



ONE Brand Studio, Inc.  
www.onebrandstudio.com

PO Box 485  
Northville, Michigan 48167

TEL 313.737.3336

## VIDEO PRODUCTION CONTRACT

**CLIENT:** MEDC / PMBC

**CONTACT:** Trevor Pawl

**DATE:** July 9, 2013

**ADDRESS:** 300 N Washington Sq

**CITY:** Lansing

**STATE:** Michigan

**ZIP:** 48913

**PHONE:** 248.565.5276

**FAX:**

**E-MAIL:** pawlt@michigan.org

### Objective and Method

The objective of this agreement is for ONE Brand Studio to serve MEDC's Pure Michigan Business Connect as a video producer to support the program's marketing strategy. ONE Brand Studio will meet the objective of this agreement by providing services to shoot, edit and produce a range of videos and creative work, which as of July 9, 2013 is scheduled to include:

- One (1) "large scale" video - matching scope of Ford Supplier Summit piece produced Spring 2013
- Two (2) "medium scale" videos - matching scope of Consumers / ManTech pieces produced Fall 2012
- One (1) "multiple location" video - matching scope of Why Michigan piece produced Fall 2012
- Three (3) "small scale" videos - simple supplier success stories with a run time of 1 to 2 minutes each
- One (1) web design strategy project - consulting on content, look and feel for PMBC summit pages

The work produced under this contract will be used by MEDC staff and vendors across the organization's events, email, social networking and web communications. Projects will be produced in a documentary style with basic light set ups for interviews (where needed) and run-and-gun shooting for b roll using available light with minimal grip support. Footage will be acquired with a digital cinema camera like the Canon EOS C100 or similar.

### Fees

- Fees will be billed per project
- The total fee for projects to be produced under this contract is \$47,000, including expenses and additional costs
- Material expenses (production supplies, stock music, travel or similar) will be reimbursed at cost +25%
- ONE Brand Studio reserves the right to reestimate fees if the scope of this agreement should change

### Payment Schedule

- Fees will be billed at inception of each project
- Balances are due net 15 days from invoice

### Rejection | Cancellation of Agreement

The client shall not unreasonably withhold acceptance of, or payment for, work completed under this agreement. If the client observes any nonconformance with the method as proposed, ONE Brand Studio must be promptly notified, allowing for necessary corrections. Rejection of work under this agreement or early cancellation of the contract will result in forfeiture of any deposits and billing for all labor and expenses due to date. The client shall bear all costs, expenses and reasonable attorney's fees in any action brought to recover payment under this agreement or to which ONE Brand Studio may become a party by reason of this contract.

### Length of Agreement

This 12-month contract will be in effect as of July 9, 2013 with an option to renew annually. Progress toward objectives will be reviewed at six month intervals, with modifications made by agreement between the client and ONE Brand Studio. Any alteration or deviation from the above specifications will be made only by mutual consent. Any delay in fulfilling the terms of this agreement due to the actions or negligence of the client, unforeseen illness or forces beyond the control of ONE Brand Studio, shall entitle ONE Brand Studio to extend the completion date of a project, upon notifying the client, by a time period equal to the length of such delay.

### Acceptance Of Agreement

The fees, specifications and conditions detailed above and in the attached "Standard Form of Agreement for Creative Services" are hereby accepted. ONE Brand Studio is authorized to begin work as proposed. Payment of fees will be made as indicated above.

CLIENT SIGNATURE Valerie Hoag

DATE 7/12/13

ONE BRAND STUDIO SIGNATURE DJ Auro

DATE July 9, 2013

DESIGN | VIDEO | NEW MEDIA



## STANDARD FORM OF AGREEMENT FOR CREATIVE SERVICES

### Basic Terms and Conditions

#### 1. DEFINITIONS

As used herein and throughout this Agreement:

1.1 **Agreement** means the entire content of this Basic Terms and Conditions document, the Proposal document(s), Schedule A, together with any other Supplements designated below, together with any exhibits, schedules or attachments hereto.

1.2 **Client Content** means all materials, information, photography, writings and other creative content provided by Client for use in the preparation of and/or incorporation in the Deliverables.

1.3 **Copyrights** means the property rights in original works of authorship, expressed in a tangible medium of expression, as defined and enforceable under U.S. Copyright Law.

