

KRUE TERMS OF USE

I. Acceptance of Terms of Use

The Terms of Use of nPerson, LLC d/b/a Krue (hereafter “Krue”) which include our Privacy Policy, govern your use of the Krue service, including all features and functionalities, music and video streaming, user interfaces, and all content and software associated therewith (hereinafter the “Service”). By using, visiting, or browsing the Service you accept and agree to be bound by these Terms of Use. **If you do not agree to any of the provisions set forth, you should not use the Service.**

Any references to “you” or “your” refer to you, as a user of the Service. References to “we,” “us” and “our” refer to Krue.

II. Changes to Terms of Use

Krue reserves the right to change, alter, replace or otherwise modify these Terms of Use at any time, including the Privacy Policy. It is your responsibility to check this page from time to time for updates. When we make any updates to these Terms of Use, we will highlight this fact on the Service website, and the revised Terms of Use will become effective six (6) weeks after such notification. If you do not terminate your account as described in the Termination section below during such six (6) week period, your continued use of the Service after the end of that six (6) week period will constitute your acceptance of the revised Terms of Use.

III. How the Krue Service Works

Krue is a multimedia hosting service whereby users (hereinafter “Users”) can access interactive channels (hereinafter “Channels”) created by registered artists (hereinafter “Artists”). Artists may submit, upload and post audio, video, text, photos, pictures, graphics, comments, and other content, data or information (hereinafter “Artist Content”), which will be stored by Krue at the direction of such Artist, and may be shared and distributed by such Artist using the tools and features provided as part of the Service. Streaming Artist Content presented on the Channels is referred to herein as a “Stream.” Streams which are streamed live are referred to herein as “Live Streams” and Streams which are not streamed live are referred to herein as “Archived Streams.” Users may view any Live Streams (as well as Archived Streams for a certain period of time after they become archived, currently 24 hours but subject to change at Krue’s sole discretion) without subscribing to an Artist’s Channel. Archived Streams are only accessible to Users who subscribe to the Channel hosting the Archived Stream. Further description of Krue’s billing practices can be found in the Subscription and Billing section below.

We may, from time to time, release new tools and resources, release new versions of the Service, or introduce other services and/or features. Any new services and features will be subject to these Terms of Use as well as any additional terms of use that we may release for those specific services or features.

IV. Your Krue Account

Access to certain services, including but not limited to chat room and other commenting privileges, is only available to registered users.

You may have the option to register by connecting to your Facebook account, or by selecting a Krue username. Regardless of the means of registration, you will be required to provide us with your email address. You must ensure that the email address that you

provide is, and remains, valid. Your email address and any other information you choose to provide about yourself will be treated in accordance with our Privacy Policy.

You are solely responsible for maintaining the confidentiality and security of your username and password, and you will remain responsible for all use of your username and password, and all activity emanating from your account, whether or not such activity was authorized by you. If your username or password is lost or stolen, or if you believe that your account has been accessed by unauthorized third parties, you are advised to notify Krue in writing, and should change your password at the earliest possible opportunity.

We reserve the right to disallow, cancel, remove or reassign certain usernames and permalinks in appropriate circumstances, as determined by us in our sole discretion, and may, with or without prior notice, suspend or terminate your account if activities occur on that account which, in our sole discretion, would or might constitute a violation of these Terms of Use, or an infringement or violation of the rights of any third party, or of any applicable laws or regulations.

You may terminate your account at any time as described in the Termination section below. Furthermore, we reserve the right to terminate or restrict your use of the Service, without notice, for any or no reason whatsoever.

V. Your Use of the Service

Subject to your strict compliance with these Terms of Use, Krue grants you a limited, personal, non-exclusive, revocable, non-assignable and non-transferable right and license to use the Service in order to listen to and/or view Artist Content.

