Advanced Test Equipment Rentals
The Knowledge. The Equipment. The Solution.
10401 Roselle St.,San Diego, CA 92121
800-404-ATEC (2832) • Fax: 858-558-6570 • www.atecorp.com

TERMS AND CONDITIONS FOR RENT WITH OPTION RENTAL

General Terms

The following are the terms and conditions applicable to rental, sales, and service of equipment from Advanced Test Equipment Corporation, Advanced Test Equipment Rentals, Advanced Test Equipment Sales, and Advanced Test Equipment Service. These entities herein after will be referred to as ATEC. It is agreed and understood that proper legal jurisdiction and venue resides in San Diego, CA for all agreements entered into henceforth. These terms and conditions will prevail over any similar or conflicting terms and conditions of customer.

Acceptance of equipment by customer constitutes the exclusive and binding agreement by the customer to be bound by these terms and conditions covering the purchase or rental of the goods, equipment and or service of such goods and equipment ordered. The term "equipment" means all hardware, software, firmware, manuals, accessories, options, pouches and containers related to the products set forth.

Customer will be in default thereunder if it fails to pay any sum due to ATEC within payment terms granted, or fails to timely perform any other obligation owing to ATEC or if any bankruptcy or similar proceedings under federal or state law are filed by or against customer. Upon the occurrence of any default ATEC will: (1) terminate the rental of all products or equipment rented to customer under any and all agreements, (2) require customer to assemble and return all such products and/or equipment, or repossess all such products and/or equipment, and (3) recover from customer all amounts payable hereunder.

ATEC does not have any duty to account to customer for the proceeds of any disposition of equipment subsequent to return or repossession. All rights and remedies of ATEC on default are cumulative and will be exercised simultaneously or successively. No waiver of any one default will waive any other or subsequent default.

Customer indemnifies and holds ATEC harmless for any damage done by rented or leased equipment to other equipment projects or personnel and will insure ATEC against any such liability.

Customer is responsible for all loss, theft, mysterious disappearance, and damage due to fire, flood, wind, or any other cause while equipment is in customer's possession or in transit via any common special carrier or courier.

Specific Terms and Conditions for Rent with Option agreements (R.W.O.)

1. Customer will be invoiced for possession of equipment, NOT use. Equipment is in customer's possession once equipment leaves ATEC's shipping dock to customer's designated ship to location up until equipment is received back on ATEC's receiving dock, contingent upon customer fulfilling rental term and all equipment passing lab inspection.
2. Customer has the option to continue the rental after the original rental term has expired.
3. The payment term, rental term, rental rate, billing period, purchase price, and percentage of monthly rental payment(s) that may apply to the purchase of equipment (SEE ACCRUING EQUITY TOWARDS PURCHASE PRICE) must be confirmed in writing between ATEC and customer prior to processing and shipping equipment to customer.
4. The payment term is defined as the timeliness for when payment is to be made to ATEC by customer for rental services provided by ATEC. ATEC offers payment terms as follows: (a) payment in advance via EFT, wire or credit card (b) payment upon receipt of invoice, (c) Net 10 terms from invoice date, and (d) Net 30 terms from invoice date.
5. The rental term is defined as the number of billing period(s) the customer is obligated to pay to ATEC. ATEC DOES NOT PRORATE BILLING PERIOD(S) FOR EQUIPMENT RETURNED WITHIN ORIGINAL RENTAL TERM.

6. The rental rate is the price in U.S. Dollars the customer agrees corresponds to each billing period.
7. The billing period is defined as the ATEC billing cycle the customer will be invoiced for possessing ATECôs equipment. ATEC offers 1 billing period to itsô customers for R.W.O. agreements:

    a. Monthly Rental Period: Customer is invoiced on a 30-calendar day billing cycle. After original rental term has expired customer is invoiced on a monthly basis but rental is prorated on a per day basis, except when exercising purchase option.

