

This 12 Month service agreement (Agreement) is entered on _______ by and between RETAIL RADIO, INC ("RR"), a California Corporation, and _______ (referred to herein as "Client"). WHEREAS, Client desires to hire RR to provide personalized media services that may include, but are not limited to, stylized music, audio, and video programming with customer targeted advertising determined and/or created by RR. NOW, THEREFORE, in consideration of the contained mutual covenants and agreements and for good, valuable consideration, Client and RR agree as follows:

1. Terms

(a) Length of Term

Client agrees to hire RR to provide personalized media services for a **12 Month** period of paid service (for all stores/locations identified on Addendum A). This initial Agreement and its terms will renew after the initial term of service for another term unless a cancellation is received in writing ninety (90) days or more before the current Agreement expires.

(b) Additional Locations

Additional service locations can be added to this master Agreement through an amendment to Addendum A. These new services and locations can be added without renewal of the original Agreement and can be added by either a signature on a new Addendum A or by electronic authorization as allowed by RR policies. All Agreement terms and conditions will be applied from the date the service is to begin at the additional locations, including the length of term. This length of term will be for **New Length of Term**, independent of the length of term applied to the original locations.

(c) Relocation

Retail Radio agrees that Client may transfer location of a Retail Radio Media Player and any associated hardware from one location to another provided that Client informs RR in writing of the address of the original location, the address of the new location, and the estimated date of the move. Client must transmit this information to RR in writing. Services will still be billed during the transfer in an uninterrupted manner during the transfer.

(d) Format and Content

Client will select audio and/or video formats from multiple stylized formats. Client acknowledges full responsibility for selecting media and content that is appropriate for the intended target audience. Client agrees to hold RR harmless for any incidents related to offensive or objectionable materials.

(e) Messaging

Client's service comes with **0** produced audio messages a year. The messages may be up to **30** seconds each. Messages will run in equal rotation unless otherwise expressed in writing. All copy points for messages are to be provided by Client. The included production is only for use with RR-provided services and consists of "single-voice reads" (defined as audio recordings consisting of only one performer voice). Additional messages can be produced for \$45.00 each. Video messaging is to be paid and contracted for separately from all other services.

(f) Retail Radio Media Player

Client is required to use at least one (1) Retail Radio Media Player per service location. Retail Radio Media Player(s) will be provided by RR with a one-time fee as stated in Compensation (Section 2. below) of Agreement. RR shall also provide the initial installed equipment more particularly described in Conditions of Service (Section 3. below).

(g) Connections and Customer Service

Client, not RR, is fully responsible for establishing and maintaining the successful Internet connection for subscribed services requiring Internet-based delivery. RR agrees to provide instructions and customer service to assist Client.

(h) Incorporation by Reference

The compensation (Section 2. Compensation) for and conditions of service (Section 3. Conditions) are attached to these terms of service and incorporated by reference as part of the whole Agreement between RR and Client. Additionally, the most recently executed version of Addendum A, even if that most recent version has been executed after the date of this Agreement, is also hereby incorporated by reference, but amendable as needed for updated lists of locations, services, and versions of the Retail

Radio Media Player.

2. Compensation

(a) Rate

Client agrees to pay RR the monthly subscription fee per service as described in the table below. Within the term of this Agreement the monthly subscription fee could increase no more than 5 and only if written notice is provided to Client documenting such increase from a categorized licensing source (e.g. BMI, SESAC, ASCAP, SOCAN, ALVA- CA, or Resound-CA) as it applies to Client's customized content. Ninety (90) days or more before the end of the initial Term, RR may provide a written notice to Client (i) indicating that RR's costs related to RR's Products and/or Services offered with Agreement have increased and detailing RR's proposed new prices as a result of such increased costs. Client has thirty (30) days to dispute increases, negotiate terms, or terminate Agreement.

