

# CHARACTER IMAGES CONTENT LICENSE AGREEMENT

Effective September 18, 2019

This document is a license agreement (this “Agreement”) between you and Character Media, LLC (“CM”) that outlines and describes the licensing terms and how you can use photos, illustrations, vectors and video clips that you license from CM. By downloading any available content from CM, you are accepting ALL of the terms of this Agreement.

## AGREEMENT

### 1. AVAILABLE LICENSES.

All files downloaded from CM include the standard license terms and conditions. Unless you purchase or negotiate a separate license, your use of content is subject to the standard license terms.

You are welcome to use watermarked content from the CM site on a complimentary basis for test or sample (comp) use only. Watermarked content cannot be used in any final materials or any publicly available materials and may only be used for the 30 days following your download and may NOT be used for any commercial purposes whatsoever.

### 2. SCOPE OF LICENSE.

You may use content in any way that is not restricted (see License Limitations in Section 5 below). Subject to those restrictions and the rest of the terms of this Agreement, the rights granted to you by CM are:

- **Perpetual** - There is no expiration or end date on your rights to use the content.
- **Non-exclusive** - You do not have exclusive rights to use the content. CM can license the same content to other customers.

### 3. USES.

For purposes of this Agreement, "use" means to copy, reproduce, modify, edit, synchronize, perform, display, broadcast, publish, or otherwise make use of.

Examples of how you can use licensed content include: websites; blog posts; social media; advertisements; marketing campaigns; corporate presentations; newspapers; magazines; books; film and television productions; web and mobile applications; product packaging. Please make sure you read ALL OF the License Limitations in Section 5 below for exceptions.

### 4. LIMITATIONS ON USE.

**a. No Unlawful Use.** You may not use content in a pornographic, defamatory or other unlawful manner.

**b. No Standalone File Use.** You may not use content in any way that allows others to download, extract, or redistribute content as a standalone file (meaning just the content file itself, separate from the project or end use).

**c. No Use in Trademark or Logo.** You may not use content as part of a trademark, design mark, tradename, business name, service mark, or logo.

**d. Sensitive Use Disclaimer Required.** If you use content that features models or property in connection with a subject that would be unflattering or unduly controversial to a reasonable person (for example, sexually transmitted diseases), you must indicate: (i) that the content is being used for illustrative purposes only, and (ii) any person depicted in the content is a model. For example, you could say: "Stock photo. Posed by model." No disclaimer is required for "editorial use only" content that is used in an editorial manner.

**e. No False Representation of Authorship.** You may not falsely represent that you are the original creator of a work that is made up largely of licensed content. For instance, you cannot create a painting based solely on licensed content and claim that you are the author.

**f. No Products for Resale.** Unless you have specific permission from CM, you may not use content in connection with any goods or services intended for resale or distribution where the primary value lies in the content itself including, without limitation, cards, stationery items, paper products, calendars, apparel items, posters (printed on paper, canvas, or any other media), DVDs, mobile applications or other items for resale, license or other distribution for profit. This includes "on demand" products (meaning products in which content is selected by a third party for customization on such product on a made-to-order basis), including, without limitation, postcards, mugs, t-shirts, posters and other items (this includes the sale of products through custom designed websites).

**g. No Electronic Templates.** You may not use content in electronic or digital templates intended for resale or other distribution (for example, website templates, business card templates, electronic greeting card templates, brochure design templates).

**h. Limited number of physical prints.** Unless you secure specific permission from CM, you may not reproduce the content more than 500,000 times in physical print form. This restriction does not apply to electronic reproduction.

## 5. LICENSE LIMITATIONS.

Please note that seat/user restrictions apply. You may only use the content with appropriate amount of users. This standard license is for a single user. The seat/user restrictions refer to the raw file of content, not the end project or use. The rights granted to you herein are non-transferable and non-sublicensable, meaning that you cannot transfer or sublicense them to any third party whatsoever. However, there are two exceptions:

- **Employer or client.** If you are purchasing on behalf of your employer or client, then your employer or client can use the content. In that case, you represent and warrant that you have full legal authority to bind your employer or client to the terms of this Agreement. If you do not have that authority, then your employer or client may not use the content.
- **Subcontractors.** You may allow subcontractors (for example, your printer or mailing house) or distributors to use content in any production or distribution process related to your final project or end use. These subcontractors and distributors may not use the content for any other purpose.

## 6. CHARACTER MEDIA USER ACCOUNTS.

You will be responsible for tracking all activity for each user account, and you agree to: (a) maintain the security of all passwords and usernames; (b) notify CM immediately of any unauthorized use or other breach of security; and (c) accept all responsibility for activity that occurs under each user account. CM reserves the right to monitor downloads and user activity to ensure compliance with the terms of this Agreement. If CM determines that you are in breach of this or any other term of this Agreement, it may suspend access to your account and seek further legal remedies.

