



PIXELWORKS.^{llc}

502.551.5969 <http://www.j2pw.com>

STOCK PHOTOGRAPHY AND ASSIGNMENT IMAGE(S) USE AGREEMENT

**YOU SHOULD CAREFULLY READ THE FOLLOWING TERMS AND CONDITIONS.
YOUR USE OF ANY IMAGE, FOR ANY REASON, SIGNIFIES YOUR ACCEPTANCE OF
THESE TERMS AND CONDITIONS.**

LICENSE

A) Definitions:

1) Rights Protected means that J2 PixelWORKS, LLC attempts to avoid image conflict between users in the same industry for the same usage within a specified time period. Rights protected images include exterior or cover images in advertising, brochures and books, but do not include interior images, audio-visual use, one-sheet direct mail pieces or internet use, unless specifically negotiated.

2) Stock image(s) are images generated by J2 PixelWORKS, LLC outside of assignment. Images generated during assignment and then edited out of the final submissions to the client are also stock images and are the property of J2 PixelWORKS, LLC and will be put in reserve for future stock availability. Images derived from an assignment both delivered and edited out will be held for an agreed to period of time before being made available as stock images. If there is no agreed or specified period of time then those image(s) can be made available immediately.

3) The images delivered to the client, once the invoice has been paid in full, are Co-copyrighted by the client and J2 PixelWORKS, LLC, whether or not it is stated on the client's materials.

4) All stock images are copyrighted J2 PixelWORKS, LLC despite their similarity to assignment images and their use is dictated by this agreement and no notifications, considerations or credits will be required to be given to any client for that use.

5) Any image obtained on assignment and used by that client, if account is in good standing, will be held out of the stock image files for a period of Six (6) months after the last documented usage by that client. Future re-use of any of the image(s) by that client, once it has been deemed available by J2 PixelWORKS, LLC, will not require the image(s) to be put back into reserve and will not require any permission to be obtained for that stock use or credit or consideration to be given to that client.

6) Model Releases specifically release J2 PixelWORKS, LLC from any harm with regard to the likeness of any person and or property. As stated in the release it allows J2 PixelWORKS, LLC to use, market and profit from the use of that likeness with out any permission, credit or further consideration. Copies can be made available upon request.

B) LIMITED USE GRANTED:

Permission to utilize stock image(s) is only granted for the use specified on the face of the invoice and for no other purpose, including promotional and/or electronic usage. Permission for both stock and assignment image(s) is only effective after you pay the invoice and no rights are granted by your possession of the image(s) or the invoice. Uses are granted for the United States markets only, unless otherwise stated, and for the invoice specified amount of time. All rights not granted on the invoice are specifically reserved for J2 PixelWORKS, LLC's use and future disposition without any limitations whatsoever. There are NO rights for Sub-License granted by this agreement for stock image(s) or assignment image(s).

C) ADDITIONAL LICENSES AVAILABLE:

If you require additional rights, or a prohibition or limitation on other uses of a stock image you have selected, you can request and pay for an additional license.

D) RE-USE:

You assume all of the responsibility to contact J2 PixelWORKS, LLC 30 days prior to the expiration of usage rights in order to request and negotiate for rights to re-use the stock image for the same usage as outlined in the invoice.

E) RESPONSIBILITY FOR USE:

You agree not to use the stock or assignment image(s) in any way that could be considered defamatory, pornographic or fraudulent, either by making physical changes to it, or in the juxtaposition to accompanying text. Contact J2 PixelWORKS, LLC for verification of model releases.

F) UNAUTHORIZED USE:

You agree not to make, authorize or permit any use of a stock image or its derivative (use of an image as source to create another image) except as authorized by the invoice. In the event you utilize a stock image for any use other than that indicated on the invoice, including but not limited to the number of uses, the publication utilized, or the size of reproduction, J2 PixelWORKS, LLC agrees to forego its right to sue for copyright infringement if you pay, as liquidated damages, a sum equal of three (3) times the maximum price we would have charged for such use, per infraction, within the (10) days of our billing such fee. If you fail to make such payment in (10) days, this liquidated damage provision shall be void and we shall have the right to pursue any and all legal avenues for copyright infringement and breach of contract.

G) INDEMNIFICATION:

You agree to indemnify and hold J2 PixelWORKS, LLC harmless against all claims arising out of the use of any image where we have not specified the existence of a release in writing, and for the defamatory use of an image in any manner or context.

H) RETURN OF IMAGES AFTER INVOICING:

Stock image(s) must be returned directly to J2 PixelWORKS, LLC by bonded messenger, registered mail or Federal Express, prepaid and fully insured within three (3) months after the invoice date. After the expiration of this three-month period, if you fail to return the image(s), the image(s) will be deemed lost and the liquidated damages provisions of Section **I** shall govern. Images delivered via the internet need not be returned however they must be deleted from and storage device in the time frame stated above.

