

CINEMA VERDE PRODUCTIONS  
RENTAL POLICY & CONDITIONS

**THIS DOCUMENT PERTAINS TO INSURANCE COVERAGES REQUIRED AND GENERAL RENTAL POLICIES AS IT APPLIES TO THE OPERATIONS OF CINEMA VERDE PRODUCTIONS, INC.**

GENERAL TERMS

1. LESSEE ASSUMES ALL RESPONSIBILITY FOR LOSS OF, DAMAGE TO, and LIABILITY FOR ANY AND ALL EQUIPMENT, SUPPLIES, VEHICLES WHILE UNDER CONTRACT OR OTHERWISE IN THE POSSESSION OF LESSEE FROM THE LESSOR (CINEMA VERDE PRODUCTIONS) IN ADDITION TO THE BELOW CONDITIONS.
2. LESSEE, AT IT'S OWN EXPENSE, AGREES TO FURNISH LESSOR WITH A CERTIFICATE OF INSURANCE PRIOR TO RELEASE OF ANY EQUIPMENT WHICH EXPLICITLY INDICATES THE SPECIFIC COVERAGES DETAILED BELOW.
3. PAYMENT TERMS ARE COD, UNLESS OTHER AGRANGEMENTS HAVE BEEN MADE.UNPAID ACCOUNTS AND INVOICES WILL BE SUBJECT TO 1.8% MONTHLY INTEREST, COMPOUNDED, LATE FEES, AND OTHER PENALTIES.
4. THE LESSEEE WHOSE NAME AND SIGNATURE APPEAR ON THIS AGREEMENT HEREBY RENTS, PROCURES, AND/OR OBTAINS FROM CINEMA VERDE PRODUCTIONS, INC. ALL EQUIPMENT, SUPPLIES, AND SERVICES DETAILED ON THE ATTACHED INITIALIZED SHEET (S) OR AS INDICATED IN OTHER RELATIVE DOCUMENTS SUPPLIED BY CINEMA VERDE PRODUCTIONS, INC. LESSEE ACKNOWLEDGES RECEIPT OF SUCH EQUIPMENT IN GOOD AND WORKING ORDER.
5. IN THE CASE WHERE THERE ARE ANY UNRETURNED OR DAMAGED ITEMS, LESSEE WILL BE LIABLE FOR REPLACEMENT AND/OR REPAIR COSTS, ANY ACCRUED RENTAL FEES BEYOND THE CONTRACTED AMOUNTS, AND OTHER ASSOCIATED COSTS. ITEMS WILL BE BILLED AT BOOK RENTAL RATES UNTIL REPLACED OR REPAIRED FULLY AND DELIVERED TO CINEMA VERDE PRODUCTIONS, INC. OR COMPANY DESIGNATED AGENT(S), (BOOK RATES MAY BE IN HIGHER THAN THOSE PREVIOUSLY CONTRACTED). DAMAGE IS HEREBY DEFINED AS ANYTHING BEYOND NORMAL WEAR. ADDITIONALLY, THIS SHALL BE EFFECTIVE IF SAID EQUIPMENT, OR ANY PART THEREOF, IS LOST, DAMAGED, DESTROYED BY FIRE, WATER, OR CASUALTY OF ANY KIND, ACT OF GOD OR OTHER ACT OR ACCIDENT. LESSEE AGREES TO PAY THE FULL REPLACEMENT PRICE OF SAID EQUIPMENT, THE ACCRUED RENTAL, REPAIRS AND ASSOCIATED COSTS. OBLIGATION TO PAY RENT SHALL CEASE ONLY AT THE POINT OF PAYMENT OF ALL PERTINANT LOSSES SUFFERED BY LESSOR. LESSEE AGREES TO PAY IN FULL FOR SUCH ITEMS UPON DEMAND AND LESSEE UNDERSTANDS THAT THE MINIMUM RENTAL PERIOD THAT WILL BE CHARGED IS ONE CALENDAR DAY. A GRACE PERIOD OF 2 WORKING DAYS FROM THE DATE SPECIFIED AS THE END OF THE CONTRACT WILL BE ALLOWED FOR RETURN OR REPAIR OF MISSING ITEMS BUT IF THE REPAIR OR RETURN OF SUCH ITEMS ARE NOT ACCOMPLISHED WITHIN THIS GRACE PERIOD, THE FULL AMOUNT DUE WILL BE CALCULATED OVER THE GRACE PERIOD. LESSEE AGREES TO INFORM ROD SPENCER OR A DESINATED AGENT AS SOON AS POSSIBLE OF ANY ACTS THAT QUALIFY AS SIGNIFICANT, SUCH AS VEHICLE ACCIDENTS OR STOLEN EQUIPMENT.