1.4 **Deliverables** means the services and work product specified in the Proposal to be delivered by ONE Brand Studio (the Studio) to Client, in the form and media specified in the Proposal.

1.5 **Studio Tools** means all production tools developed and/or utilized by the Studio in performing the Services, including without limitation pre-existing and newly developed software including source code, Web authoring tools, type fonts, and application tools, together with any other software, or other inventions whether or not patentable, and general non-copyrightable concepts such as website design, architecture, layout, navigational and functional elements.

1.6 **Final Art** means all creative content developed or created by the Studio, or commissioned by the Studio, exclusively for the Project and incorporated into and delivered as part of the Final Deliverables, including and by way of example, not limitation, any and all visual designs, visual elements, graphic design, illustration, photography, animation, sounds, typographic treatments and text, modifications to Client Content, and the Studio's selection, arrangement and coordination of such elements together with Client Content and/or Third Party Materials.

1.7 **Final Deliverables** means the final versions of Deliverables provided by the Studio and accepted by Client.

1.8 **Preliminary Works** means all artwork including, but not limited to, concepts, sketches, visual presentations, or other alternate or preliminary

designs and documents developed by the Studio and which may or may not be shown and or delivered to Client for consideration but do not form part of the Final Art.

1.9 **Project** means the scope and purpose of the Client's identified usage of the work product as described in the Proposal.

1.10 **Services** means all services and the work product to be provided to Client by the Studio as described and otherwise further defined in the Proposal.

1.11 **Third Party Materials** means proprietary third party materials which are incorporated into the Final Deliverables, including without limitation stock photography or illustration.

1.12 **Trademarks** means trade names, words, symbols, designs, logos or other devices or designs used in the Final Deliverables to designate the origin or source of the goods or services of Client.

#### 2. PROPOSAL

The terms of the Proposal shall be effective for 30 days after presentation to Client. In the event this Agreement is not executed by Client within the time identified, the Proposal, together with any related terms and conditions and deliverables, may be subject to amendment, change or substitution.

#### 3. FEES AND CHARGES

3.1 **Fees.** In consideration of the Services to be performed by the Studio, Client shall pay to the Studio fees in the amounts and according to the payment schedule set forth in the Proposal, and all applicable sales, use or value added taxes, even if calculated or assessed subsequent to the payment schedule.

3.2 **Expenses.** Client shall pay the Studio's expenses incurred in connection with this Agreement as follows: (a) incidental and out-of-pocket expenses including but not limited to costs for telephone calls, postage, shipping, overnight courier, service bureaus, typesetting, blueprints, models, presentation materials, photocopies, computer expenses, parking fees and tolls, and taxis at cost plus the Studio's standard markup of twenty-five percent (25%), and, if applicable, a mileage reimbursement at \$.565 per mile; and (b) travel expenses including transportation, meals, and lodging, incurred by the Studio with Client's prior approval.

3.3 **Additional Costs.** The Project pricing includes the Studio's fee only. Any and all outside costs including, but not limited to, equipment rental, photographer's costs and fees, photography and/or artwork licenses, prototype production costs, talent fees, music licenses and online access or hosting fees, will be billed to Client unless specifically otherwise provided for in the Proposal.

3.4 **Invoices.** All invoices are payable within fifteen (15) days of receipt. A monthly service charge of 1.5 percent (or the greatest amount allowed by state law) is payable on all overdue balances. Payments will be credited first to late payment charges and next to the unpaid balance. Client shall be responsible for all collection or legal fees necessitated by lateness or default in payment. The Studio reserves the right to withhold delivery and any transfer of ownership of any current work if accounts are not current or overdue invoices are not paid in full. All grants of any license to use or transfer of ownership of any intellectual property rights under this Agreement are conditioned upon receipt of payment in full which shall be inclusive of any and all outstanding Additional Costs, Taxes, Expenses, and Fees, Charges, or the costs of Changes.

#### 4. CHANGES

4.1 **General Changes.** Unless otherwise provided in the Proposal, and except as otherwise provided for herein, Client shall pay additional charges for changes requested by Client which are outside the scope of the Services on a time and materials basis, at the Studio's standard hourly rate of \$150 per hour. Such charges shall be in addition to all other amounts payable under the Proposal, despite any maximum budget, contract price or final price identified therein. The Studio may extend or modify any delivery schedule or deadlines in the Proposal and Deliverables as may be required by such Changes.

