

**SCREENVISION DIRECT  
LOCAL ADVERTISING INSERTION ORDER  
TERMS AND CONDITIONS**

**SERVICES**

1. Services. These Terms and Conditions and the Insertion Order together constitute this "Agreement." Advertiser and SVD agree that in exchange for the Agreed Sum, SVD shall perform the services ("Advertising Services") of reserving space, producing and exhibiting slides, video or other advertising material in the movie theatres more fully described in the applicable Insertion Order. The aggregate amount of on-screen advertising time described in the Insertion Order for the Advertisement(s) shall hereinafter sometimes be referred to as the "Screening Period." SVD does not guarantee any business generation or response for Advertiser from such on-screen advertising.

2. Advertisement Production, Content, Ownership.

(a) The Advertiser is responsible for supplying SVD with all necessary copy and other materials to be used for the preparation of the Advertisement ("Material") within 7 days after (i) the date of this Agreement or (ii) the date of a request for replacement Materials. Any failure by Advertiser to supply Material will not terminate this Agreement nor in any way limit the Advertiser's liability to pay the Agreed Sum to SVD. Failure by the Advertiser to provide SVD with acceptable Material in a timely manner could lead to placement on the next available drop date. If the Advertiser decides that an in-between drop date is required, then additional charges will apply on a per-theatre, per-visit basis. (b) The Advertiser acknowledges that SVD or one or more theatres may, in their sole discretion, refuse to accept any Material (including but not limited to copy illustrations, photographs and/or drawings) for the preparation of the Advertisement, or may withdraw any previously accepted Advertisement from display at any time and for any reason. In such event, SVD has the right but is not required to ask the Advertiser to submit new Material and Advertiser shall submit new Material within a reasonable time period specified in writing by SVD. If Advertiser fails to submit new Material in a timely manner, such event shall be treated as if Advertiser failed to supply Material in the first instance. (c) In the event the Advertiser requires or requests a change in the Advertisement during the Screening Period, additional handling charges will apply. (d) All Advertisements prepared by SVD are the sole property of SVD (i) the Advertiser shall have no right to obtain either originals or copies of the Advertisement created in accordance with this Agreement, and (ii) SVD shall not be required to grant any rights in or to such Advertisements to Advertiser. SVD makes no claim of ownership hereunder to any trademarks or copyrights in Material provided by Advertiser. Advertiser is not granted any rights in SVD's trademarks or copyrights. (e) Advertiser hereby grants to SVD a limited, non-exclusive, royalty-free, fully paid up license to modify, create derivative works of, reproduce, publicly perform, publicly present, display, distribute, edit, exhibit, broadcast and otherwise transmit the Material solely for the purpose of preparing and/or displaying such Advertisements on the Screens. In addition, Advertiser hereby grants to SVD, or SVD's authorized representative, the perpetual right to utilize the Material and/or the Advertisement, together with Client's company name, trademarks, logos, service names and slogans as adopted by Client from time to time and provided to SVD, in any and all media now known or hereinafter devised (including but not limited to SVD's websites), but solely for the purposes of publicity, promotion and advertising of SVD's and its affiliates' products and services.

3. Costs. Advertiser shall be solely responsible for all costs it incurs in connection with this Agreement, including, without limitation, expenses associated with creating and delivering the Material and Advertisements to Screenvision, and for all out-of-pocket expenses of SVD (as invoiced).

3. Makegoods. If SVD is unable to provide at least 90% of the advertising contemplated herein for any reason, SVD will be entitled to provide extensions or additions to the Screening Period (the amount of which shall be determined by SVD in its reasonable discretion) at no further cost to the Advertiser in lieu any other remedy ("makegoods"). If the Advertisement contains material errors or misspellings which are the fault of SVD, SVD may in its absolute discretion, as Advertiser's sole remedy therefore, grant the Advertiser a time credit for a period which SVD considers sufficient taking into account the nature and degree of the errors or misspellings. Advertiser shall not have any right to an extension of the Screening Period for material errors or misspellings in any Advertisement approved by the Advertiser prior to display or based on Material provided by the Advertiser.

