

Costumes Rental Terms and Conditions

Please read carefully! By entering into this agreement, you are assuming liability for our costumes and/or props from the time they leave our possession and control until they are returned to and received by us.

The Customer identified on the signature page below ("**Customer**", also referred to herein as "**you**" or, in the possessive form, "**your**") hereby engages Southwest Costume Rentals LLC, a New Mexico limited liability company ("**SWCR**", also referred to herein as "**we**", **us**", or, in the possessive form, "**our**"), to provide costumes and accessories. These Terms and Conditions, whether or not signed, will apply to any rental agreement, quotation, purchase order, and any other arrangement between Customer and Southwest Costumes Rentals LLC for the rental of costumes or other materials. The term "**Costumes**" as used herein shall mean each and every set of costumes and materials rented by Customer, at any time and from time to time. These Terms and Conditions, together with any written confirmation related to the rental of Costumes, however sent (including, without limitation, any purchase order, rental request, or invoice), shall constitute the entire Agreement for each rental of Costumes and will be hereinafter collectively referred to as the "**Agreement**". By placing a purchase order or rental request, or by accepting possession of or paying rent for any Costumes, you are accepting and consenting to be bound by the Agreement.

1. **Rental Agreement.** This agreement constitutes a lease/rental of the Costumes. It does not, and it shall not be inferred to, constitute an agreement to sell or otherwise transfer ownership interests in the Costumes, nor does it create any security interest therein on the part of Customer. You will not have, or at any time acquire, any right, title, or interest in the Costumes, except the right to possession and use as provided for in this Agreement. We will at all times be the sole owner of the Costumes.
2. **Indemnification.** You hereby agree to defend, indemnify, and hold us harmless from and against any and all claims, actions, causes of action, demands, rights, damages of any kind, costs, loss of profit, expenses, and any other compensation whatsoever, including our costs and reasonable attorneys' fees (the "**Claims**"), in any way arising from or in connection with the Costumes, including, without limitation, Claims resulting from your possession or use of the Costumes, except to the extent the Claims are the result of our own negligence or deliberate misconduct.
3. **Disclaimer of Warranties.** You hereby acknowledge and agree that the Costumes are rented "as is" and "with all faults". We make no warranties, express or implied, and specifically disclaim any express or implied warranties with respect to the Costumes, including, without limitation, any warranties of title, condition, design, operation, merchantability, freedom from claims of infringement or the like, fitness for use for a particular purpose, quality of materials or workmanship, or absence of discoverable or non-discoverable defects.

4. **Inspection**. It shall be your responsibility to examine and inspect any Costumes rented from us to determine that the Costumes are safe and in good working order, and you agree to promptly report any material defects in the Costumes to us as soon as practicable once discovered. Such examination and inspection shall occur at the time of delivery or as soon as practicable thereafter but, in any event, said inspection shall occur before the first use of the Costume. Your use of any Costumes shall constitute an acknowledgement by you that each such Costume is in good working order and safe. In the event that you cause any modification of any Costumes in any manner whatsoever, you shall be solely responsible for all liability which may arise in connection with the modification of such Costumes. You shall not modify any Costume without our prior written consent, and you shall restore any modified Costumes to their original condition prior to their return. You shall be responsible for the cost, as determined by us, to repair or replace any modified Costumes to their original condition.

You assume all obligation and liability with respect to the possession of Costumes and for their use, condition, and storage during the term of this Agreement except as otherwise set forth herein. The rent on any of the Costumes will not be prorated or abated while the Costumes are being serviced or repaired for any reason for which you are liable. We will not be under any liability or obligation in any manner to provide service, maintenance, repairs, or parts for the Costumes except as may otherwise be specifically to by both you and us.

5. **Loss of or Damage to Property**. You are responsible for any loss, damage, or destruction of the Costumes, including, without limitation, any losses while in transit, while loading and unloading, while at any and all locations, while in storage, and while on your premises, except that you are not responsible for any damage to or loss of the Costumes caused by our sole negligence or willful misconduct. In any such event, we may, in our sole and absolute discretion, accept trades or reasonable substitutes. You agree to fully compensate us for the replacement cost of any Costumes so lost, damaged, or destroyed.

