that shall be applicable for the purposes of determining the amount of the Price, in the case of any disagreement between Digital Logic and the Customer.

### 3. The Customer must:

- 3.1 Deliver the Equipment to Digital Logic when it is due back and the Parties agree that the Hire Period may only be extended for one or more definite periods and in each case this can only be done if the Customer requests it and if Digital Logic agrees. Digital Logic may issue and require the Customer to sign amended or new legal documentation for any extension of the Hire Period.
- 3.2 Return the Equipment to Digital Logic in a clean condition, in good repair, and in the same condition that it was delivered to the Customer.
- 3.3 Satisfy itself at Commencement that the Equipment is suitable for its purposes and use the Equipment safely when it is out on hire, free of scratches and not unreasonably worn.
- 3.4 Operate the Equipment safely, strictly in accordance with the law, only for its intended use, and in accordance with any manufacturer's instructions whether supplied by Digital Logic or posted on the Equipment.
- 3.5 Indemnify Digital Logic for all injury and/or damage caused to persons and property in relation to the Equipment and its operation and have adequate insurance to cover all liabilities incurred as a result of the use of the Equipment.

- 3.6 Ensure that any person collecting or taking delivery of Equipment on behalf of the Customer is authorised by the Customer to do so and the Customer will not allege that any such person is not so authorised.
- 3.7 Ensure that all persons operating the Equipment are suitably instructed in its safe and proper use and where necessary hold a current Certificate of Competency and/or are fully licensed.
- 3.8 Conduct a thorough hazard and risk assessment before using the Equipment and comply with all applicable Occupational Health and Safety laws relating to the Equipment and its operation.
- 3.9 Operate the Equipment only with an adequate and legally suitable power source.
- 3.10 Report and provide full details to Digital Logic of any accident or damage to the Equipment within 24 hours of the accident or damage occurring.
- 3.11 Obtain its own insurance covering all loss and claims caused by Equipment being stolen, if requested to do so by Digital Logic, and the Customer hereby acknowledges that Digital Logic does not have any insurance for any loss or claim suffered as a result of any theft of Equipment.
- 3.12 Indemnify Digital Logic for the full amount of any insurance excess and otherwise pay the full amount of any insurance costs, if required to do so by Digital Logic, in respect of the Equipment to the extent that the amount or cost resulted from a breach of the Customer's obligations owed to Digital Logic.
- 3.13 Pay a replacement and/or repair cost, not exceeding \$2,200 for any damaged, lost or stolen Equipment as and when the Customer is requested to do so by Digital Logic.
- 3.14 Provide Digital Logic with a copy of an applicable and current certificate of insurance if the Customer has its own insurance covering a loss or claim in respect of the Equipment. The Customer must provide Digital Logic with the certificate of insurance on or before the Commencement date or at any other time and date that Digital Logic reasonably requests.

**The Customer must NOT.**

- 3.15 Tamper with, damage or repair the Equipment.
- 3.16 Lose or part with possession of the Equipment.
- 3.17 Rely upon any representation relating to the Equipment or its operation other than those contained in this Contract.
- 3.18 Use or carry any illegal, prohibited or dangerous substance in or on the Equipment.

