

Equipment Rental Terms and Conditions

These terms and conditions form part of the rental contract (the “Rental Contract”) between the Client and the Hoofta Productions, LLC, the rental company (the “Rental Company”), and apply to all the equipment rented by the Client. These terms and conditions constitute additional provisions of, and guides to interpretation of the Rental Contract. In the event of a conflict between these terms and conditions hereof and the Rental Contract, the terms of the Rental Contract shall prevail.

Pre-production / Equipment testing:

“Equipment” includes all types of rental production equipment. The Client will always have an opportunity to test and examine the Equipment to determine that the Equipment is in good working order. The Equipment must be tested before leaving the rental facility and any discrepancies reported before the Rental Contract(s) are signed.

The Client is considered to have taken delivery of the Equipment and therefore assumes all risk of loss from the time that the Equipment is set aside from the Rental Company’s general rental inventory for the Client’s use. The Client is responsible for any damages the Client causes to the equipment, property or persons, during testing. After completing the testing the Client must notify the Rental Company of any defective or inoperable equipment immediately upon discovering the defect. Unless the Client notifies the Rental Company of a defect or problem with the equipment supplied, the Client agrees that the Equipment is in good working order and that the equipment is acceptable to the Client.

Transporting the Equipment / Pick up and delivery:

The Client is responsible for the pick up and return of the equipment at the rental facility, during normal business hours. If the Client does not pick up and or return the Equipment at the facility, the Client is responsible for the transportation to and from the facility.

At the Client’s request and expense the Rental Company may arrange delivery of the Equipment to the Client’s designated location. The Client is responsible for all costs (Transportation Charges, Taxes, Duties, Broker’s Fees, Bonds, Insurance and any other costs) incurred during transit.

The Client’s responsibilities regarding the Equipment:

The Client assumes all risk of loss. Once the Client has taken delivery of the Equipment, the Client’s responsibility includes, but is not limited to risks while in transit, at all locations named and unnamed, at all studios, while on the Client’s own premises and while in use, or storage on the rental facility’s premises. Equipment will not be deemed to have been returned until all of the following conditions have been met:

- 1) Property has been brought back to the premises during normal business hours.
- 2) An inventory has been completed and a missing and damaged list has been compiled.
- 3) The term of the Rental Contract has expired.

Restrictions upon the use of the Equipment:

Local use only unless otherwise agreed. In each contract there is a condition that states in which geographic territory the Client may use the Equipment. Geographic restrictions can be removed from the Rental Contract by mutual agreement between the Client and the Rental Company.

The Equipment is to be used by Qualified Personnel Only:

The Equipment may be used only by the Client’s duly qualified employees and/or agents and in strict accordance with the use contemplated in the Rental Contract. The Client shall keep the Equipment in the Client’s sole custody and shall not permit the Equipment to be used in the violation of any laws.

No sublease is permitted:

The Client may not sublease all or any part of the Equipment without written consent of the Rental Company.

No removal of serial numbers or company logos is permitted:

The Client may not remove or cover over any serial numbers, tags, nameplates, or identifying logos on the Equipment showing ownership by the Rental Company.

No warranty or guarantee:

Except as provided by law, Equipment is rented to the Client without warranty or guaranty of any kind, expressed or implied, and the Rental Company assumes no responsibility unless agreed to in writing.

Equipment damaged or destroyed while in the field:

As soon as the Client discovers that equipment in the field is defective, the Client should notify the Rental Company of the problem and if necessary return the Equipment to the Rental Company, freight prepaid, for evaluation. The Rental Company will make a reasonable effort to repair or replace the Equipment in the shortest amount of time.

Missing and damaged equipment:

Upon return of the damaged equipment, the Rental Company will make a determination of the extent of the damage and the required repairs. The Client and/or the Client's representatives or agents will have a reasonable amount of time to inspect the damage. In determining whether the equipment shall be replaced or repaired, the Rental Company's judgment shall be conclusive upon the Client. Should the Rental Company determine that the equipment must be replaced, the Client will be responsible for the cost to replace the same item or the closest comparably equipped model, at a current retail price less any discounts available without deduction for depreciation.