6. **Protection of Others**. You agree to take reasonable precautions in regard to the use of the Costumes so as to protect all persons and property from injury or damage. The Costumes shall be used only by your employees or agents qualified to use the Costumes.

7. **Identity**. We reserve the right to place and maintain on any Costumes and other property covered by this Agreement an inscription or other marking sufficient to demonstrate our ownership of the Costumes and other property. You agree to not remove, obscure, or deface the inscription, and you agree to not permit any other person to do so.

8. **Clearances**. You shall be solely responsible for obtaining any licenses, consents, or other clearances necessary to display trademarks or other protected intellectual property in connection with the Costumes. You agree to fully release, defend, indemnify, and hold us harmless from any and all Claims arising out of your failure to comply with this Section 8. For example and without limitation, you shall be solely responsible for obtaining any clearances or permissions necessary to use and/or portray uniforms, insignias, etc.

9. **Rentals Periods/Miscellaneous.** We offer three rental periods:

- “Single Week”, lasting up to seven (7) calendar days
- “Full Production”, lasting greater than one (1) but no more than fourteen (14) weeks
- “Custom Period”, as may be negotiated separately between you and us

Any rental period shall commence when any applicable Costumes leave our possession. If the Costumes are not returned within the Single Week period, you will automatically be charged the Full Production fees. If any Costume is not returned within fourteen (14) weeks, you agree to pay five percent (5%) of the Full Production fees per week for weeks 15-24. After 24 weeks, you will automatically be charged another Full Production fee. No allowances will be made for any periods of time in which Costumes remained in your possession but were not in use. You are not permitted to sublease any Costumes to other parties.

10. **Returns.** Upon conclusion of this Agreement with respect to each Costume rented by you, you will be responsible for the return of each such Costume rented, free from any damage and in substantially the same condition and appearance as when first received by you, together with all accessories provided by us. Costumes must be returned in the same order as listed on the rental sheets.

11. **Cleaning Charges.** Costumes must be dry cleaned before being returned to us. Costumes returned without having been cleaned will result in the automatic assessment of a cleaning fee as described or specified in any applicable pull sheet(s), with such fees typically amounting to fifty percent (50%) of the rental price and subject to change.

12. **Repair or Replacement.** Unless otherwise agreed in writing, you shall be responsible to us for the actual replacement cost value or repair cost of the Costumes. If the Costumes can be restored to the condition they were in prior to rental by you, you shall be responsible for any restoration fees incurred by us. In the event of any theft of any Costumes, you agree to promptly file a police report and to report the theft to us. Loss of use shall be calculated at the rental rate provided for in this Agreement. Any loss by theft shall not relieve you of your obligations under this paragraph. Accrued rental charges shall not be applied against the replacement or repair cost of the lost, stolen, or damaged Costumes. In the event of loss for which we are responsible, our liability will be limited to the contract price and WE WILL NOT, IN ANY EVENT, BE LIABLE FOR ANY CONSEQUENTIAL, SPECIAL, OR INCIDENTAL DAMAGES.

13. **Deposits.** A two hundred (200%) upfront deposit on all rentals will be due immediately upon you taking possession, custody, or control of any Costumes. This deposit can be paid by credit card, debit card, or check. If you desire to pay by check, all checks so issued must clear before Costumes are given over to your control or possession. Deposits will be credited toward the total rental amounts owed, with any remaining amounts due and payable per the terms of rental.

14. **Terms.** Any invoiced amounts, less deposits made per the preceding paragraph, shall be due no later than thirty (30) days following the invoice date.

15. **Holds.** Upon reasonable request and at our sole discretion, Costumes may be held available to you for one (1) week at no cost to you. If you have not rented any such Costumes within the week and have not negotiated with us to extend the hold period, said Costumes will be returned to our stock and you agree to pay us a restocking fee equal to ten percent (10%) of the rental price quoted. Extensions of the hold period may be assessed a fee per week equal to five percent (5%) of the rental price.

16. **Pulls.** We offer a three (3) day free pull for fittings. Any Costumes not returned by the third working day will result in you being charged a full Single Week rental price for each such Costume.

