

SACREDAUDIOMUSIC.COM VENDOR LEGAL AGREEMENT

THIS SACREDAUDIOMUSIC.COM LEGAL AGREEMENT (THE "**AGREEMENT**") CONTAINS THE TERMS AND CONDITIONS THAT GOVERN YOUR ACCESS TO AND USE OF THE WEBSITE SACREDAUDIOMUSIC.COM AND IS AN AGREEMENT BETWEEN YOU OR THE BUSINESS YOU REPRESENT AND SACREDAUDIOMUSIC.COM. BY USING THE SACREDAUDIOMUSIC WEBSITE, YOU (ON BEHALF OF YOURSELF OR THE BUSINESS YOU REPRESENT) AGREE TO BE BOUND BY THE TERMS OF THIS AGREEMENT, INCLUDING THE TERMS AND POLICIES THAT APPLY FOR THE COUNTRY FOR WHICH YOU USE THE SACREDAUDIOMUSIC WEBSITE ("ELECTED COUNTRY").

As used in this Agreement, "**we,**" "**us,**" "**our**" and "**SAM**" means SacredAudioMusic.com and "**you,**" "**your**" and "**Vendor**" means the applicant (if registering for or using the **SAM** website as an individual), or the business employing the applicant (if registering for or using the **SAM** website as a business). Capitalized terms have the meanings given to them in this Agreement.

1. Vendor Enrollment.

Use of the **SAM** website is limited to parties that can lawfully enter into and form contracts under applicable law (for example, the Elected Country may not allow minors to use the Services). As part of the application, you must provide us with your name, e-mail, payment mailing address, legal contact name and phone Number. We may at any time delete items you have posted for sale at the **SAM** website or suspend or cancel your account at the **SAM** website at our sole discretion and without notice. Please see Section 3 – **Compliance with the SacredAudioMusic.com Mission Statement.**

2. Receipt of Sales Proceeds.

All monetary details are described at **20. SAM Business Model.** You are responsible for all of your expenses in connection with this Agreement. **SAM** will remit funds to you in accordance with the **SAM** Business Model. **SAM**'s obligation to remit funds collected by it on your behalf is limited to funds that have actually been received by **SAM** less amounts owed to **SAM**, subject to chargeback or reversal or withheld for anticipated claims in accordance with this Agreement.

IF WE DETERMINE THAT YOUR ACTIONS OR PERFORMANCE MAY RESULT IN RETURNS, CHARGEBACKS, CLAIMS, DISPUTES, OR OTHER RISKS, THEN WE MAY IN OUR SOLE DISCRETION WITHHOLD ANY PAYMENTS TO YOU UNTIL THE COMPLETION OF ANY RELATED INVESTIGATION. IF WE DETERMINE THAT YOUR ACCOUNT HAS BEEN USED TO ENGAGE IN DECEPTIVE, FRAUDULENT, OR ILLEGAL ACTIVITY, THEN WE MAY IN OUR SOLE DISCRETION PERMANENTLY WITHHOLD ANY PAYMENTS.

3. Compliance with the SacredAudioMusic.com Mission Statement

The term of this Agreement will begin on the date of your completed registration and enrollment for use of the **SAM** website. We may terminate or suspend this Agreement for any reason at any time by notice to you. You may terminate this Agreement for any reason at any time by notice to us. If you terminate this Agreement you will be responsible for deleting all your postings at the **SAM** website within ten business days. The music that you post at the **SAM** website must be in compliance with the **SAM Mission Statement:**

"For the glory of God and the pursuit of excellence in sacred music, SacredAudioMusic.com exists to supply quality, conservative music to encourage, comfort, exhort and minister to believers in their daily walk with Christ. Purposefully desiring to avoid the influences, sounds and distractions of popular culture, SacredAudioMusic.com embraces the wonderful heritage of conservative, evangelical gospel music while at the same time welcoming new, fresh, quality recordings of compositions and arrangements that will stand the test of time. Psalm 29:2 "Give unto the Lord the glory due his name; worship the LORD in the beauty of holiness."

