

GRAND CENTRAL SOUND STUDIOS LTD

51-53 GT MARLBOROUGH ST, LONDON W1F 7JT, UK. Tel +(44) 20 7306 5600 WWW.GCRS.COM

TERMS AND CONDITIONS OF TRADING AND BUSINESS

FORWARD

The following terms and conditions of business set out the fine legal detail of how we - Grand Central Sound Studios - trade with our customers and suppliers.

Our company policy is best summed up by saying that we always try to provide first class service in all areas with particular emphasis towards creativity and client service levels all presented with a positive and forward looking attitude.

If you are reading our T&C's because you just want, to then enjoy the fine print and call us if you need any explanations.

If on the other hand things have gone wrong, as they occasionally can, then call either Carole Humphrey or Ivor Taylor, the owners of Grand Central, to talk through the issues.

“Every problem is an opportunity which when successfully resolved invariably benefits both parties...”

IDT 1st December 2010

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1. Terms and Conditions of Business

- 1.1. The following Conditions of business set out the terms under which The Company contracts all business with Clients. Variation of these terms are only allowed if set out and agreed in writing by both parties in advance of trading starting between the two parties.
- 1.2. The following terms and conditions apply in relation to the supply of any services or Goods, Facilities and Materials by The Company and to all contracts for the same entered into between The Company and the Client into all of which such contracts these terms and conditions are incorporated. They supersede all previous conditions and override any alternative conditions stipulated or referred to by the Client and constitute the entire terms and conditions applicable to all or any agreement between The Company and the Client.
- 1.3. The Client accepts that The Company creates intellectual property in the process of providing the Client with services such as those commonly provided by Sound Designers and Sound Engineers. Such intellectual property rights are the property of The Company and can only be transferred to the Client or its Agent when payment has been made in full for the use of the Facility in creating the Intellectual property.
- 1.4. The Company undertake all work within and all of our working practices are based on the guidelines of the APRS, ASA, BCAP, BBFC, OFCOM, RACC, UK Screen Association and SAWA professional associations and or governing bodies.

2. Definitions

- 2.1. Unless inconsistent with the context, in these terms and conditions: -
- 2.2. 'The Company' means the legal entity of Grand Central Sound Studios Ltd, company registration number 2478789 51-53 Gt Marlborough St London W1F 7JT, United Kingdom.
- 2.3. 'Booking' means the booking period for which The Company has agreed to provide the Facilities to the Client;
- 2.4. 'Client' means the person, firm or company using the services of The Company;
- 2.5. 'Client's Property' means any of the Client's works, tapes, films or other materials, equipment or other property which is the subject of the Facilities and is provided to The Company;
- 2.6. 'Facilities' means the pre/post-production equipment, personnel, creative and production facilities and services which The Company is providing to the Client in accordance with these terms and conditions;
- 2.7. 'Materials' means all forms of audio or visual material including without limitation tapes, films, advertisements or other materials processed, produced or otherwise provided by The Company pursuant to a Booking.
- 2.8. 'Talent' means any artiste, performer or celebrity retained by The Company for The Client to provide Voice Over services, artistic services, creative services or music related services in either pre-recorded or live performance forms.

3. Rates and Fees and Charges

- 3.1. The rates charged by The Company are those that are published from time to time in The Company's rate card. Publication by The Company of its rate card and the supply of any quotations or estimates to any person constitute an invitation to treat. The Client's order is an

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offer and shall become binding only upon The Company's acceptance by a suitably authorised either verbally or in writing.

- 3.2. The rates quoted do not include Value Added Tax, all media stock, courier and delivery charges telecommunications expenses or any additional costs incurred by The Company as a result of Materials supplied by the Client being in the opinion of The Company in any way defective or in an unsuitable format or of an unsuitable quality or the information supplied by the Client or any third party in connection with its requirements does not provide a full and accurate indication of the work involved or if such requirements are altered or added to by The Client subsequent to the date of the Booking, and any such VAT or such further or additional costs or expenses shall be paid by the Client.
- 3.3. The Company reserves the right to change the rates quoted in the rate card at any time without prior notice, or by specific written agreement with the Client to agree to rates different from those specified in the rate card in respect of a specific Booking.

