



- 1 -

with respect to such Schedule, without interest. Said security deposit may be commingled with Lessor's other funds.

3. NET LEASE:

Each Schedule executed hereunder shall constitute a net lease and Lessee agrees that its obligation to pay all Monthly Rent and other sums payable hereunder ("Rent"; "Rent" and "Monthly Rent" are sometimes referred to herein together as "Rent"), shall be absolute and unconditional and shall not be subject to any abatement, reduction, set-off, defense, counterclaim or recoupment ("Abatements") whatsoever, including without limitation, Abatements due to any past, present or future claims arising under this Master Lease, any Schedule or otherwise of Lessee against Lessor or any assignee of Lessor ("Assignee"), or against the manufacturer or seller of any Unit or against any other person or entity.

4. ACCEPTANCE:

Lessee represents and warrants that: (a) it has selected each Unit based on its own judgment and expressly disclaims any reliance upon statements made by Lessor, and (b) as of the Installation Date, as between Lessee and Lessor, Lessee shall have unconditionally accepted such Unit. On the Installation Date, Lessee will execute and deliver an Acceptance Certificate, in the form attached hereto as Exhibit B, with respect to each Unit, which Acceptance Certificate shall constitute conclusive evidence of the foregoing. Lessee hereby authorizes Lessor to complete the Unit's serial number and/or Installation Date on Lessee's behalf if an Acceptance Certificate has been returned incomplete.

5. WARRANTIES; DISCLAIMER OF WARRANTIES:

5.1 Lessor warrants that (a) so long as no Event of Default has occurred and is continuing hereunder, (i) Lessee shall have the right of quiet and peaceful use, possession and enjoyment of the Equipment, subject to and in accordance with the provisions of this Master Lease, and (ii) notwithstanding any assignment, transfer, or grant of security interest by Lessor, neither Lessor nor any Assignee shall interfere with Lessee's said right of quiet enjoyment of the Equipment, and (b) as of the Installation Date, (i) Lessor shall have title to the Equipment or the right to lease the Equipment to Lessee, and (ii) the Equipment shall be eligible for the manufacturer's standard maintenance agreement.

5.2 LESSOR MAKES NO OTHER WARRANTY, EXPRESS OR IMPLIED, AS TO ANY MATTER WHATSOEVER INCLUDING, WITHOUT LIMITATION, THE DESIGN OR CONDITION OF THE EQUIPMENT, ITS MERCHANTABILITY OR ITS FITNESS OR CAPACITY OR DURABILITY FOR ANY PARTICULAR PURPOSE, THE QUALITY OF THE MATERIAL OR WORKMANSHIP OF THE EQUIPMENT OR CONFORMITY OF THE EQUIPMENT TO THE PROVISIONS AND SPECIFICATIONS OF ANY PURCHASE ORDER OR ORDERS RELATING THERETO, AND LESSOR EXPRESSLY DISCLAIMS THE SAME, AND, AS TO LESSOR, LESSEE LEASES THE EQUIPMENT "AS IS". LESSOR SHALL HAVE NO LIABILITY TO LESSEE FOR ANY CLAIM, LOSS OR DAMAGE CAUSED OR ALLEGED TO BE CAUSED DIRECTLY, INDIRECTLY, INCIDENTALLY OR CONSEQUENTIALLY BY THE EQUIPMENT, OR BY ANY INADEQUACY THEREOF OR DEFICIENCY OR DEFECT THEREIN, BY ANY INCIDENT WHATSOEVER IN CONNECTION THEREWITH, ARISING IN STRICT LIABILITY, NEGLIGENCE OR OTHERWISE. Notwithstanding the foregoing, provided no Event of Default shall have occurred or be continuing hereunder, Lessee shall be entitled to the benefit of any applicable manufacturer's warranties and such warranties are hereby assigned by Lessor for the benefit of Lessee, to the extent assignable. Upon Lessee's request and at the sole expense of Lessee, Lessor shall provide reasonable assistance to Lessee in enforcing any such warranties. As to new Equipment, Lessee acknowledges that Lessee ordered the Equipment from the supplier thereof, and either (a) Lessee received a copy of the contract by which Lessor acquired the Equipment, or (b) Lessor has informed Lessee in writing of (i) the identity of the supplier, (ii) that Lessee may have rights under said contract and may be entitled, under the version

