

Terms and Conditions for Bill Ferrell Co. Rental Contract # _____

1. LESSEE, _____, agrees to defend, indemnify and hold harmless LESSOR, Bill Ferrell Co., against any and all claims, liability, loss, costs, damages, expenses, or demands arising directly or indirectly out of, or in connection with the equipment rented or out of operations conducted by Lessee (Indemnitor) its agents, servants, subleases, contractors, representatives, guests, invitees, or customers, including, but not limited to, active and/or passive negligence, save and except claims or litigation arising through the sole negligence or sole willful misconduct of Lessor (Indemnitee).
2. Lessee is considered to have taken delivery of the equipment and assumes all risks of loss thereof, from the time the equipment is set aside from Lessor's general inventory for Lessee's use. From the time Lessee takes delivery of the equipment rented, until the equipment is returned to Lessor during normal business hours, and Lessor accepts the equipment, Lessee assumes all risk of loss and responsibility for any damage Lessee causes to the equipment, property or person(s), including, but not limited to all risks and losses while in transit, at all locations, while in storage and while on Lessee's premises.
3. Lessee will take all necessary precautions during the progress of its work, including the use of the equipment rented to it by Lessor, to protect all persons and property from injury or damages. The equipment shall be used only by Lessee's qualified employees or agents.
4. Lessor has tested the equipment 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 Lessee has disclosed to Lessor all of the intended uses of the equipment, it is fit for its intended purpose, other than what is set forth herein, Lessee acknowledges that the equipment is rented without warranty or guarantee, to the fullest extent permitted by law or otherwise agreed upon by the parties at the inception of this agreement.
5. Lessee shall, at its own expense, maintain at all times during the rental period an all risk perils insurance policy covering the equipment rented (the equipment rental floater) for full replacement value, except vehicles (see below), and for loss of use (rentals) of the equipment. Coverage shall begin from the time Lessee or its agents take delivery of the equipment and continue until the time the equipment is returned to and accepted by Lessor. Such insurance shall be on a worldwide basis, shall name Lessor as the Loss Payee for loss or damage to the property rented and shall cover all risks of loss, or damage to equipment. Limits shall be sufficient to encompass all property at risk, regardless of source, but in no event less than \$1,000,000.
6. Lessee shall, at its own expense, maintain business automobile liability, including coverage for loading and unloading equipment, and hired auto physical damage insurance, covering owned, non-owned, hired and rented vehicles. Coverage for physical damage shall include the perils of "comprehensive" and "collision." Lessor shall be named as an additional insured respecting the liability coverage, and as loss payee on the hired auto physical damage coverage. The insurance shall provide no less than \$1,000,000 in combined single limits, and actual cash value less \$1,000 deductible for physical damage on comprehensive and collision coverage.
7. Lessee shall, at its own expense, maintain workers' compensation/employer's liability insurance during the course of the equipment rental with minimum limits of \$1,000,000.
8. 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 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 course of the lease, and shall include the following coverages: broad form contractual liability; personal injury liability; completed operations, and products liability. Such insurance shall have provide general aggregate limits of not less than \$2,000,000 (including the coverages specified above), personal injury and advertising injury of not less than \$1,000,000, and per occurrence limits of not less than \$1,000,000.
9. 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 with a BEST rating of A- or higher.
10. All insurance maintained by Lessee pursuant to the foregoing provisions shall contain a waiver of subrogation against Lessor.
11. Lessee shall provide Lessor with 30 days written notice prior to the effective date of any cancellation or material change to any insurance maintained by Lessee pursuant to the foregoing provisions.
12. Before obtaining possession of the equipment rented, Lessee shall provide to Lessor a Certificate of Insurance and applicable endorsements, including additional insured and loss payee endorsements confirming each of the coverages specified above. All Certificates of Insurance shall be signed by an authorized agent or representative of the insurance carrier.
