

GOTTA GROOVE RECORDS, INC.

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

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

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**PLEASE THOROUGHLY READ THE FIRST THREE PAGES OF THIS FORM. THEN, PLEASE COMPLETE ALL INFORMATION STARTING AT THE END OF PAGE THREE. PLEASE CALL (800) 295-0171 WITH ANY QUESTIONS.**

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

1. When dealing with copyrighted materials such as sound recordings, photographs, and other visual art, it is necessary to ensure that all parties involved own or have secured the right to use and duplicate such materials. Therefore, all sales by Company or its agent(s), licensee(s), designee(s), successor(s), and assign(s) are subject to the following terms and conditions of sale. These terms and conditions of sale are incorporated by reference into each and every shipment and/or order fulfilled by Company to Customer, invoice, and related document provided by Company regardless of multiple purchase orders and/or differing materials supplied by Customer. Irrespective of Customer's signature hereon or lack thereof, Customer's acceptance of any shipment from Company and/or payment/deposit made by Customer to Company shall indicate Customer's full agreement and consent to the terms and conditions of sale contained herein. Any contradictory terms in any document sent by Customer are deemed to be objected to and are of no effect. Orders are binding only upon written or electronic acceptance by an authorized representative of Company.

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

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

4. Customer agrees to pay all costs of collection incurred by Company, including but not limited to reasonable attorneys' fees and expenses, should a default in payment or breach of any other obligation of Customer occur. COVER: In the event of non-payment of an invoice balance due in excess of 90 calendar days, Customer's product left at Company premises shall be deemed consigned to Company for sale, and Company may dispose of the said product associated with such unpaid invoice through sale or any other means within the sole discretion of Company. Company shall not owe Customer any funds from any sale of said goods, except that in the event Company covers the entire amount of said invoice balance, Company may reimburse Customer any funds previously paid on such invoice, minus a service charge of five percent (5%) of the total invoice.

5. For providing samples and archival purposes, Company may retain copies of vinyl records, print product, or other Customer order product, at no cost to Customer. All retained copies are considered to be owned by Company. All scraps from order processing shall be considered work product, and will not be returned or delivered to Customer. Such work product may be used for any purpose within the sole discretion of Company, including but not limited to resale in non-audio consumer products. If Customer desires master recording(s), lacquers, metal parts, and/or hard copies of proofs, art and other work product components (collectively "Materials") to be returned, Customer must alert company in writing within 10 business days after the respective order is shipped, and all shipping and handling in connection therewith shall be borne by Customer. Company expressly disclaims all liability for any damage whatsoever and for the condition of said materials returned to Customer. Otherwise, Company shall store said materials at its expense for up to one (1) year, after which Company shall contact Customer to obtain either approval to store the same for a fee established by Company, return of the materials at Customer's expense, or if customer is non-responsive within 10 business days of notice, dispose of said materials. For the avoidance of doubt, insurance of Customer's materials on Company's (or its agents' and/or licensees') premises shall be the sole burden and cost of Customer. Such materials shall not be covered by Company's (or its agents' and/or licensees') property or other insurance policies.

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

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

8. Title to goods: F.O.B. Cleveland, Ohio. Title and risk of loss of goods shipped shift to Customer upon delivery by Company to the carrier. All shipping charges in connection with Customer orders shall be borne by Customer. Unless otherwise arranged by customer with Company, Company shall ship goods by UPS regular ground service. IT IS HIGHLY RECOMMENDED THAT YOU EITHER CARRY SOME FORM OF INSURANCE WHICH WOULD COVER LOSS/DAMAGE OF GOODS IN TRANSIT; AND/OR PAY FOR COMPANY TO ADD CARRIER-PROVIDED INSURANCE TO YOUR SHIPMENT. PLEASE NOTE - COMPANY DOES NOT ADD ANY

**CARRIER-PROVIDED INSURANCE WITHOUT INSTRUCTIONS TO DO SO. RISK OF LOSS/DAMAGE OF GOODS IN TRANSIT IS SOLELY UPON CUSTOMER. WHILE COMPANY MAY FILE A CARRIER CLAIM FOR LOSS/DAMAGE, SUCH CLAIM IS SOLELY WITHIN THE APPLICABLE CARRIER'S DISCRETION, AND COMPANY CANNOT PROVIDE ANY FURTHER RECOMPENSE. International shipping orders - add \$25. Drop ships - add \$10 per location beyond the first location (or see Fulfillment Pricing).**

