

LIBRARY VIDEO COMPANY
DIGITAL CONTENT LICENSE AGREEMENT

Your school or school district ("Subscriber") has acquired the SAFARI Montage video-on-demand system by Library Video Company ("LVC"). Access to and all use of the Digital Content (defined below) on the SAFARI Montage system by an Authorized Institution (defined below) and/or End User (defined below) shall be subject to the following terms and conditions (the "Agreement"):

1. **Definitions.** For purposes of this Agreement, the following definitions shall apply:

(a) "Digital Content" shall mean the programs comprising the digital content package(s) subscribed to and paid for by Subscriber for use on the SAFARI Montage system and any teacher's guides, curriculum correlations, abstracts, metadata and any other content provided with each such program at LVC's sole discretion.

(b) "SAFARI Montage" shall mean the SAFARI Montage video-on-demand system by Library Video Company, with resident software or appliances purchased by Subscriber, and which provides Subscriber and/or End Users with access to Digital Content.

(c) "Authorized Institution(s)" shall mean the school, library and/or other educational institution authorized to access and use the Digital Content under this Agreement.

(d) "End Users" shall mean educators, staff or student members of an Authorized Institution(s) utilizing the Digital Content by means of the SAFARI Montage system.

(e) "Activation Date" shall mean the date on which the SAFARI Montage system is activated by Subscriber or an authorized LVC technician.

2. **Grant of Rights.**

(a) LVC hereby grants to Subscriber a non-exclusive, non-transferable license to use, publicly perform and/or exhibit the Digital Content by means of the SAFARI Montage system for viewing by End Users located at the Authorized Institution(s) and in accordance with the usage rights provided by LVC on the SAFARI Montage system for each program comprising the Digital Content. Notwithstanding the above, teachers shall have the right, only if such right is available, to access the Digital Content from home for lesson planning purposes only provided that, such access is password protected and the Digital Content is not downloaded or saved to any desktop computer and/or any other storage or playback device. All rights not specifically granted to Subscriber under this Agreement are reserved by LVC.

(b) Subscriber acknowledges and agrees that, except for limited home access rights as set forth in paragraph 2(a), above: (i) the Digital Content shall be used only in connection with the SAFARI Montage system for access by End Users within a confined viewing or listening environment located at the Authorized Institution(s), including, without limitation, classrooms, libraries and/or media centers; and (ii) the license herein is granted only with respect to the Authorized Institution(s) and additional licenses must be obtained and paid for by Subscriber for any schools, libraries and/or other educational institutions that are provided access to Digital Content that did not have prior access to such Digital Content under this Agreement, including, without limitation, any new schools in a school district or new schools added to a regional media center that are not covered by this Agreement and which will have access to the Digital Content. Except as otherwise expressly authorized by LVC under this Agreement, Subscribers and/or End Users shall not store, copy, manipulate, transmit, download, or in any way redistribute the Digital Content apart from the SAFARI Montage system. To the extent download rights, if any, are available for Digital Content, Subscriber acknowledges and agrees that such downloading shall be for educational purposes only, pursuant to the terms of this Agreement. Notwithstanding anything to the contrary, nothing in this Agreement shall limit or otherwise restrict Subscriber's fair use defenses under the U.S. Copyright Act of 1976.

3. **Consideration.** In consideration for the rights granted under this Agreement, Subscriber agrees to pay any and all license fees, service charges and/or taxes related to the Digital Content, as set forth in the quote received by Subscriber for the Digital Content or as otherwise invoiced to Subscriber by LVC. All payments due under this Agreement shall be paid in accordance with the payment terms set forth in the invoice received by Subscriber for such payment. Subscriber's failure to pay any and all fees and/or charges due under this Agreement may result in additional service charges and/or termination of this Agreement at LVC's sole discretion.

4. **Term.** Unless terminated sooner, as provided below, or as otherwise agreed to by LVC in writing, the term of this Agreement shall begin on the Activation Date and run for a period of one (1) year thereafter. Upon approval by LVC, in its sole discretion, this Agreement may be renewed for additional one (1) year periods under the same terms and conditions set forth in this Agreement, subject to payment of additional

digital license fees. Unless otherwise agreed to by LVC in writing, this Agreement shall automatically become null and void if the Digital Content is not activated within sixty (60) days of Subscriber's receipt of an Activation Code for such Digital Content from LVC.

