#### IN THE SUPREME COURT OF THE STATE OF NEVADA

PLUMBERS LOCAL UNION NO. 519
PENSION TRUST FUND; AND CITY OF
STERLING HEIGHTS POLICE AND FIRE
RETIREMENT SYSTEM, DERIVATIVELY
ON BEHALF OF NOMINAL DEFENDANT
DISH NETWORK CORPORATION,

Appellants,

VS.

CHARLES W. ERGEN; JAMES DEFRANCO; CANTEY M. ERGEN; STEVEN R.
GOODBARN; DAVID K. MOSKOWITZ; TOM A. ORTOLF; CARL E. VOGEL; GEORGE R. BROKAW; JOSEPH P. CLAYTON; GARY S. HOWARD; DISH NETWORK CORPORATION, A NEVADA CORPORATION; AND SPECIAL LITIGATION COMMITTEE OF DISH NETWORK CORPORATION,

Respondents.

Electronically Filed
Mar 30 2021 12:54 p.m.
Elizabeth A. Brown
Clerk of Supreme Court
Supreme Court No. 81704

District Court No. A-17-763397-B

JOINT APPENDIX Vol. 63 of 85 [JA014460-JA014582]

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Report of the Special Litigation Committee of DISH Network Corporation and Appendices of Exhibits Thereto (Exs. 1-792; Appx. Vols. 1-50)  Evidentiary Hearing SLC Exhibit 102 <sup>2</sup>	4-73	JA000739- JA016874	11/27/18

Volumes 2-85 of the Joint Appendix include only a per-volume table of contents. Volume 1 of the Joint Appendix includes a full table of contents incorporating all documents in Volumes 1-85.

<sup>&</sup>lt;sup>2</sup> The Evidentiary Hearing Exhibits were filed with the District Court on July 6, 2020.

# EXHIBIT 720

## EXHIBIT 720

JA014460

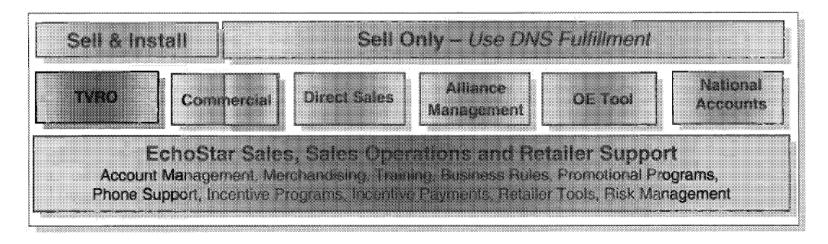


Sales Overview November 06, 2008

Sponsor: Tom Stingley

#### **US Field Sales Coverage Update**

EchoStar has a well balanced and diversified approach to sales coverage...



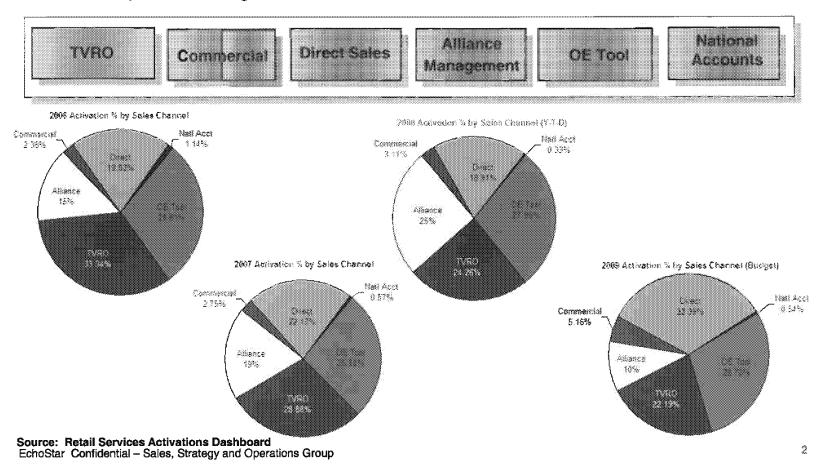
- Nationwide coverage in all 50 states with over 20,000 points of sale
- Puerto Rico & US Virgin Islands
- Consistent consumer offers regardless of channel
- Flexible support resources used to maximize efficiency

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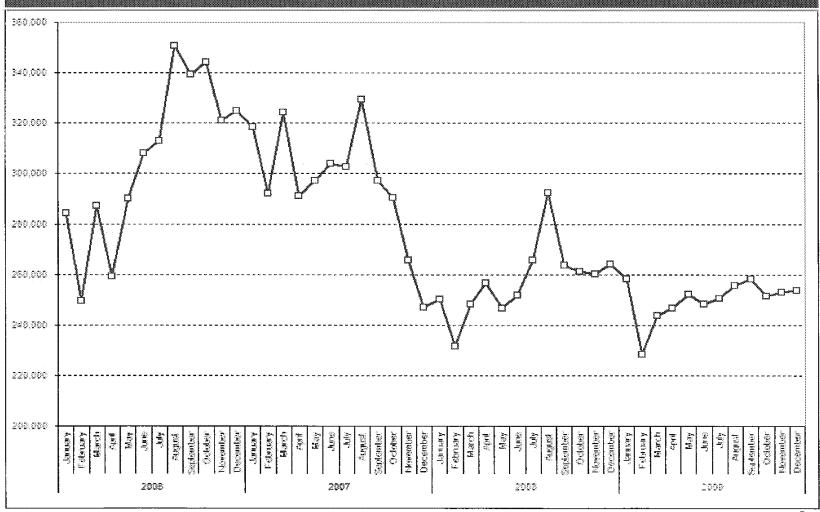
\*

#### US Field Sales Coverage Update - Changing Mix

The majority of new customer activations originated through channel partnerships but mix is now required to change...







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#### **Top Line Key Initiatives**

×	Incr	ease New Customer Activations
		Increase Direct Sales Gross Activations by (1.0MM) and Channel Share by (33%)
	Q	Significantly grow Public Private Commercial Services through Direct Sales and TVRO retailers
		Launch Aggressive Promotion on 2/1/09
		Successfully launch PACE as Telco aggregator to deliver a single bundle bill solution
		Aggressively recruit new distribution and points of sale
		Re-launch Prepaid
		Focus on recruiting and retaining Talented People!
	lmp	rove Operational Efficiency
	Q	Reallocate FSD resources from Alliance to Direct Sales
	Q	Increase DISH U™ adoption from 31% to 50% all retailer base
		Launch Model 922 STB
		Reduce inbound calls through dynamic T&Cs, W/O modification in POET and E-mail confirmations

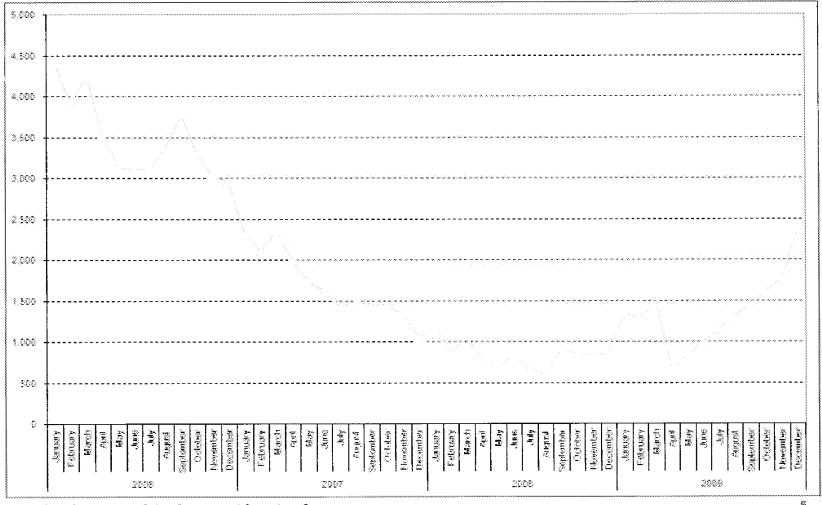
☐ Continue to align and simplify retailer compensation to meet long term DISH Network goals

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#### Key Initiatives (Contd..)

- Improve Customer Retention
  - ☐ Continue and Expand Opt-In Program
  - □ Introduce Customer Retention Program for OE and Telco partners
  - ☐ DISH Network Certified Technician Program for TVRO retailers
  - Obtain high quality subscribers with correct credit criteria in correct promotional offer
- Prevent Fraud
  - ☐ Enhance ACL tool for Retail Services Risk & Audit group to increase data availability/output speed
  - ☐ Expand Equipment Verification Team (EVT) to reduce account packing
  - ☐ Continue to monitor and take action against Retailer and Direct Sales Agents to ensure compliance

#### Gross Activations 2006 thru 2009 – National Accounts



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#### Key Initiatives 2009 - National Accounts

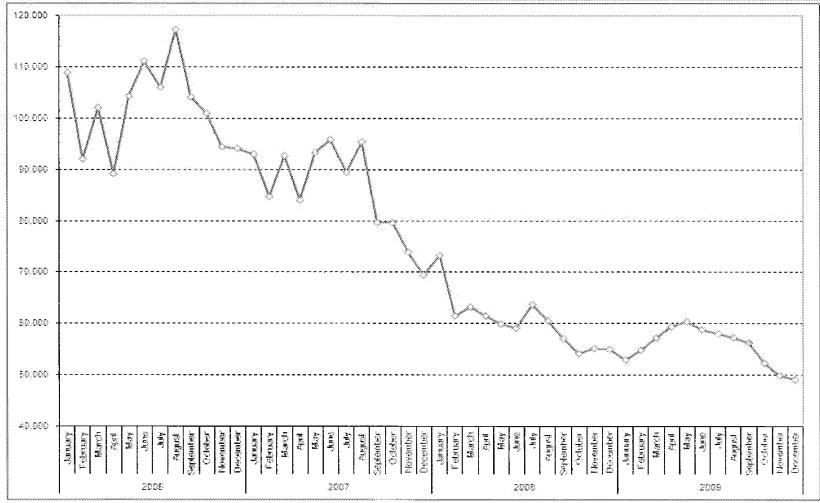
- New Customer Acquisition
  - ☐ Wireless Master Dealers (e.g., Car Phone Factory, Cellular Town, Satellite Central)
  - ☐ Big Box National Retailers (e.g., Target, Circuit City, Wal-Mart, T-Mobile)
  - Re-build Radio Shack COR store sales focus and re-sign multi-year agreement
  - □ Re-build Sears and Radio Shack Dealer Franchises
  - ☐ Re-sign multi-year Radio Shack Agreement

#### Key Challenges 2009 – National Accounts

- Main CE retailers (Best Buy, Circuit City) have compelling consumer offers w/purchase of new HDTV (\$100 - \$200 off HDTV of \$1,000 or higher) being funded by DirecTV
- Cable Companies starting to enter CE Retail environment
- Comcast staffing key accounts (Ultimate Electronics, Sears Full Line) with part time staff focused on Video Departments

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#### Key Initiatives 2009 – TVRO

- New Customer Acquisition
  - Expansion of Retailer Distribution and New Points of Sale. Recapture Retailer Mind Share!
  - ☐ Target Top DirecTV Retailers
  - Grow Commercial Business
    - ✓ Add Local Area Managers and Account Executives to the team to refocus TVRO retailer
    - Realign incentive structure and quota
- Improve Operational Efficiency
  - Centralize Business Development and Marketing

#### Key Challenges 2009 – TVRO

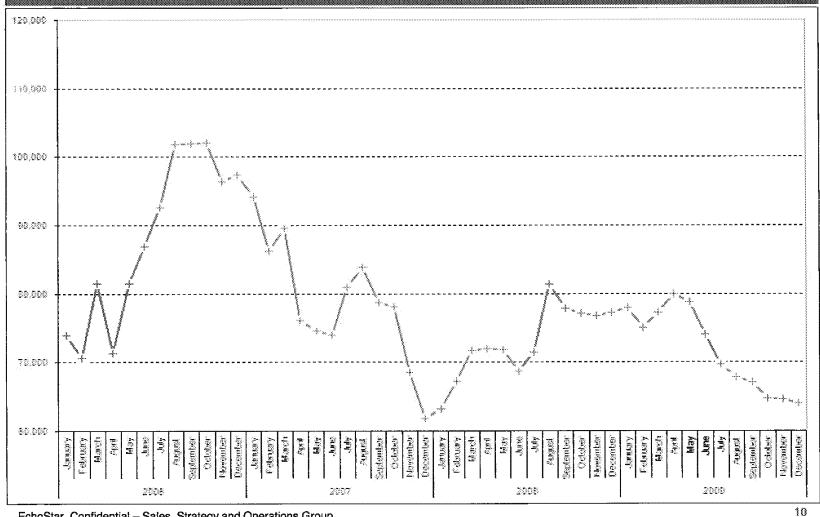
- Retailer Mindshare.
  - □ DTV has won a significant amount of retailer mindshare throughout 2007/2008 through aggressive promotions, easier consumer qualifications and exclusive/discretionary economics
- Loss of Momentum
  - Retailers have transferred significant amt effort to selling DTV. Sales staffs are used to selling the competitor. Marketing strategies have been evolving around our competitor's product not ours. The ones who haven't switched the business to DTV have downsized dramatically, many have moved to smaller locations and laid off staff
- Overcoming Spanish Language Content
  - ☐ The loss of critical Spanish Language content, especially Gol TV, negatively impacted the TVRO business. Retailer's focusing in the Latino market have moved their business almost totally to DTV, gone out of business or downsized dramatically

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#### Gross Activations 2006 thru 2009 - OE Partners



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#### **Key Initiatives 2009 – OE Partners**

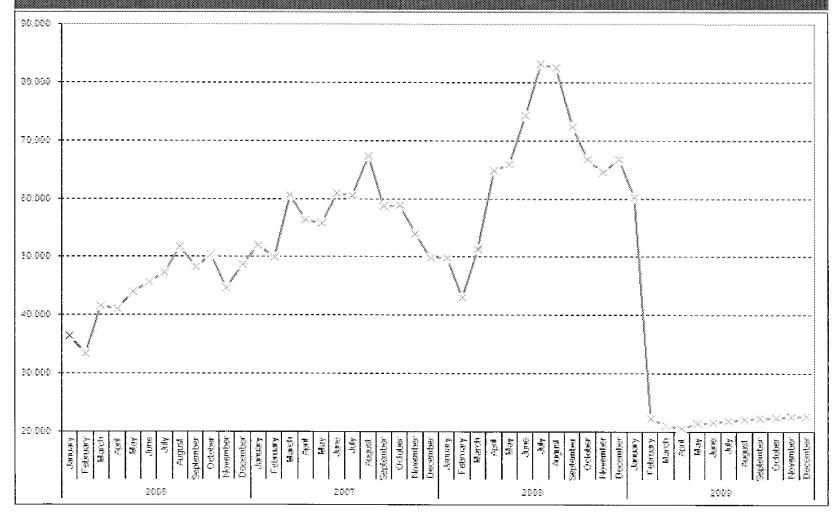
- New Customer Acquisition
  - ☐ Continue to add new points of distribution with focus on **QUALITY** OE retailers.
  - More stringent qualification process.
  - Target our top TVRO retailers to expand to OE model and take out of market
  - Launch OE tool to all retailers via R-Connect with highly reduced economics
- Reduce Churn
  - ☐ Introduce OE Partner CRP Program
- Prevent and Monitor Fraud take swift and decisive action against fraudsters

#### Key Challenges 2009 - OE Partners

- Fraud
  - The inability of our systems to detect duplicate account fraud will remain a top challenge until front end systems are fully fixed
- Cost per Sale
  - The average OE retailer's cost per sale skyrocketed in 2008 pushing many to the brink of failure. We have to teach the retailers how to sell at lower acquisition cost and higher quality
- Economy
  - Challenging marketing environment forcing retailers to be creative and frugal
- Compliance
  - ☐ Making sure retailers are practicing full disclosure, have effective sales scripting, and real time call monitoring by DISH Network

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### Gross Activations 2006 thru 2009 – Alliance Partners



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#### Key Initiatives 2009 – Alliance Partners

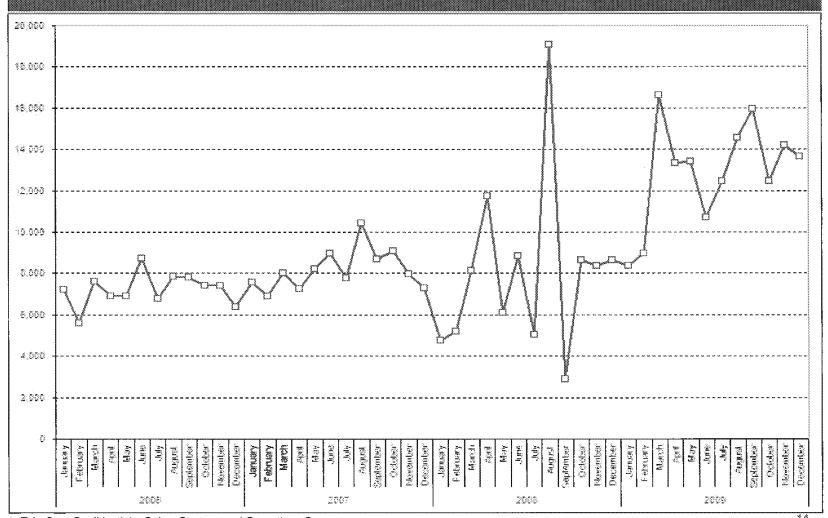
- New Customer Acquisition
  - □ Replace AT&T Distribution
    - ✓ Renew Alliance Management Telco contracts
    - ✓ CLECs (eg. Grande Communications, Birch Comm.)
    - ✓ Third and fourth tier Telcos (1,182 small ILEC's) using Pace Electronics as aggregator.
    - √ VOIP Companies (eg. Vonage)
    - ✓ Rollout Model 922 Integrated STB solution for TBF members (IPVOD)
- Improve Customer Retention
  - Monitor and take action on ATT Churn
  - ☐ Continue and Expand Opt-In Program (Reduce churn by up to 20 40 bps/mo)
    - ✓ Target existing DISH customers in competitive high churn markets served by Telco

#### Key Challenges 2009 - Alliance Partners

- Loss of AT&T
- Sluggish economy could impact Telco GSA targets due to reduced focus/marketing spend
- IT resource constraints could impact launch of Pace until Q2 `09
- Aggressive marketing (by AT&T/DirecTV) could increase AT&T|DISH churn

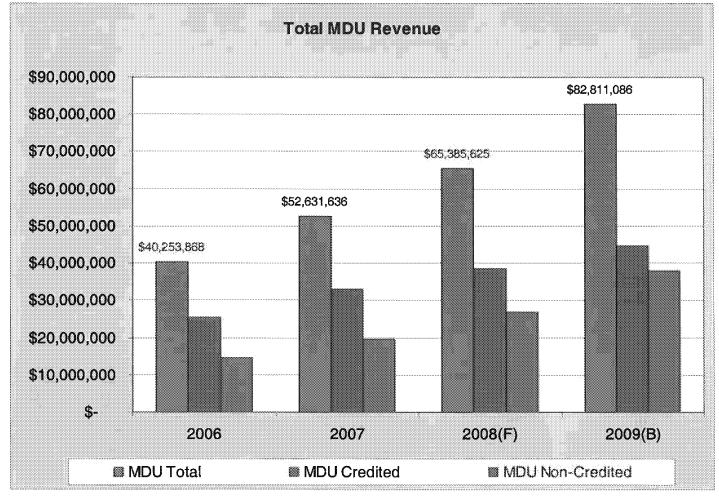
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#### **MDU** Revenue

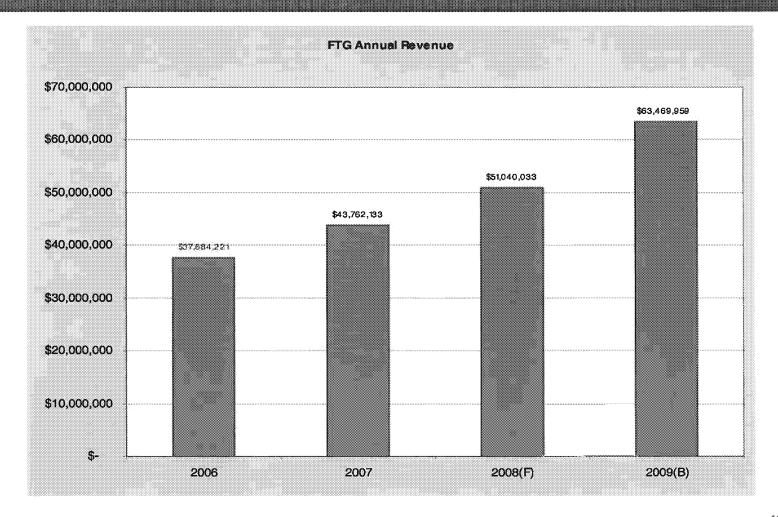


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#### FTG Revenue

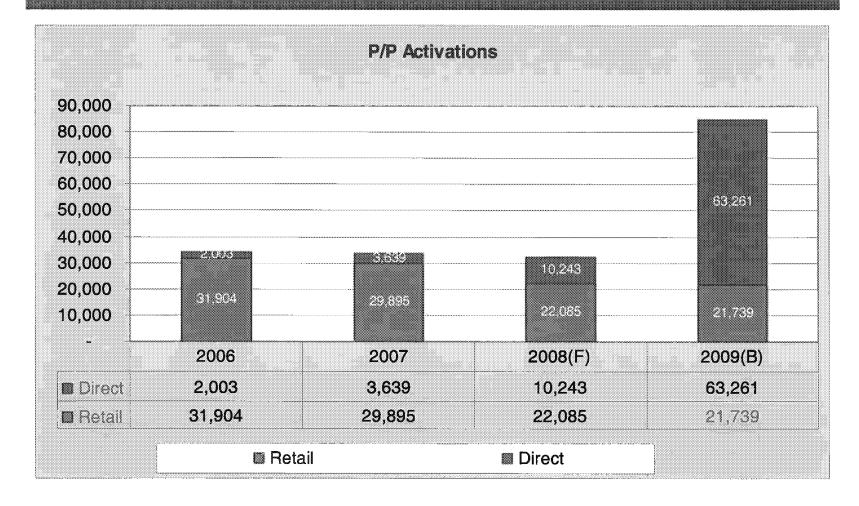


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#### **Public Private Activations**



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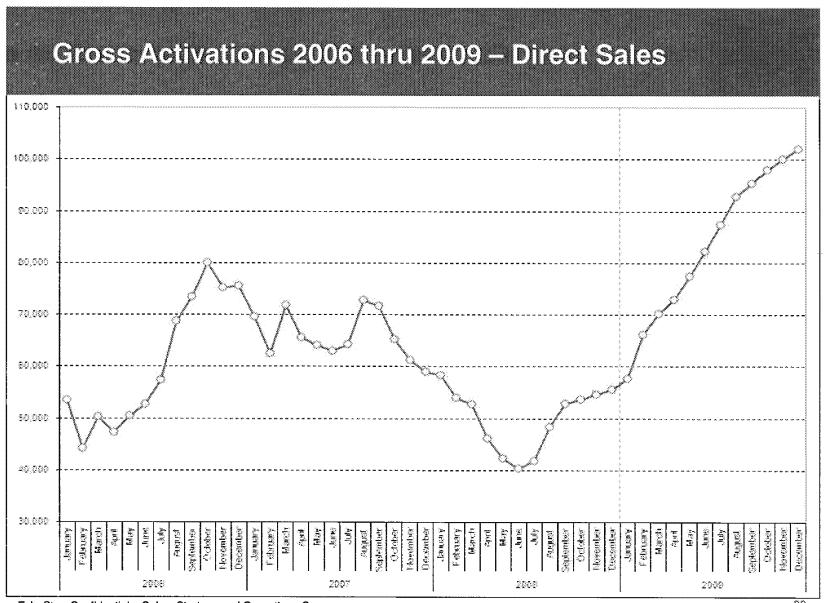
#### **Key Initiatives 2009 – Commercial Services**

	New Customer Acquisition
	☐ Drive Direct Sales via improved web presence and ordering capabilities (6x)
	☐ Execute Results in Outside Door to Door Direct Sales Team
	☐ Execute Agency program to allow OE/Telco partners to sell commercial products
	Redesign the Commercial web site for Retailer Support
	☐ Introduce an HDTV Turn Key Lease offer for Retailers
	Improve Customer Retention
	Offer upgrade promotions through DIU
	Commercial subscriber credit checks to ensure higher quality acquisition
	□ Allow other businesses to refer new customers through ClubDISH
	Offer DISHMovers to businesses relocating their services
	Offer DISH Pause to seasonal and other businesses
	Prevent Fraud
	☐ Increase PCO audits
	Improve Operational Efficiency
	☐ R*Connect support for Public/Private sales
	☐ APIs for PCOs to reduce Call to CSC
	☐ PCO use of Retailer Care Site
EchoStar	Systemic revenue settlement capabilities Confidential – Sales, Strategy and Operations Group

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#### Commercial Services 2009 - Key challenges

- Tactics and Urgency within the Enterprise to capture additional market share in the Public/Private
  - Acquisition and Retention Marketing to drive inside channel sales and manage to lower churn
  - ☐ Profitable scaling of the Outside sales channel (attrition challenges, coupled with challenges of building all direct sales and mgmt tactics as part of channel turn-up). We need to move FASTER!
- Regulatory changes for MDU channel prohibition of exclusive agreements for cable operators and telco's ... Could extend to DBS and market perception is that it does today.
- Economic conditions likely to slow Hotel service upgrades, small business and National Account adoption. Focus on SAVE message!!
- Cable-based triple play offers becoming a viable threat in small business market.



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#### **Direct Acquisition Lifecycle**

STAGE	INTEREST	CONTACT	SALE	ACTIVATION
DETAILS	Customer decides to contact Dish Network	Contact with Dish Network takes place	Customer places order through a direct channel	Customer gets installed and account is activated
GOAL	Motivate the highest number of target customers to contact Dish Network	Successfully establish contact with the customer	Close on all qualified customers contacted	Install all customers that were sold
STAKEHOLDERS	Marketing Field Sales Direct Sales	Marketing CSC Direct Sales	CSC Direct Sales	DNS Direct Sales
MAIN METRICS	Call Volume Response Ratio CPA	Abandonment OTM Leads dialed Website cart entries	Close Ratio Cart Conversion Sales per Hour	Completion
CHALLENGES	CPA restrictions Approval process Reporting	Staffing Contact Volume Reporting	Selling Skills Web Sales fulfillment Reporting	Resources Reporting
2009 ACTIONS	Focus on Key Targets Super-charged Web	Call Center Strategy OTM Lead Strategy Field Sales	Call Center Strategy Hiring Strategy Sales Training	2nd Phone collection E-mail collection MDU Strategy

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#### 2009 Goal Breakdown

2009 Goal	Asset	% Tetal
Inbound	813,122	81.2%
Online	120,000	12.0%
Outbound	47,410	4.7%
Field Sales	10,560	1.1%
EVT	10,728	1.1%
(ata)	1,001,821	*

Assumptions	Goal
Close Ratio	27.0%
Completion	80.0%
Abandonment	3.0%
Finance Adjustment	89.0%

Note: All goals are post-financial adjustments

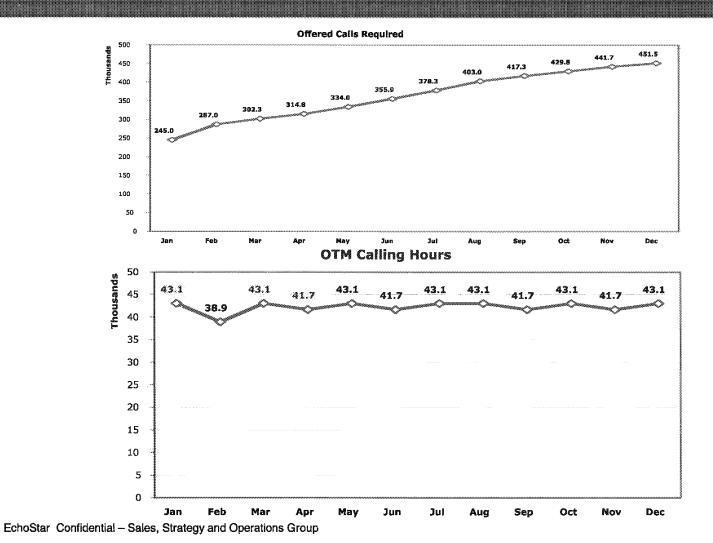
- To reach Goal in 2009, the Direct Acquisition business will have to go through significant changes
- Improvement required in each stage of the lifecycle



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#### **Inbound & Outbound Calls Required**



#### Key Initiatives 2009 - Direct Sales

- New Customer Acquisition
  - ☐ Increase Gross Activations (1.0MM) and Channel Share (33%)
    - ✓ Represents approximately a 75% increase in Gross Activations
    - ✓ Expand presence in all effective marketing channels OWN Media/Online
    - ✓ Improve web presence and ordering capabilities (Web → CSR → CLOSE)
    - ✓ Develop Affinity Sales Programs
    - ✓ Develop Field Sales Presence for Direct Sales
    - ✓ Target DirecTV Subscribers
  - ☐ Increase Sales Capacity
    - ✓ Increase total number of agents supporting Direct Sales
    - ✓ Pilot sales focused micro-sites in areas that have sales oriented recruiting base
- Improve Operational Efficiency
  - Improve Sales Performance
    - ✓ Specialized focus on individual segments of the business
    - ✓ Dedicated resources for Quality, Training and Process Improvement
    - ✓ Further align compensation plans to incent quality sales
- Prevent Fraud
  - ☐ Expand Equipment Verification Team (EVT)
  - ☐ Rigorously monitor Direct Sales activities to ensure compliance

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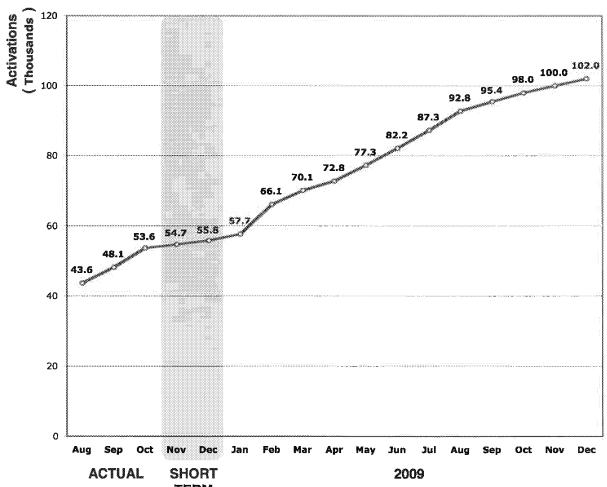
#### Key Challenges 2009 - Direct Sales

Call Volume
☐ Reach the required level of inbound calls on a consistent basis
☐ Increase the percentage of calls from qualified customers
Staffing
☐ Increase the number of Direct Sales agents to handle call volume
□ Continuously hire enough new agents to replace bottom performers
Sales-Centric Call Centers
☐ Ramp up two dedicated Sales Call Centers in areas that have capacity to yield an aggressive sales workforce
☐ Move from a cost-per-minute mentality to a cost-per-acquisition one
Reporting
Obtain accurate and detailed reporting on a close to real-time basis
IT Resources
□ Allocate resources to mission-critical projects
✓ Real Time reporting
✓ Competitive Intelligence Tool
✓ Improve Web to Drive Call Volume
Reduce number of existing customers on the sales line
Leadership Development
☐ Develop and recruit leaders that can take the Direct Sales organization to the next level
Exclusive Offers
□ Create consumer offers that are exclusive to the Direct Channel
✓ Gift with Purchase/Closing Coupon
✓ 24 Hour Install

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#### THE CHALLENGE AHEAD !!!

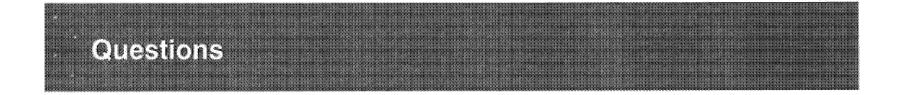


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#### **New Customer Offer**

#### \$9.99 per month for 6 months

### for TurboHD Bronze, Classic Bronze, Combo PLUS get 3 months free of HBO and Showtime\*

#### <u>Eligibility</u>

- □ DHA 24 Month Commitment required
- Qualified Programming:
  - ✓ Classic Bronze 100 or higher
  - √ TurboHD Bronze or higher
  - ✓ Classic Bronze Combo or higher
  - ✓ Customer must remain in good standing to receive benefit
- Customer must maintain minimum qualified programming to receive benefit (cannot downgrade to programming below TurboHD Bronze or Classic Bronze)

\*or Starz, pending negotiation

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#### Commercial Public/Private

### \$9.99 per month for News & Finance, Entertainment, and Kids & Education packages Monthly savings (for 6 months) vs. "regular" price

	Base Package	Combo (w/Turbo HD)
N&F, Ent, K&E	\$20	\$20
Max View	\$25	\$25
Private Plus	<b>\$32</b>	\$32

#### Rationale:

- Value-focused offer highly appealing to business owners looking to save money in worsening commercial climate
- Using same promo price point as residential creates marketing/advertising synergies (commercial tag on residential ads)
- Average Public/Private customer life = 55 months

#### **Eligibility & Business Rules:**

- •DBA 24 month commitment
- Business Credit Check
- Qualified programming unchanged, must maintain minimum

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# EXHIBIT 721

## EXHIBIT 721

JA014492

Krakauer v. Dish Network 1:14-CV-00333-CCE-JEP DX-83

## ECHOSTAR SATELLITE, L.L.C. "DO-NOT-CALL" POLICY

### IN COMPLIANCE WITH THE THE TELEMARKETING SALES RULE OF 2003

AND

TELEPHONE CONSUMER PROTECTION ACT OF 1991 (T.C.P.A.)