A **SAM Music Oversight Committee** has been created to rule on all debatable issues regarding compliance with the **SacredAudioMusic.com Mission Statement.** You understand that **SAM** can suspended or close your account if it is deemed by the **SAM Music Oversight Committee** that your postings at any of the **SAM** website are not in compliance with the **SAM Mission Statement.** You also understand that individual postings at any of the **SAM** website may be deleted by the **SAM Music Oversight Committee** if deemed inappropriate to the **SAM Mission Statement.** If your account is closed, all royalties will be paid to you within thirty days of the date of closing.

4. Control of SAM Website.

We have the right in our sole discretion to determine the content, appearance, design, functionality and all other aspects of the **SAM** website, including by redesigning, modifying, removing or restricting access to any of them, and by suspending, prohibiting or removing any listing.

5. Responsibility, Accountability and Liability.

You acknowledge that you have the legal right to post the items you upload at the **SAM** website for sale. You accept total responsibility, accountability and liability for any and all issues, including copyrights, trademark infringements or any other legal infringements, for all the items you upload for sale to the **SAM** website. This includes, if you do not own the original music in printed or recorded form, that you have obtained the proper DPD license from the copyright holder and have permission in good standing with that company. You also agree that any and all royalties are being paid up to date on your DPD licenses based on your agreement with that company.

You are completely and solely responsible for any royalties due third party people or organizations from the sale of the music you post at the **SAM** website. **SAM** will pay royalties for the sales of the items you post at the **SAM** website solely to you. You will, in turn, pay any third-party individuals or companies that are entitled to royalties from the sale of the items you post.

We will be solely responsible for all customer service issues relating to payment, credit card processing, debiting or crediting.

You will be solely responsible for all customer service issues relating to Your Products including pricing, item information and actual content in the item.

6. Products and Product Information. You will provide in the format we require accurate and complete Required Product Information for each product or service that you offer through the **SAM** website and promptly update that information as necessary to ensure it at all times remains accurate and complete. You may not provide any information for, or otherwise seek to offer any Excluded Products on the **SAM** website; or provide any URL Marks for use, or request that any URL Marks be used, on any **SAM** website. You may include a URL link to your own, personal or business website in the description of any item as long as you do not offer the same mp3 download purchase option as SacredAudioMusic.com or the same pdf printable download option of the music as found on SacrdSheetMusic.com.

You give **SAM** the right to use digital samples (no more than sixty second sound clips) of your posted music for the promotion of the **SAM** website and **SAM Mission Statement**.

7. Product Listing; Merchandising; Order Processing. We will enable you to list Your Products on the **SAM** website, and conduct merchandising and promote Your Products as permitted by us (including via the **SAM** Facebook site). We may use mechanisms that rate, or allow shoppers to rate, Your Products and **SAM** may make these ratings and feedback publicly available. We will provide Order Information to you for each order of Your Products through the applicable **SAM** website when quarterly royalties are paid. You also have access to vendor reports which can give you a comprehensive report of your own vendor sales for any given calendar date period. We will also receive all Sales Proceeds on your behalf for each of these transactions and will have exclusive rights to do so, and will remit them to you in accordance with the **SAM** Business Model.

8. Representations.

You represent and warrant to us that: (a) if you are a business, you are duly organized, validly existing and in good standing under the Laws of the country in which your business is registered and that you are using the **SAM** website under compliance with such country; (b) you have all requisite right, power and authority to enter into this Agreement, perform your obligations, and grant the rights, licenses and authorizations in this Agreement; (c) any information provided or made available by you or your Affiliates to **SAM** or its affiliate website are at all times accurate and complete; and (d) you and all of your subcontractors, agents and suppliers will comply with all applicable Laws in your performance of your obligations and exercise of your rights under this Agreement.

9. Indemnification.

You release us and agree to indemnify, defend and hold harmless us, our Affiliates, and our and their respective officers, directors, employees, representatives and agents against any claim, loss, damage, settlement, cost, expense or other liability (including, without limitation, attorneys' fees) (each, a "Claim") arising from or related to: (a) your actual or alleged breach of any obligations in this Agreement; (b) any of Your Sales Channels other than the **SAM** website and **SAM** website, Your Products (including their offer, sale, performance and fulfillment), Your Materials, any actual

or alleged infringement of any Intellectual Property Rights by any of the foregoing, and any personal injury, death or property damage related thereto; (c) any act or omission of Your Personnel; or (d) Your Taxes. You will use counsel reasonably satisfactory to us to defend each indemnified Claim. If at any time we reasonably determine that any indemnified Claim might adversely affect us, we may take control of the defense at our expense. You may not consent to the entry of any judgment or enter into any settlement of a Claim without our prior written consent, which may not be unreasonably withheld.

