



crayton.communications, llc

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CONTRACT CLIENT AND PRIME CONTRACTOR

AGREEMENT

made of the _____ day of _____, 2____.

BETWEEN the Client, _____
and **CRAYTON COMMUNICATIONS, LLC**, hereinafter referred to as the Prime Contractor.

Recitals:

(A.) For the following Project: _____
hereinafter referred to as The Project.

AGREEMENT

The Prime Contractor shall provide the following services, products and equipment which are identified below and which are subject to the terms and conditions of this Agreement.

1. Schedule

1.1 Any written schedule for The Project shall be as set forth on Exhibit (C) Work Tasks, and attached hereto and incorporated herein by reference. If a change order is submitted, the schedule shall be superseded by such change order.

2. Changes Orders

2.1 Client may, at any time during production of The Project, request that changes be made to The Project. All such requests for changes shall be subject to the written approval of both parties. Such change orders shall specifically list all changes requested, and shall, if applicable, contain revised schedules, completion dates and payment amounts. Except to the extent specifically provided by the terms of a change order, the terms of this contract shall remain in full force and effect. Change orders shall be effective only when each of the parties has executed one or more counterparts and each has delivered an executed counterpart to the other party.

3. Project Approval

3.1 Prime Contractor shall not be required to commence any phase of The Project until he has received either oral or written approval from the Client of work performed in the immediately preceding phase. Such approval shall be binding unless it is induced by intentional misrepresentation.

4. Payment

4.1 Client agrees to pay Prime Contractor as follows:

.1 Client shall pay the total sum due to the Prime Contractor within _____ days of completion of the Prime Contractor's portion of The Project. Client agrees to make periodic payments to Prime Contractor as specified on Exhibit (F) Production Invoice, within _____ days of the issuance of each invoice, or according to terms specified on each invoice.

.2 Client and Prime Contractor agree that the basic hourly rate for The Project shall be \$ _____ per hour for a period of time no less than _____ hours and no more than _____ hours. The portion of the total fee for The Project based on this hourly rate shall be computed by multiplying the hourly rate by the total number of such hours, and shall not exceed \$ _____. Prime Contractor shall, at his sole discretion, provide such hourly services in excess of _____ hours as he alone deems fit.

.3 Client and Prime Contractor agree that all reimbursable expenses, as specified in subsection 6 below, shall be paid in addition to the hourly fees specified above. Client agrees to pay Prime Contractor for all such reimbursable expenses advanced on behalf of all parties subject this contract. Control of the assumption of such reimbursable expenses shall be the sole responsibility of the Client.

.4 Client shall pay Prime Contractor a periodic finance charge of _____ % per annum, compounded and computed monthly, on any and all past due amounts.

5. Use of Project

5.1 Prime Contractor agrees that the project produced for Client, unless otherwise agreed in writing, belongs to Client wholly and will not require usage or licensing consents. Client agrees, however, to allow Prime Contractor to use said property for demonstration and/or promotional activities so long as such activities do not include the sale of such properties, and further provided that such use does not violate or infringe any rights of Client or any other person or entity to the project.

5.2 Prime Contractor shall retain in his possession, all of the original stock footage, A&B rolls, Master Program & Duplication Masters until the total sum due is paid in full.

6. Reimbursable Expenses

6.1 Reimbursable Expenses include actual expenditures made by the Prime Contractor in the interest of The Project for:

.a expense of transportation and living expenses in connection with out-of-town travel, authorized by the Client.

.b long distance communication.

.c fees paid for securing approval of authorities having jurisdiction over The Project.

.d reproductions.

.e postage and handling of materials and equipment.

.f rendering requested by the Client.

.g expense of overtime work requiring higher than regular rates, if authorized by the Client.

.h expense of any additional insurance coverage or limits, including professional liability insurance, requested by the Client in excess of that normally carried by the Prime Contractor and the Prime Contractor's consultants.

.i material cost, such as tape stock & etc.

7. Indemnification

7.1 Each party shall defend, indemnify and hold harmless the other party, its assigns, officers, agents and employees, from any and all liabilities, actions, or other claims arising out of that party's nonperformance of any of the provisions of this contract, or the actions of that party, its assigns, officers, agents or employees, including, but not limited to, actions for patent, trademark, or copyright infringement, or unfair competition.

8. Assignment

8.1 Neither party to this agreement shall assign any rights or obligations arising out of this agreement without the written consent of the other party.

9. Arbitration

9.1 Any dispute between the parties as to the interpretation, application or validity of this agreement shall be submitted to arbitration. There shall be one neutral arbitrator selected and compensated in accordance with the procedures and rules of the arbitration program of the Lane County Circuit Court of the State of Oregon.

10. Attorney's Fees

10.1 In the event that a dispute arises between the parties which is submitted to arbitration or litigation, the prevailing party shall be entitled to recover reasonable attorney's fees, costs and disbursements at arbitration, at trial and on appeal.

11. Authority to Execute

11.1 The undersigned, by their signatures henceforth, represent and personally warrant that they are authorized by their respective companies to enter into this agreement on behalf of such companies.

CLIENT: _____

Signed by: _____

Title: _____

Date: _____

PRIME CONTRACTOR: _____

Signed by: _____

Title: _____

Date: _____