

Client Agreement – Section 2

This AGREEMENT dated as of 1st October 2003, between Pixar, with an address of Pixar Animation Studio, 1001 W. Cutting Blvd., Richmond, CA 94804, USA ("Pixar"), and 3D ArtWorld, with an address of 3D ArtWorld Studios, Building 5A, Wessex Way Industrial Est., Bournemouth, BH1 7JX ("3D ArtWorld").

A consideration of the arrangement between the parties and the fees to be paid under Schedule A attached hereto, and for other good and valuable consideration, the parties now agree as follows:

1. At Pixar's expense, 3D ArtWorld will assist Pixar as Pixar may reasonably request to perfect Pixar's rights in the Works and to protect the Works throughout the world, including, without limitation, executing in favour of Pixar, patent, copyright, trademark and/or other applications, registrations and/or assignments relating to the Works. 3D ArtWorld shall not challenge the validity of the ownership by Pixar of the Works, or take any action that could reasonably be expected to limit or diminish Pixar's rights in the Works.
2. Pixar hereby grants to 3D ArtWorld a non-limited, non-exclusive, non-transferable, royalty free license to reprint the Works, provided 3D ArtWorld complies with the following conditions: a) all reprints must display the Pixar copyright; b) all reprints must display the Pixar logo; c) 3D ArtWorld may not sublicense the Works to any third party.
3. Pixar hereby grants to 3D ArtWorld a non-limited, non-exclusive, non-transferable, royalty free license to reproduce, distribute and display the Pixar logo solely as it appears on the Work and for no other purposes.

This Agreement sets forth the entire agreement of the parties with respect to the transactions set forth herein. This Agreement may only be amended in a writing signed by both parties. This Agreement legally binds both parties.

ACCEPTED BY **Pixar Inc.** AND AGREED AS OF: _____

By: Printed name: _____ Signature: _____

ACCEPTED BY **3D ArtWorld** AND AGREED AS OF: _____

By: Printed name: _____ Signature: _____

Schedule A

Pixar will pay 3D ArtWorld £16,500.00 (GBP) for creating the WORK AGREED UPON from 06th October 2003 until 28th May 2004.

ACCEPTED BY **Pixar Inc.** AND AGREED AS OF: _____

By: Printed name: _____ Signature: _____

Quotation

A quotation not accepted within fourteen (14) days is subject to review. All prices are based on material costs at the time of quotation.

ACCEPTED BY **Pixar Inc.** AND AGREED AS OF: _____

By: Printed name: _____ Signature: _____

Author's Alterations (AA's)

AA's represent work performed in addition to the original specifications. Such additional work shall be charged at current rates and be supported with documentation upon request. No additional payment shall be made for changes required to conform to the original assignment description.

ACCEPTED BY **Pixar Inc.** AND AGREED AS OF: _____

By: Printed name: _____ Signature: _____

Creative Controls

Pixar and 3D ArtWorld shall collaborate in the creative process of developing and producing the Pictures. Pixar and 3D ArtWorld shall have mutual control over the final cut of each Picture, provided that each party shall exercise its final cut rights in good faith and so not to frustrate or delay the release of the Picture. Within a reasonable time after completion of the final cut as provided herein, 3D ArtWorld shall deliver the Picture to Pixar.

ACCEPTED BY **Pixar Inc.** AND AGREED AS OF: _____

By: Printed name: _____ Signature: _____

Payment Terms

All invoices shall be paid within seven (7) days of receipt. Claims for inaccurate work or works must be made by the client in writing within a period of fourteen (14) days after delivery of all or any part of the work carried out. Failure to make such claim within the stated period shall constitute irrevocable acceptance and an admission that they fully comply with terms, conditions, and specifications.

ACCEPTED BY **Pixar Inc.** AND AGREED AS OF: _____

By: Printed name: _____ Signature: _____

Cancellation/Rejection of Project

The client shall not unreasonably withhold acceptance of, or payment, for the project. If, prior to completion of the project, the client observes any non-conformance with the design plan, grammatical and spelling errors, 3D ArtWorld must be promptly notified, allowing for necessary corrections. Rejection of the completed project or cancellation during its execution will result in forfeiture of deposit and the possible billing for all additional labour or expenses to date, which must be paid in full to 3D ArtWorld within fourteen (14) days. All elements of the project must then be returned to the designer. 3D ArtWorld shall retain ownership of all copyrights. Any usage by the client of those design elements will result in appropriate legal action. Client shall bear all costs, expenses, and reasonable attorney's fees in any action brought to recover payment under this contract or in which Robert Kwiatek, 3D ArtWorld may become a party by reason of this contract.

