

TERMS & CONDITIONS

Whereas, The SPACECONNECTION, Inc. ("SPC") has available C-Band and Ku-Band, analog and digitally compressed transponders (referred to herein as "Transponder Capacity" or "Capacity") for Video, Audio, Data and Internet satellite transmission services.

Whereas, The SPACECONNECTION, Inc. ("SPC") has available ground resources including uplinks, downlinks, turnaround services, transportable uplinks and fiber connectivity (referred to herein as "Ground Services") for Video, Audio, Data and Internet satellite transmission services.

Whereas, Customer (referred to herein as "User") is willing to obtain from SPC and SPC is willing to provide to User, a certain portion of the Transponder Capacity or Ground Services pursuant to the terms and conditions as set forth below:

In consideration of the foregoing premises and mutual covenants and agreements hereinafter set forth, SPC and User hereby agree as follows:

1. **Provision of Capacity.** SPC hereby agrees to provide to User, and User hereby agrees to accept from SPC a certain portion of the Transponder Capacity or Ground Services. Each confirmed use of the Transponder Capacity or Ground Services shall be confirmed in writing, except for Day Of Air (DOA) services, which may require a verbal understanding between the parties due to certain time constraints.

2. **Confirmation.** User may contact SPC via telephone or in writing to request services. Inquiries are held open until one of the following occurrences:

a) User converts inquiry to a firm order.

b) An inquiry is challenged, at which time; the User has 24 hours after notification by SPC to firm book order or release request.

c) Auto Drop - Satellite carriers and certain vendors automatically drop inquiries 72 hours prior to scheduled feed. Should the User's request be placed on one of the SPC's in-house transponder(s), then the inquiry will drop at 12 Noon Eastern Time (ET) one business day prior to service.

3. **Usage.** For Transponder Capacity or Ground Services, the minimum usage period for any individual use of the Transponder Capacity or Ground Services is fifteen (15) minute increments except when the satellite carrier maintains a policy of minimum usage period greater than SPC's policy.

4. **Cancellations & Amendments.** SPC's cancellation and amendments policies for in-house or out-of-house Transponder Capacity or Ground Services are summarized below.

a) Firm orders placed on SPC's inventory that are cancelled 15 days to 30 days prior to scheduled date are subject to a 50% cancellation fee. If order is cancelled less than 15 days prior to scheduled feed date, a 100% cancellation fee will apply.

b) Feeds Bought On Challenge (BOC) on SPC's inventory are FIRM orders and may NOT be changed, amended or cancelled. All BOC orders will incur 100% charges.

c) If a Customer extends or moves the scheduled service period to another time frame on the same SPC transponder within the same calendar day as the initial booking, no cancellation charges or penalties will apply. If the customer shortens the scheduled service period, cancellation charges apply to the difference between the initial and shortened service periods.

d) Firm orders placed for transmission services outside SPC's inventory will be subject to individual vendor's cancellation, bought on challenge and amendment policies.

5. **Start Times, End Times & Approximate End Times.**

- a) Customer must comply with all scheduled start and end times. Approximate end times may be requested on SPC's inventory.
- b) All unauthorized "over runs" are subject to additional charges and may incur further penalties and damages.
- c) All "no shows" of firm orders without notification will be billed to include the approximate end times, if applicable.

6. **Goodnights.**

All "Goodnight" times must be called in to SPC as soon as possible upon completion of feed. If a "Goodnight" is not received within 24 hours of the feed, the full time booked plus any approximate end time will be billed.

7. **Preemption.**

All occasional services are subject to immediate preemption in case of technical or catastrophic failure. Additionally, satellite carrier and/or SPC may preempt service with advance notice of 30 or more days prior to scheduled feed date.

8. **Scope of Services.**

- a) SPC is solely arranging Transponder Capacity or Ground Services and SPC's maximum liability shall not exceed the purchase amount of the space segment ordered by the customer.
- b) SPC will coordinate third party facilities on a customer's behalf. However, SPC assumes no responsibility or liability for performance of third party services; i.e. uplink, downlink, terrestrial, production, etc.

