



RENTAL AGREEMENT TERMS AND CONDITIONS

DEFINITIONS: "LESSEE" IS THE CLIENT AS LISTED ON THE TOP OF PAGE 1 OF THIS AGREEMENT "LESSOR" IS 2ND CINE, INC.

GENERAL

1. IT IS ASSUMED THAT EACH LESSEE OR END USER UNDERSTANDS THE OPERATING PROCEDURES FOR EACH PIECE OF EQUIPMENT ORDERED. 2. LESSEE HAS INSPECTED OR MAY INSPECT THE EQUIPMENT AND/OR VEHICLES BEFORE THE START OF A JOB. LESSOR MAKES NO GUARANTEE, WARRANTY OR REPRESENTATION AS TO PERFORMANCE, CONDITION OR OPERABILITY OF THE EQUIPMENT AND/OR VEHICLES OR ITS SUITABILITY FOR THE JOB (LESSEE TAKES THE EQUIPMENT AND/OR VEHICLES ON AN AS-IS BASIS); AND LESSEE WAIVES ALL CLAIMS AGAINST LESSOR FOR ACTUAL OR CONSEQUENTIAL DAMAGES ARISING FROM LESSEE'S RENTAL, USE AND POSSESSION OF THE EQUIPMENT AND/OR VEHICLES. 3. LESSEE SHALL AT HIS OWN EXPENSE, PROTECT, KEEP AND MAINTAIN, IN HIS CUSTODY, THE EQUIPMENT AND/OR VEHICLES IN GOOD STATE OF CONDITION AND REPAIR, AND SHALL NOT USE OR OPERATE SUCH EQUIPMENT AND/OR VEHICLES OTHER THAN IN A MANNER AND FOR THE USE CONTEMPLATED BY THE MANUFACTURER THEREOF, AND AGREES TO RETURN THE SAME TO LESSOR'S PREMISES UPON TERMINATION OF THE RENTAL PERIOD IN THE SAME CONDITION AND GOOD ORDER AS WHEN RECEIVED. 4. LESSOR'S ACCEPTANCE OF THE RETURN OF RENTED EQUIPMENT AND/OR VEHICLES IS NOT A WAIVER OF CLAIMS THE LESSOR MAY HAVE AGAINST LESSEE, NOR A WAIVER OF CLAIMS FOR LATENT OR PATENT DAMAGE TO THE EQUIPMENT AND/OR VEHICLES. 5. LESSEE AGREES TO COMPENSATE LESSOR AT THE DAILY RATE PER CATALOG PRICE WHEN THE EQUIPMENT IS OUT OF SERVICE FOR REPAIRS OR REPLACEMENT AS A RESULT OF SAID EQUIPMENT BEING LOST, STOLEN, MISSING OR DAMAGED, OTHER THAN AS THE RESULT OF REASONABLE WEAR AND TEAR. 6. ACCRUED RENTAL CHARGES WILL NOT BE DEDUCTED FROM THE REPLACEMENT COST. 7. PAYMENT TERMS FOR OPEN ACCOUNTS ARE NET 10 DAYS. 8. TO SECURE THE PAYMENT OF THE RENTAL DUE HEREUNDER, LESSEE HEREBY AUTHORIZES, IRREVOCABLY, ANY ATTORNEY OF ANY COURT OF RECORD TO APPEAR FOR LESSEE IN SUCH COURT, IN TERM TIME OR VACATION, AT ANY TIME HEREAFTER, AND CONFESS A JUDGMENT, WITHOUT PROCESS, IN FAVOR OF THE OWNER OR ITS ORDER, FOR SUCH AMOUNT AS MAY APPEAR TO BE UNPAID AND DUE HEREON, TOGETHER WITH ALL COSTS AND REASONABLE ATTORNEY'S FEES, AND TO WAIVE AND RELEASE ALL ERROR WHICH MAY INTERVENE IN ANY SUCH PROCEEDINGS, AND CONSENT TO IMMEDIATE EXECUTION UPON SUCH JUDGMENT, HEREBY RATIFYING AND CONFIRMING ALL THAT SAID ATTORNEY MAY DO BY VIRTUE THEREOF. 9. NO TERMS, REPRESENTATIONS OR WARRANT, EXPRESS OR IMPLIED NOT HEREIN SET FORTH IN WRITING SHALL BIND LESSOR.