4.2 **Substantive Changes.** If Client requests or instructs Changes that amount to a revision in or near excess of fifty percent (50%) of the time required to produce the Deliverables, and or the value or scope of the Services, the Studio shall be entitled to submit a new and separate Proposal to Client for written approval. Work shall not begin on the revised services until a fully signed revised Proposal and, if required, any additional retainer fees are received by the Studio.

4.3 **Timing.** The Studio will prioritize performance of the Services as may be necessary or as identified in the Proposal, and will undertake commercially reasonable efforts to perform the Services within the time(s) identified in the Proposal. Client agrees to review Deliverables within the time identified for such reviews and to promptly either, (i) approve the Deliverables in writing or (ii) provide written comments and/or corrections sufficient to identify the Client's concerns, objections or corrections to the Studio. The Studio shall be entitled to request written clarification of any concern, objection or correction. Client acknowledges and agrees that the Studio's ability to meet any and all schedules is entirely dependent upon Client's prompt performance of its obligations to provide materials and written approvals and/or instructions pursuant to the Proposal and that any delays in Client's performance or Changes in the Services or

Deliverables requested by Client may delay delivery of the Deliverables. Any such delay caused by Client shall not constitute a breach of any term, condition or the Studio's obligations under this Agreement.

#### 5. CLIENT RESPONSIBILITIES

Client acknowledges that it shall be responsible for performing the following in a reasonable and timely manner:

- (a) coordination of any decision-making with parties other than the Studio;
- (b) provision of Client Content in a form suitable for reproduction or incorporation into the Deliverables without further preparation, unless otherwise expressly provided in the Proposal; and
- (c) final proofreading and in the event that Client has approved Deliverables but errors, such as, by way of example, not limitation, typographic errors or misspellings, remain in the finished product, Client shall incur the cost of correcting such errors.

#### 6. ACCREDITATION/PROMOTIONS

All displays or publications of the Deliverables shall bear accreditation and/or copyright notice in the Studio's name in the form, size and location as incorporated by the Studio in the Deliverables, or as otherwise directed by the Studio. The Studio retains the right to reproduce, publish and display the Deliverables in the Studio's portfolios and websites, and in galleries, creative periodicals and other media or exhibits for the purposes of recognition of creative excellence or professional advancement, and to be credited with authorship of the Deliverables in connection with such uses. Either party, subject to the other's reasonable approval, may describe its role in relation to the Project and, if applicable, the services provided to the other party on its website and in other promotional materials, and, if not expressly objected to, include a link to the other party's website.

## 7. RELATIONSHIP OF THE PARTIES

7.1 **Independent Contractor.** The Studio is an independent contractor, not an employee of Client or any company affiliated with Client. The Studio shall provide the Services under the general direction of Client, but the Studio shall determine, in the Studio's sole discretion, the manner and means by which the Services are accomplished. This Agreement does not create a partnership or joint venture and neither party is authorized to act as agent or bind the other party except as expressly stated in this Agreement. The Studio and the work product or Deliverables prepared by the Studio shall not be deemed a work for hire as that term is defined under Copyright Law. All rights, if any, granted to Client are contractual in nature and are wholly defined by the express written agreement of the parties and the various terms and conditions of this Agreement.

7.2 **Studio Agents.** The Studio shall be permitted to engage and/or use third party creatives or other service providers as independent contractors in connection with the Services ("Studio Agents"). Notwithstanding, the Studio shall remain fully responsible for such Studio Agents' compliance with the various terms and conditions of this Agreement.

7.3 **No Solicitation.** During the term of this Agreement, and for a period of six (6) months after expiration or termination of this Agreement, Client agrees not to solicit, recruit, engage or otherwise employ or retain, on a full-time, part-time, consulting, work-for-hire or any other kind of basis, any employee or Studio Agent of the Studio, whether or not said person has been assigned to perform tasks under this Agreement. In the event such employment, consultation or work-for-hire event occurs, Client agrees that the Studio shall be entitled to an agency commission to be the greater of, either (a) 25 percent of said person's starting salary with Client, or (b) 25 percent of fees paid to said person if engaged by Client as an independent contractor. In the event of (a) above, payment of the commission will be due within 30 days of the employment starting date. In the event of (b) above, payment will be due at the end of any month during which the independent contractor performed services for Client. The Studio, in the event of nonpayment and in connection with this section, shall be entitled to seek all remedies under law and equity.