9. **Payments and Obligations of User.** All payments which User is obligated to make to SPC under this agreement shall be made to SPC at the place designated for payment in Section 19 hereof, and shall be deemed made by User only upon actual receipt of payment by SPC. If any payment for use of the Capacity or Ground Services shall not be received by SPC within thirty (30) days upon receipt of invoice, then such overdue amount(s) shall be subject to delinquency charge(s) at the rate of 18% per annum or the highest legally permissible rate of interest, until the date it is actually received by SPC. User agrees that acceptance of such delinquency charge(s) by SPC shall in no event constitute a waiver by SPC of User's default with respect to such overdue amount nor shall it prevent SPC from exercising any or all other rights or remedies it may have.

10. **Credit Terms.**

- a) All orders are payable in advance unless a credit arrangement has been accepted and approved by SPC.
- b) Standard credit terms are Net 30 days. Amounts past due are subject to 1.5% interest per month.
- c) SPC reserves the right to immediately cancel credit terms to any customer with a balance that exceeds 30 days.
- d) If collection procedures commence, the User shall pay all costs including reasonable attorneys' fees.
- e) To apply for Credit Terms, complete the credit application by following the link <://spc.tsdwebsites.com/wp-content/uploads/2011/04/Credit-Application.pdf> and fax to (818) 754-1108.

11. **Representations and Warranties.**

a) SPC and User each represent and warrant to the other that it has the right, power and authority to enter into and perform its obligations, and it has taken all requisite corporate or partnership action, as appropriate, to approve the execution, delivery and performance and agree to the valid and binding obligation upon itself in accordance with the terms.

b) SPC shall not be liable for acts of God, military or civil insurrection, union disputes, forces of nature, or for any cause that is beyond the reasonable control of SPC. User agrees to pay full price for any interruption of Capacity or Ground Services caused by such occurrences. However, User shall not be obligated to pay for any services that are preempted by the satellite carrier.

12. **Title to Transponders.** This transaction shall not, and shall not be deemed to, convey title of any kind to any of the Transponders to User.

13. **User or Third Party Interference.**

a) All transmissions to and from the satellite made by User or other persons operating on or on behalf of the User (Uplink agent) in connection with services acquired from or through SPC shall comply with all the rules and regulations of the Federal Communications Commission (FCC) and other governmental agencies or authorities applicable to User and/or each Uplink agent. User and /or Uplink agent will follow the established practices and procedures for frequency coordination and will not utilize the used Capacity or Ground Services in a manner which, under standard engineering practices, would or might interfere with the use of any transponder or cause physical harm to any transponder or the satellite. If, in SPC's or the satellite carrier's judgment, User's or any Uplink agent's transmissions to or from the satellite, or utilization of the used Capacity or Ground Services, interfere with or cause physical harm to any transponder or satellite, User agrees to cease or cause to be ceased immediately all transmissions to the used Capacity or Ground Services upon notice thereof by SPC or the satellite carrier until such time as such transmissions or utilization shall not, in SPC's or the satellite carrier's judgment, interfere with and shall not cause physical harm to any transponder or satellite. In addition to SPC's other rights and remedies, the User agrees that its rights to use Transponder Capacity or Ground Services shall be subject to SPC's right to terminate any User agreement and all of User's rights and to take such action as may be necessary, appropriate or desirable to terminate any such interference or physical harm by User or Uplink agent.

b) To ensure that User's and each Uplink agent's transmissions to and from the satellite and User's utilization of the Capacity or Ground Services (whether directly or through an Uplink agent) does not so interfere with or cause physical harm to any transponder or satellite, User and each Uplink agent, prior to any transmission to the satellite, must satisfy the uplink access requirements set forth by carriers. Further, without limiting the generality of the foregoing, if User use involves video broadcasting, User agrees to comply in all respects with Section 25.308 of the FCC rules regarding Automatic Transmitter Identification Systems or ATIS.

14. **Government Regulations.** User will comply in all material respects with all government regulations applicable to User regarding the operation of the satellite, uplink, or its use of the Capacity or Ground Services.

15. **Pre-emptive Rights.** The Transponder Capacity or Ground Services provided herein is not protected and User acknowledges and agrees that it may be necessary, in unusual or abnormal technical situations or conditions, for the Satellite Carrier to deliberately preempt or interrupt User's use of the Transponder Capacity or Ground Services in order to protect the overall performance of each satellite or its contractual obligations to third parties. The satellite carrier, at its sole discretion shall make such decisions.