DELIVERY AND PICKUP: We will deliver or pickup equipment for you at anytime. SPECIAL ARRANGEMENTS ARE AVAILABLE FOR OFF-HOUR PICK-UPS OR DROP OFFS AT THE CUSTOMER'S REQUEST. SHIPPING FEES, DELIVERY FEES, AND MILEAGE RATES MAY APPLY.

RENTAL PERIOD: THE MINIMUM RENTAL PERIOD IS ONE DAY. EQUIPMENT MUST BE RETURNED BY 10:00 AM TO AVOID AN EXTRA DAY CHARGE. SPECIAL WEEKLY PACKAGE RATES ARE AVAILABLE AND "DOWN DAYS", OR "TRAVEL DAYS" MUST BE REQUESTED IN ADVANCE. THE LESSEE SHALL COMPENSATE 2ND CINE, INC. FOR ANY ACTUAL REASONABLE RENTAL LOSS THAT MAY OCCUR DUE TO CANCELLATION BY THE LESSEE OF ALL OR PART OF AN ORDER. AT NO TIME WILL RENTAL CHARGES ACCRUE TOWARD THE PURCHASE OF ANY RENTAL EQUIPMENT.

RENTAL PRICES: ALL PRICES ARE QUOTED PER DAY UNLESS OTHERWISE SPECIFIED. MINIMUM RENTAL \$50. BILLING & PAYMENTS: INVOICES ARE DUE ACCORDING TO THE TERMS OF YOUR AGREEMENT (NET 10 DAYS BY DEFAULT) AND MUST BE PAID IN FULL BY THE DUE DATE. PAST DUE INVOICES ARE SUBJECT TO A MONTHLY \$35 LATE FEE PLUS 1.5% MONTHLY (18% APR) INTEREST FEES OF THE PAST DUE BALANCE. LESSEE ACCEPTS LIABILITY FOR ALL AND ANY COSTS OR FEES ASSOCIATED WITH COLLECTING PAST DUE AMOUNTS INCLUDING BUT NOT LIMITED TO LATE FEES, INTEREST CHARGES, ATTORNEY FEES AND COURT COSTS. PRICES AND SPECIFICATIONS IN LESSOR'S CATALOG ARE SUBJECT TO CHANGE WITHOUT NOTICE.

CANCELLATIONS: ANY ORDER CANCELLATION LESS THAN 48 HOURS PRIOR TO PICK-UP OR DELIVERY OF THE EQUIPMENT IS SUBJECT TO CANCELLATION CHARGES. (I.E. FULL DAILY RENTAL CHARGE). PACKAGES INVOLVING TRUCKS SHALL INFORM 2ND CINE, INC. OF A CANCELLATION 72 HOURS TO AVOID A CANCELLATION CHARGE. THE LESSEE SHALL COMPENSATE 2ND CINE, INC. FOR ANY ACTUAL REASONABLE RENTAL LOSS THAT MAY OCCUR DUE TO CANCELLATION BY THE LESSEE OF ALL OR PART OF AN ORDER. CANCELLATION OF BOOKED CREW/LABOR LESS THAN 72 HOURS PRIOR TO 6A.M. OF THE SCHEDULED WORK DAY IS SUBJECT TO A 30% DAY RATE CANCELLATION FEE. CANCELLATION OF BOOKED CREW/LABOR LESS THAN 48 HOURS PRIOR TO 6A.M. OF THE SCHEDULED WORK DAY IS SUBJECT TO A 50% DAY RATE CANCELLATION FEE. CANCELLATION OF BOOKED CREW/LABOR LESS THAN 24 HOURS PRIOR TO 6A.M. OF THE SCHEDULED WORK DAY IS SUBJECT TO A 100% DAY RATE CANCELLATION FEE.

