## **SELLER AGREEMENT**

This Seller Agreement ("Agreement") is made by and between Art Urbane, ("Agent") and above mentioned ("Artist"), with respect to the licensing of certain rights in and to Artist's artwork(s), product(s) or design(s) ("Work"), which may include original artwork, limited edition artwork runs, furniture designs, product designs, home décor and other gifts.

WHEREAS, Artist and Agent wish to work together with respect to Agent licensing Artist's Work to sell to end-buyers and distribute to resellers and/or place on consignment pursuant to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants hereinafter set forth and other valuable consideration, the Parties agree as follows:

1. License & Term. Artist hereby grants to Agent and its successors, assigns, and licensees, a nonexclusive worldwide license to use, promote, sell and distribute the Work at retail price to end-buyers and at wholesale price and/or on consignment for a period of five (5) years from the signing of this agreement.

Agent reserves the right to choose which Works to represent. Agent also reserves the right to transfer the premises and covenants of this contract to another separately owned entity, such as, Public Art Initiative, a sister company.

It is a common misunderstanding that once a piece of art is modified a certain percentage, it is no longer covered by copyright. To protect the Artist and Agent, Artist must disclose whether the Work is an alteration of an existing Work of another artist.

Upon expiration of the Initial Term, this Agreement shall be automatically renewed for additional one (1) year periods (the "Renewal Period(s)") unless notice of termination is given by either party within thirty (30) days of the expiration of the Initial Term or then-current Renewal Period, as the case may be. Upon termination, all work not paid for in whole or in part by Agent will be returned to Artist.

- **2. Ownership.** Artist shall retain the copyright and other intellectual property rights to the Work. Works that are limited editions and approved reproductions shall bear the following or similar copyright notice: © by (Artist's name) (Year). Moreover, credit in the name of Artist shall accompany the Work when it is reproduced or sold.
- **3. Promotion.** Agent agrees to use its best efforts to promote the Work. Agent agrees that all promotion shall be dignified and in keeping with Artist's reputation as a respected professional. Artist consents to the use of Artist's name, portrait, picture, photograph, and/or biography in such promotion, provided that Artist shall have the right to review any such promotion and Agent shall change such promotion if Artist objects on the ground that it is harmful to Artist's reputation.

## 4. Delivery.

**4.1** Form in which Work information shall be delivered to Agent:

Digital File (An aspect ratio containing at least 1054 px in height)
Physical Object
List of Stockists

- **4.2 Digital File.** Artist agrees to deliver the digital image with the following dimensions: an aspect ratio containing at least 1054px in height as an electronic image within ten (10) days after the signing of this Agreement. The image shall conform to prevailing industry standards and be of a commercially satisfactory quality. Agent reserves the right to reject the image in the event that it is not of a commercially satisfactory quality. Artist shall be solely responsible for any costs incurred while preparing the image for delivery, including without limitation, scanning, proofs, negatives and other preparation costs.
- 4.3 Physical Object. Agent upholds high-standards for quality control, and Agent shall have the ability to assess all Works for durability and consistency in understanding quality. Agent reserves the right to refuse the sell of Artist's Work if it does not meet Agent's quality standards or on the basis that Agent does not have access to assess the quality of Artist's Work. Artist shall mail Work samples to Agent for quality assessment purposes if shipping of Work is below \$80.00. If Work sample size exceeds a reasonable shipping limit, then Artist shall provide Agent a list of stockists in close proximity to Agent or Artist's show rooms. In all cases, Agent must receive a list of Artist stockists, and Artist shall be responsible for all shipping costs of Work samples.

Mailing Address:

Art Urbane Co. 1440 Vine St. Los Angeles, CA 90028

Please email a tracking number to mail@arturbane.com. We shall confirm our receipt of the Work to your email on file.

- 5. e-Commerce Wholesale and Distribution Pricing and Commissions.
- **5.1 e-Commerce Wholesale.** The price for each Work shall vary based on object, dimensions, medium, and market demand. Artist shall determine the minimum price for individual Works. The minimum price of the Work shall be determined by a fifty percent (50%) increase of that cost as commission to Agent, where Agent shall reduce the retail Work price up to thirty percent (30%) for normal trade discounts.
- **5.2 Wholesale Distribution.** The price for each Work shall vary based on object, dimensions, medium, market demand and amount sold. The minimum price of the Goods shall be determined by a twenty percent (20%) increase of that cost as a base commission with a performance-based percentage increase to Agent, which we split equally with the buyer, per order as outlined:

<b>Units Sold</b>	<b>Performance Commission Increase</b>
0 - 10	0%
11 - 51	2.5%
51 - 100	5%
101 - 500	7.5%
501 - 1000	10%
1001 - 5000	12.5%
5001 -	15%

**6. Work Fulfillment and Payment to Artist.** Agent shall provide Artist a purchase order, ("PO"), through email, where Artist shall work to fulfill all orders within two (2) business days, unless noted differently to Agent prior to PO. Agent shall provide Artist with credit card information that Artist

shall charge the amount listed on the purchase order.