The above license is conditional upon your strict compliance with these Terms of Use, including, without limitation, the following:

- (a) You must not copy, rip or capture, or attempt to copy, rip or capture, any Artist Content from the Service.
- (b) You must not adapt, copy, republish, make available or otherwise communicate to the public, display, perform, transfer, share, distribute or otherwise use or exploit any Artist Content on or from the Service, except as permitted under these Terms of Use, and within the parameters set by the Service.
- (c) You must not use any Artist Content in any way that is designed to create a separate content service or that replicates any part of the Service offering.
- (d) You must not employ scraping or similar techniques to aggregate, repurpose, republish or otherwise make use of any Artist Content.
- (e) You must not employ any techniques or make use of any services, automated or otherwise, designed to misrepresent the popularity of Your Content (as defined below) on the Service, or to misrepresent your activity on the Service, including without limitation by the use of bots, botnets, scripts, apps, plugins,

extensions or other automated means to register accounts, log in, add followers to your account, play Artist Content, follow or unfollow other users, send messages, post comments, or otherwise to act on your behalf, particularly where such activity occurs in a multiple or repetitive fashion. You must not offer or promote the availability of any such techniques or services to any other users of the Service.

- (f) You must not alter or remove, attempt to alter or remove, any trademark, copyright or other proprietary or legal notices contained in, or appearing on, the Service or any Artist Content appearing on the Service.

- (g) You must not, and must not permit any third party to, copy or adapt the object code of the Service, or reverse engineer, reverse assemble, decompile, modify or attempt to discover any source or object code of any part of the Service, or circumvent or attempt to circumvent or copy any copy protection mechanism or access any rights management information pertaining to Artist Content.

- (h) You must not use the Service to upload, post, store, host, transmit, display, copy, distribute, promote, make available or otherwise communicate to the public:
 - (1) any content that is offensive, abusive, libelous, defamatory, obscene, racist, sexually explicit, ethnically or culturally offensive, indecent, that promotes violence, terrorism, or illegal acts, incites hatred on grounds of race, gender, religion or sexual orientation, or is otherwise objectionable in Krue's reasonable discretion;

 - (2) any information, content or other material that violates, plagiarizes, misappropriates or infringes the rights of third parties including, without limitation, copyright, trademark rights, rights of privacy or publicity, confidential information or any other right;

 - (3) any content that violates, breaches or is contrary to any law, rule, regulation, court order or is otherwise is illegal or unlawful in Krue's reasonable opinion;

 - (4) any material of any kind that contains any virus, Trojan horse, spyware, adware, malware, bot, time bomb, worm, or other harmful or malicious component, which or might overburden, impair or disrupt the Service or servers or networks forming part of, or connected to, the

Service, or which does or might restrict or inhibit any other user's use and enjoyment of the Service; or

(5) any unsolicited or unauthorized advertising, promotional messages, spam or any other form of solicitation.

- (i) You must not commit or engage in, or encourage, induce, solicit or promote, any conduct that would constitute a criminal offence, give rise to civil liability or otherwise violate any law or regulation.
- (j) You must not rent, sell or lease access to the Service, or any content on the Service, although this shall not prevent you from including links from Your Content (as defined herein) to any legitimate online download store from where any item of Your Content may be purchased.
- (k) You must not deliberately impersonate any person or entity or otherwise misrepresent your affiliation with a person or entity, for example, by registering an account in the name of another person or company, or sending messages or making comments using the name of another person.
- (l) You must not stalk, exploit, threaten, abuse or otherwise harass another person, including but not limited to any user, or any Krue employee.
- (m) You must not use or attempt to use another person's account, password, or other information, unless you have express permission from that other person.
- (n) You must not sell or transfer, or offer to sell or transfer, any Krue account to any third party without the prior written approval of Krue.
- (o) You must not collect or attempt to collect personal data, or any other kind of information about other users, including without limitation, through spidering or any form of scraping.
- (p) You must not violate, circumvent or attempt to violate or circumvent any data security measures employed by Krue or any Artist; access or attempt to access data or materials which are not intended for your use; log into, or attempt to log into, a server or account which you are not authorized to access; attempt to scan or test the vulnerability of Krue's servers, system or network or attempt to breach Krue's data security or authentication procedures; attempt to

interfere with the Service by any means including, without limitation, hacking Krue's servers or systems, submitting a virus, overloading, mail-bombing or crashing. Without limitation to any other rights or remedies of Krue under these Terms of Use, Krue reserves the right to investigate any situation that appears to involve any of the above, and may report such matters to, and cooperate with, appropriate law enforcement authorities in prosecuting any users who have participated in any such violations.