Subscription Fees

| Item Code | Description | Price (\$) |
|-------------------------------|--|------------|
| Licensed Music Service - Full | Commercial music service with full licensing of music rights for | 29.99 |

(b) One-time acquisition and production charges

Client will pay RR a one-time fee for each Retail Radio Media Player (plus shipping) that is purchased or leased. Fees vary based on the hardware model and are enumerated in the table below. Different hardware may be needed for locations or services added in the future. The quoted hardware price is only applicable to the original purchase of locations by Client. This price will be honored if the same hardware is still in use at the time new locations are added, but the price may vary if newer model hardware is required.

| Item Code | Description | Price(\$) |
|------------------------------------|--|-----------|
| Music Media Player - Audio Only | Purchased Plug-n-Play Media Player, Audio only, Up to 2 Audio | 215.00 |

Client will pay a one-time introductory fee of \$ 0.00 for the production of audio content. Any and all video content will be contracted separately.

(c) Billing Cycle

Client will pay RR on an annual, semi-annual, quarterly, or monthly cycle. Client may select the preferred cycle. Services are billed for the cycle in advance of the service being rendered.

(d) Method of Payment

For billing on less than five (5) locations, monthly credit card or ACH remittance is required.

Automatic Credit Card Payment: To authorize payment by Visa or MasterCard please send RR a completed Payment Authorization Form (attached) or request one from RR account executive.

Automated Payment Terms: By selecting an automated payment method, Client authorizes RR to automatically deduct from Client financial institution or post to Client credit card all fees and charges payable under the Agreement as they become due. Client agrees to promptly notify RR in writing if financial institution or credit card information changes. Client can revoke this authorization at any time by notifying RR. Client agrees that if RR is unable on any occasion to receive automated payments for any reason, RR may send a paper invoice to the Service Address for the charges then due, and Client will pay such invoice within ten (10) days of the invoice date.

Service address:

(e) Default

If Client fails to pay any amounts when due, RR may assess a late fee of three percent (3%) of total delinquent balance and may assess this three percent (3%) fee again every additional thirty (30) days of delinquency on the total delinquent balance. If non-payment continues for ninety (90) days after RR provides written notice by certified mail of the non-payment, Client agrees that the entire contract balance will become immediately due and payable to RR as liquidated damages. Client also agrees RR has the right to discontinue the Services and to demand return of RR's Equipment and any media at that time, together with any other remedies provided for herein. Failure to return demanded equipment and media will result in a \$500.00 charge per location.

3. Conditions of Service

(a) Preamble

This is a legal agreement between Client and Retail Radio (RR). You are granted this limited license to use the equipment only if Client accepts all of the terms contained in this agreement. Before installation and use of the equipment, please read all of the terms and conditions of this agreement.

THIS LIMITED END USER AGREEMENT ("AGREE- MENT") DESCRIBES CLIENT'S RIGHTS TO USE THIS HARDWARE AND ALL ASSOCIATED SOFTWARE ("EQUIPMENT"). THE AGREEMENT ALSO CONTAINS THE TERMS AND CONDITIONS UNDER WHICH RR AGREES TO PROVIDE CLIENT WITH NON-EXCLUSIVE, LIMITED LICENSE TO USE EQUIPMENT FOR CUS- TOMIZED IN-STORE AUDIO AND/OR VIDEO.

(b) License

RR grants to Client a nonexclusive, nontransferable, limited license to use the Equipment in connection with retail store in- store audio and/or video systems as provided herein, and for no other purpose. Client shall not transmit the program, nor use the service outside the premises designated in this Agreement. Client agrees not to disclose or make Equipment available to any third party and Client shall protect the confidentiality of the proprietary information of RR with the degree of care that Client uses to protect the confidentiality of Client's own propri- etary information of like nature, but with no less than a reason- able degree of care. Proprietary information expressly includes but is not limited to method of installation; voice talent information; video production information; prices of contractual, installation, or support services and products; internal software of any devices provided by RR; internal hardware of any devices provided by RR; any research and development conducted by RR and provided to Client; and any technical specifics provided to Client for educational, sales, or support services. Client may not lease, assign, sublicense, or transfer this license, and any attempt to lease, sublicense, assign, or transfer all or any of Client's rights hereunder is void and will result in an immediate termination of this Agreement. Client understands and agrees that RR's music service rights are licensed for background mu- sic only. Client further understands and agrees RR's music services do not license music for any other on-premises music uses, including, but not limited to, the following: live music, television use, D.J. performances or businesses charging admission. Such uses require additional licensing that is the responsibility of Client, not RR.

