

Lease Agreement

This agreement made this ____ day of _____, 200____, between DAVID HAYES ART WORK, INC. (a Connecticut Corporation) and _____.

WHEREAS, DAVID HAYES ART WORK, INC. (to be referred to as the "lessor") and

_____ (to be referred to as the "lessee") have agreed to lease the following named works of art:

1. _____
2. _____
3. _____
4. _____
5. _____

All of which shall be in the possession of the lessee at its premises located at:

IT IS THEREFORE AGREED:

1. Lease of Artwork: Subject to the terms and conditions set forth below, the lessor rents to the lessee the artwork above described for the term of one year commencing from the date of signing of this lease.
2. Rental: The lessee shall pay the annual sum of \$ _____ as rent for the artwork for the initial term, payable within ten days following completed installation of artwork at lessee's premises.
3. Ownership and Use: The artwork shall at all times be the sole and exclusive property of the lessor. The lessee shall have no rights or property interest in the artwork, except for the right to display the artwork in its intended manner. No photographs of its use other than for display on the lessee's premises shall be allowed except for the written consent of the lessor. The lessee recognizes the copyright interests of the lessor in the property and shall not infringe or allow an infringement of the lessor's rights.
4. Repairs: The lessor shall maintain the artwork in good condition and shall be responsible for all costs of repair and replacement. No repairs shall be done without express approval of the lessor and the artist who created each work; if repairs are to be done, the lessee shall first offer the creating artist this opportunity and shall pay him/her at the hourly rate of seventy-five dollars (\$75) plus the cost of materials and transportation. In the event that the artist is not alive during the continuation of this lease, the right of approval shall inure to the artist's estate if it chooses to exercise it upon reasonable notice.
5. Transportation: Should any artwork be required to be moved a distance in excess of 50 miles in order to be installed at the lessee's premises, the lessee shall be responsible for the cost of transportation of artwork to the lessee's premises prior to installation, and again back to lessor's designated point of return following expiration of the lease period.

- 6. Insurance: The lessee shall obtain insurance and maintain such insurance to the value of the leased artwork in regard to fire, theft, natural disasters and liability and will pay over the proceeds of such insurance to the lessor upon the receipt of such proceeds.
- 7. Security Interests: The lessee recognizes the security interests of the lessor in the leased artwork and will cooperate in the filing of any forms necessary for the lessor to perfect such security interests. Recognizing that artwork is portable and the security interests of the lessor could easily be impaired, the lessee grants the lessor permission to enter its premises of the place where it has control over access to obtain the artwork upon the end of the lease term or upon default of the terms of this agreement by the lessee.
- 8. Defaults: A default in payment of more than thirty (30) days by the lessee or violation of any other term of this agreement shall accelerate the full obligation of the lease and shall allow the lessor to retake possession of the artwork. The lessor shall retain all its rights in law and equity and is entitled to its reasonable attorneys fees and costs upon the default of the lessee.
- 9. Indemnity: The lessee will hold the lessor harmless against any claims by third parties stemming from its possession and use of the leased artwork.
- 10. Continuation or Purchase: This agreement may be continued by notice of the lessee to the lessor in writing thirty (30) days prior to the expiration of the initial lease term; the lessor shall then have fifteen (15) days to respond if a lease is acceptable on the current terms or if it wishes to change the terms or not release the artwork. The lessee has an option to purchase the artwork above described.

In the event of exercise of the option to purchase, 50 percent of the rental payments made to the date of option exercise shall be applied to the purchase price, but no more than one hundred percent of the value indicated above.

- 11. Amendments: This agreement is the only agreement of the parties and may only be amended in writing or by separate written agreement of the parties.
- 12. Application of Laws: This agreement shall be construed under Connecticut law and shall be binding on the heirs, successors and assigns of the parties.

IN WITNESS WHEREOF THE PARTIES HAVE EXECUTED THIS AGREEMENT

LESSOR

LESSEE

Date: _____