

**SUMMITSTAR FILMS, L.L.C.**  
**LEASE/RENTAL AGREEMENT TERMS & CONDITIONS**

- 1. Indemnity.** Lessee/Renter ("Renter") agree to defend, indemnify, and hold Summitstar Films, L.L.C., their officers, employees and agents ("Company") 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, from the time Renter takes delivery on our premises or the Equipment is placed in transit by "Company" for delivery to "Renter", until the Equipment is returned to Company during normal business hours and we sign a written receipt for said Equipment.
- 2. Loss or Damage to Equipment.** Once Renter has taken delivery of the Equipment, Renter is responsible for all loss, damage or destruction of the Equipment, including but not limited risk/loss at Summitstar Films premises, to losses while in transit, while loading and unloading, while at any and all named and unnamed locations, while in storage and while on Renter premises. This responsibility shall not end until any Equipment that Renter has taken delivery of is returned and inspected by Company during normal business hours. Renter shall not be responsible for damage to or loss of the Equipment caused by our sole negligence or willful misconduct. Renter shall not be responsible for damage or loss resulting from mechanical or structural defect or breakdown due to failure on our part to perform normal, routine or scheduled maintenance.
- 3. Protection of Others.** Renter 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 Renter employees or agents qualified to use the Equipment. Equipment shall be used in strict accordance with all applicable laws, according to the standard operation procedures and only for the purpose of production contemplated.
- 4. Sublease.** Renter warrants that Renter will not sub-rent or sublease any of the Equipment without our prior written consent.
- 5. Equipment in Working Order /No Warranties.** Company has 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. Other than what is set forth herein, Renter acknowledges that the Equipment is rented/leased without warranty, or guarantee of any kind, express or implied, except as required by law or otherwise agreed upon by the parties in writing at the inception of this Agreement. Company assumes no liability for the performance or non-performance of the Equipment, irrespective of the cause. Without limiting the generality of the foregoing, Renter agrees that Company shall have no liability

for consequential damages including, without limitation, loss of time or the need to reshoot or repair film or video footage.

6. **Inspection.** At all times during the equipment rental, Summitstar Films, L.L.C. shall have the right to inspect and/or observe its use of rented equipment.
7. **Alterations.** Renter shall not make any alterations, additions or improvements to the equipment without the consent of Summitstar Films, L.L.C., including but not limited to the removal of serial numbers and/or Summitstar Films logos.
8. **Property Insurance.** Renter shall, at Renter's 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) loss of use of the Equipment for loss of use (v) theft from unattended vehicles. Coverage shall begin from the time Renter or Renter's agents pick up or begin prepping the Equipment at our place of business, or take delivery of the Equipment, whichever is applicable, and shall continue until the time the Equipment is returned to and accepted by Company. The Property Insurance shall be on a worldwide basis and shall name Company 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.
9. **Vehicle Insurance.** Renter shall, at Renter's 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. Company 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 also include coverage for pollution caused by any vehicles. The Vehicle Insurance shall provide not less than:

**Automobile Liability:** \$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 insured, the limits of which must be exhausted before any obligation arises under our insurance.
10. **Workers Compensation Insurance.** Renter shall, at Renter's own expense, maintain worker's compensation/employer's liability insurances statutorily required during the course of the Equipment rental with minimum limits of \$1,000,000. In those circumstances where labor is supplied by Summitstar Films, L.L.C.. those persons shall be considered Renter's employees and/or independent contractors.

11. **Liability Insurance.** Renter shall, at Renter's 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 Company 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 any obligation arises under our insurance. Such insurance shall remain in effect during the course of this Agreement, and shall include, without limitation, the following coverage which shall meet the following minimums:

**Commercial General Liability:** \$1,000,000 per occurrence & annual aggregate of \$2,000,000. Standard contractual liability, personal injury liability, completed operations, and product liability shall be included.

Aircraft Liability (if filming from an aircraft): \$5,000,000 per occurrence limit.

12. **Insurance Generally.** All insurance maintained by Renter pursuant to the foregoing provisions shall contain a waiver of subrogation rights in respect of any liability imposed by this Agreement on Renter as against Company. Renter shall hold Company 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, Renter shall promptly pay amount of the deductible amount or self-insured retention or the applicable portion thereof to Company or the insurance carrier, as applicable. Notwithstanding anything to the contrary contained in this Agreement, the fact that a loss may not be covered by insurance provided by Renter under this Agreement or, if covered, is subject to deductibles, retentions, conditions or limitations shall not affect Renter's liability for any loss. Should Renter fail to procure or pay the cost of maintaining in force the insurance specified herein, or to provide Company upon request with satisfactory evidence of the insurance, Company may, but shall not be obliged to, procure the insurance and Renter shall reimburse Company 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 Renter of a sublease of the Equipment rented/leased shall not affect Renter's obligation to procure insurance on Company's behalf, or otherwise affect Renter's obligations under this Agreement. Insurance shall be written by a reputable insurance company acceptable to Summitstar Films, L.L.C..