You agree to comply with the above conditions, and acknowledge and agree that Krue has the right, in its sole discretion, to terminate your account or take such other action as we see fit if you breach any of the above conditions or any of the other terms of these Terms of Use. This may include taking court action and/or reporting offending users to the relevant authorities.

VI. Your Content

Any and all audio, video, text, photos, pictures, graphics, comments, and other content, data or information that you upload, store, transmit, submit, exchange or make available to or via the Service ("Your Content") is generated, owned and controlled solely by you, and not by Krue. Krue does not claim any ownership rights in Your Content, and you hereby expressly acknowledge and agree that Your Content remains your sole responsibility. Notwithstanding the foregoing, by uploading and/or submitting Your Content to the Service, and in consideration of the opportunity to have Your Content reach other Users and Artists and the promotional value received therefrom, you hereby grant to Krue (and Krue's Artists, assignees, designees, licensees, and sub-licensees) a non-exclusive, perpetual, royalty-free license of all rights available to owners of copyright, including but not limited to the right to reproduce, distribute, publicly display, and publicly perform Your Content in any formats, manner, and/or media now known or hereafter devised, commercially or promotionally, with or without credit to you; and to create and exploit derivative works of Your Content and do any of the foregoing with such derivative works. The foregoing license shall survive the termination of your Krue account with respect to any of Your Content that you submit or upload to the Service prior to such termination.

Without prejudice to the conditions set forth in Paragraph V you must not upload, store, host, distribute, send, transmit, display, perform, make available or otherwise communicate to the public any of Your Content to which you do not hold the necessary rights. In particular, **any unauthorized use of copyright protected material within Your Content (including by way of reproduction, distribution, modification, adaptation, public display, public performance, preparation of derivative works, making available or otherwise communicating to the public via the service) without full ownership and/or control, or written and valid permission to do so, may constitute an infringement of third party rights and is strictly prohibited.** Any such infringements will result in termination of your access to the Service as described in the Repeat Infringers section below, and may also result in civil litigation or criminal prosecution by or on behalf of the relevant rights holder.

We may, from time to time, invite or provide you with means to provide feedback regarding the Service, and in such circumstances, any feedback you provide will be

deemed non-confidential and Krue shall have the right, but not the obligation, to use such feedback on an unrestricted basis.

VII. Subscription and Billing

In order to access Archived Streams, Users must add a method of payment to their Krue profile (hereinafter “Payment Method”).

Subscription Options

Users have the option to either subscribe to individual Channels (“Single Channel Subscription”), to subscribe to a bundle of Channels (“Bundled Subscription”), or to subscribe to all Channels (“Unlimited Subscription”). Bundled Subscription and Unlimited Subscription fees are set by Krue and may be changed at any time in Krue’s sole discretion. Single Channel Subscription fees are set by each Artist and may be changed at any time in Artist’s sole discretion. **There are no refunds or credits for partially-used subscription periods.**

Free Streams

Live Streams are generally free to all Users, and Users may have limited access to Archived Streams, however we reserve the right to make any Live Streams or Archived Streams restricted to paid subscribers only.

Tips

Users may make voluntary monetary contributions to Artist at any time using their Payment Method (hereinafter “Tips”). All Tips are non-refundable and are not tax-deductible, however they are appreciated by the Artists and enable them to continue creating content for you.

VIII. Copyright Infringement

The Krue service, including all Artist Content included on the Service and user interfaces, or delivered to Users as part of the service, including, but not limited to, musical tracks you can stream instantly, text, graphics, logos, designs, photographs, button icons, images, audio/video clips, data compilations, and software, are the property of either (i) Artists (or their licensors) providing that Artist Content on their Channel or (ii) Krue or its licensors, as applicable, and are protected by United States and international copyright, trade secret or other intellectual property laws and treaties. Artist Content shall not be reproduced or used without express written permission from (i) Artists providing that Artist Content on their Channel and/or (ii) Krue or its licensors, as applicable.

