

EQUIPMENT RENTAL AGREEMENT

This Equipment Rental Agreement (“Agreement”) is made between Baby Gear Group, an LLC organized under the laws of Michigan, USA, with offices at 300 South Street, Rochester, MI 48307 (“Owner”), and You (“Renter”). The Agreement is effective as of the date Renter purchases an equipment rental plan (“Effective Date”), and Owner and Renter are hereinafter collectively referred to as “Parties”.

Owner rents or sells to Renter and Renter rents or buys from Owner, subject to the terms and conditions of this Agreement, baby gear and baby products, hereinafter collectively referred to as (“Equipment”).

1. Term. This Agreement shall commence on the Effective Date and remain in full force and effect until Equipment is returned to Owner. Renter must return the Equipment upon the termination of the purchased rental plan, or earlier at the request of Owner.

2. Payment. Renter shall pay for the selected rental plan and authorize Owner to charge the debit card or credit card on file with Owner periodic payments in accordance with the selected rental plan and all payments and fees due under this Agreement. Renter acknowledges that the rental plan will automatically upgrade if Renter chooses to rent more items at once than their current plan allows for. Renter shall pay for the upgraded rental plan and upgraded deposit and authorize Owner to charge the debit or credit card on file periodic payments and all payments and fees due under this contract.

Renter shall also pay other charges in accordance with this Agreement due upon return of Equipment or when cost is incurred, whichever is sooner, to the fullest extent allowed by law, including but not limited to:

- a) charges for optional services or purchases, if any;
- b) applicable taxes;
- c) loss of, or damage or repair to the Equipment, loss of use, diminution of the Equipment’s value caused by damage to it or repair to it, and costs to enforce such charges including administrative fees for processing the claim and legal expenses;
- d) a continued monthly plan rate for late return of the Equipment or the highest amount allowable under law;
- e) all expenses Owner incurs due to Renter’s failure to return the Equipment including costs in locating and recovering the Equipment;
- f) all costs incurred to collect unpaid monies due;
- g) twenty-five dollars (\$25.00) or the maximum amount allowed by law, whichever is greater, for making payment with insufficient funds; and
- h) replacement costs for any Equipment not returned, which is calculated as full retail price of new Equipment and latest released model of Equipment.
- i) failed drop-off or pick-up attempts due to including but not limited to Renter not being available at the scheduled time or not having Equipment ready for pick-up, or Owner or Owner’s representative not being able to access the Renter’s location.
- j) unless due to the fault of Owner, all fines, penalties, court costs and other expenses relating to the Equipment assessed against Owner or the Equipment during the rental Term;

All Equipment with all accessories must be returned at the end of the rental plan or earlier in original working and clean condition. If all Equipment is not returned, Renter will continue to be billed for an extended rental plan or Renter will be charged for the Owner’s replacement cost of Equipment, at the sole discretion of the Owner.

Renter is responsible for all Equipment until it is picked up by Owner. Renter should not place Equipment outside for porch pickup until Owner or Owner's representative arrives on site for pickup.

3. Security Deposit. In addition to the fees listed in Section 2, Renter shall pay a deposit in accordance with the rental plan when purchasing the rental plan and at the time this Agreement is effective. Owner may use the deposit to cover any amounts due under this Agreement. Should Renter upgrade the rental plan, Renter will pay additional security deposit upon upgrade.

4. Late Payment. If Renter fails to make any installment payment within 3 days of the due date, the rental plan is deemed to have ended and all Equipment must be returned to Owner within 3 days or Renter will be charged for replacement cost of Equipment.

5. Location and Use of Equipment. During the Term, Equipment shall be located at Renter's primary residence or Renter's immediate family's residence and used only by Renter's immediate family unless expressly agreed otherwise in writing by Owner.

6. Care of Equipment. Equipment can only be used in a careful and proper manner and shall not be used in any way that is inconsistent with Owner's instructions or manuals or Manufacturer's instructions or manuals.

7. Repair and Alterations. The costs of all repairs made during the rental plan Term shall be paid by Renter, including but not limited to labor, material, parts and other items. Equipment shall not be serviced or repaired and parts and accessories shall not be replaced without Owner's prior consent.

8. Insurance. Renter must carry insurance satisfactory to Owner equal to the value of the Equipment to ensure its full replacement, unless agreed otherwise in writing by Owner.

9. Restrictions on Use. Renter shall not:

- a) permit the Equipment to be used by any person who is not authorized to use such Equipment;
- b) operate or use the Equipment or permit it to be operated or used in violation of law;
- c) operate or use the Equipment or permit it to be operated or used to commit a violation of law; and/or
- d) operate, use, maintain or store the Equipment in a manner likely to cause damage to the Equipment.