4. Estimates

- 4.1. Whilst all the time and prices estimates given by The Company are given in good faith and The Company will endeavour to adhere to such estimates, time shall not be of the essence and is not guaranteed and The Company will not be bound by such estimates where they are not met due to the Client's changes, failure to provide information or materials in a timely fashion or other circumstances outside The Company's control and The Company will not be liable for any failure to meet such estimates. The Company will not be responsible for any costs, charges or expenses incurred by the Client as a result of such failure.
- 4.2. All estimates are prepared and presented to the Client with the caveat that Errors and Omissions are excluded and no Liability for losses either direct or indirect resulting from such Errors and or Omissions will be accepted.

5. Payment

- 5.1. Except where these terms and conditions provide otherwise, and subject to paragraph (4.3) below, payment of all fees and charges incurred shall be made to The Company within 30 days of the date of invoice and The Company reserves the right to charge interest at a rate 8% in excess of the then-prevailing Bank Base Rate or LIBOR (at The Company's option) on late payment from the due date for payment until the actual date of payment calculated on a daily basis.
- 5.2. All sums payable by the Client shall be paid in full and in the currency in which they are invoiced without any deduction whatsoever, whether by way of set-off, counterclaim or otherwise and for the avoidance of doubt the Client shall not be entitled to the benefit of any such deduction to which it might otherwise be entitled to in law or in equity. The Company shall be entitled in the event of non-payment in whole or in part to enforce any judgment obtained in relation thereto without any stay of execution pending the determination of any claim by the Client against The Company.
- 5.3. The Company reserves the right to require payment of all fees and charges, in full or in part, in advance of, or in instalments during, the performance of the Booking or the provision of the Facilities.
- 5.4. Any queries on an invoice must be raised within 10 working days of the date of the invoice after such time the value and validity of an invoice may not be queried or challenged in a Court of Law by the Client and the invoice will be deemed to be valid and payable in full.

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6. Cancellation

- 6.1. In its absolute discretion The Company may or may not at any time permit cancellation by the Client of a booking or order and The Company reserves the right to cancel any booking or order in the event of any breach of these terms and conditions by the Client.
- 6.2. In the event of any such cancellation being permitted or instigated by The Company less than one full 24-hour working day before the start of the Booking Period the booking will be charged at the full rate under The Company's rate card current at the date of cancellation or, if greater, at the agreed rate for the Booking.
- 6.3. Where a booking's duration exceeds 8 hours either as a single or multiple event and where such booking has been made against an estimate or quotation and the booking has been confirmed more than 5 working days prior to the start date of that booking in the event of cancellation being or instigated by the Client between five and one full 24 hour working day before the start of the Booking Period, the booking will be charged at 50% of the full rate under The Company's rate card current at the date of cancellation.
- 6.4. In addition to the above mentioned cancellation charges The Company will be entitled to be reimbursed for any third party costs, liabilities and consequential costs or expenses, which it may have incurred arising from the cancellation of the Booking.

7. Liens and Delivery

- 7.1. Until payment in cash or cleared funds of all monies due from the Client to The Company pursuant to a particular booking: -
 - 7.1.1. the physical property in all Materials and the intellectual property in all Materials created by The Company shall, notwithstanding delivery, remain vested in The Company, and the Client shall hold the same as a bailee of The Company and shall store the Materials such that identification of the Materials from The Clients other goods is clear and unambiguous at all times and The Client will keep full records of any third parties to whom it sells or disposes of the same;
 - 7.1.2. the Company shall have a general lien over any property of the Client in The Company's possession for such monies due: and
 - 7.1.3. the license granted by The Company to the Client pursuant to clause (10.b) shall not take effect.
 - 7.1.4. title to such property shall not pass or vest to the Client until The Company has also received payment in cash or cleared funds of all monies due from the Client to The Company under any other Bookings or business transaction.
 - 7.1.5. the Client hereby grants an irrevocable license to The Company so that it may enter upon any premises where any material are stored or where they are reasonably thought to be stored, during normal business hours, and repossess the same.
 - 7.1.6. if the Client fails to make payment within 14 days of such monies becoming due, The Company at its discretion shall be entitled to exploit or dispose of such property and apply any proceeds towards the monies due and any expenses in respect of such exploitation or disposal and shall, upon accounting to the Client for the balance if any remaining, be discharged from all liability in respect of any such property.