Krue reserves the right to terminate your membership hereunder if Krue, in its sole and absolute discretion, believes that you are in violation of Krue’s restrictions against copying Artist Content provided to you by us, or other unauthorized copying or use of our proprietary content in violation of the copyrights of either (i) Artists providing that Artist Content on their Channel or (ii) Krue or its licensors, as applicable. Krue does not promote, foster or condone the copying of music or any other infringing activity. The use of the Krue service, including music made available to you by us, is solely for your personal and non-commercial use.

If you discover any content on the Service that you believe infringes your copyright, please provide written notification to us which includes the following information: (1) a statement that you have identified the content on Krue that infringes your copyright or the copyright of a third party on whose behalf you are entitled to act; (2) a description of the copyrighted work(s) that you claim have been infringed, (3) a description of the content

that you claim is infringing and the title of the Channel where such content can be located, (4) your full name, address and telephone number, a valid email address at which you can be contacted, and your Krue user name, if any, (5) a statement by you that you have a good faith belief that the disputed use of the material is not authorized by the copyright owner, its agent, or the law, and (6) a statement by you that the information in your notice is accurate and that you are authorized to act on behalf of the owner of the exclusive right that is allegedly infringed. In addition, if you wish for your notice to be considered as a notice pursuant to the United States Digital Millennium Copyright Act 17 U.S.C. §512(c), please also include the following: (1) with respect to your statement that you are authorized to act on behalf of the owner of the exclusive right that is allegedly infringed, confirmation that such statement is made under penalty of perjury; and (2) your electronic or physical signature (which may be a scanned copy). Your notice may be sent to us by email to copyright@nperson.tv or by mail to 520 Broadway, Santa Monica, CA 90401.

IX. Blocking and Removal of Content

Notwithstanding the fact that Krue has no legal obligation to monitor the content on the Service, Krue reserves the right to block, remove or delete any content (including Your Content) at any time at its sole discretion, and to limit or restrict access to any content, for any reason and without liability, including without limitation, if we have reason to believe that such content does or might infringe the rights of any third party, has been uploaded or posted in breach of these Terms of Use or applicable law, or is otherwise unacceptable to Krue.

Please also note that individual Artists have control over the content that they store in their account from time to time, and may remove any or all content (including Your Content as may be included on an Artist's Channel) without notice. You have no right of continued access to any particular item of content and Krue shall have no liability in the event that you are unable to access an item of content due to its removal from the Service, whether by Krue or the relevant Artist.

X. Third Party Websites, Applications and Services

The Service may provide you with access to third party websites, databases, networks, servers, information, software, programs, systems, directories, applications, or products or services (hereinafter "External Services").

Krue does not have or maintain any control over External Services, and is not and cannot be responsible for their content, operation or use. By linking or otherwise displaying information from or providing access to any External Services, Krue does not give any representation, warranty or endorsement, express or implied, with respect to the legality, accuracy, quality or authenticity of content, information or services provided by such External Services.

External Services may have their own terms of use and/or privacy policy, and may have different practices and requirements to those operated by Krue with respect to the Service. You are solely responsible for reviewing any terms of use, privacy policy or other terms governing your use of these External Services, which you use at your own risk. You are advised to make reasonable enquiries and investigations before entering into any transaction, financial or otherwise, and whether online or offline, with any third party related to any External Services.

You are solely responsible for taking the precautions necessary to protect yourself from fraud when using External Services, and to protect your computer systems from viruses, worms, Trojan horses, and other harmful or destructive content and material that may be included on or may emanate from any External Services. Krue disclaims any and all responsibility or liability for any harm resulting from your use of External Services, and you hereby irrevocably waive any claim against Krue with respect to the content or operation of any External Services.

XI. Termination

You may terminate this Agreement at any time by giving 30 days written notice to Krue confirming such termination, by removing all of Your Content from your account, by deleting your account and thereafter by ceasing to use the Service.

Krue may suspend your access to the Service and/or terminate this Agreement at any time if (i) you are deemed to be a repeat copyright infringer as described above; (ii) you are in breach of any of the material provision of these Terms of Use; (iii) Krue elects at its discretion to cease providing access to the Service in the jurisdiction where you reside or from where you are attempting to access the Service, or (iv) in other reasonable circumstances as determined by Krue at its discretion.