AND

THE TELEMARKETING AND CONSUMER FRAUD AND ABUSE PREVENTION ACT OF 1994

AND

**ACCOMPANYING REGULATIONS** 

(Revised Revised March 20, 2008)

DX-83 Page 1 of 3

Dish-00006052 SLC\_DNC\_Invest**jge(i)c)14\_0013**045 ECHOSTAR DO-NOT-CALL POLICY

I. INTRODUCTION

EchoStar has implemented this Do-Not-Call Policy in order to protect the privacy rights of

consumers and to promote compliance with applicable laws and regulations. EchoStar intends to

honor the request of any person who opts not to receive telephone solicitations.

П. **DO-NOT-CALL POLICY** 

EchoStar maintains a list of phone numbers of persons who have indicated that they do not

wish to receive solicitation calls. The phone number of any person who informs EchoStar that he or

she does not wish to receive solicitation calls is placed on EchoStar's Do-Not-Call list. A request

may be communicated by means of: 1) advising an EchoStar Customer Service Representative by

phone; or 2) advising EchoStar in writing. Oral requests should be made by calling EchoStar's

Customer Service Center at 1-800-333-DISH or by stating the wish to be placed on EchoStar' Do-

Not-Call list while on an phone call initiated by EchoStar. Written requests should be sent to:

EchoStar Satellite, L.L.C., Attention: Do Not Call, P.O. Box 9008, Littleton, Colorado 80120. All

EchoStar employees who conduct outbound solicitation calls will be instructed on company policy

and provided with guidance on how to add numbers to EchoStar's Do-Not-Call list.

A. GOVERNMENT CONTROLLED DO-NOT-CALL LISTS

It is Echostar's policy to obtain state and federal Do-Not-Call list(s), and fully comply

with legislation regarding the calling of phone numbers on these lists. EchoStar's Do-Not-Call

list will be updated within 30 days of receipt of the state Do Not Call list, or such shorter time if

required by state law.

B. **COMMUNICATION** 

WHAT TO SAY WHEN A PARTY REQUESTS TO BE ADDED TO OUR DO-NOT-CALL

LIST:

DX-83 Page 2 of 3

Dish-00006053

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"Mr.(s) \_\_\_\_\_\_, please excuse this call, I will have your phone number removed from our calling list immediately."

#### WHAT TO SAY IF A PERSON REQUESTS A COPY OF OUR "DO-NOT-CALL" POLICY:

"Mr.(s) \_\_\_\_\_, we will be happy to send a copy of our Do-Not-Call policy to you. Please let me confirm your address and we will mail you a copy. Thank you for your interest."

#### C. UPDATING THE DO-NOT-CALL LIST

If a non-customer or existing Dish Network subscriber calls in to request exclusion from solicitations, the inbound Customer Service Representative will submit the request to EchoStar' Do-Not-Call database via an internal web page. If an outbound Customer Service Representative receives a Do-Not-Call request from a non-customer or existing DISH Network customer, the Customer Service Representative will mark the account as "Do Not Call" in the dialer. Data is downloaded from each dialer and updates EchoStar's Do-Not-Call database each morning. Account in EchoStar's Do-Not-Call database, whether marked manually by an inbound Customer Service Representative or by download, are excluded from any future telemarketing solicitation.

#### III. OTHER CALLING REQUIREMENTS

In addition to any specific training, instruction or other requirements, all EchoStar employees placing outbound solicitation calls must comply with the following:

- 1) Calls may only be placed between the hours of 8:00 a.m. and 9:00 p.m., local time of the called party or as specific state law regulates.
- 2) Use of an artificial or prerecorded voice to deliver a message to any residential phone line is prohibited. Thus said, we do deliver automated messages to only our existing subscribers for the purpose of customer service reminders such as when a credit card expires.
- When making a call, provide the potential customer with your name and that you are calling on behalf of "DISH Network."
- 4) Advertisements may not be transmitted by any device to a telephone facsimile machine unless the person receiving the facsimile has given prior express invitation or permission to receive it.

DX-83 Page 3 of 3

# EXHIBIT 722

## EXHIBIT 722

JA014496

#### REFERRAL MARKETING SERVICES AGREEMENT

This Ref	erral Marketing	Services .	Agreement	(the	"Agreement	") is mad	de and	effective a	s of
	_, 2010 (the " <u>Ef</u>	fective Da	ate"), by ar	nd be	tween DISE	<b>Networ</b>	k L.L	C. (" <u>DISH</u> "	'), a
Colorado limited	d liability compa-	ny having	a place of	busin	ess at 9601	S. Meridi	ian Bl	vd., Englewo	ood,
Colorado	80112,	and						,	a
			having	a	principal	place	of	business	at
("Marketing Coordinator").									

#### INTRODUCTION

WHEREAS, DISH is engaged, among other things, in the business of providing digital direct broadcast satellite ("DBS") services under the name DISH Network®;

WHEREAS, Marketing Coordinator, acting as an independent contractor, desires to become authorized, on a non-exclusive basis, to serve as an intermediary to direct and support Promoters (as defined below) in the Territory (as defined below) with respect to the marketing and promotion of Programming (as defined below) and Other Authorized Products and Services (as defined below) by such Promoters (an "Authorized Marketing Coordinator") subject to and in accordance with the terms and conditions of this Agreement and applicable Referral Marketing Policies; and

WHEREAS, DISH desires to appoint Marketing Coordinator as an Authorized Marketing Coordinator in accordance with and subject to the terms and conditions of this Agreement;

NOW, THEREFORE, in consideration of the mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

#### **AGREEMENT**

- **1. DEFINITIONS** In addition to the capitalized terms defined elsewhere in this Agreement, the following definitions shall apply to this Agreement:
- "Affiliate" means any person or entity directly or indirectly controlling, controlled by or under common control with another person or entity.
- "Any Time" means any time and from time to time.
- "Chargeback" means DISH's right to reclaim Incentives pursuant to the terms and conditions of this Agreement (including without limitation as may be set forth in any exhibit(s) hereto) and applicable Referral Marketing Policies.
- "Commercial Location" means a Public Commercial Location and/or a Private Commercial Location.
- "Commercial Programming" means the Programming that DISH generally makes available for viewing in Commercial Locations subject to any restrictions (geographic, blackout or otherwise) as

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DISH may impose on some or all of such programming services at Any Time and in its Sole Discretion. DISH reserves the right to change the Commercial Programming offered and/or any restrictions applicable to such Commercial Programming at Any Time and in its Sole Discretion.

"<u>DISH DBS System</u>" means a satellite receiver, which for purposes of this Agreement shall mean a single standalone electronic device, and related components (if any) packaged therewith, intended to be utilized solely for the reception of Programming delivered by satellite transponders and/or Internet servers owned, leased and/or otherwise controlled or operated by DISH and/or any of its Affiliates.

"DISH Subscriber" has the meaning set forth in Section 13.2 of this Agreement.

"EFT" means the electronic transfer of funds from one financial institution to another.

"<u>Eligible Programming</u>" means collectively, Eligible Residential Programming and Eligible Commercial Programming.

"<u>Eligible Commercial Programming</u>" means the Commercial Programming packages designated by DISH as qualifying for payment of Incentives under this Agreement, as set forth in applicable Referral Marketing Policies.

"Eligible Residential Programming" means the Residential Programming packages designated by DISH as qualifying for Incentives under this Agreement, as set forth in applicable Referral Marketing Policies.

"EZ 1-2-3 Marketing Materials" those marketing materials provided or otherwise made available to Marketing Coordinator by DISH from time to time for distribution to, and use by, Promoters to market and promote Programming and/or Other Authorized Products and Services under the EZ 1-2-3 Referral Marketing Program, subject to and in accordance with this Agreement and applicable Referral Marketing Policies. Marketing Coordinator shall not provide EZ 1-2-3 Marketing Materials to any person or entity other than to Promoters. Furthermore, Marketing Coordinator shall not sell EZ 1-2-3 Marketing Materials under any circumstances unless Marketing Coordinator is expressly authorized to do so in a writing signed by an Executive Vice President of DISH (or his or her designee). Except as expressly set forth in a writing signed by an Executive Vice President of DISH (or his or her designee), Marketing Coordinator shall not, and shall ensure that Promoters do not, alter or modify any of the EZ 1-2-3 Marketing Materials in any manner whatsoever. With respect to the EZ 1-2-3 Referral Marketing Program and as otherwise set forth in applicable Referral Marketing Policies, Marketing Coordinator shall be solely responsible for ensuring that the applicable Promoter ID (as defined in Section 6.6.1 of this Agreement) and such other information related to Promoters as may be specified by DISH at Any Time and in its Sole Discretion, is legibly printed in the designated space(s) provided in the EZ 1-2-3 Marketing Materials.

"EZ 1-2-3 Referral Activation" means, with respect to the EZ 1-2-3 Referral Marketing Program and subject to applicable Referral Marketing Policies, the activation of a new Subscriber Account with Programming for a Referral (as defined in the definition of "Referral Marketing Program") that results directly from a telephone call placed by such Referral to DISH using an EZ 1-2-3 Telephone Number (as defined in Exhibit A to the Agreement) designated in applicable Marketing Materials during which:

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(i) such Referral provides DISH with Marketing Coordinator's DISH-assigned unique identification code or number, as such code or number may be changed by DISH at Any Time and in its Sole Discretion upon notice to Marketing Coordinator (each, a "Marketing Coordinator ID"); or (ii) DISH otherwise receives Marketing Coordinator's Marketing Coordinator ID as a result of such Marketing Coordinator ID's being tied in DISH's order entry systems to the applicable EZ 1-2-3 Telephone Number. For clarity, DISH may (but shall be under no obligation to), at Any Time and in its Sole Discretion, develop, implement or make available systems and/or other technologies to automatically obtain Marketing Coordinator's Marketing Coordinator ID as a result of a telephone call from a Referral without such Referral having to directly provide the same to DISH.

"EZ 1-2-3 Referral Marketing Program" means the Referral Marketing Program described in Section 5 of this Agreement and any successor program thereto (as may be established by DISH at Any Time and in its Sole Discretion) whether under the same or a different name. Notwithstanding anything set forth to the contrary in this Agreement, the EZ 1-2-3 Referral Marketing Program shall be subject to applicable Referral Marketing Policies and may be suspended, modified or terminated at Any Time and in DISH's Sole Discretion.

"Incentives" means, collectively, those incentives and other payments (by way of example and not limitation, activation payments, marketing allowances and/or other merchandising incentives) that Marketing Coordinator may be eligible to receive for the activation of Eligible Programming for a new Subscriber Account, or otherwise with respect to the sale, lease, provisioning or other transfer of Other Authorized Products and Services to a qualifying Referral under such Referral Marketing Programs as DISH may make available to Marketing Coordinator at Any Time and its Sole Discretion.

"Marketing Coordinator Account" means the bank account, including without limitation, account and ABA routing numbers, designated by Marketing Coordinator in the manner prescribed by DISH, which Marketing Coordinator may change from time to time by providing DISH with at least sixty (60) days' prior written notice.

"Marketing Coordinator-Promoter Agreement" means any agreement (whether written or oral) between Marketing Coordinator and a Promoter. Notwithstanding anything set forth to the contrary in this Agreement, Marketing Coordinator agrees that any Marketing Coordinator-Promoter Agreement related to the marketing and promotion of Programming, Other Authorized Products and Services and/or the payment of any Pass-Through Incentives (as defined below) or other amounts by Marketing Coordinator in connection with either of the foregoing shall be in writing. In the event of any conflict between the terms and conditions of this Agreement and the terms and conditions of any Marketing Coordinator-Promoter Agreement, the terms and conditions of this Agreement shall control, and any such conflicting term(s) and/or condition(s) in any such Marketing Coordinator-Promoter Agreement shall be of no force or effect.

"Other Agreement" means any agreement(s) between DISH and/or any of its Affiliates on the one hand and Marketing Coordinator and/or any of its Affiliates on the other hand. For clarity (and without limitation of the foregoing) Other Agreements do not include this Agreement.

"Other Authorized Products and Services" means those products and/or services, if any, other than Programming, that DISH may at Any Time and in its Sole discretion authorize for marketing and

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promotion by Promoters under the support and direction of Marketing Coordinator subject to and in accordance with this Agreement and applicable Referral Marketing Policies.

"<u>Pass-Through Incentives</u>" means those portions of Incentives that Marketing Coordinator is required to "pass through" or otherwise pay to Promoters in accordance with this Agreement and applicable Referral Marketing Policies.

"Private Commercial Location" means a place of business located in the Territory that: (i) may be accessible to the public; and (ii) does not typically serve food and/or liquor for immediate consumption. For example and without limitation, retail stores, health clubs, business office reception areas or waiting rooms, and the private offices of attorneys, doctors, dentists and other business professionals are typically Private Commercial Locations. Notwithstanding the foregoing, DISH reserves the right to determine at Any Time and in its Sole Discretion whether a location constitutes a Private Commercial Location or is more appropriately considered another type of location.

"Programming" means DISH Network video, audio, data and interactive programming services.

"Promoter" means and shall be limited to a person or entity in the Territory acting as an independent contractor that meets the general promoter criteria (if any) prescribed by DISH from time to time its Sole Discretion in applicable Referral Marketing Policies and: (i) conducts business as a wireless Internet service provider ("WISP") at one or more retail locations in the Territory dedicated to the marketing, sale and provisioning of WISP services; and (ii) has a Marketing Coordinator-Promoter Agreement with Marketing Coordinator in force and effect with respect to the marketing and promotion of Programming and Other Authorized Products and Services by such person or entity and the payment of Pass-Through Incentives or other amounts by Marketing Coordinator in connection therewith. For clarity (and without limitation of any of the foregoing), only persons or entities that are WISPs may be Promoters. Notwithstanding anything set forth to the contrary in this Agreement, in any Referral Marketing Policies or in any Other Agreement, the Parties each acknowledge and agree that no Promoter shall be deemed a third-party beneficiary under or in connection with this Agreement (including without limitation, with respect to any Referral Marketing Program) for any reason whatsoever.

"Public Commercial Location" means a place of business located in the Territory that: (i) is generally accessible to the public; (ii) is typically classified within the hospitality industry; (iii) typically serves food and/or liquor for immediate consumption; and (iv) is typically registered with a fire occupancy certificate. For example and without limitation, bars, restaurants, or taverns or similar establishments for drinking, eating and/or entertaining are typically Public Commercial Locations. Notwithstanding the foregoing, DISH reserves the right to determine at Any Time and in its Sole Discretion whether a location constitutes a Public Commercial Location or is more appropriately considered another type of location.

"Qualifying Subscriber" means a person or entity at a Residential Location or Commercial Location that: (i) orders Eligible Programming; (ii) that timely pays for all Programming ordered in full and that has not violated any of the terms and conditions set forth in any DISH Residential Customer Agreement, DISH Commercial Customer Agreement or DISH customer promotion agreement; and (iii) that has never previously received any audio, video, data, or any other programming services from

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DISH or any Affiliate of DISH. A Qualifying Subscriber shall not include any person or entity that would otherwise qualify, but whose equipment DISH, in its Sole Discretion, declines to activate.

"Referral Marketing Policy(ies)" means any term, requirement, condition, condition precedent, process or procedure associated with a Referral Marketing Program or otherwise identified as a Referral Marketing Policy by DISH that is communicated to Marketing Coordinator by DISH or an Affiliate of DISH either directly (including without limitation, via e-mail) or through any method of mass communication reasonably directed to DISH's marketing coordinator or promoter base, including without limitation, e-mail or posting on a DISH promoter or marketing coordinator website (if any). Marketing Coordinator agrees that DISH has the right to modify, replace or withdraw any Referral Marketing Policy, either in whole or in part, at Any Time and in its Sole Discretion, upon notice to Marketing Coordinator. Marketing Coordinator shall at all times during the Term comply with, and ensure that Promoters comply with, all applicable Referral Marketing Polices. All Referral Marketing Policies are hereby incorporated herein by reference in their entirety.

"Referral Marketing Program" means: (i) one or more processes, as determined at Any Time by DISH in its Sole Discretion, that Promoters may use to market and promote Programming and/or Other Authorized Products and Services and refer prospective DISH Subscribers to DISH (each such prospective DISH Subscriber referred to DISH by a Promoter, a "Referral"); (ii) the Incentives, if applicable and as determined at Any Time by DISH in its Sole Discretion, that Marketer may receive in connection with such marketing and promotion of Programming; and (iii) the Referral Marketing Policies, as determined at Any Time by DISH in its Sole Discretion, governing each such process described in clause (i) of this definition and any corresponding Incentives. DISH reserves the right to discontinue any Referral Marketing Program and the Referral Marketing Policies associated therewith at Any Time and in its Sole Discretion, upon notice to Marketing Coordinator. If Marketing Coordinator elects to participate in any Referral Marketing Program other than the EZ 1-2-3 Referral Marketing Program, DISH may require, as a condition precedent to such participation, that Marketing enter into DISH's form of Trademark License Agreement (the "Trademark License Agreement"). Marketing Coordinator acknowledges and agrees that under no circumstances shall DISH or any of its Affiliates have at any time any obligation to offer any Referral Marketing Programs to Marketing Coordinator, or if Referral Marketing Programs are offered to others, to permit Marketer to be eligible to participate in them.

"Residential Location" means a single-family residential dwelling (i.e., single-family houses, apartments, condominiums or other dwellings used primarily for residential purposes) located in the Territory; provided, however, that in no case shall any location that is installed with or otherwise connected to a satellite master antenna television system, private cable system or similar programming reception system as may be specified by DISH at Any Time and in its Sole Discretion, be considered a Residential Location. Notwithstanding the foregoing, DISH reserves the right to determine at Any Time and in its Sole Discretion whether a location constitutes a Residential Location, or is more appropriately considered a commercial or other non-residential location.

"Residential Programming" means the Programming that DISH makes generally available for viewing in Residential Locations subject to any restrictions (geographic, blackout or otherwise) as DISH may impose on some or all such Programming at Any Time and in its Sole Discretion. DISH reserves the right to change the Residential Programming services offered and/or any restrictions applicable to such

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Residential Programming services at Any Time and in its Sole Discretion.

"Subscriber Account" means the customer account set up and maintained by DISH for a Qualifying Subscriber: (i) as a direct result of a Referral under a Referral Marketing Program; (ii) which Qualifying Subscriber's account is tied in DISH's order entry systems to Marketing Coordinator's Marketing Coordinator ID; and (iii) for which account Eligible Programming has been activated by DISH and remains active and in good standing.

"Sole Discretion" means a person's or entity's sole and absolute discretion for any reason or no reason.

"Territory" means the continental United States.

- **2. REPRESENTATIONS AND WARRANTIES** The parties hereto make the following representations and warranties with the specific intent to induce the other party into entering into this Agreement and recognize that the other party would not enter into this Agreement but for the following representations and warranties:
- 2.1 Each party hereto represents and warrants that: (i) the execution, delivery and performance of this Agreement have been duly authorized and that it has the full right, power and authority to execute, deliver and perform this Agreement; and (ii) the signatures hereon are genuine and that the person signing on behalf of each party is authorized by the respective party to execute this Agreement on its behalf.
- 2.2 Marketing Coordinator represents and warrants that: (i) it is a valid and existing entity in compliance with all laws, statutes and regulations related to the maintenance of its corporate or other business status; (ii) it is not currently insolvent; (iii) it is not violating any federal, state or local law, statute or regulation; (iv) it has never engaged in any of the acts prohibited under Sections 6.11, 8.2, 8.3 or 13.2 below; (v) neither it nor any of its Affiliates have engaged in any acts that would have resulted in automatic termination or be considered a default or breach under any current or former Other Agreements; and (vi) neither the execution, delivery nor performance of this Agreement will: (a) violate any existing laws or the determination or award of any governmental authority or of any court or arbitrator, (b) violate any provisions of Marketing Coordinator's governing documents, or (c) conflict with, result in a breach of, or constitute a default under, any other contract or agreement to which Marketing Coordinator or any of its Affiliates is a party.
- 2.3 EACH PARTY HERETO REPRESENTS AND WARRANTS THAT: (I) IT HAS BEEN GIVEN THE OPPORTUNITY TO HAVE INDEPENDENT COUNSEL REVIEW THIS AGREEMENT PRIOR TO EXECUTION; (II) EITHER THIS AGREEMENT HAS BEEN ACTUALLY REVIEWED BY ITS COUNSEL OR IT HAS DECLINED TO HAVE ITS COUNSEL DO SO; (III) IT IS NOT RELYING UPON ANY STATEMENTS OR REPRESENTATIONS NOT CONTAINED HEREIN AND THAT IT HAS NOT BEEN INDUCED INTO ENTERING THIS AGREEMENT BY ANY STATEMENTS, ACTS OR OMISSIONS NOT EXPRESSLY SET FORTH HEREIN; (IV) THAT IT HAS NOT BEEN COERCED INTO ENTERING INTO THIS AGREEMENT AND THAT IT HAS ENTERED INTO THIS AGREEMENT OF ITS OWN FREE WILL AND FREE OF INFLUENCE OR DURESS; (V) IT HAS COMPLETELY AND CAREFULLY READ THE TERMS AND CONDITIONS OF THIS AGREEMENT AND HAS HAD

THE SAME EXPLAINED TO IT; AND (VI) IT FULLY AND COMPLETELY UNDERSTANDS THE TERMS AND CONDITIONS OF THIS AGREEMENT AND IS COGNIZANT OF ALL OF SUCH TERMS AND CONDITIONS AND THE EFFECT OF EACH AND EVERY SUCH TERM AND CONDITION

#### 3. APPOINTMENT OF MARKETING COORDINATOR

- 3.1 Appointment. DISH hereby appoints Marketing Coordinator as a non-exclusive Authorized Marketing Coordinator to, subject to and in accordance with all of the terms and conditions of this Agreement and applicable Referral Marketing Policies, serve as an intermediary to direct and support Promoters in the marketing and promotion of Programming and Other Authorized Products and Services. Marketing Coordinator's authorization hereunder is limited to supporting and directing Promoters in the marketing and promotion of Programming and Other Authorized Products and Services subject to and in accordance with the terms and conditions of this Agreement and all Referral Marketing Policies. For clarity (and without limitation of the foregoing) this Agreement conveys no authorization to Marketing Coordinator that is not expressly set forth in this Section 3.1.
- Marketing Coordinator, subject to and in accordance with all of the terms and conditions of this Agreement. Marketing Coordinator understands that it may hold itself out to the public as an Authorized Marketing Coordinator only after fulfilling, and for so long as it continues to fulfill, all of the requirements in this Agreement, and only during the Term of this Agreement. Marketing Coordinator's performance hereunder and any actions it takes in furtherance of this Agreement shall be limited solely to the Territory. Notwithstanding any set forth to the contrary in this Agreement, Marketing Coordinator shall only direct and support third parties in the marketing and promotion of Programming and/or Other Authorized Products and Services that have a Marketing Coordinator-Promoter Agreement relating to the marketing and promotion of Programming and/or Other Authorized Products and Services in full force and effect.
- 3.3 Marketing and Promotion of Programming. Subject to and in accordance with the terms and conditions of this Agreement and applicable Referral Marketing Policies, Marketing Coordinator agrees to use its best efforts to direct and support Promoters in the marketing and promotion of Programming and Other Authorized Products and Services within the Territory under those Referral Marketing Programs that DISH may, at Any Time and in its Sole Discretion, make available to Marketing Coordinator and in which Marketing Coordinator elects to participate. Marketing Coordinator shall use its best efforts to achieve: (i) two thousand five hundred (2,500) activations of Eligible Programming for new Subscriber Accounts pursuant to this Agreement during the first calendar quarter of 2011; and (ii) twenty-five thousand (25,000) aggregate activations of Eligible Programming for new Subscriber Accounts pursuant to this Agreement during the 2011 calendar year.
- 3.4 <u>Non-Exclusivity</u>. Marketing Coordinator hereby acknowledges and agrees that: (i) nothing in this Agreement is intended to, nor shall anything in this Agreement be construed as, conferring any exclusive territory or any other exclusive right upon Marketing Coordinator or any Promoter; (ii) neither DISH nor any of its Affiliates make any promise, representation or warranty whatsoever as to the potential amount of business or revenue that Marketing Coordinator or any Promoter may expect to derive from participation in this Agreement; (iii) Marketing Coordinator might

not realize any business or revenue as result of its participation in this Agreement; (iv) nothing contained herein shall be construed as a guarantee of any minimum amount Incentives, other payments, income, revenue or other economic benefit in any form whatsoever; (v) at any Time and in their Sole Discretion, DISH and/or its Affiliates may appoint others to act as agents, retailers, promoters, distributors and/or Authorized Marketing Coordinators in the Territory; (vi) among other things, DISH and its Affiliates market, promote and solicit orders for Programming throughout the Territory and will continue to do so in the future and in competition with Marketing Coordinator and Promoters without any obligation or liability whatsoever to Marketing Coordinator or Promoters, and without providing any of them with any notice thereof; (vii) among other things, DISH and its Affiliates may market, promote, solicit orders for, provide, sell, lease or otherwise transfer Other Authorized Products and Services throughout the territory during the Term and thereafter and in competition with Marketing Coordinator and Promoters without any obligation or liability whatsoever to Marketing Coordinator or Promoters, and without providing any of them with any notice thereof; and (viii) DISH shall be free to cease provision of the Programming services and/or any Other Authorized Products and Services, and shall incur no liability to Marketing Coordinator or Promoters by virtue of any such cessation.

- 3.5 <u>Reservation of Rights.</u> Marketing Coordinator hereby acknowledges and agrees that all rights in and to the satellite or other transmission of the Programming and the leasing, sale, other transfer, installation and maintenance of DISH DBS Systems are reserved to DISH and its Affiliates, and nothing in this Agreement shall be deemed to restrict in any manner the right or ability of DISH or any its Affiliates, either themselves or through other parties, to distribute Programming, DISH DBS Systems, or any other product or service whatsoever (including without limitation, Other Authorized Products and Services).
- 3.6 <u>Financing; Making Payments on Behalf of End-Users.</u> Marketing Coordinator shall not directly or indirectly provide financing (or in any manner assist others to provide financing) for the purchase of any Programming or Authorized Products or Services, DISH DBS Systems or related equipment, or make any payment to DISH for Programming services or any Other Product and Services, DISH DBS Systems or related equipment, or otherwise on behalf of any end-user of any other product or service sold, leased, offered or provided by DISH.

#### 3.7 Prior Marketing Coordinator Agreements.

THE **EVENT** THAT **MARKETING COORDINATOR** 3.7.1 IN PREVIOUSLY ENTERED INTO ANY REFERRAL MARKETING SERVICES AGREEMENT OR OTHER AGREEMENT WITH DISH RELATING TO THE DIRECTION AND/OR SUPPORT OF THIRD PARTIES WITH RESPECT TO THE MARKETING AND PROMOTION OF PROGRAMMING AND/OR OTHER AUTHORIZED PRODUCTS AND SERVICES (EACH A "PRIOR REFERRAL MARKETING SERVICES AGREEMENT"), THAT IS IN EFFECT (IN WHOLE OR IN PART) AS OF THE EFFECTIVE DATE OF THIS AGREEMENT, THEN UPON EXECUTION OF THIS AGREEMENT BY MARKETING COORDINATOR: (I) ALL PRIOR REFERRAL MARKETING SERVICES AGREEMENTS SHALL BE AUTOMATICALLY TERMINATED, EXCEPT THAT THE PROVISIONS IN ALL PRIOR REFERRAL MARKETING SERVICES AGREEMENTS THAT EXPRESSLY SURVIVE, AND SUCH OTHER RIGHTS AND OBLIGATIONS THEREUNDER AS WOULD LOGICALLY BE EXPECTED TO SURVIVE THEIR TERMINATION OR EXPIRATION (EXCLUDING THE PAYMENT OF INCENTIVES AND ANY OTHER PAYMENTS OF ANY TYPE WHICH SHALL NOT SURVIVE) SHALL CONTINUE IN FULL FORCE AND EFFECT; AND (II) ALL PAYMENTS PREVIOUSLY DUE TO MARKETING COORDINATOR UNDER ALL PRIOR REFERRAL MARKETING SERVICES AGREEMENTS SHALL HENCEFORTH BE PAYABLE BY DISH TO MARKETING COORDINATOR IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THIS AGREEMENT, PROVIDED THAT SUCH PAYMENTS SHALL ONLY BE PAYABLE FOR THE PERIOD OF TIME SPECIFIED IN THE PRIOR REFERRAL MARKETING SERVICES AGREEMENTS; PROVIDED FURTHER THAT THE PERIOD OF TIME SPECIFIED IN THE PRIOR REFERRAL MARKETING SERVICES AGREEMENTS SHALL BE SUBJECT TO ADJUSTMENT PURSUANT TO THE TERMS AND CONDITIONS SET FORTH IN THIS AGREEMENT: AND PROVIDED FURTHER THAT IN NO EVENT SHALL SUCH PAYMENTS BE PAYABLE FOLLOWING THE EXPIRATION OR TERMINATION OF THIS AGREEMENT FOR ANY REASON WHATSOEVER, UNLESS EXPRESSLY SET FORTH TO THE CONTRARY IN SECTION 6.7.3 BELOW; AND (III) EXCEPT AS EXPRESSLY SET FORTH TO THE CONTRARY IN SECTION 3.7.1(I) ABOVE, ALL RIGHTS AND OBLIGATIONS BETWEEN THE PARTIES SHALL BE GOVERNED BY THE TERMS AND CONDITIONS OF THIS AGREEMENT AND ALL REFERRAL MARKETING SERVICES AGREEMENTS SHALL BE OF NO FURTHER FORCE OR EFFECT. IN FURTHERANCE (AND WITHOUT LIMITATION) OF THE FOREGOING, ANY DISPUTES ARISING OUT OF OR RELATING TO ANY PRIOR REFERRAL MARKETING SERVICES AGREEMENT SHALL BE RESOLVED IN ACCORDANCE WITH SECTION 15 BELOW. IN ACCORDANCE WITH SECTION 14. MARKETING COORDINATOR SHALL HAVE NINETY (90) DAYS (OR THE SHORTEST PERIOD ALLOWED BY LAW IF LONGER THAN NINETY (90) DAYS) FOLLOWING THE EFFECTIVE DATE OF THIS AGREEMENT TO NOTIFY DISH OF ANY CLAIMS THAT IT MAY HAVE AGAINST DISH UNDER ANY PRIOR REFERRAL MARKETING SERVICES AGREEMENT OR SUCH CLAIMS SHALL BE FOREVER WAIVED AND BARRED. In the event that no Prior Referral Marketing Services Agreements are in effect as of the Effective Date, Marketing Coordinator shall only be eligible to receive Incentives pursuant to this Agreement for new Subscriber Accounts activated after the Effective Date, notwithstanding payment by DISH of any incentives or other payments of any type to Marketing Coordinator prior to the Effective Date. Except as expressly set forth to the contrary herein, this Agreement shall not amend, modify, alter or change any terms or conditions of any Other Agreement.

3.7.2 Marketing Coordinator, for and on behalf of itself and its Affiliates, hereby acknowledges and agrees that, as of the Effective Date, neither it nor they have any claims or causes of action against DISH or any of its Affiliates for any act or omission that may have occurred prior to the Effective Date. For and in consideration of Marketing Coordinator's appointment as an Authorized Marketing Coordinator hereunder, Marketing Coordinator, for and on behalf of itself and its Affiliates, hereby agrees to waive any and all such claims and causes of action, with the sole exception of any claims and causes of action for which Marketing Coordinator provides written notice to DISH in the same form required for a Notice of Claim under Section 14 (including without limitation, proper signature) within ninety (90) days (or the shortest period of time allowed by law if more than ninety (90) days) after the Effective Date. DISH shall have the same rights with respect to requests for additional information and access to Marketing Coordinator's books and records in connection with any such claims and causes of action as DISH has under Section 6.6.3 of this Agreement. Failure to strictly comply with the provisions of this Section 3.7.2 with respect to a

particular claim and/or cause of action shall constitute a waiver by Marketing Coordinator and its Affiliates with respect to the applicable claim and/or cause of action.

3.8 During the Term of this Agreement, neither Marketing Coordinator nor any of its Affiliates shall: (i) directly or indirectly market, promote, solicit, finance, distribute, sell, lease or otherwise transfer possession of (collectively, "Promote" or "Promotion") the video programming, or any hardware or equipment used in connection with the video programming, of any satellite service provider other than DISH and/or any of its Affiliates; or (ii) support, in any manner either directly or indirectly, any other person or entity in the Promotion of the video programming, or any hardware or equipment necessary to receive the video programming, of any satellite service provider other than DISH and/or any of its Affiliates.

### 4. PROGRAMMING, OTHER AUTHORIZED PRODUCTS AND SERVICES AND PRICES

- Programming and Other Authorized Products and Services. DISH shall determine at 4.1 Any Time and in its Sole Discretion the: (i) Programming (subject to any restrictions (geographic, blackout or otherwise) that DISH may impose on any or all of such Programming at Any Time and in its Sole Discretion); and (ii) Other Authorized Products and Services (subject to any restrictions (geographic, blackout or otherwise) that DISH may impose on any or all of such Other Authorized Products and Services at Any Time and in its Sole Discretion). Unless otherwise set forth in a writing signed by an Executive Vice President of DISH (or his or her designee), Marketing Coordinator shall ensure that Promoters market and promote only Programming and Other Authorized Products and Services that DISH has specifically authorized for marketing and promotion by Promoters (and only while such Programming and Other Authorized Products and Services remain authorized by DISH for marketing and promotion by Promoters in accordance with applicable Referral Marketing Policies). DISH may, either in whole or in part at Any Time and in its Sole Discretion: (i) expand, reduce, add, delete, withdraw or otherwise modify the Programming (whether within a Programming package or on an a-la-carte basis) and/or any Other Authorized Products and Services; and/or (ii) change the restrictions applicable to any or all Programming services or any Other Authorized Products and Services. Any such changes shall be effective immediately upon notification by DISH, unless DISH notifies Marketing Coordinator of a different effective date. If at any time or for any reason DISH changes any Programming (whether within a Programming package or on an a-la-carte basis) and/or changes any Other Authorized Products and Services, Marketing Coordinator's authorization hereunder with respect to the prior version of such Programming or the prior version of such Other Authorized Products and Services shall immediately cease and Marketing Coordinator shall ensure that Promoters immediately cease marketing and promoting the prior version of the Programming and/or Other Authorized Products and Services.
- 4.2 <u>Prices.</u> DISH shall determine at Any Time and in its Sole Discretion, the retail prices at which Promoters, under the direction of and with the support of Marketing Coordinator, may market and promote Programming and Other Authorized Products and Services. DISH may change such prices at Any Time and in its Sole Discretion upon notice to Marketing Coordinator. Any such changes shall be effective immediately upon notification by DISH, unless DISH notifies Marketing Coordinator of a different effective date. If at any time or for any reason DISH changes the retail price of any Programming and/or Other Authorized Products and Services, Marketing Coordinator's

authorization to market and promote Programming and/or Other Authorized Products and Services (if and as applicable) at the prior retail price(s) shall immediately cease and Marketing Coordinator shall ensure that Promoters immediately cease marketing and promoting such Programming and/or Other Authorized Products and Services at the prior retail price(s).

