

Lessee Information		Vendor Name	
Business Name ("You"):		Business Address:	Equipment Location Address:(if different than billing address of lessee)
Business Phone:	Business Tax ID#:		
Lease Terms and Conditions			
Monthly Rent ["Rent"] (plus applicable taxes):	Base Term (months):	Required Deposit:	Deposit Applied to: First and Last Monthly Rentals
			Doc Fees: \$125.00
Equipment Model and Description ["Equipment"]		Serial Number	Accessories

See attached schedule for additional Equipment/Accessories

1. LEASE: You agree to lease from us and we agree to lease to you, the Equipment and to pay the Rent. We may insert in this Lease any information and adjust any payment or agreement in this Lease ("Obligations") by no more than 10% to reflect actual costs. We may accept a photocopy or electronically transmitted facsimile copy of this Lease or any other document but no such document(s) shall be binding upon us until signed by us. Any such document will, when executed by us, constitute an original document for the purpose of establishing the provisions thereof and shall be legally admissible under the best or original evidence rule and binding on the parties. This Lease contains the entire agreement between us, and it may not be amended or terminated except in writing and signed by both you and us

2. TERM OF LEASE: You will pay a daily charge of 1/30 of the Rent from the date the Equipment is accepted by you ("Commencement Date") to the first day of the Base Term. The Base Term of this Lease will begin on a date we choose not more than 30 days following the Commencement Date and terminate upon the expiration of the number of months stated under Base Term above. Following the Commencement Date, Rent and other payments are due on the same day of each month as the first day of the Base Term, payable to us at our offices in Irvine, CA. **YOUR OBLIGATION TO PAY RENT IS UNCONDITIONAL AND NOT SUBJECT TO ANY REDUCTION, SET-OFF, DEFENSE, OR COUNTERCLAIM AND MAY NOT BE CANCELLED.**

3. PAYMENT OF LEASE OBLIGATION: UNLESS WE AGREE OTHERWISE IN WRITING, you authorize us or our assignee to debit from the bank account on which your payment was drawn for Rent and other Obligations. If any part of any Obligation is not paid by you within three (3) days of its due date, you will pay us eighteen percent (18%) of each such late payment (to the extent permitted by law).

4. NO WARRANTIES: WE ARE LEASING THE EQUIPMENT TO YOU AS-IS, WHERE-IS AND WE MAKE NO WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING WARRANTIES OF NON-INFRINGEMENT, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE OR ORDINARY USE. You acknowledge that you have selected the Equipment and the vendor, manufacturer and/or supplier (collectively "Supplier(s)") of the Equipment. You acknowledge that the Supplier is not our agent. Any breach by the Supplier will not relieve or excuse your Obligations. We are not responsible for any service or maintenance of the Equipment.

5. UCC-ARTICLE 2A: You agree that this Lease is a "finance lease" under the UCC as adopted in California ("UCC"). YOU WAIVE ANY AND ALL RIGHTS AND REMEDIES CONFERRED UPON YOU UNDER ARTICLE 2A OF THE UCC. You will not assert any claim against us for any consequential, special or indirect damages.

6. ASSIGNMENT: You may not sell, transfer, assign or sublease the Equipment without our prior written approval. We may sell, assign or transfer this Lease and the Equipment or any interest therein without notifying you; and you agree that if we do, the new Lessor will have the same rights and benefits that we now have, and will not have to perform any of our obligations. You agree that the rights of the assignee will not be subject to any claims, defenses or setoffs that you may have against us. .

7. TAXES AND FEES: You will pay when due all taxes, fines and penalties and fees relating to this Lease or the Equipment. If we pay any of the above for you, you will reimburse us and pay us a processing fee. You will pay us any filing fees and reimburse us for all expenses in documenting and servicing this transaction. You will pay us an origination fee on or before the date the first payment is due. Such fees may not only cover our costs they may also include a profit.

8. INDEMNITY: You will reimburse us for and defend us against any claims for such losses or injuries, including, without limitation, those arising out of the negligence, tort or strict liability claims. This indemnity will continue after the term of this Lease has expired.

9. INSURANCE: You will maintain, at your expense, property insurance protecting the Equipment for its full replacement value, naming us as a loss payee and public liability insurance, in amounts acceptable to us, naming us as an additional insured (together "Required Insurance"). You must provide us satisfactory written evidence of Required Insurance within 30 days of the Commencement Date of this Lease or of any subsequent request. If you do not do so, we may obtain insurance from an insurer of our choosing in such forms and amounts as we deem reasonable to protect our interests ("Lease Insurance"). Lease Insurance covers the Equipment and us, not you. You will pay us periodic charges for Lease Insurance ("Insurance Charges") that include a premium that may be higher than if you maintained Required Insurance separately; a finance charge of up to the implicit rate of the Lease on any premium advances made by us or our agents; and billing and processing fees; each of which may generate a profit to us and our agents If you fail to pay billed Insurance Charges within 30 days of their due date, we may pay them by applying funds paid under the Lease or debiting your account under any previously authorized automatic payment.