(c) Restrictions

Equipment (herein defined as all physical hardware and intangible software) and the accompanying printed or written materials are protected by

applicable national copyright laws and are also subject to trade secret laws. Unauthorized copying of Equipment or any related materials, including those instances where any aspects of Equipment or related material have been modified, merged, or included with other data, code or software for any reason, is expressly forbidden. Client will be liable for copyright infringement and all damages that result from any such unauthorized copying. Equipment contains trade secrets, and in order to protect them, Client may not decompile, reverse engineer or disassemble Equipment, or otherwise reduce Equipment to a human perceivable form. Client may not modify, adapt, translate, rent, lease, loan, resell for profit, distribute, network or create derivative works based on all or any part of Equipment.

(d) Title

The original and any copies of all leased Equipment, associated software, and all accompanying content and documentation, in whole and in part, including translations, compilations, partial or complete copies, modifications, and updates, are the property of RR. Client has only the limited rights granted by this agreement. Client is not an owner of a copy of the program, and therefore 17 U.S.C. Section 117 does not apply. Upon terminating RR service, each leased Retail Radio Media Player must be returned. If RR does not receive all leased Equipment within 60 days of discontinuing service or receiving a replacement unit, Client will be charged \$500.00 per unit. RR will pay for shipping upon request.

(e) Maintenance of Equipment

RR shall maintain and update, as necessary, each leased Retail Radio Media Player at no additional charge, except as provided herein below. All maintenance shall be exclusively limited to that resulting from ordinary and proper use of Equipment as defined in (f) Limited Warranty. Owned units may require purchase of upgraded equipment.

(f) Limited Warranty

RR warrants to Client that Equipment as originally distributed to Client (if any) is free from defects in materials and workman- ship under normal use for a period equal to the length of the Initial first term of this agreement from the date of delivery to Client ("Equipment Warranty"). Delivery shall be defined as the date Client receives Equipment from RR. RR does not warrant that the documentation or the functions contained in Equipment will meet Client's requirements or that the operation of Equipment will be uninterrupted or error free.

No oral or written information or advice given by RR, its dealers, distributors, agents, or employees will create a warranty or in any way increase the scope of the limited warranties set forth herein, and Client may

not rely on any such information or advice.

RR's entire liability and exclusive remedy with respect to breach of Equipment Warranty will be, at RR's sole option and election, repair or replacement of any Equipment not meeting the Equipment Warranty, or refund of the price paid by Client for the Equipment not meeting the Equipment Warranty; provided that the Equipment is returned to Client's place of purchase within the Equipment Warranty period in accordance with the provisions set forth herein. Client is responsible for any costs, expenses, customs, duties, taxes, and other similar charges relating to Client's return shipment of the Equipment to Client's place of purchase and RR's return of Equipment to Client under the Equipment Warranty. Client agrees to pay all such costs upon invoice.

