

THE HAND PROP ROOM L.P. (“Lessor”) hereby agrees to rent items and/or provide printing and manufacturing services to----(“Lessee”) from time to time, upon the following terms and conditions.

1. Separate Rental Agreement Not Required. Lessee agrees that all rented property shall be on the terms and provisions set forth herein; that a separate agreement need not be executed each time Lessee rents props from Lessor or purchases printed items; and that execution by Lessee of the statement acknowledging delivery (“Delivery Receipt”) of the rented property shall automatically make any such subject to the terms and provisions hereof.

2. Charges. All charges for the rental of props or the purchase of items to be printed by Lessor or the price to be charged for the outright purchase of items shall be based upon the most current prices of Lessor. Prices are subject to change by Lessor without notice to Lessee.

3. Terms of Payments. Invoices will be rendered by Lessor the day following receipt of the items by Lessee and unless other terms are imposed by Lessor at the time Lessee places its order, amounts billed are due and payable thirty (30) days from date of invoice. A service charge of 1.5% per month will be imposed on all amounts paid after thirty (30) days from date of invoice.

4. Terms of Rental. All rentals and charges therefore are for a period of one (1) week (seven(7) days) (“Initial Rental Term”) unless otherwise agreed upon the time the order is placed by Lessee. The day the items are picked up by the Lessee is the first day of the Initial Rental Term. Items not returned by the close of business at the expiration of the Initial Rental Term or any Extended Rental Term, are subject to further rental charges for the additional minimum periods of one (1) week each (“Extended Rental Term”). Rental charges for each Extended Rental Term shall be billed at an amount equal to fifty percent (50%) of the rental charges for the Initial Rental Term.

5. Production Rentals. Production rentals are available upon request of Lessee only at the time the order is placed for the requested items. Production rentals will billed at the price set forth in Lessors Price List as follows: Initial Rental Term (1st week) - full price: first and second Extended Rental Term (2nd and 3rd weeks) - 50% of charges for Initial Rental Term: third Extended Rental Term (4th week) - free rental; each four Extended Rental Terms thereafter - 50% of charges for Initial Rental Term for first, second and third Extended Rental Terms; no charge for fourth Extended Rental Terms; no charge for fourth Extended Rental Term.

6. Canceled Orders. If, after an order is submitted by Lessee and Lessor prepares the items for pickup, Lessee cancels all or part of the order, Lessee shall be required to pay a restocking charge of 25% of the rental to be charged for the Initial Rental Term for each such canceled item. Items ordered and picked up by Lessee are not subject to cancellation for any reason.

7. Lost or Damaged Items. Lessee shall be required to pay for all items lost, stolen or damaged beyond repair by any cause as whatsoever, within thirty (30) days after date of invoice based upon the value of each such item as set forth on the rental sheet accompanying each Delivery Receipt. Rental charges paid or accrued for each such item will not be applied against the purchase price thereof. In lieu of payment for items lost, stolen, or damaged beyond repair, Lessee may replace the same with similar items of like kind and quality as determined by Lessor in its sole discretion. Lessee shall pay the cost of the repair of all items which are damaged but capable of being repaired. Amounts due pursuant to this Paragraph not paid within thirty (30) days of invoice shall be subject to a service charge of 1.5% per month. Lessee shall be responsible to Lessor for the full replacement costs, without depreciation, or repair costs of all equipment leased which is lost, stolen, or damaged. In the event the equipment leased is lost or stolen, Lessee shall file a police report. Lessor shall be under no obligation to replace or repair equipment until Lessee has paid for the damaged, lost, or stolen equipment. Loss of use shall be determined by the actual loss sustained by Lessor. Accrued rental charges shall not be applied against the purchase price or cost of repairs of the lost, stolen or damaged equipment.

8. Responsible for Items. Lessee assumes all responsibility for rented items while in its possession and promises to return the same to Lessor in as good conditions as when received, Lessee will immediately discontinue use of any item should it at any time become unsafe or in a state or disrepair. Further, Lessee will immediately notify Lessor that such item is unsafe and in disrepair and until such time as Lessor has obtained possession of such item, Lessee agrees to take all steps reasonable necessary to prevent further damage to the item and to prevent injuries to any person and property from such item. From the time Lessor takes delivery of the equipment leased, until the equipment is returned to Lessor during normal business hours and Lessor accepts the equipment, Lessee assumes all risks 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, while at all locations, while in storage and while on Lessee’s premises.

9. Indemnity and Hold Harmless. Lessee expressly agrees to indemnify and hold lessor harmless of, from and against any and all losses, costs, damages, attorneys fees or liabilities in connection with Lessee’s use of any of the items rented or sold to it by Lessor. Lessee agrees to defend, indemnify, and hold Lessor free and harmless from and against any and all claims, liabilities, losses, costs, and out of pocket expenses (including attorney’s fees) arising out of, or in connection with the equipment leased, its use or transportation, or out of operations conducted by Lessee, its agents, sublessees, employees, 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.