INSURANCE: THE LESSEE SHALL PROVIDE HIS OR HER OWN INSURANCE TO COVER REPLACEMENT VALUE OF EQUIPMENT RENTED AND FOR ALL LOSS OR DAMAGE. RENTAL COST WILL NOT BE DEDUCTED FROM REPLACEMENT COST. CERTIFICATES OF INSURANCE, OR VERIFICATION FROM INSURANCE COMPANY THAT THE CERTIFICATES ARE FORTHCOMING MUST BE MADE AVAILABLE TO 2ND CINE, INC., PRIOR TO RELEASE OF EQUIPMENT. SEE INSURANCE REQUIREMENTS SECTION FOR DETAILS.

LIABILITY: 2ND CINE, INC. IS IN NO WAY RESPONSIBLE FOR ANY LIABILITIES, CLAIMS, COSTS, OR EXPENSES ARISING OUT OF THE USE OR POSSESSION OF ITS EQUIPMENT. OUR EQUIPMENT IS OFFERED FOR INSPECTION AND TESTING BY LESSEE PRIOR TO LEAVING OUR FACILITY. 2ND CINE, INC. SHALL NOT BE LIABLE FOR ANY LOSS OR DAMAGE OF ANY KIND, RESULTING FROM SERVICES OF DRIVERS, TECHNICIANS OR ANY OTHER PERSONNEL AND / OR SERVICE PROVIDED BY 2ND CINE, INC.

DAMAGED EQUIPMENT:

ALL EQUIPMENT IS RENTED IN GOOD CONDITION AND IS TO BE RETURNED IN GOOD CONDITION. THE LESSEE SHALL PAY ANY REPAIR WORK NECESSARY DURING THE TERM DUE TO LESSEE'S USE OR OPERATION. IF UNIT IS DAMAGED BEYOND REPAIR, THE LESSEE SHALL PAY FULL REPLACEMENT PRICE. THE LESSEE AGREES NOT TO REMOVE OR COVER THE TAG OR NAMEPLATE ON EQUIPMENT SHOWING OWNERSHIP BY 2ND CINE, INC.. GLOBES: ALL UNITS ARE FURNISHED WITH GLOBES UNLESS OTHERWISE SPECIFIED. ALL UNITS RENTED WITH GLOBES ARE FURNISHED WITH SPARE GLOBES AT NO ADDITIONAL COST. NO CHARGES FOR BURN OUTS (B/O) IF GLOBE IS RETURNED.

DAMAGE TO VEHICLES: THE LESSEE SHALL PAY FULL REPAIR COST AND LOSS OF RENTAL DURING REPAIRS FOR ANY DAMAGE TO A RENTED VEHICLE THAT REQUIRES REPAIR AND IS NOT RENTABLE.

RENTAL TERMS & CONDITIONS:

THE LESSEE AGREES TO PAY RENTAL PRICE FOR THE EQUIPMENT AND / OR VEHICLE RENTAL. SHOULD SAID EQUIPMENT OR ANY PART THEREOF, BE LOST, DAMAGED OR DESTROYED, BY FIRE, CASUALTY OF ANY KIND, ACT OF GOD OR OTHER ACT OR ACCIDENT, THE LESSEE AGREES TO REPAIR OR REPLACE THE EQUIPMENT SO LOST, DAMAGED, DESTROYED OR DETAINED AS WELL AS ACTUAL ACCRUED RENTAL THEREFORE, ACCORDING TO THE FULL REPLACEMENT VALUE OR IN THE EVENT OF DAMAGE THE LESSEE AGREES TO PAY THE ACTUAL ACCRUED RENTAL PLUS THE COST OF NECESSARY REPAIRS. RENT SHALL BE DUE WHETHER OR NOT SUCH LOSS HAS OCCURRED. LESSEE AGREES TO AND DOES HEREBY INDEMNIFY LESSOR AND HOLD LESSOR, ITS AGENTS AND EMPLOYEES, HARMLESS OF AND FROM ANY AND ALL LOSSES, DAMAGES, CLAIMS, DEMANDS OF LIABILITY OF AND KIND OR NATURE WHATSOEVER, INCLUDING LEGAL EXPENSES, ARISING FROM THE USE OR OPERATION OF THE EQUIPMENT RENTED, AND BY WHOSEVER USED OR OPERATED DURING THE TERM HEREOF. THIS INDEMNIFICATION SHALL CONTINUE IN FULL FORCE AND EFFECT DURING AND AFTER TERM OF THIS RENTAL FOR CAUSES ARISING DURING THE TERM OF THIS RENTAL.