10. Disclaimer & General Release.

a. THE SAM WEBSITE AND THE SERVICES, INCLUDING ALL CONTENT, SOFTWARE, FUNCTIONS, MATERIALS AND INFORMATION MADE AVAILABLE ON OR PROVIDED IN CONNECTION WITH THE SERVICES, ARE PROVIDED "AS-IS." AS A USER OF THE SERVICES, YOUR USE OF THE SAM WEBSITE, THE SERVICES AND SELLER CENTRAL AT YOUR OWN RISK. TO THE FULLEST EXTENT PERMISSIBLE BY LAW, WE AND OUR AFFILIATES DISCLAIM: (i) ANY REPRESENTATIONS OR WARRANTIES REGARDING THIS AGREEMENT, THE SERVICES OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR NON-INFRINGEMENT; (ii) IMPLIED WARRANTIES ARISING OUT OF COURSE OF DEALING, COURSE OF PERFORMANCE OR USAGE OF TRADE; AND (iii) ANY OBLIGATION, LIABILITY, RIGHT, CLAIM OR REMEDY IN TORT, WHETHER OR NOT ARISING FROM OUR NEGLIGENCE. WE DO NOT WARRANT THAT THE FUNCTIONS CONTAINED IN THE SAM WEBSITE AND THE SERVICES WILL MEET YOUR REQUIREMENTS OR BE AVAILABLE, TIMELY, SECURE, UNINTERRUPTED OR ERROR FREE, AND WE WILL NOT BE LIABLE FOR ANY SERVICE INTERRUPTIONS, INCLUDING BUT NOT LIMITED TO SYSTEM FAILURES OR OTHER INTERRUPTIONS THAT MAY AFFECT THE RECEIPT, PROCESSING, ACCEPTANCE, COMPLETION OR SETTLEMENT OF ANY TRANSACTIONS.

b. BECAUSE SAM IS NOT INVOLVED IN TRANSACTIONS BETWEEN CUSTOMERS AND SELLERS OR OTHER PARTICIPANT DEALINGS, IF A DISPUTE ARISES BETWEEN ONE OR MORE PARTICIPANTS, EACH PARTICIPANT RELEASES SAM (AND ITS AGENTS AND EMPLOYEES) FROM CLAIMS, DEMANDS, AND DAMAGES (ACTUAL AND CONSEQUENTIAL) OF EVERY KIND AND NATURE, KNOWN AND UNKNOWN, SUSPECTED AND UNSUSPECTED, DISCLOSED AND UNDISCLOSED, ARISING OUT OF OR IN ANY WAY CONNECTED WITH SUCH DISPUTES.

11. Limitation of Liability.

WE WILL NOT BE LIABLE (WHETHER IN CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE, PRODUCT LIABILITY OR OTHER THEORY) OR OTHERWISE) TO YOU OR ANY OTHER PERSON FOR COST OF COVER, RECOVERY OR RECOUPMENT OF ANY INVESTMENT MADE BY YOU OR YOUR AFFILIATES IN CONNECTION WITH THIS AGREEMENT, OR FOR ANY LOSS OF PROFIT, REVENUE, BUSINESS, OR DATA OR PUNITIVE OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR RELATING TO THIS AGREEMENT, EVEN IF SAM HAS BEEN ADVISED OF THE POSSIBILITY OF THOSE COSTS OR DAMAGES..

12. Tax Matters.

SAM will collect all sales tax on items sold within the state of South Carolina, the state wherein the home office of SAM resides, and submit this tax liability to the state of South Carolina at the appropriate time and place. You will not need to file these sales taxes with the state of South Carolina. Those that purchase your music may be responsible for tax liability within their state of purchase under a "Sales and Use Tax" or a similar section. This is in no way intended to be tax advice. SAM shall not be held liable for any tax, legal, or any other information provided on this site whether directly stated or implied.