17. **Cancellations.** Any cancellation of a rental once processed by us shall result in you being subject to a restocking fee equal to ten percent (10%) of the agreed-upon rental price.

18. **Payment.** Invoices are due and payable in full within the terms stated on the invoice. All invoices not paid within the term will be subject to a two percent (2%) per month late fee on the delinquent balance. We may refer any account more than sixty (60) days delinquent to a collections agency. You agree to be liable for any costs incurred by us in collecting amounts owed by you, including, without limitation, costs charged by any collections agency, other collection costs, and reasonably attorneys' fees. Substantially or habitually delinquent accounts may result in us declining to provide you further costume rentals or other services.

We accept business checks. Personal checks are accepted with a driver's license or other form of state-issued identification. No temporary checks will be accepted. All returned checks will be subject to a \$50.00 processing fee. We do not re-deposit checks and, following refusal to honor a personal check made to us, we will not accept another personal check; we will only accept cash, money orders, or cashier's checks.

19. **Default.** If you fail to pay any portion or installment of the total fees payable hereunder or if you otherwise materially fail to honor these Terms and Conditions, such a failure or breach shall constitute an event of default ("**Default**"). Upon the occurrence of any such Default, we reserve the right to suspend any rentals and to demand the immediate return of any Costumes and other property of ours then in your possession, in addition to any other remedies available to us at law or in equity. We shall have the right, in our sole discretion, to terminate any rental agreements then in place with you and cease performance thereunder. Additionally, we shall have the right to enter any premises in which the Costumes are being kept and to retake possession of the same, without judicial process.

20. **Information.** You must complete a production information sheet prior to any Costumes being delivered to you. A separate information sheet must be filled out for each production in which the Costumes are to be used .

21. **Property Insurance**. You shall, at your own expense, maintain at all times during the term of this Agreement, all risk perils property insurance (the “**Insurance**”) covering the Costumes from all reasonably foreseeable risks of casualty or loss. The Insurance shall be on a worldwide basis, shall name us as an additional insured and as the loss payee with respect to the Costumes, and shall cover all risks of loss of, or damage or destruction to, the Costumes. The Property Insurance coverage shall be sufficient to cover the Costumes at their replacement value. The Insurance shall be primary coverage over our own insurance policies.

22. **Insurance Generally**. All insurance maintained by you pursuant to the foregoing provisions shall contain a waiver of subrogation rights in respect of any liability imposed by this Agreement on you as against us. You shall hold us harmless from and shall bear the expense of any applicable deductible amounts and self-insured retentions provided for by any of the insurance policies required to be maintained under this Agreement.

23. **Certificates of Insurance**. Before taking possession of the Costumes, you shall provide to us Certificates of Insurance confirming the issuance of the Insurance policy specified above, in full force and effect as of the date you take possession of the Costumes.

24. **Accident Reports**. If any of the Costumes are damaged, lost, stolen, or destroyed, or if any person is injured or dies, or if any property is damaged as a result of any use of the Costumes, you will promptly notify us of the occurrence and will file all necessary accident reports, including those required by law and those required by applicable insurers. You, your employees, and your agents will cooperate fully with us, with any applicable legal authorities, and all insurers providing 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 your agents in connection with any claim or proceeding at law or in equity begun or threatened against you, us, or both of us.

25. **Entire Agreement**. The Agreement constitutes the entire agreement between you and us. No agreements, representations, or warranties other than those specifically set forth in the Agreement, including any attached purchase orders, pull sheets, or other components of the Agreement, will be binding on any of the parties unless set forth in writing and signed by you and us. This Agreement may not be amended, modified, or altered in any manner except in writing signed by you and us.

26. **Facsimile/Scanned Signature**. This Agreement may be executed in counterparts and by facsimile signature or signature that is scanned and transmitted by e-mail; such forms of signature shall be deemed to be original and fully binding.

ACKNOWLEDGED AND AGREED BY AUTHORIZED REPRESENTATIVE:

X _____ DATE: _____
(SWCR) PLEASE PRINT YOUR NAME

X _____

SWCR SIGNATURE
Southwest Costume Rentals, LLC

X _____ DATE: _____
(CUSTOMER) PLEASE PRINT YOUR NAME

X _____
CUSTOMER SIGNATURE