## INSURANCE REQUIREMENTS

6. MISC. EQUIPMENT COVERAGE MINIMUMS SHALL VARY WITH THE VALUE OF THE EQUIPMENT RENTED AND SHALL NOT BE LESS THAN THE FULL REPLACEMENT VALUE. COVERAGE TO INCLUDE EQUIPMENT FOR "ALL RISK" AND CONTAIN A LOSS PAYEE CLAUSE ENDORSEMENT STATED AS FOLLOWS: EFFECTIVE (DATE) IT IS UNDERSTOOD AND AGREED THAT THE CERTIFICATE HOLDER IS RECOGNIZED AS LOSS PAYEE AS RESPECTS (VALUE AMOUNT) MISCELLANEOUS RENTED EQUIPMENT AND THAT SAID POLICY IS PRIMARY ABOVE ALL OTHER CLAIMS AND NOT IN EXCESS OF OR CONTRIBUTORY TO ANY OTHER INSURANCE PROVIDED FOR THE BENEFIT OF OR BY THE CERTIFICATE HOLDER.

7. GENERAL LIABILITY MINIMUM OF \$1,000,000 COMBINED SINGLE LIMITS, BODILY INJURY AND PROPERTY DAMAGE IS TO BE MAINTAINED FOR DURATION OF RENTAL. CINEMA VERDE PRODUCTIONS, INC. IS TO BE NAMED AS ADDITIONALLY INSURED IN ALL ASPECTS AS TO THE RENTAL OF EQUIPMENT, SUPPLIES FURNISHED, VEHICLES, PERSONEL, ETC. FOR ANY EQUIPMENT INVOLVED PRINCIPALLY IN ANY SHOTS OR SET UPS REQUIRING STUNTS, WATERCRAFT, SPECIAL EFFECTS, PYROTECHNICS, AND/OR AERIAL WORK AMOUNTS ARE TO BE IN EXCESS OF THIS IN ACCORDANCE WITH MOTION PICTURE INDUSTRY STANDARDS.

8. LESSEE MAY BE REQUIRED TO SHOW EVIDENCE OF WORKER'S COMPENSATION COVERAGE.

9. LESSEE ACKNOWLEDGES THAT ALL EQUIPMENT IS TO BE USED AND CARED FOR IN ACCORDANCE WITH ALL STANDARDS OF COMMONLY UNDERSTOOD PROFESSIONAL METHODS OF USAGE, AND IS TO BE STORED, SECURED, AND OPERATED IN A SUCH A MANNER AS TO PREVENT HARM TO EQUIPMENT, PROPERTY, OR PERSONS.

## VEHICLES & VEHICLE INSURANCE

10. LESSEE ASSUMES ALL RESPONSIBILITY FOR THE WORTHINESS, PHYSICAL AND LEGAL ABILITY OF ANY DRIVERS OPERATING ANY CINEMA VERDE PRODUCTIONS, INC. VEHICLE WHILE IT IS UNDER CONTRACT OR SUPPLIED TO LESSEE. LESSEE ALSO ASSUMES ALL RESPONSIBILITY FOR THE SAFE AND LEGAL OPERATION OF ALL CINEMA VERDE PRODUCTIONS, INC. VEHICLES WHILE UNDER CONTRACT OR SUPPLIED TO LESSEE.