13. **Insurance Coverage for Sub-Contractors/Independent Contractors:** Renter shall ensure any and all sub-contractors and/or independent contractors performing services under this Agreement meet the insurance requirements of this agreement by including all sub-contractors/independent contractors as "insured" under its policies.

14. **Cancellation of Insurance.** Renter and Renter's insurance company shall provide Company with not less than 30 days written notice prior to the effective date of any cancellation or material change to any insurance maintained by Renter pursuant to the foregoing provisions.

15. **Certificate of Insurance.** Before obtaining possession of the Equipment Renter shall provide to Company Certificates of Insurance confirming the coverage specified above. All certificates shall be signed by an authorized agent or representative of the insurance carrier. If for whatever reason Renter fails to provide Company with an adequate insurance certificate, that failure does not relieve Renter of Renter's other obligations under this agreement.
16. **Drivers.** Any and all drivers who drive the Vehicles Renter is renting/leasing from Company shall be duly licensed, trained and qualified to drive vehicles of this type. Although Company may, from time to time, recommend certain qualified drivers with whom Company is familiar, Company does not supply drivers. Renter must supply and employ any driver who drives the Vehicle (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 Renter's employee for all purposes and shall be covered as an additional insured on all of Renter's applicable insurance policies. Any drivers Renter provides will be deemed qualified to sign for Equipment received, if applicable.
17. **Compliance With Law and Regulations.** Renter agrees to comply with the laws of all states in which the Equipment is transported and/or used as well as all federal and local laws, regulations, and ordinances pertaining to the transportation and use of such Equipment. Without limiting the generality of the foregoing and by way of example, Renter shall at all times (i) display all necessary and proper placards; obtain all necessary permits; and (iii) keep all required logs and records. Renter shall indemnify and hold Company harmless from and against any and all fines, levies, penalties, taxes and seizures by any governmental authority in connection with or as a result of your possession or use of the Equipment including, without limitation, the full replacement value of the Equipment in the event of seizure or impound, including Company's reasonable costs and attorneys fees. Renter agrees to operate vehicles inside the state of Arizona only ("intrastate commerce") and to not transport any hazardous materials. Renter agrees to cooperate with all Federal, State, and local law enforcement officials nationwide to provide the identity of person(s) who operate rental vehicles.
18. **Valuation of Loss.** Unless otherwise agreed in writing, Renter shall be responsible to Company for the replacement cost value or repair costs of the Equipment (if the Equipment can be restored, by repair, to its pre-loss condition) whichever is less. If there is a reason to believe a theft has occurred, Renter shall file a police report. Loss of use shall be determined by the actual loss sustained by Company. Accrued rental charges shall not be applied against the purchase price or cost of repair of the lost, stolen or damaged Equipment. Rental fees for the subject equipment shall continue to accrue until Renter has paid for the lost, damaged or stolen equipment or until repairs are completed. Company determines whether the damaged equipment shall be replaced or repaired.
19. **Subrogation.** Renter hereby agrees that Company shall be subrogated to any recovery rights Renter may have for damage to the Equipment rented/lease.

20. **Bailment.** This agreement constitutes an Agreement or bailment of the Equipment and is not a sale or the creation of a security interest. Renter will not have, or at any time acquire, any right, title, or interest in the Equipment, except the right to possession and use as provided for in this Agreement. Company will at all times be the sole owner of the Equipment.
21. **Expenses.** Renter 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.
22. **Condition of Equipment.** Renter assumes all obligation and liability with respect to the possession of Equipment, and for its use, condition, and storage during the term of this Agreement except as otherwise set forth herein. Renter will, at Renter's own expense, maintain the Equipment in good mechanical condition and running order, allowing for reasonable wear and tear. The rental fee(s) on any of the Equipment shall not be prorated or abated while the Equipment is being serviced or repaired, for any reason, for which Renter is liable. Company will not be under any liability or obligation in any manner to provide service, maintenance, repairs, or parts for the Equipment, except as otherwise specially agreed or as may be within the course and scope of employment by Renter. All installations, replacements, and substitutions of parts or accessories with respect to any Equipment will become part of the Equipment and shall be owned by Company.
23. **Pre-Production Prepping of the Equipment:** Renter shall have the opportunity to prep Equipment at our rental facility, on location, or at another place. Renter is considered to have taken delivery of the equipment once the "prepping" has begun, regardless if this is done on our premises. Renter is also responsible for any damage caused to Equipment, premises or persons as a result of Renter's activity or possession of Equipment.
24. **Transportation of Equipment:** Renter is responsible for the transportation of Equipment to and/or from any location. Renter is responsible for all costs (transportation charges, taxes, duties, broken fees, bonds, insurance and any other costs) incurred during transit. Summitstar Films, L.L.C. will not accept collect shipments from Renter.
25. **Key Receipt:** If Renter is renting one or more vehicles, Renter is considered to have taken delivery of the Equipment (including contents loaded by Company onto vehicle) once Renter or Renter's agent receives keys to the vehicle(s), or receives a lockbox combination to pick up keys at a later date.
26. **Accident Reports.** In the event 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, Renter will promptly notify Company of the occurrence, and will file all necessary accident reports, including those required by law and those required applicable insurers. Renter, Renter's employees, and agents will cooperate fully with Company and all insurers providing insurance under this Agreement in the investigation and defense of any claims. Renter will promptly deliver to Company any documents served or delivered to