- Marketing Coordinator-Promoter Agreements related to the marketing and promotion of Programming and/or Other Authorized Products and Services and the payment of any incentives or other amounts by Marketing Coordinator in connection therewith prohibiting Promoters from: (i) marketing or promoting Programming or any Other Authorized Products or Services at retail prices or on any terms or conditions other than those set by DISH at Any Time and in its Sole Discretion; and (ii) otherwise making any representations whatsoever to any consumer or prospective customer regarding Programming or any Other Authorized Products and Services that are not expressly (a) authorized by DISH in applicable Referral Marketing Policies (and only while such Referral Marketing Policies remain in full force and effect); (b) set forth in then-current marketing materials that have been provided directly to Marketing Coordinator by DISH (including without limitation, EZ 1-2-3 Marketing Materials) (and only while such marketing materials remain for authorized for use by DISH under one or more Referral Marketing Programs).
- EZ 1-2-3 REFERRAL MARKETING PROGRAM Subject to this Agreement and applicable Referral Marketing Policies, under DISH's EZ 1-2-3 Referral Marketing Program, Marketing Coordinator may distribute marketing materials designated at Any Time by DISH in its Sole Discretion for use under the EZ 1-2-3 Referral Marketing Program (the "EZ 1-2-3 Marketing Materials") to Promoters for placement and display within each such Promoter's retail location(s) or distribution using such other methods (if any) as may be authorized by DISH in applicable Referral Marketing Policies. By participating in the EZ 1-2-3 Referral Marketing Program, Marketing Coordinator agrees that it shall be solely responsible for supplying Promoters with an adequate supply of then-current EZ 1-2-3 Marketing Materials. EZ 1-2-3 Marketing Materials will contain: (i) a DISH toll-free telephone number (each, an "EZ 1-2-3 Telephone Number") that prospective DISH Network customers may call to place orders for Programming and/or Other Authorized Products and Services; and (ii) instructions directing prospective DISH Network customers that call an EZ 1-2-3 Telephone Number to provide the applicable Promoter ID (as defined in Section 6.6.1) (and such additional information as may be specified in applicable Referral Marketing Policies) that is printed on the EZ 1-2-3 Marketing Materials they received from the applicable Promoter. For clarity, DISH may change any EZ 1-2-3 Telephone Number at Any Time and in its Sole Discretion. Marketing Coordinator acknowledges and agrees that: (a) all EZ 1-2-3 Telephone Numbers are and will continue to be owned by DISH or its Affiliates (and/or its or their designees); and (b) it will not acquire any right, title or interest in, to or under any EZ 1-2-3 Telephone Number as a result of participating in this Agreement. Marketing Coordinator shall include a provision in all Marketing Coordinator-Promoter Agreements whereby Promoters acknowledge and agree that they will not acquire any right, title or interest in, to or under any EZ 1-2-3 Telephone Number as a result of participating in any Marketing Coordinator-Promoter Agreement.

#### 6. INCENTIVES

6.1 In consideration of Marketing Coordinator's continuing efforts to direct and support

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Promoters in the Territory with respect to the marketing and promotion of Programming and Other Authorized Products and Services, Marketing Coordinator may, during the Term and subject to the terms and conditions of this Agreement and applicable Referral Marketing Policies, be eligible to receive the Incentives set forth in the incentive schedule attached hereto as Exhibit A (the "Incentive Schedule") and/or in applicable Referral Marketing Policies. Notwithstanding anything set forth in this Agreement or in any Referral Marketing Policies to the contrary, Marketing Coordinator shall only be eligible to receive Incentives with respect to the first new Subscriber Account activated per DISH EXPRESSLY RESERVES THE RIGHT TO CHANGE THE INCENTIVE SCHEDULE AND/OR APPLICABLE REFERRAL MARKETING POLICIES AT ANY TIME AND IN ITS SOLE DISCRETION, UPON NOTICE TO MARKETING COORDINATOR. DISH SHALL DETERMINE FROM TIME TO TIME IN ITS SOLE DISCRETION WHETHER A PARTICULAR DISH SUBSCRIBER IS, AND/OR HAS A SUBSCRIBER ACCOUNT THAT IS, ELIGIBLE FOR THE PAYMENT OF INCENTIVES HEREUNDER. DISH'S CALCULATION AND PAYMENT OF INCENTIVES SHALL BE PRESUMED CONCLUSIVELY AND IRREBUTABLY CORRECT ABSENT A TIMELY NOTICE OF CLAIM BY MARKETING COORDINATOR PURSUANT TO SECTION 14.2. MARKETING COORDINATOR ACKNOWLEDGES AND AGREES THAT IF INCENTIVES ARE OFFERED TO OTHERS AND NOT TO MARKETING COORDINATOR, DISH SHALL HAVE NO OBLIGATION TO MODIFY APPLICABLE REFERRAL MARKETING POLICIES IN ANY WAY TO PERMIT MARKETING COORDINATOR TO BE ELIGIBLE TO RECEIVE THEM.

- MARKETING COORDINATOR AGREES TO, WITHOUT EXCEPTION, "PASS 6.2 THROUGH" OR OTHERWISE PAY PASS-THROUGH INCENTIVES (IF AND AS SPECIFIED BY DISH AT ANY TIME AND ITS SOLE DISCRETION, UPON NOTICE TO MARKETING COORDINATOR) TO THE PROMOTER TO WHICH THE APPLICABLE REFERRAL IS ATTRIBUTABLE IN AMOUNTS THAT ARE EQUAL TO OR GREATER THAN THOSE SPECIFIED IN THE INCENTIVE SCHEDULE AND/OR IN APPLICABLE REFERRAL MARKETING POLICIES. MARKETING COORDINATOR FURTHER AGREES THAT IT WILL NOT REPRESENT TO PROMOTERS THAT INCENTIVES MAY BE OBTAINED ON ANY DIFFERENT TERMS OR CONDITIONS OR IN ANY LESSER AMOUNTS THAN THOSE EXPRESSLY AUTHORIZED BY THIS AGREEMENT OR APPLICABLE REFERRAL MARKETING POLICIES, AND SHALL NOT IMPOSE ADDITIONAL OR DIFFERENT TERMS OR CONDITIONS, INCLUDING WITHOUT LIMITATION CHARGEBACKS, DEPOSITS OR OTHERWISE, UPON THE RECEIPT OF ANY PORTION OF INCENTIVES BY PROMOTERS EXCEPT AS EXPRESSLY AUTHORIZED IN A WRITING SIGNED BY AN EXECUTIVE VICE PRESIDENT OF DISH (OR HIS OR HER DESIGNEE).
- 6.3 <u>Chargeback of Incentives</u>. The provisions of this Section 6.3 shall survive expiration or termination of this Agreement (for any reason or no reason) indefinitely.
- 6.3.1 IF MARKETING COORDINATOR IS PAID AN INCENTIVE TO WHICH IT IS NOT ENTITLED PURSUANT TO THE TERMS AND CONDITIONS OF THIS AGREEMENT OR APPLICABLE REFERRAL MARKETING POLICIES, DISH SHALL HAVE THE RIGHT TO CHARGE BACK SUCH INCENTIVE PAID TO MARKETING COORDINATOR. IN ADDITION TO THE FOREGOING, DISH SHALL HAVE THE RIGHT TO CHARGE BACK ALL OR ANY PORTION OF THE INCENTIVES (TO THE EXTENT THAT THE APPLICABLE CHARGEBACK

PERIOD SET FORTH IN THIS AGREEMENT OR APPLICABLE REFERRAL MARKETING POLICES HAS NOT EXPIRED) PAID WITH RESPECT TO A PARTICULAR QUALIFYING SUBSCRIBER WHO SUBSEQUENTLY FAILS TO PAY IN FULL FOR THE UNDERLYING ELIGIBLE PROGRAMMING, OR WITH RESPECT TO WHOM A REFUND OR CREDIT IS ISSUED FOR ANY REASON (DISH SHALL HAVE THE OPTION TO ISSUE SUCH CREDITS OR REFUNDS AT ANY TIME AND IN ITS SOLE DISCRETION). IF NO CHAREGEBACK PERIOD IS SET FORTH IN APPLICABLE REFERRAL MARKETING POLICIES WITH RESPECT TO ANY INCENTIVE, THE CHARGEBACK PERIOD APPLICABLE TO SUCH INCENTIVE SHALL BE ONE HUNDRED EIGHTY (180) DAYS. FOR CLARITY (AND WITHOUT LIMITATION OF THE FOREGOING), THE IMMEDIATELY PRECEDING SENTENCE SHALL NOT APPLY TO ANY INCENTIVE WITH RESPECT TO WHICH AN INDEFINITE CHARGEBACK PERIOD APPLIES, AS SPECIFIED IN THE INCENTIVE SCHEDULE AND/OR APPLICABLE REFERRAL MARKETING POLICIES.

- 6.3.2 IN ADDITION TO (AND WITHOUT LIMITATION OF) THE FOREGOING, IF DISH DETERMINES AT ANY TIME IN GOOD FAITH IN ITS SOLE DISCRETION, THAT MARKETING COORDINATOR OR A PROMOTER COMMITTED FRAUD OR OTHER MISCONDUCT, DISH SHALL HAVE THE RIGHT TO CHARGE BACK ALL OR ANY PORTION OF THE INCENTIVES PAID TO MARKETING COORDINATOR, AND OUT-OF-POCKET EXPENSES (INCLUDING WITHOUT LIMITATION PROGRAMMING COSTS PAID AND ANY EQUIPMENT SUBSIDIES PROVIDED) INCURRED BY DISH OR ANY OF ITS AFFILIATES, IN CONNECTION WITH THAT FRAUD OR MISCONDUCT. DISH'S CALCULATION AND ASSESSMENT OF ANY CHARGEBACK SHALL BE PRESUMED CONCLUSIVELY AND IRREBUTABLY CORRECT ABSENT A TIMELY NOTICE OF CLAIM BY MARKETING COORDINATOR PURSUANT TO SECTION 14.2.
- 6.4 <u>Payment</u>. Subject to the terms of this Section 6.4, all Incentives paid to Marketing Coordinator hereunder shall be made by EFT.
- 6.4.1 Electronic Funds Transfer. Marketing Coordinator shall provide DISH with the Marketing Coordinator Account information and any changes thereto ("EFT Instructions"), in the manner prescribed by DISH. Until Marketing Coordinator provides DISH with EFT Instructions, or in the event that Marketing Coordinator elects to receive payments by check, DISH shall pay Incentives to Marketing Coordinator by check and Marketing Coordinator will be assessed DISH's standard processing fee, which may be changed by DISH at Any Time and in its Sole Discretion.
- 6.4.2 Reliance on Marketing Coordinator Account Information. With respect to Marketing Coordinator's EFT Instructions, and any purported changes or modifications thereof by Marketing Coordinator, DISH may act in reliance upon any writing or instrument or signature that it, in good faith, believes to be genuine; may assume the validity and accuracy of any statement or assertion contained in such writing or instrument; and may assume that any person purporting to give any such writing, notice, advice, or instruction in connection with the provisions hereof has been duly authorized by Marketing Coordinator to do so. The provisions of this Section 6.4.2 shall survive expiration or termination of this Agreement (for any reason whatsoever) indefinitely.
  - 6.4.3 DISH EFT Liability Limitation. Marketing Coordinator agrees that in no

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event shall DISH have any liability under this Agreement for any Incentives not received by Marketing Coordinator as a result of an error in any way attributable to: (i) any bank or financial institution; (ii) Marketing Coordinator; or (iii) any other person, entity or circumstance outside of DISH's direct control. The provisions of this Section 6.4.3 shall survive expiration or termination of this Agreement (for any reason whatsoever) indefinitely.

6.4.4 *Incentive Statements*. DISH shall make available to Marketing Coordinator, in an electronic format determined by DISH at Any Time and in its Sole Discretion, periodic statements reflecting the Incentives (if any) payable to Marketing Coordinator and any charge backs assessed against Marketing Coordinator. Marketing Coordinator acknowledges that DISH is not required to provide Marketing Coordinator with any additional information, including without limitation, communications between DISH and any DISH Subscriber or any customer account information regarding any DISH Subscriber.

#### 6.5 Exceptions. Notwithstanding anything to the contrary set forth herein:

- 6.5.1 Marketing Coordinator shall not be entitled Incentives (to the extent that the applicable Chargeback period, if any, set forth in this Agreement or applicable Referral Marketing Policies has not expired) with respect to any Subscriber Account for which: (i) Eligible Programming has been cancelled by anyone; (ii) payment in full for the Eligible Programming has not been timely received by DISH in accordance with the terms and conditions of the then-current DISH Residential Customer Agreement, DISH Commercial Customer Agreement and/or applicable DISH customer promotion agreement(s); (iii) the subscriber would otherwise be a Qualifying Subscriber, but is already receiving or previously received at any time any of the Programming or Other Authorized Products, or any other audio, video, data or other programming services from DISH or any of its Affiliates as of the date of the order; (iv) the Subscriber Account is otherwise terminated, disconnected or deactivated for any reason whatsoever; or (v) the Qualifying Subscriber alleges that Marketing Coordinator or the applicable Promoter committed fraud or any other deceptive act or practice.
- Coordinator, through its company or any Affiliated person or entity, directly or indirectly distributes, markets, sells, leases or otherwise distributes any other DBS products or services in the Territory. In addition to (and without limitation of) the foregoing, DISH expressly reserves the right to limit or withdraw Marketing Coordinator's eligibility to receive Incentives with respect to Subscriber Accounts tied in DISH's order entry systems to a Promoter that has: (i) not been tied in DISH's order entry systems to any Subscriber Account for a period of one hundred eighty (180) consecutive days; (ii) become insolvent, or voluntary or involuntary bankruptcy, insolvency or similar proceedings have bee instituted against the Promoter; (iii) for more than twenty (20) consecutive days, failed to maintain operations as a going business; (iv) for more than twenty (20) consecutive days, ceased to actively market and promote Programming; or (v) failed to renew, or lost due to suspension, cancellation or revocation, for a period of fifteen (15) days or more, any license, permit or similar document or authority required by law or governmental authority having jurisdiction that is necessary in carrying out the intent of this Agreement or to maintain its corporate or other business status.

#### 6.6 Books and Records; Audit Rights.

6.6.1 During the Term and for a period of two (2) years after the expiration or

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termination of this Agreement for any reason or no reason, Marketing Coordinator shall keep complete and accurate books and records relating to: (i) the performance of its duties and obligations under this Agreement; (ii) the payment of Incentives and all other payments of any type made to Marketing Coordinator by DISH or any of its Affiliates; (iii) all payments of any type made by Marketing Coordinator or any of its Affiliates to DISH or any of its Affiliates; and (iv) all amounts paid by Marketing Coordinator to Promoters in connection with this Agreement. Without limitation of the foregoing, Marketing Coordinator shall include in such books and records the name, address and telephone number of the Promoter corresponding to each Referral, any identification or other number(s) or code(s) that DISH may at Any Time and in its Sole Discretion directly assign, or require Marketing Coordinator to assign, to such Promoter (each a "Promoter ID") and all amounts paid by Marketing Coordinator to such Promoter in connection with such Referral. Marketing Coordinator shall at all times during the Term and for a period of two (2) years thereafter, maintain and make readily available to DISH a current and complete written list of all Promoters indicating each such Promoter's name, address, telephone number and such other information (if any) as may be requested by DISH at Any Time and in its Sole Discretion (the "Promoter List").

6.6.2 Marketing Coordinator will not enter into any agreement (written, oral or otherwise) with any Promoters relating to payments relating in any manner whatsoever to the subject matter of this Agreement, unless DISH has approved of the form and substance of such agreement in advance in writing. Marketing Coordinator will provide DISH with weekly written reports listing: (i) the Promoters with which Marketing Coordinator has entered into a valid Marketing Coordinator-Promoter Agreement during the immediately preceding week; and (ii) the names of the individuals and/or entities with respect to which a Marketing Coordinator-Promoter Agreement expired or terminated during the immediately preceding week. On or before the 15<sup>th</sup> day of every calendar month, Marketing Coordinator shall provide to DISH in an electronic format specified by DISH (or such other format as DISH may specify to Marketing Coordinator) the amount of incentives, activation fees and other payments of any type made to each Promoter by Marketing Coordinator in connection with each Referral attributable thereto during the previous calendar month. If Marketing Coordinator fails to timely provide complete and accurate books and records to DISH pursuant to this Section 6.6.2, DISH may, in addition to any other rights or remedies it may have (including without limitation under Section 6.7.1), prohibit Marketing Coordinator from participating in any or all Referral Marketing Programs until such time as Marketing Coordinator provides DISH with such complete and accurate books and records, and DISH shall have no liability to Marketing Coordinator as a result of such prohibition. Specifically, and without limitation of the foregoing, Marketing Coordinator shall have no right at any time to recoup any Incentives withheld while such prohibitions are in effect.

6.6.3 During the Term of this Agreement and for a period of two (2) years thereafter, Marketing Coordinator shall keep and maintain at its principal place of business complete and accurate records and books of account in connection with it performance under this Agreement. Such books and records shall be in sufficient detail to show all information necessary to support Marketing Coordinator's claims and requests for payments hereunder. At Any time during the Term and for a period of two (2) years after the expiration or termination thereof for any reason whatsoever, DISH shall have the right, upon not less than five (5) business days' prior written notice to Marketing Coordinator, to review, audit and make copies of the books and records of Marketing Coordinator and its Affiliates for the purpose of verifying that Marketing Coordinator is complying with its obligations under this Agreement (including without limitation those set forth in any Referral Marketing Policies)

and any Other Agreement (a "DISH Audit"). Any DISH Audit shall be conducted by DISH or its representatives at Marketing Coordinator's principal offices in the Territory during normal business Marketing Coordinator shall allow DISH or its representative(s) access to Marketing Coordinator's personnel as necessary to efficiently conduct any DISH Audit. If during the course of a DISH Audit, DISH uncovers that: (i) Marketing Coordinator (or any of its Affiliates) has underpaid by greater than three percent (3%) any amounts paid to DISH and/or any of its Affiliates by Marketing Coordinator and/or any of its Affiliates; or (ii) Marketing Coordinator has otherwise materially failed to comply with its obligations under this Agreement, Marketing Coordinator shall pay to DISH, in addition to such overpaid and/or underpaid amounts, the costs and expenses incurred by DISH in connection with such DISH Audit. DISH shall be entitled to conduct a DISH Audit regardless of the existence of any claim, dispute, controversy, mediation, arbitration or litigation between the parties. Marketing Coordinator agrees that any breach of its obligations set forth in this Section 6.6.3 will cause substantial and irreparable harm and injury to DISH for which monetary damages alone would be an inadequate remedy, and which damages are difficult to accurately measure. Accordingly, Marketing Coordinator agrees that DISH shall have the right, in addition to any other remedies available, to obtain immediate relief in the form of specific performance from either the panel or arbitrators (in the event that arbitration has been commenced pursuant to Section 14) or a court of competent jurisdiction. The provisions of this Section 6.6.3 shall survive expiration or termination of this Agreement (for any reason whatsoever) for two (2) years.

- 6.7 <u>Suspension, Termination and Expiration of Incentives</u>. The provisions of the Section 6.7 shall survive expiration or termination of this Agreement (for any reason whatsoever) indefinitely.
- 6.7.1 Suspension. In addition to any other rights and remedies available, DISH shall not be required to pay any Incentives or other amounts to Marketing Coordinator during any period in which Marketing Coordinator is in breach or default of this Agreement or any Other Agreement, and DISH shall have no liability to Marketing Coordinator as a result of such suspension of payment. Specifically, and without limitation of the foregoing, Marketing Coordinator shall have no right at any time to recoup any Incentives or other amounts not paid during a period of breach or default, except that in the case of a curable default by Marketing Coordinator, if Marketing Coordinator has cured such default to DISH's sole satisfaction within ten (10) business days after suspension of Marketing Coordinator's Incentive payments by DISH, Marketing Coordinator shall be entitled to receive the Incentives that would have otherwise been due to Marketing Coordinator during the period of suspension. The provisions of this Section 6.7.1 may be exercised without terminating the Agreement and are without prejudice to any other rights and remedies that DISH and/or any of its Affiliates may have at law, in equity, under contract (including without limitation, this Agreement) or otherwise.
- 6.7.2 Expiration or Termination. Upon expiration or termination of this Agreement for any reason or no reason, DISH shall have the right (but not the obligation), in addition to any other rights and remedies it may have, to terminate immediately all payments of Incentives then presently, or thereafter, due and owing to Marketing Coordinator under this Agreement.
- 6.7.3 *Promoters*. With respect to Promoters who have earned amounts under Marketing Coordinator's incentive or other payment structure prior to expiration or termination of this Agreement for any reason whatsoever that are payable after the date of such expiration or termination, DISH shall have the option (exercisable in its Sole Discretion and at Any Time after such expiration or

termination), but not the obligation, to: (i) use commercially reasonable efforts to offer an incentive program to such Promoters pursuant to which, among other things, DISH would commence paying incentives directly to such Promoters subject to and in accordance with one or more forms of marketing and promotion agreements between DISH and each Promoter that are acceptable to DISH in its Sole Discretion (each a "Marketing and Promotion Agreement); or (ii) continue to pay such Pass-Through Incentives to Marketing Coordinator and, in the event that DISH exercises such option, Marketing Coordinator hereby covenants and agrees to pass all such amounts through to the applicable Promoters. In the event that DISH elects either option in the immediately preceding sentence, Marketing Coordinator agrees to cooperate fully with DISH and provide all information, data or records reasonably requested by DISH in order to make such payments directly to Promoters or to pay such Pass-Through Incentives to Marketing Coordinator, as the case may be.

- 6.7.4 Notwithstanding anything to the contrary set forth herein, in no event shall any Notice of Claim (as defined in Section 14.2) relating to either of the following be provided later than sixty (60) days after the date that the applicable payment should have been made or the date that the applicable charge back occurred, as applicable, or later than sixty (60) days after expiration or termination of this Agreement for any reason whatsoever, whichever is earlier, or the shortest period permitted under applicable law (in the event that such period is in excess of the applicable period set forth above): (i) any alleged failure by DISH or any of its Affiliates to pay any Incentives or any other amounts to Marketing Coordinator and/or its Affiliates (ii) any charge backs.
- 6.8 <u>Non-Incentivized Activations by DISH</u>. In the event that Marketing Coordinator for any reason does not qualify for an Incentive with respect to any Referral or otherwise pursuant to any Referral Marketing Program, DISH shall be entitled to activate Programming and/or a DISH DBS System or other equipment for the corresponding subscriber (or otherwise provide any Other Authorized Product or Service to such subscriber) without payment of any Incentive to Marketing Coordinator, even if Marketing Coordinator directed and/or supported the Promoter to which the applicable Referral was attributable.
- 6.9 In no event shall Marketing Coordinator or any of its Affiliates have the Offsets. right to offset, set-off, or otherwise deduct any amounts due or owing to Marketing Coordinator or any of its Affiliates from DISH or any of its Affiliates against any amounts or other sums due or owing from Marketing Coordinator or any of its Affiliates to DISH or any of its Affiliates. In the event that the Incentives paid by DISH to Marketing Coordinator exceed the amount to which Marketing Coordinator was entitled, or if Marketing Coordinator and/or any of its Affiliates is indebted to DISH or any of its Affiliates under Section 13 below or for any other reason (including without limitation for any charge backs permitted hereunder). Marketing Coordinator and its Affiliates hereby acknowledge and agree that DISH and its Affiliates shall have the right, but not the obligation, to offset any such amounts against any Incentives or other amounts otherwise due to Marketing Coordinator or any of its Affiliates from DISH or any of its Affiliates, as well as any and all amounts for which DISH and/or any of its Affiliates may become liable to third parties by reason of Marketing Coordinator's and/or any of its Affiliates' acts in performing, or failing to perform, Marketing Coordinator's and/or any of its Affiliates' obligations under this Agreement or any Other Agreement. Further, DISH may, but shall have no obligation to, withhold such sums from any monies due or to become due to Marketing Coordinator hereunder that DISH, at Any Time and in its Sole Discretion, deems necessary to protect DISH and/or any of its Affiliates from any loss, damage, or expense relating to or arising out of

Marketing Coordinator's and/or any of its Affiliate's actions, inaction or performance hereunder, or in response to any claim or threatened claim of which DISH becomes aware concerning Marketing Coordinator or the performance of Marketing Coordinator's duties hereunder. DISH's right to money due and to become due hereunder shall not be subject to any defense (except payment), offset, counterclaim, or recoupment of Marketing Coordinator whatsoever, including without limitation, any that might arise from a breach of this Agreement by DISH or any of its Affiliates. The provisions of this Section 6.9 shall survive expiration or earlier termination of this Agreement (for any reason whatsoever) indefinitely.

- 6.10 Recovery of Outstanding Amounts. DISH'S CALCULATION OF INCENTIVES AND OFFSET AMOUNTS SHALL BE PRESUMED CONCLUSIVELY AND IRREBUTABLY CORRECT ABSENT A TIMELY NOTICE OF CLAIM BY MARKETING COORDINATOR PURSUANT TO SECTION 14.2. Within thirty (30) days after expiration or termination of this Agreement for any reason whatsoever, Marketing Coordinator shall pay to DISH all amounts owing from Marketing Coordinator and its Affiliates to DISH and its Affiliates.
- 6.11 <u>Collection of Programming and Other Fees.</u> Marketing Coordinator acknowledges and agrees that under no circumstance shall Marketing Coordinator, nor shall Marketing Coordinator allow Promoters, to collect any payment for Programming or for any Other Authorized Products or Services, or any other amounts due to DISH and/or any of its Affiliates directly from any DISH Subscriber or any other person or entity, and all Programming fees will be billed directly to DISH Subscribers by DISH. In the event that, notwithstanding Marketing Coordinator's best efforts to comply with this requirement, any DISH Subscriber or other person or entity forwards any such payment to Marketing Coordinator or to a Promoter rather than to DISH directly, Marketing Coordinator shall immediately forward the payment (or ensure that the applicable Promoter immediately forwards the payment), together with any applicable sales or similar taxes, to DISH without deduction or offset of any kind, and shall instruct (or ensure that the applicable Promoter instructs) the DISH Subscriber or other person or entity that all future payments must be made to DISH directly. Until such time as the payment is delivered to DISH, Marketing Coordinator shall hold (or ensure that the applicable Promoter holds) such payment in trust for the benefit of DISH.
- 6.12 <u>Sole Incentives.</u> Marketing Coordinator acknowledges and agrees that the Incentives payable pursuant to this Agreement and any applicable Referral Marketing Policies constitute the sole amounts payable by DISH to Marketing Coordinator for Marketing Coordinator's role in providing direction and support to the Promoters in the Territory with respect to Promoters' marketing and promotion of Programming and Other Authorized Products and Services. Marketing Coordinator further acknowledges and agrees that the Incentives paid to Marketing Coordinator under this Agreement do not represent deferred compensation in any form whatsoever and are not being paid to Marketing Coordinator in connection with the activation of Programming or the activation, provisioning, sale, lease or other transfer of Other Authorized Products and Services, but rather are being paid in consideration of Marketing Coordinator's continuing efforts to direct and support Promoters in the Territory with respect to such Promoters' continued efforts to market and promote Programming and Other Authorized Products and Services.
- 6.13 <u>No Admission</u>. No payment to Marketing Coordinator under this Agreement, whether in full or in part, shall be deemed to operate as DISH's acceptance, waiver or admission that

Marketing Coordinator has complied with any provisions of this Agreement or any Referral Marketing Policies. The parties agree that at all times (including without limitation, in any arbitration or court proceeding) it shall remain Marketing Coordinator's burden to prove eligibility for receipt of any Incentive (including without limitation, performance of any conditions precedent thereto) or that any charge back was incorrect.

#### 6.14 Payment of Incentives to Promoters.

6.14.1 Except as expressly set forth to the contrary in Section 6.7.3 above, Marketing Coordinator acknowledges and agrees that it is solely responsible for paying incentives to Promoters. In no event, and under no circumstances (except as expressly set forth to the contrary in Section 6.7.3 above) shall Marketing Coordinator or Promoters require DISH to pay incentives to, or otherwise compensate, Promoters. Except as expressly set forth to the contrary in Section 6.7.3 above, Marketing Coordinator acknowledges and agrees that no payments shall ever be due or owing to Promoters from DISH or any of its Affiliates in connection with the marketing and promotion of Programming or any Other Authorized Products and Services pursuant to this Agreement. Except as expressly set forth to the contrary in Section 6.7.3 above, Marketing Coordinator further acknowledges and agrees that any and all payments to be made to Promoters in connection with the marketing and promotion of Programming and any Other Authorized Products and Services shall be made exclusively by Marketing Coordinator, pursuant to the terms of agreements, if any, negotiated between such Promoters and Marketing Coordinator, and that the Promoters shall look exclusively to Marketing Coordinator for such payments. In addition to (and without limitation of) Marketing Coordinator's other indemnification obligations hereunder, Marketing Coordinator agrees to indemnify, defend and hold DISH and its Affiliates harmless in the manner prescribed in Section 12 below from and against any and all claims made against DISH and/or any of its Affiliates by Promoters (or any other person or entity that claims to have been supported or directed by Marketing Coordinator in connection with the marketing and promotion of Programming or any Other Authorized Products and Services, whether or not such party has a Marketing Coordinator-Promoter Agreement in force and effect), or relate in any way to, any Promoter's claims (or those of any other person or entity that claims to have been supported or directed by Marketing Coordinator in connection with the marketing and promotion of Programming or any Other Authorized Products and Services, whether or not such party has a Marketing Coordinator-Promoter Agreement in force and effect) for payment of a portion of the Incentives and/or any other payments of any type in connection with the marketing and promotion of Programming and Other Authorized Products and Services.

6.14.2 Notwithstanding the foregoing, DISH shall have the option (exercisable at Any Time and in its Sole Discretion), but not the obligation, upon sixty (60) days' prior written notice to Marketing Coordinator (provided that, in the event that Marketing Coordinator is in breach or default of this Agreement or any Other Agreement, DISH shall have the right to exercise such option with immediate effect and without any notice to Marketing Coordinator), to commence paying incentives directly to all Promoters; provided that, in the event that DISH exercises such option, DISH will only pay incentives directly to Promoters who sign a Marketing and Promotion Agreement and only pursuant to such Marketing and Promotion Agreement. If DISH exercises the option described in the immediately preceding sentence, DISH will continue to pay to Marketing Coordinator the portion of Incentives that would otherwise be owing to Marketing Coordinator under the terms and conditions of this Agreement and that would not have been passed through to such Promoters by Marketing

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Coordinator (i.e., the portion of Incentives that would have been retained by Marketing Coordinator under Marketing Coordinator's then-existing incentive or other payment structure with its Promoters, less any offsets or Chargebacks). In the event that DISH elects to commence paying the applicable Pass-Through Incentives directly to Promoters, Marketing Coordinator agrees to cooperate fully with DISH and provide all information, data or records reasonably requested by DISH in order to make such payments.

6.15 <u>Assignment of Right to Payment</u>. Marketing Coordinator does not have the power or the right to assign any payments or its right to receive any payments that may be due to Marketing Coordinator under this Agreement. Any such assignment (whether express or by operation of law) shall be void and unenforceable. Any such attempted assignment shall immediately discontinue Marketing Coordinator's right to future payments under this Agreement.

#### 7. ORDERS

- Marketing Coordinator agrees to use its best efforts to promote and enhance DISH's business, reputation and goodwill. Marketing Coordinator shall allow only its full-time employees (and not any independent contractors, sub-agents or other person or entity) to direct and support Promoters in the Territory with respect to the Promoters' marketing and promotion of DISH Products and Services, unless Marketing Coordinator obtains DISH's specific prior written consent to use of such other person or entity, which consent may be withheld at Any Time and in its Sole Discretion. In the event that DISH does grant its consent to Marketing Coordinator using persons who are not employed by Marketing Coordinator to perform activities contemplated hereunder, Marketing Coordinator shall be responsible for the acts and omissions of such other persons to same extent that it is responsible for the acts and omissions of its own employees.
- 7.2 Marketing Coordinator shall not, nor shall Marketing Coordinator allow Promoters to, sell Programming or any Other Authorized Product or Service under any circumstances. All sales of Programming and Other Authorized Products and Services are transactions solely between DISH and DISH Subscribers. Marketing Coordinator shall not, nor shall Marketing Coordinator allow Promoters to, condition, tie or otherwise bundle any purchase of Programming or any Other Authorized Product or Service with the purchase of any other product or service except as authorized by DISH in advance in a writing signed by an Executive Vice President of DISH (or his or her designee).
- 7.3 Marketing Coordinator shall direct Promoters to promptly forward to DISH all orders for Programming and Other Authorized Products and Services in the manner prescribed by DISH from time to time. Marketing Coordinator acknowledges and agrees that DISH shall have the right, exercisable at Any Time and in its Sole Discretion, to accept or reject, in whole or in part, any and/or all orders for Programming and/or Other Authorized Products and Services.
- 7.4 Marketing Coordinator shall take all actions and refrain from taking any action, as requested by DISH, in connection with directing and supporting Promoters with respect to the marketing and promotion of Programming and Other Authorized Products and Services, and Marketing Coordinator shall cooperate by supplying DISH with information relating to those actions as DISH reasonably requests. Marketing Coordinator hereby agrees to comply with all Referral Marketing Policies (the terms and conditions of which are hereby incorporated by reference in their

entirety) and hereby acknowledges that its failure to adhere to any Referral Marketing Policies may result in disciplinary action up to and including termination of this Agreement and/or any other remedy at law, in equity, under contract (including without limitation, this Agreement) or otherwise.

