



PROP RENTAL POLICY

- I. **The Property and Rental Period** – Your Invoice describes the Property, The Rental Fee, and the Rental Period. Permission to modify or extend the Rental Period shall be at the reasonable discretion of Air Hollywood, and if granted, pro-rated at the same Rental Fee and these same terms. Should permission not be granted prior to the end of the Rental Period, holdover rates shall be payable at 200% of the Rental Fee, pro-rated on a daily basis until the Property is returned to Air Hollywood's full use.
- II. **Security Deposit** – Air Hollywood requires a Security Deposit as security for performance of all provisions of this Agreement (the "Security Deposit"). The Security Deposit shall be refunded, minus deductions if any, which will be detailed in an itemized invoice, within 10 days of the later of: a) Your returning of the Property to Air Hollywood's full use, or b) payment of all outstanding Rental Fees and other payments incurred. Air Hollywood may deduct from the Security Deposit (i) any unpaid holdover or Rental Fee payments; (ii) the replacement cost and/or (iii) repair cost, at Air Hollywood's sole, reasonable discretion, of any Property damaged or lost by you during the Rental Period. You agree to pay substantiated loss or damage costs that have not been extinguished by liquidation of the Security Deposit.
- III. **Insurance** – You, at your sole expense, shall maintain Equipment Rented Insurance against loss, theft or damage to the Property for full replacement value as determined by Air Hollywood. Insurance certificates shall name Air Hollywood, Inc. as Additional Insured on the General Liability policy and Loss Payee on the Equipment Rented policy. See attached Insurance Requirements for further clarification.
- IV. **Release of Property** – The Rental Fee, Security Deposit, a Certificate Insurance, and this signed Rental Policy Acknowledgement are due prior to the start of the Rental Period. Please note: No Property will be released unless all above items are received by Air Hollywood.
- V. **No Warranty of Fitness or Suitability is Made** – You acknowledge that the Property rented was selected based on your own assessment, and not based on any representation made by Air Hollywood of fitness, suitability, durability, or quality of the Property. Air Hollywood makes no other warranties of the Property, including merchantability. The Property is licensed As-Is. You rent the Property at your own risk.
- VI. **Loss and Damage** – Upon termination of the Rental Period, you shall return the Property to Air Hollywood's premises in the same condition as when received, normal wear and tear from proper use excepted. You shall bear all risk of loss, damage, theft, disappearance, and destruction of the Property during the Rental Period and any other time the Property is in your possession ("Loss or Damage"). In the event Loss or Damage is not covered by insurance, you shall pay Air Hollywood in cash the "fair market value" for the Property concerned.
- VII. **Use of Property** – You shall use the Property in a safe, lawful manner that does not violate any law of any jurisdiction applicable, or violates any rule or restriction of the applicable insurance policy. You assume responsibility and exclusive liability for safe use and operation of the Property.
- VIII. **Indemnification** – You shall indemnify and hold harmless Air Hollywood and its principals, employees, agents, subsidiaries, and sub-contractors from all damage, loss, theft, or destruction of the Property and all losses, liabilities, damages, injuries, claims, demands, fines, penalties, costs and expenses of every kind including reasonable, outside legal fees and costs in defending against or prosecuting claims, arising directly out of or in connection with the use of the Property by your or your agents, employees, and other third parties, whether or not authorized, during the Rental Period or any extension thereof, except to the extent caused by Air Hollywood's gross negligence or willful misconduct, a latent defect in the Property, or Force Majeure event.
- IX. **Default** – This Agreement shall be deemed in default if you a) fail to make a required payment in a timely manner, b) fail to provide required proof and continuously maintain all necessary insurance, c) misuse the Property d) violate any law of an involved jurisdiction, e) holdover without Air Hollywood's permission, or f) have a trustee or receiver appointed to manage substantially all your assets.
- X. **Force Majeure** – An occurrence of a Force Majeure event suspends either party's obligation to perform under this Agreement. A Force Majeure event is a catastrophic event such as earthquake, flood, tornado, fire, or other event making performance impossible that is beyond the party's control, such as industry-wide strike, riot, and war. The loss or absence of a key performer or crew member as the result of illness or a business dispute is not a Force Majeure event, nor is the failure or late payment of production financing or money transfers. If a Force Majeure event continues for five days or more, either party may terminate this Agreement by written notice to the other, and early termination provisions shall not apply.

