

GOTTA GROOVE RECORDS, LLC

GRANT OF RIGHTS TO DUPLICATE, MANDATORY INDEMNIFICATION AGREEMENT, AND TERMS & CONDITIONS OF SALES

GOTTA GROOVE RECORDS, LLC
3615 Superior Avenue
#4201A
Cleveland, OH 44114

Rev. 05.2010

COMPANY: Gotta Groove Records, LLC (hereafter, "Company", "us", or "we")
"You" or "Customer": Customer of Company

1. When dealing with copyrighted materials such as sound recordings, photographs, and other visual art, it is necessary to ensure that all parties involved own or have secured the right to use and duplicate such materials. Therefore, all sales by Company or its licensee(s), designee(s), successor(s), and assign(s) are subject to the following terms and conditions of sale. These terms and conditions of sale are incorporated by reference into each and every shipment and/or order fulfilled by Company to Customer, invoice, and related document provided by Company. Any contradictory terms in any document sent by Customer are deemed to be objected to and are of no effect. Orders are binding only upon written or electronic acceptance by an authorized representative of Company.

2. Customer hereby warrants and represents that it owns, controls, or is otherwise duly licensed with all permissions to provide all intellectual property whether copyright(s), trademarks(s), personal likenesses and/or photographs, or otherwise that are provided by Customer to Company and used by Company and/or Company's licensee(s) in Company's fulfillment of Customer's order(s) and to grant Company and/or Company's licensee(s) the right to use such materials in Company's fulfillment of Customer's order(s), without claim of any costs, fees or royalties in connection with the reproduction of the intellectual property. Intellectual property licensed to Customer requires the submittal of licensing documentation. Customer hereby grants and authorizes Company and Company's licensees the right to use all such intellectual property as needed and in any manner whatsoever for the fulfillment of Customer's order(s). Should Company, in its audio and visual review of producing Customer's order, reasonably believe that unlicensed material is being produced, it may stop its work until such time Customer provides appropriate documentation of ownership or license, and Customer shall be responsible for the price of the goods produced by Company. Customer hereby indemnifies and holds harmless Company and/or its affiliates/licensees/designees for any breach hereof, and will defend Company and/or its affiliates/licensees/designees in the event of any claims made against Company and/or its affiliates/licensees/designees resulting from such breach, and shall reimburse Company and/or its affiliates/licensees/designees for all expenses associated therewith, including but not limited to costs, disbursements, and attorneys' fees. In consideration of Company supplying products herein and providing the services to the Customer under this Agreement, the Customer hereby indemnifies and holds Company harmless from and against any and all claims, threats, suits, penalties, liabilities, costs and expenses (including without limitation, legal fees, costs and disbursements) incurred, suffered or expended by or threatened against Company for any reason of, or arising out of, any claim pursuant to this Agreement and any claim of infringement of copyright or of any claim for royalties pursuant to the Copyright Law of the United States of America, or any other applicable statutes or comparable law of any other jurisdiction regulating the rights and use of data, recorded, and printed materials.

3. Payment of the purchase price for goods and services acquired by Customer from Company shall be made in US Dollars and pursuant to the terms set forth herein, unless otherwise set forth in writing by Company. The Customer hereby agrees to pay all charges, accounts, or monies according to the following payment terms: prepaid/check, prepaid/cash, or prepaid/credit card. Upon ordering, a deposit of 50% of the order total is due before Company will proceed with order processing. The remaining balance is due upon Customer approval of test pressings and/or digital proofs (if applicable), and all shipping charges are due when incurred. Unless you notify us in writing of a different payment method before a balance is due, the same payment method used for the initial deposit shall also be charged for all remaining balance(s) when they become due. Per industry standards, the quantity of goods provided may be plus or minus 10% of the amount ordered, Customer shall only be billed for the amount shipped. The entire outstanding balance due to Company on all invoices shall become due in full immediately upon default in the payment of any invoice. Default is defined as (i) failure to pay when due pursuant to the terms hereof, or (ii) a failure to comply with any other of the terms and/or conditions provided herein. Past due invoices are subject to a 1.5% monthly finance charge on the unpaid balance.