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- 7.2. The Company will endeavour to deliver any Materials as soon as practicable after receipt of all sums due to The Company from the Client but The Company shall not be responsible for any loss suffered by the Client due to delay in delivery unless such loss shall have been caused by the gross negligence of The Company.
- 7.3. The Client has a duty of care to inspect and verify that the Materials delivered are as ordered and fit for the intended purpose.
- 7.4. In the event that Clients have requested either verbally or in writing for sessions or work to be undertaken without a representative of the Client being in attendance, The Company's liability for fitness for purpose and copyright infringement in the Materials is and remains solely that of the Client. The Company shall have no liability whatsoever for damages or costs resulting from any such infringement inherent in the Materials lack of fitness for purpose, or copyright so produced.

8. Insurance

- 8.1. Risk of damage to or loss of the Materials shall pass to the Client at the time when the Materials leave the premises of The Company whether this be by physical delivery of the materials or electronic delivery.
- 8.2. The Client acknowledges that it is not possible for The Company to obtain insurance against any lost costs of production arising from loss or damage to the Client's property or the Materials.
- 8.3. Pursuant to clause (8.2) the Client shall take out and maintain such insurance cover against all risks as is necessary or usual in connection with production including pre/post production, including lost production costs caused on loss or damage to The Client's property and its content whilst under the custody or control of The Company.

9. Intellectual Property in Materials

- 9.1. All Copyright in any recordings or other works resulting from the provision of the Facilities and/or embodied in any Materials shall vest in, and be the exclusive property of The Company.
- 9.2. Subject to The Company having received payment in cash or cleared funds of all monies due from the Client to The Company pursuant to a Booking The Company grants the Client an exclusive license to publish and transmit the finished materials as a whole or in part in their final form as supplied by The Company for the purpose originally contemplated.
- 9.3. Once transferred The Client rights to the intellectual property created by the Company in the Materials is a right for the whole of the Materials as a single entity.
- 9.4. The Client only has rights of separate delivery for the elements of the Materials for those elements specifically created in the Booking for the Client and at the expense of the Client and for which payment in full has been made.
- 9.5. The Client agrees not to use any intellectual property rights of any type contained in the Materials separately where that separate usage is obtained or realised by the editing or deconstruction of parts from the Materials unless such usage of The Company's Intellectual Property rights vested in the Materials has been previously agreed in writing between The Company and the Client.
- 9.6. Notwithstanding anything to the contrary contained herein, The Company shall retain ownership and possession of and shall not be required to deliver to the Client any mechanical devices, processes, third party private expert knowledge, craft skills, source or object code or

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application software any and all of which were used as tools to create the Materials ("Third Party Technology"). With respect to the Client The Company shall own the Third Party Technology as used by The Company, as well as the intellectual property rights related to the Third Party Technology or created with the Third Party Technology including but not limited to any copyrights, trademarks, trade secrets or patents in connection therewith.

- 9.7. Notwithstanding the foregoing, The Company hereby grants to the Client a non-exclusive license in and to the Third Party Technology and to the intellectual property created with the Third Party Technology in perpetuity, to the extent only that the same is necessary for the exploitation of the Materials and all ancillary and allied rights therein and thereto by the Client as envisaged by the parties.

10. Confidential Information

- 10.1. The Client shall take proper steps to keep confidential all confidential information relating to The Company or its business or its financial affairs or the Facilities or other services provided by it, including any computer programs, production techniques, Third Party Technology, databases and any original ideas and concepts, know-how, designs and processes incorporated in or inherent in the materials, processes or work practices, which information is disclosed to or obtained by the Client pursuant to or as a result of the provision of the facilities with the exclusion of information in the public domain.
- 10.2. The Client will not use or divulge any Confidential Information to any person (other than its professional advisers) and upon the termination or end of the Booking Period, the Client will return to The Company any Confidential Information (without retaining copies thereof) and any equipment or other goods provided by The Company (other than, for the avoidance of doubt, the Materials).

