

SMOKY MOUNTAIN GRIP & LIGHTING

RENTAL TERMS AND CONDITIONS--2015

This agreement, made and entered into between Smoky Mountain Grip & Lighting, Co hereinafter referred to "SMGL", and customer listed on front hereinafter referred to as "Renter". WHEREAS, SMGL is engaged in the business of renting and selling commercial motion picture, video and other equipment and vehicles, and; WHEREAS, Renter hereby desires to rent the equipment indicated on the Equipment Lists attached hereto and by reference made a part hereof upon the terms and conditions hereinafter set forth, and desire to purchase the Purchase Items listed on the Equipment List attached hereto, NOW, THEREFORE, for and in consideration of the mutual promises and covenants between the parties, and other good and valuable considerations, the sufficiency and receipt of which is hereby acknowledged, it is agreed as follows:

I. Equipment, Payment & Inspection

- a. **Term and Equipment.** SMGL hereby rents to RENTER, the items of equipment indicated on the attached Equipment List. Renter agrees to pay SMGL the daily or weekly rates reflected on the current SMGL Schedule of Rental Rates, a copy of which is attached hereto, for each and every day until said equipment is returned to SMGL's premises, commencing on the date shown and running to the date of return, including Saturday, Sundays, and holidays. If said equipment is returned after 10:00 o'clock A.M., a full day's rental will be charged for that day. Renter agrees to return said equipment on the date shown on the obverse hereof. Rental charges do not apply towards purchase. Rental charges shown on the Schedule of Daily Rental Rates are subject to change without notice.
- b. **Inspection by Renter.** Renter has inspected all rental equipment prior to the execution of this Agreement and found it to be in good condition: SMGL is in no way responsible for any liability, claims, costs or expenses arising out of the use or possession of said rental equipment by Renter: and, this equipment is leased to Renter without warranty or guarantee of any kind on the part of SMGL, either expressed or implied.

II. Renter's Responsibility and Liability

- a. **Delivery, Safekeeping and Return.** All equipment is rented at the office of SMGL. Renter hereby assumes full responsibility for selecting the mode of delivery of said equipment from SMGL's place of business to the Renter, the safekeeping of said equipment and keeping said equipment in a good state of condition and repair, free from damage of any kind, and the safe return of said equipment to SMGL no later than the last day of the rental period set forth in this Rental Agreement. All costs of delivery from SMGL to Renter shall be borne by Renter, and if said equipment is shipped by SMGL to Renter, such will be on a collect basis. Renter shall also select the mode of transportation for returning said equipment to SMGL and bear all expenses in connection therewith, including any reasonable service charge imposed by SMGL.
- b. **Destroyed, Lost or Stolen Equipment.** In the event that all or any one or more items of the equipment hereby rented is destroyed, lost or stolen either in transit or while in the actual or constructive possession of Renter, Renter shall immediately replace such equipment with equipment of the same type, kind, quality and value, satisfactory to SMGL, and upon Renter's failure to promptly make such replacement. Renter shall immediately pay SMGL the replacement value of such equipment as determined by SMGL or actual cost of replacement. During the period such equipment is not available for use by Renter/SMGL because of being destroyed, lost or stolen, the rental rate accrued on such equipment shall be paid by Renter to SMGL until such equipment is replaced or paid for.
- c. **Damaged Equipment.** Renter has inspected each and every item of equipment hereby rented and found each such item to be in good condition, free of defects or damage, and agrees to maintain the same in good condition and repair during the rental period and until such equipment is returned to SMGL. In the event any item of equipment hereby rented is damaged either in transit or while in the actual or constructive possession of SMGL or its agents or employees, it is hereby agreed that Renter shall immediately return said equipment to SMGL for repair or restoration to its original serviceable condition. Renter shall pay all costs of such repairs or restoration, and pay to SMGL the rental rate on such equipment during the entire time such equipment is being repaired or restored.
- d. **Normal Wear and Tear.** In the event any item of equipment hereby rented should break or become unserviceable during the rental period, SMGL shall be the sole arbitrator of whether the break or defect resulted from normal wear and tear, and if found to be the case, then the rental rate shall not apply after the date said equipment is returned to SMGL's premises. If, on the other hand, SMGL determines that the break or defect resulted from misuse or other forces, the equipment shall be immediately returned to SMGL. Renter shall pay the costs of repairs, and the rental rate shall continue full force and effect until repairs are completed.
- e. **Liability Insurance Coverage.** Renter agrees to assume full responsibility and liability for the safekeeping and return to SMGL's premises of all items of equipment rented under the terms of this Agreement, from the time the equipment leaves SMGL's premises until it is returned. Said equipment is used at Renter's sole risk and Renter will hold harmless and indemnify SMGL against any and all claims of liability to third persons arising out of the used of said equipment.
- f. **Property Loss.** Renter Represents that:
 - 1) Renter has adequate property insurance to fully protect SMGL against loss, theft or damage of the equipment rented under this Agreement.
 - 2) Renter agrees to post a bond suitable to SMGL, in an amount equal to the full value of the equipment herein rented, payable to SMGL in whole or in part upon demand by SMGL for lost, damaged, stolen, or destroyed equipment.