**4. Payments by the Customer to Digital Logic**

- 4.1 Unless otherwise agreed between the Parties, on or about Commencement (or as otherwise specifically agreed with Digital Logic), the Customer must pay the Price and unless otherwise agreed between the Parties, the Price must be paid strictly within 7 days of the date of any invoice produced by Digital Logic to the Customer.
- 4.2 An amount of interest, calculated as Digital Logic reasonably determines, shall apply to any payment amount due and owing to Digital Logic and not paid within the time specified for payment.
- 4.3 Immediately on request, the Customer will pay the full replacement price, as reasonably determined by Digital Logic, of any Equipment which is for whatever reason not returned to Digital Logic.
- 4.4 The Customer is responsible for, and must fully indemnify and compensate Digital Logic in respect of:
  - (a) all loss or theft in respect of the Equipment;
  - (b) all costs incurred in cleaning the Equipment;
  - (c) the full cost of repairing any damage to the Equipment;
  - (d) stamp duties, GST, any other taxes or duties, and all tolls, fines, penalties, levies or charges payable in respect of this Contract or arising from Digital Logic supplying, or the Customer's use of, the Equipment;
  - (e) all costs incurred by Digital Logic in delivering and recovering possession of the Equipment;
  - (f) a late payment fee calculated daily at 10% per month on all amounts owing by the Customer not paid on time;
  - (g) any expenses and legal costs (including commission payable to a commercial agent) incurred by Digital Logic in enforcing this Contract;
- 4.5 Without limiting the ability of Digital Logic to recover all amounts owing to it, the Customer agrees to hereby fully indemnify and reimburse all legal fees that Digital Logic may incur in respect of recovering any amounts owing by the Customer to Digital Logic under this Contract.
- 4.6 The Customer agrees to allow the Digital Logic to request a credit check with Veda Advantage.
- 4.7 The Customer agrees that in the case of default the Digital Logic may list him as a credit defaulter with Veda Advantage.

**5 PPSA**

- 5.1 The Parties agree that this Contract constitutes a Security Agreement for the purposes of the PPSA and the terms of this Contract, together with relevant Hire Documents, create one or more Security Interest(s) or Purchase Money Security Interest(s) in accordance with the PPSA.
- 5.2 The Customer as beneficial owner and, if the Customer is the trustee of any trust, in its capacity as trustee of that trust, hereby charges in favour of the Digital Logic with the payment of the Monies Hereby Secured the whole of its undertaking and assets whatsoever and wheresoever both present and future including the goodwill of its business and its uncalled and called but unpaid capital including all premiums.