We will discontinue billing Insurance Charges upon receipt of satisfactory evidence of Required Insurance. **You will arbitrate any dispute with us or our agents regarding Lease Insurance or Insurance Charges under the rules of the American Arbitration Association in Los Angeles, CA, provided however, such agreement does not authorize class action arbitration.** At Lessor's election, in lieu of obtaining or continuing Lease Insurance, Lessor may require Lessee to pay a monthly additional fee up to 2% of the Equipment Cost. This fee is not calculated with reference to additional risk and constitutes additional profit for Lessor, but represents the basis on which Lessor is willing to forbear from exercising remedies and continue this Agreement without Required Insurance. Lessee will receive no insurance coverage and will not be released from any obligations. Lessor is not selling insurance. Lessor will cease charging the additional fee or billing for Lease Insurance 30 days after Lessee provides satisfactory proof of Required Insurance and compliance with this section.

10. DEFAULT AND REMEDIES: You will be in default if (A) you do not pay or perform any Obligation when due or misrepresent any fact; ; (B) you change your name, state of incorporation, chief executive office and/or place of residence without 30 days prior written notice to us. In the event of a default by you, we can require that you return the Equipment to us and pay the Loss Value. You will also pay us our residual interest in the Equipment. We will also be entitled to recover from you all damages caused by your default. Interest will accrue on all Obligations due to us from the date of default until paid at the rate of 18% per annum but only to the extent allowed by law. We can also use any of the remedies available to us under the UCC or any other law, including repossession of the Equipment or other Collateral. You agree to reimburse us for all charges, costs, expenses and attorney's fees that we have to pay to enforce this Lease, respond to any dispute, recover and sell the Equipment or collect the Obligations due from you to us under this Lease and in any lawsuit or other legal proceeding which we bring or defend.

11. RETURN OF EQUIPMENT; RENEWAL: If no default exists or has occurred under this Lease, you may, at the end of the original or any renewal term, purchase all of the Equipment for its Fair Market Value, plus any applicable taxes. At least 60 days but not more than 150 days prior to the original Lease term, you must give us written notice, via certified mail, that you will purchase the equipment for its fair market value, which we will determine in our reasonable judgment, or that you will return the equipment to us. If you do not give us such written notice or if you do not purchase or deliver the Equipment in accordance with the terms and conditions of this Lease, then this Lease will automatically renew for a 90 day term, and thereafter renew for successive 90 day terms until you deliver the Equipment to us and all such Rent will be the highest Rent in this Lease. We may cancel the renewal by sending you written notice 90 days prior to such renewal term. Upon payment of End of Term Option price, and if no default exists, we will transfer our interest in the Equipment to you "AS-IS, WHERE IS". If you return the Equipment, it will be freight and insurance prepaid, in good repair, condition and working order, ordinary wear and tear excepted, in a manner and to a location designated by us. Until the End of Term Option price is actually paid, you will be responsible to continue to pay Rent.

13. OTHER RIGHTS: Time is of the essence in this Lease. You agree that any delay or failure by us to enforce our rights under this Lease or any other agreements will not prevent us from enforcing any rights at a later time. If for any reason this Lease is not a true lease, then you also grant us a security interest in the Equipment and any proceeds of, accessions and attachments to the Equipment as security for your Obligations. We may file financing statements or other filings in our name or your name. This Lease contains the entire agreement between us, and it may not be amended or terminated except in writing and signed by both you and us. A limiting endorsement on a check or other form or payment will not be effective against us.

14. CHOICE OF LAW: THIS LEASE IS BINDING WHEN ACCEPTED IN WRITING BY US AT OUR OFFICES IN IRVINE, CA AND GOVERNED BY THE LAWS OF CALIFORNIA. YOU AND WE EACH CONSENT TO THE JURISDICTION OF THE COURTS OF ORANGE COUNTY, CALIFORNIA AND/OR THE UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF CALIFORNIA, SANTA ANA DIV FOR ALL DISPUTES ARISING OUT OF THIS LEASE. YOU AGREE THAT SAID COURTS HAVE EXCLUSIVE JURISDICTION AND VENUE OF ALL DISPUTES ARISING OUT OF THIS LEASE. YOU WAIVE TRIAL BY JURY. You represent that all financial and other information furnished to us is true and correct. If this Lease was sent electronically, you warrant that it has not been altered in any way. To the extent that this Lease constitutes chattel paper under the UCC, a security interest may only be created by the signed copy marked "Original".

Lessee Name:	_____	Balboa Capital Corporation ("We" or "Us")
Signature:	_____	By: _____
Print Name,	_____	Vice President
Title	_____	