Marketing Coordinator hereby acknowledges and agrees that the relationship, contractual or otherwise, between DISH (and/or any of its Affiliates) and each DISH Subscriber is, as between DISH and Marketing Coordinator, for the sole and exclusive benefit of DISH and that DISH may conduct such relationship in any manner that it sees fit, at Any Time and in its Sole Discretion, without incurring any liability to Marketing Coordinator. In furtherance and without limitation of the foregoing, Marketing Coordinator acknowledges and agrees that Marketing Coordinator is not a thirdparty beneficiary of any agreement that DISH or any of its Affiliates may have with any DISH Subscriber, and that, under no circumstances, shall Marketing Coordinator have any claim or cause of action against DISH or any Affiliate of DISH for any action taken by DISH and/or any of its Affiliates with regard to any DISH Subscriber. Marketing Coordinator further acknowledges and agrees that all records created or maintained by, or on behalf of, DISH relating to any DISH Subscriber are the sole and exclusive property of DISH and that DISH shall have no obligation whatsoever to give or allow Marketing Coordinator access to such information, even if authorized or requested by such DISH Subscriber. Marketing Coordinator shall ensure that each Marketing Coordinator-Promoter Agreement contains provisions applicable to the corresponding Promoter that are substantially similar to those set forth in this Section 7.5. The provisions of this Section 7.5 shall survive expiration or termination of this Agreement (for any reason whatsoever) indefinitely.

#### 8. CONDUCT OF BUSINESS

- 8.1 <u>Business Ethics; Compliance with Laws.</u> Marketing Coordinator shall not engage in any activity or business transaction that could be considered unethical, as determined by DISH in accordance with prevailing business standards, or damaging to DISH's image or goodwill in any way. Marketing Coordinator shall under no circumstances take any action that could be considered disparaging to DISH. Marketing Coordinator shall comply with all applicable governmental statutes, laws, rules, regulations, ordinances, codes, directives, and orders (whether federal, state, municipal, or otherwise), and all amendments thereto, now enacted or hereafter promulgated, in force during the Term ("Laws"), and Marketing Coordinator is and shall be solely responsible for its compliance with all Laws that apply to its obligations under this Agreement.
- 8.2 <u>Signal Theft.</u> Marketing Coordinator shall not directly or indirectly: (i) engage in any signal theft, piracy or similar activities; (ii) engage in any unauthorized reception, transmission, publication, use, display or similar activities with respect to Programming or Other Authorized Products and Services; (iii) use a single DISH Network account for the purpose of authorizing Programming for multiple DISH DBS Systems that are not all located in the same Residential Location or Commercial Location and connected to the same phone line and/or broadband network; (iv) alter any DISH DBS Systems or smart cards, or any other equipment compatible with programming delivered by DISH or any of its Affiliates to be capable of signal theft (or for any other reason without the express written consent of DISH); (v) sell any equipment altered to permit signal theft or other piracy; (vi) aid any others in engaging in, or attempting to engage in, any of the above described activities; or (vii) manufacture, import, offer to the public, sell, provide or otherwise traffic in any technology, product, service or device that is primarily designed or produced for the purpose of, is

marketed for use in, or has limited commercially significant purpose other than, assisting in or facilitating signal theft or other piracy. Marketing Coordinator shall immediately notify DISH if it becomes aware of any such activity by any person or entity.

- 8.3 Bounty Programs. Marketing Coordinator acknowledges that it is in the best interest of both DISH and Marketing Coordinator for DISH Subscribers to be long-term customers of DISH and/or its Affiliates. Marketing Coordinator acknowledges that churning of DISH Subscribers is detrimental to DISH and negatively affects DISH's ability to offer Monthly Incentives and/or Activation Incentives. Marketing Coordinator acknowledges that for any DISH marketing program to be viable, DISH Subscribers must be long-term subscribers to DISH Network. Therefore, Marketing Coordinator agrees that, during the Term and for a period of five (5) years following the expiration or termination thereof for any reason whatsoever, Marketing Coordinator and its Affiliates will not directly or indirectly in any manner whatsoever operate, offer to any other person or entity, participate in, or assist any other person or entity to participate in any promotion or program offered by any person or entity other than DISH or any of its Affiliates (including without limitation Marketing Coordinator or any of its Affiliates) that directly or indirectly provides for the delivery of any economic incentive or other benefit to any retailer, promoter, DISH Subscriber or any other person or entity in any form directly or indirectly in connection with the direct or indirect solicitation of customers of DISH or any other DBS provider or customers of any direct-to-home ("DTH") satellite programming service provider or multi-channel video programming distributor ("MVPD"), regardless of the method of distribution of the programming signal (including without limitation wireless transmission, telephone lines and coaxial cable), for any purpose whatsoever (including, without limitation, in connection with such person or entity directly or indirectly assisting in the process of attempting to cause a customer of DISH or any other DBS provider or a customer of any DTH programming service provider or MVPD to become a subscriber to any other DBS provider or the services of any DTH programming service provider or MVPD). Furthermore, Marketing Coordinator agrees that, during the Term and for a period of five (5) years following the expiration or termination of this Agreement for any reason whatsoever, Marketing Coordinator and its Affiliates will not directly or indirectly produce, place, display or use any advertising or marketing material that explicitly reference DISH Network, DISH or an Affiliate of DISH or DISH Subscribers and attempts to persuade DISH Subscribers to cancel their DISH service and/or switch to a service offered by any other DBS provider or the services of any DTH programming service provider or MVPD. Marketing Coordinator further agrees that, during the Term and for a period of five (5) years following the expiration or termination thereof for any reason whatsoever, Marketing Coordinator will notify DISH immediately of any Promoter or former Promoter that Marketing Coordinator becomes aware is directly or indirectly participating in, or assisting any other person or entity to participate in, any such promotion or program. In addition to and without limitation of the foregoing, during the Term and a period of five (5) years following the expiration or termination thereof for any reason whatsoever, Marketing Coordinator will not directly or indirectly convert, or assist any other person or entity to convert, any DISH Subscriber to the services of any other DBS provider or the services of any DTH programming service provider or MVPD. The provisions of this Section 8.3 shall survive the expiration or termination of this Agreement (for any reason whatsoever) for a period of five (5) years.
- 8.4 <u>Remedies.</u> Marketing Coordinator agrees that any breach of its obligations set forth in this Section 8 will cause substantial and irreparable harm and injury to DISH for which monetary damages alone would be an inadequate remedy, and which damages are difficult to accurately

measure. Accordingly, Marketing Coordinator agrees that DISH shall have the right, in addition to any other remedies available, to obtain immediate injunctive relief (without the necessity of posting or filing a bond or other security) to restrain the threatened or actual violation hereof by Marketing Coordinator, its employees, subcontractors and agents, as well as other equitable relief allowed by the federal and state courts. The foregoing right to and remedy of injunctive relief is agreed to without prejudice to DISH to exercise any other rights and remedies it may have, including without limitation, the right to terminate this Agreement and seek damages or other legal or equitable relief. The provisions of this Section 8.4 shall survive expiration or termination of this Agreement (for any reason whatsoever) indefinitely.

8.5 <u>Promoters</u>. Marketing Coordinator shall ensure that Promoters comply with the provisions set forth in Sections 8.1, 8.2 and 8.3. For clarity (and without limitation of any of the foregoing), Marketing Coordinator acknowledges and agrees that Promoters shall be treated as if they are employees of Marketing Coordinator for the purposes of DISH's exercising its rights and remedies in Section 8.4.

#### 9. TERM AND TERMINATION

- Term. Subject to Sections 9.2, 9.3 and 9.4 of this Agreement, and other provisions providing for early termination, this Agreement is for a fixed term commencing on the date first agreement to renew or replace this Agreement upon its expiration. The provisions of this Agreement that expressly survive and such other rights and obligations hereunder as would logically be expected to survive expiration or termination of this Agreement shall continue in full force and effect for the period specified or for a reasonable period under the circumstances if no period is specified. The acceptance of any Referral or order for Programming or Other Authorized Product or Service resulting from Promoters' marketing and promotion of DISH Products and Services after the expiration or termination of this Agreement for any reason whatsoever shall not be construed as a renewal or extension of this Agreement. MARKETING COORDINATOR RECOGNIZES THAT THIS AGREEMENT MAY BE TERMINATED PRIOR TO THE EXPIRATION OF THE TERM AND THAT NO REPRESENTATIONS HAVE BEEN MADE TO MARKETING COORDINATOR THAT MARKETING COORDINATOR WILL REMAIN AN AUTHORIZED MARKETING COORDINATOR DURING THE ENTIRE TERM OR THAT THE AGREEMENT WILL NOT BE TERMINATED PRIOR TO EXPIRATION OF THE TERM PURSUANT TO SECTIONS 9.2, 9.3 OR 9.4 BELOW.
- 9.2 <u>Termination by Either Party upon Default</u>. This Agreement may be terminated by a party (the "Affected Party") upon the occurrence of any of the following with respect to the other party (the "Other Party"): (a) the Other Party commits a payment default which is not cured within thirty (30) days following the Other Party's receipt of written notice from the Affected Party specifying such default (for purposes of this Section 9.2, Marketing Coordinator shall be deemed to have committed a "payment default" if Marketing Coordinator fails to pay any amount owing to DISH and/or any of its Affiliates when due whether such amount is owing under this Agreement or any Other Agreement); or (b) the Other Party fails to perform any material obligation or breaches any material representation, warranty or covenant in this Agreement or any Other Agreement, regardless of whether breach or

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default of such obligations, representation, warranty or covenant is designated as giving rise to a termination right, and such default or breach, if curable, is not cured within thirty (30) days of following the Other Party's receipt of written notice from the Affected Party specifying such failure or breach.

The parties agree that all representations, warranties, covenants, obligations and duties of Marketing Coordinator contained in this Agreement, whether or not specifically designated as such, are material to the agreement of DISH to enter into and continue this Agreement.

Automatic Termination. In addition to and without prejudice to any other rights and remedies that DISH may have at law, in equity, under contract (including without limitation, this Agreement) or otherwise (all of which are hereby expressly reserved), this Agreement shall terminate automatically should any of the following occur, unless DISH notifies the Marketing Coordinator to the contrary in writing at any time thereafter: (i) Marketing Coordinator becomes insolvent, or voluntary or involuntary bankruptcy, insolvency or similar proceedings are instituted by or against Marketing Coordinator, (ii) Marketing Coordinator, for more than twenty (20) consecutive days, fails to maintain operations as a going business; (iii) Marketing Coordinator, for more than twenty (20) consecutive days, ceases to actively direct and support Promoters in the marketing and promotion of Programming and Other Authorized Products and Services; (iv) Marketing Coordinator, or any officer, director, substantial shareholder or principal of the Marketing Coordinator, is convicted in a court of competent jurisdiction of any criminal offense greater than or equivalent to a Class C misdemeanor related to the business conducted by Marketing Coordinator in connection with this Agreement; (v) Marketing Coordinator fails to comply with any Law, including without limitation, engaging in any practice which is determined to be an illegal, deceptive or unfair trade practice; (vi) Marketing Coordinator's falsification of any record or report required or permitted to be delivered to DISH or made available to DISH for review hereunder or under any Referral Marketing Policy; (vii) Marketing Coordinator's failure to renew, or the loss, due to suspension, cancellation or revocation, for a period of thirty (30) days or more, of any license, permit or similar document or authority required by law or governmental authority having jurisdiction that is necessary in carrying out the provisions of this Agreement and in maintaining Marketing Coordinator's corporate or other business status; (viii) Marketing Coordinator makes, or attempts to make, any representation, promise or agreement on behalf of DISH; (ix) any actual or alleged fraud, misrepresentation or illegal action of any sort made by Marketing Coordinator in connection with this Agreement and/or any Other Agreement; (x) any actual or alleged fraud, misrepresentation, or illegal action of any sort by any Promoter in connection with the marketing and promotion of Programming and/or Other Authorized Products and Services of which Marketing Coordinator actually knew or reasonably should have known; (xi) any Other Agreement terminates for any reason whatsoever; (xii) Marketing Coordinator fraudulently receives or attempts to receive an Incentive or other payment to that it is not entitled to receive under this Agreement or any Other Agreement, including without limitation by (a) misrepresenting any information concerning a prior or current DISH Subscriber to make that person appear to be a new DISH Subscriber, (b) creating a fictitious or fraudulent customer account, or (c) improperly modifying or canceling a pending work order; (xiii) the churn rate experienced by DISH for DISH Subscribers resulting from Referrals is equal to or greater than one hundred twenty-five percent (125%) of the churn rate experienced by DISH with respect to DISH Subscribers generally during any consecutive three (3) month period; (xiv) Marketing Coordinator is in breach or default of its obligations under Sections 3.6, 6.11, 6.15, 8.2, 8.3, or 13.2; (xv) Marketing Coordinator directly or indirectly makes any payment to DISH for

Programming services, Authorized Products and Services or otherwise on behalf of any retail end-user of any DISH DBS System or any Authorized Products and Services; or (xvi) any of the representations or warranties made by Marketing Coordinator in this Agreement or any Other Agreement is false.

- 9.4 <u>Termination for Convenience</u>. Either party hereto may, in its Sole Discretion, terminate this Agreement for its convenience by giving the other party no less than ninety (90) days' prior written notice.
- 9.5 In addition to (and without limitation of) Expiration or Termination of Agreement. Marketing Coordinator's other obligations hereunder, the parties hereto agree that if this Agreement expires or terminates for any reason whatsoever Marketing Coordinator shall: (i) immediately discontinue directing and supporting Promoters in the marketing and promotion of Programming and Other Authorized Products and Services, and immediately cease to represent and/or imply to any person or entity that Marketing Coordinator is an Authorized Marketing Coordinator; (ii) immediately discontinue all use of all marketing materials provided to Marketing Coordinator by DISH (including without limitation, the EZ 1-2-3 Marketing Materials) and any other materials containing any trademark or tradename of DISH or any of its Affiliates and ensure that all Promoters discontinue all use of such materials; (iii) immediately deliver to DISH, or destroy, at DISH's option, all marketing materials in Marketing Coordinator's possession or control that bear any of trademark or tradename of DISH or any of its Affiliates; (iv) immediately certify in writing to DISH that such delivery or destruction has taken place; and (v) within forty-eight (48) hours, provide DISH with all books, records and other information that is required to be kept by Marketing Coordinator or provided to DISH pursuant to Section 6.7.3. The provisions of this Section 9.5 shall survive the expiration or termination of this Agreement (for any reason whatsoever) until fully discharged.
- 9.6 Promoter Termination. Marketing Coordinator shall include one or more provisions in each Marketing Coordinator-Promoter Agreement(s) relating to the marketing and promotion of Programming and/or Other Authorized Products and Services that entitles Marketing Coordinator to: (i) require any Promoter to immediately cease marketing and promoting Programming and Other Authorized Products and Services; (ii) immediately terminate any Promoter's Marketing Coordinator-Promoter Agreement(s) if Marketing Coordinator is notified by DISH or otherwise becomes aware that any act or omission of such Promoter, if such Promoter were an employee of Marketing Coordinator, would constitute a breach or default of Section 8 or any of Marketing Coordinator's obligations hereunder with respect to which Marketing Coordinator is required to ensure Promoters' compliance; and (iii) terminate any Promoter's Marketing Coordinator-Promoter Agreement(s) relating to the marketing and promotion of Programming and/or Other Authorized Products and Services upon not more than three (3) days' prior written notice for any reason or no reason (including without limitation, for Marketing Coordinator's convenience). Coordinator shall immediately exercise the termination rights described in clauses (i), (ii) and (iii) of this Section 9.6 at DISH's request (in the case of clause (i), (ii) or (iii)), or immediately and absent any DISH request if Marketing Coordinator becomes aware of any act or omission of such Promoter, if such Promoter were an employee of Marketing Coordinator, would constitute a breach or default of Section 9 or any of Marketing Coordinator's obligations hereunder with respect to which Marketing Coordinator is required to ensure Promoters' compliance (in the case of clause (i) of this Agreement). In addition to (and without limitation of) the foregoing, Marketing Coordinator shall include a provision in all Marketing Coordinator-Promoter Agreements relating to the marketing of

Programming and/or Other Authorized Products and Services whereby such Marketing Coordinator-Promoter Agreements terminate automatically upon expiration or termination of this Agreement. Upon expiration or termination of any Marketing Coordinator-Promoter Agreements relating to the marketing and promotion of Programming and/or Other Authorized Products and Services, Marketing Coordinator shall ensure that the corresponding Promoter: (i) immediately discontinues marketing and promoting Programming and Other Authorized Products and Services; (ii) immediately discontinues all use of all marketing materials provided to such Promoter by Marketing Coordinator (including without limitation, the EZ 1-2-3 Marketing Materials) and any other materials containing any trademark or tradename of DISH or any of its Affiliates; and (iii) immediately deliver to Marketing Coordinator all marketing materials in such Promoter's possession or control that bear any of the trademarks or tradenames of DISH or any of its Affiliates. The provisions of this Section 9.6 shall survive the expiration or termination of this Agreement (for any reason whatsoever) until fully discharged.

#### 10. INDEPENDENT CONTRACTOR

- The relationship of the parties hereto is that of independent contractors. Marketing Coordinator shall conduct its business as an independent contractor, and all persons employed in the conduct of such business shall be Marketing Coordinator's employees only, and not employees or agents of DISH. Notwithstanding anything to the contrary set forth herein, Marketing Coordinator (including without limitation its officers, directors, agents and employees) shall not, under any circumstances, hold itself out to the public or represent that it is the agent or employee of DISH or any Affiliate of DISH. In furtherance and without limitation of the foregoing, except as otherwise expressly set forth to the contrary in this Agreement or in a writing signed by an Executive Vice President of DISH (or his or her designee), in no event shall Marketing Coordinator use DISH's name or trade name, the name or trade name of any Affiliate of DISH or any trademark of DISH or any of its Affiliates in any manner that would tend to imply that Marketing Coordinator is an Affiliate of DISH or that Marketing Coordinator is an agent or employee of DISH or any of its Affiliates or that Marketing Coordinator is acting or authorized to act on behalf of DISH or any of its Affiliates. This Agreement does not constitute any joint venture or partnership. It is further understood and agreed that, except as otherwise expressly set forth in this Agreement or in a writing signed by an Executive Vice President of DISH (or his or her designee) Marketing Coordinator has no right or authority to make any representation, promise or agreement, or take any action, on behalf of DISH or any Affiliate of DISH. Any such representation, promise or agreement made by, or attempted to be made by, Marketing Coordinator, shall constitute a breach of, and serve as grounds for an automatic termination of, this Agreement pursuant to Section 9.3.
- Marketing Coordinator, at its sole expense, shall provide and maintain in good working order all facilities, tools and equipment as may be necessary or proper for the conduct of Marketing Coordinator's operations under this Agreement, and from which it shall operate, and DISH shall not have any responsibility or liability relating to such facilities, tools and equipment.
- 10.3 Marketing Coordinator shall have no authority to employ persons on behalf of DISH and no employees of Marketing Coordinator shall be deemed to be employees or agents of DISH. No employees of Marketing Coordinator shall be represented as, or represent themselves as, employees or partners of DISH. Marketing Coordinator shall have the sole and exclusive right to hire, transfer, suspend, layoff, recall, promote, assign, discipline, adjust grievances and discharge its employees.

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Marketing Coordinator is solely responsible for all salaries and other compensation of all Marketing Coordinator's employees.

- 10.4 Marketing Coordinator acknowledges that DISH has not required Marketing Coordinator to pay any franchise fee or other payment of any type as a condition of this Agreement. Marketing Coordinator represents and warrants to DISH that Marketing Coordinator does not and shall not claim itself to be a franchisee of DISH in relation to this Agreement or for any purpose or under any Law.
- 11. **LIMITATION OF LIABILITY.** The provisions of this Section 11 shall survive expiration or termination of this Agreement (for any reason whatsoever) indefinitely.
- 11.1 UPON EXPIRATION OR TERMINATION OF THIS AGREEMENT FOR ANY REASON OR NO REASON WHATSOEVER, NEITHER DISH NOR ANY OF ITS AFFILIATES SHALL HAVE ANY LIABILITY OR OBLIGATION WHATSOEVER TO MARKETING COORDINATOR, EXCEPT FOR SUCH OBLIGATIONS OF DISH HEREUNDER THAT EXPRESSLY SURVIVE EXPIRATION OR TERMINATION OF THIS AGREEMENT. BY WAY OF EXAMPLE (AND NOT LIMITATION), UPON EXPIRATION OR TERMINATION OF THIS AGREEMENT FOR ANY REASON OR NO REASON WHATSOEVER, MARKETING COORDINATOR SHALL HAVE NO RIGHT TO REQUIRE DISH TO CONTINUE TO ALLOW MARKETING COORDINATOR TO ACT AS AN AUTHORIZED MARKETING COORDINATOR FOR DISH, AND MARKETING COORDINATOR SHALL NOT BE ENTITLED TO ANY FURTHER INCENTIVES WITH RESPECT TO PRIOR OR FUTURE SALES. MARKETING COORDINATOR AGREES THAT UPON EXPIRATION OR TERMINATION OF THIS AGREEMENT FOR ANY REASON WHATSOEVER NO AMOUNTS SPENT IN ITS FULFILLMENT WILL BE RECOVERABLE FROM DISH OR ANY OF ITS AFFILIATES BY MARKETING COORDINATOR.
- NOTWITHSTANDING ANYTHING TO THE CONTRARY SET FORTH HEREIN, IN NO EVENT SHALL DISH NOR ANY AFFILIATE OF DISH BE LIABLE FOR ANY EXEMPLARY, SPECIAL, PUNITIVE, INCIDENTAL, CONSEQUENTIAL OR OTHER INDIRECT DAMAGES TO MARKETING COORDINATOR (INCLUDING WITHOUT LIMITATION, ANY FOR LOST BUSINESS, FUTURE PROFITS, LOSS OF GOODWILL, **PAYMENT** REIMBURSEMENT FOR EXPENDITURES OR INVESTMENTS MADE OR COMMITMENTS ENTERED INTO, CREATION OR CLIENTELE, ADVERTISING COSTS, TERMINATION OF EMPLOYEES OR EMPLOYEES SALARIES, OVERHEAD OR FACILITIES INCURRED OR ACQUIRED BASED UPON THE BUSINESS DERIVED OR ANTICIPATED UNDER THIS AGREEMENT), WHETHER FORESEEABLE OR NOT, CLAIMS UNDER DEALER AND/OR DISTRIBUTOR TERMINATION, PROTECTION, NON-RENEWAL OR SIMILAR LAWS, FOR ANY CAUSE WHATSOEVER WHETHER OR NOT CAUSED BY DISH'S NEGLIGENCE, GROSS NEGLIGENCE OR INTENTIONAL MISCONDUCT. IN NO EVENT SHALL ANY PROJECTIONS OR FORECASTS BY DISH BE BINDING AS COMMITMENTS OR PROMISES BY DISH.

#### 12. INDEMNIFICATION

For the Benefit of DISH. Marketing Coordinator shall indemnify, defend and hold DISH and its Affiliates, and its and their respective officers, directors, employees, agents, members and shareholders, and its and their respective assigns, heirs, successors and legal representatives (collectively, the "DISH Group") harmless from and against any and all costs, losses, liabilities, damages, lawsuits, judgments, claims, actions, penalties, fines and expenses (including, without limitation, interest, penalties, reasonable attorneys' fees and all monies paid in the investigation, defense or settlement of any or all of the foregoing) ("Claims"), that arise out of, or are incurred in connection with: (i) any act or omission of a current or former Promoter (or those of any agent, employee, officer or Affiliate of such current or former Promoter, whether or not such act or omission is within the scope of authority or employment of such agent, employee, officer or Affiliate), including without limitation, any claim or defense that might arise from a breach of warranty, guaranty or representation relating to DISH Programming and/or any Other Authorized Products and Services; (ii) Marketing Coordinator's performance or failure of performance under this Agreement and/or any Other Agreement, and any direct or indirect results thereof; (iii) Marketing Coordinator's lawful or unlawful acts or omissions (or those of any agent, employee, officer or Affiliate of Marketing Coordinator, whether or not such acts are within the scope of employment or authority of such agent, employee officer or Affiliate) relating to the marketing and/or promotion of DISH Programming and/or any other products or services of DISH or any of its Affiliates (including without limitation, any Other Authorized Products and Services); (iv) the failure of Marketing Coordinator to comply with any provision of this Agreement, any Other Agreement or any Referral Marketing Policy; (v) the breach or default of any of Marketing Coordinator's representations or warranties contained herein; (vi) claims made by a third party that Marketing Coordinator and/or any of its Affiliates are in breach or default of any contract between such third party, on the one hand, and Marketing Coordinator and/or any of its Affiliates, on the other hand; (vii) Marketing Coordinator directly or indirectly using a single DISH Network account for the purpose of authorizing Programming for multiple satellite receivers that are not all located in the same Residential Location and connected to the same phone line and/or broadband home network; (viii) the failure of Marketing Coordinator to comply with, or any actual or alleged violation of, any applicable Laws (including without limitation, any antitrust, unfair trade practices, anti-competition, securities and environmental laws and regulations); (ix) the failure of Marketing Coordinator to comply with any provision of this Agreement, the Trademark License Agreement or any Other Agreement, or the breach or default of any of Marketing Coordinator's representations, warranties, covenants, duties or obligations under any of the foregoing; (x) the failure of Marketing Coordinator to collect and remit taxes as required by any applicable Laws; (xi) any claim brought by Marketing Coordinator's employees or agents for compensation and/or damages arising out of the expiration or termination of this Agreement; (xii) any claim of pirating, infringement or imitation of the logos, trademarks or service marks of programming providers (except with respect to any marketing materials supplied to Marketing Coordinator by DISH); or (xiii) claims made by any current or former Promoter against DISH and/or any of its Affiliates arising out of or relating to such current or former Promoter's relationship with Marketing Coordinator. In the event of any claim for indemnification by the DISH Group under this Section 12.1, the DISH Group shall be entitled to representation by counsel of its own choosing, at Marketing Coordinator's sole cost and expense. The DISH Group shall have the right to the exclusive conduct of all negotiations, litigation, settlements and other proceedings arising from any such claim and Marketing Coordinator shall, at its own cost and expense, render all assistance requested by DISH in connection with any such negotiation, litigation,

settlement or other proceeding. Each indemnity obligation herein shall be in addition to and not in limitation of any other indemnity obligation set forth herein.

For the Benefit of Marketing Coordinator. DISH shall indemnify, defend and hold Marketing Coordinator and its Affiliates, and its and their respective officers, directors, employees, agents and shareholders, and its and their respective assigns, heirs, successors and legal representatives (collectively, the "Marketing Coordinator Group") harmless from and against, any and all third-party costs, losses, liabilities, damages, lawsuits, judgments, claims, actions, penalties, fines and expenses (including, without limitation, interest, penalties, reasonable attorneys' fees and all monies paid in the investigation, defense or settlement of any or all of the foregoing) that arise out of or are incurred in connection with: (i) DISH's breach of this Agreement or the Trademark License Agreement; (ii) DISH's or any of its Affiliate's lawful or unlawful acts or omissions directly relating to DISH's installation of DISH DBS Systems for Referrals that become DISH Subscribers as a result of Marketing Coordinator's participation in a Referral Marketing Program subject to and in accordance with this Agreement and applicable Referral Marketing Policies; (iii) the failure of DISH to comply with any applicable Law(s); or (iv) any claim brought by DISH's employees, subcontractors, Affiliates, and/or agents for compensation and/or damages arising out of the expiration or termination of this Agreement. In the event that a third party claim or action is asserted against the Marketing Coordinator Group that would give rise to a claim for indemnification under this Section 12.2, Marketing Coordinator shall provide written notice to DISH within ten (10) days after becoming aware of such third party claim or action. DISH, at its sole cost and expense and upon written notice to Marketing Coordinator, may assume the defense of such third party claim or action with counsel of DISH's own choosing. The Marketing Coordinator Group shall: (a) not compromise any such third party claim or action in any way or admit liability without DISH's prior written consent; and (b) shall cooperate with DISH in defense of such third party claim or action and shall accept any settlement recommended by DISH so long as (1) the Marketing Coordinator Group does not admit any fault or liability under such settlement, and (2) the amount of such settlement is paid by DISH.

12.3 The provisions of this Section 12 shall survive expiration or termination of this Agreement (for any reason whatsoever) indefinitely.

#### 13. CONFIDENTIALITY

13.1 General. At all times during the Term of this Agreement and for a period of three (3) years thereafter, each party and its employees will maintain, in confidence, the terms, conditions and provisions of this Agreement, and all information one party provides to the other which is clearly identified as confidential or proprietary, or which would otherwise logically be considered confidential or proprietary by virtue of its relation to the subject matter of this Agreement ("Confidential Information"). Each party hereby represents that it has not and will not reveal the same to any persons not employed by such party, except: (i) at the written direction of the other party; (ii) to the extent necessary to comply with any applicable Laws, the valid order of a court of competent jurisdiction or the valid order or requirement of a governmental agency or any successor agency thereto, in which event the disclosing party shall notify the other party in writing of the information prior to making any disclosure, and shall seek confidential treatment of such information; (iii) as part of its normal reporting or review procedure to its parent company, its auditors and its attorneys, provided such parent company, auditors and attorneys agree to be bound by the provisions of this paragraph; or (iv) to

the extent reasonably necessary to permit a party's performance hereunder (including without limitation to any Affiliate of such party). Information shall not be Confidential Information if it is: (a) or becomes available to the public through no wrongful act of the receiving party; (b) already in the possession of the receiving party and not subject to any agreement of confidence between the parties; (c) received from a third party without restriction for the benefit of the disclosing party and without breach of this Agreement; or (d) independently developed by the receiving party. Marketing Coordinator shall not issue an independent press release with respect to this Agreement or the transactions contemplated hereby without the prior written consent of DISH, which consent may be withheld by DISH in its Sole Discretion.

- Subscriber Information. Notwithstanding anything to the contrary set forth herein, all customers who directly or indirectly subscribe to, purchase, lease or otherwise receive or acquire: (i) Programming; (ii) any other products or services offered by DISH or any of its Affiliates (including without limitation, Other Authorized Products and Services); and/or (ii) any other services incidental, connected or related to any of the foregoing products or services, and/or who directly or indirectly purchase, lease or otherwise obtain the hardware necessary to receive any such Programming and/or any such other services, whether as a result of a Referral or other ("DISH Subscribers") shall be deemed customers of DISH for all purposes relating to programming services, including without limitation video, audio and data services, the other services provided by DISH or any of its Affiliates, and any other services incidental, connected or related to any of the foregoing services ("Services") and the hardware necessary to receive any of such services ("Hardware"). Marketing Coordinator acknowledges and agrees that the names, addresses and other identifying information of DISH Subscribers ("Subscriber Information") are, as between Marketing Coordinator and DISH, with respect to the delivery of Services and the provision of Hardware, proprietary to DISH, and shall be treated with the highest degree of confidentiality by Marketing Coordinator. Marketing Coordinator shall not at any time during or after the Term directly or indirectly: (a) make use of any list of past or current DISH Subscribers (whether developed by Marketing Coordinator or obtained from DISH or another source), (b) use any Subscriber Information for the direct or indirect benefit of any individual or entity other than DISH, (c) use any Subscriber Information for the purpose of soliciting, or to permit any others to solicit, subscribers to subscribe to any programming services, including without limitation video, audio and data services offered by anyone other than DISH and its Affiliates, and any other services incidental, connected or related to any such services (collectively, the "Third-Party Services"), or promote the sale, lease or other acquisition of any hardware or other equipment used in connection with Third-Party Services (the "Third-Party Hardware"), or (d) reveal any Subscriber Information to any third party for any reason without the express prior written consent of DISH, which consent DISH may withhold at Any Time and in its Sole Discretion for any reason or no reason; provided, however, that nothing shall prohibit Marketing Coordinator from utilizing its own customer list (but not a discrete portion thereof that identifies or targets DISH Subscribers) for its general business operations unrelated to the delivery of Third-Party Services or the provisioning of Third-Party Hardware.
- 13.3 <u>Remedies</u>. Marketing Coordinator agrees that a breach of the obligations set forth in this Section 13 will cause substantial and irreparable harm and injury to DISH for which monetary damages alone would be an inadequate remedy, and which damages are difficult to accurately measure. Accordingly, Marketing Coordinator agrees that DISH shall have the right, in addition to any other right and remedies available to DISH at law, in equity, under contract (including without limitation, this Agreement) or otherwise (all of which are hereby expressly reserved), to obtain

immediate injunctive relief (without the necessity of posting or filing a bond or other security) and/or to restrain the threatened or actual violation hereof by Marketing Coordinator, its employees, subcontractors and agents, as well as other equitable relief allowed by the federal and state courts. The foregoing right to and remedy of injunctive relief is agreed to without prejudice to DISH and DISH may exercise any other rights and remedies it may have, including without limitation, the right to terminate this Agreement and seek damages or other legal or equitable relief. The provisions of this Section 13.3 shall survive expiration or termination of this Agreement (for any reason whatsoever) indefinitely.

13.4 Economic Benefits Derived Held in Trust. In the event that Marketing Coordinator derives an economic benefit, in any form, from a violation of its obligations under Section 8.1, 8.2, 8.3 or 13.2, it is hereby agreed that such economic benefit is the property of DISH and that Marketing Coordinator shall deliver the cash value of the economic benefit to DISH immediately upon receipt of the economic benefit. It is further agreed that Marketing Coordinator shall hold such economic benefit in trust for the benefit of DISH until such time as its cash value is delivered to DISH. The foregoing is agreed to without prejudice to DISH to exercise any other rights and remedies it may have at law, in equity, under contract or otherwise (all of which are hereby expressly reserved), including without limitation, the right to terminate this Agreement and seek damages or other legal or equitable relief. The provisions of this Section 13.4 shall survive expiration or termination of this Agreement (for any reason whatsoever) indefinitely.