8. The purchase price is the original sale price that the customer and ATEC have agreed to in writing.
9. The R.W.O. invoice the customer will receive from ATEC is based upon the agreed to payment term, original rental term, billing period, purchase price for equipment without accrued equity, description of equipment, and the rental rate. Shipping and or taxes will be included when applicable.
10. Customer assumes full responsibility for compliance with all federal, state, and local regulations and safety practices and procedures.
11. Customer assumes full responsibility for reading and following all supplied manuals, instructions, warning labels, and insuring that all personnel coming in contact with equipment are properly instructed and trained in its use.

Pricing and Payment Term

1. Customer agrees that prices specified by seller are acceptable and are presumed to be fair and reasonable.
2. All payments must be paid in United States dollars, unless requested otherwise from customer and approved by ATEC. The payment term is to be paid in advance, unless requested otherwise from customer and approved by ATEC.
3. If customer requests a payment term other than payment in advance, customer must cooperate in the completion and submission of credit statements to ATEC.'s accounting department.
4. For domestic customers (United States), a minimum billing of $450.00 is required to request a credit account with ATEC.
5. For international customers (outside United States) other than Canada, a minimum billing of $1,000.00 is required to request a credit account. Canada is subject to a $500.00 minimum billing to request a credit account.
6. All credit evaluations are predicated upon customer's credit worthiness, credit history, financial stability, and ability to pay, and are determined without prejudice to race, religion, sex, national origin, age, or any other characteristic protected by law. All credit evaluations are final.
7. If credit terms are granted, any sums not paid within the payment term are subject to a 1.5% finance charge per month, or what the current law permits.
8. Any invoice that remains unpaid after the due date is considered delinquent.
9. Payment for R.W.O. invoices must be received by ATEC prior to the expiration of the billing period stipulated on the invoice to avoid equity penalty assessment(s) and finance charge(s).
10. If customer defaults on payment, the R.W.O. agreement will be annulled and any and all equity will be forfeited. Additionally, the R.W.O. agreement reverts to a straight rental and customer loses all purchase option privileges.
11. Non-payment or delinquent payment annuls any and all warranties.
12. Customer understands and agrees that all required collection fees, legal expenses and interest will be charged to debtor in the event of default, or failure to pay by debtor.
13. No installment or payment plan is expressed or implied and total amount is due according to the payment term established in writing with customer prior to shipment of equipment.
14. ATEC does not modify a payment term once established between customer and ATEC without ATEC's consent. Any subsequent invoices that transpire must be paid according to the original payment term unless otherwise authorized by ATEC.
15. In the event subsequent payment terms are negotiated and customer defaults on present payment term, ATEC will rescind present payment term, effective immediately, while reinstating the initial payment terms established, including but not limited to: terms of pre-payment, credit card, upon receipt, net 10, net 15, or net 30.
16. In the event customer defaults on payment, ATEC will terminate the R.W.O. agreement and repossess all ATEC equipment at customer's expense.

Credit Card Orders

1. By customer completing an ATEC ***Credit Card Authorization Form*** for equipment rental, customer is bound by ATEC terms and conditions and hereby authorizes ATEC to charge the referenced credit card for the entire rental duration and any cost(s) related thereto, including but not limited to: missing accessories and/or damage to equipment.
2. If customer fails to return missing items, acknowledge, and/or remedy damage to equipment within time permitted by ATEC customer hereby authorizes ATEC to charge customer referenced credit card for all costs ATEC incurs that are associated with repairing and/or replacing missing items.

Title of R.W.O. Equipment

1. Title remains with ATEC until customer executes their request to purchase equipment and fulfills all payment obligations to ATEC.
2. Customer will keep equipment free from all liens, levies, and encumbrances up until title of equipment transfers from ATEC to customer.
3. Customer will not remove, deface or obscure any identification labels on ATEC equipment, including but not limited to, serial numbers and or asset numbers, up until title of equipment transfers from ATEC to customer.
4. Customer will not make any alterations, additions, modifications, or improvements to R.W.O. equipment and will only use it for the purpose and in the manner it was intended, up until title of equipment transfers from ATEC to customer.

