



TERMS AND CONDITIONS OF CHARITY TUNES INC.'S FUNDRAISING SERVICE

Charity Tunes Inc. ("Charitytunes"), whose principal office is at 1511 West 40th Avenue Vancouver, BC Canada V6M 1V7, operates a website under the URL www.charitytunes.com ("the Website") and offers web-based fundraising services.

These are the Terms and Conditions on which the Charity, whose details appear in the Charity Subscription Form, may use Charitytunes' Fundraising Service ("the Service"). By filling in the Subscription Form and returning it to Charitytunes, the Charity is agreeing to these Terms and Conditions.

1. Charitytunes agrees that it will:

1.1 Open and maintain a Charity Trust Funds Account ("Trust Funds Account") being a pooled trust account in which monies are held in trust for the benefit of the Charity and other charitable causes and that do not belong to Charitytunes.

1.2 Collect for the Charity an amount equal to 10% of the purchase price of a song (or more than 10% if specially designated by an artist or otherwise) (the "Donation") for which the customer (the "Customer") selects the Charity as the recipient of the donation. For purposes of this agreement the Customer is someone who purchases a song or songs from the Website.

1.3 Collect for the Charity an amount equal to 10% of the purchase price of a song (less any transaction fees) for which the purchaser purchases a song after clicking a banner which lists the Charity as the recipient of the donation.

1.4 In the event that more than US \$100.00 is owed to the Charity by Charitytunes for a calendar quarter, within thirty days of the end of the calendar quarter, Charitytunes shall provide the Charity with a written statement detailing the amount of donations it has collected, and transfer such money to the Charity.

1.5 In the event that not more than US \$100.00 is owed to the Charity by Charitytunes for a calendar quarter, such amount will carry over until the next calendar quarter until at such time the amount owed to the Charity exceeds US \$100.00.

1.6 In the event that not more than US \$100.00 is owed to the Charity by Charitytunes by the end of a calendar year, within thirty days of the end of the calendar year, Charitytunes will transfer such amount owing to the Charity.

1.7 In the event that donations to the Charity exceed US \$500.00 for a calendar quarter, Charitytunes will provide the Charity with access to a secure, password and/or PIN-protected Charity Account on the Website where the Charity can view and download details of donations made to the Charity and details of payments made by Charitytunes to the Charity.

2. The Charity agrees that it shall:

2.1 Ensure that the content and information supplied by it to CharityTunes for display on the Website will not be in violation of any law or regulation or be defamatory, obscene or breach any intellectual property rights of a third party or breach any right or duty owed to a third party.

2.2 Grant to Charity Tunes a non-exclusive license to use its Name and Trademark for use on the Website solely for the purpose of identifying the Charity and to assist in generating donations. The Charity may revoke such license at any time by giving written notice to Charity Tunes.