4. Failure to Exhibit. If for any reason SVD is unable to provide a Screening Period at a particular theatre, SVD may provide a Screening Period at another comparable theatre(s) in the same area (which theatre(s) will thereafter replace such unavailable theatre under this Agreement for the period of substitution) or, at SVD's option, SVD may terminate this Agreement in part as it pertains to exhibition at that specific theatre without any further liability. In the case of SVD's partial termination pursuant to this section, the Agreed Sum shall be reduced by a percentage of the portion of the Agreed Sum for exhibition of the Advertisement at such theatre, based upon the number of days of exhibition at such theatre cancelled by SVD as compared with the total number of days of exhibition at such theatre as specified in this Agreement.

5. Certificate of Placement. Promptly following Advertiser's request, SVD shall provide written certification which will be conclusive evidence that the Screening Period was provided at the theatre on the dates shown on that certificate. The Advertiser shall have no right to contact any theatre directly without the prior written consent of SVD.

6. No Exclusivity or Passes. This Agreement does not entitle the Advertiser to exclusivity on any Screen, whether on a category exclusivity basis or otherwise, or to any free or discounted admission passes to any theatre.

7. Exhibition Limitations. The Advertiser acknowledges that one week's screening of an Advertisement means the screening before feature films (other than private and preview screenings and feature films of studios or distributors who prohibit such screening) on those days in a week and at such times on which the Screens covered hereby are open to the public. The theatres reserve the right to hasten, delay or otherwise alter the schedule of feature film start times without notice. This right includes, but is not limited to, adjustments to schedule due to weather, auditorium cleaning or heavy attendance. Such scheduling adjustments are considered normal and necessary and are accepted by the Advertiser. The advertising program may be turned off shortly prior to the scheduled feature show time in any or all of the theatres. Such

event(s) shall not constitute a breach of this Agreement by SVD and shall not affect the fees payable hereunder.

8. Notice of Omissions and Defects. The Advertiser is responsible for notifying SVD in writing of any omissions, problems or defects in the Advertising Services provided as soon as reasonably possible, but not later than 10 days after the scheduled showing, or actual showing in the case of actual postponements due to scheduling adjustments. The Advertiser waives any right to any remedy or relief for any such omission, problem or defect if the Advertiser fails to notify SVD within the time limits set forth above.

## PAYMENT

9. Payment. (a) At the start of the campaign the Advertiser will be invoiced for production and four (4) weeks media, and thereafter every four (4) weeks until the end of the campaign. (b) Payment is due within the terms referenced on the face of the Insertion Order. Interest will be payable by the Advertiser on any payment which is past due, calculated at the rate of 1.5% compounded monthly for any past due amounts until the amount is paid, including but not limited to periods after a judgment is rendered, but in no event greater than the amount allowed by law. Any accrued interest will be payable to SVD as a separate debt and be recoverable accordingly. (c) The fees, costs and rates set forth on the Insertion Order are exclusive of federal, state, local or other governmental taxes, and Advertiser shall pay all such taxes related to this Agreement and/or the Advertising Services provided hereunder. (d) The Advertiser represents, warrants and agrees that any credit card information supplied in a credit card authorization related hereto is accurate, the use of such credit card is authorized and that SVD is authorized to make periodic charges against such credit card to cover the fees and charges associated with this Agreement, including the Agreed Sum. (e) The Advertiser represents, warrants and agrees that any electronic funds transfer authorization information provided by or on behalf of the Advertiser is accurate, the use of the account identified for debit of funds is duly authorized, that Advertiser shall not terminate the authorized payments without prior notice to SVD and that transfers from such account shall be used to make periodic payments to cover the fees and charges associated with this Agreement, including the Agreed Sum. (f) Any failure or inability of SVD to obtain payment via an authorized credit card, or an authorized electronic funds transfer, shall not affect Advertiser's obligation to make the payments in accordance with the provisions set forth in this section. (g) In the event of any breach of the terms of payment, SVD may, at its option, withdraw the Advertiser's ability to pay by installments, resulting in the balance of the Agreed Sum to be due and payable immediately.

10. Credit Checks. The Advertiser consents to SVD's conducting, obtaining and exchanging credit inquiries, credit checks, or inquiries with commercial credit reporting agencies ("Credit Checks") initially, throughout the term of this Agreement, and upon termination so long as amounts are claimed due to SVD. Based on information obtained through such Credit Checks, SVD retains the right to terminate this Agreement or require additional advance payments.

