

Lugosi Enterprises Terms of Use

Effective Date: June 1, 2017

These Terms of Use (“Terms of Use” or “Agreement”) govern the use of the websites that link to it, including www.belalugosi.com, www.lugosienterprises.com and www.lugosiwines.com (the “Sites”). As such, these Terms of Use constitute a binding agreement between you, as a visitor or user of the Sites (“you,” “your,” “visitor,” or “user”), and Bela G. Lugosi, Inc. d/b/a Lugosi Enterprises, and its affiliates, such as Lugosi Wines (collectively referred to as “Lugosi,” “us,” “we,” or “our”). By using the Sites, you agree at all times during your use to abide by these Terms of Use and any additions or amendments. Therefore, we ask that you please read these Terms of Use carefully prior to enjoying the Sites. Please know that these Terms of Use do not create a confidential relationship between you and us.

Please note the arbitration provision set forth in Section 19, requiring you to arbitrate any claims you may have against us on an individual basis. ARBITRATION ON AN INDIVIDUAL BASIS MEANS THAT YOU WILL NOT HAVE, AND YOU WAIVE, THE RIGHT FOR A JUDGE OR JURY TO DECIDE YOUR CLAIMS, AND THAT YOU MAY NOT PROCEED IN A CLASS, CONSOLIDATED, OR REPRESENTATIVE CAPACITY.

1 THIS AGREEMENT

1.1 Acceptance

Please read this Agreement carefully before accessing the Sites. In order to use the Sites, you must first agree to be bound by the terms and conditions set forth in this Agreement. By accessing the Sites, you indicate that you have read, understood and agreed to be bound by the terms and conditions set forth in this Agreement. If you do not agree to be bound by this Agreement, you are not authorized to use the Sites. Furthermore, you are not authorized to use the Sites if (i) you are not of legal age or otherwise do not have the legal capacity to form a binding contract with Lugosi, or (ii) you are a person barred from using the Sites either (a) under the laws of the country in which you reside or from which you are attempting to access the Sites, or (b) due to prior violations of this Agreement.

1.2 Modification

We reserve the right to modify this Agreement at any time. You shall periodically review this Agreement to be aware of such modifications. You further agree that your continued use of the Sites after any such modifications have been made shall be deemed to be your conclusive acceptance of any modified version of this Agreement. We will indicate that changes to this Agreement have been made by updating the date indicated after “Effective Date” or “Last Updated Date” at the beginning of this Agreement. We will be happy to provide you with prior versions of this Agreement upon your written request to us. If you do not agree to abide by the initial version and any modified version of this Agreement, then you are not authorized to use the Sites. A current version of this Agreement is accessible through the footer of the Sites’ homepage.

2 REGISTRATION

2.1 Profile; Password

You will only be able to use certain functionality of the Sites if you register with us. If you decide to register with us, you will receive a user ID and password (“Profile”) to access your User account (“Account”). You shall not allow any third party to use your Profile or Account to access the Sites and you shall strictly safeguard all information that would enable any individual or entity to access the Sites by using your Profile. You are fully responsible for your failure to safeguard information and/or to permit any other person to access or use the Sites using your Profile and/or Account, and for all activities that occur under your Profile and/or Account. You may not sell or otherwise transfer your Profile or Account or any portion thereof. You shall notify Lugosi immediately of any unauthorized use of your Profile or Account or any other unauthorized use of the Sites.

2.2 Accurate Information

You shall provide us with accurate, complete and current information about yourself during registration and at all other times, and you shall update all information provided to us or requested by us if and as soon as such information changes.

2.3 Suspension or Cancellation of Account

We have the right to suspend or cancel your registration if we believe you have violated this Agreement. If we suspend or cancel access to your Account, you may be prevented from accessing the Sites (temporarily or permanently), your Account details and/or any files or other various Sites materials, including all text, comments, icons, images, messages, tags, links, photographs, audio, video and other content (collectively, “Content”) that are contained in or accessible through your Account, all of which may be deleted by us. Such suspension or cancellation of your Account will mean that you may lose access to all Content submitted by you.

2.4 Cessation of Services

The form and nature of the products or services offered through the Sites may change from time to time without prior notice to you. As part of our continuing innovation, Lugosi may stop (permanently or temporarily) providing certain Site features to you in our sole discretion, without prior notice to you.

3 INTELLECTUAL PROPERTY

The materials available through the Sites are the property of Lugosi or its licensors, and are protected by trademark, copyright, and other intellectual property laws.