#### 14. DISPUTE RESOLUTION

- 14.1 General. Marketing Coordinator acknowledges that DISH deals with thousands promoters and retailers and makes hundreds of thousands of incentive and other payments annually. Marketing Coordinator acknowledges that any delay in notifying DISH of any alleged shortage or non-payment, allegedly incorrect Chargeback, or any other claim that may result in DISH's liability to Marketing Coordinator for damages or injunctive relief may impede DISH's ability to fully and timely investigate any such claim by Marketing Coordinator. Marketing Coordinator agrees that it is in each party's best interest to give DISH control over claims that have to be investigated and to allow DISH to investigate any such claim at the earliest possible moment as well as maintain an orderly method for handling Marketing Coordinator's claims. Accordingly, Marketing Coordinator agrees to immediately inspect and review the statements described in Section 6.4.4 to determine any claims or disputes the Marketing Coordinator believes exist and, in the event of any claim or dispute, to follow the procedures set forth below. Marketing Coordinator also agrees to follow the below claims procedures for all other claims that may result in DISH's liability to Marketing Coordinator for damages.
- 14.2 Claims for Breach or Default. IN THE EVENT OF AN OCCURRENCE THAT RENDERS, OR MIGHT RENDER, DISH LIABLE TO MARKETING COORDINATOR FOR ANY DAMAGES OR INJUNCTIVE RELIEF AS A RESULT OF ANY ALLEGED BREACH OR DEFAULT OF THIS AGREEMENT OR ANY OTHER AGREEMENT, MARKETING COORDINATOR SHALL GIVE WRITTEN NOTICE OF SUCH OCCURRENCE AS SOON AS PRACTICABLE TO DISH (A "NOTICE OF CLAIM"). IN NO EVENT SHALL ANY NOTICE OF CLAIM BE PROVIDED LATER THAN NINETY (90) DAYS AFTER THE DATE OF THE APPLICABLE OCCURRENCE, OR THE SHORTEST PERIOD PERMITTED UNDER APPLICABLE LAW (IN THE EVENT THAT SUCH PERIOD IS IN EXCESS OF THE

APPLICABLE PERIOD SET FORTH ABOVE). THE NOTICE OF CLAIM SHALL STATE: (I) THE DATE, TIME AND NATURE OF THE OCCURRENCE; (II) THE TOTAL AMOUNT CLAIMED BY MARKETING COORDINATOR, IF ANY, IN CONNECTION WITH SUCH OCCURRENCE AND THE BASIS FOR ANY AMOUNT CLAIMED, AND (III) IDENTIFICATION OF ALL DOCUMENTS AND OTHER INFORMATION IN MARKETING COORDINATOR'S CONTROL OR POSSESSION RELATING TO SUCH OCCURRENCE. AFTER SUBMITTING A NOTICE OF CLAIM, MARKETING COORDINATOR SHALL PROVIDE DISH WITH ANY AND ALL ADDITIONAL INFORMATION REQUESTED BY DISH WITHIN THIRTY (30) DAYS AFTER RECEIPT OF DISH'S REQUEST. DISH SHALL BE ENTITLED TO HAVE ACCESS TO MARKETING COORDINATOR'S BOOKS AND RECORDS DURING ITS INVESTIGATION OF MARKETING COORDINATOR'S CLAIM. FAILURE TO STRICTLY COMPLY WITH THE PROVISIONS OF THIS SECTION 14.2 WITH RESPECT TO A PARTICULAR OCCURRENCE THAT RENDERS, OR MIGHT RENDER, DISH IN BREACH OR DEFAULT OF THIS AGREEMENT AND LIABLE TO MARKTING COORDINATOR FOR DAMAGES OR INJUNCTIVE RELIEF, SHALL CONSTITUTE A WAIVER BY MARKETING COORDINATOR WITH RESPECT TO THE APPLICABLE OCCURRENCE, INCLUDING ANY DAMAGES RELATED THERETO.

143 Mediation. The parties agree to submit any and all disputes, controversies or claims not otherwise barred or resolved under Section 14.2 or exempted under Section 14.5, that may arise between Marketing Coordinator and/or any of its Affiliates, on the one hand, and DISH and/or any of its Affiliates, on the other hand, including without limitation, any and all disputes, controversies, and claims arising in connection with this Agreement including without limitation, all disputes, controversies or claims related to: (i) the execution of this Agreement; (ii) the interpretation of this Agreement; (iii) a party's performance or failure to perform hereunder; (iv) the termination of this Agreement; and (v) any rights Marketing Coordinator may have under dealer termination or nonrenewal laws (collectively "Disputes"), to mandatory non-binding mediation (the "Mediation") in front of a single mediator. Either party may initiate mediation by giving written notice to the other party describing the Dispute (a "Notice of Mediation"). The Notice of Mediation shall include: (a) a statement of the initiating party's position and a summary of arguments supporting that position; and (b) the name and title of the executive who will represent that party and of any other persons who will accompany the executive. Mediation initiated by Marketing Coordinator must be initiated within one (1) year of the event(s) giving rise to the Dispute. The Mediation shall take place in the City and County of Denver, Colorado, at a mutually agreeable time and location before a mediator chosen by mutual agreement of the parties. Each party shall participate through a representative with full settlement authority and shall bear its own costs and expenses and one-half of the costs and expenses of the mediator. Any such Mediation must be concluded within sixty (60) days following the noninitiating party's receipt of the Notice of Mediation. Nothing contained herein (excluding the provisions of Section 3.7, which shall apply in full force and effect) shall limit or restrict the rights of either party and/or its Affiliates to file a Notice of Arbitration and/or bring a request for injunctive relief against the other party and/or its Affiliates for either party's and/or its Affiliates' violations of Sections 4.2, 6.6.3, 6.11, 7.2, 7.4 8.1, 8.2, 8.3, 9.6, 10 and 13 or any provisions of any Other Agreement.

14.4 <u>Arbitration</u>. Except as set forth in Section 14.5, below, any and all disputes, controversies or claims between Marketing Coordinator and/or any of its Affiliates, on the one hand,

and DISH and/or any of its Affiliates, on the other hand, including without limitation any and all disputes, controversies or claims arising out of or in connection with this Agreement, including without limitation, the validity of this Section 14, the circumstances concerning the execution of this Agreement, and allegations of fraud in the inducement, or which relate to the parties' relationship with each other or either party's compliance with any Laws, which are not settled through negotiation, the claim process above, or the mediation process set forth above, shall be resolved solely and exclusively by binding arbitration in accordance with both the substantive and procedural laws of Title 9 of the U.S. Code ("Federal Arbitration Act") and the Commercial Arbitration Rules of the American Arbitration Association. In the event of any conflict between the Federal Arbitration Act and the Commercial Arbitration Rules of the American Arbitration Association, the Federal Arbitration Act will control. In consideration of DISH's entering into this Agreement with Marketing Coordinator, Marketing Coordinator agrees that it will not serve as a class representative in any class action lawsuit brought by any person or legal entity concerning this Agreement in any respect. The Arbitration must be initiated within ninety (90) days following the final day of mediation, or one hundred fifty (150) days from the Notice of Mediation in the event Mediation is not concluded within sixty (60) days following the Notice of Mediation, and shall be initiated by written notice from the initiating party to the other party stating the initiating party's intent to initiate arbitration ("Notice of Arbitration"). The Arbitration shall be conducted in the City and County of Denver, Colorado, by a panel of three (3) arbitrators who shall be selected as follows: (i) one (1) arbitrator shall be selected by the claimant(s) within thirty (30) days of sending the Notice of Arbitration; (ii) one arbitrator shall be selected by the respondent(s) within thirty (30) days of the claimant(s) notifying respondent of the identity of claimant's arbitrator; and (iii) the third arbitrator shall be selected by the arbitrators chosen by the claimant(s) and the respondent(s) within thirty (30) days of their appointment. The parties hereby agree that the arbitration panel selected pursuant to this agreement is not authorized to: (a) conduct "class arbitration" in any form; and/or (b) arbitrate any dispute on a representative basis in any form. The decision of the arbitrators shall be final and binding on the parties and any award of the arbitrators may be entered and enforced as a final judgment in any state or Federal court of competent jurisdiction in the United States. The parties agree that in no event shall the arbitrators' decision include a recovery under any theory of liability or award in any amount not expressly allowed under this Agreement or applicable Referral Marketing Policies. In furtherance and without limitation of the foregoing, any award made by the arbitrators shall be within the limitations set forth in Section 12. The parties further agree that the arbitration panel selected pursuant to this Agreement may not award damages, injunctive relief or any other remedy to any person or legal entity who is not present at the arbitration or who does not submit proof of any alleged damages at the arbitration. The cost of any arbitration hereunder, including without limitation the cost of the record or transcripts thereof, if any, administrative fees, and all other fees involved, shall be paid by the party(ies) determined by the arbitrators to not be the prevailing party(ies), or otherwise allocated in an equitable manner as determined by the arbitrators. NEITHER PARTY HERETO NOR ITS AFFILIATES MAY BRING ANY DEMAND FOR ARBITRATION AGAINST THE OTHER PARTY AND/OR ITS AFFILIATES IF IT AND/OR ITS AFFILIATES HAVE FAILED TO FULLY COMPLY WITH THE PROCEDURES SET FORTH IN SECTIONS 14.2 AND 14.3; provided, however, that nothing contained herein (excluding the provisions of Section 3.7, which shall apply in full force and effect) shall limit or restrict the rights of either party and/or its Affiliates to file a Notice of Arbitration and/or bring a request for injunctive relief against the other party and/or its Affiliates for either party's and/or its Affiliates' violations of Sections 4.2, 6.6.3, 6.11, 7.2, 7.4, 8.1, 8.2, 8.3, 9.6, 10 and 13 or any provisions of any Other Agreement.

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- 14.5 Exceptions. Notwithstanding the foregoing, the request by either party for preliminary or permanent injunctive relief, whether prohibitive or mandatory, shall not be subject to mediation or arbitration and may be adjudicated solely and exclusively in the United States District Court for the District of Colorado or in the appropriate state court of competent jurisdiction located in City and County of Denver, Colorado, pursuant to Section 14.6 below; provided, however, that nothing contained herein (excluding the provisions of Section 3.7, which shall apply in full force and effect) shall limit or restrict the rights of either party and/or its Affiliates to file a Notice of Arbitration and/or bring a request for injunctive relief against the other party and/or its Affiliates for either party's and/or its Affiliates' violations of Sections 4.2, 6.6.3, 6.11, 7.2, 7.4 8.1, 8.2, 8.3, 9.6, 10 and 13 or any of the provisions of any Other Agreement.
- Choice of Law; Consent to Jurisdiction. The relationship between the parties and their present and future Affiliates, including without limitation all disputes, controversies or claims, whether arising in contract (including without limitation, this Agreement), tort, or under statute, shall be governed by and construed in accordance with the laws of the State of Colorado, applicable to contracts to be made and performed entirely within the State of Colorado by residents of the State of Colorado, without giving any effect to its conflict of law provisions. In the event that a lawsuit is brought for injunctive relief pursuant to Sections 14.3, 14.4, or 14.5 above, such lawsuit shall be litigated solely and exclusively before the United States District Court for the District of Colorado. The parties and their present and future Affiliates consent to the *in personam* jurisdiction of the United States District Court for the District of Colorado and all Colorado state courts for the purposes set forth in this Section 14 and waive, fully and completely, any right to dismiss and/or transfer any action pursuant to Title 28 U.S.C. Sections 1404 or 1406 (or any successor statute). In the event the United States District Court for the District of Colorado does not have subject matter jurisdiction over any such matter, then such matter shall be litigated solely and exclusively before the appropriate state court of competent jurisdiction located in the City and County of Denver, State of Colorado.
- 14.7 <u>Survival</u>. The provisions of this Section 14 shall survive expiration or termination of this Agreement (for any reason whatsoever) indefinitely.

#### 15. **INSURANCE**

- 15.1 Marketing Coordinator shall, at its sole cost and expense, procure and maintain throughout the Term of this Agreement the following insurance coverages: (i) Workers' Compensation or similar employee benefit act coverage with statutory limits as prescribed by the laws of any state in which Marketing Coordinator conducts business operations in connection with this Agreement and Employers' Liability coverage with limits and a deductible that are reasonable and adequate for businesses involved in the transactions contemplated by this Agreement; and (ii) Commercial General Liability coverage including, without limitation, coverage for Premises/Operations, Product/Completed Operations, Blanket Contractual Liability, Independent Contractors, Broad Form Property Damage, and Personal/Advertising Injury, with limits and a deductible that are reasonable and adequate for businesses involved in the transactions contemplated by this Agreement.
- 15.2 All such policies and coverages shall: (i) Insurance shall be purchased from companies having a rating of A-VII or better in the current <u>Best's Insurance Reports</u> published by A.M. Best

Company; (ii) be primary and non-contributory, and issued by insurers licensed to do business in any state in which Marketing Coordinator conducts business operations in connection with this Agreement; (iii) be endorsed to provide DISH at least thirty (30) days' prior notification of cancellation or material change in coverage; and (iv) name DISH and its Affiliates as additional insureds.

#### 16. MISCELLANEOUS

- 16.1 <u>Taxes, Fees, etc.</u> Any and all payments required to be made by Marketing Coordinator to DISH under this Agreement are exclusive of any tax, levy or similar governmental charge ("<u>Taxes</u>") that may be assessed against Marketing Coordinator by any jurisdiction. In the event that, under the laws of any jurisdiction, Marketing Coordinator is required to withhold Taxes on any such payment (with the exception for income taxes assessed against DISH or any Affiliate thereof), the amount of the payment will be automatically increased so that the amount actually remitted to DISH, net of all taxes, equals the amount invoiced or otherwise due. Marketing Coordinator shall pay any amounts deducted or withheld from such payments to the applicable taxing or other authority in accordance with applicable law.
- 16.2 Waiver. The failure of any party to insist upon strict performance of any provision of this Agreement shall not be construed as a waiver of any subsequent breach of the same or similar nature. In addition to and without limitation of the foregoing, the failure of DISH or any of its Affiliates to insist upon strict performance of any provision of any agreement among DISH and/or any of its Affiliates, on the one hand, and another Authorized Marketing Coordinator, on the other hand, shall not be construed as a waiver of DISH's right to insist upon strict performance of each and every representation, warranty, covenant, duty and obligation of Marketing Coordinator hereunder. All rights and remedies reserved to either party shall be cumulative and shall not be in limitation of any other right or remedy that such party may have at law, in equity, under contract (including without limitation, this Agreement) or otherwise (all of which are hereby expressly reserved). In addition to and without limitation of the foregoing, the election of certain remedies by DISH or any of its Affiliates with respect to the breach or default by another Authorized Marketing Coordinator of any agreement among DISH and/or any of its Affiliates, on the one hand, and the other Authorized Marketing Coordinator, on the other hand, shall be without prejudice to any other rights and remedies that DISH may have at law, in equity, under contract (including without limitation, this Agreement) or otherwise with respect to a similar or different breach or default hereunder by Marketing Coordinator (all of which are hereby expressly reserved).
- 16.3 Attorney Fees. In the event of any suit, action or arbitration between Marketing Coordinator and/or any of its Affiliates, on the one hand, and DISH and/or any of its Affiliates, on the other hand, including without limitation, any and all suits, actions or arbitrations to enforce this Agreement or any provisions thereof, the prevailing party shall be entitled to recover its costs, expenses and reasonable attorneys' fees, at arbitration, at trial and on appeal, in addition to all other sums allowed by law. The provisions of this Section 16.3 shall survive expiration or termination of this Agreement (for any reason whatsoever) indefinitely.
- 16.4 <u>Successor Interests; No Assignment by Marketing Coordinator; Third-Party Beneficiaries</u>. This Agreement is binding upon the heirs, legal representatives, successors and permitted assigns of DISH and Marketing Coordinator. DISH may assign this Agreement to any

person or entity or group of persons and/or entities in whole or in part at any time without the consent of Marketing Coordinator. Marketing Coordinator shall not assign this Agreement in whole or in part, except upon the prior written consent of DISH, which consent may be withheld at Any Time and in its Sole Discretion. Since this Agreement is made by DISH in reliance on the financial, business and personal reputation of Marketing Coordinator and its ownership and management, any merger, reorganization (including without limitation any change of form of entity, for example changing from a corporation to an LLC) or consolidation of Marketing Coordinator shall be deemed an assignment. If any person not a substantial stockholder of Marketing Coordinator (someone with less than a twentyfive percent (25%) interest) as of the date of this Agreement becomes a substantial stockholder of Marketing Coordinator (equal to, or greater than a twenty-five percent (25%) interest), that shall be considered an assignment requiring DISH's consent hereunder. The provisions of this Agreement are for the exclusive benefit of the parties hereto and their the heirs, legal representatives, successors and permitted assigns, and nothing in this Agreement, express or implied, is intended, or shall be deemed or construed, to confer upon any third party (other than as expressly set forth for Affiliates of DISH) any rights, benefits, duties, obligations, remedies or interests of any nature or kind whatsoever under or by reason of this Agreement.

16.5 Notices. Except as otherwise provided in Section 14.2, all notices to be given to DISH pursuant to this Agreement shall be in writing, signed by the Marketing Coordinator, and sent by: (i) first-class certified mail, postage prepaid; (ii) overnight courier service, charges prepaid; or (iii) facsimile transmission, to DISH, attention: Executive Vice President of Sales, at the address listed on the first page of this Agreement or the following fax number: (303) 723-3893, with a copy to DISH's General Counsel at the same address or the following fax number: (303) 723-1699, or such other address(es) or fax numbers as DISH may designate to Marketing Coordinator in accordance with this Section 16.5. The sending of such notice with confirmation of successful receipt of the entire transmission (in the case of facsimile transmission) or receipt of such notice (in the case of first class certified mail or overnight courier) shall constitute the giving thereof. All notices to be given to Marketing Coordinator pursuant to this Agreement shall be in writing and sent by: (a) first-class certified mail, postage prepaid; overnight courier service, charges prepaid; or facsimile transmission, to Marketing Coordinator at the address listed on the first page of this Agreement or the following fax , or such other address or fax number as Marketing Coordinator may designate in writing delivered to DISH in accordance with this Section 16.5; or (b) with the exception of notices given pursuant to Sections 9, 12 or 14 (which may only be given by the methods permitted under Subsection (i)), any method of mass communication reasonably directed to DISH's marketing coordinator base, including, without limitation, an e-mail or posting on DISH's promoter or marketing coordinator website (if any). The sending of such notice with confirmation of successful receipt of the entire transmission (in the case of facsimile transmission), receipt or refusal of receipt of such notice (in the case of first-class certified mail, overnight courier or e-mail), or posting (in the case of DISH's promoter or marketing coordinator website (if any)) shall constitute the giving thereof. It shall be Marketing Coordinator's sole responsibility to keep itself informed of all notices, changes, or other information set forth on DISH's promoter or marketing coordinator website (if any).

16.6 <u>Consent to Receive Faxes</u>. Marketing Coordinator hereby acknowledges that this Agreement serves as Marketing Coordinator's express written consent to receive facsimile transmittals from DISH and its Affiliates, including without limitation, facsimile transmittals that contain unsolicited advertisements. This written consent shall include all facsimile transmittals regulated by

future Federal Communications Commission action.

- 16.7 <u>Severability</u>. The parties agree that each provision of this Agreement shall be construed as separable and divisible from every other provision and that the enforceability of any one provision shall not limit the enforceability, in whole or in part, of any other provision hereof. If any one or more of the provisions contained herein, or the application thereof to any person, entity, or circumstance, for any reason are held to be invalid, illegal, or unenforceable in any respect, then such provision(s) shall be enforced to the maximum extent permissible, and the remaining provisions of this Agreement shall be unaffected thereby and will remain in full force and effect.
- 16.8 Entire Agreement. Except as expressly stated to the contrary in Section 3.10 above, this Agreement sets forth the entire, final and complete understanding between the parties hereto regarding the subject matter of this Agreement, and it supersedes and replaces all previous understandings or agreements, written, oral, or implied, regarding the subject matter of this Agreement made or existing before the date of this Agreement. Except as expressly provided to the contrary in this Agreement, no waiver or modification of any of the terms or conditions of this Agreement shall be effective unless in writing and signed by both parties.
- 16.9 <u>Compliance with Law.</u> Marketing Coordinator hereby agrees to comply with, and hereby agrees that this Agreement is subject to, all applicable Laws.
- 16.10 <u>Force Majeure</u>. Notwithstanding anything to the contrary in this Agreement, neither party shall be liable to the other for failure to fulfill its obligations hereunder if such failure is caused by or arises out of an act of force majeure including acts of God, war, riot, natural disaster, technical failure (including without limitation, the failure of all or part of any communications satellite, transponders or Internet servers used to distribute Programming, or of the related uplinking or other equipment) or any other reason beyond the reasonable control of the party whose performance is prevented during the period of such occurrence.
- 16.11 <u>Remedies Cumulative</u>. It is agreed that the rights and remedies herein provided in case of default or breach of this Agreement by either party are cumulative and shall not affect in any manner any other remedies that a party may have by reason of such default or breach by the other party. The exercise of any right or remedy herein provided shall be without prejudice to the right to exercise any other right or remedy provided herein, at law, in equity, under contract or otherwise (all of which are hereby expressly reserved).
- 16.12 <u>Interstate Commerce</u>. The parties acknowledge that the transactions contemplated by this Agreement involve interstate commerce.
- 16.13 <u>Power and Authority</u>. Marketing Coordinator represents and warrants to DISH that it has full power and authority to enter into this Agreement and perform its obligations hereunder and that its execution of this Agreement and performance of its obligations hereunder does not and will not violate any law or result in a breach of or default under the terms of any contract or agreement by which it is bound.
  - 16.14 Counterparts; Construction; Interpretation. This Agreement may be executed by

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facsimile or e-mail and in identical counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument. The parties hereto agree that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any Referral Marketing Policies.

- 16.15 <u>Waiver of Evidence</u>. No course of dealing, course of performance, or usage of trade shall be considered in the interpretation or enforcement of this Agreement. Both parties waive any right they may have to introduce evidence of any such course of dealing, course of performance, or usage of trade.
- 16.16 <u>General Provisions</u>. The exhibits attached hereto are fully incorporated into this Agreement in their entirety.

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IN WITNESS WHEREOF, the parties have caused their duly authorized representatives to execute this Agreement as of the date first set forth above.

DISH NETWORK L.L.C.

DISI	THE WORK E.E.C.	
By:	Name: Title:	
MAR	RKETING COORDINATOR	
Mark	eting Coordinator Company Name:	<b></b>
By:	Name:	
	Title:	

[SIGNATURE PAGE TO REFERRAL MARKETING SERVICES AGREEMENT]

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### EXHIBIT A INCENTIVE SCHEDULE

- A. <u>EZ 1-2-3 Monthly Incentives</u>. Subject to the terms and conditions of the Referral Marketing Services Agreement to which this Exhibit A is attached (the "<u>Agreement</u>"), with respect to each EZ 1-2-3 Referral Activation during the Term of the Agreement under the EZ 1-2-3 Referral Marketing Program and for each month during the Term that the corresponding Subscriber Account continues to receive Eligible Residential Programming, DISH shall pay Marketing Coordinator a recurring one dollar and fifty cent (\$1.50) "<u>EZ 1-2-3 Monthly Incentive</u>." Marketing Coordinator shall not receive an EZ 1-2-3 Monthly Incentive with respect to any Qualifying Subscriber for whom: (i) Eligible Residential Programming has been cancelled; (ii) payment in full for all Programming has not been received by DISH; or (iii) the qualified Residential Subscriber Account is terminated, disconnected or deactivated for any reason. Pursuant to Section 6.2 of the Agreement, Marketing Coordinator shall pay or "pass through" to the applicable Promoter an amount equal to or greater than one dollar (\$1.00) for each EZ 1-2-3 Monthly Incentive paid.
- B. <u>EZ 1-2-3 Activation Incentives</u>. Subject to the terms and conditions of the Agreement, for each EZ 1-2-3 Referral Activation during the Term of the Agreement under the EZ 1-2-3 Referral Marketing Program, DISH shall pay Marketing Coordinator a one-time: (i) one hundred fifty dollar (\$150) "<u>EZ 1-2-3 Primary Activation Incentive</u>" if such Subscriber Account is activated with Eligible Residential Programming under a qualifying DISH consumer promotion other than DISH's DHA Too or FlexTV promotions (as such promotions may be set by DISH at Any Time and in its Sole Discretion in applicable Referral Marketing Policies); and/or (ii) seventy-five dollar (\$75) "<u>EZ 1-2-3 Pay-In-Advance Activation Incentive</u>" if such Subscriber Account is activated with Eligible Residential Programming under DISH's DHA Too or FlexTV promotions. EZ 1-2-3 Primary Activation Incentives and EZ 1-2-3 Pay-In-Advance Activation Incentives shall collectively be referred to as "<u>EZ 1-2-3 Activation Incentives</u>." Pursuant to Section 6.2 of the Agreement, Marketing Coordinator shall pay or "pass through" to the applicable Promoter an amount equal to or greater than the following for each applicable EZ 1-2-3 Activation Incentive paid: (a) one hundred dollars (\$100.00) in the case of an EZ 1-2-3 Primary Activation Incentive; and (b) fifty dollars (\$50.00) in the case of an EZ 1-2-3 Pay-In-Advance Activation Incentive.

#### C. Payment.

(i) EZ 1-2-3 Activation Incentives. Subject to and in accordance with the terms and conditions otherwise applicable to the payment of EZ 1-2-3 Activation Incentives, EZ 1-2-3 Activation Incentives payable hereunder shall be paid twice weekly as follows: (i) for activations that occur on Saturday, Sunday and Monday, such Activation Incentives (if and as applicable) will invoice the following Thursday and will be set up to settle in Marketing Coordinator's bank account on Friday (provided, however, that actual settlement of EFT funds on Friday for payments invoiced on Thursday will depend on the policies of Marketing Coordinator's bank); and (ii) for activations that occur on Tuesday, Wednesday, Thursday and Friday, such EZ 1-2-3 Activation Incentives will invoice on the following Monday, and will be set up to settle in Marketing Coordinator's bank account on Tuesday (provided, however, that actual settlement of EFT funds on Tuesday for payments invoiced on Monday will depend on the policies of Marketing Coordinator's Bank).

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- (ii) EZ 1-2-3 Monthly Incentives. Subject to and in accordance with the terms and conditions otherwise applicable to the payment of EZ 1-2-3 Monthly Incentives, EZ 1-2-3 Monthly Incentives payable hereunder shall be paid forty-five (45) days following the last day of the qualifying calendar month (on or around the 15<sup>th</sup> of each calendar month). By way of example only (and without limitation of any of the foregoing), January EZ 1-2-3 Monthly Incentives pay forty-five (45) days following the last day in January (the 31<sup>st</sup>), which would be approximately March 15th. Subject to and in accordance with the terms and conditions otherwise applicable to the payment of EZ 1-2-3 Monthly Incentives: (a) EZ 1-2-3 Monthly Incentives will be paid for a maximum period of sixty (60) months following the date of initial activation; (b) each Subscriber Account must have been authorized to receive Eligible Residential Programming for twenty-eight (28) days within a given calendar month in order to be eligible for EZ 1-2-3 Monthly Incentives; and (c) payment of EZ 1-2-3 Monthly Incentives to Marketing Coordinator will commence when and for such times as EZ 1-2-3 Monthly Residential Incentives payable to Marketing Coordinator exceed twenty-five dollars (\$25.00).
- D. <u>Chargebacks</u>. In addition to and without limitation of any and all rights and remedies available to DISH, whether existing at law, in equity, under contract (including without limitation the Chargeback provisions applicable to Incentives as set forth in the Agreement and applicable Referral Marketing Policies) or otherwise, all EZ 1-2-3 Activation Incentives will be reclaimed in full in the event that the corresponding Subscriber Account terminates the corresponding customer promotion agreement or deactivates Eligible Residential Programming, or its service is disconnected for any reason within one hundred eighty (180) days from its date of initial activation, and DISH may, but shall have no obligation to, deduct such charged back amounts from Incentives otherwise due under the Agreement. EZ 1-2-3 Monthly Incentives will be subject to Chargeback by DISH indefinitely. This Section D shall survive expiration or termination of the Agreement (for any reason or no reason whatsoever) indefinitely.
- E. <u>Definitions</u>. All capitalized terms not defined elsewhere in this Incentive Schedule shall have the meanings ascribed to them in the Agreement.

# EXHIBIT 723

## EXHIBIT 723

JA014538

### ECHOSPHERE L.L.C. ASSIGNED TERRITORY AUTHORIZED DISTRIBUTOR AGREEMENT

This Assigned Territory Authorized Distributor Agreement (the "Agreement") is made and effective as of this day of, 2008 (the "Effective Date"), by and between Echosphere L.L.C., having a principal place of business at 9601 S. Meridian Blvd., Englewood, Colorado 80112 ("Echosphere") and Pace Electronics Inc. DBA Pace International_, having a principal place of business at 3582 Technology Drive NW, Rochester, MN 55901 ("Distributor").
INTRODUCTION
A. Echosphere is engaged, among other things, in the business of, marketing, distributing and selling satellite receivers, which for purposes of this Agreement shall be deemed to mean electronics devices, and related components packaged therewith intended to be utilized solely for the reception of video, audio and data programming from satellite transponders owned, leased and/or operated by Affiliates (as defined below) of Echosphere ("DISH DBS Systems").
B. Echosphere desires to establish and maintain a network of distributors to distribute DISH DBS Systems to a private cable operator base in specifically designated territories.
C. Distributor desires to become authorized on a non-exclusive basis to distribute DISH DBS Systems (an "Authorized Distributor") in the territory specified and set forth in Exhibit A attached hereto, which is hereby incorporated by reference herein in its entirety (the "Territory").
AGREEMENT
In consideration of the mutual covenants contained herein and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:
1. APPOINTMENT
1.1 <u>Authorized Distributor</u> .
1.1.1 Echosphere hereby appoints Distributor as a non-exclusive Authorized Distributor to distribute Products (as defined in Section 1.2 below) only to PCOs (as defined in Section 1.3 below), only in the Territory, and only through itself and its employees, subject to and in accordance with the terms and conditions of this Agreement. Distributor accepts its appointment as an Authorized Distributor, subject to
Confidential and Proprietary 1 Echosphere Distributor

and in accordance with the terms and conditions of this Agreement, and understands that it may hold itself out to the public as an Authorized Distributor of Echosphere only after fulfilling, and for so long as it continues to fulfill, all of the requirements in this Agreement, and only during the Term of this Agreement.

- 1.1.2 Distributor acknowledges and agrees that neither it nor its Affiliates shall directly or indirectly market, promote, solicit, take orders for, sell or distribute any satellite receivers and related components packaged therewith intended to be utilized solely for the reception of video, audio and data programming from satellite transponders ("Other Satellite Receivers") other than Echosphere's satellite receivers hereunder. Notwithstanding the foregoing, Distributor and its Affiliates may sell, take orders for and distribute Other Satellite Receivers as required by existing agreements between Distributor or a Distributor Affiliate, on the one hand, and a third party, on the other hand.
- 1.1.3 Distributor hereby acknowledges and agrees that: (i) Echosphere and its Affiliates make absolutely no promises, representations or warranties as to the potential amount of business or revenue that Distributor may expect to derive from participation in this Agreement; (ii) Distributor may not realize any business or revenue as result of its participation in this Agreement; (iii) nothing contained herein shall be construed as a guarantee of any minimum amount of income, revenue or any other economic benefit in any form whatsoever; (iv) Echosphere and/or its Affiliates have appointed, and may in the future appoint, others to act as agents, private cable operators and distributors in the Territory; (v) Echosphere and/or its Affiliates have acted, and may in the future act, as private cable operators and distributors themselves in the Territory and/or in any other areas of the United States; and (vi) Echosphere and its Affiliates shall have the right to become Authorized Distributors of Products in the Territory and in any other areas of the United States, and in competition with Distributor without any obligation or liability to Distributor whatsoever, and without providing Distributor with any notice thereof. Further, Echosphere and its Affiliates reserve the right in the United States and throughout the world to sell directly and/or through intermediaries to persons and entities making Products available to end-users on a multi-locational basis, and in competition with Distributor, without any obligation or liability to Distributor whatsoever, and without providing Distributor with any notice thereof.
- 1.1.4 For purposes of this Agreement, the term "Affiliate" shall mean any person or entity directly or indirectly controlling, controlled by, or under common control with another person or entity.

#### 1.2 Products.

1.2.1 "Product" means any DISH DBS System or secondary or standalone satellite receivers and any related accessories that are listed in Echosphere's then current Distributor Price Schedule, as such Distributor Price Schedule may be changed at any time and from time to time in Echosphere's sole discretion for any reason or no

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reason, upon notice to Distributor. Echosphere's current Distributor Price Schedule is attached hereto as Exhibit B, and is hereby incorporated by reference herein in its entirety.

- 1.2.2 At any time and for any reason or no reason at all, Echosphere or its Affiliates may discontinue the manufacture and/or distribution of any Product(s) or the entire Product line or any portion thereof without notice, and without liability or obligation to the Distributor. Further, Echosphere reserves the right to change any Product at any time and from time to time in its sole discretion for any reason or no reason without incurring any obligation to replace or alter any Products previously sold, and without any liability to Distributor.
- 1.2.3 In the event Echosphere or its Affiliates discontinue the manufacture and/or distribution of the Products entirely, this Agreement shall automatically terminate, and neither Echosphere nor its Affiliates will have any obligation to offer any alternative Products or Product line to Distributor.