13. Confidentiality.

During the course of your use of the SAM website, you may receive information relating to us or to the Services, including but not limited to SAM Transaction Information, that is not known to the general public ("Confidential Information"). You agree that: (a) all Confidential Information will remain SAM's exclusive property; (b) you will use Confidential Information only as is reasonably necessary for your participation in the SAM website; (c) you will not otherwise disclose Confidential Information to any other Person; and (d) you will take all reasonable measures to protect the Confidential Information against any use or disclosure that is not expressly permitted in this Agreement. You may not issue any press release or make any public statement related to the Services, or use our name, trademarks or logo, in any way (including in promotional material) without our advance written permission, or misrepresent or embellish the relationship between us in any way.

14. Force Majeure.

We will not be liable for any delay or failure to perform any of our obligations under this Agreement by reasons, events or other matters beyond our reasonable control.

15. Relationship of Parties.

Subject to the Transaction Processing Service Terms (if the Elected Country for a Service is the United States), you and we are independent contractors, and nothing in this Agreement will create any partnership, joint venture, agency, franchise, sales representative, or employment relationship between us. You will have no authority to make or accept any offers or representations on our behalf. This Agreement will not create an exclusive relationship between you and us. Nothing expressed or mentioned in or implied from this Agreement is intended or will be construed to give to any person other than the parties to this Agreement any legal or equitable right, remedy, or claim under or in respect to this Agreement. This Agreement and all of the representations, warranties, covenants, conditions, and provisions in this Agreement are intended to be and are for the sole and exclusive benefit of SAM, you, and customers. As between you and us, you will be solely responsible for all obligations associated with the use of any third party service or feature that you permit us to use on your behalf, including compliance with any applicable terms of use. You will not make any statement, whether on your site or otherwise, that would contradict anything in this section.

16. Use of SAM Transaction Information.

You will not, and will cause your Affiliates not to, directly or indirectly: (a) disclose any SAM Transaction Information (except that you may disclose that information solely as necessary for you to perform your obligations under this Agreement if you ensure that every recipient uses the information only for that purpose and complies with the restrictions applicable to you related to that information); (b) use any SAM Transaction Information for any marketing or promotional purposes whatsoever, or otherwise in any way inconsistent with our or your privacy policies or applicable Law; (c) contact a Person that has ordered Your Product with the intent to collect any amounts in connection therewith or to influence that Person to make an alternative transaction; (d) disparage us, our Affiliates, or any of their or our respective products or services or any customer; or (e) target communications of any kind on the basis of the intended recipient being a SAM website user. In addition, you may only use tools and methods that we designate to communicate with SAM website users regarding Your Transactions, including for the purpose of scheduling, communicating, or cancelling the fulfillment of Your Products. The terms of this Section 16 do not prevent you from using other information that you acquire without reference to SAM Transaction Information for any purpose, even if that information is identical to SAM Transaction Information, provided that you do not target communications on the basis of the intended recipient being an SAM website user.

17. Suggestions and Other Information.

If you or any of your Affiliates elect to provide or make available suggestions, comments, ideas, improvements, or other feedback or materials to us in connection with or related to any SAM website or Service (including any related Technology), we will be free to use, disclose, reproduce, modify, license, transfer and otherwise distribute, and exploit any of the foregoing information or materials in any manner. In order to cooperate with governmental requests, to protect our systems and customers, or to ensure the integrity and operation of our business and systems, we may access and disclose any information we consider necessary or appropriate, including but not limited to user contact details, IP addresses and traffic information, usage history and posted content.

18. Password Security.

Any password we provide to you may be used only during the Term to access Seller Central (or other tools we provide) to use the SAM website, electronically accept Your Transactions, and review your completed transactions. You are solely responsible for maintaining the security of your password. You may not disclose your password to any third party (other than third parties authorized by you to use your account in accordance with this Agreement) and are solely responsible for any use of or action taken under your password. If your password is compromised, you must immediately change your password.

19. SAM Business Model.

You understand and agree with the royalty payment business model of SAM. Royalties will be reconciled and paid to you at the end of every three months of the regular calendar quarter, i.e. ending March 31st, June 30th, September 30th and December 31st. You will never pay any amount whatsoever for selling selections at the SAM website, but you will be paid a royalty based on your total sales for that quarter. Your royalty amount will be calculated by your total sales for the quarter minus \$5.00 with the remaining figure multiplied by 60%. Royalties will be paid to you within thirty days of the end of each quarter based on this calculation. If the calculated result is a negative number no royalties will be paid to you but also no payment will be due from you.