Starting and Terminating a Rent with Option

1. The obligation to pay a R.W.O. agreement will commence on shipment date and terminate once equipment arrives back on ATEC's receiving dock, contingent upon equipment passing lab inspection and customer fulfilling original rental term, or customer exercising their purchase option and satisfying all payment obligations to ATEC for R.W.O. equipment.
2. The R.W.O. agreement will remain in effect after the original rental term has expired or until customer properly exercises their purchase option. If for any reason customer maintains possession of equipment after original rental term and has NOT exercised their purchase option, customer will be obligated to pay rent to ATEC for any subsequent billing periods that transpire.
3. Upon receipt of equipment, customer is obligated to notify ATEC within time allowed to report any equipment damage, failures, or discrepancies (SEE REPORTING DISCREPANCIES UPON RECEIPT OF EQUIPMENT).

Geographic Location

1. R.W.O. equipment will be kept at customer's designated place of business (original ship to address) unless a change in geographical location is authorized by ATEC, up until title of equipment transfers from ATEC to customer.

Accruing Equity towards the Purchase Price

1. In order for customer to receive maximum equity credit for rental payment(s), the payment(s) must be received by ATEC prior to the expiration of the billing period stated on the invoice.
2. If payment is not received by ATEC prior to the expiration of the billing period stipulated on the invoice, ATEC will assess a 1% equity penalty after the last day of the billing period, for each day the invoice remains unpaid.

3. ATEC's only obligation to customer regarding generation and mailing of invoice(s) is to insure that the invoice will be generated and mailed via United States Postal Service at least 20 days prior to the expiration of the billing period stipulated on the invoice.
4. ATEC is not responsible for any payment delays that result in assessment of penalties caused by, customer not receiving the invoice(s), ATEC not receiving payment from customer, or any other occurrences that result in payment delays. IT IS CUSTOMER'S SOLE RESPONSIBILITY TO INSURE THAT ATEC. RECEIVES PAYMENT PRIOR TO THE EXPIRATION OF THE BILLING PERIOD TO AVOID PENALTY ASSESSMENTS.
5. Equity applied toward purchase price on one item of equipment is non-transferable and applies exclusively to that item, unless equipment is invoiced as a system or the equipment is replaced by ATEC due to equipment failure that is not due to customer abuse, negligence, or operator error.
6. Maximum equity accrual is 90% of the purchase price, unless otherwise agreed to in writing.
7. In the event customer decides NOT to exercise their purchase option, and returns equipment to ATEC as an end of rental, any accrued equity is forfeited by customer and cannot be applied to any subsequent rental agreements or transferred to any other equipment.

Modifications to Billing Period(s) or Rental Rate(s)

1. ATEC DOES NOT MODIFY BILLING PERIOD(S), RENTAL TERM(S), OR RENTAL RATE(S) FOR RENT WITH OPTION AGREEMENT(S).

Exercising an option to purchase R.W.O. Equipment

1. Customer cannot execute an option to purchase equipment until the original rental term has expired.
2. Customer may not exercise their option to purchase if there are any past due invoices or any other monies owed to ATEC.
3. Customer must notify ATEC in writing of their intent to exercise their purchase option.
4. INTENT TO EXERCISE PURCHASE OPTION DOES NOT CONSTITUTE A TERMINATION OF RENTAL.
5. Once customer has satisfied all conditions to exercise their purchase option ATEC will do the following:
    a. Determine the end of rental date. The rental termination date will be on the last day of the current billing period, contingent upon customer fulfilling original rental term.
    b. Issue sale invoice to customer. The sale invoice the customer will receive from ATEC will total the original purchase price, less permissible equity that applies towards the purchase price.
6. ATEC will retain title of equipment until ATEC receives full payment from customer of sale invoice for R.W.O. equipment, all outstanding rent, shipping, taxes, installation fees, and other monies due to ATEC in association with RWO equipment.
7. In the event customer defaults on payment for the sale invoice, ATEC will void the sale invoice issued to customer and reinstate the rental as a straight rental with no purchase option, and invoice customer for any lapsed, current, and future billing period(s) that transpire. All accrued equity will be forfeited and customer loses all purchase option privileges.