11. Limitation of Liability of The Company

- 11.1. Save as otherwise expressly provided in these terms and conditions and to the fullest extent permitted by law:
- 11.2. The supply to any Client of Materials and facilities is entirely at the Client's risk and The Company shall be under no liability to the Client or any other person for any direct, indirect or consequential loss or damage arising from any defect in the Facilities and the Materials or any equipment or tapes used in relation thereto;
- 11.3. If the use of the Facilities for the Booking is delayed, postponed, curtailed or cancelled for any reason affecting The Company, then unless such delay, postponement, curtailment or cancellation shall have been caused by the gross negligence of The Company, The Company shall not be liable for any loss or damage suffered by the Client by reason thereof;
- 11.4. The Company shall not in any event be liable for economic loss including loss of profit or goodwill or any indirect or consequential loss or damage; and
- 11.5. All warranties, conditions, terms and representations relating to goods or services supplied by The Company (Whether expressly or implied by statute, common law, use or otherwise) are hereby excluded.
- 11.6. Nothing herein shall be construed as excluding or limiting (or seeking to do so) any liability on the part of The Company by reason of death or bodily injury caused by The Company's negligence.

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- 11.7. Save as otherwise expressly provided in these terms and conditions and to the fullest extent permitted by law The Company will not be responsible for any damage to or loss of any Client's property held by The Company nor any loss (consequential or otherwise) arising in respect thereof unless caused by The Company's negligence in which case paragraphs (11.8) and (11.9) shall apply;
- 11.8. In the event of loss or damage to the Client's property caused by The Company's negligence during the booking period The Company's liability shall be limited to the cost expended by the Client in fees and charges charged by The Company and shall not exceed £10,000 in respect of any one job.
- 11.9. Subject to the above provisions of this paragraph (11) all of the Client's property and all Materials held by The Company will be held by The Company entirely at the risk of the Client irrespective of the cause of any loss or damage and the Client will insure the Client's property to its full value against all risks and take and retain copies of all Clients' property before providing them to The Company.
- 11.10. The Company shall make available its equipment and the personnel it deems necessary to operate such equipment but the Client shall satisfy itself that the facilities are suitable for its purpose and whilst The Company will use its best endeavours to ensure that all equipment and facilities perform in accordance with the specification for such equipment, unless expressly agreed in writing at the time of the acceptance of the booking The Company shall not be responsible for ensuring that its equipment and the facilities provided by it are suitable for the Client's purpose.
- 11.11. The Company shall not be liable for any reduction in the quality of its services that may be caused by the quality of the Client's property or The Company's adherence to the Client's instructions.
- 11.12. The Client shall indemnify The Company, its Directors, and employees, servants, sub-contractors and agents against all liabilities, actions and losses, claim, proceedings, judgment, damages, obligations, costs and expenses of any nature what-so ever (including, but not limited to, legal fees, costs and expenses) arising directly or indirectly out of The Company's provision of services hereunder or in connection with the Client's property or the acts or omissions of the Client, its servants, agents or representatives, or any breach by the Client of any of its representations, warranties and other obligations in these terms and conditions (including, but not limited to, claims by any third party for breach of copyright or defamation relating to any materials or Client's property or any failure by the Client to observe the provisions and requirements of any applicable agreements).
- 11.13. Each of the parties acknowledge and agree that copyright and intellectual property rights in underlying Materials processed by The Company in the performance of its services and / or embodied in the Materials may be owned by third parties and that the use by the Client of the Materials shall always be subject to the Client obtaining all and any necessary consents and licenses from those third party owners.

12. Non-Collection

- 12.1. The Company shall be entitled to destroy, erase or otherwise dispose of as it thinks fit any materials or Client's property in its possession uncollected by the Client after the expiration of three months from the end of the booking period, and while uncollected by the Client, such materials or Client's property shall be held by The Company at the Client's risk.

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13. Transfer of Obligations

- 13.1. The Company reserves the right to assign or sub-contract all or any part of its obligations to the Client.
- 13.2. Any contract, which is made between The Company and the Client, is personal to the Client who shall not assign or charge the benefit thereof without the express prior written consent of The Company.

14. Credits

- 14.1. The Client shall ensure that The Company is given screen credits in respect of the facilities supplied by The Company in a form approved in advance by The Company.
- 14.2. Once the Materials have passed into the Public Domain The Client hereby grants to The Company a perpetual and royalty-free license to refer to the Client and to use all or any part of the Materials processed or produced by The Company on the Client's behalf in order to promote or advertise The Company's business.

