

Terms of Use for Rental Equipment

The customer who is the renter (hereinafter referred to as "Party A") of the photographic equipment (hereinafter referred to as the "Equipment") managed by Capsule, LLC (hereinafter referred to as "Party B") shall comply with the terms and conditions stated below unless a specific special agreement is entered into by both parties.

Article 1. Enacting Rental Contract

A rental contract of the individual Equipment is considered "enacted" when Party A applies for the rental of the desired Equipment managed by Party B for the desired period by using the format specified by Party B, and Party B presents the photographic equipment that can be arranged for the rental period with the specific rental fee, and after that, Party A accepts such terms proposed by Party B in writing, by email, or other means.

Article 2. Purposes of the Rental, etc.

Party A shall use the Equipment in Japan for the purposes it specified to Party B in advance. Party A shall also use and maintain the Equipment in good faith and shall not do anything to harm Party B's rights, such as by pawning, subleasing, or transferring the Equipment.

Article 3. Rental Period

1. Party B shall hand over the Equipment to Party A at Party B's office after 2:00 p.m. on the day before the rental period begins. Party A must strictly adhere to the rental period of the Equipment specified in a separate agreement with Party B. Party A must also return the Equipment in the same condition when it began renting it to Party B's office by noon on the scheduled return date. However, the rental period may be extended if Party A notifies Party B and obtains Party B's approval in advance.

2. If Party A fails to return the Equipment by noon on the scheduled return date, the extension rental fee will be charged until Party A returns the Equipment to Party B within Party B's business hours (10:00 a.m. to 7:00 p.m., excluding Sundays), or until Party A reports the loss of the Equipment in writing. The extension fee will be calculated at the daily prorated fee (less than one day shall be rounded up to a full day - no hourly prorated fee is applicable).

Article 4. Payments of Rental Fees, etc.

Party A must pay Party B a rental fee, etc. into the bank account specified by Party B by the end of the following month from the issuance date of the invoice. The bank transfer fee shall be borne by Party A. However, both parties may agree on another method of payment upon consultation.

Article 5. Cancellation Fee

If Party A cancels Equipment Rental Contract, the following cancellation fee will be charged 24 hours before the scheduled handover time of the Equipment. If the notification of the cancellation is made after business hours of Party B, the notification shall be deemed to have been made at the start of the following business day.

- 50% of the rental fee will be charged starting from 24 hours before the scheduled handover time.

Cancellation fees must be paid within one month. However, if both parties agree, cancellation fees may not be assessed.

Article 6. Inspection, Confirmation, etc.

After Party A receives the Equipment from Party B, Party A shall thoroughly inspect it and confirm before use that there are no malfunctions or other defects in the Equipment. If Party A finds any malfunctions or problems, Party A must notify Party B immediately. Party B shall not be held liable for any problems or damages incurred by Party A due to malfunctions or other problems during the use of the Equipment.

Article 7. Liabilities for Losses or Damages

Party A must return the Equipment to Party B in the same condition as it was handed over by Party B. If the Equipment is lost or damaged at the time of return, Party A shall compensate Party B for any losses or damages regardless of whether it was intentional or negligent, unless such losses or damages are clearly attributable to Party B. Also, when Party B receives the payment from the insurance policy set forth in the following article, Party A may be exempted from such liabilities up to such amount.

Article 8. Insurance

1. Party B recommends that Party A purchase a liability insurance policy for compensation in case of any unexpected damages.

2. At the time of renting out the Equipment, if Party A wishes to use liability insurance of which Party B is a policyholder and Party B agrees to such a request and proceed with notifying such request to the insurance company, Party B may request Party A to submit a certificate for insurance coverage.

3. Please note that the following are not covered by the liability insurance to which Party B is a policy holder: damage to outsourced equipment, intentional or accidental damage, cost of replacing such equipment, damages caused by loss or theft, damages due to high-risk filming (in-vehicle, aerial or underwater filming, stunts, severe weather, etc. or a shooting method which Party B determined to be dangerous).

4. Paperwork procedure when lens is damaged: First, Party A shall submit a damage report to Party

B. After receiving the report from Party A, Party B will obtain information on costs, such as labor and parts, and then, Party B will send Party A an estimated amount of damages to be paid by Party A. Please note that, depending on the type of lens, it may take a long time to investigate and find parts for the same model.

Article 9. Notification

If any of the following events happen, Party A must notify Party B immediately.

1. An abnormal event, such as theft, loss, malfunction, or damage to the Equipment.
2. If the Equipment in the possession of Party A was compulsorily executed, provisionally deposited, seized, etc., by a third party.

Article 10. Use Outside of Japan

If Party A plans to use the Equipment outside of Japan, Party A must obtain consent from Party B in advance. When Party A uses the Equipment outside of Japan with Party B's consent, Party A must purchase liability insurance (for overseas) at Party A's expense. If an accident occurs outside of Japan, Party A must fulfill its responsibilities as set forth in Article 7, regardless of whether Party A purchased insurance or not.

Article 11. Force Majeure

If Party B fails to rent Equipment in accordance with terms and conditions under this Terms of Use for Rental Equipment (hereinafter referred to as "Terms of Use") due to force majeure which is not attributable to Party B, Party B shall not be held accountable for such failure to rent. Examples of force majeure are as follows: natural disasters (earthquakes, volcanic eruptions, typhoons, tsunamis, storms, floods), wars, riots, civil unrest, revolutions, terrorism, the enactment/amendment or abolition of laws and regulations, orders/dispositions by public authorities, strikes or other labor disputes, transportation accidents, epidemics, spread of infectious diseases, suspension or termination of supply of raw materials, failure of public communication lines, etc., or others to be considered to be force majeure.

Article 12. Cancellation of Rental Contract

If Party A falls under any of the following, Party B may immediately cancel the rental contract without notice. In that case, Party A must immediately return the Equipment to Party B.

1. When any of the terms and conditions under this Terms of Use are violated.
2. When Party A is subject to compulsory execution, provisional disposition or provisional seizure.
3. When a significant change is made in Party A's credit status.

Article 13. Language, Governing Law, Jurisdiction

1. The governing language of this Terms of Use is Japanese. Even if translation into English or any other language is prepared for reference purposes, only the Japanese original shall have the effect of a contract and such translated contract shall have no effect.

2. This Terms of Use shall be governed by and interpreted in accordance with Japanese law.

3. For any dispute arising out of or in connection with this Terms of Use, the Tokyo District Court or the Tokyo Summary Court shall be the exclusive court of jurisdiction in the first instance.