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

10. In the case of audio orders, Customer agrees to provide Company with source music (if digitally) via 24 bit wav (preferred) or AIFF files - one single file per side (but with individual track times supplied) uploaded to Company website, 24 bit wav (preferred) or AIFF files - one single file per side (but with individual track times supplied) on data disc, CD Audio Disc ("redbook") (if that is all that is available), or 1/4 inch Reel to Reel at 7-1/2, 15, or 30 IPS (please contact us before sending any tapes). In any format, the tracks should be in the desired order. If submitting on tape, each entire side must be on a single reel. Additional mastering fees are applicable to all orders submitted in other formats. Customer should inquire pricing before submitting source music in other formats. IT IS ASSUMED THAT ANY MASTERS CUSTOMER PROVIDES TO COMPANY ARE IN "VINYL READY" FORM. COMPANY DOES NOT MAKE SUBJECTIVE DECISIONS ON BEHALF OF CUSTOMER OTHER THAN THOSE REQUIRED TO ENSURE ABILITY TO PLAYBACK ON MOST COMMERCIAL TURNTABLES. MASTERING DECISIONS ARE EXPECTED TO HAVE BEEN MADE PRIOR TO SUBMISSION OF MASTERS TO COMPANY. PLEASE! DISCUSS THIS WITH A COMPANY REPRESENTATIVE PRIOR TO SUBMITTING MASTERS - THIS COULD BE THE MOST IMPORTANT CONSIDERATION OF YOUR ORDER. If any EQ is required in the lacquer cutting process, additional charges may apply; please inquire. In the case of artwork for packaging, all artwork should be submitted in high-resolution (at least 300 dpi) form, preferably as press-quality pdf's with all type outlined and without template lines, on the exact templates provided by Company.

#### GUIDELINES FOR \*IDEAL\* SIDE LENGTH:

7" @ 33 1/3 RPM: 6- minutes per side. (we can cut longer depending upon the music, however, please discuss with us first).

7" @ 45 RPM: 4.5 minutes per side. (we can cut longer depending upon the music, however, please discuss with us first).

12" @ 33 1/3 RPM: 18 minutes per side is ideal, 20 minutes per side is still good, 22 minutes per side OK, anything over 22 minutes please discuss with us first.

12" @ 45 RPM: 12 minutes per side is ideal, 14 minutes is ok, anything over 15 minutes is not advisable - please discuss with us first.

11. STORAGE: Please be sure to correctly complete this order form, including instructions for the storage of excess print and/or metal parts. By default, Company will SHIP all excess parts to you with your order. Please note - for orders of less than 500 records, there may be extra print parts well beyond 300 pieces. These will be shipped to you with your order unless you specify otherwise on this order form.

12. TURNAROUND TIME: PLEASE CONSULT WITH A COMPANY REPRESENTATIVE CONCERNING TURNAROUND TIME BEFORE PLACING YOUR ORDER. Company cannot be held accountable for order delays resulting from incorrect master or art file formats, Customer approval delays, or other third party delays.

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

AGREED:

By signing and/or typing my name below and clicking "I accept", I (we) certify that I am (we are) authorized in my (our) capacity, to bind my (our) firm for any and all credit privileges that Company advances to me (us), as well as agree to these Terms and Conditions; I (we) agree that all accounts or monies due to Company shall be due and payable in accordance with these Terms and Conditions, and at the office address so noted at the top hereof as well as on invoices and other documents evidencing my (our) firm's obligations to Company, all of which are incorporated herein by this reference; and I (we) hereby expressly agree and understand that our action of signing and/or typing our name below and clicking "I accept" shall constitute our legal and binding acceptance of all terms and provisions hereof. . I (WE) HEREBY AGREE THAT THE TERMS AND CONDITIONS HEREON SHALL APPLY AND BE BINDING FOR EACH AND EVERY ORDER I (WE) SUBMIT TO COMPANY REGARDLESS OF THE BUSINESS ENTITY WE ARE ORDERING AS AND REGARDLESS OF WHETHER A SEPARATE "GRANT OF RIGHTS TO DUPLICATE, MANDATORY INDEMNIFICATION AGREEMENT, AND TERMS & CONDITIONS OF SALES" FORM IS COMPLETED FOR EACH ORDER I (WE) SUBMIT, UNLESS OTHERWISE EXPRESSLY AGREED BY BOTH PARTIES IN WRITING. THIS IS A LEGALLY BINDING AGREEMENT, AND SHALL REMAIN BINDING UNTIL REVOKED IN A WRITING SIGNED BY BOTH PARTIES.