Once your account has been terminated, any and all content residing in your account, or pertaining to activity from your account (for example, data relating to the distribution or consumption of your sounds), may be irretrievably deleted by Krue, except to the extent that we are obliged or permitted to retain such content, data or information for a certain period of time in accordance with applicable laws and regulations and/or to protect our legitimate business interests. You are advised to save or back up any material that you have uploaded to your account before terminating your account, as Krue assumes no liability for any material that is irretrievably deleted following any termination of your account.

The provisions of these Terms of Use that are intended by their nature to survive the termination or cancellation of this Agreement will survive the termination of this Agreement.

XII. Disclaimers of Warranties and Limitations on Liability

THE KRUE SERVICE, INCLUDING ANY WEBSITE, APPLICATION OR USER INTERFACES, AND ALL CONTENT AND SOFTWARE ASSOCIATED THEREWITH, OR ANY OTHER FEATURES OR FUNCTIONALITIES ASSOCIATED WITH THE KRUE SERVICE, ARE PROVIDED "AS IS" AND "AS AVAILABLE" WITH ALL FAULTS AND WITHOUT WARRANTY OF ANY KIND. WE AND OUR LICENSORS MAKE NO REPRESENTATIONS OR WARRANTIES OF ANY KIND WITH RESPECT TO THE KRUE SERVICE, THE APPLICATION AND USER INTERFACES, AND ALL CONTENT AND SOFTWARE ASSOCIATED THEREWITH. KRUE DOES NOT GUARANTEE, REPRESENT, OR WARRANT THAT YOUR USE OF THE KRUE SERVICE WILL BE UNINTERRUPTED OR ERROR-FREE, AND YOU AGREE THAT KRUE MAY ELIMINATE OR OTHERWISE MODIFY ANY OR ALL ASPECTS OF THE KRUE SERVICE, INCLUDING FEATURES, WITHOUT COMPENSATION OR NOTICE TO YOU.

Without limiting the foregoing, we and our licensors assume no liability or responsibility for any of the following: (i) errors or omissions in the content delivered by the Service; (ii) recommendations or advice of Krue customer service representatives; (iii) any failure

or interruption in the availability of the Service and/or application, website or user interfaces, (iv) delivery and or display of any content contained on the Service, user interfaces, or otherwise through the Service; and (v) any losses or damages arising from the use of the content provided on the Service, application, website or user interfaces, including any losses or damages arising from downloading of related software, downloading and/or use of any other software, including the remote desktop tool offered by Krue's customer service representatives, optical media discs or any conduct by users of the Service, application, website or user interfaces. TO THE EXTENT ALLOWABLE BY LAW, WE AND OUR LICENSORS DISCLAIM ALL REPRESENTATIONS AND WARRANTIES, INCLUDING, FOR EXAMPLE, WARRANTIES OF MERCHANTABILITY, SATISFACTORY QUALITY, FITNESS FOR A PARTICULAR PURPOSE, AND NON-INFRINGEMENT. In addition, we do not represent or warrant that the information accessible via the Service is accurate, complete or current. We do not make any representations with respect to the content contained on musical tracks from the Krue service or the descriptions of any musical track content contained on the Service and user interfaces. We do not represent or guarantee that your use of the Krue service will be free from interruption, loss, corruption, attack, viruses, interference, hacking, or other security intrusion and we disclaim any liability with respect thereto. Furthermore, Krue does not guarantee the frequency with which each individual Artist will upload or otherwise stream Artist Content on their Channel. No oral or written information or advice given by us or our authorized representative shall create a warranty or otherwise constitute a representation binding upon Krue or its affiliated parties.

