



the **alpha** companies
motion picture rentals

PROPS RENTAL AGREEMENT TERMS AND CONDITIONS

This Agreement is hereby made in relation to specific bids/invoices/work orders/purchase orders/rental checkout sheets (Order) for rentals dated _____, 2018 between Alpha Medical Resources, Inc., and Spellman Desk Company (Lessors) and _____, (Company) attached hereto and incorporated by reference herein in connection with Company's production entitled _____ (Production). This Agreement in conjunction with the Order constitutes the entirety of Rental Agreement (Rental Agreement) along with good and valuable consideration between the Lessors and Company. This Rental Agreement can only be modified in writing and signed by Lessors and the Company. The Lessors at their sole discretion may terminate the Rental Agreement to Company by written notice for default, misuse of the items in the Order, impairment of Company's credit, petition for bankruptcy, failure to satisfy applicable insurance requirements as included within this Rental Agreement and any another breach of this Rental Agreement.

DEPOSIT REQUIREMENTS, LEASE PERIOD, HOLD OVER

A security deposit will be required in an amount equal to Company's insurance deductible or the replacement value of all items as identified in the Order, whichever is lower. Deposits will be refunded once all items in the Order have been returned and all loss/damage and open invoices have been paid. Any balances not paid by the payment due date as included in the Order shall be charged a late penalty of 1.5% per month with a maximum annual percentage rate of 18%.

The lease period shall commence from the pick-up date as included in the Order. Should Company not pick-up the Order by the specified date and alternate arrangements are not made in writing to modify the Order with at least 24 hours notification provided to Lessors, Company shall be subject to a 20% restocking fee for any and all items in the Order. If Company does not timely return the items within the Order during the lease period, the Company agrees to pay a weekly hold over rental of 50% of the rental rate as including in the Order for all items not timely returned. This hold over rate is charged in 7-day increments and will not be prorated.

TRANSFER, ASSIGNMENTS, USE BY OTHERS

This Rental Agreement in no way implies transfer in ownership interest from Lessors to Company for any of the items in the Order. Company shall not assign this Rental Agreement or any of its rights or obligations herein, nor shall same be assignable by operation of law without the prior written consent of Lessors. Company shall not loan, rent or sublease nor allow any third party to use or borrow any of the items in the Order.

INDEMNIFICATION

Company shall defend, indemnify and hold harmless Lessors, Lessors' parent companies and/or subsidiaries of Lessors (Indemnitees) from any and all reasonable costs and expenses, inclusive of attorneys' costs and fees arising from any claims of injuries, property damage, consequential and incidental damages incurred by any third party or Lessors as the result of Company's negligence or intentional act in regard to the items in the Order. If any of the Indemnitees claim damage to the items in the Order, Lessors shall notify Company in writing no later than (5) days following the return of items in the Order and shall permit Company reasonable time to inspect the items.

ASSUMPTION OF THE RISK

Upon pick up of the items from the Order, even if Company has hired others not associated with Company to pick up the items, Company assumes all risks of loss and is responsible for any damages to the items within the Order. This includes risks and losses associated while in transit, at locations and in storage. Company shall not be responsible for any additional losses or damages once the items in the Order are returned to the care, custody and control of the Lessors at their facility. Company shall also not be responsible for reasonable wear and tear of the items in the Order.

WARRANTY

Lessors represent and warrant that the items in the Order are in good working order for motion picture and television purposes only. Any medical items in the Order cannot be relied upon for real life medical purposes and Lessors do not warrant the accuracy of the data, measurements/information which may be provided by these medical items. Lessors are the owners of the items in the Order and will defend and indemnify Company from claims of any third parties pertaining to ownership interest of the items.

MALFUNCTIONING ITEMS

If any of the items in the Order become inoperable or fail to function for their intended purpose(s), and not resulting from the misuse by Company, Company shall promptly notify Lessors and Lessors shall provide operable replacements of similar or equal quality as reasonably, commercially possible. There shall be no additional charge to Company for the replacement(s). If Lessors are unable to provide replacements or repair the malfunctioning items after 24 hours' notice is provided to Lessors, then Company has the option to accept (1) replacements of a lesser quality at a reduced rate for the remainder of the Rental Agreement; (2) terminate the Agreement for the malfunctioning items only and incur no additional charges for the malfunctioning items or (3) terminate the Rental Agreement in its entirety and return all items from the Order. If the Rental Agreement is terminated in its entirety by Company then Company shall owe all incurred charges to Lessors until all items from the Order are returned to Lessors. Company will still be responsible for any damages or losses per the Agreement. If any rental charges are due from Company as of the date of termination, Company shall pay same within (5) days from the date of termination. If a refund is owed by Lessors to Company based upon the pro-rated portion of the early termination, Lessors shall pay same within (5) days from the date of termination or (5) days from receipt of all items whichever is later.