Miscellaneous.

The Governing Laws will govern this Agreement, without reference to rules governing choice of laws or the Convention on Contracts for the International Sale of Goods. Any dispute with SAM or its Affiliates or claim relating in any way to this Agreement or your use of the SAM website will be adjudicated in the Governing Courts, and you consent to exclusive jurisdiction and venue in the Governing Courts, **or, if the Elected Country is the United States or Canada, we both consent that any such dispute or claim will be resolved by binding arbitration as described in this paragraph, rather than in court**, except that you may assert claims in a small claims court that is a Governing Court if your claims qualify and you or we may bring suit in the Governing Courts to enjoin infringement or other misuse of intellectual property rights. **There is no judge or jury in arbitration, and court review of an arbitration award is limited. However, an arbitrator can award on an individual basis the same damages and relief as a court (including injunctive and declaratory relief or statutory damages), and must follow the terms of this Agreement as a court would.** The arbitration will be conducted by the American Arbitration Association (AAA) under its rules, including the AAA's Supplementary Procedures for Consumer-Related Disputes. Payment of all filing, administration and arbitrator fees will be governed by the AAA's rules. You may choose to have the arbitration conducted by telephone, based on written submissions, or in person in the county where you live or at another mutually agreed location. **We each agree that any dispute resolution proceedings will be conducted only on an individual basis and not in a class, consolidated or representative action.** If for any reason a claim proceeds in court rather than in arbitration **we each waive any right to a jury trial.**

You may not assign this Agreement, by operation of law or otherwise, without our prior written consent. Subject to that restriction, this Agreement will be binding on, inure to, and be enforceable against the parties and their respective successors and assigns. We may perform any of our obligations or exercise any of our rights under this Agreement through one or more of our Affiliates. Our failure to enforce your strict performance of any provision of this Agreement will not constitute a waiver of our right to enforce such provision or any other provision of this Agreement subsequently.

We have the right in our sole discretion to determine the content, appearance, design, functionality and all other aspects of the Services, including by redesigning, modifying, removing, or restricting access to any of them.

Because SAM is not your agent (except for the limited purpose set out in the Transaction Processing Service Terms (if the Elected Country for a Service is the United States)), or the customer's agent for any purpose, SAM will not act as either party's agent in connection with resolving any disputes between participants related to or arising out of any transaction.

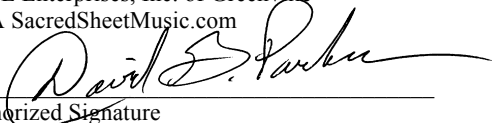
We will send all notices and other communications regarding this Agreement to you at the e-mail addresses you designated for notifications and updates in your program application or within Seller Central, or by any other means then specified by SAM. We may also communicate with you electronically and in other media, and you consent to such communications regardless of any "E-mail Preferences" (or similar preferences or requests) you may have indicated on the applicable SAM website, on Seller Central, or by any other means. You may change your e-mail addresses and certain other information in Seller Central. You will ensure that all of your information is up to date and accurate at all times. You must send all notices and other communications relating to SAM to our Merchant Services Team by using the Contact Us form page at the SAM website.

This Agreement incorporates and you accept the applicable Service Terms and Program Policies, which SAM may modify from time to time. If any provision of this Agreement is deemed unlawful, void, or for any reason unenforceable, then that provision will be deemed severable from these terms and conditions and will not affect the validity and enforceability of any remaining provisions. If the Elected Country is Canada, then it is the express wish of the parties that this Agreement and the applicable Service Terms and Program Policies have been drafted in English. (The following is a French translation of the preceding sentence: Si le pays de service est le Canada, les parties conviennent que la présente autorisation et tous les termes et conditions applicables s'y rattachant soient rédigés en anglais.) This Agreement represents the entire agreement between the parties with respect to the Services and related subject matter and supersedes any previous or contemporaneous oral or written agreements and understandings.

Vendor Name _____

C & L Enterprises, Inc. of Greenville
DBA SacredSheetMusic.com

Authorized Signature



Authorized Signature

Print Name and Title

David G. Parker, President
Print Name and Title