

# TERMS AND CONDITIONS



BILL YOUNG PRODUCTIONS

750 PARK TWO DRIVE, SUGAR LAND TX 77478

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1. Acceptance: All work performed by Bill Young Productions, Inc. ("Company") is subject to its Terms and Conditions. The use of Company facilities or the ordering of syndicated spots signifies that the Client accepts these Terms and Conditions of doing business with the company.
2. Business Hours: Normal business hours are from 8:30 AM through 5:30 PM Monday through Friday, excluding holidays.
3. Over-bookings: Booking studio facility rental is considered firm and is the responsibility of the client to cancel if necessary. Clients are not normally charged for unused time, provided the overbooking does not exceed two hours. We shall, however, hold clients responsible for deliberate overbooking. The judgment of Company whether or not overbooking is deliberate shall be final.
4. Cancellations: Cancellations of work occurring less than one business day in advance will be charged 100% of booked time and equipment. Cancellation charges will be waived if the time canceled is rebooked by another client. Cancellation charges are not designed to be punitive.
5. Rates: Rates charged shall be those of the Company in force on the date of use of the Company's facilities and services. Local, state, and other government charges for sales, use, excise, manufacturing, and other taxes shall, where applicable, be due and payable by the Client. All rates are subject to change without notice. Overtime charges will apply to any job taking place outside of normal business hours, including holidays, unless otherwise negotiated. Facility overtime rates will normally be billed at \$100 per hour, plus applicable labor rates. There will be a 4-hour minimum overtime charge for Saturdays, Sundays and Holidays. Shipping will be billed at Common Carrier rates, plus a handling fee.
6. Late Charges: During peak business periods Company may, at its discretion, add a late charge to all orders received after 3:30 PM (Houston time) for next day delivery. Client will be notified in advance if the late charge will be applied.
7. Revision Changes: For syndicated commercials that are revised after the original production has been made, revisions will be billed at ½ the price of the original. If a revision is called in the same day as the original order was placed but after the original order has been completed, the ½ price revision charge will still apply.
8. Terms of Payment: All work shall be accepted on a C.O.D. basis unless and until credit has been established. Subject to credit approval, all accounts are due for payment within TWENTY (20) days from the date of use of facilities and/or services. Client agrees to pay interest at the rate of 1% per month (12% per annum) on all accounts overdue. In addition, Client understands that credit may be withdrawn if terms are not met. Client further agrees to pay all costs and expenses, including attorney's fees, incurred by the Company in connection with the enforcement of the Company's rights hereunder. The laws of the State of Texas shall apply to any and all transactions between Company and Client and any causes of action shall be heard exclusively in Fort Bend or Harris County, Texas. The Company reserves the right to ask for a continuing personal guarantee from owners of incorporated companies in which the Grantor of the guarantee unconditionally guarantees payment of their companies obligations to the Company.
9. Limitations of Warranty and Liability: Whereas Company makes every effort to safeguard materials entrusted to it, and to timely and accurately deliver product to its Clients, all tapes, film, or other property is received by the company solely at the Client's risk. The Client shall maintain adequate insurance covering all elements entrusted to the Company while those elements are in the Company's care, custody, and control. Company shall not be liable for any Client loss whatsoever due to delays, equipment failure, or problems in storage caused either directly or indirectly by acts of God, natural elements, power failures, strikes, flooding, fire, war, failure of transportation, failure of others to deliver, or inability to obtain.
10. Accuracy and Content of Commercials: The Company has systems in place to maximize the accuracy of commercials produced by it, and makes strenuous efforts to insure that errors do not occur. However, the Client is the responsible Producer of all commercials the Company produces on the Clients behalf and is responsible for verification of the content and accuracy of every commercial that they order. The Company assumes no liability in excess of the cost of redoing the commercial on which any error occurs, and then only if the error can be directly attributed to the Company.
11. Indemnity: The Client is responsible for the accuracy and correctness of the final production, and agrees to indemnify Company, its employees, agents, and suppliers holding them free and harmless from any and all liabilities and expenses (including reasonable attorney's fees) in connection with services and/or materials provided by Company. Such liabilities and expenses include, but are not limited to, liabilities for libel, slander, defamation, invasion of privacy, infringement of copyright, trademark, other propriety rights, media costs (lost air time), returned merchandise, mispriced product, non-performance, injury or other liability occurring at an event the Company's commercials promote, and any litigation there from.
12. Ownership of Materials: Client warrants that it is the sole owner of, or has the right to possess and use, all materials delivered to the Company by Client or for Client's account for storage, editing, dubbing, or other service. No Client's master is to be processed, transferred, dubbed, edited, or have other work performed by the Company on behalf of a third party without authorization from the client.
13. Liens: Client agrees that those tapes, films, or any other properties delivered to Company are accepted on the express condition that Company will, at time of delivery, acquire and at all times while said property is in its possession hold a security interest on said property to secure payment of amounts due Company by the Client.
14. Return of Client Elements: Any videotapes, audio tapes, or other related production materials provided to Company by Client may be stored with the Company for THREE (3) months. The Company will, upon request of the Client (when all outstanding bills have been paid) return all clients elements at client's expense. In the absence of written instructions from the Client to the contrary, the Company retains the right to destroy all video and audio elements TWO (2) years after completion of Clients work. The Company shall make a reasonable effort to notify Client prior to disposing of these materials. The Company shall not be held liable to Client for such destruction, and Client agrees to release, indemnify, and hold the Company harmless from any losses, suits, claims, demands, and other liabilities and expenses, including attorney's fees, of every kind and character arising out of or in connection with the Company's destruction of any such video elements.
15. Syndicated Spot Masters: For syndicated entertainment related productions, the masters are saved seven (7) days unless otherwise instructed by Client. Any additional copies (dubbing etc.) requested after the seven days are subject to revision charges.
16. Phone Approval: When phone approval is requested by Client, a reasonable effort will be made at the time the commercial is produced to obtain such approval. If Client is not available at that time, Company will complete the production without the approval and any changes after completion will be subject to revision charges. Long distance tolls and wait time charges shall be charged, if applicable.
17. Proof of Insurance: All Clients are responsible for their own insurance against any and all risk of damage or loss. Clients may be required to furnish proof of insurance before Company provides equipment and/or services.
18. Publicity: The Company shall have the right to use the Client's name and to publicize, advertise, or otherwise notified in writing.