of Uniform Commercial Code Article 2A ("UCC 2A") as in effect in the state specified in Section 28, to the benefit of warranties provided to Lessor by said supplier, and (iii) that Lessee may and should contact the supplier to receive an accurate and complete description of such rights including any disclaimers or limitations on them or of the remedies thereunder. Lessee makes this acknowledgment so that each such Schedule shall qualify as and be a "finance lease" under UCC 2A. **TO THE EXTENT PERMITTED BY APPLICABLE LAW, LESSEE HEREBY WAIVES ANY AND ALL RIGHTS AND REMEDIES CONFERRED UPON A LESSEE BY SECTIONS 2A-401 AND 2A-402, AND SECTIONS 2A-508 THROUGH 2A-522 OF THE UCC, PROVIDED HOWEVER, THAT THE FOREGOING WAIVER WILL IN NO EVENT IMPAIR OR DIMINISH ANY RIGHT OR REMEDY OTHERWISE CONFERRED UPON LESSEE HEREUNDER.**

6. LIENS; TAXES:

6.1 Lessee shall not directly or indirectly create, incur, assume or suffer to exist any mortgage, lien, security interest, charge, encumbrance or claim (each a "Lien") on or with respect to this Master Lease or any Schedule, the Equipment, title thereto or any interest therein except a Lien created by Lessor or Assignee, and Lessee shall immediately at its own expense take all actions as may be necessary to discharge such Lien.

6.2 Lessee shall file and pay all income, ad valorem, value added, leasing, leasing use, stamp or other taxes, levies, imposts, duties, charges or withholdings of any nature arising out of the transactions contemplated herein and imposed against Lessor, Lessee, or the Equipment by any federal, state, local, or foreign government or taxing authority upon or with respect to the Equipment or upon the sale, purchase, ownership, delivery, leasing, possession, use, operation, return or other disposition thereof, or upon the Rent, receipts or earnings arising therefrom, or upon or with respect to this Master Lease ("Impositions"), excluding, however, Impositions on, or measured solely by, the net income of Lessor and franchise or similar taxes based on Lessor's business existence or status. Lessee shall reimburse Lessor for all Impositions to the extent paid by Lessor, and Lessee shall pay Lessor an administrative fee thereon if assessed by Lessor, such fee not to exceed five percent (5%) of the amount of reimbursable Impositions. Lessee shall also reimburse Lessor for all sales or use taxes assessed on Rent, installation, transportation or other services relating to the Equipment. In the event Lessee either self assesses sales or use tax or is required to pay directly sales tax or use tax or any Imposition relating to any charge made by Lessor to Lessee, Lessee promptly shall forward copies of all pertinent returns or audit documents to Lessor. Lessee shall not report any Equipment as directly assessable to Lessee without the prior consent of Lessor. Any penalties, fines, or interest relating to returns to be filed by Lessee or payments to be made by Lessee directly to any taxing authority and later assessed to Lessor shall be paid by Lessee. All payments and advances made by Lessor shall be deemed Rent, including but not limited to, all Impositions owed directly by Lessor for which Lessee has responsibility for reimbursement hereunder and all amounts advanced by Lessor to pay Impositions otherwise owed by Lessee.

7. INDEMNIFICATION:

Except for Lessor's gross negligence or willful misconduct, Lessee shall indemnify and hold harmless Lessor, its assignees, successors or transferees and their respective employees, officers and/or agents (herein "Indemnified Persons"), from and against any loss (including any loss of tax benefits arising as a result of an act, omission or misrepresentation of Lessee), liabilities, damages, penalties, claims, suits, costs, expenses and disbursements at law or in equity, including attorney's fees, imposed on, incurred by or asserted against the Indemnified Persons arising out of the leasing, ownership, use, possession, control, maintenance, operation and transportation of the Equipment, including but not limited to, claims for patent, trademark or copyright infringement and claims for property damage, personal injury or wrongful death arising in strict liability or negligence. All indemnities contained in any section of this Master Lease, including this Section 7, shall survive the expiration or other termination of this Master Lease or any Schedule with respect to acts or events occurring

or alleged to occur prior to return of any Unit to Lessor and are expressly made for the benefit of, and shall be enforceable by any or all of the Indemnified Persons.