5. Subscriber Obligations.

(a) Subscriber shall digitally deliver the Digital Content as provided in paragraph 1, above, to the End Users only where all End Users, as well as monitors and playback units utilized for the playing and viewing of the Digital Content, are located within the Authorized Institution(s). Subscriber shall use the Digital Content only in connection with the SAFARI Montage system at the Authorized Institution(s) and shall not charge End Users any direct or indirect fees for viewing the Digital Content.

(b) Subscriber agrees that Subscriber shall not and shall instruct End Users that End Users shall not modify, edit, copy, tape, reproduce, duplicate, transmit, broadcast, decompile, disassemble, reverse engineer, loan, rent, lease, sublicense, create derivative works or make any other use whatsoever of the SAFARI Montage system, including, without limitation, any and all software residing on the SAFARI Montage system and/or the Digital Content, in whole or in part, except as expressly authorized herein or as otherwise permitted under the U.S. Copyright Act of 1976, including, without limitation, any "fair use" provisions under Section 107 of such Act. Nothing in this Agreement shall prohibit Subscriber from interrupting, fast forwarding or rewinding the Digital Content during its viewing.

(c) Subscriber shall not make any modification, deletion, cut, alteration or addition in or to the Digital Content, including, without limitation, the deletion of any copyright notices or credits from the Digital Content or from any other material supplied to Subscriber hereunder. The Digital Content shall not be used in any manner to promote and/or endorse any products and/or services, without the express written permission of the copyright owner for the respective Digital Content.

(d) Upon written notice from LVC that the Digital Content, or any portion thereof, is subject to a threatened or actual claim of infringement, violation of another right or any other claim for which LVC may be liable herein, or if LVC retires and/or withdraws any Digital Content for any reason, including, without limitation, for editorial reasons, Subscriber shall cease all further use of such Digital Content and take any necessary action, as instructed by LVC, to block further access to such Digital Content. LVC shall provide Subscriber with comparable Digital Content (which comparability will be determined by LVC in its reasonable commercial judgment) free of charge, but subject to the terms and conditions of this Agreement.

(e) Subscriber shall enable uninterrupted remote access to the SAFARI Montage system via the Internet, and LVC and/or its authorized representative shall have the right to remotely access the SAFARI Montage system via the Internet for content and software updates, maintenance, operational and administrative purposes and/or data collection. In the event online access to the SAFARI Montage system is interrupted or otherwise not available for any reason, upon request by LVC, Subscriber shall grant LVC and/or its authorized representative direct on-site access to the SAFARI Montage system during normal business hours.

(f) Subscriber agrees that it shall not use any trade names, service marks and/or trademarks belonging to SVN, LVC and/or any third party provider of Digital Content licensed hereunder, including, without limitation, any name or title of any Digital Content.

6. **Copyright.** Subscriber acknowledges and agrees that no ownership or copyright in any Digital Content shall pass to Subscriber. Subscriber shall not remove and/or alter the copyright information from any Digital Content and/or any digital file related to the Digital Content. Subscriber further agrees that the use of any copies of the Digital Content hereunder shall not affect the copyright holder's continued and separate copyright ownership in the Digital Content. Should Subscriber inadvertently or for any reason come into possession or ownership of the copyright in the Digital Content, or any versions or derivatives thereof, Subscriber shall transfer and assign such ownership of copyright to LVC (or LVC's designee) immediately and without request or demand by LVC.

7. Termination.

(a) LVC reserves the right to terminate this Agreement, effective immediately, upon Subscriber's breach of this Agreement.

(b) LVC may terminate this Agreement at any time upon written notice to Subscriber, effective immediately, if Subscriber seeks protection of any bankruptcy, insolvency or similar law, or terminates its operations. Subscriber expressly waives any and all of its rights to sovereign immunity to the extent Subscriber can seek such protection for any reason in connection with this Agreement and its obligations under this Agreement.

(c) In the event of any termination of this Agreement for breach by Subscriber or for any other reason hereunder, the rights and obligations of Subscriber still in force at the time of such termination shall automatically revert to LVC.

(d) Upon expiration or termination of this Agreement, Subscriber shall immediately cease use of the Digital Content and shall return to LVC all drives containing the Digital Content within thirty (30) days of such expiration or termination.

8. **Indemnification.** Subscriber agrees to indemnify and hold LVC and its Digital Content licensors (including their affiliates, subsidiaries, successors and assigns, and their respective directors, trustees, officers, employees and agents) harmless against any and all claims for damages, losses or any costs, including attorney's fees, arising in any manner whatsoever from (a) the unauthorized use of any Digital Content, (b) Subscriber's use of any third party content in connection with the SAFARI Montage system and/or (c) Subscriber's breach of any of the terms of this Agreement.