- **7. Return Policy.** Artist shall provide Agent a Return Authorization Number (RAN) for each purchase order. The buyer shall have three (3) days for damage assessment and return Work to supplier on the forth (4) day for a full discount. Artist shall be responsible for all return and re-shipment costs for damaged Works. After three (3) days of buyer's receipt of Work, buyer shall own the Work and shall not be eligible for a return policy. Artist shall credit Agent's account within 48 hours of receipt of returned Work, wherein, Agent shall credit buyer.
- **8. Costs of Delivery.** Buyers or resellers shall pay delivery expenses, including shipping and external packaging.
- **9.** Loss, Theft, or Damage. Artist shall bear the cost of insuring the Work against loss, theft or damage from the time of shipment from Artist to Buyer, and in such cases where Work is returned, from Buyer to Artist.
- **10. Sales Tax.** Agent shall provide Artist a California Resale Certificate for compliance with sales tax law. Agent shall work within the confines of the Artist's state for sales tax compliance
- 11. **Representations and Warranties** Artist represents and warrants that:
  - 11.1 Artist has full power to enter into this Agreement.
  - 11.2 The Work is in no way a violation or infringement of any existing copyright or license.
- 11.3 Artist will accurately and truthfully divulge any and all information relating to inventory that will allow Agent a two (2) week window to remedy buyer expectation. Artist agrees to have reliable manufacturing partnerships, be able to meet a consistent product demand from online sales and reveal accurate production turn around at the outset of the Artist-Agent agreement. All offline orders with various Agent partners, such as, restaurants or hotels, may be a manufacture-on-demand and may deduct from existing online inventory.
- 11.4 Artist agrees to indemnify Agent against all judgments, liability, damages, penalties, losses and expense (including reasonable attorneys' fees) which may be suffered or assumed by or obtained against Agent by reason of any breach or failure of any warranty or agreement herein made by Artist.

## 12. Miscellaneous

- 12.1 Applicable law; Severability. This Agreement shall be construed and enforced in accordance with the laws of the State of California and of the copyright laws of the United States. If any provision is determined by any court of competent jurisdiction or arbitrator to be unenforceable to any extent, that provision shall, to the extent of such unenforceability, be severed, and the remaining provisions of this Agreement shall remain in effect.
- 12.2 Relationship of the Parties. Artist shall be an independent contractor for purposes of this Agreement, and nothing in this Agreement shall be applied or construed as creating a partnership, joint venture, or Employer/Employee relationship. Accordingly, Artist is solely responsible for any and all income taxes, withholding, and deductions payable on monies received under this Agreement.
  - **12.3** Adequate remedy at law; Dispute Resolution. The Parties hereby agree that there shall

be no remedy in equity, including without limitation injunctive relief, for any breach of this Agreement and the adequate remedy shall be a remedy at law.

- 12.4 Non-Assignability. Neither party hereto shall have the right to assign this Agreement without the prior written consent of the other party. Artist shall, however, have the right to assign monies due to him or her under the terms of this Agreement.
- 13. Non-circumvention. During the term of this Artist-Agent Agreement or within one (1) year subsequent to the termination of this Artist-Agent Agreement by either Party, Artist shall make no attempt to circumvent Agent by making independent contact with any wholesale vendors or any other buyer introduced to Artist by Agent.
- **14. No Authority to Bind.** While Agent may act in the capacity of an agent for Artist, Agent shall have no authority whatsoever to bind Artist by representations, contract, or agreement of any kind, and Artist shall not hold Agent out to third parties as having such authority.
- **15. Arbitration.** All disputes arising under this Agreement shall be submitted to binding arbitration in Los Angeles, California in accordance with the rules of the American Arbitration Association. Judgment upon the arbitration award may be entered in any court having jurisdiction thereof. Disputes in which the amount at issue is less than \$500 shall not be subject to this arbitration provision.
- 16. Entire Agreement. This Agreement constitutes the entire agreement between Artist and Agent concerning the subject matter hereto and supersedes any and all prior agreements or understandings, (whether written or oral). This Agreement shall be binding upon the parties hereto, their heirs, successors, assigns, and personal representatives. This Agreement constitutes the entire understanding between the parties. Its' terms can be modified only by an instrument in writing signed by both parties. A waiver of a breach of any of the provisions of this Agreement shall not be construed as a continuing waiver of other breaches of the same or other provisions hereof.

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