ACCEPTED BY **Pixar Inc.** AND AGREED AS OF: _____

By: Printed name: _____ Signature: _____

Ownership of Artwork

Until full payment has been made, 3D ArtWorld retains ownership of all original artwork or parts contained therein, whether preliminary or final. Upon full payment, the client shall obtain ownership of the final artwork to use and distribute as they see fit. 3D ArtWorld retains the right to use the completed project and any preliminary designs for the purpose of design competitions, future publications on design, educational purposes, marketing materials, and portfolio. Where applicable the client will be given any necessary credit for usage of the project elements.

ACCEPTED BY **Pixar Inc.** AND AGREED AS OF: _____

By: Printed name: _____ Signature: _____

Proofs

A proof form will be supplied with the proof every time a major section is accomplished and must be signed by Pixar each time to comply with acceptance of the section as satisfactory. The proof will contain rendered stills with full texturing and lighting. Preliminary previews of animations will be shown as applicable. The client must understand that there are limitations to this media, such as smaller viewing size and limited lighting and materials.

ACCEPTED BY **Pixar Inc.** AND AGREED AS OF: _____

By: Printed name: _____ Signature: _____

Revised Proofs

The client. If revised proofs are desired, request must be made when proofs are returned. A reasonable variation in colour between colour proofs and the completed job shall constitute acceptable delivery. 3D ArtWorld cannot be held responsible for errors under either or both of the following conditions: if Pixar has failed to return proofs with indication of changes or if Pixar has instructed 3D ArtWorld to proceed without submission of proofs.

ACCEPTED BY **Pixar Inc.** AND AGREED AS OF: _____

By: Printed name: _____ Signature: _____

Proofing of Final Project

3D ArtWorld shall make every effort to ensure the final product is free from any omissions before giving the final product to the client. It is agreed that it is the client's responsibility to ensure that there are no omissions contained in the final product. It is agreed that the designer is not responsible or held liable for any errors contained in the final product after the final product has been posted in view of the public.

ACCEPTED BY **Pixar Inc.** AND AGREED AS OF: _____

By: Printed name: _____ Signature: _____

Production Schedules/Completion/Delivery of Project

3D ArtWorld will not incur any liability or penalty for delays due to actions or negligence of client, unusual transportation delays, unforeseen illness, state of war, riot, civil disorder, fire, labour trouble, strikes, accidents, energy failure, equipment breakdown, delays of suppliers or carriers, action of government or civil authority and acts of God or other causes beyond the control of 3D ArtWorld. This shall entitle 3D ArtWorld to extend the completion/delivery date, upon notifying the client, by the time equivalent to the period of such delay.

ACCEPTED BY **Pixar Inc.** AND AGREED AS OF: _____

By: Printed name: _____ Signature: _____

Third Party Shipping

In the event that any work crated by 3D ArtWorld for Pixar which must be shipped to a third party for any reason, 3D ArtWorld will incur no liability for losses incurred in transit or due to the delay of the shipper to the third party.

ACCEPTED BY **Pixar Inc.** AND AGREED AS OF: _____

By: Printed name: _____ Signature: _____

Confidentiality - Protection of Confidential Information

For purposes of this Agreement, "Confidential Information" shall mean all information which is received by one party (the "Recipient") from the other (the "Discloser") under or in the course of performance of this Agreement.

The Recipient shall maintain Confidential Information in confidence, shall not disclose Confidential Information, or any portion thereof, to any third party except as permitted by this Agreement or as reasonably necessary to carry out the provisions of this Agreement, and shall protect Confidential Information with at least the same degree of care as the Recipient uses in maintaining as secret its own confidential and proprietary information, but in no case less than a reasonable degree of care.

ACCEPTED BY **Pixar Inc.** AND AGREED AS OF: _____

By: Printed name: _____ Signature: _____

ACCEPTED BY **3D ArtWorld** AND AGREED AS OF: _____

By: Printed name: _____ Signature: _____