3.1 Trademarks

Our trademarks, all names, graphics, designs, logos, page headers, button icons, scripts, commercial markings, trade dress, and service names appearing on the Sites and which indicate a source of goods or services (collectively, the “Trademarks”) belong exclusively to Lugosi or to our licensors, sponsors, suppliers or other third parties, as indicated. Trademarks are protected by the trademark laws of the United States and other applicable jurisdictions. You may not use, copy, reproduce, republish, distribute or modify any Trademark in any way, including distributing Content for advertising or publicity or otherwise, without our prior written consent or the consent of such third party Trademark holder, as applicable.

3.2 Copyright

The Sites contain various Content that is protected by the copyright laws of the United States and other jurisdictions. As between you and Lugosi, Lugosi owns all rights, title and interest (including all copyright, trademark, patent, trade secret and other intellectual property rights) in and to the Sites (including all Content appearing therein), and you have no rights in and to the Sites other than as expressly set forth in this Agreement. Except for information that is in the public domain or for which you have been given express written permission by Lugosi, no Content may be sold, leased, copied, reproduced, republished, uploaded, displayed, posted, transmitted, distributed, modified, publicly performed, used in any derivative works based thereon or otherwise used for any public or commercial purpose without the prior written consent of Lugosi or, where applicable, our licensors. However, you may print copies of materials on the Sites for your personal, noncommercial use only, provided that (a) you must keep intact all copyright, trademark, and other proprietary notices appearing therein and (b) you use such materials solely in the manner permitted by this Agreement and not in any manner that competes with us.

3.3 Removal of Notices

You shall not remove, obscure, or alter any proprietary rights notices (including copyright and Trademark notices) that may be affixed to or contained within any Content, and you shall abide by all such notices.

3.4 User Generated Content

From time to time, we may permit you to submit photographs, videos, and other user generated content (collectively, "UGC"). In submitting such materials, you agree to the following terms and conditions: For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, you grant Lugosi, Lugosi's joint venture partners, vendors, distributors, and the parents, affiliates, subsidiaries, agents, licensees, successors and assigns of all of the foregoing (collectively, "Lugosi Parties") a non-exclusive, perpetual, royalty-free, fully paid up license to make use of and distribute your UGC submitted hereunder, as well as your name, voice, likeness and appearance therein (if any) and the personal information you provide on or in connection therewith (collectively, the "Submission"), as further described below. You acknowledge and agree that you shall not be entitled to share in any revenue that the Lugosi Parties may or may not earn or generate through its use of your Submission.

Lugosi Parties' Right to Use Your Submission. You grant the Lugosi Parties the non-exclusive right to edit in any manner, and to use and distribute and license others to use and distribute, your Submission, or any portions, reproductions or versions thereof, on the websites, products and/or services (in any and all media, now known or hereafter invented, including without limitation radio broadcast, television, home video/DVD products, and mobile services) of the Lugosi Parties, an unlimited number of times, in perpetuity, throughout the world, with or without charge or cost to end-users or other third parties. You also grant the Lugosi Parties the right to use and distribute, and license others to use and distribute, your Submission in the promotion of such websites, products and/or services, to the same extent permitted for use and distribution of your Submission hereunder.

Clearance of Your Submission for the Lugosi Parties' Use. You represent and warrant that your Submission is your original work and that you have secured any and all rights, releases and permissions necessary for the Lugosi Parties' use and distribution of your Submission hereunder, including without limitation those related to any people, places, music, performances of dance or

music, video, photographs and/or graphics in your Submission (collectively, the “Elements”). You represent and warrant that, to the best of your knowledge, no further permissions or fees are due for the Lugosi Parties’ use and distribution of your Submission or any Elements therein. You further represent and warrant that any statements made by you or others in the Submission are true to the best of your knowledge and that neither they, nor any Element of your Submission, will violate any law or regulation or violate or infringe upon the rights of any third party.

Waiver of Right of Approval. You hereby waive any right of inspection or approval of your Submission as used and distributed by the Lugosi Parties, including without limitation any approval of your appearance and/or use of your name therewith or the uses to which either may be put.

Release and Waiver; Indemnification. You acknowledge that the Lugosi Parties will rely on the foregoing terms and conditions potentially at substantial cost to them, and you hereby waive the right to assert any claim of any nature whatsoever against any party relating to the exercise of the rights and permissions granted hereunder. You agree to indemnify, defend and hold harmless the Lugosi Parties from any and all claims arising from their use and distribution of your Submission as permitted herein.

