



DATE:	PRODUCTION:
LICENSOR: Railroad Studios 1500 Railroad St. Glendale, CA 91204	LICENSEE: Company Name: Name: Address:
Tel: 818.396.4985 Fax: 818.396.4985 Email: info@railroadstudios.com	Tel: Fax: Email:
LICENSE PERIOD: START DATE (PICKUP): END DATE (RETURN):	LICENSEE PO#: LICENSOR INVOICE #: LICENSEE FEE: DEPOSIT:

TERMS AND CONDITIONS

- I. What Property is Licensed** - Licensor hereby grants a License to the Licensee to use the Property described in the Invoice attached to this Agreement during the License Period described above and subject to the Terms and Conditions set forth herein. Should Licensee wish to use additional Property, such use shall be at the reasonable discretion of the Licensor, and if permitted, shall be subject to the same Terms and Conditions set forth in this Agreement.
- II. License Period and Holdover** - The Property is licensed for the License Period only as described above. Permission to modify or extend the License Period shall be at the reasonable discretion of the Licensor, and if granted, pro-rated at the same License Fee and Terms. Should permission not be granted prior to the end of the License Period, holdover rates shall be payable at 200% of the License Fee, pro-rated on a daily basis until the Property is returned to Licensor's full use. The foregoing should not be construed as permission to holdover or as a limitation of other remedies available to Licensor for non-approved holdovers, including but not limited to actual and consequential damages. In the event the Property is lost, stolen or damaged prior to the start of the License Period without regard to fault, the Licensor may elect to cancel this Agreement by giving written notice and refund all monies paid by the Licensee. Upon such cancellation, Licensee shall have no further rights hereunder except refund of all monies paid.
- III. Payment** - Licensee agrees to pay to Licensor at its address above without deduction, setoff or counterclaim, the License Fee, as specified above, (see attached Invoice for itemization), exclusive of all applicable sales and/or use taxes (the "License Fee"), Security Deposit, overtime charges, plus any additional fees incurred from Licensee's use of Property not included in the Invoice attached to this Agreement. Payment shall be made as follows:
- a. 25% of License Fee due upon signing this Agreement.
 - b. 75% of License Fee due prior to the start of License Period.
 - c. \$2,500.00 Security Deposit due prior to the start of License Period.
 - d. The balance, if any, within 5 days of the expiration of the License Period.