RENTAL INSURANCE REQUIREMENTS: LESSEE, AT IT'S OWN EXPENSE, AGREES TO FURNISH LESSOR WITH CERTIFICATE OF INSURANCE PRIOR TO RELEASE OF EQUIPMENT WITH COVERAGE'S AS FOLLOWS:

MISC. EQUIPMENTS COVERAGE: MINIMUMS SHALL VARY ACCORDING TO THE VALUE OF THE TOTAL EQUIPMENT RENTED AND SHALL NOT BE LESS THAN THE FULL REPAIR OR REPLACEMENT VALUE OF ALL EQUIPMENT RENTED. COVERAGE TO INCLUDE ALL LISTED EQUIPMENT FOR ALL RISK PERILS AND CONTAIN A LOSS PAYEE CLAUSE ENDORSEMENT. IT IS UNDERSTOOD AND AGREED THAT THE CERTIFICATE HOLDER (2ND CINE, INC.) IS RECOGNIZED AS LOSS PAYEE AS RESPECTS TO MISC. RENTED EQUIPMENT AND THAT SAID POLICY IS PRIMARY AND NOT IN EXCESS OF, OR CONTRIBUTORY TO, ANY OTHER INSURANCE PROVIDED FOR THE BENEFIT OF, OR BY, THE CERTIFICATE HOLDER.

GENERAL LIABILITY COVERAGE: MINIMUM OF \$1,000,000 GENERAL AGGREGATE, \$1,000,000 PRODUCTS, PERSONAL INJURY AND EACH OCCURRENCE, IS TO BE MAINTAINED FOR THE TERM OF THIS RENTAL. IF THE LIMITS ARE LOWER THAN THE ABOVE, THERE MUST ALSO BE SHOWN AN EXCESS LIABILITY POLICY FOR THE LIMIT OF \$1,000,000 EACH OCCURRENCE AND \$1,000,000 AGGREGATE. 2ND CINE, INC. IS TO BE NAMED ADDITIONAL INSURED, AS RESPECTS THE RENTAL OF THE EQUIPMENT DURING THE TERM OF THE RENTAL AGREEMENT.

WORKERS' COMPENSATION POLICY MUST BE SHOWN AS EVIDENCE OF COVERAGE. LESSEE IS RESPONSIBLE FOR PAYMENT OF THE DEDUCTIBLE.

VEHICLES: LESSEE AGREES TO PROVIDE AUTO, BODILY INJURY, AND PROPERTY DAMAGE WITH NO LESS THAN \$1,000,000 COMBINED SINGLE LIMITS. LESSOR (2ND CINE, INC.) WILL BE NAMED AS ADDITIONAL INSURED. LESSOR SHALL BE AFFORDED PRIMARY LIABILITY COVERAGE AND THIS PRIMARY LIABILITY COVERAGE SHALL NOT BE CONTRIBUTORY WITH ANY OTHER INSURANCE CARRIED BY LESSOR. PREMIUMS FOR THIS LIABILITY INSURANCE SHALL BE PAID BY LESSEE. LESSEE AGREES TO PROVIDE PHYSICAL DAMAGE (COMPREHENSIVE AND COLLISION) COVERAGE ON A BLANKET BASIS TO ANY VEHICLES THAT 2ND CINE, INC. MAY PROVIDE LESSEE, WITH A LIMIT NOT LESS THAN \$125,000. THIS INSURANCE SHALL REMAIN IN FULL FORCE AND EFFECT UNTIL THIS LEASE HAS EXPIRED AND SAID EQUIPMENT HAS BEEN RETURNED TO LESSOR. THE INTERESTS OF THE LESSOR AS PARTIES INSURED BY SUCH INSURANCE POLICY SHALL NOT BE INVALIDATED OR OTHERWISE ADVERSELY AFFECTED BY ANY ACT OR OMISSION, NEGLIGENT OR OTHERWISE OF LESSEE OR LESSEE'S AGENTS, EMPLOYEES, SUCCESSORS OR ASSIGNS. NO MATERIAL CHANGE REDUCING THE COVERAGE AFFORDED OR CANCELLATION OF THIS POLICY SHALL BE EFFECTIVE AS THE LESSOR WITHOUT THIRTY (30) DAYS PRIOR WRITTEN NOTICE TO 2ND CINE, INC.