4 USAGE RESTRICTIONS

You shall not use the Sites in any manner that:

- (a) is designed to interrupt, destroy or limit the functionality of, any computer software or hardware or telecommunications equipment (including by means of software viruses or any other computer code, files or programs);
- (b) interferes with or disrupts the Sites, services connected to the Sites, or otherwise interferes with operations or services of the Sites in any way;
- (c) infringes any copyright, trademark, trade secret, patent or other right of any party, or defames or invades the publicity rights or the privacy of any person, living or deceased (or impersonates any such person);
- (d) consists of any unsolicited or unauthorized advertising, promotional materials, “junk mail,” “spam,” “chain letters,” “pyramid schemes,” or any other form of solicitation;
- (e) causes us to lose (in whole or part) the services of our internet service providers or other suppliers;
- (f) links to materials or other content, directly or indirectly, to which you do not have a right to link;
- (g) is false, misleading, harmful, threatening, abusive, harassing, tortious, defamatory, vulgar, obscene, libelous, invasive of another’s privacy, hateful, or racially, ethnically or otherwise objectionable, as determined by Lugosi in its sole discretion;
- (h) copies, modifies, creates a derivative work of, reverse engineers, decompiles or otherwise attempts to extract the source code of the software underlying the Sites or any portion thereof;
- (i) violates, or encourages anyone to violate this Agreement, any ancillary terms and conditions listed on the Sites, or the Privacy Statement; or

(j) violates, or encourages anyone to violate, any applicable local, state, national, or international law, regulation or order.

5 USE OF AND COMMENTS TO MATERIAL

If you disagree with any material you find on the Sites, we recommend that you respond by noting your disagreement in an appropriate site forum where there is one. We also invite you to bring to our attention any material you believe to be factually inaccurate by contacting us at info@lugosienterprises.com.

The material that appears on the Sites is for informational purposes only. Despite our efforts to provide useful and accurate information, errors may appear from time to time. Before you act on information you've found on the Sites, you should confirm any facts that are important to your decision. Lugosi and its information providers make no warranty as to the reliability, accuracy, timeliness, usefulness or completeness of the information on the Sites. Lugosi is not responsible for, and cannot guarantee the performance of goods and services provided by our advertisers or others to whose sites we link. A link to another website does not constitute an endorsement of that site (nor of any product, service or other material offered on that site) by Lugosi or its licensors.

6 COMMUNITY AND SOCIAL MEDIA SITES, CHAT ROOMS, FORUMS, AND BLOGS

Lugosi wants to encourage an open exchange of information and ideas through the Sites, but we cannot and do not review every posting made on Lugosi's community and social media sites, or in chat rooms, forums, blogs, and other public posting areas. You can expect these areas to include content, information, and opinions from a variety of individuals and organizations other than Lugosi. We do not endorse or guarantee the accuracy of any posting, regardless of whether the posting comes from a user, from a celebrity or "expert" guest, or from a member of our staff. There is no substitute for healthy skepticism and your own good judgment.

Responsibility for what is posted on Lugosi's community and social media sites, or in chat rooms, forums, blogs and other public posting areas on the Sites lies with each user -- you alone are responsible for material you post. Lugosi does not control the messages, information or other content that you or others may provide through the Sites. You may use the Sites for lawful purposes only.

By using the Sites, you agree not to submit, post or transmit through the Sites any material or otherwise engage in any conduct that:

- Violates or infringes the rights of others including, without limitation, patent, trademark, trade secret, copyright, publicity, privacy or other proprietary rights;
- Allows you to gain unauthorized access to the Sites, or any account, computer system, or network connected to the Sites, by means such as hacking, password mining or other illicit means;
- Is unlawful, threatening, abusive, harassing, defamatory, libelous, deceptive, fraudulent, invasive of another's privacy, tortuous, or contains explicit or graphic descriptions or accounts of, sexual acts;
- Victimizes, harasses, degrades, or intimidates an individual or group of individuals on the basis of religion, gender, sexual orientation, race, ethnicity, age, or disability;