4. For providing samples and archival purposes, Company may retain copies of vinyl records, print product, or other Customer order product, at no cost to Customer. All retained copies are considered to be owned by Company. All scraps from order processing shall be considered work product, and will not be returned or delivered to Customer. Such work product may be used for any purpose within the sole discretion of Company, including but not limited to resale in non-audio consumer products. If Customer desires master recording(s), lacquers, metal parts, and/or hard copies of proofs, art and other work product components (collectively "Materials") to be returned, Customer must alert company in writing within 10 business days after the respective order is shipped, and all shipping and handling in connection therewith shall be borne by Customer. Company expressly disclaims all liability for any damage whatsoever and for the condition of said materials returned to Customer. Otherwise, Company shall store said materials at its expense for up to one (1) year, after which Company shall contact Customer to obtain either approval to store the same for a fee established by Company or the return of the materials at Customer's expense. Should Customer not grant approval, or should Company not be able to contact Customer after reasonable attempts, Company may dispose of or destroy the materials without liability to Customer.

5. Customer agrees to pay all costs of collection incurred by Company, including but not limited to reasonable attorneys' fees and expenses, should a default in payment or breach of any other obligation of Customer occur.

6. These Terms and Conditions shall be governed by and interpreted in accordance with the laws and decisions of the State of Ohio. Customer agrees to the jurisdiction of the State of Ohio for the bringing of any action and the resolution of any dispute. Customer agrees not to contest the same.

7. Customer agrees to pay a \$25.00 service charge for each NSF or chargeback or other cause of non-payment due to insufficient funds and/or credit returned to Company, regardless of reason.

8. Title to goods: F.O.B. Cleveland, Ohio. Title and risk of loss of goods shipped shift to Customer upon delivery by Company to carrier. All shipping charges in connection with Customer orders shall be borne by Customer. Unless otherwise arranged by customer with Company, Company shall ship goods by UPS regular ground service.

9. Company warrants the quality of its goods and services to be of the highest standard, free from defects in material and workmanship. Customer shall notify Company of any defect in material or workmanship within ten (10) business days of order receipt, or shall be deemed to accept ordered product as is. Upon Company's request, Customer shall return the amount of goods required by Company in order to evaluate Customer's claim of a defect. Should Company's evaluation confirm Customer's claim, Company's sole obligation, and Customer's sole remedy, is to replace the goods. No replacement will be provided until all of the original goods are returned to Company. Any affirmation of fact or promise made by Company shall not be deemed to create an express warranty that the goods shall conform to the affirmation or promise; any description of the goods is for the sole purpose of identifying them and shall not be deemed to create an express warranty that the goods shall conform to such description; any sample or model is for illustrative purposes only and shall not be deemed to create an express warranty that the goods shall conform to the sample or model; and no affirmation or promise, or description, or sample or model shall be deemed part of the basis of the bargain. THERE ARE NO OTHER EXPRESSED OR IMPLIED WARRANTIES. ANY IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE ARE EXCLUDED TO THE EXTENT PERMITTED BY LAW. In no event will Company be liable for any special, consequential or indirect damages. If lacquers and/or metal parts, or any part of the final product to be delivered to Customer are provided by Customer to Company, Company disclaims all liability for any damage whatsoever to said components in Company's possession, and also disclaims any warranties regarding material or workmanship in connection with such components.