7.4 **No Exclusivity.** The parties expressly acknowledge that this Agreement does not create an exclusive relationship between the parties. Client is free to engage others to perform services of the same or similar nature to those provided by the Studio, and the Studio shall be entitled to offer and provide design services to others, solicit other clients and otherwise advertise the services offered by the Studio.

## 8. WARRANTIES AND REPRESENTATIONS

8.1 **By Client.** Client represents, warrants and covenants to the Studio that (a) Client owns all right, title, and interest in, or otherwise has full right and authority to permit the use of the Client Content, (b) to the best of Client's knowledge, the Client Content does not infringe the rights of any third party, and use of the Client Content as well as any Trademarks in connection with the Project does not and will not violate the rights of any third parties, (c) Client shall comply with the terms and conditions of any licensing agreements which govern the use of Third Party Materials, and (d) Client shall comply with all laws and regulations as they relate to the Services and Deliverables.

8.2 **By the Studio**  
(a) The Studio hereby represents, warrants and covenants to Client that the Studio will provide the Services identified in the Agreement in a professional and workmanlike manner and in accordance with all reasonable professional standards for such services. (b) the Studio further represents, warrants and covenants to Client that (i) except for Third Party Materials and Client Content, the Final Deliverables shall be the original work of the Studio and/or its independent contractors, (ii) in the event that the Final Deliverables include the work of independent contractors commissioned for the Project by the Studio, the Studio shall have secure agreements from such contractors granting all necessary rights, title, and interest in and to the Final Deliverables sufficient for the Studio to grant the intellectual property rights provided in this Agreement, and (iii) to the best of the Studio's knowledge, the Final Art provided by the Studio and the Studio's subcontractors does not infringe the rights of any party, and use of same in connection with the Project will not violate the rights of any third parties. In the event Client or third parties modify or otherwise use the Deliverables outside of the scope or for any purpose not identified in the Proposal or this Agreement or contrary to the terms and conditions noted herein, all representations and warranties of the Studio shall be void.

(C) EXCEPT FOR THE EXPRESS REPRESENTATIONS AND WARRANTIES STATED IN THIS AGREEMENT, THE STUDIO MAKES NO WARRANTIES WHATSOEVER. THE STUDIO EXPLICITLY DISCLAIMS ANY OTHER WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR COMPLIANCE WITH LAWS OR GOVERNMENT RULES OR REGULATIONS APPLICABLE TO THE PROJECT.

## 9. INDEMNIFICATION/LIABILITY

9.1 **By Client.** Client agrees, to the extent permitted by law, to indemnify, save and hold harmless the Studio from any and all damages, liabilities, costs, losses or expenses arising out of any claim, demand, or action by a third party arising out of any breach of Client's responsibilities or obligations, representations or warranties under this

Agreement. Under such circumstances the Studio shall promptly notify Client in writing of any claim or suit; (a) Client has sole control of the defense and all related settlement negotiations; and (b) the Studio provides Client with commercially reasonable assistance, information and authority necessary to perform Client's obligations under this section. Client will reimburse the reasonable out-of-pocket expenses incurred by the Studio in providing such assistance.

9.2 **By the Studio.** Subject to the terms, conditions, express representations and warranties provided in this Agreement, the Studio agrees to indemnify, save and hold harmless Client from any and all damages, liabilities, costs, losses or expenses arising out of any finding of fact which is inconsistent with the Studio's representations and warranties made herein, except in the event any such claims, damages, liabilities, costs, losses or expenses arise directly as a result of gross negligence or misconduct of Client provided that (a) Client promptly notifies the Studio in writing of the claim; (b) the Studio shall have sole control of the defense and all related settlement negotiations; and (c) Client shall provide the Studio with the assistance, information and authority necessary to perform the Studio's obligations under this section. Notwithstanding the foregoing, the Studio shall have no obligation to defend or otherwise indemnify Client for any claim or adverse finding of fact arising out of or due to Client Content, any unauthorized content, improper or illegal use, or the failure to update or maintain any Deliverables provided by the Studio.