- Collects for marketing purposes any e-mail addresses or other personal information that has been posted by other users of the Sites.
- Impersonates any person, business or entity, including Lugosi and its employees and agents or falsely states or otherwise misrepresents your affiliation with any person, business or entity, including Lugosi;
- Contains an advertisement or solicitation or encourages others to make a donation;
- Contains viruses or any other computer code, files or programs that interrupt, destroy or limit the functionality of any computer software or hardware or telecommunications equipment, or otherwise permits the unauthorized use of a computer or computer network;
- Encourages conduct that would constitute a criminal offense or that gives rise to civil liability or that otherwise encourages others to commit illegal activities or cause injury or property damage to any other person;
- Results in the posting or transmission of any message anonymously or under a false name;
- Permits any person to access, using your account, any features of the Sites that may require registration;
- Results in a single message being posted to more than five areas of the Sites or affiliated web sites, results in any message being posted to any area of the Sites if that message is, in our view, off-topic or in violation of these Terms of Use; or
- Violates these Terms of Use, guidelines or any policy posted on the Sites, or interferes with the use of the Sites by others.

Although Lugosi cannot monitor all content on Lugosi's community and social media sites, or postings in the chat rooms, forums, blogs and other public posting areas, you understand that Lugosi shall have the right, but not the obligation, to monitor the content of the Sites to determine compliance with these Terms of Use and any other operating rules that may be established by Lugosi from time to time. Lugosi shall have the right, in its sole discretion, to edit, move, delete, or refuse to post any material, including but not limited to Submissions, submitted to or posted on the Sites for any reason, including violation of these Terms of Use, whether for legal or other reasons, or because the material is objectionable or stale. Notwithstanding this right of ours, users shall remain solely responsible for the content of their messages and Submissions. You acknowledge and agree that neither Lugosi nor any of its affiliates shall assume or have any liability for any action or inaction by Lugosi with respect to any conduct within the Sites or any communication or posting on the Sites. Lugosi also reserves the right to disclose any information that Lugosi believes necessary to satisfy any law, regulation or governmental request, or to refuse to post or to remove any information or materials, in whole or in part.

Lugosi requires you not to use the Sites to violate anyone's copyright, trademark or other intellectual property rights. By posting or submitting any material (including, without limitation, photographs and videos) to the Sites, you are warranting and representing that you own or have the right to post or make such submission of the material, or are making your submission or posting with the express consent of the owner, and that no other party has any right, claim, or interest in the material that you have submitted or posted. You also warrant that all moral rights in any material that you submit to us or post have been waived. Submitting or posting material that is the property of another, without the consent of its owner, is not only a violation of these

Terms of Use, but may also subject you to legal liability for infringement of copyright, trademark or other intellectual property rights.

7 OUR USE OF MATERIALS

With the exception of any and all Submissions (Lugosi's permitted use of which is discussed above) and any material posted on Lugosi's community and social media sites, all other material you submit to any of our chat rooms, forums, blogs and other public posting areas, whether text or images, becomes the property of Lugosi and may be reproduced, modified and distributed as we see fit, in any medium, for any purpose and in perpetuity. Further, you understand that by posting material on Lugosi's community and social media sites, you are granting to Lugosi, and to anyone authorized by Lugosi, a royalty-free, perpetual, irrevocable, non-exclusive, unrestricted, worldwide license to display, use, copy, modify, transmit, sell, exploit, create derivative works from, distribute, and/or publicly perform such materials posted on Lugosi's community and social media sites, in whole or in part, in any manner or medium, now known or hereafter developed, for any purpose. The foregoing grant shall include the right to exploit any proprietary rights in such posting or submission, including, but not limited to, rights under copyright, trademark, service mark or patent laws under any relevant jurisdiction. Also, in connection with the exercise of such rights, you grant Lugosi, and anyone authorized by Lugosi, the right to identify you as the author of any of your postings or submissions by name, e-mail address or screen name, as Lugosi deems appropriate.

8 THIRD PARTY LINKS & WEBSITES

The Sites provide links to third party websites that we believe may be of possible interest to you. Because we do not endorse or otherwise have control over such websites, we are not responsible or liable, directly or indirectly, for (i) the availability of such websites, (ii) any content, data, text, software, music, sound, photographs, video, messages, tags, links, advertising, services, products, or other materials on or available from such websites, (iii) your participation, correspondence or business dealings with any third party found on or through the Sites regarding payment and delivery of specific goods and services, and any other terms, conditions, representations or warranties associated with such dealings, which are solely between you and any such third party, or (iv) any damage or loss caused or alleged to be caused by or in connection with your interaction with any such third party. Your use of any website linked to from the Sites is subject to the policies and procedures of the owner of such website, and your use of all such websites is subject to such policies and procedures and not to the terms and conditions of this Agreement. You understand that by using any third party website linked to from the Sites, you may be exposed to content or other materials that are offensive, indecent, defamatory or otherwise objectionable.