By: \_\_\_\_\_ Printed Name: \_\_\_\_\_

Company (if applicable): \_\_\_\_\_ Title (if applicable): \_\_\_\_\_

**PLEASE MAKE SURE YOU HAVE THOROUGHLY READ AND UNDERSTAND THIS DOCUMENT.**

PLEASE NOTE THAT YOU MAY ADDITIONALLY BE REQUIRED TO PROVIDE EVIDENCE OF LICENSES AND MECHANICAL ROYALTIES PAID FOR COVER SONGS AND/OR WRITTEN LICENSES FOR SAMPLES, MASTER RECORDINGS, AND/OR COMPOSITIONS ON YOUR RECORD. GOTTA GROOVE RESERVES THE RIGHT TO REFUSE TO PRESS ANY RECORD WHERE SUCH INFORMATION IS EITHER MISSING OR DEEMED (IN GOTTA GROOVE'S SOLE DISCRETION) TO BE FRAUDULENT, INCOMPLETE, OR INACCURATE. IN SUCH CASES, YOUR ORDER WILL NOT SHIP UNTIL SAID DOCUMENTATION IS PROVIDED. (Since we listen to many records, please be sure to inform us of any cover songs and/or licensed samples/masters when placing your order - otherwise we may not catch them until the order has already been started, and you will be responsible for charges on work performed up to that point regardless of whether such documentation can be provided).

**PLEASE READ: STORAGE POLICIES**

UNLESS OTHER ARRANGEMENTS HAVE BEEN MADE, GGR WILL SHIP USED STAMPERS AND EXCESS PRINT MATERIAL BACK WITH YOUR ORDER. IF YOU WOULD PREFER GGR TO STORE SUCH PARTS, PLEASE EMAIL US AS SOON AS POSSIBLE AFTER PLACING YOUR ORDER(S), OTHERWISE SUCH PARTS WILL BE SENT TO YOU BY DEFAULT. Of particular note - 12" jacket orders of less than 500 units typically have 200+ extra jackets available. These will be shipped to you by default if you do not provide other instructions prior to your order being ready to ship.

GGR CAN STORE SUCH PARTS FOR UP TO ONE (1) YEAR FOR FREE, AND AFTER THE FIRST YEAR, THE PARTS WILL BE DISCARDED UNLESS YOU CONTACT GGR WITHIN NINE (9) MONTHS OF THE SHIP DATE OF YOUR ORDER. PLEASE NOTE THAT GGR WILL NOT CONTACT YOU TO REMIND YOU OF YOUR PARTS, SO IT IS YOUR RESPONSIBILITY TO CONTACT US WITHIN THIS NINE (9) MONTH TIME FRAME. (We have constructed these policies in the interest of providing customers with the most flexibility possible. However, please understand that it is impractical to send reminders to customers regarding parts due to the vast number of parts being stored at GGR. Please feel free to call us at (800) 295-0171 to discuss these policies.)

**NOTES ON METAL PARTS:**

**Stampers** are typically useable for approximately 1 year after creation if properly stored, assuming cycle counts permit. Stampers on GGR premises will be discarded after one (1) year from creation.

**Mothers** are typically useable for approximately 3 years after creation if properly stored, assuming stamper creation count permits. Mothers on GGR premises will be discarded after three (3) years from creation.

**Fathers (masters)** can be useable for longer durations, however, GGR cannot guarantee their useability beyond three (3) years. Please note that 3-step plating must be requested before submission of masters/lacquers to GGR, or 2-step plating will be performed by default.

PLEASE NOTE: UNLESS PRIOR ARRANGMENTS ARE MADE, COMPLETED ORDERS LEFT AT GGR FOR LONGER THAN 30 DAYS FOLLOWING MANUFACTURING COMPLETION WITHOUT SHIPPING INSTRUCTIONS WILL HAVE A \$10 PER BOX PER MONTH STORAGE FEE ADDED.

**YOU CAN COMPLETE THIS FORM ON-SCREEN IN ADOBE ACROBAT OR ADOBE READER AND THEN EMAIL IT TO [sales@gottagrooverecords.com](mailto:sales@gottagrooverecords.com). ALTERNATIVELY, YOU CAN FAX TO 877-335-2492.**