- IV. Security Deposit** - Licensee shall pay Licensor a Security Deposit, as specified above, as security for performance of all provisions of this agreement (the "Security Deposit"). The Security Deposit shall be paid prior to commencement of the License Period and prior to pick up or delivery of the Property, and shall be refunded at Licensee's address above, minus deductions, within ten (10) days of the later of: a) Licensee's return to Licensor of full use of the Property, or b) payment of all outstanding License and other payments incurred from Licensee's use. Licensor may deduct from the Security Deposit (i) any unpaid holdover or License Fee payments; (ii) the replacement cost and/or (iii) repair cost, at Licensor's reasonable discretion, of any Property. In addition, Licensor may demand separate payment for such outstanding fees, and costs that have not been extinguished by liquidation of the Security Deposit.
- V. Pickup/Return** - Unless otherwise agreed to, pickups take place after 1pm the business day before your rental and must be returned before 11am on the business day after your rental. Anything not returned before it is due shall be billed for at the current rates until returned. Missing or late return items must be charged rental charges until returned. After one week from the return date, unless the rental of those items is extended, they will be considered Lost, and charges for replacement will be made. Loss, damage and late return charges will be automatically charged within 7 days of notification, or upon final determination of damage/replacement costs.
- VI. Insurance** - Licensee, at its sole expense, shall maintain a) Commercial General Liability insurance in an amount of no less than \$1,000,000 Limit Each Occurrence, for Bodily Injury and/or Property Damage and \$1,000,000 Personal Injury. Licensor shall be added as an additional insured as respects to Licensee's use of any of Licensor's equipment. b) Equipment Licensed Insurance against loss, theft or damage to the Property for full replacement value as determined by the Licensor, but not less than \$100,000.00. Licensee's policy must also cover loss of use. Insurance certificates shall be delivered to Licensor prior to commencement of the License Period, naming Licensor as Additionally Insured on the General Liability policy and as Loss Payee on the Equipment Licensed policy. Licensee's Insurance policy must be primary and non-contributory. Insurers must warrant by endorsement or letter that they shall give Licensor written notice thirty (30) days prior to amendment or cancellation of the policies. Insurance proceeds from fire, damage or theft may be applied at Licensor's sole discretion towards replacement, repair or restoration, or the obligations of the Licensee hereunder.
- VII. Use of Property** - Licensee shall use the Property in a safe, lawful manner, not inconsistent with normal operation. Licensee assumes responsibility and exclusive liability for safe use and operation of the Property. The Licensee will allow only qualified employees or agents to operate the equipment in the manner for which it is intended. Licensee shall not use or allow the use of the Property in a manner that violates any law of any jurisdiction applicable, or violates any rule or restriction of the applicable insurance policy, and Licensee indemnifies, defends and holds harmless Licensor from any claims, fines, forfeitures, damages, penalties and such resulting from any violation by Licensee, its employees, agents, contractors or officers. Licensee shall further indemnify and hold harmless Licensor and Licensor's principals, employees, agents, subsidiaries, and sub-contractors from all damage, loss, theft, or destruction of equipment, and all losses, liabilities, damages, injuries, claims, demands, fines, penalties, costs and expenses of every kind including legal fees and costs in defending against or prosecuting claims, arising out of or in connection with the use of the Property by the Licensee or its agents, employees, and other third parties, whether or not authorized, during the License Period or any extension thereof.
- VIII. Inspection/Warranty** - Inspect your equipment thoroughly. As soon as any equipment is removed from our place of business, by Licensee, Licensee's agent, common carrier or carrier's agent, Licensee takes possession of the equipment. By taking possession, you agree that it is in full working, undamaged condition unless noted on your signed invoice. Our sole liability, if any, for furnishing the wrong, incomplete, or defective equipment to the Licensee is limited to a rebate of the rental charged hereunder for such equipment. Licensor is sole judge of the equipment in question, and we alone decide if the equipment was wrong, incomplete, or defective. No terms, representation or warranty, expressed or implied, are binding on the owner unless set forth herein in writing.
- IX. Loss and Damage** - Licensee shall bear all risk of loss, damage, theft, disappearance, and destruction of the Property during the License Period and any other time the Property is in the possession of Licensee, excluding any such damage or loss caused by Licensor's (its officers, employees, etc) gross negligence or willful misconduct. ("Loss or Damage"). Loss shall include economic loss, consequential damages to Licensor, seizure by any government agency, and all other losses, even if not covered by insurance. These standards are set solely by Licensor. Licensee is responsible for the full replacement cost for any property lost, stolen or damaged beyond repair. Replacement cost is current price for new equipment. Licensor alone determines whether equipment should be replaced or repaired. All repair costs are the responsibility of Licensee. Licensor

shall choose the method and provider of repair parts and services. Equipment that is lost, stolen, or damaged will be charged rental until equipment is repaired or replaced by Licensee. Lighting globe burnouts must be paid for by Licensee. All burned out globes must be returned to Licensor. Rental fees do not apply toward loss and damage charges. Licensee shall promptly notify Licensor of Loss or Damage. In the event of Loss or Damage not covered by insurance, Licensee shall at Licensor's sole election a) replace the Property concerned with similar equipment in good repair, condition and working order, b) repair the Property concerned to good repair, condition and working order, or c) pay Licensor in cash the "fair market value" for the Property concerned.

X. Default - This Agreement shall be deemed in default if Licensee a) fails to make a required payment in a timely manner, b) fails to provide required proof and continuously maintain all necessary insurance, c) misuses the Property, d) violates any law of an involved jurisdiction, d) holds over without Licensor's written permission, or e) has a trustee or receiver appointed to manage substantially all its assets. If a default is not cured within 24 hours of Licensor's tender of written notice, irrespective of holidays or weekends, Licensor has the right among its other rights in equity and law, the right to take immediate possession of the Property as permitted by law, without further notice or process of law if permitted, and terminate all License of Property to Licensee. All payments due Licensor under this Agreement shall become immediately due and payable for the full License Period plus any holdover period, and Licensee shall be liable for any additional expenses, including costs of repossession and reasonable outside legal fees and costs which Licensor may incur as a result of Licensee's default. Costs not immediately paid by Licensee will also result in an interest charge of 10% per annum, from the date of notification of default to the date of the payment.

XI. Early Cancellation - The parties acknowledge that cancellation of this Agreement by Licensee prior to the start of the License Period may result in lost bookings and other losses that would be impossible to determine. Therefore, all cancellations must be made with a stage representative at Railroad Studios two business days prior to the start date. For cancellations two business days prior to start date, Licensor will refund 25% deposit within 10 business days of cancellation. For cancellations made inside two business days prior to start date, Licensor will retain the 25% deposit as liquidated damages for early cancellation of this agreement. All Cancellations Early cancellation shall include voluntary cancellation by Licensee, and cancellation by default, including failure to make timely payment or provide adequate insurance in a timely manner. In the event of early cancellation, Licensee shall have no further rights under this Agreement.