9 LINKING TO THIS WEBSITE & FRAMING

We welcome links to the Sites. You are usually free to establish a hypertext link to any publicly available portion of the Sites so long as the link does not state or imply any sponsorship or endorsement of your site by our Sites or by Lugosi. However, you should check the copyright notice on the page to which you wish to link to make sure that one of our content providers does not have its own policies regarding direct links to their content on the Sites.

Without the prior written permission of Lugosi, you may not frame, or make it appear that a third-party site is presenting or endorsing, any of the content of the Sites, or incorporate any

intellectual property of the Sites, Lugosi or any of their licensors into another website or other service.

10 NO SOLICITING OR SPAMMING

You agree not to use the Sites to advertise, or to solicit anyone to buy or sell, products or services, nor to solicit anyone to make donations of any kind, without our express written approval.

From time to time, users post their e-mail addresses in our chat rooms, forums, blogs and other public posting areas. You may not gather these e-mail addresses for commercial or illegal purposes, such as sending unsolicited or unrequested e-mail or instant messages.

11 DISCLAIMER OF WARRANTIES

YOUR USE OF THE SITES IS “AS IS” AND “AS AVAILABLE,” AND AT YOUR SOLE RISK. NEITHER LUGOSI NOR ANY OF ITS PAST, CURRENT, OR FUTURE AFFILIATES NOR ANY OF THEIR RESPECTIVE PAST, CURRENT, OR FUTURE EQUITY HOLDERS, DIRECTORS, OFFICERS, LICENSORS, AGENTS, EMPLOYEES, CONSULTANTS, OR REPRESENTATIVES (COLLECTIVELY, THE “LUGOSI PARTIES”) SHALL HAVE ANY LIABILITY, OBLIGATION, OR RESPONSIBILITY TO YOU OR ANY OTHER PERSON FOR ANY LOSS, DAMAGE, COST, EXPENSE, LIABILITY, OR OTHER ADVERSE CONSEQUENCE ALLEGED TO HAVE HAPPENED OR WHICH HAS HAPPENED, DIRECTLY OR INDIRECTLY, THROUGH YOUR USE OF THE SITES. LUGOSI FURTHER DOES NOT MAKE ANY GUARANTY OF THE ACCURACY, CORRECTNESS, USEFULNESS, OR COMPLETENESS OF, AND IS NOT LIABLE FOR LOSSES OR DAMAGES ALLEGED TO ARISE FROM OR ARISING FROM, ANY USE OF THE SITES, AND LUGOSI IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS ALLEGED TO ARISE FROM OR ARISING FROM THE USE OF THE SITES. SPECIFICALLY, LUGOSI DISCLAIMS (I) ANY IMPLIED WARRANTIES OF TITLE, NON-INFRINGEMENT, MERCHANTABILITY, AND FITNESS FOR ANY PARTICULAR PURPOSE REGARDING THE SITES, AND (II) ALL WARRANTIES NOT EXPRESSLY MADE IN THIS AGREEMENT. FURTHER, UNDER NO CIRCUMSTANCES SHALL LUGOSI BE LIABLE IN ANY WAY FOR ANY LOSS OR DAMAGE ALLEGED TO ARISE OR ARISING OUT OF YOUR USE OF THE SITES, OR YOUR INTERACTION WITH ANY THIRD PARTY SITES, WHETHER LINKED TO FROM THE SITES OR OTHERWISE, INCLUDING YOUR USE OF ANY CONTENT, INCLUDING ANY ERRORS OR OMISSIONS IN ANY CONTENT, OR ANY OFFENSIVE, INDECENT, DEFAMATORY, OR OTHERWISE OBJECTIONABLE NATURE OF ANY CONTENT.

12 LIMITATION OF LIABILITY

We have no liability whatsoever for the results of submissions of information or requests to these Sites or by means of these Sites.