9.3 **Limitation of Liability.** THE SERVICES AND THE WORK PRODUCT OF THE STUDIO ARE SOLD "AS IS." IN ALL CIRCUMSTANCES, THE MAXIMUM LIABILITY OF THE STUDIO, ITS DIRECTORS, OFFICERS, EMPLOYEES, STUDIO AGENTS AND AFFILIATES ("STUDIO PARTIES"), TO CLIENT FOR DAMAGES FOR ANY AND ALL CAUSES WHATSOEVER, AND CLIENT'S MAXIMUM REMEDY, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT OR OTHERWISE, SHALL BE LIMITED TO THE VALUE OF THE PROPOSAL. IN NO EVENT SHALL THE STUDIO BE LIABLE FOR ANY LOST DATA OR CONTENT, LOST PROFITS, BUSINESS INTERRUPTION OR FOR ANY INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL, EXEMPLARY OR PUNITIVE DAMAGES ARISING OUT OF OR RELATING TO THE MATERIALS OR THE SERVICES PROVIDED BY THE STUDIO, EVEN IF THE STUDIO HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND NOTWITHSTANDING THE FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY.

## 10. TERM AND TERMINATION

10.1 This Agreement shall commence upon the Effective Date and shall remain effective until the Services are completed and delivered.

10.2 This Agreement may be terminated at any time by either party effective immediately upon notice, or the mutual agreement of the parties, or if any party:

(a) becomes insolvent, files a petition in bankruptcy, makes an assignment for the benefit of its creditors; or (b) breaches any of its material responsibilities or obligations under this Agreement, which breach is not remedied within ten (10) days from receipt of written notice of such breach.

10.3 In the event of termination, the Studio shall be compensated for the Services performed through the date of termination in the amount of (a) any advance payment, (b) a prorated portion of the fees due, or (c) hourly fees for work performed by the Studio or the Studio's agents as of the date of termination, whichever is greater; and Client shall pay all Expenses, fees, out of pockets together with any Additional Costs incurred through and up to, the date of cancellation.

10.4 In the event of termination by Client and upon full payment of compensation as provided herein, the Studio grants to Client such right and title as provided for in Schedule A of this Agreement with respect to those Deliverables provided to, and accepted by Client as of the date of termination.

10.5 Upon expiration or termination of this Agreement: (a) each party shall return or, at the disclosing party's request, destroy the Confidential Information of the other party, and (b) other than as provided herein, all rights and obligations of each party under this Agreement, exclusive of the Services, shall survive.

## 11. GENERAL

11.1 **Modification/Waiver.** This Agreement may be modified by the parties. Any modification of this Agreement must be in writing, except that the Studio's invoices may include, and Client shall pay, expenses or costs that Client authorizes by electronic mail in cases of extreme time sensitivity. Failure by either party to enforce any right or seek to remedy any breach under this Agreement shall not be construed as a waiver of such rights nor shall a waiver by either party of default in one or more instances be construed as constituting a continuing waiver or as a waiver of any other breach.

11.2 **Notices.** All notices to be given hereunder shall be transmitted in writing either by facsimile or electronic mail with return confirmation of receipt or by certified or registered mail, return receipt requested, and shall be sent to the addresses identified below, unless notification of change of address is given in writing. Notice shall be effective upon receipt or in the case of fax or email, upon confirmation of receipt.

11.3 **No Assignment.** Neither party may assign, whether in writing or orally, or encumber its rights or obligations under this Agreement or permit the same to be transferred, assigned or encumbered by operation of law or otherwise, without the prior written consent of the other party.

11.4 **Force Majeure.** The Studio shall not be deemed in breach of this Agreement if the Studio is unable to complete the Services or any portion thereof by reason of fire, earthquake, labor dispute, act of God or public enemy, death, illness or incapacity of the Studio or any local, state, federal, national or international law, governmental order or regulation or any other event beyond the Studio's control (collectively, "Force Majeure Event"). Upon occurrence of any Force Majeure Event, the Studio shall give notice to Client of its inability to perform or of delay in completing the Services and shall propose revisions to the schedule for completion of the Services.

