
RENTAL AGREEMENT TERMS AND CONDITIONS

1. LESSEE agrees to defend, indemnify and hold harmless LENNIE MARVIN ENTERPRISES, INC. (LME) against any claims, liability, loss, costs, damages, expenses, or demands arising directly or indirectly out of, or in connection with the props rented or out of operations conducted by LESSEE ("Indemnitor"), its' agents, servants, contractors, representatives, guests, invitees, or customers, including but not limited to, active and/or passive negligence, save and except claims or litigation arising through the sole negligence or sole willful misconduct of LME ("Indemnitee").
2. LESSEE is considered to have taken DELIVERY of the props, and assumes all risk of loss from the time the props are released to the LESSEE. From the time LESSEE takes DELIVERY of the props rented, until the props are returned to LME, the LESSEE accepts total responsibility, including, but not limited to all risks and losses while in transit, at all locations, while in storage and while on LESSEE's premises.
3. LESSEE will take all necessary precautions during the progress of its' work, including the use of the props rented to it by LME, to protect all persons and property from injury and damages. Only LESSEE's qualified employees or agents shall use or handle the props.
4. LESSEE warrants that it will not sublease or lend any of the props rented to another party. If LESSEE does sublease or lend any of the props rented to another party, both parties will be obligated to LME for full rental cost until the props are returned to LME. In the event that there is loss or damage during this period, the LESSEE will be fully responsible, regardless of any agreement that the LESSEE might have with the other party.
5. LESSEE agrees that it will not alter the props in any manner without prior written consent from an authorized LME agent. Should the props be altered, LESSEE takes full responsibility for any cost associated with returning the props to their prior condition.
6. LESSEE acknowledges that the props are rented without warranty or guarantee, except as permitted by law. LME has tested the props in accordance with reasonable industry standards and found them to be in working order, and to the extent the LESSEE has disclosed to LME all of the intended use of the props, it is fit for the intended purpose.
7. LESSEE understands that the props rented from LME are set dressing and décor. They are not be rented or used with any other purpose.
8. LESSEE shall, at its own expense, maintain at all times during the rental all risk perils insurance covering the props rented from all sources (equipment rental floater), for full value listed on the invoice, except vehicles (see below), and for loss of use (rents) of the props while being repaired. Coverage shall begin from the time LESSEE or its agents takes DELIVERY of the pops and continue until the time the props are returned to and accepted LME. Such insurance shall be on a worldwide basis, shall name LME as the Loss Payee for loss or damage to the property rented and shall cover all risks of loss of, or damage to the props. Limits shall be sufficient to encompass all property at risk, regardless of source, but in no event less than \$1,000,000.
9. LESSEE shall, at its own expense, maintain business automobile liability, including coverage for loading and unloading props, and hired auto physical damage insurance, covering owned, no-owned, hired and rented vehicles. Coverage for physical damage shall include the perils of "comprehensive" and collision". LME shall be named as an additional insured respecting the liability coverage, and as loss payee on the hired auto physical damage coverage. The insurance shall provide no less than \$1,000,000 in combined single limits, and actual cash value less \$1,000 deductible for physical damage on comprehensive and collision coverage.
10. LESSEE shall, at its own expense, maintain workers' compensation/employer's liability insurance during the course of the prop rental with minimum limits of \$1,000,000.
11. LESSEE shall, at its own expense, maintain commercial general liability insurance, which includes coverage for independent contractors and contractual liability coverage, specifically referring to this Agreement and to the hold harmless agreement herein. Said insurance shall name LME as an additional insured and provide that said insurance is primary coverage with respect to all insured, the limits of which must be exhausted before an obligation arises under LME's insurance. Such insurance shall remain in effect during the course of the lease, and shall include the following coverage's: broad form contractual liability; personal injury liability' completed operations, and products liability. Such insurance shall provide general aggregate limits of not less than \$2,000,000 (including coverage's specified above), personal injury and advertising injury of not less than \$1,000,000, and per occurrence limits of not less than \$1,000,000.

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12. All insurance maintained by LESSEE pursuant to the foregoing provisions shall be issued by and insurance carrier authorized to do business in the State of California with a BEST rating of A- or higher.

13. All insurance maintained by LESSEE pursuant to the foregoing provisions shall contain a waiver of subrogation against LME.

14. LESSEE shall provide LME with 30 days written notice prior to the effective date of any cancellation or material change to any insurance maintained by LESSEE pursuant to the foregoing provisions.

15. Before obtaining possession of the props rented, LESSEE shall provide to LME a Certificate of Insurance and applicable endorsements, including additional insured and loss payee endorsements confirming each of the coverage's specified above. An authorized agent or representative of the insurance carrier shall sign all Certificates of Insurance.

16. Should LESSEE fail to procure or pay the cost of maintaining in force the insurance specified herein, or to provide LME upon request with satisfactory evidence of the Insurance, LME may, but shall not be obligated to, procure the insurance and LESSEE shall reimburse LME on demand for its cost. Lapse or Cancellation of the required insurance shall be an immediate and automatic default of the agreement.