12.1 Generally

UNDER NO CIRCUMSTANCES SHALL LUGOSI, ITS OFFICERS, DIRECTORS, EMPLOYEES OR AGENTS (“REPRESENTATIVES”) BE LIABLE TO YOU FOR ANY DIRECT, INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL OR EXEMPLARY DAMAGES, INCLUDING BUT NOT LIMITED TO, DAMAGES FOR LOSS OF PROFITS, GOODWILL, USE, DATA OR OTHER INTANGIBLE LOSSES THAT RESULT FROM THE

USE OF, OR THE INABILITY TO USE, THIS SITE OR OUR SERVICES, EVEN IF LUGOSI HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

12.2 Jurisdictional Limitations

SINCE SOME JURISDICTIONS DO NOT ALLOW THE LIMITATION OR EXCLUSION OF LIABILITY OR INCIDENTAL OR CONSEQUENTIAL DAMAGES, THE ABOVE LIMITATION OR EXCLUSION MAY NOT APPLY TO YOU. NOTE THAT THE LIMITATIONS IN SECTIONS 12 AND 13 HEREOF DO APPLY IN NEW JERSEY.

HOWEVER, IN NO EVENT SHALL LUGOSI ENTERPRISES' TOTAL LIABILITY TO YOU FOR ALL DAMAGES, LOSSES AND CAUSES OF ACTION EXCEED ONE HUNDRED DOLLARS (\$100).

13 REPRESENTATIONS AND WARRANTIES

You represent and warrant that (a) you have all rights, power and the full legal authority to enter into this Agreement on your own and that this Agreement is enforceable against you in accordance with its terms and conditions (b) you have carefully read this Agreement and shall comply with all of your obligations under this Agreement, and (c) you accept and will abide by the terms of this Agreement (including the disclaimer of warranties and limitation of liabilities provisions set forth in Sections 12 and 13 hereof), the Privacy Statement (as hereinafter defined) and any other ancillary terms and conditions posted on the Sites.

14 PRIVACY

Your use of the Sites is also subject to our Privacy Statement, available through a link labeled "Privacy" at the footer of our Sites' homepage. Therefore, please also review our Privacy Statement carefully prior to using the Sites. In the event that there is any conflict about our personal information practices between the provisions within these Terms of Use and the provisions within the Privacy Statement, the provisions of the Privacy Statement will apply.

15 ACCESS AND INTERFERENCE

Much of the information on the Sites is updated on a real time basis. By using the Sites, you agree not to:

- Use any robot, spider, scraper or other automatic device, process or means to access the Sites for any purpose without our express written permission.
- Take any action that imposes or may impose (in our sole discretion) an unreasonable or disproportionately large load on our infrastructure.
- Implement any manual processes to monitor or copy content from the Sites without express written permission.
- Utilize any device, software or routine that will interfere or attempt to interfere with the functionality of the Sites.

16 REMEDIES

Your access and use privileges of these Sites and its content are conditioned upon your adherence to these Terms of Use. Lugosi has the right to deny you access and use of these Sites and its content if you violate (as Lugosi may determine in its sole and absolute discretion) any provision of these Terms of Use. Lugosi reserves the right to seek all other remedies available at

law and in equity. You agree, at your own expense, to defend, indemnify and hold Lugosi and its Representatives harmless from any claim or demand, including reasonable attorneys' fees, made by a third party in connection with or arising out of your access to, or use of, these Sites or any of its content in a manner other than as expressly authorized by these Terms of Use, your breach of these Terms of Use or your violation of applicable laws or any third party rights.

17 UPDATES TO THE TERMS OF USE

Lugosi reserves the right to amend these Terms of Use at any time in order to meet changes in the regulatory environment, business needs, or to satisfy the needs of our customers, distributor partners, and service providers. When we do, we will also revise the "Effective Date" or "Last Revised Date" at the top of these Terms of Use.

18 GOVERNING LAW; JURISDICTION; AGREEMENT TO ARBITRATE

All issues and questions concerning the construction, validity, interpretation and enforceability of these Terms of Use, or the rights and obligations of you or Lugosi Enterprises in connection with the Site, shall be governed by, and construed in accordance with, the substantive laws of California without regard to conflicts of law principles. All users consent to the jurisdiction and venue of California courts.

By visiting the Sites, you and Lugosi agree that, if there is any controversy, claim, action or dispute arising out of or related to any transaction conducted on the Sites, or the breach, enforcement, interpretation, or validity of this Agreement or any part of it ("Dispute"), both parties shall first try in good faith to settle such Dispute by providing written notice to the other party describing the facts and circumstances of the Dispute and allowing the receiving party 30 days in which to respond to or settle the Dispute.