#### 1.3 Territory and Selling Rights.

- 1.3.1 Distributor is assigned the non-exclusive right to sell the Products only to PCOs (as defined below) located in the Territory. This assignment is made for the purpose of effective geographic coverage. Distributor shall be prohibited from selling, leasing or otherwise transferring Products outside of the Territory, or to others who might reasonably be expected to further distribute the Products outside of the United States, Puerto Rico and the U.S. Virgin Islands. To ensure that Distributor devotes its best efforts to developing sales of the Products in the Territory, Distributor shall not establish a branch, maintain a distribution warehouse, advertise, or solicit sales of Products outside the Territory. Distributor agrees to promote and sell Products only to PCOs located within the Territory. "PCO" shall mean an entity that is: (i) a PCO under the Private Cable Operator Distributor Agreement by and between Distributor and DISH Network L.L.C. (the "Distributor Agreement"); or (ii) that DISH Network L.L.C. has specifically identified to Distributor in writing as an approved PCO.
- 1.3.2 Distributor shall only sell Products to PCOs who market, use and sell the Products only within the United States, Puerto Rico and the U.S. Virgin Islands to and for subscribers and end-users located in the United States, Puerto Rico and the U.S. Virgin Islands. Echosphere will confirm Distributor's compliance with this requirement by, among other things, confirming that the address of the subscriber and/or end-user for each Product sold to Distributor by Echosphere is located in the United States, Puerto Rico or the U.S. Virgin Islands. Any sale of Products by the Distributor, directly or indirectly, to any PCO outside of the Territory, is prohibited.
- 1.3.3 In the event that Distributor becomes aware that a PCO is transshipping Products outside of the United States, Puerto Rico and the U.S. Virgin Islands, Distributor agrees to take all reasonable steps to prevent continued or future transshipment or further distribution. Distributor is required to, among other things, track

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its sales to a PCO by serial number so that in the event that Echosphere notifies Distributor that a unit of Product has been activated by an end-user outside of the United States, Puerto Rico and the U.S. Virgin Islands, the Distributor can identify the PCO to which it sold the unit of Product and take appropriate action to prevent future sales outside of the United States, Puerto Rico and the U.S. Virgin Islands, up to and including permanent cessation of sales or further distribution to that PCO.

- 1.3.4 Distributor is to devote its primary and best efforts to effectively solicit orders for, and promote and sell, the Products within the Territory, and to provide all reasonable field service, information, and assistance.
  - 1.3.5 Intentionally omitted.
- 1.3.6 Echosphere shall be entitled to modify the Territory at any time and from time to time to comply with any applicable law, rule, regulation or governmental order.
- 1.4 Export Restrictions. In addition to, and not in limitation of, the Territory restrictions contained in this Agreement, Distributor hereby acknowledges that the United States Department of State and/or the United States Department of Commerce may in the future assert jurisdiction over DISH DBS Systems, and that DISH DBS Systems and the programming received by such DISH DBS Systems ("DISH Network Programming") may not currently be sold outside of the United States, Puerto Rico and the U.S. Virgin Islands. Distributor represents and warrants that it will not directly or indirectly arrange for or participate in the export or sale of DISH DBS Systems or DISH Network Programming, in whole or in part, outside of the United States, Puerto Rico and the U.S. Virgin Islands, and agrees that it will take all reasonable and adequate steps to prevent the export or sale of DISH DBS Systems or DISH Network Programming outside of such areas by others who purchase from Distributor and who might reasonably be expected to export or sell DISH DBS Systems outside the United States, Puerto Rico and the U.S. Virgin Islands. Distributor acknowledges and understands that United States export laws relating to DISH DBS Systems may change from time to time in the future. Distributor acknowledges and agrees that it is Distributor's sole responsibility to be and remain informed of all United States and foreign laws relating to the export of DISH DBS Systems outside of the United States. Echosphere and its Affiliates shall have absolutely no obligation to update Distributor regarding the status of United States export laws or any other United States or foreign laws relating to the import/export of receivers or any other products. Distributor represents and agrees that prior to exporting any DISH DBS Systems outside of the United States it will investigate all applicable United States and foreign laws relating to the export/and import of such receivers (and the DISH Network Programming which may be received by such receivers) outside of the United States and into the relevant foreign country. Distributor is strictly prohibited from violating any United States or foreign laws relating to the export (or import) of DISH DBS Systems or DISH Network Programming. Distributor directly or indirectly export or sell DISH DBS Systems and/or DISH Network Programming outside of the United States in violation of this Agreement and/or United

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States or foreign law, this Agreement shall automatically terminate.

#### 1.5 Use of "Authorized" or "Official" Designation by Distributor.

- 1.5.1 Echosphere grants to Distributor a non-exclusive, non-transferable. revocable license to use the terms "Echosphere Authorized PCO Distributor" and "Official DISH PCO Distributor" of Products, during the Term, subject to and in accordance with the terms and conditions of this Agreement and the Trademark License Agreement attached as Exhibit D hereto, which is hereby incorporated by reference herein in its entirety (the "Trademarks"). Distributor shall not use the Trademarks other than in its advertising and Product promotional materials. Distributor agrees to provide to Echosphere, at least thirty (30) days prior to first use, an example of any advertising or promotional materials in which Distributor intends to use the Echosphere or DISH name or any Trademarks. Echosphere may reject and prohibit Distributor from using those materials at any time and from time to time in Echosphere's sole discretion for any reason or no reason. Any advertising or promotional materials that reference any Product must specifically list, by state, Distributor's authorized Territory, with a clear indication that Distributor's Territory is limited to the listed states (mere mention that "Territorial Restrictions Apply" is not sufficient). Distributor's publication or dissemination of any advertising or promotional materials that fail to include the above statement indicating Distributor's limited authorized Territory shall be a material breach of this Agreement for purposes of Sections 2.3.2 and 8.2(a) below. Distributor may not use any other logos, trademarks, service marks, trade names or other identifying marks or symbols of Echosphere or its Affiliates, except in accordance with the Trademark License Agreement attached as Exhibit D hereto.
- 1.5.2 Distributor shall at all times use only the Echosphere or DISH designated Product numbers and Trademarks. Distributor shall not remove, cancel, deface or otherwise change any Echosphere or DISH markings, labels or Trademarks, or any markings, labels or trademarks of DISH Network L.L.C. or its Affiliates. Distributor agrees to refrain from using any mark, name, title or expression which resembles Trademarks except as permitted under the terms of this Agreement or the Trademark License Agreement attached as Exhibit D hereto.
- 1.5.3 Distributor shall immediately cease advertising or promoting itself in any way as an "Echosphere PCO Authorized Distributor" or an "Official DISH PCO Distributor" upon expiration or termination of this Agreement for any reason whatsoever. The Distributor is prohibited from sublicensing any of its rights to use the Trademarks or any other Echosphere or DISH intellectual property.
- 1.5.4 Distributor expressly recognizes it has no proprietary rights, title or interest to the Echosphere or DISH name or Trademarks, or any goodwill either during or after the term of this Agreement.
- 1.5.5 This Agreement does not bar Echosphere or its Affiliates from prosecuting infringement of any Trademarks by any party, including Distributor, either

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during or after the term of this Agreement.

- 1.5.6 Distributor agrees to cooperate with Echosphere in protecting the Trademarks in the United States, Puerto Rico and the U.S. Virgin Islands to the extent requested by Echosphere.
- 1.5.7 Distributor represents it will not seek or obtain any registration embodying the Echosphere or DISH name or Trademarks anywhere.
- 1.5.8 Distributor agrees to notify Echosphere immediately of any pirating, infringement, or imitation of Products and any other products and services of Echosphere and its Affiliates, or of the pirating, infringement or imitation of any Trademarks and any other trademarks, service marks and trade names of Echosphere and its Affiliates which come to the attention of Distributor. Echosphere shall have complete control of any litigation or proceedings related thereto.

#### 2. CONDUCT OF BUSINESS

#### 2.1 <u>Intentionally omitted</u>.

2.2 <u>Minimum Purchases</u>. Distributor will use its best efforts to promote and make sales of Products in the Territory. Distributor agrees to place orders with Echosphere for Products in accordance with the terms and conditions of this Agreement, and maintain an inventory of Products sufficient, in both quantity and variety (Echosphere will assist Distributor in selecting both quantity and variety of inventory), to at all times satisfy reasonably anticipated demand, so as to avoid any backlog or shortage of the Products that could reasonably be anticipated for PCOs. Distributor shall display a representative sample of the Products in each of Distributor's showrooms in the Territory.

#### 2.3 Sales Records; Audit Rights.

- 2.3.1 On or before the fifteenth (15th) day (or such other day as the parties may mutually agree upon in writing) of each month during the term of this Agreement, Distributor shall submit a report, on such forms as Echosphere deems acceptable at any time and from time to time in its sole discretion for any reason or no reason, detailing its sales of Products during the preceding month, and its inventory of Products at the end of each month (the "Monthly Report"). Such report shall include, but not be limited to, the full name and shipping address of each person or entity purchasing a DISH DBS System or other Product along with the receiver and smart card numbers, of all DISH DBS Systems shipped to such person or entity. Distributor's failure to provide the Monthly Report, including, but not limited to, the information set forth above shall be a material breach of this Agreement for purposes of Sections 2.3.2 and 8.2(a) below.
- 2.3.2 During the Term of this Agreement and for a period of two (2) years after expiration or termination of this Agreement for any reason whatsoever, Distributor agrees to keep and maintain at its principal place of business complete and accurate

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books and records relating to its performance under this Agreement to permit Echosphere to determine, to its sole satisfaction (as determined by Echosphere at any time and from time to time in its sole discretion for any reason or no reason), that all Product sales and other Distributor activity is and was in compliance with its duties and obligations under this Agreement. At any time and from time to time during the Term and for a period of two (2) years after the expiration or termination thereof for any reason whatsoever, Echosphere shall have the right to review, inspect, audit and make copies of, upon reasonable prior written notice to Distributor, the books and records of Distributor and its Affiliates, and to inspect and audit, upon reasonable prior written notice to Distributor, Distributor's inventory and Distributor's locations (including without limitation Distributor's offices, work sites and/or other places of business), for the purpose of: (i) verifying that Distributor is complying with its duties and obligations under this Agreement; and (ii) investigating claims against Echosphere and/or any of its Affiliates made by Distributor and/or any of its Affiliates (an "Echosphere Audit"). For the purpose of this Agreement, the term "reasonable notice" shall never be required to be more than three (3) days prior to the date fixed for the relevant Echosphere Audit. Distributor shall allow Echosphere or its representative(s) access to Distributor's personnel as necessary to efficiently conduct each Echosphere Audit. In the event that during the course of an Echosphere Audit, Echosphere uncovers that: (a) Distributor (or any of its Affiliates) have underpaid by greater than three percent (3%) any amounts paid to Echosphere or any of its Affiliates by Distributor or any of its Affiliates; (b) or Distributor has otherwise materially failed to comply with its obligations under this Agreement; and/or (c) Distributor and/or any of its Affiliates has made a frivolous claim against Echosphere and/or any of its Affiliates, Distributor shall pay to Echosphere, in addition to such underpaid amounts, the costs and expenses incurred by Echosphere in connection with such Echosphere Audit. Echosphere shall be entitled to conduct an Echosphere Audit regardless of the existence of any claim, dispute, controversy, mediation, arbitration or litigation between the parties. Distributor agrees that any breach of its obligations set forth in this Section 2.3.2 will cause substantial and irreparable harm and injury to Echosphere for which monetary damages alone would be an inadequate remedy, and which damages are difficult to accurately measure. Accordingly, Distributor agrees that Echosphere shall have the right, in addition to any other remedies available, to obtain immediate relief in the form of specific performance from either the panel or arbitrators (in the event that arbitration has been commenced pursuant to Section 11.6) or a court of competent jurisdiction. The provisions of this Section 2.3 shall survive expiration or termination of this Agreement (for any reason whatsoever) for two (2) years.

#### 2.4 Business Standards. Distributor shall use its best efforts to:

(a) maintain the highest ethical business standards and not engage or assist in any act or omission that might negatively influence the Echosphere or DISH name; Products; Trademarks or other products, services or good names of Echosphere and its Affiliates;(b) take all reasonable action to satisfy, and to increase, demand for Products in the Territory by, among other things, prominently displaying a representative sample of Products in all of its showrooms in the Territory, frequently servicing all PCO accounts, and soliciting new PCO accounts;

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- (c) maintain at each of Distributor's locations in the Territory an adequate staff of sales personnel who are, in the reasonable opinion of Echosphere, trained in the sale and service of the Products, and capable of reasonably handling the demand for the Products in the Territory;
- (d) promptly notify Echosphere of all charges, complaints and claims of damage relating to the Products or any other Echosphere or its Affiiliates' products;
- (e) provide adequate support to and train each PCO to whom Distributor sells Product in the marketing, installation, operation and servicing of Products;
- (f) keep itself, its employees, and each PCO to whom Distributor sells Product currently informed concerning Products, through attending and sponsoring training classes, studying all Product information furnished by Echosphere, and other reasonable means; and
- (g) maintain adequate levels of Product literature and promotional materials as required by Echosphere from time to time, and provide these materials to PCOs as reasonably needed to promote the sale of Products or any other Echosphere or its Affiliates' products.

#### 2.5 Piracy; Business Rules.

- 2.5.1 Neither Distributor nor any of its Affiliates will directly or indirectly: (i) engage in any signal theft, piracy (which includes, but is not limited to, unauthorized receipt, interception, publication, and/or distribution of and/or interference with, privatelyowned transmissions of information) or similar activities; (ii) engage in any unauthorized reception, transmission, publication, use, display or similar activities with respect to DISH Network Programming; (iii) use a single DISH Network account for the purpose of authorizing Programming for multiple satellite receivers that are not all located in the same immediate location; (iv) alter any Equipment or "Smart Cards", or any other equipment compatible with DISH Network Programming to be capable of signal theft (or for any other reason without the express written consent of Echosphere); (v) manufacture, import, offer to the public, sell provide or otherwise traffic in any technology, product, service, or device which is primarily designed or produced for the purpose of, or is marketed for use in, or has a limited commercially significant purpose other than, assisting in or facilitating signal theft or other piracy; (vi) sell any equipment altered to permit signal theft or other piracy; or (vii) aid any others in engaging in, or attempting to engage in, any of the above described activities. Distributor shall immediately notify Echosphere in the event that it becomes aware of any such activity.
- 2.5.2 Distributor shall comply with each Business Rule and private cable operator programming services agreement (the terms and conditions of which are hereby incorporated by reference in their entirety), including without limitation all Business Rules that govern or are applicable to any promotional program in which

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Distributor is required, or elects, to participate, and hereby acknowledges that failure to adhere to any Business Rule may result in disciplinary action up to and including termination and/or the exercise of any other right or remedy available to Echosphere at law, in equity, under contract, or otherwise (all of which are hereby expressly reserved). For the purpose of this Agreement "Business Rule" means any term, requirement, condition, condition precedent, process or procedure associated with a promotional program or otherwise identified as a Business Rule by Echosphere or an Affiliate of Echosphere which is communicated to Distributor by Echosphere or an Affiliate of Echosphere either directly (including email) or through any method of mass communication reasonably directed to Echosphere's private cable operator or distributor base, including, without limitation, a "Charlie Chat," email, facts blast, or posting on Echosphere's commercial website. Distributor agrees that Echosphere has the right to modify any Business Rule at any time and from time to time in its sole discretion for any reason or no reason, upon notice to Distributor.

#### 3. PRICES AND DISCOUNTS

- 3.1 <u>Distributor Price Schedule</u>. From time to time, Echosphere shall issue a "Distributor Price Schedule" (Echosphere's current Distributor Price Schedule is attached hereto as Exhibit B) to Distributor, which among other things, shall list the following: (i) the Products which Distributor may currently purchase from Echosphere, subject to availability; (ii) the prices for such Products; and (iii) any available discounts, rebates or allowances, and Echosphere may issue new Distributor Price Schedules at any time and from time to time, in its sole discretion for any reason or no reason, listing such Products, at such prices and with such discounts, rebates or allowances (if any) as it may determine at any time and from time to time, in its sole discretion for any reason or no reason. Subject to Section 3.3 and Section 3.4, the effective date of each Distributor Price Schedule shall be the date specified in the relevant schedule. From time to time, Echosphere may offer Products at temporary discounts ("Promotional Discounts") or may offer Products at temporary special terms ("Promotional Terms"), which may be announced by separate notice.
- 3.2 <u>Product Pricing.</u> Subject to the provisions of Section 3.3 and 3.4, prices to be paid by Distributor for Products shall be the price shown on the Distributor Price Schedule in effect on the date the order is accepted by Echosphere, subject to any applicable discounts, rebates or allowances in effect on such date.
- 3.3 Price Increases. Echosphere shall give at least fifteen (15) days' prior notice of any increase in the price of any Product (other than (i) by reason of a reduction or discontinuance of a Promotional Discount or other discount, rebate or allowance; or (ii) by reason of a reduction or discontinuance of a Promotional Term or other term or condition, in each case for which no prior notice shall be required). During the notice period, the maximum quantity of a particular model Product which Distributor may order at the pre-increase price, shall equal one-third (1/3) of the total number of units of such model Product that were purchased by, and shipped to, Distributor during the forty five (45) days immediately preceding the notice period. The pre-increase price shall only

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apply to purchases scheduled for and actually delivered prior to the end of the notice period. Further, any such order shall be subject to Echosphere's rights specified in Article 5 below. Anything to the contrary in this Agreement notwithstanding, that portion of any order by Distributor accepted by Echosphere prior to notification of a price increase and scheduled for shipment after the effective date of the price increase, shall be deemed an order at the price announced by the notice unless Distributor withdraws such portion by written instruction to Echosphere during the notice period.

#### 3.4 Price Reductions.

- 3.4.1 Price reductions shall be effective immediately, unless Echosphere specifies otherwise. In the event of a price reduction on a Product, from Echosphere to the Distributor, Distributor is entitled to a credit ("Price Reduction Credit") in an amount based on Distributor's inventory of that Product. The amount of credit shall equal the net amount of the price per unit reduction (the difference between the old and new net price to the Distributor less any applicable discounts, rebates, incentives, promotions or any other items which tend to have the economic effect of reducing the bottom line price of the Product to Distributor), multiplied by the lesser of: (i) the number of those units of that Product which were purchased and paid for by the Distributor during the forty five (45) day period immediately preceding the effective date of the price reduction; or (ii) the sum of the number of units of that Product which were in Distributor's inventory, plus the number of units of Product which were in transit to Distributor (first-in first-out basis always assumed, "FIFO") as of the effective date of the price reduction.
- 3.4.2 The Products shall be compared for "sameness", counted and priced as systems or individual components in accordance with how they were originally purchased by Distributor from Echosphere (Product originally purchased as systems shall not be eligible for a Price Reduction Credit in the event that the price reduction applies to an individual component, and product originally purchased as individual components shall not be eligible for a Price Reduction Credit in the event that the price reduction applies to a system). Within five (5) days after the effective date of such price change, Distributor shall furnish Echosphere an itemized inventory, with serial numbers, of the relevant Products as of such date, including information as to the mode of original purchase from Echosphere (as systems or individual components), the time such Products have been held in Distributor's inventory and any other information Echosphere may reasonably request. Any Price Reduction Credit shall be applied by Echosphere to the purchase price of Distributor's subsequent orders of Products from Echosphere. In the event that, at the time of the price reduction, Distributor has ordered but not yet paid for Products, Distributor shall only be required to pay for such Products at the reduced price. Therefore, no Price Reduction Credit shall accrue to those orders.
- 3.5 <u>PCO Prices</u>. Echosphere may determine, in its sole and absolute discretion and at any time and from time to time, the prices at which Distributor shall sell Products to PCOs, and Distributor shall only sell Products to PCOs at those prices; provided that Echosphere may not set the prices at which Distributor shall sell Products to PCOs higher than those at which Echosphere sells the same products to PCOs.

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#### 4. TERMS

Distributor shall perform all its financial obligations to 41 Payment. Echosphere on a timely basis, and all payments for Products shall be made prior to shipment in United States dollars by wire transfer or by guarantee from a third party floorplan financing source acceptable to Echosphere, as Echosphere may determine at any time and from time to time in its sole discretion for any reason or no reason. At any time and from time to time, Echosphere, in its sole discretion for any reason or no reason, may extend credit to Distributor in such amounts and on such terms and conditions as Echosphere may determine at any time and from time to time in Echosphere's sole discretion for any reason or no reason. Echosphere reserves the right to withdraw or vary the amount of credit prospectively and to change the terms and conditions thereof. Unless otherwise expressly provided, no extension of credit shall extend the due date of any payment. Distributor hereby grants Echosphere a first priority security interest in any Products that Distributor purchases pursuant to such credit, and Distributor shall execute such financing statements and other instruments as Echosphere shall require at any time, and from time to time, to protect Echosphere's interest in such Products. In the event that Distributor fails or refuses at any time to execute any such financing statement or other instrument immediately upon Echosphere's request, Echosphere is hereby authorized to do so on behalf of Distributor.

#### 4.2 Taxes.

- 4.2.1 Distributor. Any and all payments required to be made by Distributor to Echosphere under this Agreement are exclusive of any tax, levy or similar governmental charge ("Taxes") that may be assessed against Distributor by any jurisdiction. In the event that, under the laws of any jurisdiction, Distributor is required to withhold Taxes on any such payment (with the exception for income Taxes assessed against Echosphere or any Affiliate thereof), the amount of the payment will be automatically increased so that the amount actually remitted to Echosphere, as the case may be, net of all Taxes, equals the amount invoiced or otherwise due. Distributor shall forthwith pay any amounts deducted or withheld from such payments to the relevant taxing or other authority in accordance with applicable law.
- 4.2.2 Echosphere. Any and all payments required to be made by Echosphere to Distributor under this Agreement are exclusive of any Taxes (as defined in Section 4.2.1 above) that may be assessed against Echosphere by any jurisdiction. In the event that, under the laws of any jurisdiction, Echosphere is required to withhold Taxes on any such payment (with the exception for income Taxes assessed against Distributor or any Affiliate thereof), the amount of the payment will be automatically increased so that the amount actually remitted to Distributor, net of all Taxes, equals the amount invoiced or otherwise due. Echosphere shall forthwith pay any amounts deducted or withheld from such payments to the relevant taxing or other authority in accordance with applicable law.

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- Distributor shall pay all freight, handling and shipping 4.3 Shipping Costs. costs. All Products are shipped F.O.B. from one or more Echosphere current distribution locations, as determined at any time and from time to time in Echosphere's sole discretion for any reason or no reason, unless Echosphere notifies Distributor to the contrary in writing that some other F.O.B. shipping point may be applicable, as determined at any time and from time to time in Echosphere's sole discretion for any reason or no reason. Transfer of title shall pass to Distributor upon receipt of full payment for the Products by Echosphere. Risk of loss shall pass to the Distributor upon delivery of Products to the carrier. Echosphere shall not be responsible for insuring any shipments. Distributor may request Echosphere to insure a shipment, but such insurance shall be at Distributor's sole cost and expense. Accordingly, Distributor shall have the sole responsibility to file any claims with the carrier for damage, missing items or otherwise, and Echosphere shall have no liability or responsibility in the event that Distributor is unable to obtain full compensation for any loss or any claim. Echosphere shall be entitled, at any time and from time to time, without incurring any liability to Distributor, to exercise its sole discretion for any reason or no reason in selecting the method of shipment, routing and the carrier; provided that Distributor may choose the method of shipment, routing and/or carrier upon advanced written approval by Echosphere.
- 4.4 <u>Default or Insecurity</u>. In the event that Distributor defaults on any payment due Echosphere, or Distributor violates any term or condition of this Agreement or of any credit extended by Echosphere to Distributor, or in the event that Echosphere, in its sole discretion for any reason or no reason, at any time deems Distributor's financial condition inadequate to warrant further shipments, Echosphere reserves the right, to cancel any order or delay any shipment to Distributor, to require payment for each shipment prior to shipment or delivery, and/or to require payment of all unpaid balances prior to any shipment or delivery. Exercise of any of the above rights by Echosphere shall not be construed as a limitation of Echosphere's ability to exercise any other rights or remedies which Echosphere may have at law, in equity, under contract, or otherwise (all of which are hereby expressly reserved).
- 4.5 <u>Claims</u>. Notwithstanding anything to the contrary set forth herein, in no event shall any Notice of Claim (as defined in Section 11.7) relating to any alleged failure to pay any amounts due and owing hereunder or any other amounts due and owing from Echosphere and/or its Affiliates, on the one hand, to Distributor and/or its Affiliates, on the other hand, be provided later than sixty (60) days after the date that the relevant payment should have been made, or later than sixty (60) days after expiration or termination of this Agreement for any reason whatsoever, whichever is earlier, or the shortest period permitted under applicable law (in the event that such period is in excess of the applicable period set forth above).

#### 5. ORDERS, SHIPMENT DATES, QUANTITIES AND RETURNS

5.	.1	<u>Purchase</u>	Orders.	Distributor	shall	order	Products	by	written	purc	chase
orders (e	each	an "Order"	') issued	during the	term of	f this .	Agreemen <sup>a</sup>	t. (	Orders	shall	state

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only: (i) identity of goods; (ii) quantity of goods; (iii) purchase price of goods; and (iv) requested ship date of goods, and any additional terms and conditions shall be of no force or effect between the parties, unless expressly agreed to the contrary in a writing signed by Echosphere. In the event of any conflict or inconsistency between the terms and conditions of an Order and the terms and conditions of this Agreement, the terms of this Agreement shall prevail. The Orders shall be a binding commitment by Distributor and are subject to acceptance and acknowledgement by Echosphere. Echosphere may accept or reject any Order, in whole or in part, at any time and from time to time in Echosphere's sole discretion for any reason or no reason. Echosphere will inform Distributor of any rejection of an Order, in whole or in part, within a reasonable time after such rejection. On or before the fifteenth (15th) day of each month during the Term of this Agreement, Distributor shall forward to Echosphere a rolling forecast ("Forecast") of requested shipments of Product in fulfillment of the Orders for each of the immediately following four calendar months. All Forecasts shall indicate quantities, shipping destination requested and preferred shipping dates (which shall be the same as the shipping dates requested in the corresponding Order), and are subject to written confirmation by Echosphere. Echosphere shall be permitted to modify shipping dates without rejecting a forecast. Echosphere will inform Distributor of any rejection of a Forecast, in whole or in part, within a reasonable time after such rejection. The first two (2) calendar months of each Forecast shall be deemed a firm and binding commitment for the purchase of Product specified therein with no change permitted in total quantity or mix of Product. The third (3d) calendar month of each Forecast shall be deemed a firm and binding commitment for the purchase of Product specified therein but may be modified upon issuance of the next Forecast, provided that Distributor shall only be entitled to increase or decrease the Forecast for the third calendar month by up to ten percent (10%) in quantity and up to twenty percent (20%) in mix of Product. The fourth (4<sup>th</sup>) calendar month of each Forecast shall be deemed a firm and binding commitment for the purchase of Product specified therein but may be modified upon issuance of the next Forecast, provided that Distributor shall only be entitled to increase or decrease the Forecast for the fourth calendar month by up to twenty-five (25%) in quantity and up to forty percent (40%) in mix of Product.

5.2 <u>Cancellations and Modifications</u>. Distributor may not cancel or modify any Order which has been received by Echosphere, unless specifically permitted to do so by Echosphere, and then only with such penalties as Echosphere at any time and from time to time may determine in its sole discretion for any reason or no reason (for example, but not by limitation, imposing charges on items changed or canceled).

#### 5.3 Shipment Dates, Destinations and Quantities.

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5.3.1 Echosphere will use reasonable efforts to make shipments of Products by the dates specified in Orders accepted from the Distributor. HOWEVER, ECHOSPHERE SHALL HAVE NO LIABILITY OR RESPONSIBILITY TO DISTRIBUTOR OR ANYONE CLAIMING THROUGH DISTRIBUTOR FOR ANY LOSS OR DAMAGE (INCLUDING, GENERAL, INDIRECT, EXEMPLARY, INCIDENTAL, SPECIAL AND CONSEQUENTIAL DAMAGES) ARISING OUT OF ANY FAILURE OR DELAY IN

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SHIPMENT, LATE SHIPMENT, OR DELIVERY OF ALL OR ANY PART OF ANY ORDER. Echosphere reserves the right to ship Products up to five (5) days in advance of established delivery schedules, and Products may be delivered by a single or by multiple deliveries. Failure of Echosphere to ship on or about the date requested in any Order shall not entitle Distributor to cancel or amend such order. All deliveries are contingent on Echosphere's receiving timely shipment of necessary materials for production.

- 5.3.2 Echosphere reserves the right to ship all or a portion of any Order, including partial Orders. Echosphere shall be permitted to ship as and when Products are or become available and Distributor shall pay for such portion of the shipment as is actually shipped.
- 5.3.3 Echosphere will only ship Products to Distributor branch locations in the Territory, or to Distributor's headquarters provided it is located in the Territory, and always on the condition that Distributor will only direct Products to be shipped to an authorized location in the Territory for distribution to PCOs within the Territory serviced by that branch.
- 54 Returns. Distributor may return Products for credit against future shipments, at the sole expense of Distributor, and with all risk of loss during shipment being the responsibility of Distributor, but only in the event that Echosphere, at any time and from time to time in its sole discretion for any reason or no reason, gives its prior written consent. The credit (hereinafter "Return Credit") for each Product accepted for return shall equal the lesser of Echosphere's price in effect on the date of receipt of the Product by Echosphere, or the price for which the Product was originally purchased from Echosphere, reduced by any Promotional Discounts or other discount or allowance which have the economic effect of reducing the bottom line cost of the Product to the Distributor and less a handling charge of twenty percent (20%) of the undiscounted and unadjusted price. In no event shall Echosphere accept Products for return more than thirty (30) days after shipment by Echosphere or which are damaged or used or not in their original, unopened containers. The Products shall be priced for return as systems or individual components in accordance with how they were originally purchased by Distributor from Echosphere. Prior to return, Distributor shall furnish Echosphere an itemized inventory of the Products to be returned, including information as to the mode of the original purchase from Echosphere (as systems or individual components) and any other information that Echosphere may reasonably request. Echosphere may, at any time and from time to time, in its sole discretion for any reason or no reason, request Distributor to return excess Product from Distributor's inventory to Echosphere. In such event, Distributor will not incur any handling or shipment charges for returning Product to Echosphere.

#### 6. WARRANTY

6.1 <u>Echosphere Limited Warranty</u>. Notwithstanding anything to the contrary set forth herein, Echosphere makes no warranty of Products other than the written "Limited Warranty" accompanying the Products at the time of delivery of each order and may modify such Limited Warranty at any time and from time to time in its sole discretion for

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any reason or no reason. Distributor shall not modify or extend, or permit any of its PCOs or any employee or agent of either to modify or extend, the terms or conditions of Echosphere's warranty in any way. This shall not preclude Distributor or its PCOs from giving their own warranties of Products or offering their own agreements for servicing Products. Distributor shall notify Echosphere promptly of any alleged or suspected manufacturing defects in Products. NOTWITHSTANDING ANYTHING TO THE CONTRARY SET FORTH HEREIN, THE WARRANTY GIVEN BY ECHOSPHERE ABOVE IS IN LIEU OF ALL OTHER WARRANTIES, WHETHER STATUTORY, EXPRESS OR IMPLIED. INCLUDING WARRANTIES OF MERCHANTABILITY OR IN NO EVENT SHALL FITNESS FOR A PARTICULAR USE OR PURPOSE. ECHOSPHERE BE LIABLE FOR ANY INDIRECT, EXEMPLARY, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES (INCLUDING LOSS OF USE) ARISING OUT OF OR IN CONNECTION WITH THE SALE. USE OR PERFORMANCE OF ANY PRODUCTS AND BASED UPON BREACH OF WARRANTY OR CONTRACT. NEGLIGENCE, STRICT LIABILITY, OR ANY OTHER LEGAL THEORY.

- 6.2 <u>Warranty Display.</u> Wherever its PCOs display Products to the public, Distributor shall require them to display at all times and in close proximity to such Products a copy of the current Limited Warranty from Echosphere pertaining to the Products or a sign or poster containing the same, as required by regulation of the Federal Trade Commission or other applicable law. Distributor shall buy from Echosphere at Echosphere's cost and promptly resell to its PCOs copies of the current Limited Warranty and signs or posters of the warranty, in such quantities and at such times as necessary to enable the PCOs to fulfill their obligations under their private cable operator Programming Services Agreement with DISH Network L.L.C.. or an Affiliate thereof.
- 7. PROMOTIONAL PROGRAMS Distributor shall be eligible to participate in, and Distributor hereby agrees to participate in, use its best efforts to support, and be bound by all of the terms and conditions of (and all of such terms and conditions are hereby incorporated by reference in their entirety), such additional marketing promotions as Echosphere may make available to Distributor at any time and from time to time in Echosphere's sole discretion for any reason or no reason. Distributor acknowledges and agrees that: (i) under no circumstances shall Echosphere have at any time any obligation to offer any additional marketing promotions to Distributor, or in the event that additional marketing promotions are offered to others, to permit Distributor to be eligible to participate in them; (ii) Echosphere may, at any time and from time to time in Echosphere's sole discretion for any reason or no reason, add, discontinue, substitute. modify or otherwise alter any or all of the terms and conditions of any additional marketing promotions; (iii) in the event that Echosphere offers any additional marketing promotions to Distributor, Distributor shall only be eligible to participate in such additional marketing promotions if and to the extent that it meets all of the qualification criteria and other terms and conditions as Echosphere may establish at any time and from time to time in its sole discretion for any reason or no reason. In the event of any conflict or inconsistency between the terms and conditions of such additional marketing promotions and the terms and conditions of this Agreement, the terms and conditions of this Agreement shall control. Failure to adhere to any Business Rules related to any

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marketing promotion may result in disciplinary action up to and including termination and any other remedy provided in this Agreement.

