

ART PUBLISHING AGREEMENT

This ART PUBLISHING AGREEMENT (the "Agreement") is made the _____ day of _____, 2004, by and between _____ whose address is _____ (the "Artist"), and Verona Studios which maintains offices at 1301 E. Chestnut Avenue, Suite E, Santa Ana, California 92701 (the "Publisher"), each individually referred to as a Party and collectively as Parties.

RECITALS

WHEREAS, the Publisher is engaged in the business of publishing, promoting, distributing and selling visual art prints, and

WHEREAS, the Artist desires to grant (license) the Publisher the rights to publish, produce, distribute, sell and sublicense rights for certain visual art prints in limited editions and will grant the Publisher exclusivity as set forth herein, and

NOW THEREFORE, in consideration of the mutual promises and undertakings hereinafter set forth, the Parties agree as follows:

1. Artist Submission of Images. Artist shall submit original two-dimensional artwork for limited edition print reproduction for consideration by Publisher. Submissions by the Artist shall be in the form of a four by five inch (4" by 5") transparency and color copy, or photo of for each original image for color proofing.

2. Publisher Approval of Images. The Artist agrees to consult with the Publisher in the performance of the foregoing obligations and in this connection agrees to allow the Publisher to approve or reject the images submitted. Publisher will notify Artist in writing of acceptance or non-acceptance within thirty (30) days of receipt of images for review ("Approved Images"). Non-accepted images will be returned to artist's control with in 30 days upon rejection.

3. License Granted. Artist shall grant exclusive publishing rights of Approved Images, for the Term of this Agreement. The Artist agrees that during the Term of this Agreement, he or she will not make or authorize or license or in any other way permit the publication or exploitation of Approved Images except with the express written consent of the Publisher.

4. Production of Prints. The size of the prints for each image will be determined by the Publisher. The Publisher, at whatever premises or with whatever parties it chooses, will produce the prints and all costs of such production will be paid entirely by the Publisher. Parties recognize and agree that the Artist will be obligated to sign any print (edition, deluxe, or artist proof). The Artist shall be available to the Publisher for consultation or aesthetic problems encountered in the course of production, for the

examination of successive trial proofs, for the making of such corrections in the plates as may be necessary, and for the signing of the final prints. In furtherance of the foregoing, the Publisher or its printer will produce proofs of all images for the Artist, and the Artist agrees to review proofs and make any corrections in a timely manner. The Artist will have right of approval over all aesthetic and production decisions relating to the prints. Publisher will pay all production and distribution costs. Conversely the Artist will not be responsible for any cost related to the creation, production, promotion and distribution of the prints.

5. Royalty Due Artist. The Artist will be entitled to receive a fee based upon gross sales generated by the Publisher for the publication and/or sublicensing of Approved Images ("Sales Price"). This fee will be calculated as follows: twelve percent (12%) of the Sales Price for prints sold; and sixty-five (65%) of the Sales Price for original works sold. Sales Price as used herein shall be the gross amount that the Publisher is entitled to receive from any purchaser. The Artist shall not be entitled to any fee in connection with the disposition of proofs owned outright by the Publisher.

6. Accounting. Publisher shall provide the Artist with a quarterly statement within fifteen (15) days of the end of each calendar quarter, commencing fifteen (15) days after the end of the first full calendar quarter. This statement shall set forth the amount of prints shipped during the prior period and the sales price achieved for the sales of those prints and shall be accompanied by a payment for the amount due the Artist on account of the number of prints shipped and the sales price for such prints. The Publisher shall keep proper books and records of account in which full and correct entries of all its dealings and transactions shall be made. The Artist and any person appointed by him for the purpose shall have access to such books and records at all reasonable times during the usual business hours, and shall have the right to examine these records insofar as they relate to the subject matter of this Agreement. The Artist shall bear the cost of the examination unless errors of accounting are found requiring an adjustment in the Artist's favor amounting to five percent or more of the total sums theretofore paid the Artist, in which case the cost of the examination shall be borne by the Publisher.

7. Termination. This Agreement may be terminated by either party effective sixty (60) days from the delivery of written notice. Upon termination, Publisher will fully account to the Artist within thirty (30) days and make any payments due for all prints produced which are not as of the termination date in the possession, custody or contract of the Publisher. Publisher shall have the right for a period of six (6) months from termination of this Agreement or any extension thereof (the "Sell-Off Period") to sell inventory of any undistributed prints by the Artist on hand subject to the terms and conditions of this Agreement.

8. Relinquishment. If for any reason, the Publisher fails to publish a selected image within two (2) years of approval thereof, then the Artist shall have the right to demand the image be published within ninety (90) days otherwise the Publisher shall forfeit its rights with respect to that particular image.

9. Copyright. The Artist expressly reserves all copyright rights in and to the images and the prints published hereunder. This Agreement is not intended to transfer any such rights to the Publisher. However, at its sole discretion, the Publisher may register each of the works (each image as represented in a print) with the United States Copyright Office. Any cost associated with such action shall be paid by the Publisher.

10. Promotional Uses. Publisher will have the right to use the Artist's name, likeness and biographical information (which the Artist agrees to provide) in connection with the exercise of Publisher's rights as provided herein. However, in the event of any such use the Artist shall have the right to approve the final copy of any and all materials prior to any public use. Artist agrees to respond in a timely manner to requests for approval.. The Publisher may use selected images in digital and print form for product promotion.

11. Artist's Warranties. The Artist warrants that the images selected for use hereunder are original, that he has the full authority to grant the rights given herein, and that the work does not infringe upon any copyright or violate any contractual or other rights of any other Party. Should the artwork contain a recognizable likeness of any person, the Artist must provide the Publisher with copies of signed model releases for each such image. The Artist hereby agrees to indemnify and hold the Publisher harmless from any breach of any of the foregoing warranties.

12. Independent Parties. The Parties are acting independently and nothing in this Agreement shall constitute a partnership or joint venture. No Party shall be the other's agent and thus neither Party shall make any commitment or incur liability for which the other may be liable.

13. Governing Laws; Attorneys Fees. Arbitration of disputes: Any controversy or claim arising out of or related to this contract, or the breach thereof, shall be settled by binding arbitration in accordance with the arbitration rules of the American arbitration association, and judgment(s) may be entered in any court having jurisdiction thereof. Claims within the monetary limit of the small claims court shall be litigated in such court at the request of either party. So long as both parties limit their right to recovery to the jurisdiction of the small claims court. By signing the space below you are agreeing to have any dispute arising out of the matters included in the 'Arbitration of disputes provision' decided by neutral arbitration as provided by California Law and you are giving up any rights you might possess to have the dispute litigated in a court or jury trial.

14. Entire Agreement; Amendments. This Agreement sets forth the entire understanding between the Parties and supersedes all previous Agreements, arrangements, and understandings between the Parties, whether verbal or written, and may not be amended except in writing by both Parties jointly.

15. Signatures; Counterparts. A facsimile signature shall serve as an original signature. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which shall, when taken together, constitute a single document

IN WITNESS WHEREOF, the Parties have executed this Agreement as of this
__ day of _____, 2004.

ARTIST

By: _____

Date _____

PUBLISHER

Verona Studios

Date _____