- 5.3 This charge shall be a fixed charge as regards any Interest in freehold and leasehold land, fixtures, plant, equipment and other fixed assets, intellectual property documents evidencing title to or the right to possession of any property the goodwill of its business and its uncalled and called but unpaid capital, including all premiums.
- 5.4 This charge shall be a floating charge as regards all other assets hereby charged and not covered by a fixed charge by way of this Contract's operation and effect.
- 5.5 The Customer grants the Security Interest to the Digital Logic, to secure payment of the Monies Hereby Secured and performance of obligations by the Customer under this Contract.
- 5.6 The Customer also grants a Security Interest(s), or Purchase Money Security Interest(s) in accordance with the PPSA, in respect of all Equipment that is the subject of a PPS Lease between Digital Logic and the Customer.
- 5.7 If Digital Logic has not registered a Security Interest in respect of any Equipment (the subject of a PPS Lease) ensuring a perfected first, or second after any banking institution, priority security Interest in the Equipment then the Hire Period, (including any extension of the Hire Period or the aggregate of consecutive Hire Periods during which the Customer has substantially uninterrupted possession) may not despite anything else in this Contract or any other Contract between the Parties be longer than 90 days in the case of Equipment which may or must be described by serial number pursuant to the PPSA Registration requirements, or a year in any other case.
- 5.8 The Parties agree that the Hire Period in respect of Equipment must be for a definite period.
- 5.9 The Customer must, within the timeframe notified by Digital Logic, sign all documents and do all things necessary, as notified by Digital Logic to:
- (a) Enable Registration with respect to all Security Interests; and
  - (b) Enable for that Registration to continue until such time as all of the Customer's obligations under this Contract have been satisfied, including but not limited to providing the Customer's details and any serial numbers required for Registration.
  - (c) Enable the Security Interest to be perfected and continue to be perfected until such time as all of the Customer's obligations under this Contract have been satisfied.
  - (d) Ensure that the Security Interest has priority over all third party interests in the Equipment, whether registered, perfected or otherwise and whether created or arising before or after the creation of the Security Interest, except those third party interests which Digital Logic expressly agrees will have priority over the Security Interest.
  - (e) Make any changes to the Registration relating to the Security Interest as Digital Logic may require from time to time, including to enable correction of any defects in the Registration.
  - (g) In accordance with the PPSA requirements and provisions, enable any Security Interest that forms part of the Collateral to be perfected and continue to be perfected until such time as all of the Customer's obligations under this Contract have been satisfied.
  - (h) In accordance with the PPSA requirements and provisions, ensure that a third person cannot acquire an interest in any Collateral free of, or with higher priority over, Digital Logic's Security Interest.
- 5.10 The rights of Digital Logic under this Contract are in addition to and not in substitution for Digital Logic's rights under other law (including the PPSA) and Digital Logic may choose whether to exercise rights under this Contract, and/or under such other law, as Digital Logic sees fit.
- 5.11 Digital Logic shall, if there is default by the Customer of any provision or obligations imposed on the Customer under this Contract, have the right to seize, purchase, take possession or apparent possession, retain, deal with or dispose of any Equipment and the Customer agrees that Digital Logic may exercise this right in any manner Digital Logic sees fit including (in respect of dealing and disposal) by private or public sale, lease or licence.
- 5.12 The Customer must not lease, hire, bail or give possession ('sub-hire') of the Equipment to anyone else unless Digital Logic (in its absolute discretion) first consents in writing. The Customer must ensure that any such sub-hire must be expressly accepted in writing by Digital Logic, before any such sub-hire takes place, and any such sub-hire must be expressed to be subject to the rights of Digital Logic under this Contract. The Customer may not vary a sub-hire without the prior written consent of Digital Logic (which may be withheld in its absolute discretion).
- 5.13 The Customer must ensure that Digital Logic is provided at all times with up-to-date information about any sub-hire including the identity of the sub-hirer, the terms of and state of accounts and payment under the sub-hire and the location and condition of the Equipment.
- 5.14 The Customer must take all steps including with respect to Registration under the PPSA as may be required to enable Digital Logic to maintain first priority at all times and in respect of all Security Interests in respect to Equipment and the Collateral.
- 5.15 To the extent permitted by the PPSA and all other applicable and relevant laws, the Customer waives its rights to receive any notices required to be issued or which would ordinarily be issued, whether by Digital Logic or any other person, to the Customer under the PPSA or the other relevant laws.
- 5.16 The Customer will be entitled to a release of the Security Interest when all its obligations under this Contract and the Hire Documents have been satisfied.
- 5.17 The Parties agree that to the extent chapter 4 of PPSA applies to any Security Interest under this Contract, Digital Logic has the sole discretion to determine whether or not the following provisions of the PPSA apply and the Parties agree that Digital Logic has the sole discretion to determine, for the purposes of section 115 of the PPSA, that the following provisions are "contracted out" of this Contract in respect of all Equipment to which that section can be applied: section 95 (notice of removal of accession to the extent it requires Digital Logic to give a