LESSEE IS RESPONSIBLE FOR PAYMENT OF THE DEDUCTIBLE.

FAILURE BY LESSEE TO PROCURE SAID INSURANCE SHALL NOT AFFECT LESSEE'S OBLIGATIONS UNDER THE TERMS AND CONDITIONS OF THIS LEASE.

DRIVERS:

WE DO NOT ACCEPT RESPONSIBILITY FOR UNSAFE OR UNQUALIFIED DRIVERS HIRED BY LESSEE. THE LESSEE ACCEPTS COMPLETE RESPONSIBILITY FOR VERIFICATION OF THE GOOD DRIVING RECORDS OF THE DRIVERS IT HIRES AND THAT THEY HAVE PROPER LICENSE CLASSIFICATION AND SKILLS TO OPERATE THE VEHICLE BEING RENTED.

LESSOR WILL, AT ITS DISCRETION, DESIGNATE AN EMPLOYEE OR AGENT OF LESSEE, TO BE THE SOLE DRIVER/OPERATOR OF THE LESSOR'S VEHICLE DURING THE TERM OF THE LEASE PERIOD. LESSEE ACKNOWLEDGES THAT IT WILL NOT CAUSE OR PERMIT ANY INDIVIDUAL OTHER THAN THE SAID DESIGNATED DRIVER/OPERATOR TO DRIVE OR OTHERWISE OPERATE LESSOR'S VEHICLE AT ANY TIME DURING THE TERM OF THE LEASE PERIOD. LESSEE ACKNOWLEDGES THAT SAID DESIGNATED DRIVER/OPERATOR IS UNDER LESSEE'S EXCLUSIVE SUPERVISION AND CONTROL AT ALL TIMES, AND THAT LESSEE WILL NOT CAUSE OR PERMIT SAID DRIVER/OPERATOR TO OPERATE LESSOR'S VEHICLE IN VIOLATION OF ANY FEDERAL, STATE OR LOCAL LAWS OR REGULATIONS, OR OPERATE LESSOR'S VEHICLE IN ANY WAY THAT CAUSES UNDO RISK OR HAZARD BEYOND THE NORMAL USAGE OF A MOTOR VEHICLE.

CREDIT & USAGE: THE LESSEE AGREES NOT TO REMOVE OR COVER THE TAG OR NAMEPLATE ON EQUIPMENT SHOWING OWNERSHIP BY 2ND CINE, INC.. 2ND CINE, INC. RESERVES THE RIGHT AT IT'S SOLE DISCRETION TO USE CERTAIN INFORMATION AND IMAGES TO PROMOTE AND MARKET ITS SERVICES. 2ND CINE, INC AND/OR ITS AGENTS SHALL EXCLUSIVELY OWN UNIVERSAL USAGE RIGHTS FOR ETERNITY OF ANY AND ALL COPYRIGHTABLE MATERIALS CREATED BY 2ND CINE, INC. AND/OR ITS AGENTS INCLUDING WRITINGS, PHOTOS, VIDEO AND AUDIO RECORDINGS. CLIENTS MAY BE GRANTED CERTAIN USAGE RIGHTS UPON PAYMENT IN FULL OF BALANCE DUE. 2ND CINE, INC AND ITS AGENTS HAVE THE RIGHT TO USE CREATED MATERIALS FOR PROMOTIONAL AND MARKETING PURPOSES SUCH AS ON A DEMO REEL AND WEBSITE.