EXCEPT FOR THE LIMITED WARRANTY STATED ABOVE, EQUIPMENT IS PROVIDED "AS IS" WITHOUT WARRANTY OR CONDITION OF KIND. EI- THER EXPRESSED IMPLIED, AND THE IMPLIED WARRANTIES AND CONDITIONS OF MERCHANTABILITY, TITLE AND FITNESS FOR A PARTICULAR PUR- POSE ARE SPECIFICALLY DISCLAIMED. IN ADDITION, SHOULD EQUIPMENT PROVE DEFECTIVE DUE TO MIS-USE. ALTERATIONS **MODIFICATIONS** (INCLUDING MODIFICATIONS TO THE **UNDERLYING** SOFTWARE) BY CLIENT, OR SHOULD THE INSTALLED EQUIPMENT BE DAMAGED OR DESTROYED AS A RESULT OF RO- DENTS, ACTS OF NATURE, FIRE, WATER DAMAGE, OR PROPERTY **DAMAGE** OR **SHOULD** EQUIPMENT BE STOLEN, CLIENT (AND NOT RR OR ANY AUTHORIZED DEALER) ASSUME THE ENTIRE COST OF ALL NECES- SARY SERVICING, REPAIR, REPLACEMENT, OR COR-RECTION.

As to any equipment previously installed in Client's store (pre-existing equipment), unless provided by RR according to this agreement including, but not limited to speakers, amplifiers, and tuners, said pre-existing equipment is the property and responsibility of Client. RR shall not be responsible for removal of said pre-existing equipment and any resulting replacement costs, property damage, or incidental damages/costs. Replacement of said equipment is the sole responsibility of Client. Furthermore, removal of said pre-existing equipment and any resulting damages or interference with RR's provided service shall in no way constitute a breach of this agreement.

(g) Termination

RR may terminate this agreement and the license granted to Client hereunder immediately upon written notice by certified mail to Client upon Client's breach of any provision of this agreement.

(h) Copyrights

Retail Radio takes a firm stance against copyright infringement and file sharing. The unauthorized direct or indirect copying of commercial music, voices, and messaging (including digitally stored music files and/or information) without the copyright holder's permission is strictly prohibited and subject to prose- cution. Client has agreed to accept content that only includes performance governed by ASCAP, SESAC, BMI, SOCAN

(i) Limitation of Liability

IN NO EVENT WILL RR OR ANYONE ELSE WHO BEEN INVOLVED IN THE CREATION, PRODUCTION, USE, DELIVERY, OR INSTALLATION OF THE EQUIPMENT INVOLVED IN PROVIDING RR'S AGREED TO SERVICES BE LIABLE TO **CLIENT FOR** ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, OR SPECIAL DAMAGES, INCLUDING WITHOUT LIMITATION ANY LOST PROFITS, LOST SAVINGS, AND/OR LOST OR DAMAGED DATA OR OTHER **EQUIPMENT** ARISING FROM THE USE OR INABILITY TO USE THE EQUIPMENT, EVEN IF RR HAS **BEEN** ADVISED OF THE **POSSIBILITY** OF **SUCH** DAMAGES. THE FOREGOING LIMITATIONS OF LIABILITY SHALL APPLY NOT WITHSTANDING ANY FAILURE OF THE ESSENTIAL PUR-POSE OF ANY LIMITED REMEDY OR ANY CLAIM BY CLIENT OR ANY OTHER PARTY. RR'S SOLE LIABILITY TO CLIENT OR ANY THIRD PARTY, AND CLIENT'S SOLE REMEDY ARISING OUT OF OR RELATING TO THIS CONTRACT, HOWEVER CAUSED AND ON ANY THEORY OF LIABILITY, WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE, WILL NOT EXCEED THE LICENSE FEE PAID BY CLIENT FOR THE EQUIPMENT. SOME STATES DO NOT ALLOW THE LIMITATION OR EXCLUSION OF LIABILITY INCIDENTAL OR **CONSEQUENTIAL** DAMAGES, SO ALL OR A PORTION OF THE ABOVE LIMITATION OR EX- CLUSION MAY NOT APPLY TO CLIENT AND IS SEVERABLE. CLIENT **AGREES** AND RR **AGREES** THAT THIS OF LIMITATION LIABILITY REFLECTS **ALLOCATION** NEGOTIATED OF **RISKS** BETWEEN CLIENT AND RR AND IS AN ESSENTIAL PART OF CONSIDERATION FOR PERFORMANCE OF THE AGREEMENT.