9. **Warranty and Limitation of Liability.**

(a) LVC warrants to Subscriber that, LVC has secured all necessary rights to enter into this Agreement and to grant the rights granted hereunder. The sole and exclusive remedy for a breach of this Agreement, including, without limitation, any breach of the foregoing warranty, is the replacement of the Digital Content, which replacement shall be subject to the terms and conditions of this Agreement. Warranty service for the SAFARI Montage system shall be subject to the warranty terms and conditions for such system as provided by SAFARI Video Networks.

(b) **EXCEPT AS EXPRESSLY SET FORTH IN THIS SECTION 9, LVC MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. LVC, ITS AFFILIATES, SUBSIDIARIES, SUCCESSORS AND ASSIGNS, SHALL NOT BE LIABLE TO LICENSEE OR ANY OTHER PERSON OR ENTITY FOR ANY GENERAL, PUNITIVE, SPECIAL, DIRECT, INDIRECT, CONSEQUENTIAL, INCIDENTAL, LOST PROFITS OR OTHER DAMAGES ARISING OUT OF THIS AGREEMENT, EVEN IF LVC HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.**

10. **Right to Inspect.** LVC may at any time inspect any records, accounts and/or books relating to Subscriber's use of the Digital Content to ensure that the Digital Content is being used in accordance with the terms of this Agreement.

11. **Assignment.** This Agreement and/or any and all of the rights granted to Subscriber under this Agreement shall not be assigned by Subscriber, in whole or in part, without the prior written consent of LVC, and any purported assignment absent such consent shall be null and void. This Agreement and/or any and all of LVC's obligations under this Agreement may be assigned by LVC, in whole or in part, without the prior written consent of Subscriber.

12. **Miscellaneous.**

(a) This Agreement contains the full and complete understanding of the parties regarding the subject matter thereof, and supersedes all prior and/or contemporaneous agreements and understandings, whether written or oral, between the parties. No waiver, alteration or modification of any provision of this Agreement shall be binding unless in writing and signed by both parties hereto. In the event of any conflict between this Agreement and any information or agreement otherwise provided to Subscriber in connection with the SAFARI Montage system, the terms of this Agreement shall govern.

(b) Except as otherwise provided in section 9, above, no failure or delay of either party to exercise any rights or remedies under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any rights or remedies preclude any further or other exercise of the same or any other rights or remedies, nor shall any waiver of any rights or remedies with respect to any circumstances be construed as a waiver thereof with respect to any other circumstances.

(c) In the event that any provision of this Agreement is held invalid or unenforceable in any circumstances by a court of competent jurisdiction, the remainder of this Agreement, and the application of such provision in any other circumstances, shall not be affected thereby.

(d) This Agreement shall be governed by, construed and enforced in accordance with the laws of the Commonwealth of Pennsylvania, without regard to any conflict of laws principles. Subscriber consents to the exclusive jurisdiction of the state courts of the Commonwealth of Pennsylvania, Montgomery County and the United States District Court for the Eastern District of Pennsylvania in all disputes and matters arising under this Agreement.

(e) All notices to LVC contemplated under this Agreement shall be in writing and delivered by hand or registered mail, return receipt requested, as follows: Library Video Company, P.O. Box 580, Wynnewood, PA 19096, Attn: Vice President of Legal and Business Affairs.

(f) The headings set forth in this Agreement are for convenience of the parties only and shall not be considered in interpreting the meaning of any provision of this Agreement.

BY ACTIVATING, AUTHORIZING THE ACTIVATION OF, OR BY OTHERWISE USING THE SAFARI MONTAGE SYSTEM, SUBSCRIBER ACKNOWLEDGES THAT IT HAS READ AND UNDERSTANDS THE TERMS AND CONDITIONS OF THIS AGREEMENT AND AGREES TO BE LEGALLY BOUND BY ALL SUCH TERMS AND CONDITIONS. SUBSCRIBER FURTHER ACKNOWLEDGES AND AGREES THAT SUCH ACTIVATION MAY BE PERFORMED BY AN LVC TECHNICIAN AT LVC'S FACILITIES OR, IF ACTIVATED AT THE

**INSTALLATION LOCATION, SHALL BE PERFORMED ONLY BY AN
AUTHORIZED SIGNATORY FOR SUBSCRIBER.**

Version 06.01.2007