

Athletic Room, Inc.
Rental Agreement Contract

All Items(set dressing/props) rented/lease to the Lessee identified on the Rental Order Estimate attached hereto (hereinafter referred to as "Lessee") by the Athletic Room.,(hereinafter referred to as "Lessor", Lessee following terms and conditions apply to all set dressing/Props rentals.

1. **Acceptance of this Contract:** The Lessee accepts the terms and conditions of this lease. Rental/Lease period shall commence on the date set forth when signing final check out sheet and items are shipped. AR has a minimum rental fee-\$25.Rentals and Loss or Damage are billed separately. All "Cash on delivery" accounts are due at time of pick up. All "Credit Accounts" invoices are due within 30 days of pick up.

2. **Inspection and Modifications:** Lessee acknowledges that the Props are rented/leased without warranty, or guarantee, except as required by law. Lessee shall examine and inspect any Props rented hereunder to determine that the Props are safe and in good working order. Such examination and inspection shall occur at the time of delivery or as soon as reasonable after delivery of the Props and in any event before the first use of the Props. Lessee's use of any Props shall constitute an acknowledgement by Lessee that such Props are in good working order and safe, and Lessee assumes all risk of liability resulting from any malfunctioning or otherwise unsafe Props. In the event that Lessee causes any modification of any Prop in any manner whatsoever, Lessee shall be responsible for all liability which may arise in connection with the modification of such Props. Lessee shall not modify any Props without Lessor's prior written consent, and Lessee shall restore any modified Props to their original condition prior to the return of such Props to Lessor. Lessee shall be responsible for the cost, as determined by Lessor to repair or replace any modified Props to their original condition.

3. **Production Rentals:** Our Props are rented and invoiced on a weekly basis. The rental period begins on the date of pick up and continues for seven days. Example: picked up an order on Friday, week ends following Thursday. The following Friday would be considered your "Grace" day. If the props were not returned by 5p.m. on Friday, you would then be charged for an additional week. Which is 50% of the first week rental.

Extended rental discounts run as follows:

First Week	Full Price
Second Week	50% discount of first week
Third Week	50% discount of first week
Fourth Week	Free of Charge
Fifth Week	Full Price
Sixth Week	50% discount of first week
Seventh Week	50% discount of first week
Eighth Week	free of Charge

Productions discounts longer than 8 weeks continue on 50% discount of first week. Ninth week and on are on 50% discount of First week. Free weeks are not available.

Production rentals are billed in full during the first week of the rental. Failure to pay in full within the terms associated with your account type will result in the loss of any free weeks, in addition to any late payment charges and/or fees, as agreed upon on your account application form.

Orders, or partial orders, returned after the production rental time period expires accrue weekly late charges at the rate of 50% of the first week rental. free weeks are not available.

We do not provide daily rentals on any/all Props. Lessee is responsible for full first week rental charge of any/all Props picked up from Lessor.

4. Indemnity: Lessee agrees to defend, indemnify, and hold harmless Lessor, as well as any affiliated and related divisions and entities and each of its shareholders, directors, agents, officers and employees, from and against any and all costs, losses, claims, liabilities, settlements, judgements, expenses, reasonable attorneys' fees, suits, damages or claims for damages of any kind howsoever caused, related to any props rented from Lessor, including, but not limited to, those arising out of any injury or death to any person or persons or animals, or damage to any property of any kind whatsoever regardless of the cause of said damage of injury. This includes, but is not limited to, any damage or injury caused by any Lessor equipment/props, not only if used in a proper and safe manner, but especially if caused by the misuse or misrepresentation by Lessee or Lessee's agents or by anyone else regardless of whether said props are in or out of Lessee's possession or Control.

5. Clearances: Lessee shall be solely responsible for obtaining any licenses or clearances necessary to display trademarks or other protected intellectual property in connection with the Props. Lessee agrees to defend, indemnify and hold Lessor harmless from any and all Claims arising out of Lessee's failure to comply with the foregoing.

6. Insurance: Lessee shall, at its own expense, maintain commercial general liability insurance which includes coverage for independent contractors and contractual liability coverage, specifically referring to this Agreement and to the hold harmless agreement, contained herein. Said insurance shall name Lessor as an additional insured and provide that said insurance is primary coverage with respect to all insureds, the limits of which must be exhausted before any obligation arises under Lessor's insurance. Such insurance shall remain in effect during the personal injury liability, personal injury liability, construction defect liability, completed operations, and product liability. Such insurance shall provide general liability aggregate limits not less than \$2,000,000.00(including the coverage specified above) and of not less than \$1,000,000.00 per occurrence.

All insurance maintained by Lessee pursuant to the foregoing provisions shall be issued by an insurance carrier authorized to do business in the State of California. Before obtaining possession of the equipment rented. Lessee shall provide to Lessor a Certificate of Insurance and applicable endorsements confirming each of the coverage specified above. All certificates shall be signed by an authorized agent or representative of the insurance carrier.

7. Tariffs and Taxes: Sales Tax does not apply on the lease of the props in this contract because the property is being leased in substantially the same form as acquired by the Lessor, and the Lessor acquired the property in a transaction that was a retail sale with respect to which the retailer has reported and paid the tax.

Lessee agrees that any and all tariffs and/or taxes and/or duties and /or any other charge that may result from shipping or moving props to any point, especially out of the country, will be paid by the Lessee, and that no deductions whatsoever will be made by the Lessee from amounts owed to Lessor to cover said tariffs and/or taxes and/or duties.

8. Risk of Loss: Lessee shall bear the entire risk of loss, damage, destruction, theft, requisition of title, confiscation, or taking(referred to herein as a "Property Loss") of the Props from the time the Props are placed in transit for shipping to Lessee until the Props are returned to and accepted by Lessor, except in the event of a Property Loss arising from Lessor's sole negligence or willful misconduct. In the event of a Property Loss, Lessee shall pay the cost to repair the Props to their original condition (by Lessor or a third party approved by Lessor), or to replace the Props, whichever is less. Addendum "A" attached hereto provides a list of Props for which the replacement value is specified, agreed, and incorporated herein. Lessee is also responsible for loss of use of the Props and Lessee shall fully compensate Lessor for such loss of use during the rental charges shall not be applied against the purchase price or cost of repair of

any Props involved in Property Loss. Lessor will, in no event, be liable for any consequential special or incidental damages.

The following Terms and Conditions apply to all sale items. There are no warranties that extend beyond the description of the goods provided on the attached order estimate contract. Supplier disclaims any warranty of any other kind, including any warranty that the goods are merchantable of fit for a particular purpose.

LESSEE HEREBY ACKNOWLEDGES AND AGREES TO THE TERMS AND CONDITIONS SET FORTH ABOVE.

Lessor: Athletic Room, Inc.

Lessee/Company Name

Production/Show Title

Signature

Authorizing Signature

Print Name

Print Name

Title

Title

Date

Date