#### 8. DURATION AND TERMINATION

- Duration. Subject to Section 8.2 of this Agreement, and other provisions providing for early termination, this Agreement shall commence on the Effective Date and shall continue for a period of five (5) years thereafter, unless earlier terminated in accordance with the terms and conditions of this Agreement, and in the event that DNLLC and Pace CSO Inc. mutually agree to renew the Master Services Agreement dated of even date hereof for the fiveyear renewal term provided for therein, this Agreement will automatically renew for a five-year term as well (the initial five-year term and any applicable renewal term, together, the "Term"). Except as provided to the contrary in this Agreement, any provision of this Agreement which logically would be expected to survive expiration or termination of this Agreement, shall survive for a reasonable time period under the circumstances, whether or not specifically provided in this Agreement. The acceptance of any Order from, or the sale of any Products to, the Distributor after the expiration or termination of this Agreement for any reason whatsoever shall not be construed as a renewal or extension of this Agreement. Rather, any such continued sales, if any, shall be considered as sales on such terms and conditions as Echosphere may impose, at any time and from time to time in its sole discretion for any reason or no reason. SUBJECT TO THE TERMS AND CONDITIONS OF THIS AGREEMENT, DISTRIBUTOR RECOGNIZES THAT THIS AGREEMENT MAY BE TERMINATED PRIOR TO THE EXPIRATION OF THE TERM AND THAT NO REPRESENTATIONS OR WARRANTIES HAVE BEEN MADE TO DISTRIBUTOR THAT DISTRIBUTOR WILL REMAIN AN AUTHORIZED DISTRIBUTOR DURING THE ENTIRE TERM OR THAT THE AGREEMENT WILL NOT BE TERMINATED PRIOR TO EXPIRATION OF THE TERM.
- 8.2 <u>Termination</u>. This Agreement may be terminated by Echosphere without penalty and without liability for any damages to Distributor as a result of such termination, as follows:
- (a) In the event of the occurrence of any of the following events, which are not cured by Distributor (if curable) within thirty (30) days of receipt of written notice from Echosphere, Echosphere shall have the right at any time thereafter to take any action up to and including termination of this Agreement, as Echosphere at any time and from time to time in its sole discretion for any reason or no reason deems appropriate, by providing written notice to Distributor:
- (i) Distributor fails in any material way to perform or observe any of the terms or conditions of this Agreement, or any of the obligations or commitments of Distributor under this Agreement, or any of Distributor's representations or warranties are not accurate at any time;

		(ii)	Α	change	in	Distributor's	active	e man	agement	occurs,	which
change, in	the op	inion of	Ech(	osphere	ma	ay have a m	aterial	effect	on Distrib	outor's al	oility to

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distribute and promote the Products. Such a change includes, but is not limited to, the death or incapacity for a period of thirty (30) days of a principal officer, partner or manager of Distributor. Distributor and Echosphere agree that this Agreement has been entered into based on Echosphere's reliance on Distributor's unique abilities and attributes and the continuation of this Agreement is conditioned upon Distributor being managed and owned in the same manner as prior to the commencement of the term hereof; or

- (iii) Failure to take reasonable and adequate steps to prevent transshipment outside the United States, Puerto Rico and the U.S. Virgin Islands or further distribution of Products outside the United States, Puerto Rico and the U.S. Virgin Islands by a PCO, even in the event that transshipment is not the result of willful or grossly negligent misconduct on the part of Distributor.
- (b) This Agreement shall terminate automatically should any of the following occur (or at any time thereafter as Echosphere may decide in its sole discretion for any reason or no reason), unless Echosphere at any time thereafter, in its sole discretion for any reason or no reason, notifies Distributor in writing to the contrary:
- (i) Failure by Distributor to pay any amount due, after notice of non-payment of sums due and a ten (10) day opportunity to cure the non-payment;
  - (ii) Distributor makes an assignment for the benefit of creditors;
- (iii) Distributor becomes insolvent, voluntary or involuntary bankruptcy, insolvency or similar proceedings are instituted against Distributor, garnishment or attachment of a significant portion of Distributor's business occurs, or a receiver is appointed for Distributor;
- (iv) Distributor, for more than twenty (20) consecutive days, fails to maintain operations as a going business;
- (v) The creation of any law or regulation potentially applicable to the relationship between Echosphere and Distributor, which regulates termination of dealers or distributors, grants distributors extra-contractual compensation upon termination or non-renewal of their contracts, or would supersede any of the terms of this Agreement;
- (vi) Distributor or any officer, director, substantial shareholder or principal of Distributor is convicted in a court of competent jurisdiction of any criminal offense greater than a Class C misdemeanor;
- (vii) Distributor fails to comply with any applicable federal, state or local law or regulation or engages in any practice with respect to Products, which is determined to be an illegal or unfair trade practice in violation of any applicable federal, state or local law or regulation;

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(viii) Distributor's falsifi herein;	cation of any records or reports required						
(ix) Distributor's failur cancellation or revocation, for a period of fiftee local license or permit required by law and ne Agreement and in maintaining its corporate of effective date of this Agreement;	cessary in carrying out the provisions of this						
(x) Distributor substa	ntially abandons the Product(s) or Product						
(xi) Echosphere disco	entinues the manufacture and/or distribution						
(xii) Any actual or alleged fraud, misrepresentation or illegal action of any sort by Distributor in connection with this Agreement, the Distributor Agreement, or any other agreement by and between Distributor and Echosphere or an Affiliate of Echosphere (each, an "Other Agreement");							
(xiii) The Distributor terminates for any reason whatsoever;	Agreement or any Other Agreement						
(xiv) The breach or obligations under Section 2.5 above;	default of any of Distributor's duties or						
(xv) Distributor is acqu merges with a third party, without the prior writ	ired, directly or indirectly, by a third party, or tten consent of Echosphere; or						
(xvi) Except with respe 8.2(a)(iii) above, any violation of the Territory	ect to the activities described in Subsection or Selling Rights restrictions in Section 1.3.						
The parties agree that all representations, warranties, covenants, obligations and duties of Distributor contained in this Agreement, whether or not specifically designated as such, are material for purposes of Section 8.2(a) and Section 2.3.2 above, and to the agreement of Echosphere to enter into and continue this Agreement.							
expiration or termination of this Agreement for its Affiliates shall have no liability to Distributor	r whatsoever, except for such obligations of urvive expiration or termination of this						

Echosphere\_\_\_\_ Distributor \_\_\_\_

require that Echosphere continue to allow Distributor to act as an Authorized Distributor of any Products for Echosphere, to any payment for lost business, future profits, loss of goodwill, reimbursement for expenditures or investments made or commitments entered

into, creation of clientele, advertising costs, warehousing costs, termination of employees or employees salaries, overhead or facilities incurred or acquired based upon the business derived or anticipated under this Agreement, or for any other damages, including but not limited to exemplary, special, incidental or consequential damages, whether foreseeable or not, or for claims under dealer or distributor termination, protection, non-renewal or similar laws, for any cause whatsoever. In no event shall any projections or forecasts by Echosphere be binding as commitments or promises by Echosphere. Distributor agrees that in the event of expiration or termination of this Agreement for any reason whatsoever, no amounts spent in its fulfillment will be recoverable from Echosphere by the Distributor or any other party claiming through Distributor. The provisions of this Section 8.3 shall survive expiration or termination of this Agreement (for any reason whatsoever) indefinitely.

- 8.4 <u>Purchases During Notice Period</u>. During the thirty day notice period under Section 8.2(a) above, Echosphere, in its sole discretion for any reason or no reason, will determine the amount of Product, if any, that Distributor may purchase.
- 8.5 Payment, Forfeiture and Cancellation. Upon expiration or termination of this Agreement for any reason whatsoever, all sums due Echosphere by Distributor must be immediately paid. Upon termination of this Agreement for any reason other than termination of this Agreement by Distributor based upon Echosphere's breach or default of this Agreement (and upon expiration of this Agreement in the event that Distributor is in breach or default of this Agreement at the time of such expiration), all Price Reduction Credits under Section 3.4 which have not been applied by such date shall be deemed forfeited, any credit or allowance under any cooperative or incentive program or other promotion (including any credit or allowance against the future purchase of Products) which has not been applied by such date shall be forfeited unless otherwise expressly provided in the program or promotion, and all orders in process shall be deemed canceled unless in transit or paid for in advance by the Distributor. Echosphere and Distributor hereby waive all claims against each other in connection with such forfeiture and cancellation. Any Return Credit under Section 5.4 which has not been applied by such expiration or termination date shall not be forfeited. Echosphere may set off any amount which Echosphere owes Distributor (including the repurchase price under Section 8.7.2 and any Return Credit under Section 5.4) against any amount which Distributor owes Echosphere or its Affiliates, and any excess owed by one party to the other shall be promptly paid.
- 8.6 <u>Limitation of Liability.</u> NOTWITHSTANDING ANYTHING TO THE CONTRARY SET FORTH HEREIN, IN NO EVENT SHALL ECHOSPHERE OR ANY AFFILIATE OF ECHOSPHERE BE LIABLE FOR ANY EXEMPLARY, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES TO DISTRIBUTOR (INCLUDING WITHOUT LIMITATION, ANY PAYMENT FOR LOST BUSINESS, FUTURE PROFITS, LOSS OF GOODWILL, REIMBURSEMENT FOR EXPENDITURES OR INVESTMENTS MADE OR COMMITMENTS ENTERED INTO, CREATION OF CLIENTELE, ADVERTISING COSTS, TERMINATION OF EMPLOYEES OR EMPLOYEES SALARIES, OVERHEAD OR FACILITIES INCURRED OR ACQUIRED BASED UPON

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THE BUSINESS DERIVED OR ANTICIPATED UNDER THIS AGREEMENT, OR CLAIMS UNDER DEALER AND/OR DISTRIBUTOR TERMINATION, PROTECTION, NON-RENEWAL OR SIMILAR LAWS,), WHETHER FORESEEABLE OR NOT, FOR ANY CAUSE WHATSOEVER. IN NO EVENT SHALL ANY PROJECTIONS OR FORECASTS BY ECHOSPHERE BE BINDING AS COMMITMENTS OR PROMISES BY ECHOSPHERE. THE PROVISIONS OF THIS SECTION 8.6 SHALL SURVIVE EXPIRATION OR TERMINATION OF THIS AGREEMENT (FOR ANY REASON WHATSOEVER) INDEFINITELY.

8.7 Distributor's Obligations on Expiration or To	Obligations	on Expiration	or Lermination	1
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	8.7.1	ln	addition	to	all	other	obligations	of	Distributor	upon
expiration	or termination	of th	is Agreem	nent	for	any re	ason whatso	eve	r, Distributor	shall
promptly, a	at its own exper	nse:								

- (a) cease to use the license granted it in Section 1.5;
- (b) forward all repair warranty inquiries to Echosphere or its designee;
- (c) ship to Echosphere or its designee any Products or parts held in trust by Distributor for use under a repair or warranty service program;
- (d) return to Echosphere, or at Echosphere's direction destroy, all other items upon which the Trademarks or any other trademarks, service marks or trade names of Echosphere or any of its Affiliates appear; and
- (e) take all other action reasonably requested by Echosphere to assist in the orderly transition of sales and service from Distributor to Echosphere or its designee.
- 8.7.2 In addition to all other obligations of Distributor upon expiration or termination of this Agreement for any reason whatsoever, Distributor shall promptly, provide Echosphere the opportunity, exercisable at any time and from time to time in Echosphere's sole discretion for any reason or no reason, to repurchase from Distributor all or any part of Distributor's inventory of Products, which are undamaged and in their original, unopened containers, at the net price (less any applicable discounts. rebates, incentives, promotions or any other items which tend to have the economic effect of reducing the bottom line price of the Product to Distributor) paid for the Products by Distributor (FIFO always assumed). Echosphere shall have the same option as above to repurchase all or any part of Distributor's inventory of Products, which are damaged or not in their original unopened containers, at such prices as Echosphere deems reasonably appropriate given the condition of the Products. Promptly following the expiration or termination of this Agreement for any reason whatsoever, Distributor shall furnish Echosphere with an itemized schedule with serial numbers, of all such Products. including information regarding the original purchase from Echosphere (as systems or

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individual components) and any other information Echosphere may reasonably request. Within ten (10) days after receipt of such schedule from Distributor, Echosphere shall have the right to inspect Distributor's inventory. Within twenty (20) days after completion of Echosphere's inspection of such inventory or after expiration of the inspection period in the event that no inspection is conducted, Echosphere shall give notice of its election to repurchase all or any part of such inventory. In the event that Echosphere exercises that right, Distributor shall return the Product to Echosphere as per Echosphere's orders, and Echosphere will pay to Distributor the applicable repurchase price as set forth above.

#### 9. INDEMNIFICATION

Distributor shall indemnify, defend and hold Echosphere and its Affiliates, and its and their respective officers, directors, employees, agents, and shareholders, and its and their respective assigns, heirs, legal representatives and successors (collectively, the "Echosphere Group") harmless from and against any and all costs, losses, liabilities, damages, lawsuits, judgments, claims, actions, penalties, fines and expenses (including, without limitation, interest, penalties, reasonable attorney fees and all monies paid in the investigation, defense or settlement of any or all of the foregoing) arising out of, or incurred in connection with: (i) the breach or default of any of Distributor's representations, warranties, covenants, duties or obligations hereunder; (ii) any alleged negligence, misrepresentation, other tort, or breach of contract (including breach of warranty) or statutory duty by. Distributor or any of its private cable operators: (iii) Distributor's performance or failure of performance under this Agreement, the Trademark License Agreement, any Business Rule, or any Other Agreement and any direct or indirect results thereof, including without limitation the sale and/or installation of Product by Distributor; (iv) any claims related to purchase of a Product by any person or entity purchasing directly or indirectly through Distributor and not directly relating to claim of breach of Echosphere's limited manufacturer's warranty; (v) omission or commission of any act, lawful or unlawful, by Distributor or of any of Distributor's agents or employees, whether or not such act is within the scope of employment or authority of such agents or employees; (vi) failure of Distributor to comply with, or any alleged violation of, this Agreement or any applicable law, statute, ordinance, governmental administrative order, rule or regulation by Distributor; (vii) any claims or causes of action relating to Distributor terminating or canceling agreements with Echosphere competitors in order to become an authorized Distributor for Echosphere; (viii) claims of any of Distributor's private cable operators or any employees or agents of Distributor or its private cable operators for compensation and/or damages arising out of the expiration or termination of this Agreement for any reason whatsoever; or (ix) all purchases, contracts, debts and/or obligations made by Distributor. In the event of any claim for indemnification by the Echosphere Group under this Section 9 the Echosphere Group shall be entitled to representation by counsel of its own choosing, at Distributor's sole cost and expense. The Echosphere Group shall have the right to the exclusive conduct of all negotiations, settlements, litigation and other proceedings arising from any such claim and Distributor shall, at its own cost and expense, render all assistance requested by the Echosphere Group in connection with any such negotiation, litigation, settlement or other proceeding. Each indemnity obligation set forth herein shall be in addition to, and not in limitation of,

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any other indemnity obligation set forth herein. The provisions of this Section 9 shall survive expiration or termination of this Agreement for (any reason whatsoever) indefinitely.

#### 10. CONFIDENTIALITY

#### 10.1 General.

- 10.1.1 The negotiations leading to this Agreement together with all terms and conditions of this Agreement, as well as all confidential financial, business, technical and other proprietary information disclosed or provided by any party to this Agreement and any Affiliates thereof, and all information generated therefrom including evaluations thereof ("Confidential Information") shall be kept and treated as strictly confidential and shall only be used by a party as necessary for such party to perform its duties and obligations under this Agreement, in each case for a period of three (3) years after initial disclosure.
- 10.1.2 The obligations imposed upon the parties herein shall not apply to Confidential Information which is:
- (a) or becomes generally available to the public through no wrongful act of the receiving party;
- (b) already lawfully in the possession of the receiving party and not subject to an existing agreement of confidentiality between the parties;
- (c) received from a third party without restriction and without breach of this Agreement;
  - (d) independently developed by the receiving party; or
- (e) released pursuant to the binding order of a government agency or a court so long as prior to any such release the releasing party provides the other party with the greatest notice permitted under the circumstances, so that the disclosing party may seek a protective order or other appropriate remedy. In any such event, the releasing party will disclose only such Confidential Information as is legally required and will exercise reasonable efforts to obtain confidential treatment for any Confidential Information being disclosed.
- 10.1.3 Notwithstanding anything to the contrary set forth herein, the parties shall have the right to disclose the fact of the existence of this Agreement, together with the minimum amount of other information deemed necessary by securities counsel to either party if such securities counsel in good faith determines that public disclosure of the information is necessary under federal or state securities laws applicable to such party. Disclosure of such information shall be coordinated in advance with the other party. Any such disclosure shall not permit the disclosing party

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to issue any press release or otherwise discuss or further disseminate the information contained in the securities filing in any manner.

#### 10.2 Subscriber Information.

10.2.1 Notwithstanding anything to the contrary set forth herein, all subscribers who directly or indirectly subscribe to, purchase, lease or otherwise receive or acquire (i) DISH Network Programming, (ii) any other services provided by Echosphere or any of its Affiliates, and/or (iii) any other services incidental, connected or related to any of the foregoing services, and/or who directly or indirectly purchase, lease or otherwise obtain the hardware necessary to receive any such DISH Network Programming and/or any such other services ("DISH Network Subscribers") shall be deemed customers of Echosphere for all purposes relating to programming services. including without limitation video, audio and data services, the other services provided by Echosphere or any of its Affiliates and any other services incidental, connected or related to any of the foregoing services, ("Services") and the hardware necessary to receive any of such services ("Hardware"). Distributor acknowledges and agrees that the names, addresses and other identifying information of DISH Network Subscribers ("Subscriber Information") are, as between Distributor and Echosphere, with respect to the delivery of Services and the provision of Hardware, proprietary to Echosphere, and shall be treated with the highest degree of confidentiality by Distributor. Distributor shall not directly or indirectly: (a) make use of any list of past or current DISH Network Subscribers (whether developed by Distributor or obtained from Echosphere or another source), (b) use any Subscriber Information for the direct or indirect benefit of any individual or entity other than Echosphere or any of its Affiliates, (c) use any Subscriber Information for the purpose of soliciting, or to permit any others to solicit, subscribers to subscribe to any Services offered by anyone other than Echosphere and its Affiliates, or promote the sale, lease or other acquisition of any Hardware used in connection with Services offered by anyone other than Echosphere and its Affiliates; or (d) reveal any Subscriber Information to any third party for any reason without the express prior written consent of Echosphere, which Echosphere may withhold in its sole discretion for any reason or no reason; provided, however, that nothing shall prohibit Distributor from utilizing its own customer list (but not a discrete portion thereof that identifies or targets Echosphere subscribers) for its general business operations unrelated to the delivery of Services or the provision of Hardware. The provisions of this Section 10.2.1 shall survive expiration or termination of this Agreement (for any reason whatsoever) indefinitely.

10.2.2 Distributor hereby acknowledges and agrees that the relationship, contractual or otherwise, between Echosphere (and/or any of its Affiliates) and each DISH Network Subscriber is for the sole and exclusive benefit of Echosphere (and/or any of its Affiliates) and the consumer. Distributor hereby further acknowledges and agrees that Distributor is a not a third-party beneficiary of any agreement that Echosphere or any of its Affiliates may have with any DISH Network Subscriber, and that, under no circumstances, shall Distributor have any claim or cause of action against Echosphere or any Affiliate of Echosphere for any action taken by Echosphere and/or

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any of its Affiliates with regard to any DISH Network Subscriber. Distributor hereby further acknowledges and agrees that Echosphere, at any time and from time to time in its sole discretion for any reason or no reason, may provide or refuse to provide programming, products or other services to any person or entity. The provisions of this Section 10.2.2 shall survive expiration or termination of this Agreement (for any reason whatsoever) indefinitely.

- 10.3 Remedies. Distributor agrees that a breach of these obligations of confidentiality will cause substantial and irreparable harm and injury to Echosphere for which monetary damages alone would be an inadequate remedy, and which damages are difficult to accurately measure. Accordingly, Distributor agrees that Echosphere shall have the right, in addition to any other remedies available, to obtain immediate injunctive relief (without the necessity of posting or filing a bond or other security) to restrain the threatened or actual violation hereof by Distributor, its employees and agents, as well as other equitable relief allowed by the federal and state courts. The foregoing remedy of injunctive relief is agreed to without prejudice to Echosphere to exercise any other rights and remedies it may have, including without limitation, the right to terminate this Agreement and seek damages or other legal or equitable relief. The provisions of this Section 10.3 shall survive expiration or termination of this Agreement (for any reason whatsoever) indefinitely.
- 10.4 Economic Benefits Derived Held in Trust. In the event that Distributor derives an economic benefit, in any form, from a violation of its obligations under Section 10.2, it is hereby agreed that such economic benefit is the property of Echosphere and that Distributor shall deliver the cash value of the economic benefit to Echosphere immediately upon receipt of the economic benefit. It is further agreed that Distributor shall hold such economic benefit in trust for the benefit of Echosphere until such time as its cash value is delivered to Echosphere. The foregoing is agreed to without prejudice to Echosphere to exercise any other rights and remedies it may have, including without limitation, the right to terminate this Agreement and seek damages or other legal or equitable relief. The provisions of this Section 10.4 shall survive expiration or termination of this Agreement (for any reason whatsoever) indefinitely.

#### 11. MISCELLANEOUS

11.1 <u>Distributor Not a Partner, Agent or Employee.</u> Distributor is in no way a partner, joint venturer, agent, employee, or other legal representative of Echosphere for any purpose whatsoever, and has no legal right or authority to make any representation, promise or agreement in the name of or for the account of Echosphere or any affiliate of Echosphere. The relationship of the parties hereto is that of a vendor and a vendee as independent contractors. Distributor shall conduct its business as an independent contractor, and all persons employed in the conduct of such business shall be Distributor's employees or agents only. Notwithstanding anything set forth to the contrary herein, Distributor (including without limitation its officers, directors, agents and employees) shall not hold itself out to the public or represent that it is the agent or employee of Echosphere or any Affiliate of Echosphere and in no event shall Distributor

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use Echosphere's name or trade name, the name or trade name of any Affiliate of Echosphere or any trademark of Echosphere or any of its Affiliates in any manner which would tend to imply that Distributor is an Affiliate of Echosphere or that Distributor is an agent or employee of Echosphere or one of its Affiliates, or that Distributor is acting or is authorized to act on behalf of Echosphere or one of its Affiliates. Distributor shall prominently state its business name, address and phone number in all communications with the public, including, without limitation, marketing materials, flyers, print ads, television or radio spots, web sites, emails, invoices, sales slips, and the like. This Agreement does not constitute any joint venture or partnership. Distributor, at its expense, shall provide and maintain in good working order all facilities, vehicles, tools and equipment as may be necessary or proper for Distributor to conduct its operations under this Agreement, and from which it shall operate, and Distributor shall have no authority to employ persons on behalf of Echosphere and no employees of Distributor shall be deemed to be employees or agents of Echosphere, said employees at all times remaining Distributor's employees. No employee of Distributor shall be represented as, or represent themselves as, employees, partners, or agents of Echosphere. Distributor shall have the sole and exclusive right to hire, transfer, suspend, layoff, recall, promote, assign, discipline, adjust grievances and discharge its employees. Distributor is solely responsible for all salaries and other compensation of all Distributor's employees and will make all necessary salary deductions and withholdings from its employees' salaries and other compensation, and is solely responsible for the payment of any and all contributions, taxes and assessments and shall meet all other legal requirements. It is further understood and agreed that Distributor has no right or authority to make any representation, promise or agreement, or take any action, on behalf of Echosphere or any Affiliate of Echosphere. Any such representation, promise or agreement made by, or attempted to be made by, Distributor shall constitute a breach of, and serve as grounds for an automatic termination of, this Agreement pursuant to Section 8.2(a)(i).

- 11.2 <u>No Franchise Relationship.</u> Distributor agrees that it is not a franchisee of Echosphere and no payments in the nature of a franchise fee have been paid to Echosphere as a condition of the execution of this Agreement. Distributor represents and warrants to Echosphere that Distributor does not and shall not deem itself to be a franchisee of Echosphere under any applicable law. Distributor shall have sole responsibility for compliance with any law relating to franchising, as such law may apply to any of Distributor's relationships with its PCOs.
- 11.3 Waiver. Except as otherwise set forth to the contrary in Section 11.7 below, the failure of any party to insist upon strict performance of any provision of this Agreement shall not be construed as a waiver of any subsequent breach of the same or similar nature. In addition to and without limitation of the foregoing, the failure of Echosphere or any of its Affiliates to insist upon strict performance of any provision of any agreement among Echosphere and/or any of its Affiliates on the one hand and another Authorized Distributor on the other hand, shall not be construed as a waiver of Echosphere's right to insist upon strict performance of each and every representation, warranty, covenant, duty and obligation of Distributor hereunder. All rights and remedies reserved to either party shall be cumulative and shall not be in limitation of

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any other right or remedy which such party may have at law, in equity, under contract, or otherwise (all of which are hereby expressly reserved). In addition to and without limitation of the foregoing, the election of certain remedies by Echosphere or any of its Affiliates with respect to the breach or default by another Authorized Distributor of any agreement among Echosphere and/or any of its Affiliates on the one hand and the other Authorized Distributor on the other hand shall be without prejudice to any rights and remedies that Echosphere may have at law, in equity, under contract or otherwise with respect to a similar or different breach or default hereunder by Distributor (all of which are hereby expressly reserved).

- 11.4 <u>Attorney Fees</u>. In the event of any lawsuit permitted under Section 11.6.3 seeking emergency injunctive relief, the prevailing party shall be entitled to recover its costs, expenses and reasonable attorney fees, both at trial and on appeal, in addition to all other sums allowed by law. The provisions of this Section shall survive expiration or termination of this Agreement (for any reason whatsoever) indefinitely.
- 11.5 Successor Interests; No Assignment by Distributor; Third Party This Agreement is binding upon the heirs, legal representatives, Beneficiaries. successors and permitted assigns of Echosphere and Distributor. Echosphere may assign this Agreement to any person or entity or group of persons and/or entities in whole or in part at any time without the consent of Distributor. This Agreement shall not be assigned by Distributor, except upon the prior written consent of Echosphere, which consent may be withheld by Echosphere in its sole discretion for any reason or no reason. Since this Agreement is made by Echosphere in reliance upon the financial, business and personal reputation of Distributor and its ownership and management, any merger, reorganization (including without limitation any change of form of entity, for example changing from a corporation to an LLC) or consolidation of Distributor shall be deemed an assignment. In the event that any person not a substantial stockholder of Distributor (someone with less than a twenty-five percent (25%) interest) as of the date of this Agreement becomes a substantial stockholder of Distributor (equal to, or greater than a twenty-five percent (25%) interest), that shall be considered an assignment requiring Echosphere's consent hereunder. The provisions of this Agreement are for the exclusive benefit of the parties hereto and their the heirs, legal representatives, successors and permitted assigns, and nothing in this Agreement, express or implied, is intended, or shall be deemed or construed, to confer upon any third party (other than as expressly set forth for Affiliates of Echosphere and Distributor) any rights, benefits, duties, obligations, remedies or interests of any nature or kind whatsoever under or by reason of this Agreement.

#### 11.6 Choice of Law and Arbitration.

11.6.1 The relationship between the parties and their present and future Affiliates, including without limitation all disputes and claims, whether arising in contract, tort, or under statute, shall be governed by and construed in accordance with the laws of the State of Colorado, applicable to contracts to be made and performed entirely within the State of Colorado by residents of the State of Colorado, without giving

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any effect to its conflict of law provisions. Distributor and Echosphere hereby represent, warrant, acknowledge and agree that: (i) their independent counsel have reviewed, or they have been given a reasonable opportunity for their independent counsel to review (but declined such review), this Agreement; (ii) the terms and conditions of this Agreement, and each and every paragraph and every part hereof, have been completely and carefully read by, and explained to, the parties; (iii) the terms and conditions of this Agreement are fully and completely understood by each party and each party is cognizant of all of such terms and conditions and the effect of each and all of such terms and conditions; (iv) this Agreement is made and entered into voluntarily by each party, free of undue influence, coercion, duress, menace or fraud of any kind whatsoever, and has been executed by each party of their own free will; and (v) that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement, any amendments hereof or Exhibits hereto. Distributor further represents and warrants that the obligations and duties set forth in this Section 11.6.1 are binding upon any and all present and future Affiliates of Distributor.

11.6.2 The parties agree to submit any and all disputes, controversies or claims not otherwise barred or resolved under Section 11.7 or exempted under Section 11.6.3, which may arise between Distributor and/or any of its Affiliates, on the one hand, and Echosphere and/or any of its Affiliates, on the other hand, including but not limited to any and all disputes, controversies, and claims arising in connection with this Agreement, shall be resolved solely and exclusively by binding arbitration in accordance with both the substantive and procedural laws of Title 9 of the United States Code ("Federal Arbitration Act") and the Commercial Arbitration Rules of the American Arbitration Association and not by a lawsuit or resort to court process except as provided under the Rules for judicial review of arbitration proceedings; provided however that the parties shall be entitled to seek preliminary or permanent injunctive relief, whether prohibitive or mandatory, solely and exclusively before the United States District Court for the District of Colorado. In consideration of Echosphere entering into this Agreement with Distributor, Distributor agrees that it will not serve as a class representative in any class action lawsuit brought by any person or legal entity concerning this Agreement in any respect. In the event of any conflict between the Federal Arbitration Act and the Commercial Arbitration Rules of the American Arbitration Association, the Federal Arbitration Act will control. The Arbitration shall be initiated by written notice from the initiating party to the other party stating the initiating party's intent to initiate arbitration ("Notice of Arbitration"). Any such arbitration shall be conducted in the City and County of Denver, Colorado by a panel of three arbitrators who shall be selected as follows: (a) one arbitrator shall selected by the claimant(s) within 30 days of sending the Notice of Arbitration; (b) one arbitrator shall selected by the respondent(s) within 30 days of the claimant(s) notifying respondent of the identity of claimant's arbitrator; and (c) the third arbitrator shall be selected by the arbitrators chosen by the claimant(s) and the respondent(s) within 30 days of their appointment. The parties hereby agree that the arbitration panel selected pursuant to this agreement is not authorized to: (1) conduct "class arbitration" in any form; and/or (2) arbitrate any dispute on a representative basis in any form. The decision of the arbitrators shall be

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final and binding on the parties and any award of the arbitrators may be entered solely and exclusively in the United States District Court for the District of Colorado. The parties agree that, in no event, shall the arbitrators' decision include a recovery under any theory of liability, or award in any amount, not expressly allowed under this Agreement or applicable Business Rules. In furtherance and without limitation of the foregoing, any award made by the arbitrators shall be within the limitations set forth in Section 8.6. The parties further agree that the arbitration panel selected pursuant to this Agreement may not award damages, injunctive relief or any other remedy to any person or legal entity who is not present at the arbitration or who does not submit proof of any alleged damages at the arbitration. The cost of any arbitration hereunder, including without limitation the cost of the record or transcripts thereof, if any, administrative fees, attorneys' fees and all other fees involved, shall be paid by the party(ies) determined by the arbitrators to not be the prevailing party(ies), or otherwise allocated in an equitable manner as determined by the arbitrators.

- Affiliates may not bring any demand for arbitration (or any permitted lawsuit for emergency injunctive relief or for entry of an arbitration award) against Echosphere or any of its present or future Affiliates unless Distributor and its present and future Affiliates have fully complied with the procedures set forth in Sections 11.7 and 11.6.2; provided, however, that nothing contained herein shall limit or restrict the rights of either party and/or its Affiliates to file a Notice of Arbitration and/or bring a request for injunctive relief against the other party and/or its Affiliates for either party's and/or its Affiliates' violations of Sections 1.3, 1.4, 2.5, 7, 10, 11.1 and 11.11, or any provisions of any Other Agreement.
- 11.6.5 The parties and their present and future Affiliates consent to the *in personam* jurisdiction of the United States District Court for the District of Colorado for the purposes set forth in Section 11.6.3 above, and waive, fully and completely, any right to dismiss and/or transfer any action pursuant to 28 U.S.C.S. 1404 or 1406 (or any successor statute). In the event the United States District Court for the District of Colorado does not have subject matter jurisdiction over any such matter, then such matter shall be litigated solely and exclusively before the appropriate state court of competent jurisdiction located in Arapahoe County, State of Colorado.
- 11.7 Claims for Breach or Default. Distributor acknowledges that Echosphere sells hundreds of thousands of Products annually. Distributor acknowledges that any delay in notifying Echosphere of any claim that may result in Echosphere's liability to Distributor for damages may impede Echosphere's ability to fully and timely investigate any such claim by Distributor. Distributor agrees that it is in each party's best interest to give Echosphere control over claims that have to be investigated and to allow Echosphere to investigate any such claim at the earliest possible moment as well as maintain an orderly method for handling Distributor claims. Accordingly, Distributor agrees to immediately review all shipments of Product to determine any claims or disputes Distributor believes exist and, in the event of any claim or dispute, to follow the procedures set forth below. Distributor also agrees to follow the below claims

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procedures for all other claims that may result in Echosphere's liability to Distributor for damages. In the event of an occurrence that renders, or might render, Echosphere liable to Distributor for any damages or injunctive relief as a result of any alleged breach or default of this Agreement, Distributor shall give written notice of such occurrence as soon as practicable to Echosphere (a "Notice of Claim"). In no event shall any Notice of Claim be provided later than ninety (90) days after the date of the relevant occurrence, or later than ninety (90) days after expiration or termination of this Agreement for any reason whatsoever, whichever is earlier, or the shortest period permitted under applicable law (in the event that such period is in excess of the applicable period set forth above). The Notice of Claim shall state: (i) the date, time and nature of the occurrence; (ii) the total amount claimed by Distributor, if any, in connection with such occurrence and the basis for any amount claimed, and (iii) identification and copies of all documents and other information in Distributor's control or possession relating to such occurrence. The Notice of Claim shall be signed by an officer of Distributor. Distributor shall provide Echosphere with any and all additional information requested by Echosphere within thirty (30) days after receipt of Echosphere's request. Echosphere shall be entitled to have access to Distributor's books and records during its investigation of Distributor's claim. Failure to strictly comply with the provisions of this Section 11.7 with respect to a particular occurrence that renders, or might render, Echosphere in breach or default of this Agreement and liable to Distributor for damages, shall constitute a waiver by Distributor with respect to the relevant occurrence, including any damages related thereto.