8. USE; INSTALLATION; MAINTENANCE; INSPECTION:

8.1 Lessee shall comply with all laws, regulations and orders of any governmental branch or agency which relate to the installation, use, possession or operation of the Equipment, and shall use the Equipment in the regular course of its business only, within its normal capacity, without abuse.

8.2 Lessee shall pay all installation, transportation, rigging, unpacking and repacking, drayage, handling and insurance charges on the Equipment upon delivery to Lessee and upon redelivery to Lessor upon the expiration or earlier termination of the Initial Term or any extension thereof, to such destination as is specified by Lessor within the continental United States of America ("Return Location"). Lessee shall furnish appropriate installation facilities for the Equipment.

8.3 Lessee, at its own expense, shall maintain the Equipment in good operating condition, repair and appearance, and protect the same from deterioration other than normal wear and tear, and shall enter into, and keep in force a maintenance agreement with the manufacturer of the Equipment. Lessee shall cause the manufacturer to keep the Equipment in good and efficient working order, less normal wear and tear, in full compliance and in accordance with the provisions of such maintenance agreement and shall furnish evidence of such agreement to Lessor upon request. During Lessee's normal business hours, Lessee shall provide the manufacturer's field engineering representatives with access to the Equipment to install engineering changes necessary to keep the Equipment at currently announced engineering change levels. Upon deinstallation of any Unit, Lessee shall provide Lessor evidence from the manufacturer stating the Equipment is at currently announced engineering change levels and is qualified for the manufacturer's maintenance agreement.

8.4 During Lessee's normal business hours, upon prior written notice to Lessee and subject to Lessee's reasonable security procedures, Lessee shall permit Lessor or its designee to inspect the Equipment, Lessee's equipment log and maintenance records.

9. DEFAULT:

The occurrence of any of the following events shall constitute a default by Lessee hereunder ("Event of Default"):

(a) Lessee shall fail to pay when due any Rent and such failure continues unremedied for a period of ten (10) days;

(b) Except for defaults covered by Paragraph (a) above, Lessee shall fail to perform or observe any covenant, condition or agreement to be performed or observed by it hereunder and such failure continues unremedied for fifteen (15) days after written notice thereof to Lessee by Lessor;

(c) Lessee shall have made any representation or warranty herein, or in any document or certificate executed by Lessee incident herein, which is found to have been false in any material respect at the time such representation or warranty was made;

(d) Lessee shall cease doing business as a going concern, makes an assignment for the benefit of creditor, admits in writing its inability to pay its debts as they become due, files a voluntary petition in bankruptcy, is adjudicated a bankrupt or an insolvent, files a petition seeking for itself any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar arrangement under any present or future statute, law or regulation or files an answer admitting the material allegations of a petition filed against it in any such proceeding, consents to or acquiesces in the appointment of a trustee, receiver, or liquidator of it

or of all or any substantial part of its assets or properties, or if it or its shareholders shall take any action toward its dissolution or liquidation;

(e) Within sixty (60) days after the commencement of any proceedings against Lessee seeking reorganization, arrangement, readjustment, liquidation, dissolution or similar relief under any present or future statute, law or regulation, such proceedings shall not have been dismissed or set aside, or if within sixty (60) days after the appointment without Lessee's consent or acquiescence of any trustee, receiver or liquidator of it or of all or any substantial part of its assets and properties, such appointment shall not be vacated;

(f) Lessee shall attempt to remove, sell, transfer, encumber, part with possession or sublet the Equipment or any Unit, except as expressly permitted hereunder; or

(g) Lessee ceases doing business as a going concern or merges with, or a substantial portion of Lessee's assets are acquired by any other entity whose financial condition is less than that of Lessee, as determined by Lessor, or which entity, if acceptable to Lessor, fails to fully assume Lessee's obligations in a form acceptable to Lessor.