10. Lessee will take all necessary precautions in regard to the use of the equipment rented to protect all persons and property from injury or damage. The equipment leased shall be used only by Lessee’s employees or agents qualified to use such equipment.

11. Lessee warrants that it will not subrent any of the equipment leased without prior written consent of Lessor.

12. All items are used at Lessee’s expense.

INSURANCE

13. Lessee shall, at its own expense, maintain at all times during the lease all risk perils insurance covering the equipment rented from all sources (equipment rental floater) for full replacement cost, except vehicles (see below), and for loss of use (rental value) of the equipment. Coverage shall begin form the time Lessee or its agents take delivery of the equipment rented and continue until the time the equipment is returned to and accepted by Lessor. Such insurance shall be on a worldwide basis, name Lessor as the loss payee for loss or damage to the equipment rented and cover all risks of loss of, or damage to the equipment. Limits of insurance coverage shall be sufficient to encompass all property at risk, regardless of source, but in no event less then \$1,000,000.00.

14. Lessee shall, at its own expense, maintain business motor vehicle liability insurance, including coverage for loading and unloading equipment, 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 the perils of “comprehensive” and “collision”. Lessor shall be named as an additional insured with respect to the liability coverage, and as a loss payee on the hired motor vehicle physical damage coverage. The insurance shall provide no less than \$1,000,000.00 in combined single limits liability coverage and actual cash value for physical damage coverage.

15. Lessee shall, at its own expense, maintain worker’s compensation/employer’s liability insurance during the course of the equipment rental with minimum limits of 1,000,000.00.

16. 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, contained 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 rental, and shall include the following coverage: broad from contractual liability, personal injury liability, personal injury liability, construction defect liability, completed operations, and product liability. Such insurance shall provide general liability aggregate limits of not less than \$2,000,000.00 (including the coverage specified above) and of not less than \$1,000,000.00 per occurrence.

17. 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.

18. Lessee shall provide lessor with not less than 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.

19. Before obtaining possession of the equipment rented, Lessee shall provide to Lessor a Certificate of Insurance and applicable endorsements confirming each of the coverage specified above. All certificates shall be signed by an authorized agent or representative of the insurance carrier.

20. Should Lessee fail to procure or pay the cost of maintaining in force the insurance specified herein, or to provide Lessor upon the 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 costs. Lapse or cancellation of the required insurance shall be deemed to be an immediate and automatic default of this agreement.

21. The grant by Lessee of a sub-rental of the equipment leased shall not affect Lessee’s obligation to procure insurance on behalf or Lessor, or otherwise affect Lessee’s obligations under this agreement.

22. Lessee hereby agrees to strictly comply with the laws of the state in which the equipment rented is transported and/or used as well as all federal and local laws, regulations, and ordinances pertaining to the transportation and use of such 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 rented.

23. Express and Implied Warranty Disclaimer. Lessee acknowledges and agrees that lessor provides no warranties, express or implied, that the items being rented or purchased are merchantable or fit for a particular purpose. Lessor shall not be liable for any incidental or consequential damages of any nature or for any reason.

24. No Violation of Law. Lessee covenants and agrees that it will not use any of the items in violation of any law, ordinance or governmental regulation.

25. Orders and Pickup. Orders for printing and manufacturing services or rentals need not be in writing regardless of the term, the number of the items, or the charges therefor Lessor and Lessee agree that orders submitted by Lessee orally shall be valid and binding upon Lessee. At the time of pickup of the items ordered, Lessee, or its agent, representative, or employee shall be required to sign a Delivery Receipt for the same.

26. Legal Expense. Lessee will reimburse Lessor for all fees of attorneys or collection agencies, or all expenses, costs and charges paid, or payable, to third persons or suffered or incurred by Lessor in attempting or affecting protection, preservation, or recovery of any items rented to Lessee or for enforcement of any provision hereof, whether or not legal action be instituted.

27. Sole Agreement. This agreement contains the sole agreement between the parties hereto representing the subject matter hereof. There are no other representation, warranties or agreements of any kind or nature other than those expressly set forth herein.

28. Terms of Lessee’s Purchase or Rental Orders. If Lessee shall submit a Purchase Order or Rental Order for an item or items and if the terms thereof should be in conflict with the terms hereof, the parties agree that the terms of this Agreement shall prevail.

29. If Lessor files suit or proceeds with arbitration for the purpose of enforcing the terms and conditions of this agreement, then Lessor shall be entitled to recover its reasonable attorney’s fees.

30. By signing on the line below lessee agrees to the terms and conditions printed on this Master Rental Agreement page.

31. Signature Line X _____ Print Name X _____