

## **Astral Digital Video. Standard Terms of Business for Disc Duplication/Replication**

The Customer acknowledges that the following production materials and information must be supplied to Astral as per Astral's specifications and requirements before the Customer's order can begin: (1) CD or DVD content master and a back-up copy. (2) Electronic artwork files. (3) IRMA Intellectual Property Rights (IPR) Form. (4) Company purchase order OR written acceptance of this quotation as noted on Page 1. (5) Minimum sixty percent down payment been approved in advance. (6) Shipping destination and details. The Customer acknowledges that a delay in providing acceptable production materials and information to Astral will in turn delay the start date for the order, and that all ready-by dates agreed upon, whether written or oral, may be delayed.

**Terms Of Payment:** All prices are in \$CDN funds as noted on the written quotation. The Customer agrees to pay a minimum down payment of SIXTY PERCENT (60%) in advance of Astral starting any order, unless other arrangements are made with Astral in advance and in writing. In all cases except where written credit terms are granted by Astral to the Customer, ONE HUNDRED PERCENT (100%) of the amounts owing under the order must be received prior to Astral being required to release or deliver the order (in whole or in part) to the Customer.

Payment can be made via Cash, Money Order, Certified Cheque, Bank Draft, Visa, or Mastercard. Astral may terminate this Agreement or suspend deliveries if the Customer fails to make payment required under this agreement. Any amounts outstanding after its due date shall incur daily interest at the rate of two percent (2%) per month, twenty-four percent (24%) per annum. Notwithstanding any other term in this agreement, Astral may choose at any time and at its sole discretion to decline to make any shipment or delivery or perform any work unless payment is received in full. The Customer agrees to pay all costs, fees, changes or expenses of every nature (expressly including reasonable Legal fees) incurred by Astral in recovering overdue payments.

**Supply Of Product:** It is considered fair business practice to supply and invoice for a small percentage (not exceeding 5% depending on the quantity of product ordered) of product overage. The final invoice will reflect the exact quantity provided to the Customer, and the Customer agrees to pay for the same.

Every effort will be made to fill orders within the timeline quoted at the outset of the project, however, ready-by-dates (whether written, oral, or implied) are not guaranteed. Though uncommon, delays can occur, and Astral Digital Video Inc. does not assume responsibility for any damages growing out of or owing to any delays. Astral highly recommends that product related releases, events, or performances are not scheduled until the product is in the client's possession and meets with their approval.

Quotations are "F.O.B. Astral Digital Video, Vancouver, BC Canada" unless noted. Astral is not responsible for loss, damage or delay of products after they have left our or our suppliers premises.

**Intellectual Property Representations & Warranties:** The Customer hereby grants to Astral non-exclusive license to manufacture the product from the master recordings provided, and to use any related photographs, biographical material, label data, designs, artwork, or any other materials provided to Astral hereunder by the Customer, for that purpose.

The Customer represents and warrants that it is either (A) the true and rightful owner of, or (B) the possessor of legally enforceable worldwide licensing and/or right, for all aspects of intellectual property pertaining to their order which is inclusive of disc content and graphic design content. The Customer agrees to indemnify, defend, protect and hold harmless Astral and its suppliers, subsidiaries and their respective officers, directors, agents, affiliates, distributors, franchisees and employees (collectively "Indemnified Parties") against any and all liabilities, losses, claims, damages, actions, investigations, and legal proceedings of any kind, from any party, arising out of the Customer's rights, or lack thereof, to the use of the intellectual property or any aspect of the contents of their order.

**Limited Warranty Policy.** Defective product must be reported to Astral no later than 14 calendar days after the product has either [A] been received by the client, or [B] reached its shipping destination, or Astral will be deemed to be released from any and all liability. Astral's liability for defective product is limited solely to product replacement or repair, as the case may be, and shall not extend to any further liabilities whatsoever. The forgoing warranties are exclusive and are in lieu of all other warranties (whether written, oral, or implied) including warranty of merchantability in other respects than expressly set forth above.

**Force Majeure:** Neither party shall be liable for its failure to perform here under due to any contingency beyond its reasonable control, including, without limitation, delays by subcontractors or suppliers. The party whose performance is prevented by such contingency shall have the right to omit during the period of such contingency. All or any portion of the quantity deliverable during such period, whereupon the total quantity deliverable under this Agreement shall be reduced by the quantity so omitted. If, due to any such occurrence, Astral is unable to supply to total demands for any Product for any Product specified in this agreement, Astral shall have the right to allocate its available supply among its Customers in a fair and equitable manner.

**No Modification:** These Terms and Conditions may not be modified orally, no waiver amendment or modification shall be binding or effective unless in writing and signed by the party to be bound.