10. REMEDIES:

Upon the occurrence of any Event of Default and at any time thereafter, Lessor may, with or without terminating this Master Lease, in its sole discretion, do any one or more of the following:

(a) proceed by appropriate court action to enforce performance by Lessee of the applicable covenants of this Master Lease or any Schedule;

(b) declare immediately payable all sums due and to become due hereunder for the full term of any and all Schedules to this Master Lease;

(c) if the Schedule provides for a Casualty Value of the Equipment, recover (i) any then accrued and unpaid Rent plus interest thereon at the Late Payment Rate, (ii) the Casualty Value of the Equipment as of the rent payment date immediately preceding Lessee's date of default, and (iii) all commercially reasonable costs and expenses incurred by Lessor in any repossession, recovery, storage, repair, sale, re-lease or other disposition of the Equipment, including reasonable attorney's fees and costs incurred in connection therewith or otherwise resulting from Lessee's default;

(d) if the Schedule does not provide for a Casualty Value for the Equipment, recover from Lessee damages, not as a penalty, but herein liquidated for all purposes and in an amount equal to the sum of (i) any then accrued and unpaid Rent plus interest thereon at the Late Payment Rate, (ii) the present value of all remaining Rent contracted to be paid over the unexpired portion of the Initial Term, discounted at an interest rate (the "Default Rate") equal to the rate at which Lessor has obtained non-recourse financing with respect to such Schedule less 100 basis points, or if such financing is not obtained then at the bank prime loan interest rate published in the Wall Street Journal on the applicable Commencement Date less 100 basis points, plus interest thereon at the Late Payment Rate until paid and plus any lender breakage costs and prepayment penalty fees, (iii) all commercially reasonable costs and expenses incurred by Lessor in any repossession, recovery, storage, or repair, sale, re-lease or other disposition of the Equipment, including reasonable attorney's fees and costs incurred in connection therewith or otherwise resulting from Lessee's default, and (iv) the fair market residual value of the Equipment determined by Lessor in a commercially reasonable manner as of the expiration of the Initial Term or any extension thereof, and discounted to present value at the Default Rate to the date of payment, such determination to be conclusive absent manifest error;

(e) re-lease or sell any or all of the Equipment at a public or private sale, with the privilege of becoming the purchaser or lessee thereof, on such terms and notice as Lessor shall deem reasonable, and thereafter Lessor shall apply the proceeds derived

therefrom as follows, Lessee remaining liable for any deficiency: First, to reimburse Lessor for all costs and expenses incurred by Lessor in any repossession, recovery, storage, repair, sale, re-lease, or other disposition for the Equipment, including reasonable attorneys' fees, commissions, and brokers' fees, and costs incurred in connection therewith or otherwise resulting from Lessee's default; second, to pay Lessor any amounts owing hereunder; third, to reimburse Lessee for any amount paid hereunder as a result of Lessee's default; and fourth, any surplus remaining thereafter to Lessor;

(f) take possession (by summary proceedings or otherwise) of the Equipment without prejudice to any other remedy or claim referred to herein; and

(g) exercise any other right or remedy which may be available to it under the Uniform Commercial Code or any other applicable law.

A termination hereunder shall occur only upon notice by Lessor and only as to such Equipment as Lessor specifically elects to terminate and this Master Lease and all Schedules hereto shall continue in full force and effect as to the remaining Equipment, if any. No remedy referred to in this Section is intended to be exclusive, but each shall be cumulative and in addition to any other remedy referred to above or otherwise available to Lessor at law or in equity. No express or implied waiver by Lessor of any default shall constitute a waiver of any other default by Lessee or a waiver of any of Lessor's rights.

11. DAMAGE; DESTRUCTION OR LOSS:

11.1 Upon delivery of the Equipment to Lessee until the Equipment is redelivered to Lessor, Lessee shall bear the entire risk of loss, damage, or destruction with respect to the Equipment resulting from any cause whatsoever.

11.2 If any Unit becomes damaged, partially damaged or damaged beyond repair, lost, stolen, destroyed or permanently rendered unfit, or in the event of any condemnation or requisition of title or use of any Unit by any governmental authority (any such occurrence being hereinafter referred to as an "Event of Loss"), then Lessee shall promptly notify Lessor and shall do either of the following within thirty (30) days after the occurrence of an Event of Loss:

(a) At its expense, promptly repair the affected Unit to its original capacity and condition or replace the affected Unit with a newer unit of identical make, model, configuration, capacity and condition, in good repair, free and clear of all Liens, in which case any such replacement unit shall become the property of Lessor and for all purposes of this Master Lease shall be deemed to be the Unit which it replaced; or

(b) Terminate the Schedule with respect to the affected Unit and pay to Lessor on the next payment date, an amount equal to (i) if specified in the Schedule, the Casualty Value set forth therein or (ii) if not specified in the Schedule, an amount equal to the sum as calculated in Section 10(d) as of the date of the Event of Loss.