XII. Force Majeure - An occurrence of a Force Majeure event suspends either party's obligation to perform under this Agreement. A Force Majeure event is a catastrophic event such as earthquake, flood, tornado, fire, or other event making performance impossible that is beyond the party's control, such as industry-wide strike, riot, and war. The loss or absence of a key performer or crew member as the result of a business dispute is not a Force Majeure event, nor is the failure or late payment of production financing or money transfers. If a Force Majeure event continues for five days or more, either party may terminate this agreement by written notice to the other. Force Majeure shall not extinguish Licensee's liability for loss, damage, or theft of the Property, as well as injury and third party personal injury and property damage.

XIII. Rights Granted - This License Agreement does not convey title, right or interest to the Licensee in the Property except as a Licensee. At all times sets and equipment shall remain the personal property of Licensor exclusively. Licensor 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: Railroad Studios. You may not remove, obscure, or deface the inscription or permit any other person to do so. Licensee shall keep the Property free of all liens and claims, and shall not engage in activities that may expressly or by implication impair or encumber Licensor's rights to the Property. Upon termination of the License Period, Licensee shall return the Property at its own expense to Licensor at its premises in the same condition as when received by Licensee, normal wear and tear from proper use excepted. The Property shall remain the property of the Licensor even though it may be bolted, cemented, or affixed in a permanent manner to real property, and if affixed or embedded at Licensee's request, removal shall be at Licensee's sole expense. Licensee may not sub-rent or sub-lease any of the equipment without prior written consent.

XIV. No Warranty of Fitness or Suitability is Made - Licensee acknowledges that the Property licensed was selected based on Licensee's own assessment, and not based on any representation made by Licensor of fitness, suitability, durability, or quality of the Property. Licensor makes no other warranties of the Property, including merchantability, other than what is written in this Agreement. The Property is licensed As-Is. Licensee licenses the Property at its own risk.

XV. Miscellaneous Provisions –

- a. This agreement constitutes the entire understanding between the parties, and may not be subsequently amended or modified except by a written document signed by both parties.
- b. This Agreement shall be binding upon the parties' successors, licensees and assigns as if they originally executed this Agreement. Licensee warrants that its successors, licensees and assigns shall be contractually obligated to abide by the terms of this Agreement, and shall be jointly and severally liable.
- c. A forbearance to exercise rights under this agreement shall not be a waiver of any right, which shall continue and remain in force. The parties agree not to recognize or assert implied waivers.
- d. This Agreement shall be governed and interpreted by California law applicable to agreements executed and wholly performed in California.
- e. All disputes and actions between the parties shall be resolved by binding arbitration under AFMA Rules of International Arbitration ("AFMA Rules") in effect at the time of filing, and if no longer in existence, rules of the American Arbitration Association. Parties agree to augment the arbitration rules with pre-trial discovery to the extent permitted in California Code Civil Procedure § 2016 et seq. (Civil Discovery Act of 1986) in effect at the time the action is filed. Arbitrations shall be held in Los Angeles, California, and the arbitrator's award shall be enforceable by any court of law in any jurisdiction.
- f. If any provision of this Agreement is deemed illegal or unenforceable, the remainder of the Agreement shall remain valid and enforceable.
- g. Notices shall be in writing, and deemed given when received. Notices may be faxed, and deemed received when sent, provided a copy is also mailed First Class to the party's address first listed above and postmarked the same day, or to any other address provided in writing before notice is sent. Notices may also be delivered by courier, or express mail or FedEx, and deemed received when signed for.
- h. The headings in this Agreement have no legal significance, and are for convenience only.
- i. Licensee warrants that the Property shall only be used for commercial purposes in connection with the Production.
- j. Licensee shall not take the Property out of Licensor's facilities or out of state without Licensor's specific written permission.
- k. This Agreement is not entered to benefit a third party.
- l. This Agreement may be signed in counterparts, and by fax, each which may be deemed an original.
- m. The persons executing this Agreement warrant they have authority to bind the parties hereto.
- n. If any of the property 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, 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 with insurers and us who provide 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 its agents in connection with any claim or proceeding at law or in equity begun or threatened against you, us, or both or us.

AGREED AND ACCEPTED BY:	AGREED AND ACCEPTED BY:
LICENSOR:	LICENSEE:
X _____ DATE: _____	X _____ DATE: _____
PRINT NAME: _____	PRINT NAME: _____