

RECORD COMPANY POLICY STATEMENT

Record Company Name: _____
Address: _____
City: _____
State: _____
Telephone: _____

GENERAL POLICY STATEMENT - EFFECTIVE IMMEDIATELY

TO ALL DISTRIBUTORS

ALL RECORDED MATERIAL

1. TERMS: The distributor shall be invoiced after shipment of each order. Our billing terms shall continue to be 2% 10 days E.O.M. This means specifically that any order shipped and billed, prior to and including the 24th of the month is due for payment on the 10th of the following month, in order to gain the 2% discount. Any payments not received by the 25th of the month shall be considered past due and delinquent.

Any account being, and remaining, past due, without offering reasonable explanation to our office will be considered ineligible to receive further shipments and may, after notice to you, be turned over to the legal department for immediate collection.

2. FREIGHT: We will share equally in freight costs. Shipments are made collect and you bill us for one half the cost. Note, we must have documents supporting these costs.

3. RETURNS: You will be allowed a 10% return privilege providing your account is current. This 10% of course is based only on records bought and paid for and "no charge" records do not apply. All returns must be authorized in advance as we reserve the right to refuse unauthorized returns.

We feel certain that you will find this policy more than fair as it is designed to provide a smooth and clear-cut working agreement between ourselves and our distributors. Please feel free to contact me should you have any questions. In the meantime we will continue to work with you in every way possible to both provide you with and help you break more big hits in the very near future.

Sincerely,

RECORD COMPANY

BY: _____
PRESIDENT/CEO