12. INSURANCE:

Lessee shall, at its expense, insure the Equipment against all risks and in such amounts as Lessor shall reasonably require (but not less than the full replacement value) with carriers reasonably acceptable to Lessor, shall maintain a loss payable endorsement in favor of Lessor and Assignee affording to Lessor and Assignee such additional protection as Lessor and Assignee shall reasonably require, and Lessee shall maintain liability insurance reasonably satisfactory to Lessor. All such insurance policies shall name Lessee, Lessor and Assignee as additional insureds and loss payees, and shall provide that insurance coverage shall not be canceled or altered without at least thirty (30) days' prior written notice to Lessor and Assignee, and that no breach of warranty by Lessor shall invalidate such insurance with respect to any additional insured. Lessee shall furnish appropriate evidence of such insurance to Lessor and Assignee.

13. SURRENDER OF EQUIPMENT:

Upon the expiration or earlier termination of any Schedule with respect to any Unit, Lessee shall, unless Lessee has paid Lessor in cash the Casualty Value of the Unit plus any accrued Rent and any other payments due, at Lessee's expense, deinstall, repackage and return the Equipment to Lessor to the Return Location, in the condition described in Section 8 hereof. Lessee shall arrange and pay for all such repairs and work required as to any Unit for the manufacturer to accept the Equipment at the time of surrender under the manufacturer's standard maintenance agreement. Lessee shall bear the risk of damage or loss until delivery of the Equipment to the Return Location.

14. ASSIGNMENT BY LESSOR:

LESSOR MAY ASSIGN OR TRANSFER THIS MASTER LEASE OR ANY SCHEDULE HERETO OR LESSOR'S INTEREST IN THE EQUIPMENT OR GRANT A SECURITY INTEREST THEREIN TO ONE OR MORE ASSIGNEES WITHOUT NOTICE TO LESSEE. Any Assignee of Lessor shall have all of the rights but none of the obligations of Lessor hereunder unless expressly agreed in writing, and Lessee agrees that it will not assert against any Assignee any defense, counterclaim or offset that Lessee may have against Lessor. Lessee shall have no greater obligations to any Assignee than it had to Lessor at the time of assignment, and such assignment shall not limit or otherwise restrict the rights afforded Lessee hereunder. Such assignment shall not (i) relieve Lessor of its obligations hereunder upon the assignment hereof to Assignee, or (ii) impair the rights of Lessee hereunder. Lessee hereby (i) consents to such assignments and/or grants, (ii) agrees to promptly execute and deliver such further acknowledgments, agreements and other instruments as may be reasonably requested by Lessor or Assignee to effect such assignments and/or grants from time-to-time as each Schedule is executed and (iii) agrees to comply fully with the terms of any such assignments and/or grants. Lessee acknowledges that any assignment or transfer by Lessor made in accordance with the provisions of this Section shall not materially change Lessee's duties or obligations under this Lease nor materially increase the burdens or risks imposed on Lessee. In the event of an assignment, all references herein to Lessor shall include Assignee.

15. ASSIGNMENT OR SUBLEASE BY LESSEE:

LESSEE SHALL NOT ASSIGN OR IN ANY WAY DISPOSE OF ALL OR ANY PART OF ITS RIGHTS OR OBLIGATIONS UNDER THIS LEASE OR ENTER INTO ANY SUBLEASE OF ALL OR ANY UNIT WITHOUT THE PRIOR WRITTEN CONSENT OF LESSOR, WHICH CONSENT SHALL NOT BE UNREASONABLY WITHHELD. As to any assignment or sublease permitted hereunder, the following additional conditions shall apply:

(a) Equipment shall not be relocated outside of the United States of America;

(b) Lessee shall give to Lessor prior written notice of the location of the Equipment and the identity of the lessee thereof ("Subsequent Lessee") thirty (30) days prior to installation of the Equipment at Subsequent Lessee's location;

(c) No sublease or assignment shall in any way discharge or diminish any of Lessee's obligations to Lessor under the Master Lease or any Schedule thereto;

(d) Any sublease or assignment shall be expressly subject and subordinate to the terms and conditions of this Master Lease and the applicable Schedule, the terms and conditions thereof shall be subject to Lessor's reasonable approval, and Lessee shall assign its rights thereunder to Lessor and Assignee as additional collateral and security for the performance of Lessee's obligations hereunder; and

(e) Lessee shall grant to Lessor the right to submit and match the last proposal for the sublease or assignment of the

Equipment and to submit and match the last proposal for the financing or lease of any equipment which is to replace Equipment.

