



DISCOUNT PLATEAUS & DISCOUNT CODES


Diamond sells products according to the Discount Plateaus set forth below. Diamond also represents Dark Horse Comics and Image Comics as a Sales Agent, enabling each company to set their own discounts to retailers. Note that purchases of Dark Horse Comics and Image Comics do count towards Diamond's Discount Plateaus.

Minimum Order: To order from Diamond, you must maintain a minimum monthly order of \$425. Net Cost items may be included in your total to meet this minimum.

To calculate your costs, simply use the Discount Codes outlined below for Diamond and each company Diamond represents. Each item has a discount code that can be calculated from your Standard Discount. When items ordered from our monthly *PREVIEWS* catalog ship, they are invoiced according to the Standard Discount listed on the account when that order was placed. Retailers may view their Standard Discount on the Account Overview page on the Retailer Services website.

 Diamond Comic Distributors, Inc.		DIAMOND STANDARD DISCOUNT & DISCOUNT CODES			
* STANDARD DISCOUNT Diamond set longtime retailers' Standard Diamond Discount at the average earned discount achieved from February 2006 to July 2006. Newer accounts receive a Standard Diamond Discount based upon their estimated <i>PREVIEWS</i> order average. Please contact Diamond Retailer Services with any questions you may have.					
Discount Codes					
B	70% All Accounts	H	Lower of 40% or Standard Discount*	R	35% All Accounts
D	See Chart Below	I	35% All Accounts	S	Lower of 42.5% or Standard Discount*
E	Lower of 50% or Standard Discount*	J	Net Cost	T	Lower of 50% or Standard Discount*
F	Lower of 45% or Standard Discount*	K	30% All Accounts	U	40% All Accounts
G	Lower of 47.5% or Standard Discount*	L	25% All Accounts	V	Lower of 52.5% or Standard Discount*
				W	Lower of 50% or Standard Discount*
				Z	Net Cost

 DARK HORSE DISCOUNT PLATEAUS & CODES	
Discount Codes	
D	Standard Discount*
E	Lower of 50% or Standard Discount*
F	Lower of 45% or Standard Discount*
H	Lower of 40% or Standard Discount*
I	35% All Accounts
J	Net Cost
M	Lower of 55% or 2 1/2% above standard discount*
S	Lower of 42.5% or Standard Discount*
U	40% All Accounts
V	Lower of 52.5% or Standard Discount*

 IMAGE DISCOUNT PLATEAUS & CODES	
Discount Codes	
B	70% All Accounts
D	Higher of 45% or Standard Discount*
F	Lower of 45% or Standard Discount*
H	Lower of 40% or Standard Discount*
J	Net Cost
U	40% All Accounts
Z	Net Cost

D DISCOUNT PLATEAUS		Products ordered under the Diamond Comic Distributors Terms of Sale with a D discount will be invoiced at the following discounts. Discounts will be calculated on a quarterly basis and will be based on the total of the prior 12 months' product invoicing.
Total Diamond Product Invoicing For Prior 12 Months	Discount Off Retail	
\$360,000 and over	50%	
\$180,000 to 359,999.99	48%	
\$120,000 to \$179,999.99	47%	
\$60,000 to \$119,999.99	44%	
Below \$60,000	40%	
While Diamond develops reporting tools to help retailers anticipate their discount prior to any change, discounts will not be reduced from their current level.		

REORDER DISCOUNTS

Orders for products placed outside the monthly *PREVIEWS* Order Form or weekly FOC process will be invoiced at the retailers' discounts at the time the order is placed and may be subject to a 3% reorder charge (or will be invoiced at the lowest Standard Discount if a *PREVIEWS* Order was not placed on time in the previous month.) The minimum reorder discount for items with a Discount Code of D,V,E,F,G, or H is 35%. For reorders on most products from Dark Horse Comics and Image Comics, there is no reorder charge. For more complete details, see each company's Terms of Sale.

MULTI-STORE DISCOUNTS

The retail totals of *PREVIEWS* Order Forms placed by individual stores which are part of a multi-store chain under common majority ownership are combined for purposes of discount calculation.

For Diamond's complete Terms of Sale, please visit <https://retailerservices.diamondcomics.com/Downloads/RetailerInfo>
 For other questions, visit <https://retailerservices.diamondcomics.com/support>



DARK HORSE COMICS

Terms
of Sale

DISCOUNTS

To Comic Book Specialty Stores

Comics

● Having studied various options with regard to direct-to-retailer discounts, Dark Horse has decided to remain within Diamond's existing discount plateau structure.

In other words: **If your Standard Discount under Diamond's plateaus is 52.5%, you will also receive a 52.5% discount on Dark Horse comics.**

Reorder Charges

- There is currently **no reorder charge** from Dark Horse.

Non-Comic Products

- The maximum discount for **limited-edition, signed hardcovers is 42.5%**.
- The maximum discount for **model kits and painted figurines is 50%**.
- The maximum discount on Dark Horse's **graphic novels and trade paperbacks is 52.5%**.