11.8 <u>Notices</u>. Any notices to be given hereunder shall be in writing and be sent by: (i) facsimile transmission; (ii) first class certified mail, postage prepaid; or (iii) overnight courier service, charges prepaid, to the party to be notified, addressed to such party at the following address, or sent by facsimile to the following fax number, or such other address or fax number as such party may have substituted by notice given to the others in accordance with this Section:

To Echosphere: Echosphere L.L.C.
9601 S. Meridian Blvd.
Englewood, Colorado 80112
Attn: James DeFranco

Attn: James DeFranco Executive Vice President Fax: (303) 723-3888

With a copy to: Echosphere L.L.C.

9601 S. Meridian Blvd. Englewood, Colorado 80112

R. Stanton Dodge

**Executive Vice President and General Counsel** 

Fax: (303) 723-1699

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TO DISTRIBUTOR: Pace International

3582 Technology Drive NW Rochester, MN 55901 Fax: 507-285-0428

WITH A COPY TO: Dunlap & Seeger

Attn: Daniel E. Berndt

206 South Broadway, Suite 505 Rochester, Minnesota 55904

Fax: (507) 288-9342

The sending of such notice with confirmation of receipt thereof (in the case of facsimile transmission) or receipt of such notice (in the case of delivery by certified mail or by overnight courier service) shall constitute the giving thereof. Notwithstanding anything to the contrary set forth herein, notices to be given to Distributor hereunder may also be posted on any website now or hereafter owned and/or operated by, or on behalf of, Echosphere and/or any of its Affiliates. The posting of such notice on any such web site shall constitute the giving thereof.

- 11.9 <u>Severability</u>. The parties agree that each provision of this Agreement shall be construed as separable and divisible from every other provision and that the enforceability of any one provision shall not limit the enforceability, in whole or in part, of any other provision hereof. In the event that any one or more of the provisions contained herein, or the application thereof to any person, entity, or circumstance, for any reason are held to be invalid, illegal, or unenforceable in any respect, then such provision(s) shall be enforced to the maximum extent permissible, and the remaining provisions of this Agreement shall be unaffected thereby and will remain in full force and effect.
- 11.10 Entire Agreement. This Agreement sets forth the entire, final and complete understanding between the parties hereto relevant to the subject matter of this Agreement, and it supersedes and replaces all previous understandings or agreements, written, oral, or implied, relevant to the subject matter of this Agreement made or existing before the date of this Agreement. Except as expressly provided by this Agreement, no waiver or modification of any of the terms or conditions of this Agreement shall be effective unless in writing and signed by both parties.
- 11.11 <u>Compliance with Law.</u> The parties hereby agree to comply with, and hereby agree that this Agreement is subject to, all applicable federal, state, and local laws, rules and regulations, and all amendments thereto, now enacted or hereafter promulgated in force during the term of this Agreement.
- 11.12 <u>Force Majeure</u>. Notwithstanding anything to the contrary in this Agreement, neither party shall be liable to the other for failure to fulfill its obligations hereunder in the event that such failure is caused by or arises out of an act of force majeure including acts

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of God, war, riot, natural disaster, technical failure (including the failure of all or part of the domestic communications satellite, or transponders on which the programming is delivered to DISH Network Subscribers, or of the related uplinking of other equipment) or any other reason beyond the reasonable control of the party whose performance is prevented during the period of such occurrence.

- 11.13 <u>Remedies Cumulative</u>. It is agreed that the rights and remedies herein provided in case of default or breach of this Agreement by either party are cumulative and shall not affect in any manner any other remedies that a party may have by reason of such default or breach by the other party. The exercise of any right or remedy herein provided shall be without prejudice to the right to exercise any other right or remedy provided at law, in equity, under contract, or otherwise (all of which are hereby expressly reserved).
- 11.14 <u>Power and Authority</u>. Distributor represents and warrants to Echosphere that it has full power and authority to enter into this Agreement and perform its obligations hereunder and that its execution of this Agreement and performance of its obligations hereunder does not and will not violate any law or result in a breach of or default under the terms of any contract or agreement by which it is bound.
- 11.15 <u>Counterparts; Headings.</u> This Agreement may be executed by facsimile and in identical counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument. The descriptive headings contained in this Agreement are included for convenience and reference only and shall not be held to expand, modify, amplify or aid in the interpretation, construction or meaning of this Agreement.
- 11.16 <u>Interstate Commerce</u>. The parties acknowledge and agree that the transactions contemplated by this Agreement involve interstate commerce.
- 11.17 Consent to Receive Faxes. Distributor hereby acknowledges that this Agreement serves as Distributor's express written consent to receive facsimile transmittals from Echosphere and its Affiliates, including facsimile transmittals which contain unsolicited advertisements. For the avoidance of doubt, such permitted facsimile transmittals from Echosphere or its Affiliates shall include, but not be limited to, information about the commercial availability or quality of products, goods or services; notices of conferences and seminars; and new product, programming or promotion announcements. This written consent shall include all facsimile transmittals regulated by future Federal Communications Commission action.
- 11.18 <u>Waiver of Evidence</u>. No course of dealing, course of performance, or usage of trade shall be considered in the interpretation or enforcement of this Agreement. Both Parties waive any right they may have to introduce evidence of any such course of dealing, course of performance, or usage of trade.
- 11.19 <u>General</u>. The exhibits attached hereto are hereby incorporated by reference in their entirety.

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IN WITNESS WHEREOF, the parties have caused their duly authorized representatives to execute this Agreement as of the date first set forth above.

ECHOSPHERE L.L.C.		
By: Name: Its:	_	
PACE ELECTRONICS INC. DBA P  By: Name: Title:		ATIONAL
Title.		
[SIGNATURE PAGE TO ASSIGNED T	ERRITORY AUTH	IORIZED DISTRIBUTOR AGREEMENT]
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# **EXHIBIT A**

## **TERRITORY**

The Territory shall be the United States, and its territories and possessions.

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EXHIBIT B

DISTRIBUTOR PRICE SCHEDULE

NEW RECEIVERS	Distributor Price	PCO Price	MSRP
DISH RCVR IR VIP211	\$133.00	\$150.00	\$249.00
DISH RCVR IR VIP211K	\$133.00	\$150.00	\$249.00
DISH RCVR IR VIP211 (241)	\$133.00	\$150.00	\$249.00
DISH RCVR IR/UHF VIP222	\$178.00	\$200.00	\$299.00
DISH RCVR IR/UHF VIP222 (241)	\$178.00	\$200.00	\$299.00
DISH RCVR IR 311	\$89.00	\$99.00	\$99.00
DISH RCVR IR/UHF 322	\$129.00	\$149.00	\$149.00
DISH RCVR UHF 510	\$242.00	\$269.00	\$299.00
DISH RCVR IR UHF VIP622	\$295.00	\$330.00	\$449.00
ATT HOMEZONE 622 STANDALONE	\$295.00	\$330.00	\$449.00
DISH RCVR UHF VIP612 DVR	\$222.00	\$249.00	\$349.00
DISH RCVR IR/UHF 625	\$217.00	\$249.00	\$349.00
DISH RCVR IR/UHF VIP722 DVR	\$331.00	\$370.00	\$499.00
DISH RCVR IR/UHF VIP722 DVR (241)	\$331.00	\$370.00	\$499.00
CONVERTER OFF AIR DIGITAL TO ANALOG DISH DTVPAL	\$46.00	\$53.00	\$59.99
(PTO) DTV PAL (10 PACK)	N/A	\$500.00	N/A
(PTO) DTV PAL (100 PACK)	N/A	\$4,900.00	N/A
REMAN RECEIVERS	Distributor Price	PCO Price	MSRP
DISH RCVR 2800 REMFG W/O RMTE OR MANUAL	\$27.00	\$30.00	N/A
DISH RCVR IR 3900 REMFG	\$35.00	\$39.00	\$79.00
DISH RCVR IR 111 REMFG	\$35.00	\$39.00	\$79.00
DISH RCVR IR VIP211 REMFG	\$133.00	\$150.00	\$249.00
DISH RCVR IR 301 REMFG	\$89.00	\$99.00	\$99.00
DISH RCVR IR 311 REMFG	\$89.00	\$99.00	\$99.00
DISH 322 REMFG S/A	\$129.00	\$149.00	\$149.00
DISH RCVR UHF 381 REMFG	\$89.00	\$99.00	\$99.00
DISH VIP222 RCVR REMAN	\$178.00	\$200.00	\$299.00
DISH RCVR IR UHF VIP622 REMAN	\$295.00	\$330.00	\$449.00
(PTO) DISH RCVR IR UHF VIP622 REMAN	\$295.00	\$330.00	\$449.00
DISH RCVR IR/UHF VIP722 DVR REMAN	\$331.00	\$370.00	\$499.00
DISH RCVR IR 411 REMFG	\$133.00	\$150.00	\$249.00
DISH RCVR IR 501 REMFG	\$90.00	\$100.00	\$149.00
DISH RCVR 508 REMFG	\$135.00	\$150.00	\$199.00
DISH RCVR UHF 510 REMFG	\$135.00	\$150.00	\$199.00
DISH DVR 522 REMFG S/A	\$217.00	\$249.00	\$349.00
DISH RCVR 625 DVR REMFG	\$217.00	\$249.00	N/A
FG, DISH 301 RCVR PREPAY REMFG	\$29.00	\$49.00	N/A
(PTO) PREPAY 301 REMAN SA W/D500 LEGACY TWIN KIT	\$29.00	\$49.00	N/A

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DISH RCVR IR 3900 REMFG (PREPAY)	\$29.00	\$49.00	N/A
(PTO) PREPAY 3900 SA W/D500 LEGACY TWIN KIT (part 145621-rcvr & 146089-kit)	\$29.00	\$49.00	N/A
(PTO) PREPAY 10 PACK 3900 SA/REMAN TWIN/D500 MINI BULK(part 145621,101959,108281,108954,134663)	\$290.00	\$490.00	N/A
REMOTE CONTROLS	Distributor Price	PCO Price	MSRP
RMTE EZ IR 1ST MASK (BOXED)	\$11.00	\$14.00	\$19.00
REMOTE 3.2 IR BOXED	\$11.00	\$14.00	\$19.99
RMTE UHF W/#1 PRO KEY 4.0 (BOXED)	\$11.00	\$14.00	\$19.99
RMTE 1.5 IR/UHF UNIVERSAL BOXED	\$11.00	\$14.00	\$19.99
REMOTE, 5.3 BOXED REPLACEMENT (FG-SVC)	\$11.00	\$14.00	N/A
REMOTE 6.3 (BOXED)	\$11.00	\$14.00	\$19.99
IR-TO-UHF PRO UPGRADE KIT (W/ 10.1 REMOTE)	\$22.00	\$28.00	\$39.99
SEPARATOR'S AND SWITCHES	Distributor Price	PCO Price	MSRP
DISHPRO PLUS SEPARATOR (W/TWO 4.75 INCH CBLS)	\$3.00	\$3.50	\$10.00
DISHPRO PLUS SEPARATOR REMFG (W/TWO CABLES) (SVC)	\$3.00	\$3.50	\$10.00
SWITCH SW21 MULTI-DISH	\$11.00	\$15.00	\$19.00
SWITCH SW21 MULTI-DISH REMFG (SVC)	\$11.00	\$15.00	\$19.00
SWITCH SW64 STANDALONE	\$93.00	\$104.00	\$149.00
SWITCH DP21 VIDEOPATH (FG)	\$15.00	\$19.00	\$27.00
SWITCH DISHPRO 21 REMFG (SVC)	\$15.00	\$19.00	N/A
SWITCH DISH DISHPRO SW34	\$32.00	\$39.00	\$119.00
SWITCH MULTI-DISH DP34 REMFG (SVC)	\$32.00	\$39.00	N/A
SWITCH MULTI-DISH DPP 33 VIDEOPATH	\$53.00	\$59.00	N/A
SWITCH 44 DP PLUS W/POWER INSERTER REMAN	\$127.00	\$159.00	N/A
SWITCH 44 DP PLUS W/POWER INSERTER	\$127.00	\$159.00	\$199.00
POLE, DISH MOUNT, 9 GAGE, 2 INCH OD (WILDBLUE)	\$22.50	\$25.00	N/A
COMPONENTS	Distributor Price	PCO Price	MSRP
DISH 500 ANT KIT (STANDALONE-FG)	\$22.50	\$25.00	N/A
ANTENNA 24IN/60CM BOXED (DISH LOGO)	\$23.00	\$26.00	N/A
DISH 500 PLUS REDUCED SIZE ANTENNA KIT W/O MAST-FOOT/LNB	\$20.70	\$23.00	N/A
DISH 1000.2 ANTENNA ASSEMBLY KIT	\$23.40	\$26.00	N/A
DISH 1000.2 3-LNBF BRACKET	\$1.60	\$2.00	N/A
MINI-BULK, REFLECTOR ASSY	\$63.00	\$70.00	N/A
(PTO) D500 MULTIPACK-REFLECTORS (QTY 10)	\$63.00	\$70.00	N/A
MINI BULK, POLAR PLATE/ARM	\$63.00	\$70.00	N/A
MINI BULK, DISH 500 MASTS	\$54.00	\$60.00	N/A
(PTO) D500 MULTIPACK-MASTS (QTY 10)	\$54.00	\$60.00	N/A
(PTO) HAWAII DISH 500 (4 PACK)	N/A	\$300.00	N/A
HDWR PACK DISH 500	\$1.00	\$1.20	\$5.00
SLINGLINK TURBO W1 1-PORT HOMEPLUG- ETHERNET ADAPTER	\$27.00	\$32.00	N/A

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SLINGBOX SOLO	\$125.27	\$144.00	\$179.99
DISH 500 PLUS REDUCED SIZE	\$11.70	\$13.00	N/A
MAST/FOOT/STRUT		<u>'</u>	
(PTO) MULTIPACK- BRACKET SKEW/ELEVATION FEED ARM AND HW PACK	\$36.00	\$40.00	N/A
(PART 150254 QTY 4)	φ30.00	\$40.00	IN/A
(PTO) MULTIPACK REFLECTOR DISH 500	\$46.80	\$52.00	N/A
PLUS, REDUCED SIZE(PART 144598 QTY 4)	<b>60.00</b>	£4.00	NI/A
DISH 1000 PLUS REDUCED SIZE BRKT ASSY	\$0.90	\$1.00	N/A
(PTO) D500+ MINI BULK(PART	\$316.80	\$352.00	N/A
147427,145364,146034) (PTO) D500+ ALL IN ONE(PART			
	\$79.20	\$88.00	N/A
147427,145562)			
(PTO) D500+ MULTIPACK (PART	\$316.80	\$352.00	N/A
142427,144598,150254 QTY 4)			
SUPERDISH TYPE I TO DISH 500+ REPOINT	\$69.00	\$77.00	N/A
KIT WITH 129 BRACKET	#0.00	<b>*</b>	N1/A
ASSY, SUPERDISH TO D1000 REPOINT KIT	\$9.60	\$12.00	N/A
HW PACK SKEW & ELEVATION BRACKET	\$0.80	\$1.00	N/A
DISH 500 PLUS REDUCED SIZE			
DISH 1000 ANT DPP TWIN KIT	\$58.00	\$64.00	N/A
(PTO) D1000 10 PACK			
REF/POLAR/MAST/TWIN/DUAL - NO	\$531.00	\$590.00	N/A
CABLE(PART	φοσ1.σσ	φοσσ.σσ	14//
138584,138590,138595,121670,120810)			
(PTO) D1000 10 PACK			
REF/POLAR/MAST/TWIN/DUAL(PART	\$531.00	\$590.00	N/A
138584,138590,138595,121670,120810,143088)			
MINIBULK DISH 1000 REFLECTORS (10	\$67.50	\$75.00	N/A
PACK)	ΨΟ1.00	Ψ10.00	1477
MINIBULK DISH 1000 B/S W/BRKT HW PACK	\$67.50	\$75.00	N/A
(10 PACK)			
MINIBULK DISH 1000 MAST/FOOT (10 PACK)	\$58.50	\$65.00	N/A
HW PACK ASSY DISH 1000 TYPE A	\$0.90	\$1.00	N/A
(PTO) DISH 1000.2 MINIBULK,COMPLETE 10-			
PACK(PART	\$531.00	\$590.00	N/A
142416,142408,150310,144577,145511)			
(PTO) REFLECTOR, DISH 1000.2 10-	\$54.00	\$60.00	N/A
PACK(PART 142416)	φ54.00	\$00.00	IN/A
(PTO) MAST/FOOT, DISH 1000.2 10-	\$54.00	\$60.00	N/A
PACK(PART 142408)	φυ4.00	φυυ.υυ	IN/A
(PTO) BACKING STRUCTURE AND			
HARDWARE PACK, DISH 1000.2 10-	\$72.00	\$80.00	N/A
PACK(PART 150310)			
(PTO) INTERGRATED FEED BRACKET, DISH	\$9.00	\$10.00	N/A
1000.2 10-PACK(PART 144577)	Ψ5.00	Ψ10.00	14//
HARDWARE PACK W/SKEW FASTENERS	\$0.80	\$1.00	N/A
DISH 1000.2	Ψυ.υυ	Ψ1.00	14// \
DISH 1000.4 REFLECTOR W/FEED			
ARM/LNBF BRACKET			
ASSY, BACKING STRUCTURE, DISH 1000.4 (4			
PACK)			
ASSY, REFLECTOR, DISH 1000.4 (8 PACK)			
LNBF'S	Distributor Price	PCO Price	MSRP

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DUAL LNBF	\$19.00	\$24.00	\$79.00
DUAL LNBF REMFG	\$19.00	\$24.00	N/A
TWIN LNBF REMFG	\$20.41	\$25.00	\$99.00
DISHPRO TWIN LNBF REMFG	\$21.00	\$25.00	\$0.00
QUAD LNBF REMFG	\$21.00	\$25.00	N/A
DISHPRO QUAD REMFG LNBF (SVC)	\$21.00	\$25.00	N/A
DISHPRO PLUS TWIN LNBF (BULK)	\$28.00	\$32.00	\$99.00
DISHPRO PLUS TWIN LNBF REMFG	\$28.00	\$32.00	N/A
DISHPRO DUAL LNBF	\$19.00	\$24.00	\$79.00
DISHPRO DUAL LNBF 0.7 DB MAX NOISE FIGURE	\$19.00	\$24.00	\$79.00
LNBF, DP DUAL (0.7 DB MAX NOISE FIGURE) REMFG (SVC)	\$19.00	\$24.00	N/A
LNBF ASSY DISH 500 + W/129 BRKT	\$58.50	\$65.00	N/A
LNBF DISHPRO PLUS TRIPLE	\$34.20	\$38.00	N/A
LNBF DISHPRO PLUS TRIPLE REMFG	\$34.20	N/A	N/A
FG, DISH 1000.4 DISHPRO PLUS LNBF			
MISC ITEMS	Distributor Price	PCO Price	MSRP
COMBINER VIDEO & OFF-AIR	\$29.00	\$37.00	\$45.00
PHONEX SYSTEM PX-211-D BASE/EXTENSION UNIT	\$31.00	\$37.00	\$39.00
EXTENSION PHONEX PX-212-D UNIT	\$15.50	\$18.00	\$20.00
ASSY, CLIP 3-PRONG WITH TABS (4-PACK- DISH SKINZ)	\$0.40	\$0.50	N/A
DISHPRO ADAPTER	\$39.00	\$49.00	\$69.00
DISHPRO ADAPTER REMAN	\$39.00	\$49.00	N/A
FG, CARD PREPAID ACTIVATION 120707	\$31.50	\$35.00	\$40.00
(PTO) DISH NOW - PREPAID CARD 159076 (10 PACK)	\$315.00	\$350.00	\$400.00
PREPAY SELF INSTALL KIT	\$8.00	\$10.00	N/A
FG, CERTIFICATE ACTIVATION CARD ECHOSTAR DIGITAL HOME ADVANTAGE 020107	\$10.00	\$19.00	N/A
PORTABLE VIDEO PLAYER 4.0" LCD DISPLAY	\$225.00	\$250.00	\$299.00
FG, ARCHOS PORTABLE MEDIA PLAYER 605 4.3", 800X480, 30G, 1.8" HD	\$234.00	\$260.00	\$299.00
FG, ARCHOS PORTABLE MEDIA PLAYER 605 4.3", 800X480, 160G, 2.5" HD	\$297.00	\$330.00	\$399.00
FG, ARCHOS PORTABLE MEDIA PLAYER 705 7.0", 800X480, 160G, 2.5" HD	\$360.00	\$400.00	\$499.00
DISH Q-BOX	\$31.50	\$35.00	N/A
ASSY, CABLE RCA 3-COND 2-METER W/ RED, BLUE, GRN CONN	\$2.25	\$3.50	N/A
(PTO) CABLE, YPRPB 10 PACKS (PART 102783 IN 10 PACKS AVAILABLE IN S ORGS ONLY)	N/A	\$35.00	N/A
ASSY, CABLE PACK HDMI CABLE	\$9.60	\$12.00	N/A
ASSY, CBL PACK HDMI - DVI CBL AND PIGTAIL ADAPTER	\$9.60	\$12.00	N/A
HDMI - DVI CABLE AND PIGTAIL ADPTR (10- PACK)	\$100.00	\$120.00	N/A

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ASSY, CABLE PACK - 30G HDMI TO DVI CABLE AND 30G PIGTAIL ADAPTOR	\$10.00	\$12.00	N/A
(PTO) CABLE PACK HDMI -DVI ( PART 146241 IN 10 PACK AVAILABLE IN S ORGS ONLY)	N/A	\$120.00	N/A
WILD BLUE	Distributor Price	PCO Price	MSRP
WILDBLUE SM2100 INDOOR UNIT (SATELLITE MODEM) VERSION 4	\$132.00	\$149.50	\$149.50
WILDBLUE SM2000 INDOOR UNIT - SALTLLITE MODEM	\$132.00	\$149.50	\$149.50
WILDBLUE OUTDOOR UNIT RIGHT (ANTENNA/WALL MOUNT AND TRIA)	\$132.00	\$149.50	N/A
TRANSMIT RECEIVE INTEGRATED ASSEMBLY RIGHT (TRIA) (WILDBLUE)	\$132.00	\$149.50	N/A
TRANSMIT RECEIVE INTEGRATED ADAPTER ASSEMBLY RIGHT (TRIA) WILDBLUE	\$126.00	\$140.00	N/A
WILDBLUE OUTDOOR UNIT LEFT (ANTENNA/ WALL MOUNT AND TRIA)	\$132.00	\$149.50	\$149.50
TRANSMIT RECEIVE INTEGRATED ADAPTER ASSEMBLY LEFT (TRIA) WILDBLUE	\$126.00	\$140.00	N/A
ASSY, CABLE DC JACK FOR V4 SURFBEAM WILDBLUE MODEM	\$0.00	\$0.00	N/A
WELCOME KIT W/ANTI-VIRUS CD (WILDBLUE)	\$0.00	\$0.00	\$0.00
ANTENNA POINTING AID (WILDBLUE)	\$71.00	\$79.00	N/A
ADJUSTABLE ANTENNA MOUNTING STRUT (WILDBLUE)	\$15.99	\$19.99	N/A
TRANSMIT RECEIVE INTEGRATED (TRIA) (WILDBLUE)	\$132.00	\$149.50	N/A

QAM equipment and DISH Optical Network equipment will be made available to Distributor at a price five percent (5%) lower than the MSRP for such equipment, which MSRP Echosphere may determine in its sole and absolute discretion. Echosphere may set pricing for any additional equipment it elects to make available, including equipment for future platforms, in its sole and absolute discretion.

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# **EXHIBIT C**

### TRADEMARK LICENSE AGREEMENT

effective as of this day of, 2008, by and between DISH Network L.L.C ("DNLLC"), having a place of business at 9601 S. Meridian Blvd., Englewood, Colorado 80112 and Pace Electronics Inc. DBA Pace International, having a place of business at 3582 Technology Drive NW, Rochester MN 55901 ("Licensee").
A. DNLLC conducts business in worldwide locations as, among other things, a provider of direct broadcast satellite-delivered, multi-channel, digital video, audio, data interactive and other programming services ("Programming");
B. Licensee conducts business as, among other things, a distributor of satellite receivers and other equipment;
C. Echosphere L.L.C., an affiliate of DNLLC, and Licensee have entered into an Echosphere L.L.C. Assigned Territory Authorized Distribtuor Agreement effective as of, 2008, by and between Echosphere L.L.C. and Licensee; and
D. DNLLC and Licensee desire to permit Licensee to use such DNLLC trademarks service marks and trade names set forth in Exhibit 1 hereto, which may be amended at any time and from time to time in DNLLC's sole and absolute discretion for any reason or no reason (the "Trademarks"), as DNLLC, in its sole and absolute discretion for any reason or no reason, may authorize, from time to time, under a non-exclusive license, to promote and solicit orders for DISH Network video, audio, data and interactive programming services ("DISH Network Programming").
NOW, THEREFORE, the parties hereto hereby agree as follows:
license (the "License") to use the Trademarks and such other trademarks as DNLLC may from time to time expressly in writing permit Licensee to use during the term of this Agreement, and no other term or license whatsoever, solely to market, promote and solicit orders for DISH Network Programming to private cable operators and prospective private cable operators in its local advertising and promotional materials and at its business locations. Licensee expressly recognizes and agrees that Licensee shall not, in whole or in part, modify, alter, supplement delete or otherwise change the Trademarks (whether in typewritten, stylized or any other form) as provided to Licensee by DNLLC. Licensee shall have no right to use the logos, service marks or trademarks (whether in typewritten, stylized or any other form) of any programming providers, other than the logos, service marks and trademarks of programming providers that are contained in the advertising and promotional material provided to Licensee by DNLLC. No such materials shall indicate that any agreement of agency, partnership, joint venture, franchise or exclusive or non-exclusive distributorship exists between Licensee and DNLLC, unless DNLLC and Licensee enter into a separate written agreement permitting Licensee to do so

Notwithstanding the above, Licensee shall provide to DNLLC, at least thirty (30) days prior to first use, an example of any advertising or promotional materials in which Licensee intends to use any Trademarks or any such other trademarks (whether in typewritten, stylized or any other form), which use has not, within the past twelve months, been approved by DNLLC in exactly the manner intended for use. DNLLC may reject and prohibit Licensee from using such materials, in its sole and absolute discretion for any reason or no reason. If Licensee is required to, but fails to provide DNLLC with proposed advertising or promotional materials at least thirty (30) days prior to first use, DNLLC shall have just cause to immediately terminate this Agreement by providing written notice to Licensee to that effect. This Agreement is not intended, nor shall it be construed, as creating any agreement of agency, partnership, joint venture, franchise or of exclusive or non-exclusive distributor, or as creating any obligation on the part of DNLLC to enter into any such agreement with Licensee. Further, this Agreement is not intended, nor shall it be construed, as providing any rights to Licensee to purchase or sell products or programming manufactured and/or distributed by DNLLC. Licensee expressly recognizes and agrees that any goodwill now existing or hereafter created through any sales by Licensee of products or programming manufactured and/or distributed by DNLLC, shall inure to DNLLC's sole benefit. This License shall be effective until terminated by either party in accordance with the terms of this Agreement, or until termination of the Echosphere L.L.C. Assigned Territory Authorized Distributor Agreement to which this Agreement is attached (the "Distributor Agreement") for any reason or no reason whatsoever.

- 2. The License granted by DNLLC is granted to Licensee only. Licensee has no authority to transfer or grant any sublicense to any other entity or individual for any reason, and if Licensee does so, such action shall terminate this Agreement, at DNLLC's option, at any time thereafter. Licensee shall immediately cease using Trademarks in typewritten, stylized or any other form upon termination or expiration of this Agreement for any reason or no reason whatsoever. Upon expiration or termination of this Agreement for any reason or no reason whatsoever, at DNLLC's option Licensee shall immediately destroy or deliver to DNLLC any and all advertising and promotional materials in Licensee's possession with Trademarks (whether in typewritten, stylized or any other form) on them. If DNLLC requests destruction of advertising and promotional materials, Licensee shall promptly execute an affidavit representing at a minimum that such materials were destroyed, and the date and means of destruction.
- 3. Licensee expressly recognizes and acknowledges that this License, as well as any past use of the Trademarks in any manner whatsoever by Licensee (including but not limited to use on signs, business cards, or in advertisements) or in any form whatsoever by Licensee (including but not limited to typewritten or stylized form), shall not confer upon Licensee any proprietary rights or interest to any Trademarks including, but not limited to any existing or future goodwill in the Trademarks. All goodwill in the Trademarks shall inure to DNLLC's sole benefit. Further, Licensee waives any and all past, present, or future claims it has or might have to the Trademarks (whether in typewritten, stylized or any other form) and acknowledges that as between DNLLC and Licensee, DNLLC has the exclusive rights to own and use the Trademarks (whether in typewritten, stylized or any other form) notwithstanding the License granted herein. While Licensee has no right or authority to do so, in the event that Licensee has previously, or in the future reserves, files, or registers any of the Trademarks of DNLLC

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(whether in typewritten, stylized or any other form) or registers any domain name which includes all or any portion of the Trademarks of DNLLC, Licensee agrees to notify DNLLC immediately, and immediately upon request of DNLLC, to assign any and all interest to DNLLC that is obtained through the reservation, filing, or registration of the Trademarks in the U.S. or any foreign jurisdiction or through the registration of any domain name, and hereby acknowledges that any such reservation, filing, or registration of the Trademarks or domain name which includes all or any portion of the Trademarks, whenever occurring, shall be on behalf of and for the sole benefit of DNLLC, and Licensee waives all claims or rights to any compensation whatsoever therefore. Licensee's obligations in this paragraph shall survive the expiration or termination (for any reason or no reason whatsoever) of this Agreement indefinitely.

- 4. Furthermore, Licensee agrees not to hold itself out as DISH Network, DNLLC or any related or affiliated entity. To avoid any confusion in this respect, Licensee agrees not to use either (i) the formative "DISH" in combination with the formative "NET", or (ii) the formative "ECHO", as part of its business name. Furthermore, Licensee agrees not to register any domain name which contains either (a) the formative "DISH", in combination with the formative "NET", (b) the formative "ECHO", or (c) a misspelling of DISH Network (e.g., www.disnhetwork.com) or other DNLLC mark, and Licensee further agrees to immediately transfer to DNLLC, upon DNLLC's request, any such domain names which it has registered. Licensee's failure to comply with the provisions of this Section 4 shall constitute a material breach of this Agreement. Upon request, Licensee shall provide DNLLC with a list of domain names License uses to promote or solicit orders for DISH Network Programming.
- 5. Nothing in this Agreement shall be construed to bar DNLLC from protecting its right to the exclusive use of its Trademarks (whether in typewritten, stylized or any other form) against infringement thereof by any party or parties, including Licensee, either during the term of this Agreement or following any expiration or termination of Licensee's right to use the Trademarks pursuant to this Agreement for any reason or no reason whatsoever. Licensee will promptly and fully advise DNLLC of any use of any mark that may appear to infringe the Trademarks (whether in typewritten, stylized or any other form). Licensee will also fully cooperate with DNLLC in defense and protection of the Trademarks (whether in typewritten, stylized or any other form), at DNLLC's expense. Similarly, nothing in this Agreement shall be construed to require that DNLLC take any action to protect the Trademarks in any instance, and DNLLC shall not be liable to Licensee in any manner whatsoever for failure to take any such action.
- 6. (a) This Agreement shall continue for a period of time equal to the term of the Distributor Agreement, unless terminated earlier for a reason provided herein. In addition to any provisions of this Agreement that survive termination or expiration of this Agreement by their term, any provision of this Agreement which logically would be expected to survive termination for any reason or no reason whatsoever or expiration, shall survive for a reasonable time period under the circumstances, whether or not specifically provided in this Agreement.
- (b) This Agreement may be terminated by a party (the "Affected Party") in the event that the other party (the "Other Party") defaults on any obligation or breaches any representation, warranty or covenant in this Agreement (regardless of whether breach or default

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of such obligation, representation, warranty or covenant is designated as giving rise to a termination right), and such default or breach, if curable, is not cured within twenty (20) days of receipt of written notice from the Affected Party. The parties agree that all obligations, representations, warranties and covenants contained in this Agreement, whether or not specifically designated as such, are material to the agreement of the parties to enter into and continue this Agreement.

- (c) This Agreement shall terminate automatically upon termination of the Distributor Agreement for any reason or no reason whatsoever and upon termination of any Other Agreement (as defined in the Distributor Agreement) for any reason, unless DNLLC notifies Licensee to the contrary in writing.
- 7. The relationship between the parties including all disputes and claims, whether arising in contract, tort, or under statute, shall be governed by and construed in accordance with the laws of the State of Colorado without giving any effect to its conflict of law provisions. Licensee and DNLLC acknowledge and agree that they and their counsel have reviewed, or have been given a reasonable opportunity to review, this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any amendments of Exhibits hereto.

Any and all disputes arising out of, or in connection with, the interpretation, performance or the nonperformance of this Agreement or any and all disputes arising out of, or in connection with, transactions in any way related to this Agreement and/or the relationship for any reason whatsoever between the parties (including but not limited to the termination of this Agreement or the relationship and Licensee's rights thereunder or disputes under rights granted pursuant to statutes or common law, including those in the state in which Licensee is located) shall be litigated solely and exclusively before the United States District Court for the District of Colorado. In the event the United States District Court for the District of Colorado does not have subject matter jurisdiction of said matter, then such matter shall be litigated solely and exclusively before the appropriate state court of competent jurisdiction located in Arapahoe County, State of Colorado. The parties consent to the *in personam* jurisdiction of said courts for the purposes of any such litigation, and waive, fully and completely, any right to dismiss and/or transfer any action pursuant to 28 U.S.C.S. 1404 or 1406 (or any successor or similar state statute).

8. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

[The rest of this page left intentionally blank.]

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date first written above.

DISH NETWORK L.L.C.			
By: Name: Its:			
LICENSEE			
By: Name: Its:			
[SIGN TRADEMARK	ATURE PAGE O LICENSE AGRE	F EEMENT]	
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## EXHIBIT 1 TO TRADEMARK LICENSE AGREEMENT



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