Renter, Renter's employees, or its agents in connection with any claim or proceeding at law or in equity begun or threatened against Renter, Company, or both entities.

27. **Return.** Upon the expiration date of this Agreement with respect to any or all Equipment, Renter will return the property to Company, together with all accessories, free from all damage and in the same condition and appearance as when received by Renter, allowing for ordinary wear and tear; determined by Company.
28. **Additional Equipment.** Additional Equipment may from time to time be added as the subject matter of this Agreement as agreed on by the parties.
29. **Entire Agreement.** This Agreement and any attached schedules, which are incorporated by reference and made an integral part of the Agreement, constitute the entire agreement between Renter, Company and/or all parties. No agreements, representations, or warranties other than those specifically set forth in this Agreement or in the attached schedules will be binding on any of the parties unless set forth in writing and signed by both parties. All amendments to this agreement must be in writing and signed by Renter and Company. Other than by this amendment procedure, this Agreement may not be amended, modified, or altered in any manner except in writing signed by Renter and Company.
30. **Counterparts and Facsimile Signatures.** This agreement may be executed simultaneously or in two or more counterparts each of which shall be deemed an original and all of which shall taken together shall constitute one in the same instrument.
31. **Term:** This agreement shall remain in effect until canceled, in writing, by mutual consent of Renter and Company.
32. **Applicable Law.** This Agreement will be deemed to be executed and delivered in the State of Arizona and to venue in Maricopa County, Arizona. This Agreement shall be governed by the laws of the State of Arizona.
33. **Collection and Arbitration.** Invoices are payable upon receipt of invoice unless a different payment method is agreed upon in writing. Payments not received within thirty (30) days of invoice shall be considered past due and late charges and finance charges may be assessed at the sole discretion of Summitstar Films, L.L.C. Any and all discounts applied to invoices shall no longer apply once an invoice becomes past due, and charges may be recomputed using Company's current rental rates. Renter agrees to pay any expense, including but not limited to, attorneys' fees and collection costs, Company may incur in the event it is deemed necessary by Company to pursue collection of past due accounts through a collection agency or by an attorney. This includes efforts to collect on equipment losses. Any controversy or claim, including any claim of misrepresentation, arising out of or related to this Agreement or breach of this Agreement will be settled by arbitration, in Maricopa County, Arizona. Arbitration shall be conducted by a single arbitrator under jurisdiction of and the then-current rules of the American Arbitration Association. The decision and award of the arbitrator will

be final and binding and any award may be entered in any court having jurisdiction. The prevailing party in any such arbitration shall be entitled to an award of reasonable attorneys fees and costs in addition to any other relief granted.

- 34. **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.
- 35. COMPANY AND/OR EQUIPMENT OWNER DOES NOT EXTEND ANY OF ITS MOTOR VEHICLE FINANCIAL RESPONSIBILITY OR PROVIDE PUBLIC LIABILITY INSURANCE COVERAGE TO THE RENTER, AUTHORIZED DRIVERS OR ANY OTHER DRIVER.
- 36. Renter acknowledges that Company reserves the right to refuse service at any time.
- 37. RENTER AGREES TO THE ABOVE TERMS AND CONDITIONS AS LISTED IN ITEMS 1 THROUGH 37, and is liable for Equipment from the time delivery is accepted until the time Equipment is returned to, and signed back in, by Company.

AUTHORIZED REPRESENTATIVE:

\_\_\_\_\_  
NAME

\_\_\_\_\_  
COMPANY

\_\_\_\_\_  
TITLE

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
DATE