(j) Confidential Information

Client agrees that Client will not, during or after the term of this agreement with RR, disclose the specific Agreement terms of RR's relationships or agreements with RR's or Client's respective significant vendors or customers or any other significant and material trade secret of RR's, whether in existence or proposed, to any person, firm, partnership, corporation, or business for any reason or purpose whatsoever.

(k) Entire Agreement and Modification

This agreement constitutes the full and complete understanding of the parties hereto and will supersede all prior contracts, agreements, and understandings, oral or written, express or implied, with respect to the subject matter hereof. Each party to this agreement acknowledges that no representations, inducements, promises or agreements, oral or otherwise, have been made by either party or anyone acting on behalf of either party, which are not embodied herein, and that no other contract, agreement, statement or promise not contained in this agreement shall be valid or binding. This agreement may not be modified or amended except by an instrument in writing signed by both parties. Only documents incorporated reference in this document (Addendum A and any payment authorization forms) have any enforceability outside of this document.

(I) Indemnification

For the duration of the services sales agreement and thereafter, Client shall indemnify RR to the fullest extent permitted by law against any judgments, fines, amounts paid in settlement and reasonable expenses (including attorneys' fees), and advance amounts necessary to pay the foregoing at the earliest time and to the fullest extent permitted by law in connection with any claim, action, or proceeding (whether civil or criminal) against RR as a result of RR's services to Client.

(k) Severability

Any term or provision of this agreement which is invalid or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms and provisions of this agreement or affecting the validity or enforceability of any of the terms or provisions of this agreement in any other jurisdiction. That unenforceable term shall be deemed severed and a suitable and allowable alternative in that jurisdiction shall be implied as adopted to the extent that it does not violate other provisions of this agreement, unless no such term exists.

(n) Waiver of Breach

The waiver by any party of a breach of any provision of this agreement, which waiver must be in writing to be effective, shall not operate as or be construed as a waiver of any subsequent breach.

(o) Assignability

This agreement shall be binding upon Client, Client successors, and Client assigns, and shall be binding upon and inure to the benefit of RR, RR successors, and RR assigns. This agreement may not be assigned by Client under any circumstances. This agreement may not be assigned by RR except in connection with a merger or a sale by RR of its stock, interests or assets, and then only provided that the assignee specifically assumes in writing all of RR's obligations hereunder.

(p) Arbitration

Any dispute or controversy arising under or in connection with this Agreement shall be settled exclusively by arbitration conducted before a panel of three arbitrators in California in accordance with the rules of the American Arbitration Association then in effect, and judgment may be entered on the arbitrator's award in any court having jurisdiction. The decision of the arbitrator shall be final and binding on the parties. The parties shall equally divide all costs of the American Arbitration Association and the arbitrator, except that the arbitrator shall direct Retail Radio to reimburse Client's portion of the cost on the same basis as set forth in the next sentence with regard to legal fees. Each party shall bear its own legal fees in any dispute except that in the event Client prevails on any material issue, the arbitrator shall award Client his/her legal fees attributable to all matters other than frivolous positions taken by Client as determined by the arbitrator.

(q) Governing Law

All issues pertaining to the validity, construction, execution, and performance of this agreement shall be construed and governed by the laws of the State of **California**, without giving effect to the conflict or choice of law provisions thereof.

(r) Headings

The headings in this agreement are intended solely for convenience or reference and shall be given no effect in the construction or interpretation of this agreement.

(s) Counterparts Electronic Signatures

This agreement may be executed in several counterparts each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This document may also be executed electronically by following the verification method used by RR to assign electronic signature authority to a party authorized to bind Client.

| [Client Signature] | [Print Name & Title] | [Date] |
|--------------------------|----------------------|--------|
| [Retail Radio Signature] | [Print Name & Title] | [Date] |

Addendum A - Location List

| Service Locations: For ease of business, multiple locations can be added to the Retail Radio Service Sales Agreement dated | | | | | | |
|--|-------|-------------|------------|--|--|--|
| Location Address | Store | Store Phone | Start Date | | | |
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