11. LESSEE AGREES TO PROVIDE AUTO, BODILY INJURY, AND PROPERTY DAMAGE WITH NO LESS THAN \$1,000,000 COMBINED SINGLE LIMITS. IF VEHICLES ARE INVOLVED IN ANY SHOTS OR SET UPS REQUIRING STUNTS, WATERCRAFT, SPECIAL EFFECTS, PYROTECHNICS, AND/OR AERIAL WORK AMOUNTS ARE TO BE IN EXCESS OF THIS IN ACCORDANCE WITH MOTION PICTURE INDUSTRY STANDARDS.

12. LESSOR WILL BE NAMED AS ADDITIONALLY INSURED AND LOSS PAYEE. 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 INSURANCE SHALL BE PAID BY LESSEE.

13. LESSEE AGREES TO PROVIDE BLANKET PHYSICAL DAMAGE (COMP AND COLLISION) COVERAGE ON A BLANKET BASIS TO ANY VEHICLE CINEMA VERDE PRODUCTIONS, INC. OR COMPANY DESIGNATED AGENT (S) MAY PROVIDE LESSEE. A GENERAL STARTING POINT FOR ALL VEHICLES WILL BE A LIMIT OF NOT LESS THAN \$125,000.

14. LESSEE'S INSURANCE POLICY(IES) WILL NEED TO REMAIN IN FORCE AND EFFECT UNTIL LEASE HAS EXPIRED AND SAID EQUIPMENT HAS BEEN RETURNED TO LESSOR.

15. THE INTEREST OF THE LESSOR AS A PARTY INSURED BY SAID INSURANCE POLICY SHALL NOT BE INVALIDATED OR OTHERWISE ADVERSELY AFFECTED BY ANY ACT, OMISSION, NEGLIGENCE OR OTHERWISE, BY LESSOR OR LESSEE; IT'S AGENTS, EMPLOYEES, SUCCESSORS OR ASSIGNS EXCEPT IN THE ENDING OF ALL PERTINANT RENTAL PERIODS FOR LEASED EQUIPMENT AND VEHICLES.

16. NO GUARANTEE WHATSOEVER IS GIVEN AS TO THE PERFORMANCE, RELIABILITY, OR DURABILITY OF ANY ITEM OR PERSON PROCURED AS PART OF THIS CONTRACT. IN THE EVENT OF EQUIPMENT FAILURE OR POTENTIAL FAILURE, LESSEE IS TO NOTIFY CINEMA VERDE PRODUCTIONS, INC. OR COMPANY DESIGNATED AGENT (S) IMMEDIATELY AND A DECISION WILL BE MADE AS TO THE BEST COURSE OF ACTION. LESSEE IS TO NOT MAKE ANY REPAIRS WITHOUT THE APPROVAL OF CINEMA VERDE PRODUCTIONS, INC. OR COMPANY ASSIGNED AGENT (S).

17. COMPANIES WITHOUT A DUNN AND BRADSTREET RATING MAY BE REQUIRED TO LEAVE A DEPOSIT BEFORE RENTAL CAN COMMENCE. ALL ACCOUNTS UNPAID AFTER 30 CALENDAR DAYS WILL BE CONSIDERED DELINQUENT AND SUBJECT TO COLLECTION PROCEDURES, LATE FEES, AND INTEREST. LESSEE ACKNOWLEDGES AND ACCEPTS THAT LESSEE WILL BE RESPONSIBLE FOR ANY AND ALL COLLECTION FEES AND SUBSEQUENT LEGAL FEES. BOUNCED CHECKS WILL BE REPORTED TO THE DISTRICT ATTORNEY'S OFFICE AND PROSECUTED IF UNPAID UPON DEMAND. A BOUNCED CHECK FEE OF \$50.00 WILL ALSO BE DUE PER OCCURANCE.