## CANCELLATION

11. Cancellation By Advertiser. This Agreement may be cancelled by the Advertiser only if the Advertiser closes the business to which this Agreement relates and only pursuant to the following: (a) the Advertiser gives SVD 8 weeks written

notice prior to the date of the closure of the business ("Effective Closing"), as well as proof of sale or closure acceptable to SVD; and (b) the Advertiser pays SVD any outstanding payments due for Advertising Services provided through the Effective Closing and 25% of the balance of the Agreed Sum payable for Advertising Services following the Effective Closing.

12. Default. If the Advertiser is in default of any of its obligations under this Agreement, including but not limited to the timely payment of monies due, SVD may in its sole and absolute discretion and without prejudice to any rights SVD may have against the Advertiser, (a) suspend provision of the Advertising Services without notice to Advertiser and/or (b) terminate this Agreement upon notice to Advertiser. In the event SVD suspends provision of the Advertising Services and/or terminates this Agreement due to the Advertiser's default, the Advertiser shall remain liable for the Agreed Sum which would have to be paid to SVD through the expiration date of this Agreement, to the extent not yet paid. Any provision of services to other clients by SVD shall not be considered as a set-off against the Advertiser's obligations under this Agreement. The Advertiser shall be liable for legal or other fees and costs that are incurred by SVD (including those related to any legal action by SVD, such as collection or attorneys' fees) to collect the balance due or any past due amount.

## LIABILITY

13. Representations and Warranties. Advertiser warrants and represents that it has full power and authority to enter into and perform its obligations under this Agreement, that it owns or has the right to permit the use of the Material and Advertisements as set forth herein and that the Material and Advertisements and distribution, broadcast, public presentation and public performance thereof will not: (a) infringe the rights of any third party (including without limitation, copyright, trademark, patent, and other intellectual property rights, or rights of privacy or publicity); (b) defame any person; (c) contain anything indecent or obscene; (d) constitute or contain a statement that is misleading or deceptive or likely to mislead; or (e) violate any foreign or domestic federal, state, or local law or regulation. Advertiser warrants and represents that neither SVD nor any Theatre will have any obligation to make any payment for the rights granted by Advertiser hereunder. SVD warrants and represents that it has full power and authority to enter into and to perform its obligations under this Agreement.

14. Indemnities. Advertiser shall be solely responsible for any liability arising out of the Material and Advertisements and the distribution, broadcast, public performance public presentation and use thereof under this Agreement. Notwithstanding SVD's review or approval of any Advertisements, Advertiser agrees to indemnify, defend and hold SVD, its parents, subsidiaries, related entities, directors, members, employees, agents, subcontractors and independent contractors ("SVD Entities"), and the theatres harmless from and against any losses, costs, damages, or expenses (including reasonable attorneys' fees and expenses) resulting from claims or actions arising out of or in connection with the Material and Advertisements (including, but not limited to, claims arising from the sale of goods or services by Advertiser) or Advertiser's breach of any agreement, representation or warranty hereunder (including, but not limited to, claims for infringement of copyright, trademark or other intellectual property rights, or violation of rights of privacy or publicity). Advertiser is solely responsible for the product(s) and/or service(s) advertised pursuant to this

Agreement, and SVD and its subcontractors and affiliates shall have no liability with respect thereto.

15. Limitation of Liability. EXCEPT AS SPECIFICALLY PROVIDED HEREIN, NEITHER PARTY MAKES ANY WARRANTIES OF ANY KIND, WHETHER EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. SVD AND THE SVD ENTITIES SHALL NOT BE LIABLE FOR THE CONTENT OF ANY ADVERTISEMENTS HEREUNDER AND/OR THIRD-PARTY ADVERTISEMENTS AT THE THEATRES NOR FOR ANY LOSS, COST, DAMAGE OR EXPENSE (INCLUDING COUNSEL FEES) INCURRED BY ADVERTISER IN CONNECTION WITH THE PLACEMENT OF THE ADVERTISEMENTS AT THE THEATRES, INCLUDING, BUT NOT LIMITED TO, FOR ANY TECHNICAL MALFUNCTION, COMPUTER OR OTHER ERROR, FAILURE OR REFUSAL OF A THEATRE TO EXHIBIT THE ADVERTISEMENTS, OR OTHER INJURY, DAMAGE OR DISRUPTION TO THE ADVERTISEMENTS INCLUDING ANY COSTS INCURRED BY THE ADVERTISER AS A RESULT OF REJECTED MATERIAL OR WITHDRAWN ADVERTISEMENTS PURSUANT TO SECTION 2 OF THIS AGREEMENT, OR FOR SCHEDULING ADJUSTMENTS OR CHANGES. IN NO EVENT SHALL SVD AND THE SVD ENTITIES ON THE ONE HAND AND ADVERTISER ON THE OTHER BE LIABLE FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL, OR EXEMPLARY DAMAGES ARISING OUT OF OR RELATED TO THIS AGREEMENT EVEN IF SUCH DAMAGES ARE FORESEEABLE AND WHETHER OR NOT SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY THEREOF. IN NO EVENT SHALL SVD AND THE SVD ENTITIES LIABILITY, INDIVIDUALLY AND COLLECTIVELY, EXCEED THE TOTAL AMOUNT PAID TO SVD BY ADVERTISER HEREUNDER.