- notice to the Customer); section 96 (retention of accession); section 121(4) (notice to grantor); section 125 (obligations to dispose of or retain Collateral); section 130 (notice of disposal to the extent it requires Digital Logic to give a notice to the Customer); section 129(2) and 129(3); section 132(3)(d) (contents of statement of account after disposal); section 132(4) (statement of account if no disposal); section 135 (notice of retention); section 142 (redemption of Collateral); and section 143 (re-instatement of security Contract).
- 5.18 The following provisions of the PPSA: section 123 (seizing Collateral); section 126 (apparent possession); section 128 (secured party may dispose of Collateral); section 129 (disposal by purchase); and section 134(1) (retention of Collateral) may confer rights on Digital Logic. The Customer agrees that in addition to any rights conferred by those provisions, Digital Logic shall, if there is default by Customer, have the right to seize, purchase, take possession or apparent possession, retain, deal with or dispose of any goods, not only under those sections but also, as additional and independent rights, under this Contract and the Customer agrees that Digital Logic may do so in any manner it sees fit including (in respect of dealing and disposal) by private or public sale, lease or licence.
- 5.19 The Customer waives its rights to receive a verification statement in relation to Registration events in respect of commercial property under the PPSA, including a waiver of those rights under section 157 of the PPSA.
- 5.20 The Parties agree that Digital Logic has the absolute discretion to determine that Digital Logic and the Customer must not disclose information of the kind that can be requested under section 275(1) of the PPSA. The Customer must do everything necessary on its part to ensure that section 275(6) (a) of the PPSA continues to apply. The Parties agree that this clause in the Contract is made solely for the benefit and purpose of allowing to Digital Logic the benefit of section 275 (6) (a) and Digital Logic shall not be liable to pay damages or any other compensation or be subject to injunction in respect of any actual or threatened breach of this clause or any requirement of the PPSA.
- 5.21 To the extent permitted by the PPSA and any other relevant laws, the Customer waives its rights to receive any notices required to be issued or which would ordinarily be issued, whether by the Digital Logic or any other person, to the Customer under the PPSA or the other relevant laws.
- 5.22 The Customer will be entitled to a release of the Security Interest only when all of its obligations under this Contract, and including all of the Customers obligations with respect to the PPS Lease and the PPSA, have been satisfied in full.
- 5.23 The Customer will be responsible for its own costs in relation to the Security Agreement (as that term is defined in the PPSA), the grant of the Security Interest, Registration with respect to the Security Interest, release of the Security Interest and, perfection of Digital Logic's Security Interest, and complying with its obligations under this clause.
- 5.24 The Customer must pay to the Digital Logic on request, all Digital Logic's expenses, including legal costs, stamp duty, Registration fees, fees related to the grant of the Security Interest(s), Registration with respect to the Security Interest(s), release of the Security Interest(s) and perfection of the Security Interest(s).
- 5.25 Where permitted under the PPSA, the provisions contained in this Contract will prevail over the PPSA at the sole discretion of Digital Logic, to the extent of any inconsistency.
- 5.26 The Digital Logic may exercise its rights in relation to the Security Interest any time after the Customer fails to comply with its obligations under this Contract
- 5.28 The Parties agree that references in this Contract shall be interpreted to mean a reference to a Purchase Money Security Interest unless Digital Logic, in its sole and unfettered capacity, otherwise so determines.

#### **6 Breach of Hire Contract by Customer**

- 6.1 If the Customer breaches any clause whatsoever of this Contract, or becomes bankrupt, insolvent or ceases business then Digital Logic shall be entitled to terminate this Contract, and/or sue for recovery of all monies owing by the Customer, and/or repossess the Equipment (and Digital Logic is authorised to enter any premises where the Equipment is located to do so).
- 6.2 The Customer hereby fully indemnifies and releases Digital Logic in respect of any loss or claim suffered by Digital Logic as a result of any breach by the Customer of any provision of this Contract or otherwise any loss or claim made in connection with this Contract, the Customer, the Equipment or Digital Logic.
- 6.3 The Customer hereby fully indemnifies and releases Digital Logic in respect of any third party claims or any loss suffered by any third party in relation to this Contract or any loss or claim made in connection with this Contract, the Customer, the Equipment or Digital Logic.
- 6.4 The Parties hereby agree that if the Customer cancels a booking for the hire of Equipment, within twenty four (24) hours of that booked hire, then Digital Logic has the sole legal right to charge or otherwise cause the Customer to forfeit up to fifty percent (50%) of the Price (or any part thereof) in respect of that Equipment.

#### **7 GST**

- 7.1 Expressions used in this section have the same meanings as when used in the GST Act.
- 7.2 The Customer must pay GST on any taxable supply made by Digital Logic to the Customer under this Contract. The payment of GST is in addition to any other consideration payable by the Customer for a taxable supply
- 7.3 All prices will be quoted exclusive of GST. However, all amounts for the purposes of this Contract will be sold on a 'plus GST (if any)' basis. Invoices will be issued in the prescribed form as set out by Section 195-1 of the GST Act and the related imposition Acts of the Commonwealth (the GST Law).