17. If the account is on a COD basis, LESSEE agrees to provide LME with a check or credit card authorization for the amount of the deductible of the insurance policy submitted. In doing so, LESSEE agrees that LME will hold this security deposit until all props are returned, and LME has determined that there is no damage. LESSEE further agrees that should there be damage or the props are not returned; LME is fully authorized to deposit the check, or execute the credit card authorization submitted as full or partial payment.

18. If the account is on NET TERMS basis, LESSEE agrees that if there is damage or loss they will pay the full amount of the damage or loss immediately to LME. The LESSEE has full responsibility for any claims to be made with the insurance company. This includes any waiting period for the payment from the insurance company. Should it be decided that the insurance company is not going to pay the LESSEE for whatever reason, this will not have any bearing on the responsibility of the LESSEE to LME for full payment.

19. LESSEE hereby agrees to strictly comply with the laws of the state in which the props are transported and/or used as well as all federal and local laws, regulations and ordinances pertaining to the transportation and use of the props. LESSEE warrants and represents that it is fully aware of any and all dangers and risks, patent as well as latent, involved in the use, transportation and handling of the props leased and shall assume responsibility for any accident, damage or loss, including death, resulting from the transportation and/or use of the props rented herein.

20. LESSEE assumes all obligation and liability with respect to the possession of the props, and for its use, condition and storage during the term of this agreement. LESSEE will, at its' own expense, maintain the props in good working condition and running order (if applicable). The rent on the props will not be abated or probated while the props are being serviced or repaired for any reason. LME will not be responsible to provide service, maintenance, repairs, or parts for the props, except as otherwise specially agreed or as may be within the course and scope of employment by you. All installations, replacements, and substitutions of parts or any previously approved alterations with respect to any of the props will become part of the props and will be owned by LME.

21. LESSEE is responsible to LME for the valued denoted on the invoice, without depreciation, or repair cost of all props that are lost, stolen or damaged. In the event the props are lost or stolen, LESSEE shall file a police report and promptly provide LME with a copy of said report. LME shall be under no obligation to replace or repair. In the event that the props are not returned, the rental fees for the props shall continue to accrue until LESSEE has paid for the lost, damaged or stolen props or until repairs are completed. LME determination whether the damaged props shall be replaced or repaired shall be conclusive. LESSEE will pay for props deemed beyond repair by LME at the value denoted on the invoice.

22. LESSEE hereby agrees LME shall be subrogated to any recovery rights LESSEE may have for damage to the props in the form of insurance protection for such damage.

23. Accrued rental charges cannot be applied against the purchase or cost of repair or damaged, lost or stolen props.

24. Should LESSEE use any third party to transport, LESSEE takes fully responsibility and liability for props while off LME premises. This includes any loss or damage, and/or any additional week rental charges applicable. LESSEE agrees to immediately pay LME for any of these charges, and will be fully responsible for any claims against the third party. This includes any waiting time for the payment from the third party. Should it be decided that the third party not be responsible to the LESSEE in any way, this will not have any bearing on the responsibility of the LESSEE to LME.

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- 25. LESSEE agrees not to reproduce or to use the design of property belonging to LME to create new merchandise without prior written consent from LME management.
- 26. Unless provided otherwise in writing, accounts unpaid on the thirty first calendar day after the invoice date shall be subject to a finance charge at an annual interest rate of 18.8% until the invoice is paid in full. In states where LESSEE may be assessed at a maximum annual percentage of less than 18.8%, the finance charge shall be at the maximum rate allowed by that state's laws. Any invoice unpaid by a LESSEE for more than ninety days shall be deemed in default and may, at the option of LME, be referred for collection. In the event a LESSEE account, or any part thereof, is referred for collection, the LESSEE agrees to be responsible for all costs of collection, plus the applicable finance charge.
- 27. Clearance – It is the responsibility of the LESSEE to submit a written request for clearance of any pictures, images, logos, graphics, etc. By not obtaining signed permission, LESEE assumes all legal responsibility and is liable for all monetary claims that arise from usage. Oral clearance is not valid or binding.
- 28. LESSEE hereby agrees to pay all of LME's attorneys' fees and costs in having to enforce the Terms and Conditions of this agreement.

PROP HEAVEN/LENNIE MARVIN ENTERPRISES, INC. and LESSEE agree to the above Terms and Conditions

Date: _____

Lessee or Production Company Name: _____

Set or Show Name: _____

Rental Dates: _____ – TO – _____

Invoice No.: _____

PROP HEAVEN/LENNIE MARVIN ENTERPRISES, INC. REPRESENTATIVE

Print Name: _____

Signature: _____

AUTHORIZED LESSEE REPRESENTATIVE - I accept delivery, agree to the terms listed, and have authority to enter into this agreement on behalf of the LESSEE

Print Name: _____

Signature: _____