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Force Majeure shall not extinguish your liability for loss, damage, or theft of the Property, as well as injury and third party personal injury and property damage.

XI. **Rights Granted** – This Agreement does not convey title, right or interest to the license in the Property except as a licensee. At all times the Property shall remain the personal property of Air Hollywood exclusively. You shall keep the Property free of all liens and claims, and shall not engage in activities that may expressly or by implication impair or encumber Air Hollywood’s rights to the Property. You, your successors and assigns, shall have all right, title and interest of every kind to all photographs and recordings made in connection with the Production which depict Air Hollywood’s Property (the “Recordings”) for exhibition, exploitation and promotion without limitation, in all media whether known or hereafter devised, in perpetuity.

XII. **Waiver of Injunctive Relief** – Air Hollywood acknowledges that, in the event of a breach of this Agreement by you or any third party, the damage, if any, caused Air Hollywood thereby will not be irreparable or otherwise sufficient to entitle Air Hollywood to seek or obtain injunctive or other equitable relief against the exhibition or other exploitation of the Production. Air Hollywood acknowledges that its right and remedies in any such event will be strictly limited to the right, if any, to recover damages in an action at law, and Air Hollywood will have neither the right to rescind or terminate this Agreement or any of your rights hereunder, nor the right to enjoin the production, exhibition, or other exploitation of the Production or any other Production, motion picture or otherwise, or any subsidiary or allied rights with respect thereto, nor will Air Hollywood have the right to terminate its obligations hereunder by reason of such breach.

XIII. **Miscellaneous Provisions** –

- a. This Agreement constitutes the entire understanding between the parties, and may not be subsequently amended or modified except by a written document signed by both parties.
- b. This Agreement shall be binding upon the parties’ successors, licensees and assigns as if they originally executed this Agreement. You warrant that your successors, licensees and assigns shall be contractually obligated to abide by the terms of this Agreement, and shall be jointly and severally liable.
- c. A forbearance to exercise rights under this Agreement shall not be a waiver of any right, which shall continue and remain in force. The parties agree not to recognize or assert implied waivers.
- d. This Agreement shall be governed by California law applicable to agreements executed and wholly performed in California.
- e. All disputes and actions between the parties shall be resolved by binding arbitration under AFMA Rules of International Arbitration (“AFMA Rules”) in effect at the time of filing, and if no longer in existence, rules of the American Arbitration Association. Parties agree to augment the arbitration rules with pre-trial discovery to the extent permitted in California Code Civil Procedure § 2016 et seq. (Civil Discovery Act of 1986) in effect at the time the action is filed. Arbitrations shall be held in Los Angeles, California, and the arbitrator’s award shall be enforceable by any court of law in any jurisdiction.
- f. If any provision of this Agreement is deemed illegal or unenforceable, the remainder of the Agreement shall remain valid and enforceable.
- g. Notices shall be in writing, and deemed given when received. Notices may be faxed, and deemed received when sent, provided a copy is also mailed First Class to the party’s address first listed above and postmarked the same day, or to any other address provided in writing before notice is sent. Notices may also be delivered by courier, or express mail or FedEx, and deemed received when signed for.
- h. The headings in this Agreement have no legal significance, and are for convenience only.
- i. You warrant that the Property shall only be used for commercial purposes in connection with the Production.
- j. In the event of a dispute, the prevailing party shall be entitled to recover costs and reasonable outside attorney’s fees.
- k. This Agreement is not entered to benefit a third party.
- l. This Agreement may be signed in counterparts, and by fax, each which may be deemed an original.
- m. The person executing this Agreement has the authority to bind your party hereto.

I, _____ (print your name) **ON BEHALF OF** _____ (company),

ACKNOWLEDGE THAT I HAVE READ AND UNDERSTAND THIS PROPERTY RENTAL POLICY AND SHALL ABIDE BY THE TERMS AND CONDITIONS SET FORTH:

SIGNED _____ **DATE** _____