8. Loss or Damage. Renter shall alert Owner immediately to any damage to the Equipment. Renter shall be responsible for any loss or damage to Equipment and loss of use, diminution of the Equipment's value caused by damage to it or repair to it and missing equipment.

9. Condition of Equipment.

Renter represents and warrants that (i) each item of rented or sold property is of a type, design, quality and manufacture selected by Renter, acceptable to Renter and suitable for Renter's purposes, (ii) Renter acknowledges that Owner is not the manufacturer or supplier of the equipment or the representative of either, that Owner is not required to enforce any manufacturer's warranties on behalf of Owner or Renter, and (iii) that Owner rents and sells the equipment to Renter "As Is", without warranty or representation either express or implied, and Owner expressly disclaims any warranty, express or implied, as to (a) the title, condition, fitness for use for a particular purpose, design, compliance with specifications, operation, or merchantability thereof, (b) the absence of latent or other

defects, whether or not discernable, (c) the absence of infringement of any patent, trademark or copyright, or (d) any other matter whatsoever, it being agreed that all such risks, as between Owner and the Renter are to be borne by the Renter.

Renter acknowledges that Renter has examined the Equipment upon delivery or pickup and that it is in good condition. OWNER MAKES NO WARRANTY, EXPRESS OR IMPLIED, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE OR OTHERWISE, AND EXPRESSLY EXCLUDES AND DISCLAIMS ALL WARRANTIES AND REPRESENTATIONS OF ANY KIND, INCLUDING ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE AND NON-INFRINGEMENT.

10. Return of Equipment. Renter shall return Equipment on the date specified in Section 1 in the same condition as Renter received it, except for normal wear and tear. Renter shall return the Equipment to the agreed return location. If Equipment is not returned on said date, Owner reserves the right to take any action necessary to regain possession of the Equipment.

11. Termination. This Agreement shall terminate on the date specified in Section 1. Owner reserves the right to terminate this Agreement earlier upon notice to Renter, wherein Renter will have 3 days to return all Equipment to Owner or be charged replacement costs.

12. Indemnification and Liability. Renter hereby agrees to disclaim, waive and release Owner, its heirs, executors, administrators, agents, assigns, and all other persons, firms or corporations affiliated in any way with Owner, from any and all claims, demands, damages, actions, causes of action or suits of any kind or nature whatsoever, and particularly on account of any and all injuries, known and unknown, to person or to property or both, which result in any way from the use of the Equipment rented from Owner by Renter or sold by Owner to Renter. Without limiting the generality of the foregoing, Owner will not be held liable for any injury to Renter, Renter's children, or any other adults or children, or any damage to property by the use of the Equipment. RENTER IS RENTING AND BUYING THE EQUIPMENT AT RENTER'S OWN RISK. Renter also acknowledges that Renter is familiar with, and knows how to operate, the Equipment and is taking full responsibility for using the Equipment.

Renter further agrees to indemnify, defend, and hold harmless Owner, its heirs, executors, administrators, agents, assigns, and all other persons, firms or corporations affiliated in any way with Owner from and against any and all claims, liabilities, including negligence, tort and strict liabilities, demands, actions, suits and proceedings, losses, costs, penalties, property damage, personal injury, and damages, including without limitations, reasonable attorneys' fees and costs (collective, "Claims"), arising out of, connected with, or resulting from the manufacture, selection, rental, purchase, delivery, possession, condition, use, operation, handling, transportation or return of the Equipment.

The provisions of this Article shall survive the termination of this Agreement. IN NO EVENT SHALL OWNER BE LIABLE FOR ANY INDIRECT, SPECIAL OR CONSEQUENTIAL LOSS OR DAMAGES ARISING FROM RENTER'S USE OF EQUIPMENT, INCLUDING BUT NOT LIMITED TO LOSS PROFITS AND LOSS REVENUE, EVEN IF INFORMED OF THE POSSIBILITY OF SUCH DAMAGES.

13. Ownership. Owner shall at all times retain ownership and title to the Equipment unless the Equipment is purchased. Renter shall immediately notify Owner in the event Equipment is levied, has a lien attached or is threatened with seizure. Renter shall indemnify and hold Owner harmless against all loss and damages caused by such action. Equipment shall be deemed at all times to be personal property, whether or not it may be attached to any other property.

14. Waiver. No failure of Owner to exercise or enforce any of its rights under this Agreement shall act as a waiver of subsequent breaches; and the waiver of any breach shall not act as a waiver of subsequent breaches. Owner's acceptance of payment with knowledge of a default by Renter shall not constitute a waiver of any breach.