16. RELOCATION:

Lessee shall not move or permit to be moved any Equipment from the Equipment Location without the prior written consent of Lessor, which consent shall not be unreasonably withheld; provided, however, in no event shall any Equipment be moved to a location outside the United States of America. Risk of loss and all costs and expenses incurred in connection with any movement of Equipment shall be the responsibility of Lessee.

17. ALTERATIONS AND MODIFICATIONS:

Lessee shall not make modifications, alterations or additions to Equipment (other than normal operating accessories or controls) without the prior written consent of Lessor, which consent shall not be unreasonably withheld. Notwithstanding the foregoing, Lessee shall be entitled to acquire and install, at Lessee's expense, such additional features or options ("Modifications") which (i) will not impair the originally intended function or use of the Equipment in which the Modifications are installed, (ii) will not require removal of any part of the Equipment, (iii) will not interfere with Lessee's ability to obtain and maintain the maintenance contract required by Section 8.3, and (iv) the addition of which will not have an adverse impact upon the value of the underlying Equipment or Lessor's rights therein. Such Modifications shall be of the type which are readily installed and removed without damage to the Equipment so as to restore the Equipment to the condition in which it existed prior to the installation of such Modifications; provided, however, that if Lessor so agrees in writing, Lessee shall not be required to remove such Modifications. Any Modifications not so removed shall become the property of Lessor. All Modifications must qualify for the manufacturer's maintenance agreement and be maintained in accordance with Section 8 hereof. Lessee shall grant to Lessor the right and opportunity to first submit and match the last proposal for the lease, financing or supply of any Modification.

18. REPRESENTATIONS AND WARRANTIES OF LESSEE:

Lessee represents and warrants for the benefit of Lessor and any Assignee, and, if requested, will provide for each Schedule an Incumbency Certificate or other document identifying the signatures and establishing the authority of the signers of the lease documents. Lessee further certifies that:

(a) Lessee is a legal entity, duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation and is in good standing in each jurisdiction where the Equipment will be located and has adequate corporate power to enter into and perform this Master Lease and each Schedule;

(b) This Master Lease and each Schedule have been duly authorized, executed and delivered by Lessee and constitute a valid, legal and binding agreement of Lessee, enforceable in accordance with their terms, subject to enforcement limitations imposed by state or federal laws generally affecting the rights of creditors and general equitable principles;

(c) The execution and delivery of and the performance by Lessee of its obligations under this Master Lease and each Schedule will not violate any judgment, order, law or governmental regulation applicable to Lessee or any provision of Lessee's articles of incorporation, by-laws or other organizational documents or result in any breach of or constitute a default under any instrument or agreement to which Lessee is a party or by which Lessee or its assets may be bound or result in the creation of any Lien;

(d) There are no actions, suits or proceedings pending before any court, administrative agency, arbitration tribunal or governmental body which will, if determined adversely to Lessee, materially adversely affect its ability to perform its obligations under this

Master Lease, each Equipment Schedule or any related agreement to which it is a party; and

(e) Lessee is not a tax exempt entity under the Internal Revenue Code of 1986 as amended.

19. NOTICES:

Any notices required by this Master Lease shall be transmitted by registered or certified mail or other form of expedited delivery which requires the signature or acknowledgment of the receiving party. All such notices shall be issued to the addresses of the parties set forth above, or to such other address as a party may hereafter specify by written notice given in accordance with the requirements of this Section, and shall be deemed given on the earlier of the date received and three (3) days after the date notice is issued.

20. SOFTWARE:

Lessee and Lessor acknowledge that the Equipment may contain or include a description of certain software ("Software") in which Lessor and Lessee have no ownership or other proprietary rights. Where required by the Software owner, manufacturer or distributor, Lessee shall enter into a license or other agreement for the use of such Software. Any Software agreement shall be separate and distinct from this Master Lease and any Schedule, and Lessor and Assignee shall not have any obligations thereunder, but shall have the right to require Lessee to terminate Lessee's use of the Software if an Event of Default shall occur and shall be continuing hereunder. In the event Rent specified in a Schedule includes an amount attributable to the financing by Lessor of Lessee's fee for use of Software, Lessee agrees that such amount shall be deemed Rent and subject to all the provisions of this Master Lease.