13. Should Lessee fail to procure or pay the cost of maintaining in force the insurance specified herein, or to provide Lessor upon request with satisfactory evidence of the insurance, Lessor may, but shall not be obliged to, procure the insurance and Lessee shall reimburse Lessor on demand for its cost. Lapse or cancellation of the required insurance shall be an immediate and automatic default of the agreement.
14. The grant by Lessee of a sub-rental for the equipment shall not effect Lessee's obligation to procure insurance on behalf of Lessor, or otherwise effect Lessee's obligations under this agreement.
15. Lessee hereby agrees to strictly comply with the laws of the State in which the equipment is transported and/or used as well as all federal and local laws, regulations and ordinances pertaining to the transportation and use of the equipment. Lessee warrants and represents that it is fully aware of any and all dangers and risks, patent as well as latent, involved in the use, transportation and handling of the equipment leased and shall assume responsibility for any accident, damage or loss, including death, resulting from the transportation and/or use of the equipment rented herein.
16. Lessee hereby agrees to pay all of Lessor's attorneys' fees and costs in having to enforce the Terms and Conditions of this agreement.
17. Lessee agrees to pay a finance charge of 1.5% or \$8.00 per month, whichever is greater, on all past due balances.
18. Lessee is responsible to Lessor for the full replacement cost, without depreciation, or repair cost of all equipment, which is lost, stolen or damaged. In the event the equipment is lost or stolen, Lessee shall file a police report and promptly provide Lessor with a copy of said report. Lessor shall be under no obligation to replace or repair equipment until Lessee has paid for the damaged, lost or stolen equipment. In such event, the rental fees for the subject equipment shall continue to accrue until Lessee has paid for the lost, damaged or stolen equipment or until repairs are completed. Lessor's determination whether the damaged equipment shall be replaced or repaired shall be conclusive.
19. Lessee hereby agrees Lessor shall be subrogated to any recovery rights Lessee may have for damage to the equipment in the form of insurance protection for such damage.
20. Lessee assumes all obligation and liability with respect to the possession of equipment, and for its use, condition and storage during the term of this agreement except as otherwise set forth herein. Lessee shall, at its own expense, maintain the equipment in good mechanical and running order. The rent on any of the equipment will not be prorated or abated while the equipment is being serviced or repaired for any reason for which Lessee is liable. Accrued rental charges cannot be applied against the purchase or cost of repair of damaged, lost or stolen equipment. Equipment deemed beyond repair by Lessor will be paid for by Lessee at its replacement cost. Lessor will not be under any liability or obligation in any manner to provide service, maintenance, repairs, or parts for the equipment, except as otherwise specially agreed or as may be within the course and scope of employment by the Lessee. All installations, replacements, and substitutions of parts or accessories with respect to any of the equipment will become part of the equipment and will be owned by Lessor.
21. If any of the rented equipment is 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, Lessee will promptly notify the Lessor of the occurrence, and will file all necessary accident reports, including those required by law and those required by applicable insurers. Lessee's employees and agents will cooperate fully with Lessor and all Lessors' insurers providing insurance under this agreement in the investigation and defense of any claims. Lessee will promptly deliver to Lessor any documents served or delivered to Lessee, Lessee's employees or agents in connection with any claim or proceeding at law or in equity begun or threatened against Lessee, Lessor or both parties.
22. Additional equipment 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 rental, security deposit, and stipulated loss value of the additional equipment. 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. Any controversy or claim arising out of or related to this agreement or breach of this agreement will be settled by arbitration, in 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 attorney's fees and costs in addition to any other relief granted.
24. This agreement may be executed in counterparts and by facsimile signature, digital signature or signature that is scanned and transmitted by e-mail; such forms of signature shall be deemed to be original and fully binding.

LESSEE AND LESSOR AGREE TO THE ABOVE TERMS AND CONDITIONS:

DATE: _____
Authorized Representative of Lessor (BFC)

DATE: _____
Authorized Representative Lessee

Print name