As soon as the Client realizes that Equipment is missing, the Client MUST immediately notify the Rental Company and file a police report. In all instances immediately report any missing, lost or stolen equipment to the Rental Company and file a report with the local authorities.

Rental charges and late fees:

The Client must return the Equipment on the date specified in the Rental Contract or be subject to additional charges. The last rental day shall be the day specified in the Rental Contract or up until 10:00am of the next business day. A full additional day's rental will be charged for each day Equipment is not returned after the date specified for the return of the Equipment.

If the Equipment is returned in damaged or nonworking conditioned:

The lease period will be extended by the shortest reasonable time necessary to repair such damage or replace non-repairable equipment and return the item to the Rental Company's general inventory. The extended rental period shall apply only to damaged or nonworking items, unless the item forms a part of other equipment. There may be delays in repair or replacement attributable to causes beyond the Rental Company's control. The acceptance of the return of the Equipment by the Rental Company is not a waiver of any claims that it may have against the renter.

Rental charges for the damaged or nonworking item shall accrue at full rental rate for the item(s) irrespective of any package discounts or other discounts agreed to at the inception of the Rental Contract, unless the item(s) is repaired or replaced and the invoice for damages has been paid in full to the Rental Company. If requested the Client shall advance payment in order to allow the Rental Company to repair or replace the equipment.

Weekends and Holidays:

When on a daily schedule, the Client will be charged the daily rental rate for weekends and Holidays if the Equipment is used.

Minimum charges:

There may be a minimum rental periods and/or special minimums applicable to Equipment to be used other than locally.

Credit information and Payment Terms:

The terms of payment are based upon credit information the Client supplies at the time of rental. Should there be any change in such information, the Client agrees that the Rental Company may demand immediate payment without prior notice.

Payment Terms:

Rental invoices and loss and damage invoices are payable upon receipt of invoice and not later than net 30 (thirty) days. Payments due for 30 days or more shall be considered past due. For each month or part of a month thereafter, a past due or late charge may be assessed, which the Client is expected to pay. If the Rental Company places the account in the hands of an attorney or other agency for collection, the Client agrees to pay reasonable collection costs, attorney fees and court costs. The Client agrees to pay the Rental Company directly or as directed by the Rental Company or its agent.

Rental payments do not apply towards a purchase price:

Rental payments may not be applied to the purchase price of any Equipment.

A 50% deposit is required upon equipment scheduling. The remainder of the equipment rental cost will be paid upon equipment pickup.

Cancellation penalties:

The Rental Company shall be entitled to compensation, not to exceed lease payments, for any losses the Rental Company may sustain because of cancellation of all or part of an order. In the event of cancellation when on a daily or weekly schedule, cancellation charges may apply in consideration Rental Company's preparing, holding in reserve or sub-renting equipment, facilities or vehicles on the Client's behalf. Half of the deposit will be the cancellation charge while the other half does get refunded to the client. By keeping the Rental Company informed of the Client's shooting schedule the Client can minimize or avoid cancellation fees.

Insurance Requirements:

The Client shall, at the Client's expense and at all times during the rental, maintain in full force and effect insurance covering all Equipment rented from all sources, for full replacement cost except vehicles which are at actual cash value, and for loss of use of the Equipment. Coverage must begin from the time the Client's agents accept delivery of the Equipment and continue until the Equipment is returned. The Client shall deliver to the Rental Company, upon request, evidence of the insurance coverage, typically a Certificate of Insurance satisfactory to the Rental Company, showing Liability coverage, Property Insurance and Worker's Compensation Insurance prior to taking delivery of the Equipment. Such insurance shall be written by reputable insurers acceptable to the Rental Company; the Client's insurers shall agree to be the primary insurers of such Equipment during the rental period. Notwithstanding this paragraph the Client shall remain primarily liable to the Rental Company for full performance under the terms and conditions of the Rental Contract. The Rental Company may enforce its remedies directly against the Client without resort to the Client's insurance.

