

LEASE/RENTAL AGREEMENT TERMS & CONDITIONS

Equipment and Vehicles

Please Read Carefully. You Are Liable For Our Equipment and Vehicles.

***This Agreement Applies to All Vehicle Rentals from _____ to _____
for _____.***

1. Lessee/Renter (Name of Production) agree to defend, indemnify, and hold Movie Time Cars, Inc. ("Us" or "We") harmless from and against any and all claims, actions, causes of action, demands, rights, damages of any kind, costs, loss of profit, expenses and compensation whatsoever including court costs and attorneys' fees ("Claims"), in any way arising from, or in connection with the Vehicles and Equipment rented/leased (which vehicles and equipment, together, are referred to in this document as "Equipment"), including, without limitation, as a result of its use, maintenance, or possession, irrespective of the cause of the Claim, except as the result of our sole negligence or willful act, from the time the Equipment leaves our place of business when you rent/lease it until the Equipment is returned to us.

2. Loss of or Damage to Equipment. You are responsible for loss, damage or destruction of the Equipment, including but not limited to losses while at any and all locations, while in storage and while on your premises, except that you are not responsible for damage to or loss of the Equipment caused by our sole negligence or willful misconduct. You are also responsible for loss of use and you shall fully compensate us for the loss of use of the Equipment during the time it is being repaired or replaced, as applicable. You will be responsible for the repairs of any such damage or replacement within a 14 day period, any insurance claims that may arise from the damage will be the responsibility of production to pursue.

3. Protection of Others. You will take reasonable precautions in regard to the use of the Equipment to protect all persons and property from injury or damage. The Equipment shall be used only by your employees or agents qualified to use the Equipment.

4. Equipment in Working Order. We have tested the Equipment in accordance with reasonable industry standards and found it to be in working order immediately prior to the inception of this Agreement, and to the extent you have disclosed to us all of the intended uses of the Equipment, it is fit for its intended purpose. Other than what is set forth herein, you acknowledge that the Equipment is rented/leased without warranty, or guarantee, except as required by law or otherwise agreed upon by the parties at the inception of this Agreement. Movie Time Cars will be a responsible for \$25 worth of gas in each car.

5. Invoicing. All work performed pursuant to this Lease Rental Agreement will be invoiced to the Lessee/Renter. Said Lessee/Renter will be responsible for payment of said invoices within thirty (30) days of the date of said invoice. In addition, Lessee/Renter shall be responsible for all costs and fees including court costs, attorney's fees and otherwise used by Movie Time Cars for the collection of said fees.

6. Property Insurance. You shall, at your own expense, maintain at all times during the term of this Agreement, all risk perils property insurance ("Property Insurance") covering the Equipment from all sources (Equipment Rental Floater or Production Package Policy) including coverage for, without limitation, (i) theft by force (ii) theft by fraudulent scheme and/or "voluntary parting" (iii) mysterious disappearance (iv) theft from unattended vehicles (v) loss of use of the Equipment, from the time the Equipment is picked up by you or a shipper at our place of business or placed upon a common carrier for forwarding to you, as applicable, until the Equipment is returned to and accepted by us. Policies with locked vehicle warranties or unattended vehicle exclusions are not acceptable. The Property Insurance shall be on a worldwide basis shall name us as an additional insured and as the loss payee with respect to the Equipment and shall cover all risks of loss of, or damage or destruction to the Equipment. The Property Insurance coverage shall be sufficient to cover the Equipment at its replacement value but shall, in no event, be less than \$1,000,000. The Property Insurance shall be primary coverage over our insurance.

7. Liability Insurance. You shall, at your own expense, maintain commercial general liability insurance ("Liability Insurance"), including coverage for the operations of independent contractors and standard contractual liability coverage. The Liability Insurance shall name us as an additional insured and provide that said insurance is primary coverage. Such insurance shall remain in effect during the course of this Agreement, and shall include, without limitation, the following coverages: standard contractual liability, personal injury liability, completed operations, and product liability. The Liability Insurance shall provide general liability aggregate limits of not less than \$2,000,000 (including the coverage specified above) and not less than \$1,000,000 per occurrence.

8. Vehicle Insurance. You shall, at your own expense, maintain business motor vehicle liability insurance ("Vehicle Insurance"), including coverage for loading and unloading Equipment and hired motor vehicle physical damage insurance, covering owned, non- owned, hired and rented vehicles, including utility vehicles such as trailers. Coverage for physical damage shall include "comprehensive" and "collision" coverage. We shall be named as an additional insured with respect to the liability coverage, and as a loss payee with respect to the physical damage coverage. The Vehicle Insurance shall provide not less than \$1,000,000 in combined single limits liability coverage and actual cash value for physical damage and shall provide that said insurance is primary coverage with respect to all insureds, the limits of which must be exhausted before any obligation arises under our insurance.

9. Insurance Generally. All insurance maintained by you pursuant to the foregoing provisions shall contain a waiver of subrogation rights in respect of any liability imposed by this Agreement on you as against us. You shall hold us harmless from and shall bear the expense of any applicable deductible amounts and self insured retentions provided for by any of the insurance policies required to be maintained under this Agreement. In the event of loss, you shall promptly pay amount of the deductible amount or self-insured retention or the applicable portion thereof to the insurance carrier, as applicable or us. Notwithstanding anything to the contrary contained in this Agreement, the fact that a loss may not be covered by insurance provided by you under this Agreement or, if covered, is subject to deductibles, retentions, conditions or limitations shall not affect your liability for any loss. Should you fail to procure or pay the cost of maintaining in force the insurance specified herein, or to provide us upon request with satisfactory evidence of the insurance, we may, but shall not be obliged to, procure the insurance and you shall reimburse us on demand for its costs. Lapse or cancellation of the required insurance shall be deemed to be an immediate and automatic default of this agreement. The grant by you of a sublease of the Equipment rented/leased shall not affect your

obligation to procure insurance on our behalf, or otherwise affect your obligations under this Agreement.