IN NO EVENT SHALL KRUE, OR ITS SUBSIDIARIES OR ANY OF THEIR SHAREHOLDERS, DIRECTORS, OFFICERS, EMPLOYEES OR LICENSORS BE LIABLE (JOINTLY OR SEVERALLY) TO YOU FOR PERSONAL INJURY OR ANY SPECIAL, INCIDENTAL, INDIRECT OR CONSEQUENTIAL DAMAGES OF ANY KIND, OR ANY DAMAGES WHATSOEVER RESULTING FROM LOSS OF USE, DATA OR PROFITS, BUSINESS INTERRUPTION OR ANY OTHER COMMERCIAL DAMAGES OR LOSS, WHETHER OR NOT ADVISED OF THE POSSIBILITY OF DAMAGE, AND ON ANY THEORY OF LIABILITY, ARISING OUT OF OR IN CONNECTION WITH THE USE OR PERFORMANCE OF THE KRUE SERVICE, THE WEBSITE, APPLICATION AND USER INTERFACES, AND ALL CONTENTS AND SOFTWARE ASSOCIATED THEREWITH, OR OTHERWISE RELATED TO THE KRUE SERVICE, INCLUDING ANY OPTICAL MEDIA DISCS, FEATURES OR FUNCTIONALITIES ASSOCIATED THEREWITH. IN NO EVENT SHALL OUR TOTAL LIABILITY TO YOU FOR ALL DAMAGES FOR LOSSES ARISING FROM THE USE OR INABILITY TO USE THE KRUE SERVICE, INCLUDING WEBSITES, APPLICATIONS AND USER INTERFACES, AND ALL CONTENT AND SOFTWARE ASSOCIATED THEREWITH (OTHER THAN AS MAY BE REQUIRED BY APPLICABLE LAW IN CASES INVOLVING PERSONAL INJURY) EXCEED THE AMOUNT OF ONE 30-DAY PERIOD OF SUBSCRIPTION FEES ON YOUR SUBSCRIPTION PLAN. THE FOREGOING LIMITATIONS WILL APPLY EVEN IF THE ABOVE STATED REMEDY FAILS OF ITS ESSENTIAL PURPOSE. IF ANY APPLICABLE AUTHORITY HOLDS ANY PORTION OF THIS SECTION OR OTHER SECTIONS OF THESE TERMS OF USE, INCLUDING ANY PORTION OF

THE PRIVACY POLICY, TO BE UNENFORCEABLE, THEN THOSE PORTIONS DEEMED UNENFORCEABLE SHALL BE SEVERED AND THE TERMS OF USE SHALL BE ENFORCED ABSENT THOSE PROVISIONS AND ANY LIABILITY WILL BE LIMITED TO ONE DOLLAR (U.S. \$1.00) OR THE FULLEST POSSIBLE EXTENT PERMITTED BY APPLICABLE LAW.

XIII. Indemnification

You hereby agree to indemnify, defend and hold harmless Krue, its successors, assigns, affiliates, agents, directors, officers, employees and shareholders from and against any and all claims, obligations, damages, losses, expenses, and costs, including reasonable attorneys' fees and court costs, resulting from: (1) any violation by you of these Terms of Use; (2) any claim of infringement of copyright or other intellectual property rights or invasion of privacy arising from the hosting of Your Content on the Service, and/or your making available thereof to other users of the Service, and/or the actual use of Your Content by other users of the Service in accordance with these Terms of Use and the parameters set by you with respect to the distribution and sharing of Your Content; and (3) any activity related to your account, be it by you or by any other person accessing your account with or without your consent unless such activity was caused by the act or default of Krue.

XIV. Assignment to Third Parties

Krue may assign, license, or sub-license its rights and (where permissible by law) its obligations under this Agreement, in whole or in part, to any third party at any time without notice, including without limitation, to any person or entity acquiring all or substantially all of the assets or business of Krue. You may not assign this Agreement or the rights and duties hereunder, in whole or in part, to any third party without the prior written consent of Krue.

XV. Severability

Should one or more provisions of these Terms of Use be found to be unlawful, void or unenforceable, such provision(s) shall be deemed severable and will not affect the validity and/or enforceability of the remaining provisions of the Terms of Use, which will remain in full force and effect.

XVI. Entire Agreement

These Terms of Use, together with the Privacy Policy, constitute the entire agreement between you and Krue with respect to your use of the Service and supersede any prior agreement between you and Krue. Any modifications to this Agreement must be made in writing.