III. Inspection by SMGL

During all times while the rental equipment is in the actual or constructive possession of Renter, SMGL, its agents or employees may inspect said equipment at all times, enter upon any premises where said equipment is being stored or used, and, if it is found that such equipment is being misused, abused, or if Renter is in default as to any of the provisions hereof, repossess said equipment or any part thereof prior to the expiration of this rental Agreement.

IV. Foreign Rentals

The Renter shall not remove any of the rental equipment from the United States to any foreign country or possession without the prior written consent of SMGL. In this connection, Renter shall keep SMGL informed as to the exact location where the rental equipment is being used or stored during the term of the Agreement.

V. Renter's Default

If the Renter defaults on any of the terms, covenants and conditions herein, or fails to timely make any of the payments hereunder, or if any execution or other writ or process shall be issued in any action or proceeding against the Renter whereby the said rental equipment might become or appear to become or appear to become in danger of being seized, taken, or detained, or if proceedings in bankruptcy, receivership, or insolvency shall be instituted by or against the Renter or his property, or if the Renter shall enter in to any arrangement or composition with his creditors, or in the event that any judgement is obtained against the Renter, or if for any other reason SMGL feels it is insecure, then and in that event, SMGL shall have the option of declaring this Agreement terminated, and SMGL may, without notice or demand, by process of law or otherwise retake possession of said equipment, be it in storage or in use at that time, remove the same there from, with or without force, and with or without notice of intention to retake the same, without being liable to Renter or any third person in any suit or action, and Renter shall hold SMGL harmless and indemnify SMGL against any such claims or alleged liability to third parties. Nothing contained herein shall be construed to bar and prevent SMGL, in the event of moneys behind due it for rental, repair, replacement, or other costs, from suing and recovering the moneys due it and from repossessing the equipment at the expense of the Renter. Either or all of the foregoing remedies are expressly permitted, consented to and authorized by the Renter.

VI. Value of Rental Equipment

Renter agrees that the value of the leased equipment in the event of any loss or damage during the rental period shall be the replacement costs of such equipment, lost or damaged, or comparable equipment in the event such lost or damaged equipment cannot be replaced in kind, plus applicable sales or use taxes, and plus applicable freight charges.

VII. Sublease or Assignment

Without the prior written consent of SMGL, Renter shall not sublease or assign the rental equipment to any third person or entity, and agrees to all times during the term of the Agreement to retain said equipment in Renter's exclusive possession, under Renter's direct control and supervision.

VIII. Tag or Nameplate

Renter agrees not to permit defacement, obliteration, removal or otherwise cover or obscure the tag or nameplate or any item of equipment showing ownership of said equipment to be in SMGL. It is further agreed that at all times the title of ownership of said equipment shall remain in SMGL.

IX. SMGL's Option to Terminate

Renter hereby grants SMGL to terminate this Agreement on Twenty-four (24) hours notice, either by mail, personal notice, telephone or telegram. Upon the exercise of such option, the Renter shall forthwith return to SMGL's premises at Renter's risk and expense, the rental equipment covered herein the same condition as it was when first delivered to Renter.

X. Default by Renter

In the event any of the payments hereunder become in default, or if Renter shall fail to perform any other provision of this Agreement, then it is hereby stipulated and agreed that SMGL may file legal proceedings in Knox County, Tennessee and serve a copy of process, summons's and/or pleadings upon Renter by U.S. Mail at the address shown below, and Renter hereby consents to said jurisdiction and submits to said jurisdiction and venue for purposes of litigating any claim and all that the terms of this agreement shall be governed by the law of the State of Tennessee. In the event SMGL is required to file any legal action to enforce any provision of this Agreement, then Renter agrees to pay all court costs and reasonable Attorney's fees. Customer also agrees to pay all fees incurred by company in collection of payment.

XI. Taxes Renter agrees to reimburse SMGL for any state or local taxes, which might be levied upon the equipment or use of equipment herein rented while in the possession of Renter.

XII. Miscellaneous

The acceptance of the return of the rented equipment shall not constitute a waiver by SMGL of any claims that it may have against the Renter, nor a waiver of claims for latent or patent damage to the equipment. This Agreement comprises and contains the entire agreement and understanding between parties hereto, including warranties and representations, if any, and may not be amended or modified except in writing, signed by both parties, with the same formalities as applied in this document. Time is of the essence of this Agreement. This Agreement and the contents hereof represents the only warranties, express or implied, between the parties, including any implied warranty or merchantability or fitness for the particular purpose and for any other obligation or liability on the par of SMGL. SMGL shall not be liable for any injury, loss or damage directly or consequently arising out of the use or inability to use the equipment, whether used singularly or in conjunction with any other equipment.

Company: _____ Signature _____ Print Name _____ Date: _____