## 7. INTELLECTUAL PROPERTY RIGHTS.

All licensed content is owned by either CM or the photographers who supply the content. All rights not expressly granted in this Agreement are reserved by CM and the content suppliers.

### **Attribution.**

- Do I need to include a photo credit? You do not need to include a photo credit for *commercial use*, but if you are using content for **editorial purposes**, you must include the following credit adjacent to the content or in visual production credits: Photo courtesy of [insert artist's name]/Character Images.
- Do I need to include a video credit? Yes, if technically feasible, you must include the following credit in visual productions: Photo courtesy of [insert artist's name]/Character Images.

## 8. TERMINATION/CANCELLATION/WITHDRAWAL.

**a. Termination.** This Agreement is effective until it is terminated by either party. You can terminate this Agreement by ceasing use of the content and deleting or destroying any copies. CM may terminate this Agreement at any time if you fail to comply with any of the terms, in which case you must immediately: cease using the content; delete or destroy any copies; and, if requested, confirm to CM in writing that you have complied with these requirements. If you use the content on a social media platform or other third party website and the platform or website uses (or announces that it plans to use) the content for its own purpose or in a way that is contrary to this Agreement, this Agreement shall immediately terminate.

**b. Content Withdrawal.** CM may discontinue licensing any item of content at any time in its sole discretion. Upon notice from CM, or upon your knowledge, that any content may be subject to a claim of infringement of a third party's right for which CM may be liable, CM may require you to immediately, and at your own expense: cease using the content, delete or destroy any copies; and ensure that your clients, distributors and/or employer do likewise. CM may provide you with replacement content (determined by CM in its reasonable commercial judgment) free of charge, subject to the other terms of this Agreement.

## 9. REPRESENTATIONS AND WARRANTIES.

CM makes the following representations and warranties:

**a. Warranty of Non-Infringement.** Except with respect to content identified as "editorial use only," your use of the content in accordance with this Agreement and in the form delivered by CM will not infringe on any copyright, moral right, trademark or other intellectual property right and will not violate any right of privacy or right of publicity; and all necessary model and/or property releases for use of the content in the manner authorized by this Agreement have been obtained. Note that you are solely responsible for any edits made to the content (whether using a CM editing tool or otherwise).

**b. Caption/Metadata Disclaimer.** While we have made reasonable efforts to correctly categorize, keyword, caption and title the content, CM does not warrant the accuracy of such information, or of any metadata provided with the content.

**c. No Other Warranties.** Except as provided in the "Warranty of Non-Infringement" section above, the content is provided "as is" without representation, warranty or condition of any kind, either express or implied, including, but not limited to, implied representations, warranties or conditions of merchantability, or fitness for a particular purpose. CM does not represent or warrant that the content will meet your requirements or that its use will be uninterrupted or error free.

## 10. INDEMNIFICATION/LIMITATION ON LIABILITY.

**a. Indemnification of CM by you.** You agree to defend, indemnify and hold harmless CM and its parent, subsidiaries, affiliates, and content suppliers, and each of their respective officers, directors and employees from all damages, liabilities and expenses (including reasonable outside legal fees) arising out of or in connection with any breach or alleged breach by you (or anyone acting on your behalf) of any of the terms of this Agreement.

**b. Indemnification of you by CM.** Provided that the content is only used in accordance with this Agreement and you are not otherwise in breach of this Agreement, and as your sole and exclusive remedy for any breach of the warranty set forth in Section 9 above, CM agrees, subject to the terms of this Section 10, to defend, indemnify and hold harmless you, your corporate parent, subsidiaries and affiliates, and each of your respective officers, directors and employees from all damages, liabilities and expenses (including reasonable outside legal fees) arising out of or in connection with any breach or alleged breach by CM of its warranty in Section 9 above. This indemnification does not apply to the extent any damages, costs or losses arise out of or are a result of modifications made by you to the content or the context in which the content is used by you. This indemnification also does not apply to your continued use of content following notice from CM, or upon your knowledge, that the content is subject to a claim of infringement of a third party's right.

Unless you secure a separate license, CM's total maximum aggregate liability (meaning the total amount CM is responsible for, whether under this Agreement or any other agreement for the same content) is limited to \$2,500.00 US dollars per item of content.

This limit applies regardless of the number of times you license the same piece of content from CM. If you need a higher indemnification amount, please contact CM.

**c. Parties' respective rights and obligations.** The party seeking indemnification must promptly notify in writing the other party about the claim. The indemnifying party (the one covering the costs) has the right to assume the handling, settlement or defense of any claim or litigation, in which case the indemnified party (the one not covering the costs) has to cooperate in any way reasonably requested by the indemnifying party. The indemnifying party will not be liable for legal fees and other costs incurred prior to the other party giving notice of the claim for which indemnity is sought.