16. **Taxes & Fees.** If any taxes and/or fees are asserted against SPC after or as a result of User's use of SPC's services, by any local, state, national, or international, public or quasi-public governmental entity, User shall be solely responsible for such taxes and/or fees.

17. **Limitation of Liability.** Any and all expressed and implied warranties relating to the Transponder Capacity or Ground Services, including but not limited to, warranties or merchantability or fitness for any purpose or use, are expressly excluded and disclaimed. In no event shall SPC be liable for any incidental or consequential damages (including, but not limited to, lost profits), regardless of the foreseeability thereof, occasioned by the termination of User's rights to use, or the preemption of or the failure of, the Transponders by any other cause or matter whatsoever. SPC makes no warranty, expressed or implied, to any person or entity, other than User concerning the Transponder Capacity or Ground Services and User shall defend, indemnify and hold harmless SPC from any claims made under a warranty or representation

by User to any third party.

18. **Applicable Law and Entire Agreement.** The existence, validity, construction, operation and effect of this arrangement shall be determined in accordance with and governed by the laws of the State of California.

19. **Notices & Forms of Payment.** All notices and other communications from the User shall be in writing. All payments shall be deemed received upon SPC's acknowledgment. Acceptable forms of payment include checks, wire transfer and other forms of legal tender in U.S. currency.

If Payment or Correspondence via United States Postal Service:

The SPACECONNECTION, Inc.
P.O. Box 6067
Burbank, CA 91510-6067
If Payment or Correspondence via Overnight Delivery:
The SPACECONNECTION, Inc.
10530 Victory Blvd.
North Hollywood, CA 91606
Tel: (818) 754-1100
Fax: (818) 754-1112

If Wire Transfer of Funds:

The SPACECONNECTION, Inc.
Manufacturers Bank
21550 Oxnard Street
Woodland Hills, CA 91367
Branch #: 10
Account #: 7000071697
Routing #: 122226076
Contact #: (818) 227-4500

If Payment by Credit Card

MasterCard or Visa and American Express accepted:
Complete the Credit Card Authorization Form by following this link : <://spc.tsdwebsites.com/wp-content/uploads/2011/04/Credit-Application.pdf> and fax with all requested documentation to (818) 754-1108

20. **No Transfer.** User shall not and shall not have the right to, grant, sell, assign, encumber, permit the utilization of, license, lease, sublease or otherwise convey, directly or indirectly, in whole or in part (individually, a "Transfer"), any of the User's Transponder Capacity or Ground Services or any of its rights under this agreement to any other entity or person.

21. **Legal Expenses.** If any legal action, arbitration or other proceeding is brought for the enforcement of this Agreement, or because of an alleged or actual dispute, breach, default or misrepresentation in connection with any of the provisions of this agreement, the prevailing party shall be entitled to recover reasonable attorneys' fees and other costs and expenses incurred in such action or proceeding in addition to any other relief to which such party may be entitled.

IMPORTANT * PLEASE READ

Summary of Principle Carrier Imposed Terms and Conditions.

The User should be aware that the satellite carriers impose, both by contract and operating rules, a significant body of terms and conditions that apply to all Users. The SPACECONNECTION, Inc. is bound by all such provisions and is not and cannot be responsible for any service disruptions or attendant damages that result from implementation of the carriers' rules. Nor can The SPACECONNECTION, Inc. be

responsible for any disruption or attendant damages that result from any action or inaction of a carrier or from equipment failures where the carrier is by contract or rule absolved from responsibility or damages.

Many of the satellite carrier's contract provisions and rules are well known throughout the industry and it is the User's responsibility to inquire and be informed of all such provisions and rules. This summary is provided for your convenience and should not be relied upon as all inclusive with respect to your booking with The SPACECONNECTION, Inc. However, if you have specific questions upon reviewing this summary we will be pleased to assist you. It is in your best interest to become familiar with the various carrier provisions, particularly those relating to operational procedures, catastrophic failures and preemption conditions.