Security Deposits

1. Security deposits are predicated upon customer's credit history and worthiness and are determined without prejudice of race, religion, sex, national origin, age, or any other characteristic protected by law.
2. Security deposits are required by ATEC as collateral to secure rental equipment shipped to customer.
3. Security deposits are held by ATEC until all rental equipment is returned to ATEC, all rental equipment passes lab inspection, and customer has paid all outstanding invoices due to ATEC.
4. In the event customer returns rental equipment damaged and or customer has unpaid invoices due to ATEC, ATEC without protest or permission from customer will deduct all or as much of security deposit required paying any outstanding payment obligations.
5. Once all payment obligations to ATEC are satisfied by customer ATEC will refund all or the remaining balance of the security deposit back to customer within 30 business days.

6. Customer CANNOT apply security deposit as payment to ANY outstanding invoices including but not limited to; (a) last billing period, (b) damage to equipment or (c) missing manuals or accessories.

Warranty

1. ATEC warrants that equipment when delivered will be in good operating and physical condition, unless otherwise agreed to in writing.
2. ATEC's sole and exclusive remedy to customer under the foregoing warranty will be that ATEC, at its election, may (1) Repair or Replace any equipment that fails to meet warranty hereof, subject to equipment availability or (2) Terminate this agreement without any liability to all parties.

Limitation of Liability

1. **IN NO EVENT, WHETHER AS A RESULT OF BREACH OF CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE, SHALL ATEC BE LIABLE FOR ANY CONSEQUENTIAL, INCIDENTAL, OR EXEMPLARY DAMAGES, INCLUDING BUT NOT LIMITED TO; LOSS OF PROFIT OR REVENUE, LOSS OF USE OF THE PRODUCTS, OR ANY ASSOCIATED EQUIPMENT, COST OF SUBSTITUTED PRODUCTS, FACILITIES, SERVICES, OR REPLACEMENT POWER, DOWN TIME COSTS, OR CLAIMS OF THE CUSTOMER'S FOR SUCH DAMAGES. THE FOREGOING WARRANTY SHALL CONSTITUTE THE SOLE REMEDY OF THE CUSTOMER AND THE SOLE LIABILITY OF ATEC**
2. **CUSTOMER IS AWARE THAT ATEC IS NOT THE MANUFACTURER OF ANY EQUIPMENT. THE FOREGOING LIMITED WARRANTY AND REMEDY ARE THE EXCLUSIVE WARRANTY AND REMEDY AND ARE IN LIEU OF ANY ORAL REPRESENTATION AND ALL OTHER WARRANTIES AND REMEDIES, WHETHER IMPLIED OR STATUTORY, OTHER THAN THE FOREGOING LIMITED WARRANTY, ATEC HAS NOT MADE AND DOES NOT MAKE ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO ANY MATTER WHATSOEVER INCLUDING, WITHOUT LIMITATION, THE DESIGN, COMPLIANCE WITH SPECIFICATION, OPERATION, OR CONDITION OF ANY EQUIPMENT (OR ANY PART THEREOF), THE MERCHANTABILITY OR FITNESS OF ANY EQUIPMENT FOR A PARTICULAR PURPOSE OR ISSUES REGARDING PATENT INFRINGEMENT, TITLE AND THE LIKE, IT IS FURTHER AGREED THAT A.T.E. SHALL HAVE NO LIABILITY TO CUSTOMER, OR THE CUSTOMERS OF CUSTOMER, OR ANY OTHER PARTIES FOR ANY DIRECT, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES BASED ON STRICT AND ABSOLUTE TORT LIABILITY, OR ATEC' NEGLIGENCE OR OTHERWISE**

Freight and Shipping

1. All equipment is shipped to and from ATEC at customer's expense, unless otherwise agreed to in writing.
2. All shipping arrangements from ATEC facility must be designated by customer and shipped freight collect, unless otherwise agreed to in writing.
3. Any request other than freight collect on customer account is subject to the standard freight rate of the courier or carrier.
4. It is customer's obligation to notify ATEC when equipment is ready for pickup or when equipment is being returned to ATEC.
5. All equipment is shipped F.O.B. point of origin.