XVII. Arbitration Agreement

You and Krue agree that any dispute, claim or controversy arising out of or relating in any way to the Service, including our application, website, user interfaces, and these Terms of Use, shall be determined by binding arbitration instead of in courts of general jurisdiction. Arbitration is more informal than a lawsuit in court. Arbitration uses a neutral arbitrator instead of a judge or jury, allows for more limited discovery than in court, and is subject to very limited review by courts. Arbitrators can award the same damages and relief that a court can award. You agree that, by agreeing to these Terms of Use, the U.S. Federal Arbitration Act governs the interpretation and enforcement of this provision, and that you and Krue are each waiving the right to a trial by jury or to

participate in a class action. This arbitration provision shall survive termination of this Agreement and the termination of your use of the Service.

If you elect to seek arbitration, you must first send to Krue, by certified mail, a written Notice of your claim ("Notice"). If Krue elects to seek arbitration, it will send a written Notice to the email address used for your membership account. A Notice, whether sent by you or by Krue, must (a) describe the nature and basis of the claim or dispute; and (b) set forth the specific relief sought ("Demand"). If Krue and you do not reach an agreement to resolve the claim within 30 days after the Notice is received, you or Krue may commence an arbitration proceeding or file a claim in small claims court. During the arbitration, the amount of any settlement offer made by Krue or you shall not be disclosed to the arbitrator. You may download or copy a form Notice and a form to initiate arbitration at www.adr.org. The arbitration will be governed by the Commercial Arbitration Rules and the Supplementary Procedures for Consumer Related Disputes (collectively, "AAA Rules") of the American Arbitration Association ("AAA"), as modified by this Agreement, and will be administered by the AAA. The AAA Rules and Forms are available online at www.adr.org, by calling the AAA at 1-800-778-7879, or by writing to Krue. The arbitrator is bound by the terms of this Agreement. All issues are for the arbitrator to decide, including issues relating to the scope and enforceability of this arbitration agreement. Unless Krue and you agree otherwise, any arbitration hearings will take place in the county (or parish) of your billing address. (If you reside outside of the United States, any arbitration hearings will take place in your country of residence at a location reasonably convenient to you, but will remain subject to the AAA Rules including the AAA rules regarding the selection of an arbitrator). If your claim is for US\$10,000 or less, we agree that you may choose whether the arbitration will be conducted solely on the basis of documents submitted to the arbitrator, through a telephonic hearing, or by an in-person hearing as established by the AAA Rules. If your claim exceeds US\$10,000, the right to a hearing will be determined by the AAA Rules. Regardless of the manner in which the arbitration is conducted, the arbitrator shall issue a reasoned written decision sufficient to explain the essential findings and conclusions on which the award is based. If the arbitrator issues you an award that is greater than the value of Krue's last written settlement offer made before an arbitrator was selected (or if Krue did not make a settlement offer before an arbitrator was selected), then Krue will pay you the amount of the award or US\$1,000, whichever is greater. Except as expressly set forth herein, the payment of all filing, administration and arbitrator fees will be governed by the AAA Rules.

YOU AND KRUE AGREE THAT EACH MAY BRING CLAIMS AGAINST THE OTHER ONLY IN YOUR OR ITS INDIVIDUAL CAPACITY, AND NOT AS A PLAINTIFF OR CLASS MEMBER IN ANY PURPORTED CLASS OR REPRESENTATIVE PROCEEDING. Further, unless both you and Krue agree otherwise, the arbitrator may not consolidate more than one person's claims with your claims, and may not otherwise preside over any form of a representative or class proceeding. If this specific provision is found to be unenforceable, then the entirety of this arbitration provision shall be null and void. The arbitrator may award declaratory or injunctive relief only in favor of the individual party seeking relief and only to the extent necessary to provide relief warranted by that party's individual claim.

XVIII. Governing Law

These Terms of Use shall be governed by and construed in accordance with the laws of the State of California, U.S.A. without regard to conflict of laws provisions. The exclusive jurisdiction and venue for any action, suit or proceeding based upon any matter arising hereunder or relating hereto shall be in the state or federal courts located in the State of California and Los Angeles County. If any provision or provisions of these terms shall be held to be invalid, illegal, unenforceable or in conflict with the law of any jurisdiction, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby, and shall remain in full force and effect.