## GENERAL TERMS

16. Confidentiality. The Advertiser acknowledges that the Advertising Services, including, without limitation, the technology, know-how, details, designs and specifications thereof, and SVD the SVD Entities marketing and operational strategies, services and customers are confidential and/or proprietary to SVD the SVD Entities, as applicable. Such information, if disclosed to the Advertiser, is done so in strict confidence and solely for the purposes of effectuating this Agreement and with the express understanding that (a) such information is and will remain the sole and exclusive property of SVD and the SVD Entities, as applicable, and (b) the Advertiser will not disclose to any third party or use for its own purposes any such information. Advertiser shall not contact any theatre directly regarding the Advertisement(s), the Advertising Services or this Agreement without the prior written consent of SVD.

17. Force Majeure. SVD shall not be in breach hereunder or otherwise liable to Advertiser due to delays caused by any factors beyond SVD's control, including, but not limited to, strikes, boycotts, war or acts or threats of terrorism, Acts of God, governmental actions, labor troubles, riots or restraints of public authority. Where possible, SVD shall notify Advertiser of any such delays.

18. Acceptance by SVD. This Agreement will not be binding on SVD for any purpose until it has been accepted by SVD; if SVD rejects this Agreement, notice thereof will be sent to Advertiser within twenty one (21) business days of execution of the Insertion Order by Advertiser. When accepted by SVD, this Agreement will constitute a binding Agreement, without need for communication of acceptance to the Advertiser.

19. Invalidity and Waiver. If any provision of this Agreement is found to be illegal, invalid, or unenforceable, such provision shall be modified to the minimum extent necessary to make such provision valid and enforceable, and the remainder of this Agreement (and such provision as so modified) shall remain in full force and effect. No waiver of rights under this Agreement by either party shall constitute a subsequent waiver of such rights or of any other right under this Agreement. Advertiser hereby waives the right to seek specific performance of any provision of this Agreement or injunctive relief against SVD relating to any provision of this Agreement.

20. Assignment. The Advertiser may not assign or transfer any of the rights conveyed in this Agreement. Without limiting the generality of the foregoing, Screening Period purchased hereunder is non-transferable. SVD may freely assign or transfer any of its rights and obligations under this Agreement. Any assignment in violation of this Agreement shall be void. Subject to the foregoing, this Agreement shall inure to the benefit of and be binding upon each of the parties and their respective, permitted successors and assigns.

21. No Relationship. The parties to this Agreement are independent contractors. No agency, fiduciary duties, partnership, joint venture, or employment relationship is created between parties by this Agreement, and neither party shall have the right or authority to bind the other party in any way.

22. Entire Agreement. This Agreement constitutes the entire agreement between the parties, is intended to supersede all prior agreements, understandings and representations, written or oral with respect to the Agreement, the Advertising Services and any other subject matter hereof and may not be contradicted by evidence of any other agreement, understanding or representation. The parties expressly agree that in the event of a conflict between the terms of this Agreement and the terms of any agreement, contract or insertion order provided by the Advertiser, the terms of this Agreement shall govern, notwithstanding any similar statement in such other agreement. Section headings are for convenience of reference only and shall not be deemed to alter or affect any provision hereof. Any amendment to this Agreement shall not be valid unless such amendment is in writing and signed by both parties.

23. Governing Law. This Agreement will be deemed to have been entered into in New York, New York, and will be governed by and construed in accordance with the laws of the State and County of New York without regard to any conflict of law principles. The Advertiser agrees to submit to the exclusive jurisdiction of the federal, state, and local courts located within the State of New York. Advertiser agrees that it may only bring claims against SVD in courts located in the State and County of New York located in New York, New York.