10. In the case of audio orders, Customer agrees to provide Company with source music on DAT, DVD-A, DVD-R/RW, SACD, CD, CDR, 1/4 or 1/2 inch Reel to Reel at 7-1/2, 15, and 30 IPS. Digital discs should be submitted in standard red book or higher resolution format (24 bit .wav files are acceptable, MP3 files are NOT acceptable), and the tracks should be in the desired order. Additional mastering fees are applicable to all orders submitted in other formats. Customer should inquire pricing before submitting source music in any format other than audio compact disc or DAT. If any EQ is required in the lacquer cutting process, additional charges may apply; please inquire. In the case of artwork for packaging, all artwork should be submitted in high-resolution (at least 300 dpi) form, preferably as press-ready pdf without dielines, on the exact templates provided in the "Templates" section of this web site. Please allow at least 6 weeks processing time for vinyl orders, and 6 weeks processing time for packaging and digital download card orders. Company cannot be held accountable for order delays resulting from incorrect master or art file formats, Customer approval delays, or other third party delays.

GUIDELINES FOR SIDE LENGTH:

7" @ 33 1/3 RPM: 6 minutes per side. (we can cut longer depending upon the music, however, you may be required to sign a waiver against issues due to excessive side length).

7" @ 45 RPM: 4.5 minutes per side. (we can cut longer depending upon the music, however, you may be required to sign a waiver against issues due to excessive side length).

12" @ 33 1/3 RPM: 18 minutes per side is ideal, 20 minutes per side is still good, 22 minutes per side may cause issues depending upon the music, anything over 22 minutes we will only cut if you sign a waiver against any issues caused by side length.

12" @ 45 RPM: 12 minutes per side is ideal, 14 minutes is ok, anything over 15 minutes we will only cut if you sign a waiver against any issues caused by side length.

Longer cuts may incur an additional charge. Also, many very short tracks per side (such as 30 second samples) may incur an additional charge.

11. Company requires a valid vendor's license number and [Blanket Certificate of Exemption](#) for all customers, otherwise Company shall charge Customer the applicable sales tax amount (if such sale occurs within the State of Ohio or a state which requires such taxes to be collected).

AGREED:

By signing and/or typing my name below and clicking "I accept", I (we) certify that I am (we are) authorized in my (our) capacity, to bind my (our) firm for any and all credit privileges that Company advances to me (us), as well as agree to these Terms and Conditions; I (we) agree that all accounts or monies due to Company shall be due and payable in accordance with these Terms and Conditions, and at the office address so noted at the top hereof as well as on invoices and other documents evidencing my (our) firm's obligations to Company, all of which are incorporated herein by this reference; and I (we) hereby expressly agree and understand that our action of signing and/or typing our name below and clicking "I accept" shall constitute our legal and binding acceptance of all terms and provisions hereof.

By: _____ Printed Name: _____

Company (if applicable): _____ Title (if applicable): _____

Artist Name on Record: _____ Title of Record: _____

PLEASE NOTE THAT YOU MAY BE REQUIRED TO PROVIDE EVIDENCE OF Harry Fox (HFA)/MECHANICAL ROYALTIES PAID FOR COVER SONGS AND/OR WRITTEN LICENSES FOR SAMPLES, MASTER RECORDINGS, AND/OR COMPOSITIONS ON YOUR RECORD. GOTTA GROOVE RESERVES THE RIGHT TO REFUSE TO PRESS ANY RECORD WHERE SUCH INFORMATION IS EITHER MISSING OR DEEMED (IN GOTTA GROOVE'S SOLE DISCRETION) TO BE FRAUDULENT OR INACCURATE.

RECORD INFORMATION

(If you already provided this information via Gotta Groove's online ordering system, you may omit such information on this form.)

Shipping Address: _____

Billing Address: _____

Phone Number: _____ Email: _____

Job Description: Format: _____ 7" _____ 12" Large Hole or Small Hole (7" Only): _____ RPM (33.3 or 45): _____

Vinyl Color(s): _____ Quantity of Records: _____

Matrix Number To Be Etched: _____ Label Colors: _____

Names of Files Uploaded to Gotta Groove Website: _____

TRACK INFORMATION:

SIDE A

TRACK NO. TRACK TIME (DURATION)

SIDE B

TRACK NO. TRACK TIME (DURATION)
