

FROST LEASE/RENTAL AGREEMENT TERMS & CONDITIONS

Please Read Carefully.

You Are Liable For Our Equipment, Plants and Props From The Time They Leave Our Yard Until the Time They Are Returned To Us

1. Indemnity. Lessee/Renter ("You") agree to defend, indemnify, and hold Frost 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 Props rented/leased including, without limitations, 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 Props, including but not limited to losses while in transit, while loading and unloading,, 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 Props 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 Props during the time it is being repaired or replaced, as applicable.
3. Protection of Others. You will take reasonable precautions in regard to the use of the Props to protect all persons and property from injury or damage. The Props shall be used only by your employees or agents qualified to use the Props.
4. Props in Working Order. We have tested the Props 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 Props, it is fit for its intended purpose. Other than what is set forth herein, you acknowledge that the Props are rented/leased without warranty, or guarantee, except as required by law or otherwise agreed upon by the parties at the inception of the Agreement.
5. 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 Props from all sources (Prop 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 Prop, from the time the Prop 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 Prop is returned to and accepted by us. 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 Prop and shall cover all risks of loss of, or damage or destruction to the Props. The property Insurance coverage shall be sufficient to cover the Props 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.
6. Workers Compensation Insurance. You shall, at your own expense, maintain worker's compensation/employer's liability insurance during the course of the Prop rental with minimum limits of \$1,000,000.
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 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 Props 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 also include coverage for pollution caused by any vehicles. 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 us or the insurance carrier, as applicable. Notwithstanding anything to the contrary contained in the 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 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 Props rented/lease shall not affect your obligation to procure insurance on our behalf, or otherwise affect your obligations under this Agreement.
10. Cancellation of Insurance. You and your insurance company shall provide us with not less than 30 days written notice prior to the effective date of any cancellation or material change to any insurance maintained by you pursuant to the foregoing provisions.
11. Certificates of Insurance. Before obtaining possession of the Props 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.
12. Compliance With Law and Regulations. You agree to comply with the laws of all states in which the Props is transported and/or used as well as all federal and local laws, regulations, and ordinances pertaining to the transportation and use of such Props. Without limiting the generality of the foregoing and by way of example, you shall at all times (i) display all necessary and proper placards; obtain all necessary permits; and (ii) keep all required logs and records. You shall indemnify and hold us 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 Props including, without limitation, the full replacement value of the Props in the event of seizure or impound, including our reasonable costs and attorneys fees.
13. 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 Props (if the Props can be restored, by repair, to its pre-loss condition) whichever is less. If there is a reason to believe a theft has occurred, you shall file a police report. 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 Props. 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.
14. Subrogation. You hereby agree that we shall be subrogated to any recovery rights you may have for damage to the Props.
15. Bailment. This agreement constitutes an Agreement or bailment of the Props and is not a sale or the creation of a security interest. You will not have, or at any time acquire, any right, title, or interest in the Props, except the right to possession and use as provided for in the Agreement. We will at all times be the sole owner of the Props.
16. Condition of Props. You assume all obligation and liability with respect to the possession of Props, and for its use, condition and storage during

the term of this Agreement except as otherwise set forth herein. You will, at your own expense, maintain the Props in good mechanical condition and running order. The rent on any of the Props will not be prorated or abated while the Prop is being serviced or repaired for any reason for which you are liable. We will not be under any liability or obligation in any manner to provide service, maintenance, repairs, or parts for the Props, except as otherwise specially agreed or as may be within the course and scope of employment by you. All installations, replacements, and substitutions of parts or accessories with respect to any of the Props will become part of the Prop and will be owned by us.

17. Identity. We will have the right to place and maintain on the exterior or interior of each piece of property covered by this Agreement the following inscription Frost. You will not remove, obscure, or deface the inscription or permit any other person to do so.

18. Expenses. You will be responsible for all expenses, including but not limited to electricity, lubricants, and all other charges in connection with the operation of the Props.

19. Accident Reports. If any of the Props are 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.

20. 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 others 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.

21. Return. Upon the expiration date of this Agreement with respect to any or all Props, 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.

22. Additional Props. Additional Props may from time to time be added as the subject matter of this Agreement as agreed on by the parties. Any additional property will be added in an amendment describing the property, the monthly rental, security deposit, and stipulated loss value of the additional Props. All amendments must be in writing and signed by both parties. Other than by this amendment procedure, this Agreement may not be amended, modified, or altered in any manner except in writing signed by both parties.

23. 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 the parties. No agreements, representations, or warranties other than those specifically set forth in the Agreement or in the attached schedules will be binding on any of the parties unless set forth in writing and signed by both parties.

24. Applicable Law. This Agreement will be deemed to be executed and delivered in the County of Los Angeles, and governed by the laws of the State of California.

25. Arbitration. Any controversy or claim arising out of or related to the Agreement or breach of this Agreement will be settled by arbitration, in the County of Los Angeles, California, under the auspices of the Judicial Arbitration and Mediation Service (“JAMS”). The arbitration will be conducted by a single arbitrator under JAMS Streamlined Arbitration Rules. 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.

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

27. Facsimile/Scanned Signature. This Agreement may be executed in counterparts and by facsimile signature or signature that is scanned and transmitted by e-mail; such forms of signature shall be deemed to be original and fully binding.

ACKNOWLEDGED AND AGREED BY AUTHORIZED REPRESENTATIVE:

_____ DATE: _____
PLEASE PRINT YOUR NAME SIGNATURE

AUTHORIZED REPRESENTATIVE OF LESSOR:

_____ DATE: _____
FROST SIGNATURE