10. **Certificates of Insurance.** Before obtaining possession of the Equipment you shall provide to us Certificates of Insurance confirming the coverages specified above. All certificates shall be signed by an authorized agent or representative of the insurance carrier.

11. **Drivers.** Any and all drivers who drive the Vehicles you are renting/leasing from us shall be duly licensed, trained and qualified to drive vehicles of this type. Although we may, from time to time, recommend certain qualified drivers with whom we are familiar, we do not supply drivers. You must supply and employ any driver who drives our Vehicles (even if the driver is the registered owner of the vehicle or owner of a company that owns the vehicle) and that driver shall be deemed to be your employee for all purposes and shall be covered as an additional insured on all of your applicable insurance policies.

12. **Valuation of Loss/Our Liability is Limited.** Unless otherwise agreed in writing, you shall be responsible to us for the replacement cost value or repair cost of the Equipment (if the Equipment can be restored, by repair, to its pre-loss condition) whichever is less, in addition to lose/depreciate in vehicle value due to damage caused by production. Loss of use shall be calculated at the rental rate provided for in this Agreement. Accrued rental charges shall not be applied against the purchase price or cost of repair of the lost, stolen or damaged Equipment. In the event of loss for which we are responsible, our liability will be limited to the contract price and WE WILL, IN NO EVENT, BE LIABLE FOR ANY CONSEQUENTIAL, SPECIAL OR INCIDENTAL DAMAGES.

13. **Subrogation.** We hereby agree that you shall have the right of recovery against the lessee for any damage to the Equipment, and we shall be subrogated to those rights..

14. **Expenses.** You will be responsible for all expenses, including but not limited to fuel, lubricants, and all other charges in connection with the operation of the Equipment.

15. **Accident Reports.** If any of the Equipment is damaged, lost stolen, or destroyed, or if any person is injured or dies, or if any property is damaged as a result of its use, maintenance, or possession, you will promptly notify us of the occurrence, and will file all necessary accident reports, including those required by law and those required applicable insurers. You, your employees, and agents will cooperate fully with us and all insurers providing insurance under this Agreement in the investigation and defense of any claims. You will promptly deliver to us any documents served or delivered to you, your employees, or your agents in connection with any claim or proceeding at law or in equity begun or threatened against you, us, or both of us.

16. **Default.** If you fail to pay any portion or installment of the total fees payable hereunder you otherwise materially breach this Agreement, then such failure or breach shall constitute a default ("Default"). Upon the occurrence of any such Default, and in addition to all other rights and remedies available at law or in equity, we shall have the right, at our option, to terminate this Agreement and cease performance hereunder. You further agree that the continuation of our performance hereunder after a Default shall not constitute a waiver or operate as any form of estoppel with respect to our later assertion of its right to cease such performance at any time so long as such Default has not been cured.

17. **Return.** Upon the expiration date of this Agreement with respect to any or all Equipment, you will return the property to us, together with all accessories, free from all damage and in the same condition and appearance as when received by you.

18. **Applicable Law.** This Agreement will be deemed to be executed and delivered in the State of New Jersey, and governed by the laws of the State of New Jersey.

19. **Arbitration.** Any controversy or claim arising out of or related to this Agreement or breach of this Agreement will be settled by arbitration, in New Jersey, under the auspices of a mutually agreed upon Arbitration Service.

20. **Severability.** If any provision of this Agreement or the application of any of its provisions to any party or circumstance is held invalid or unenforceable, the remainder of this Agreement, and the application of those provisions to the other parties or circumstances, will remain valid and in full force and effect.

21. **Delivery Fees.** We reserve the right to charge a delivery fee for Promo or Production Owned Vehicles. Delivery Fees May Vary. \$450 is a minimum fee.

22. **Cancellation Fees.** Once a vehicle is reserved and scheduled for work, it is productions responsibility to advise of any rescheduling within 48 business hours of the day it shoots. Cancellations must be made within 24 business hours for any vehicle scheduled from Monday – Friday. Vehicles schedule for the weekend shoots will need a 48 business hour notifications of cancellation otherwise a 50% cancellation fee will apply to the total invoice. If notification is given in less than 24 business hours (less than 48 business hours for a weekend shoot) a 100% cancellation fee will apply.

23. **Overtime Fees.** Any production that exceeds the stated and agreed upon hours will be assessed overtime charges of \$150 per hour/per man. Hours are assessed from call time to wrap time. Please note that it is the productions responsibility to advise us of the call time and any changes/updates of that call time.

24. **Rights.** As between Lessor and Lessee, Lessee shall own exclusively, in perpetuity throughout the universe, by all means and in all media, now known or hereafter devised, the results and proceeds of any lessee's, its employee's, agents, successors, and assigns, use of equipment.

25. **Stunt Work.** You shall be responsible for any damage arising from a known or unknown stunt while the equipment is in your possession. Refer to Loss of or damage to equipment.

ACKNOWLEDGED AND AGREED BY AUTHORIZED REPRESENTATIVE:

Executive Producer:

Signature: _____ Date: _____

Print: _____

UPM:

Signature: _____ Date: _____

Print: _____

Property Master:

Signature: _____ Date: _____

Print: _____

Movie Time Cars, Inc.:

Signature: _____ Date: _____

Print: Joseph Sargo, President