11.5 **Governing Law and Dispute Resolution.** The formation, construction, performance and enforcement of this Agreement shall be in accordance with the laws of the United States and the state of Michigan without regard to its conflict of law provisions or the conflict of law provisions of any other jurisdiction. In the event of a dispute arising out of this Agreement, the parties agree to attempt to resolve any dispute by negotiation between the parties. In all other circumstances, the parties specifically consent to the local, state and federal courts located in the state of Michigan. The parties hereby waive any jurisdictional or venue defenses available to them and further consent to service of process by mail. Client acknowledges that the Studio will have no adequate remedy at law in the event Client uses the deliverables in any way not permitted hereunder, and hereby agrees that the Studio shall be entitled to argue for equitable relief by way of temporary and permanent injunction, and such other and further relief at law or equity as any court of competent jurisdiction may deem just and proper, in addition to any and all other remedies provided for herein.

11.6 **Severability.** Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held invalid or unenforceable, the remainder of this Agreement shall nevertheless remain in full force and effect and the invalid or unenforceable provision shall be replaced by a valid or enforceable provision.

11.7 **Headings.** The numbering and captions of the various sections are solely for convenience and reference only and shall not affect the scope, meaning, intent or interpretation of the provisions of this Agreement nor shall such headings otherwise be given any legal effect.

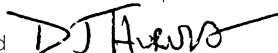
11.8 **Integration.** This Agreement comprises the entire understanding of the parties hereto on the subject matter herein contained, and supersedes and

merges all prior and contemporaneous agreements, understandings and discussions between the parties relating to the subject matter of this Agreement. In the event of a conflict between the Proposal and any other Agreement documents, the terms of the Proposal shall control. This Agreement comprises this Basic Terms and Conditions document, the Proposal and Schedule A: Intellectual Property Provisions.

By their execution below, the parties hereto have agreed to all of the terms and conditions of this Agreement effective as of the last date of signature below, and each signatory represents that it has the full authority to enter into this Agreement and to bind her/his respective party to all of the terms and conditions herein.

**THE STUDIO**


ONE Brand Studio, Inc.  
235 East Main Street | Suite 102G, Northville MI 48167

Signed 

Date July 9, 2013

**CLIENT**

MEDC / Pure Michigan Business Connect  
300 N Washington Sq | Lansing MI 48913

Signed   
By Client Officer

Title Senior Vice President, Business Development

Date 7/12/13

## Schedule A: Intellectual Property Provisions

### IP 1. RIGHTS TO DELIVERABLES OTHER THAN FINAL ART

IP 1.1 **Client Content.** Client Content, including all pre-existing Trademarks, shall remain the sole property of Client or its respective suppliers, and Client or its suppliers shall be the sole owner of all rights in connection therewith. Client hereby grants to the Studio a nonexclusive, nontransferable license to use, reproduce, modify, display and publish the Client Content solely in connection with the Studio's performance of the Services and limited promotional uses of the Deliverables as authorized in this Agreement.

IP 1.2 **Third Party Materials.** All Third Party Materials are the exclusive property of their respective owners. The Studio shall inform Client of all Third Party Materials that may be required to perform the Services or otherwise integrated into the Final Art. Under such circumstances the Studio shall inform Client of any need to license, at Client's expense, and unless otherwise provided for by Client, Client shall obtain the license(s) necessary to permit Client's use of the Third Party Materials consistent with the usage rights granted herein. In the event Client fails to properly secure or otherwise arrange for any necessary licenses or instructs the use of Third Party Materials, Client hereby indemnifies, saves and holds harmless the Studio from any and all damages, liabilities, costs, losses or expenses arising out of any claim, demand, or action by a third party arising out of Client's failure to obtain copyright, trademark, publicity, privacy, defamation or other releases or permissions with respect to materials included in the Final Art.

IP 1.3 **Preliminary Works.** The Studio retains all rights in and to all Preliminary Works. Client shall return all Preliminary Works to the Studio within thirty (30) days of completion of the Services and all rights in and to any Preliminary Works shall remain the exclusive property of the Studio.