I) LIQUIDATED DAMAGES FOR LOST OR DAMAGED IMAGES:

You agree that liquidated value for an original stock image is One Thousand Five Hundred Dollars (U.S) (\$1,500.00); the agreed liquidated value for a black and white stock image(s) is Three Hundred Dollars (U.S) (\$300.00) and the agreed liquidated value for a duplicate stock image(s) is Four Hundred and Fifty Dollars (U.S) (\$450.00). You do not obtain any ownership rights to a stock image by payment of a loss fee terms in this Paragraph.

J) ASSIGNABILITY:

You may not assign or transfer to anyone else the usage rights of any stock image(s) we grant you.

K) PAYMENT TERMS:

No rights are granted until our invoice is paid in full. Our invoice terms are Due Upon Receipt, unless otherwise stated on the invoice. A Service charge of two percent (2%) per month, or

such lesser amount allowed by law, will be charged thereafter on any unpaid balance. Any claims for adjustment or rejection of terms must be made to us within five (5) days of receipt of the invoice.

L) PROJECT SAMPLES:

When any stock image(s) is reproduced, as a condition of use, you agree to send at your own expense to J2 PixelWORKS, LLC, twelve (12) free samples containing a reproduction of the image within 30 days of use. For images delivered via internet and for use on the internet and magazine/newspaper advertising, a high resolution Portable Document Format (PDF) should be forwarded via Compact Disk and delivered via courier. Failure to supply copies of the project shall be considered to be material breach of this Agreement. This is requested for the use of assignment image(s) also.

M) COPYRIGHT PROTECTION:

All stock image(s) used editorially, on a CD-ROM, on the Internet or Intranet, must bear the credit line "© year, J2 PixelWORKS, LLC" or as otherwise indicated by J2 PixelWORKS, LLC. You agree to provide copyright protection to all images and such copyright shall be immediately assigned to J2 PixelWORKS, LLC, or its designee upon request, and without charge. You agree to pay a reasonable liquidated damage amount of triple the invoice fee if the credit is improper or missing. A "Photography By J2 PixelWORKS, LLC" marking is requested when and where possible for assignment driven commercial/corporate and editorial applications.

N) WAIVER:

Terms may not be waived orally by any J2 PixelWORKS, LLC employee and any purported waiver or change must be in writing and signed by an officer of J2 PixelWORKS, LLC. If we waive any specific part of this contract, or any section be deemed unlawful in any state it will be considered removed from this agreement. Any such waiver or section removal will not affect the rest of the agreement and all remaining sections shall remain in force. This agreement, when signed and accepted by both parties or when a stock image or images are used, with or without a signature on this document, supercedes any previous agreement and terms. Failure to sign this document does not relieve you from the conditions and responsibilities of this agreement.

O) CANCELLATION POLICY:

If you decide not to use the stock image(s), you must advise J2 PixelWORKS, LLC in writing and immediately return the stock image(s) within two weeks of the invoice date to receive a full refund or credit. After this two-week period has expired, up to 60 days from the invoice date there will be a 50% cancellation fee. After 60 days from the date of the invoice, the invoice cannot be canceled and full payment will be due and return of the stock image(s) is required. Your notification without returning the stock image(s) does not entitle you to any refund or credit. There will be NO refunds or credits until the stock image(s) are returned at your expense via a bonded messenger and if necessary, proof of delivery date and time can be produced. The delivery date and time of the stock image(s) will dictate the amount of any refund or credit as stated above. If it is discovered that the stock or assignment image(s) were used after cancellation, refund, credit and or returned, then this agreement will be considered in full force and all the rights and remedies granted to J2 PixelWORKS, LLC, as outlined in this agreement, will be pursued. As stated in Section H, stock image(s) are still your responsibility until return delivery. Failure to return stock image(s) will result in action as stated in Sections F, H and I.

P) ARBITRATION:

A material part of this contract is the agreement to arbitrate. Any and all disputes arising out of, under or in connection with this agreement, with the exception of copyright claims,

including without limitation, its validity, interpretation, performance and breach, shall be settled by arbitration in Louisville, Kentucky, pursuant to the rules of the American Arbitration Association in effect at the time arbitration is demanded. Judgment upon any award rendered may be entered in the highest court of the forum, State or Federal, having jurisdiction. This Agreement, its validity and effect, shall be interpreted under, and governed by, the laws of the Commonwealth of Kentucky, and you agree that the arbitrators shall award all costs of arbitration, including legal fees, plus legal rate-of-interest to the successful party. Copyright claims shall be brought in the Federal District Court of the District of The Commonwealth of Kentucky.

Q) LEGAL FEES AND JURISDICTION:

If J2 PixelWORKS, LLC is obligated to go to court, rather than arbitration, to enforce any of our rights, or to collect any fees, you agree to reimburse J2 PixelWORKS, LLC for our legal fees, costs and disbursements when J2 PixelWORKS, LLC is successful. You agree that the Circuit Court of The Commonwealth of Kentucky, Jefferson County and the United States District Court for the District of The Commonwealth of Kentucky are the agreed and appropriate forums for any such suit.

R) UNIFORM COMMERCIAL CODE:

You agree that the above terms are made pursuant in Article 2 of the Uniform Commercial Code and agree to be bound by it.

J2 PixelWORKS, LLC
209 Brunswick Road
Louisville, KY 40207