21. LESSOR'S RIGHT TO CURE:

If Lessee fails to perform any obligations hereunder, then Lessor, in addition to all of its rights and remedies hereunder, may perform the same, but shall not be obligated to do so, at the cost and expense of Lessee. In such event, Lessee shall promptly reimburse Lessor for any such costs and expenses incurred by Lessor together with interest thereon at the Late Payment Rate from the date incurred to the date reimbursement is made. All payments and advances made by Lessor shall be deemed Rent.

22. FINANCIAL STATEMENTS AND INFORMATION:

During the term of this Master Lease, Lessee shall furnish to Lessor and Assignee upon Lessor's written request, Lessee's audited balance sheet and income statement for its most recent fiscal year, all prepared in accordance with generally accepted accounting principles consistently applied, and, from time-to-time, such other information concerning the Equipment as Lessor or its Assignee may reasonably request.

23. COUNTERPARTS; FINANCING STATEMENTS; POWER OF ATTORNEY:

23.1 The single executed original of this Master Lease and each Schedule marked "Original" shall be the Original and all other counterparts of each document shall be marked and be "Executed Counterparts". To the extent that each Schedule together with this Master Lease constitutes chattel paper, as such term is defined in the Uniform Commercial Code in effect in any applicable jurisdiction, no security interest in a Schedule may be created through the transfer or possession of any counterpart other than the Original of such Schedule together with a copy of this Master Lease.

23.2 Lessee hereby authorizes Lessor and grants Lessor power of attorney to execute, on Lessee's behalf, Uniform Commercial Code financing statements and any and all additional instruments requested by Lessor to perfect the interest of Lessor, its successors or assigns in this Master Lease, any Schedule, the payments due hereunder or the Equipment. Lessee authorizes Lessor,

at Lessee's expense, to file a copy of this Master Lease or any Schedule as a financing statement.

23.3 Lessee hereby appoints Lessor or any Assignee as its agent and attorney-in-fact to execute, deliver, file and record any and all Uniform Commercial Code Financing Statements and Statements of Amendment as are deemed necessary or desirable by Lessor or any Assignee, regardless whether for precautionary filing purposes, to indicate the interest of Lessor or any Assignee in this Schedule, the Equipment and any proceeds thereof.

24. SUSPENSION OF OBLIGATIONS:

Prior to delivery of any Unit, the obligations of Lessor may be suspended to the extent that Lessor is hindered or prevented from complying therewith because of labor disturbances, acts of God, fire, storms, accidents, failure of the manufacturer to deliver any Unit, governmental regulations or interference or any cause whatsoever not within the sole control of Lessor.

25. ATTORNEY'S FEES:

In the event of any action at law or in equity in relation to this Master Lease or any Schedule, the prevailing party shall be entitled to recover a reasonable sum for its attorney's fees and costs.

26. SURVIVAL OF REPRESENTATIONS, WARRANTIES, INDEMNITIES AND COVENANTS:

All representations, warranties, indemnities and covenants of Lessee contained in this Master Lease or any other document or certificate delivered pursuant hereto or thereto shall continue in full force and effect and shall survive notwithstanding the full payment of all amounts due hereunder or the expiration or earlier termination of this Master Lease in any manner whatsoever.

27. EFFECT OF WAIVER:

The failure or delay of Lessor in exercising any rights granted hereunder shall not constitute a waiver of any such right and any single or partial exercise of any particular right by Lessor shall not

exhaust the same or constitute a waiver of any other right provided herein.

28. GOVERNING LAW; VENUE:

THIS MASTER LEASE SHALL BE CONSTRUED IN ACCORDANCE WITH, AND SHALL BE GOVERNED BY, THE LAWS OF THE STATE OF CALIFORNIA. LESSEE HEREBY CONSENTS TO THE JURISDICTION OF ANY STATE OR FEDERAL COURT LOCATED WITHIN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA AND IRREVOCABLY AGREES THAT, SUBJECT TO LESSOR'S ELECTION, ALL ACTIONS OR THEIR PROCEEDINGS RELATING TO THIS MASTER LEASE SHALL BE LITIGATED IN SUCH COURTS.