15. Acting or Action as an Agent

- 15.1. Where The Company Ltd retains the services of Talent for and on behalf of a Client for whatsoever reason or purpose the Client accepts that The Company is acting as an Agent for and on behalf of the Client.
- 15.2. The Client accepts that requesting The Company to retain or procure the services of Talent whether The Company are successful or not in procuring such services establishes The Company as acting as an Agent for and on behalf of the Client.
- 15.3. The Client accepts that the Liability for the provision of such services is limited to a maximum value defined as equal to the Agents commission or Agents margin invoiceable to the Client by The Company for the Talent.

16. Representations and Warranties:

- 16.1. The Client represents and warrants to The Company that:-
 - 16.1.1. before the commencement of the booking period the Client will obtain all consents licenses and clearances required from the performers, copyright owners and any other person or Governmental agency or legal entity having any right or interest in connection with any of the Client's property.
 - 16.1.2. Nothing contained in the Client's property will be defamatory, offensive, obscene or otherwise unlawful or in breach of any intellectual property or any other right of any third party.

17. Force Majeure

- 17.1. The Company shall not be under any liability to the Client as a result of The Company being unable to perform any of its obligations or comply with any of the Client's instructions due to circumstances beyond its reasonable control, including but not limited to, industrial action taken by any person or persons, and if The Company is so unable, it shall at its option either be entitled to perform such obligations or comply with such instructions as and when it is

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reasonably able to do so or to treat itself as wholly or partly released from all such obligations or instructions liability.

18. Termination by The Company

- 18.1. The Company shall without prejudice to any other right or remedy which it may have be entitled to terminate all of its obligations to the Client upon the happening of any of the following events:-
- 18.1.1. if the Client is at any time in breach of any obligation or representation or warranty to The Company, or any sum owing to The Company by the Client is overdue by more 28 days.
- 18.1.2. if the Client makes or offers to make any compensation with creditors or enters into a voluntary arrangement or if a bankruptcy petition is served on the Client or (if the Client is a limited company) any resolution or petition to wind up the Client's business is presented or if a receiver or administrative receiver is appointed to deal with any part of the Client's assets.
- 18.2. Upon any such termination the Client will pay to The Company on demand all sums owing in respect of services already performed by The Company, together with relating to instructions given by the Client before termination. So as to fully indemnify The Company in respect of all liabilities incurred in consequence of compliance with the Client's instructions
- 18.3. In the event of termination The Company asserts its Intellectual Property rights and interest in all Materials supplied to the Client and the Client will immediately return all such Materials, recover all Materials from any and all third parties to which the Client has delivered such Materials. The Client will inform all relevant third parties that The Company is the owner of Intellectual Property which is vested in the Materials and that as such all such Materials can not be transmitted, passed on, processed, altered, developed or distributed in any way and must be returned to The Company with immediate effect.

19. General

- 19.1. All notices given in accordance with these terms and conditions shall be in writing and may be delivered personally or sent by pre-paid first class post to the usual or last known address of The Company or the Client. A notice shall be deemed to have been properly served if hand delivered, at the time of delivery, and if posted, forty-eight hours after posting. In providing service it shall be sufficient to show that it was delivered to the correct address or that the envelope containing the notice was properly addressed, pre-paid and posted.
- 19.2. No variation of these terms and conditions shall be effective unless made in writing and signed by a duly authorised Director of The Company and the Client.
- 19.3. If any provision of these Terms and Conditions of The Company shall be adjudged by a Court to be void or unenforceable, the same shall in no way affect any other provision of these Terms and Conditions or the validity or enforceability of the Terms and Conditions generally.
- 19.4. Any failure or delay by The Company in exercising or enforcing any rights conferred by these terms and conditions shall not be deemed to be a waiver thereof or operate so as to bar the exercise or enforcement of such rights at any time.
- 19.5. The contract between The Company and the Client shall be governed by and construed in accordance with English law and The Company and the Client agrees for the exclusive benefit of The Company that the English Courts shall have jurisdiction to settle any dispute relating thereto.