15. Severability. In the event any provision of this Agreement is held by a court or other tribunal of competent jurisdiction to be unenforceable, that provision will be enforced to the maximum extent permissible under applicable law, and the other provisions of this Agreement will remain in full force and effect. The parties further agree that in the event such provision is an essential part of this Agreement, they will begin negotiations for a suitable replacement provision.

16. Entire Agreement. This Agreement represents the entire understanding relating to the subject matter hereof and prevails over any prior or contemporaneous, conflicting or additional communications. This Agreement can only be modified by a written amendment signed by Owner.

17. Assignment. Renter may not, without the prior written consent of Owner, transfer or assign this Agreement or any part thereof. Any attempt to do so shall be a material default of this Agreement and shall be void.

18. Headings. Paragraph headings used in this Agreement are for reference only and shall not be used or relied upon in the interpretation of this Agreement.

19. Counterparts. This Agreement, and any amendment thereof, may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same document. For purposes of executing this Agreement, a document signed and transmitted electronically, by email, by Internet, by facsimile machine or telecopier is to be treated as an original document. This document may be signed electronically.

20. Notices. All notices, requests, demands, and other communications under this Agreement shall be in writing and shall be deemed to have been duly given on the date of service if served personally on the party to whom notice is to be given, or on the third day after mailing if mailed to the party to whom notice is to be given, by first class mail, registered or certified, postage prepaid, and properly addressed to the addresses set forth above. Any party may change its address for purposes of this paragraph by giving the other parties written notice of the new address in the manner set forth above. Notices, requests, demands, and other communications under this Agreement shall be deemed to have been duly given on the date of service if served electronically via email or internet.

From time to time, Owner may update this Agreement and send notice of such updates to Renter via electronic methods. Renter is deemed to have accepted the new Agreement terms if Renter does not respond to Owner in writing with any point of disagreement within 7 days.

21. Force Majeure. Nonperformance of either party shall be excused to the extent that performance is rendered impossible by strike, fire, flood, governmental acts, orders or restrictions, or any other reason where failure to perform is beyond the control and not caused by the negligence of the non-performing party. Upon giving prompt notice of force majeure to the other party, the party so affected shall be released without any liability being attached to the canceling party or the other so long as the circumstances of force majeure continue. Upon the termination of circumstances of force majeure, performance of both parties shall be required to resume.

22. Arbitration. In the event of any dispute between the parties hereto arising out of this Agreement wherein such dispute remains unresolved for thirty (30) days, the dispute shall be

submitted to arbitration, in which each party selects one arbitrator and those two select a third arbitrator. The decision of the majority of the arbitrators shall be final and binding upon the parties hereto. Each party shall pay one half of the costs of arbitration. The arbitrators shall meet in the city of Rochester, in the State of Michigan unless it is mutually agreed by the parties to meet elsewhere.

23. Governing Law and Jurisdiction. This Agreement is made and shall be governed and construed in all respects, including validity, interpretation and effect, by the laws of the State of Michigan. The federal and state courts within the State of Michigan shall have exclusive jurisdiction to adjudicate any dispute arising out of this Agreement. Renter hereby expressly consents to (i) the personal jurisdiction of the federal and state courts within Michigan, and (ii) service of process being made upon him by registered mail sent to the address set forth at the beginning of this Agreement.

24. Binding Effect. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of the parties hereto, and their heirs, personal representatives, agents, officers, directors, shareholders, partners, servants, employees, successors and assigns, but shall not confer, expressly or by implication, any rights or remedies upon any other party.

25. Further Acts. Each of the parties hereto shall execute and deliver such other and further documents and instruments, and take such other and further actions, as may be reasonably requested of them for the implementation and consummation of this Agreement and the transactions herein contemplated.

26. Third Parties. Nothing in this Agreement, whether express or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any persons other than the parties to it and their respective successors and assigns, nor is anything in this Agreement intended to relieve or discharge the obligation or liability of any third persons to any party to this Agreement, nor shall any provision give any third persons any right of subrogation or action over against any party to this Agreement.

27. Survival of Representations. All representations and warranties of the parties contained in this Agreement shall survive the execution of this Agreement.

Renter acknowledges receipt of a copy of this Agreement and acknowledges having read and understood the foregoing. Renter hereby declares that the terms of this Rental Agreement and Waiver have been completely read and are fully understood and voluntarily accepted. Renter acknowledges that the purpose of this Rental Agreement and Disclaimer is to induce Owner to rent or sell the Equipment to Renter. Renter acknowledges that Renter is precluded forever from any claims against Owner arising out of the rental or sale. By purchasing a Rental Plan and using Equipment or purchasing Equipment, Renter is deemed to have accepted this Agreement.