18. COMPANIES WITHOUT A D&B COMMERCIAL CREDIT RATING MAY BE REQUIRED TO PROVIDE A PERSONAL GUARANTEE OF PERFORMANCE IN ANY OR ALL ASPECTS OF THIS CONTRACT FROM AT LEAST TWO OF THE PRINCIPALS AND/OR FROM THE HEADS OF ANY FINANCIAL DEPARTMENTS.

19. IN THE EVENT OF CANCELLATION OF AN ORDER LESS THAN 24 HRS FROM THE AGREED UPON PICKUP OR DELIVERY DATE OR TIME, THE FULL RENTAL RATE WILL BE BILLED, AND CANCELLATIONS OF ANY TIME FRAME MAY ALSO INCUR CHARGES.

20. LESSEE AGREES TO HOLD HARMLESS, INDEMNIFY, AND SHIELD CINEMA VERDE PRODUCTIONS, INC., IT'S OFFICES, EMPLOYEES, AND AGENTS FROM ANY AND ALL CLAIMS, DEMANDS OF LIABILITY, SUITS, DAMAGES, LOSSES, LIABILITIES (INCLUDING WORKER'S COMPENSATION), LEGAL TRANSGRESSIONS, ALL FEES (INCLUDING ATTORNEY FEES) FOR LOSS OF LIFE OR INJURY TO ANY PERSON, DAMAGE TO PROPERTY OR OTHER DAMAGES OR LOSSES WHATSOEVER, RESULTING DIRECTLY, INDIRECTLY, OR NEGLIGENTLY FROM A CAUSE, OCCURANCE, OR ACCIDENT RELATED TO THE USE OF RENTED EQUIPMENT, FACILITIES, VEHICLES, SUPPLIED MATERIALS, PERSONEL, ANY ASSOCIATED ELEMENTS AND/OR ITEMS SUPPLIED DIRECTLY OR

INDIRECTLY CINEMA VERDE PRODUCTIONS, INC., IT'S OFFICES, IT'S EMPLOYEES, OR AGENT(S), INCLUDING WITHOUT LIMITATION LATENT AND OTHER DEFECTS. THIS CLAUSE IS TO BE IN EFFECT IN FULL FORCE DURING AND AFTER THE CONTRACTED RENTAL PERIOD UNTIL LESSOR IS NO LONGER SUBJECT TO ANY LEGAL EXPOSURE.

MAINTENANCE

21. LESSEE AGREES TO ASSUME ALL DUTIES OF ROUTINE AND "DAY TO DAY" MAINTENANCE ON ALL ITEMS PROCURED UNDER THIS CONTRACT. ALL DAMAGED, BROKEN, MISSING GLOBES WILL BE BILLED FOR. NO-CAUSAL BURNOUTS WILL NOT BE BILLED. EXPENDABLES, SUPPLIES, MILEAGE, FUEL, LABOR ARE ADDITIONAL EXPENSES ABOVE THE "RENTAL" PRICE. A GRACE PERIOD OF 2 WORKING DAYS WILL BE ALLOWED FOR RETURN OR REPAIR OF MISSING ITEMS BUT IF THE REPAIR OR RETURN OF SUCH ITEMS ARE NOT ACCOMPLISHED WITHIN THIS GRACE PERIOD, THE FULL AMOUNT DUE WILL BE CALCULATED OVER THE GRACE PERIOD.

DISPUTE

22. Should lessee default or fail to perform under any provision herein, lessee agrees to pay all and any associated attorney and legal fees and other costs incurred by Cinema Verde Productions, Inc. or its employees or agents in enforcing such provisions. This agreement shall not be amended or modified except by mutual agreement, in writing, signed by both parties. ANY DISPUTE ARISING UNDER OR PURSUANT TO THIS AGREEMENT SHALL BE CONTROLLED BY CALIFORNIA LAW, however it is agreed that any form of mediation shall be at the discretion of Cinema Verde Productions.

I HAVE READ AND UNDERSTAND THE ABOVE.

PRINT NAME: \_\_\_\_\_

SIGNED: \_\_\_\_\_

DATE: \_\_\_\_\_

COMPANY NAME, ADDRESS, PHONE:

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