29. HEADINGS:

Section headings are inserted for convenience only and shall not affect any interpretation of this Master Lease.

30. ENTIRE AGREEMENT; SEVERABILITY; MODIFICATION; BINDING EFFECT:

There are no agreements or understandings, oral or written, between Lessor and Lessee with respect to the Equipment, other than as set forth herein and in each Schedule. This Master Lease and each Schedule contain the entire agreement between Lessee and Lessor with respect to the subject matter hereof. This Lease is intended to constitute a valid and enforceable legal instrument. In the event any provision hereof is declared invalid, such provision will be deemed severable from the remaining provisions of this Lease, all of which will remain in full force and effect. Neither the Master Lease nor any Schedule may be altered, modified, terminated or discharged except by a writing signed by the party against whom enforcement of such alteration, modification, termination or discharge is sought. This Master Lease and each Schedule shall be binding upon and shall inure to the benefit of Lessor, Lessee and their respective successors and assigns.

IN WITNESS WHEREOF, the parties have caused this Master Lease to be duly executed as set forth below.

LESSOR: TEQLEASE, INC.

LESSEE: _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

(9/2008)



23586 Calabasas Road, Suite 200
Calabasas, CA 91302
Tel. (818) 222-1006
Fax. (818) 222-1516

EQUIPMENT SCHEDULE NO. _____
TO
MASTER LEASE AGREEMENT DATED _____ ("LEASE")
BETWEEN

AND
TEQLEASE, INC. ("LESSOR")

1. Equipment

Item #	Qty	Manufacturer	Model	Description	Serial #	Unit Price	Extended Price

Total Equipment Cost: _____

Note: Lessee agrees that the above described configuration may be amended by Lessor to reflect the configuration appearing on Manufacturer's or supplier's invoice for the Equipment and that Lessor may insert the serial numbers and other identifying data of the Equipment.

2. Equipment Location:

3. Installation Date: The installation Date of each Item of Equipment shall be the earlier to occur of the following: (i) the date determined by Manufacturer or Maintenance Organization to be the date of installation; or (ii) unless Lessor and Lessee agree otherwise, the third day following delivery of such Item of Equipment to the Equipment Location.

4. Commencement Date: See Certificate of Delivery and Acceptance

5. Initial Term: _____

6. Monthly Rental: \$_____

7. Lease Agreement. The Lease and this Equipment Schedule may not be changed orally but only by and agreement in writing signed by both parties.

Lessee
Initials

All of the other terms, covenants, and conditions set forth in the Lease are set forth herein by reference as if the same had been set forth in full. By their execution and delivery of this Equipment Schedule, the parties hereby reaffirm all of the terms and conditions of the Lease (including, without limitation, the representations and warranties of Lessee set forth in Section 7 thereof) except as modified herein.

LESSOR: TEQLEASE, INC.

By: NOT FOR EXECUTION

Name: _____

Title: _____

Date: _____

LESSEE: _____

By: NOT FOR EXECUTION

Name: _____

Title: _____

Date: _____



23586 Calabasas Road, Suite 200
Calabasas, CA 91302
Tel. (818) 222-1006
Fax. (818) 222-1516

CERTIFICATE OF DELIVERY AND ACCEPTANCE
FOR
EQUIPMENT SCHEDULE NO. _____
TO
MASTER EQUIPMENT LEASE DATED _____ ("LEASE")
BETWEEN
_____ ("LESSEE") AND
TEQLEASE, INC. ("LESSOR")

The undersigned hereby certifies to TEQlease, Inc. ("Lessor") that the Item(s) of Equipment leased by the undersigned from Lessor pursuant to Equipment Schedule No. _____ to that certain Master Lease Agreement between the undersigned and Lessor dated _____, are acceptable and conform in all respects to the undersigned's purchase agreement with the vendor or supplier of the Equipment. The undersigned further certifies that the Equipment described below and leased pursuant to Equipment Schedule No. _____ was installed and ready for use as of the Installation Date, and that billing pursuant to Equipment Schedule No. _____ is appropriate.

Commencement Date: _____

Equipment Location :

Equipment Installation Date: _____

Item #	Qty	Manufacturer	Model	Description	Serial #	Unit Price	Extended Price
					Subtotal		
					Shipping		
					TOTAL		

LESSEE: _____

By: **NOT FOR EXECUTION** _____

Name: _____

Title: _____

Date: _____