IP 1.4 **Original Artwork.** The Studio retains all right and title in and to any original artwork comprising Final Art, including all rights to display or sell such artwork. Client shall return all original artwork to the Studio within thirty (30) days of completion of the Services.

IP 1.5 **Trademarks.** Upon completion of the Services and expressly conditioned upon full payment of all fees, costs and out-of-pocket expenses due, the Studio assigns to Client all ownership rights, including any copyrights, in and to any artworks or designs comprising the works created by the Studio for use by Client as a Trademark. The Studio shall cooperate with Client and shall execute any additional documents reasonably requested by Client to evidence such

assignment. Client shall have sole responsibility for ensuring that any proposed trademarks or Final Deliverables intended to be a Trademark are available for use in commerce and federal registration and do not otherwise infringe the rights of any third party. Client, to the extent permitted by law, hereby indemnifies, saves and holds harmless the Studio from any and all damages, liabilities, costs, losses or expenses arising out of any claim, demand, or action by any third party alleging any infringement arising out of Client's use and/or failure to obtain rights to use or use of the Trademark.

IP 1.6 **Studio Tools.** All Studio Tools are and shall remain the exclusive property of the Studio. The Studio hereby grants to Client a nonexclusive, nontransferable (other than the right to sublicense such uses to Client's web hosting or internet service providers), perpetual, worldwide license to use the Studio's Tools solely to the extent necessary with the Final Deliverables for the Project. Client may not directly or indirectly, in any form or manner, decompile, reverse engineer, create derivative works or otherwise disassemble or modify any the Studio's Tools comprising any software or technology of the Studio.

### IP 2. RIGHTS TO FINAL ART

IP 2.A (1) (a) **License for limited usage, no modification rights:**

IP 2.1 For  print,  online/interactive,  three-dimensional media: Upon completion of the Services, and expressly subject to full payment of all fees, costs and out-of-pocket expenses due, the Studio grants to Client the rights in the Final Art as set forth below. Any additional uses not identified herein require an additional license and may require an additional fee. All other rights are expressly reserved by the Studio. The rights granted to Client are for the usage of the Final Art in its original form only. Client may not crop, distort, manipulate, reconfigure, mimic, animate, create derivative works or extract portions or in any other manner, alter the Final Art.

Category / Medium of use:

Duration / Geographic territory:

Initial press run:

With respect to such usage, Client shall have

Exclusive  Nonexclusive rights

OR

IP 2.A (1)(b) **Exclusive license, no modification rights:**

IP 2.2 For  print,  online/interactive,  three-dimensional media: the Studio hereby grants to Client the exclusive, perpetual and worldwide right and license to use, reproduce and display the Final Art solely in connection with the Project as defined in the Proposal and in accordance with the various terms and conditions of this Agreement. The rights granted to Client are for usage of the Final Art in its original form only. Client may not crop, distort, manipulate, reconfigure, mimic, animate, create derivative works or extract portions or in any other

manner, alter the Final Art.  
OR

IP 2.A (1) (c) **Exclusive license, with modification rights:**

IP 2.3 For  print,  online/interactive,  three-dimensional media: the Studio hereby grants to Client the exclusive, perpetual and worldwide right and license to use, reproduce, adapt, modify and display the Final Art solely in connection with the Project as defined in the Proposal and in accordance with the terms and conditions of this Agreement.

AND

IP 2.A (2) **Liquidation for unlicensed use:**

IP 2.4 Client's use of the Final Art shall be limited to the usage rights granted herein for the Project only. Use of the Final Art, Deliverables or any derivative works thereof by Client at any other time or location, or for another project or outside the scope of the rights granted herein require an additional fee and the Studio shall be entitled to further compensation equal to \_\_\_\_\_ percent ( \_\_\_\_\_ %) of the original Project fee unless otherwise agreed in writing by both parties. In the event of non-payment, the Studio shall be entitled to pursue all remedies under law and equity.

OR

IP 2.B **Assignment:**

IP 2.5 Upon completion of the Services, and expressly subject to full payment of all fees, costs and expenses due, the Studio hereby assigns to Client all right, title and interest, including without limitation copyright and other intellectual property rights, in and to the Final Art. The Studio agrees to reasonably cooperate with Client and shall execute any additional documents reasonably necessary to evidence such assignment.