Property insurance:

The Client's insurance should be on a worldwide basis; shall name the Rental Company as Loss Payee for loss or damage to the property rented; shall cover "All Risks" of loss or damage for Equipment; vehicles physical damage coverage shall include the perils of "Comprehensive" and "Collision"; and all policies shall provide for 10 days written notice to the Rental Company before any policy shall be modified or cancelled. Limits shall be sufficient to encompass all property at risk, regardless of source, but in no event less than \$1,000,000.00 (One Million Dollars)

Liability Insurance:

The Client shall name the Rental Company as additionally insured on the Client liability insurance and the Client's liability insurance shall be deemed primary and noncontributory insurance in the event of any claim or suit. Liability insurance shall meet the following minimums:

- Commercial General Liability: \$2,000,000.00 (Two Million Dollars) per occurrence & Annual Aggregate.
- Automobile Liability: \$1,000,000.00 (One Million Dollars) combined single limit.
- Foreign Liability: If filming outside the U.S.A. or Canada, \$2,000,000.00 (Two Million Dollars) per occurrence

Insurance Supplied by Rental Company:

The Client may opt to purchase insurance from the Rental Company at the cost of 10% of the rental per day. Once the contract for the rental period has been signed, insurance may not be added. In the event of damage to the equipment the Client will notify the Rental Company as soon as possible to document the damage. Upon equipment return, the Rental Company will assess the damaged item(s) and the Client will pay the Rental Company's insurance deductible. In the event that equipment is lost while the Client is under the Rental Company's insurance, the Client will completely replace the item and cover any extra cost such as, but not limited to, shipping.

The rights of the Rental Company are not affected by the Client's nonperformance:

The Client's insurers shall agree that the rights of the Rental Company under the insurance coverage as described in the preceding paragraphs shall not be affected by any act or neglect or breach of condition by the Client, other than non-payments of insurance premiums.

Should the Client fail to procure or pay the cost of maintaining in-force the insurance specified in the Rental Contract or to provide the Rental Company upon request with satisfactory evidence of the insurance, the Rental Company may, but shall not be obligated to, procure the insurance and the Client shall reimburse the Rental Company on demand for its cost. The Rental Company reserves the right to immediate seizure of any and all Equipment if the terms of Insurance are not kept. Lapse or cancellation of the required insurance shall be an immediate default of this agreement.

Title and ownership:

The Client specifically acknowledges the Rental Company's superior title and ownership of the Equipment and must keep the Equipment free of all liens, levies and encumbrances. The Client may not assign or pledge the Equipment.

Right of entry and inspection:

The Rental Company shall have the right to inspect the Equipment at any time during the rental term. The Client shall make any and all arrangements necessary to permit a qualified employee of the Rental Company access to the location of the Equipment. If a breach of any of the provisions of the Rental Contract occurs, the Rental Company has the right to remove all of the Equipment without any liability to the Client, and without prejudice to the Rental Company's right to receive rent due or accrued to, including the date of removal of the equipment.

Indemnifying the Rental Company:

The Client agrees to indemnify the Rental Company and to hold the Rental Company and its employees and agents harmless from and against any and all losses, damages, claims, demand or liability of any kind or nature whatsoever, including legal expenses, arising from the use, condition (including, without limitation, latent and other defects) or operation of the Equipment, and by whosoever used or operated during the rental term. This indemnification shall continue in full force and effect during and after the term of rental for causes arising during the term of the rental.

The laws of the State of Florida shall govern this agreement. The Rental Contract shall be deemed to have been made in Orange County, and shall be interpreted and the rights and liabilities of the parties determined, in accordance with the laws of the State of Florida.