Insuring Equipment

1. It is customer's obligation to insure all shipments for full, new replacement value.
2. In the event appropriate insurance is not obtained it will be assumed that customer wishes to self-insure.
3. It is customer's responsibility to file damage claims with courier or carrier.

Reporting discrepancies upon receipt of equipment

1. Upon receipt of equipment, it is customer's obligation to immediately inspect equipment to confirm equipment received is (a) as stated on packing list (b) as agreed in writing between ATEC and customer (c) not damaged due to shipping (d) in good operating and physical condition.
2. ATEC only guarantees that equipment shipped to customer is as specified per written agreement between ATEC and customer and that equipment will be covered under ATEC warranty.

3. In the event there are discrepancies with packing list and equipment received by customer, customer is dissatisfied with equipment, equipment is failing, and or equipment is received damaged, customer is obligated to notify ATEC within time allowed as follows:
    a. ATEC ALLOWS 72 HOURS FROM RECEIPT OF EQUIPMENT TO REPORT ANY DISSATISFACTION WITH EQUIPMENT, EQUIPMENT FAILURE, OR DAMAGE TO EQUIPMENT. FAILURE TO COMPLY WITH THIS OBLIGATION CONSTITUTES CUSTOMER'S ACCEPTANCE OF EQUIPMENT IN FULL AND IN GOOD WORKING AND PHYSICAL CONDITION, FORFEITURE OF RIGHT TO DISPUTE PAYMENT TO ATEC, AND FORFEITURE OF ANY CLAIMS AGAINST ATEC.
4. In the event customer notifies ATEC within time allowed and decides to return equipment, customer is required to obtain an RMA Number.
5. Customer must follow the guidelines within the Return Material Authorization terms and conditions (REFER TO RETURN MATERIAL AUTHORIZATION TERMS AND CONDITIONS).
6. In the event customer returns equipment, customer is NOT relieved of any obligation or liability until ATEC evaluates equipment and/or validates customer's claim(s). Additionally, customer may be subject to a restocking fee (REFER TO RESTOCKING FEE SECTION).

Restocking Fee

1. In the event customer decides to return equipment claiming dissatisfaction with equipment and has notified ATEC within time allowed, customer assumes responsibility to provide ATEC with proper documentation to support claim that equipment received was NOT as agreed to in writing between ATEC and customer.
2. In the event customer is unable to provide ATEC with proper documentation that equipment shipped was NOT as agreed to in writing between ATEC and customer, ATEC will assess a restocking fee of $95.00 or 30% of the rental rate, whichever is greater. Restocking fees are payable upon receipt of invoice.
3. If a restocking fee applies and/or ATEC is unable to validate customer's claim(s), the customer assumes responsibility to pay to ATEC for all shipping, installation, and or any other costs incurred by ATEC, aside from the restocking fee.

Return Material Authorization (RMA)

1. An RMA form must be completed and signed by customer for failed, damaged, or dissatisfaction with ATEC equipment. NO RMA NUMBER OR REPLACEMENT UNIT(S) ARE PROVIDED UNTIL THE RMA FORM IS COMPLETED AND SIGNED BY AN AUTHORIZED EMPLOYEE OF CUSTOMER.
2. If customer requests replacement of failed in field equipment prior to inspection by ATEC laboratory, such request is considered a NEW request for rental of ATEC equipment and is bound by the aforementioned terms and conditions for equipment rental.
3. ATEC is ONLY responsible for associated costs to remedy any equipment failure that is not due to customer abuse, negligence, or operator error. These costs are limited to equipment repair/replacement and transportation to and from customer location via NON-Priority shipping method, contingent upon customer requesting return of equipment once it is repaired or replaced. All returns must be shipped to ATEC prepaid by customer, which are reimbursable to customer upon absolving customer of abuse, operator error, and/or negligence.
4. If upon lab inspection there is evidence of customer abuse, negligence, or operator error, the customer is liable for all transportation costs, evaluation fees, rental charges for replacement unit(s) (if applicable), and repair charges.