**d. LIMITATION ON LIABILITY.** CHARACTER MEDIA SHALL NOT BE LIABLE TO YOU OR ANY OTHER PERSON OR ENTITY FOR ANY PUNITIVE, SPECIAL, INDIRECT, CONSEQUENTIAL, INCIDENTAL OR OTHER SIMILAR DAMAGES, COSTS OR LOSSES ARISING OUT OF THIS AGREEMENT, EVEN IF CHARACTER MEDIA HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, COSTS OR LOSSES. SOME JURISDICTIONS DO NOT PERMIT THE EXCLUSION OR LIMITATION OF IMPLIED WARRANTIES OR LIABILITY.

## 11. MISCELLANEOUS PROVISIONS.

**a. Assignment.** This Agreement is personal to you and is not assignable by you without CM's prior written consent. CM may assign this Agreement, without notice or consent, to any corporate affiliate or to any successor in interest, provided that such entity agrees to be bound by these terms.

**b. Audit/Certificate of Compliance.** Upon reasonable notice, you agree to provide to CM sample copies of projects or end uses that contain licensed content, including by providing CM with free of charge access to any pay-walled or otherwise restricted access website or platform where content is reproduced. In addition, upon reasonable notice, CM may, at its discretion, either through its own employees or through a third party, audit your records directly related to this Agreement and your use of licensed content in order to verify compliance with the terms of this Agreement. If any audit reveals an underpayment by you to CM of five percent (5%) or more of the amount you should have paid, then in addition to paying CM the amount of the underpayment, you also agree to reimburse CM for the costs of conducting the audit. Where CM reasonably believes that content is being used outside of the scope of the license granted under this Agreement, you agree, at CM's request, to provide a certificate of compliance signed by an officer of your company, in a form to be approved by CM.

**c. Electronic storage.** You agree to retain the copyright symbol, the name of CM, the content's identification number and any other information that may be embedded in the electronic file containing the original content, and to maintain appropriate security to protect the content from unauthorized use by third parties. You may make one copy of the content for back-up purposes.

**d. Governing Law/Arbitration.** This Agreement will be governed by the laws of the State of California, U.S.A., without reference to its laws relating to conflicts of law. Any disputes arising from or related to this Agreement shall be finally settled by binding, confidential arbitration by a single arbitrator selected using the rules and procedures for

arbitrator selection under the JAMS' Expedited Procedures in its Comprehensive Arbitration Rules and Procedures ("JAMS") if you are in North America, or of the International Centre for Dispute Resolution ("ICDR") or JAMS if you are outside of North America (the applicable rules to be at your discretion), in effect on the date of the commencement of arbitration to be held in one of the following jurisdictions (whichever is closest to you): Los Angeles, California; London, England; Paris, France; Munich, Germany; Madrid, Spain; Milan, Italy; Sydney, Australia; Tokyo, Japan; or Singapore. The arbitration proceedings shall be conducted in English and all documentation shall be presented and filed in English. The decision of the arbitrator shall be final and binding on the parties, and judgment may be entered on the arbitration award and enforced by any court of competent jurisdiction. The United Nations Convention on Contracts for the International Sale of Goods does not govern this Agreement. The prevailing party shall be entitled to recover its reasonable legal costs relating to that aspect of its claim or defense on which it prevails, and any opposing costs awards shall be offset. Notwithstanding the foregoing, CM shall have the right to commence and prosecute any legal or equitable action or proceeding before any court of competent jurisdiction to obtain injunctive or other relief against you in the event that, in the opinion of CM, such action is necessary or desirable to protect its intellectual property rights. The parties agree that, notwithstanding any otherwise applicable statute(s) of limitation, any arbitration proceeding shall be commenced within two years of the acts, events or occurrences giving rise to the claim.

**e. Severability.** If one or more of the provisions in this Agreement is found to be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions should not be affected. Such provisions should be revised only to the extent necessary to make them enforceable.

**f. Waiver.** No action of either party, other than express written waiver, may be construed as a waiver of any provision of this Agreement.

**g. Entire Agreement.** No terms or conditions of this Agreement may be added or deleted unless made in writing and accepted in writing by both parties, or issued electronically by CM and accepted in writing by you. In the event of any inconsistency between the terms of this Agreement and the terms contained on any purchase order sent by you, the terms of this Agreement will apply.

**h. Notice.** All notices required to be sent to CM under this Agreement should be sent via email to [admin@charactermedia.com](mailto:admin@charactermedia.com). All notices to you will be sent via email to the email set out in your account.

**i. Taxes.** You agree to pay and be responsible for any and all sales taxes, use taxes, value added taxes and duties imposed by any jurisdiction as a result of the license granted to you, or of your use of the licensed content.

**j. Interest on Overdue Invoices.** If you fail to pay an invoice in full within the time specified, CM may add a service charge of one and a half percent (1.5%) per month, or such lesser amount as is allowed by law, on any unpaid balance until payment is received.