LABOR RATES LABOR IS BILLED ON A GUARANTEED 10 HR STRAIGHT TIME DAY RATE. STRAIGHT HOURLY RATES ARE THE DAY RATE DIVIDED BY 10 (I.E. \$550 A DAY/10=\$55/HR). NO HALF OR PARTIAL DAYS PERMITTED. 1.5 X HOURLY OVERTIME SHALL BE BILLED ON THE 11TH AND 12TH HOURS WORKED. 2 X HOURLY OVERTIME SHALL BE BILLED ON THE 13TH AND 14TH HOUR WORKED. 3 X HOURLY OVERTIME SHALL BE BILLED ON EVERY HOUR WORKED OVER 14HRS. WRAP TIMES ARE ROUNDED UP TO THE QUARTER HR. CLIENT MUST ALLOW A MINIMUM OF 10 HRS. REST "TURNAROUND" BETWEEN THE END OF A WORK DAY AND THE BEGINNING OF THE NEXT WORK DAY OR THE PREVAILING OVERTIME RATE WILL APPLY. CLIENT MUST PROVIDE A MINIMUM OF 48HRS TURNAROUND BETWEEN WORK WEEKS. 1.5 X OVERTIME SHALL BE APPLIED FOR THE 6TH CONSECUTIVE DAY WORKED IN A WORK WEEK. 2 X OVERTIME SHALL BE BILLED FOR THE 7TH CONSECUTIVE DAY WORKED IN A WORK WEEK. CLIENT IS RESPONSIBLE FOR ALL TRAVEL EXPENSES INCLUDING FLIGHTS, LODGING, FUEL/MILEAGE, MEALS AND PER-DIE OF \$50 A DAY.

IMPORTANT

A. IN THE EVENT OF LESSEE'S FAILURE TO COMPLY WITH ANY OF THE OBLIGATIONS, TERMS AND CONDITIONS LISTED ABOVE, LESSEE ASSUMES AND AGREES TO HOLD LESSOR HARMLESS FROM AND AGAINST ALL COSTS AND EXPENSES INCURRED BY LESSOR ARISING FROM CLAIMS, ACTIONS, AND ALL LIABILITY

IN CONNECTION WITH OR ARISING FROM LESSOR'S RENTAL OF THE VEHICLE OR EQUIPMENT.

B. LESSEE AGREES TO COMPENSATE LESSOR AT THE DAILY RATE PER CATALOG PRICE WHEN THE VEHICLE AND/OR EQUIPMENT IS OUT OF SERVICE FOR REPAIRS OR REPLACEMENT AS A RESULT OF SAID EQUIPMENT OR VEHICLE BEING LOST, STOLEN, MISSING OR DAMAGED, OTHER THAN AS A RESULT OF REASONABLE WEAR AND TEAR, IN THE EVENT OF LESSEE'S FAILURE TO COMPLY WITH THE OBLIGATIONS, TERMS AND CONDITIONS OF LESSEE HEREUUNDER.

LESSEE AGREES TO AND DOES HEREBY INDEMNIFY 2ND CINE, INC ("LESSOR") AND HOLD 2ND CINE, INC., ITS AGENTS AND EMPLOYEES, HARMLESS OF AND FROM ANY AND ALL LOSSES, DAMAGES, CLAIMS, DEMANDS OF LIABILITY OF AND KIND OR NATURE WHATSOEVER, INCLUDING LEGAL EXPENSES, ARISING FROM THE USE, CONDITION, (INCLUDING WITHOUT LIMITATION LATENT AND OTHER DEFECTS) OR OPERATION OF THE EQUIPMENT RENTED, AND BY WHOSEVER USED OR OPERATED DURING THE TERM HEREOF EXCLUDING ANY SUCH LOSSES, DAMAGES OR CLAIMS RESULTING FROM THE GROSS NEGLIGENCE OR INTENTIONAL MISCONDUCT OF THE LESSOR. THIS INDEMNIFICATION SHALL CONTINUE IN FULL FORCE AND EFFECT DURING AND AFTER TERM OF THIS RENTAL FOR CAUSES ARISING DURING THE TERM OF THIS RENTAL.

BY SIGNING BELOW I HERBY AGREE TO THESE TERMS AND CONDITIONS.

X. _____
LESSEE SIGNATURE DATE

PRINT NAME

TITLE