Notice shall be sent to:

- (1) Lugosi in accordance with the Notices provision at Section 24 below, or
- (2) you at: your address of record.

Both you and Lugosi agree that this dispute resolution procedure is a condition precedent that must be satisfied before initiating any litigation or filing any claim against the other party.

IF ANY DISPUTE CANNOT BE RESOLVED BY THE ABOVE DISPUTE RESOLUTION PROCEDURE, YOU AGREE THAT THE SOLE AND EXCLUSIVE JURISDICTION FOR SUCH DISPUTE WILL BE DECIDED BY BINDING ARBITRATION ON AN INDIVIDUAL BASIS. ARBITRATION ON AN INDIVIDUAL BASIS MEANS THAT YOU WILL NOT HAVE, AND YOU WAIVE, THE RIGHT FOR A JUDGE OR JURY TO DECIDE YOUR CLAIMS, AND THAT YOU MAY NOT PROCEED IN A CLASS, CONSOLIDATED, OR REPRESENTATIVE CAPACITY. Other rights that you and we would have in court will not be available or will be more limited in arbitration, including discovery and appeal rights. All such Disputes shall be exclusively submitted to JAMS (www.jamsadr.com) for binding arbitration under its rules then in effect in the Los Angeles, California, USA area, before one arbitrator to be mutually agreed upon by both parties.

The arbitrator, and not any federal, state or local court or agency, shall have exclusive authority to resolve any dispute arising under or relating to the interpretation, applicability, enforceability or formation of this Agreement, including any claim that all or any part of this Agreement is void or voidable.

19 ASSIGNMENT

You shall not resell or assign your rights, duties or obligations under this Agreement, and any attempted assignment or delegation will be void and of no force or effect whatsoever. This Agreement may be automatically assigned by Lugosi, in our sole discretion, to a third party, and such an assignment will inure to the benefit of our successors, assigns and/or licensees. Without limiting the foregoing, we may sell, transfer or otherwise share some or all of our assets, including your personal information, with any parent company, subsidiary, joint venture, and a company under our common control, as well as with a potential acquirer, lender, or investor, including in connection with a merger, reorganization, or sale of assets, or in the event of bankruptcy. In each such event, the personal information we have collected from you may be one of the assets transferred.

20 NO WAIVER

Our failure to act with respect to a breach by you or others does not waive our right to act with respect to a subsequent or similar breach or breaches. If Lugosi does not exercise or enforce any legal right or remedy contained in this Agreement (or which Lugosi has the benefit of under any applicable law or regulation), such action or inaction shall not be taken to be a formal waiver of Lugosi's rights, and all such rights or remedies shall still be available to Lugosi.

21 GENERAL

No waiver of any provisions in these Terms of Use shall be deemed a further or continuing waiver of such provision or any other provision.

If any provision of this Agreement is held to be invalid by a court having competent jurisdiction, the invalidity of such provision shall not affect the validity of the remaining provisions of this Agreement, which shall remain in full force and effect. Section headings are for reference purposes only and in no way define, limit, construe or describe the scope or extent of such section. This Agreement and any ancillary terms and conditions referenced herein or included in the Sites sets forth the entire understanding and agreement between us with respect to the subject matter hereof. The provisions of this Agreement shall survive suspension or cancellation of your account to the extent necessary to carry out the obligations of you and Lugosi hereunder.

Lugosi enters into this Agreement on its own behalf and on behalf of each of its worldwide affiliates. Accordingly, Lugosi holds the benefit of and may enforce this Agreement on behalf of those affiliates. Lugosi reserves the right to pursue any remedy available to it at law or in equity if you breach this Agreement.

22 NO AGENCY

No agency, partnership, joint venture, employee-employer or franchiser-franchisee relationship is intended or created between you and Lugosi by this Agreement.

23 ENTIRE AGREEMENT

These Terms of Use contain the entire agreement between you and us regarding the use of the Sites and its content and supersede any and all other agreements between us with respect to matters in these Terms of Use.

24 NOTICES

All notices hereunder shall be given by certified mail, postage prepaid and return receipt requested, to: Bela G. Lugosi, Inc. dba Lugosi Enterprises, P.O. Box 121, La Cañada Flintridge, CA 91012; and to a User at the User's address of record. Notice shall be deemed given three (3) business days after the date of such mailing.

25 CONTACT US

If you have any questions or concerns regarding the Sites, please contact us at info@lugosienterprises.com.