- 7.4 Except where an invoice specifies otherwise, an amount payable by a party under this Contract in respect of a taxable supply by the other party represents the value of the supply and the recipient of the supply must, in addition to that amount and at the same time, pay to Digital Logic the GST payable in respect of the supply.
- 7.5 An amount payable by the Customer in respect of a creditable acquisition by Digital Logic from a third party must not exceed the sum of the value of Digital Logic's acquisition and any additional amount payable by the Customer on account of Digital Logic's GST liability.
- 7.6 A Party is not obliged to pay the GST on a taxable supply to it unless given a valid invoice for the supply.

#### **8 Disputes**

- 8.1 The Customer must immediately, and by no later than 7 days after Commencement date, inform Digital Logic in writing if the Customer disagrees with the amount of the Price. In the event that no written communication is received by Digital Logic from the Customer within that 7 day period, the full amount of the Price is deemed to be accepted by the Customer.
- 8.2 If a dispute arises relating to this Contract, the hiring or the use of the Equipment (except in regard to payment of the Price due to Digital Logic), the parties agree to negotiate to settle the dispute, including at mediation or otherwise by way of negotiation, before any Party commences any litigation proceedings whatsoever.

#### **9 Privacy**

- 9.1 Digital Logic will at all times use its best endeavours to comply with the legal obligations, imposed on Digital Logic by the Privacy Act, in all dealings with the Customer under this Contract.

#### **10 Governing Law**

- 10.1 This Contract is governed by the law of the state of New South Wales, and the Parties submit to the jurisdiction of the courts of that State.

#### **11 Indemnity**

- 11.1 To the extent permissible by law, the Customer is responsible for all losses, damages, penalties, claims, suits and actions (collectively "Claims"), whether based on the doctrine of strict liability or otherwise caused by or related to the use, possession, or delivery of the Equipment or any defects in the Equipment.
- 11.2 The Customer agrees to indemnify and release Digital Logic for and against, and if Digital Logic requests to defend Digital Logic against, any claims or losses not attributable to the negligence of Digital Logic or breach of the terms of this Contract by Digital Logic (including legal costs on a solicitor client basis).

#### **12 Insurance**

- 12.1 The Customer will, at the Customer's expense, effect and keep current if the Customer is an employer, a policy of workers compensation insurance for any employee who within their scope of employment shall operate the Equipment.

#### **13 Ownership and Personal Property**

- 13.1 The Customer having no title or interest in the Equipment shall keep the Equipment free of all liens and encumbrances.
- 13.2 If the Equipment is installed, used or stored in any premises not owned by the Customer or which is subject to a Security Interest given by the Customer, the Customer will, if Digital Logic requests, obtain and provide to Digital Logic an acknowledgment executed by each person who has any interest in those premises confirming that the Equipment is the property of Digital Logic and may be removed by Digital Logic without our incurring any liability.

#### **14 Legal Validity**

- 14.1 The Parties hereby agree that this Contract comes into full force, operation and effect on the Commencement date irrespective of whether or not the Parties formally execute this Contract and irrespective of whether or not the Parties execute any applicable or relevant Hire Document.
- 14.2 To the extent of any inconsistency, between a Hire Document and this Contract, the terms and conditions of this Contract prevail to the extent of that inconsistency unless Digital Logic otherwise so determines.

#### **15 Severance**

If any part of this Contract is invalid or unenforceable, that part is deleted and the remainder of the Contract remains effective.

#### **16 Privacy Act**

The Customer agrees to the terms of the Privacy Act authorisation contained in any Hire Documents or as otherwise required to be given by the Customer for the purposes of Digital Logic enforcing and/or exercising its rights under this Contract.