INSURANCE

Company shall maintain at its sole cost and expense at all times during the term of the Rental Agreement the deposit included on page (1) of this Agreement and/or the following insurance coverage and deductibles, which shall include a provision that should any of the below referenced policies be cancelled before their applicable expiration date(s), Lessors will be immediately notified and Company shall defend, indemnify and hold harmless Lessors for any costs and expenses incurred by Lessors for all items in the Order until the items are returned during the cessation of insurance coverage by Company. If Company does not consistently maintain the coverages as outlined below, Company is deemed to be in breach of the Rental Agreement and must immediately return all items from the Order.

Minimum Insurance requirements:

General Liability-Occurrence Form

Per Occurrence	\$1,000,000.
General Aggregate	\$2,000,000.
Fire Legal Liability	\$100,000.
Medical Payments	\$5,000.

Automobile

Liability CSL \$1,000,000. inclusive of coverage for hired and non-owner automobiles

Workers Compensation

Workers Compensation Insurance covering all individuals working on the Production for which the items in the Rental Agreement are rented.

Additional Insured/Loss Payee

Lessors Alpha Medical Resources Inc., and Spellman Desk Company must be included as Additional Insureds for General Liability and as Loss Payees. Certificate Holder box should read:

Alpha Medical Resources, Inc. and Spellman Desk Company

7990 San Fernando Road Sun Valley, CA 91352.

Copies of the Certificates of Insurance inclusive of the Additional Insureds /Loss Payees naming Lessors must be provided to Lessors before pick-up of any items in the Order.

ACCEPTED PAYMENT(S)

Lessors accept business checks, credit cards (American Express, MasterCard, Visa), cashier's checks and money orders. Each returned check is subject to a \$35.00 service fee. If payment is made by credit card Lessors shall provide a Credit Card Authorization Sheet which will require a copy of the credit card and valid driver's license to show authority to use said credit card. If deposits are made by credit card it can take up to (10) business days before approval is provided. After approval is provided any charges

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incurred after the Rental Agreement, inclusive of hold over, will be charged directly to the credit card unless prior arrangement is made no later than (24) hours before the additional charge would accrue.

ALTERNATIVE DISPUTE RESOLUTION

Any disputes or claims arising out of interpretation of the terms and conditions of the Rental Agreement, not associated with any outstanding payments owed to Lessors, shall be submitted to JAMS for mediation, and if the matter is not resolved through mediation, then it shall be submitted to JAMS for final and binding arbitration pursuant to California Code of Civil Procedure Section 1280 et. seq.

The selection of the mediator and if necessary thereafter the arbitrator, will be by mutual agreement of the Lessors and Company. If there is no mutual agreement in the selection process then Lessors and Company will each select (3) names from the JAMS panel. If one individual is named on both lists, that individual will be designated. If there is still no mutual agreement then JAMS will make the selection based upon the (6) individuals as included on the Lessors and Company's lists based upon that individual's immediate availability. Lessors and Company will share equally in the payment of the fees and expenses incurred through JAMS. Any costs and fees in relation to depositions, experts, attorney's costs shall be borne by each side who incurs said costs and fees. The proceeds are confidential. If settlement is not negotiated before a written opinion is issued by the arbitrator, the decision is binding and final.

ACCEPTANCE

I have read and understand the foregoing terms and conditions as included in these (4) pages to this Rental Agreement and agree to them as of the date of the execution hereof.

DATED: _____

COMPANY: _____

BY: _____

ITS: _____

COMPANY by its above-signed officer, director, employee, agent or representative, who is duly authorized to agree to the foregoing terms for, and on behalf of COMPANY without the consent, approval or ratification by any other person, group or body.

DATED: _____

LESSORS: Alpha Medical Resources, Inc. and Spellman Desk Company

BY: _____

ITS: _____