Rent with Option Returns

1. No Return Material Authorization number is required for a return NOT associated with equipment failure, damage, or customer dissatisfaction with rental equipment (SEE REPORTING DISCREPANCIES AND OR RETURN MATERIAL AUTHORIZATION SECTION TO ADDRESS THESE MATTERS).

2. Customer must return all equipment, manuals, and accessories prepaid.
3. Customer must return all equipment, manuals, and accessories to terminate rental.
4. All items should be shipped to Advanced Test Equipment, 10401 Roselle Street, San Diego, CA 92121.
5. Customer assumes all liability for shipping damage due to improper handling, packaging, and/or loss of equipment by courier or carrier.
6. All rental equipment must be returned to ATEC during normal business office hours. Excluding holidays, ATEC's normal business hours is Monday—Friday, 8:00am to 5:00pm Pacific Standard Time. Equipment will have to be returned prior to observed US Holidays or Days in which ATEC is closed to avoid additional charges.
7. All equipment must be returned to ATEC in the same condition as shipped. In the event customer returns equipment with additional components, parts, and/or modifications to equipment, customer will be liable for any costs ATEC incurs to return equipment to the same condition as originally shipped to customer. ATEC HAS NO OBLIGATION TO CUSTOMER TO RETURN ANY COMPONENTS AND/OR PARTS INSTALLED. FURTHERMORE, ATEC. IS NOT LIABLE FOR ANY RELATED COSTS INCURRED BY CUSTOMER FOR THE COMPONENTS, PARTS, AND OR MODIFICATIONS TO THE EQUIPMENT.
8. Partial equipment returns are permitted by ATEC. However, in order to terminate the R.W.O. rental the: (1) equipment returned must have an exclusive rental rate, (2) customer must have fulfilled original rental term, (3) equipment must pass lab inspection, and (4) equipment can NOT be a component of a system rental.
9. In the event ATEC receives a partial return and the equipment is a component of a system R.W.O., the system rental rate will continue until: (1) customer fulfills original rental term, (2) all equipment passes lab inspection, and (3) all equipment components of the system rental are returned. FURTHERMORE, THE PERCENTAGE OF EQUITY FOR RENTAL PAYMENTS WILL BE ADJUSTED IN PROPORITION TO INDIVIDUAL EQUIPMENT PURCHASE PRICE THAT IS STILL OUT ON RENT. ALL EQUITY ACCUMULATED FOR RETURNED EQUIPMENT WILL BE FORFEITED AND NEGATED FROM TOTAL ACCUMULATED EQUITY OF SYSTEM R.W.O.
10. In the event equipment is returned damaged, defective, or is missing manuals and/or accessories, customer will be required to pay for all costs associated with repairing and/or replacing equipment, missing manuals and/or accessories, including but not limited to; labor, parts, and/or replacement costs for equipment, and/or manuals and accessories. Additionally, customer will be obligated to pay all rental fees for damaged equipment, and/or missing items until all repairs and/or replacement of equipment, or missing items are completed, and equipment is once again available for rental.

Taxes

1. Prices do not include taxes. Taxes will be added to the invoice as required by law and will be billed and collected accordingly.
2. Customer is obligated to pay all federal, state, and local taxes without limitation, unless proper tax exemption documentation is provided by the paying entity.

I HAVE READ AND ACCEPT THE ABOVE TERMS AND CONDITIONS TO BE BINDING IN ALL DEALINGS WITH ATEC.

FOR (COMPANY NAME)_____

BY (PRINT NAME)_____ **TITLE**_____

SIGNATURE_____ **DATE**_____

THE ABOVE TERMS AND CONDITIONS ARE SUBJECT TO CHANGE WITHOUT NOTICE.