



3071 Southwycke Terrace. • Fremont •
CA 94536 • Te l : 800-97-TUNER •
Fax : 510-795-8855 •

Distributor Agreement

THIS AGREEMENT is entered into between ITUNER NETWORKS CORPORATION, a corporation duly organized under the laws of the state California ("ITUNER ") and _____ whose principal place of business is listed below ("Distributor") on the _____ day of _____, _____, the effective date of this agreement.

WHEREAS, ITUNER is the inventor, developer and producer of a prosumer electronics appliance (the "Unit") and related services which allow media to be streamed and encoded via the Internet (the Unit and related services hereinafter referred to as "MediaBox"); and

WHEREAS, Distributor desires to market, promote, sell and service MediaBox upon the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements herein contained, the parties hereto agree as follows:

1. ITUNER grants to Distributor the non-exclusive right to lease or sell individual MediaBox Units and services at prices set by the Distributor.
2. Distributor shall acquire and promote the sale and/or lease of MediaBox to its dealers and customers. Distributor shall obtain and transmit to ITUNER all of the information that ITUNER requires to program and/or ship MediaBox as shown on ITUNER 's Distributor Order Form.
3. Distributor shall compensate ITUNER for its services for each order received by ITUNER from Distributor which has not been returned by the Customer. Distributor must use the Distributor ID assigned by ITUNER. The Distributor may assign its own Representative IDs.
4. Distributor shall be responsible for compensating its Representatives. If requested by Distributor, ITUNER will provide to Distributor reports detailing sales by its Representatives.
5. Distributor will conduct all advertising and selling activities including mailings, telephone, space advertising and direct selling to solicit and gain customer commitment and do so at Distributor's own expense. Distributor shall make available to ITUNER copies of all promotional material relating to MediaBox, whether written, video, or sales scripts and such advertising shall not be placed without ITUNER 's prior authorization and approval. Neither Distributor nor its Representatives shall make any representation, guaranty or warranty concerning MediaBox except as expressly authorized by ITUNER.
6. ITUNER shall provide artwork, copy and printed data sheets for Distributor's use and Distributor can, at Distributor's expense, have ITUNER 's printer overprint Distributor's name, address, telephone number, etc. on ITUNER 's data sheets.
7. Distributor shall provide itself with, and be solely responsible for, such facilities and business organization and such permits, licenses and other forms of clearance from governmental or regulatory agencies, if any, as is necessary for the conduct of its operations in accordance with this Agreement.
8. It is agreed and acknowledged that Distributor is an independent contractor and shall only hold itself out as such with respect to ITUNER. Nothing in this Agreement shall be construed to constitute Distributor as the partner, employee, joint venturer, franchisee, legal representative or agent of ITUNER and Distributor shall not represent itself as any of the foregoing. In furtherance of the foregoing, in no event shall Distributor have any authority to assume or create any liability or obligation, express or implied, on behalf of ITUNER, and any representation to the contrary will constitute a material breach of this Agreement. Distributor shall assume full responsibility for its Representatives under the applicable Workmen's Compensation, Unemployment Insurance, Employers Liability and other Social Security Acts and similar foreign laws. Distributor acknowledges that it is solely liable for any and all claims, liabilities, damages and debts of any type whatsoever that may arise as a result of Distributor's activities hereunder or the performance of this Agreement.
9. In the conduct of its services hereunder, Distributor and/or its Representatives, shall (a) safeguard and promote the reputations of ITUNER and MediaBox, (b) refrain from any conduct which might be harmful to such reputations or the marketing of MediaBox and (c) avoid all illegal, unfair, deceptive, misleading or unethical practices.
10. This Agreement shall terminate three(3) years from the effective date unless renewed by mutual consent. Either party may terminate the Agreement at any time by giving the other party prior written notice of termination sent by certified mail, return receipt requested to the address listed below. Termination is effective upon receipt by the other party or once delivery of the notice was attempted to the address below. Upon termination, amounts owed to either party are due and payable within sixty (60) days.

Moreover, ITUNER shall continue to provide services to customers that distributor or its representatives have sold MediaBox Units to or customers that have already ordered service to be set up so long as distributor pays the applicable monthly fees. The customer base that the distributor develops belongs to the distributor. The representative base that the distributor develops belongs to the distributor. Distributor shall, upon termination, return to ITUNER all confidential information relating to ITUNER and MediaBox that it has in its possession.

11. Distributor acknowledges that MediaBox and the technology used by ITUNER to develop MediaBox involves confidential information and data of substantial value to ITUNER , which value would be impaired if said information and data were disclosed to third parties. Therefore, Distributor agrees that, during the term of this Agreement and after the termination hereof Distributor and its Representatives shall keep and treat as strictly confidential, and shall not publicize, disclose or otherwise divulge or use for its own benefit or for the benefit of any third party, all proprietary rights or confidential data and information which have been or may hereafter be made available, directly or indirectly, to it by ITUNER or any other person, or which it acquires as a result of any relationship with ITUNER or with the prior written consent of ITUNER . Distributor shall not duplicate, reproduce or photocopy any documents, data or correspondence furnished or disclosed to it by ITUNER without the prior written consent of ITUNER .

12. Distributor and ITUNER agree to indemnify and hold each other harmless from and against any and all claims, demands, causes of action, suits, proceedings, judgments, decrees, liabilities, losses, damages and costs (including any legal fees and expenses incident thereto) which the parties may sustain in connection with damage to an indemnified party's property or injury to the person or property of others caused by, arising out of, or resulting from the indemnifying party's negligence or the negligence of the indemnifying party's employees, salesmen, agents or affiliates.

13. Distributor shall not assign this Agreement nor any rights hereunder, including any assignment by merger, sale or operation of law, without the prior written consent of ITUNER . Subject to the foregoing, this Agreement shall bind and inure to the benefit of the respective parties hereto and their heirs, personal representative, successors and assign.

14. Any disputes or disagreements arising out of or relating to this Agreement, which cannot be settled by the parties on a mutually satisfactory basis shall be resolved by binding arbitration in Washington, D.C., in accordance with the rules of the American Arbitration Association, by three arbitrators appointed in accordance with such Rules.

ITUNER NETWORKS CORPORATION:

By: _____

Name: _____

Title: _____

Address: 3071 Southwycke Terrace

Fremont, CA 94536

Telephone: _____ Fax: _____

DISTRIBUTOR:

By: _____

Name: _____

Title: _____

Organization: _____

Address: _____

Telephone: _____ Fax: _____