Opening An Account

All purchasers (also referred to as accounts or customers) doing business with Diamond Comic Distributors, Inc. ("DCD") may purchase publications and products from Dark Horse Comics, Inc. ("Dark Horse" or "Dark Horse Comics"). Please refer to DCD's Terms of Sale for information pertaining to establishing an account with Diamond Comic Distributors.

Eligibility

These Terms of Sale apply expressly and exclusively to comic-book specialty stores. All comic-book specialty stores eligible to do business with Diamond Comic Distributors are eligible to do business with Dark Horse Comics. Please refer to Diamond Comic Distributors' Terms of Sale for information pertaining to eligibility.

Please note: Dark Horse Comics occasionally solicits trademarked and copyrighted items which can only be sold within particular designated territories. Comic-book specialty stores which are eligible to conduct business with Dark Horse Comics may find they are unable to purchase particular Dark Horse publications and products due to such limitations.

Order Minimums

There is no minimum order required for any Dark Horse Comics, Inc. publications or products, so long as the prospective account meets Diamond Comic Distributor's minimum monthly order.

Multi-Store Purchasing

Multi-store chains may achieve a greater discount by combining the orders of each of the stores within the chain, providing said chain can prove common majority ownership. While the orders will be combined for the purpose of calculating discount levels, the shipments can still be directed to individual locations.

Order Increases

Accounts may phone DCD as often as needed to increase pre-orders for Dark Horse publications and products. The cost of one order-increase call per account each week is paid for by Dark Horse Comics; each additional call made that same week will be billed a \$5 service charge unless the account places an order of greater than \$100 at retail. With respect to Order Increases, a seven-day period is defined as running from Wednesday through the following Tuesday.

- There is no minimum increase required;
- There is no penalty or surcharge applied to order increases;
- There is no ceiling on the number of increases which can be placed in a single call; and
- Increases will be billed at the same discount as the account receives on initial orders.

If the account has not placed an on-time initial order for any Dark Horse Comics publications or products scheduled to ship in the same month in which the pre-ordered goods are scheduled to ship, a 40% discount will be applied to said order

increase.

In order to ensure receipt of an order-increase, an account should place said order-increase on or before the scheduled deadline (as published in DCD's monthly order form, under the headline "Order Increase Date.") Increases placed after that date will be filled on a first-come, first-served basis.

Reorders

Like Order Increases, accounts may phone DCD as often as needed to place reorders for Dark Horse publications and products.

- There is no minimum order required;
- There is no ceiling on the number of reorders which can be placed in a single call; and
- Reorders will be billed at the discount for which the account qualified on the initial order of that item (or similar items shipping the same month, if an initial order for the given item was never placed)
- Reorders will ship direct to your store, and you will be responsible only for the actual costs of shipping; there will be no shipping or handling surcharges.

If the account has not placed an on-time initial order for any Dark Horse Comics publications or products shipping in the same month in which the reordered goods ship, a 40% discount will be applied to said reorder.

Ordering Deadlines

Orders for Dark Horse Comics products and publications must be received in accordance with Diamond Comic Distributors' ordering deadlines and procedures. Please refer to Diamond Comic Distributors' Terms of Sale for such information.

Payment Terms/Credit Guidelines/Shipping/Shortages and Overages/Conditions of Sale

Please refer to Diamond Comic Distributors' Terms of Sale for policies regarding payment terms, credit, shipping, shortages and overages, and conditions of sale.

Damages/Shortages/Overages

To receive replacement copies of Dark Horse publications and products damaged in transit, accounts must adhere to the damage policy set forth in DCD's Terms of Sale.

Upon request by Diamond, if the damaged goods are cover-priced at \$4.95 or more, they should be returned as whole copies; if the goods are cover-priced less than \$4.95, stripped covers will suffice. The aforementioned notwithstanding, Dark Horse will accept affidavit returns from customers outside of the continental United States, Canada and the United Kingdom only. Dark Horse retains the right to audit damage claims upon thirty days written notice.

All shortages of Dark Horse product must be reported to DCD's Customer Service Department within 24 hours. Also, Dark Horse appreciates the Account's honesty in reporting the receipt of any merchandise for which the account is not

billed. Please report any overages to DCD's Customer Service Department. If shortage replacement copies are not available, a credit memo will be issued by the account's Distribution Center within 14 days of receipt.

Please note: Products ship F.O.B. from Diamond, meaning title to the product and risk of loss and damage transfers to the customer once it leaves Diamond's facilities. Always check for visible damage caused in shipping and note any apparent problems before signing for a shipment, as this will enable you to recover the cost of damaged merchandise from the shipping company.

Returns/Order Adjustments

Dark Horse Comics publications and products are sold to the comic-book specialty store market on a non-returnable basis, except as otherwise authorized by Dark Horse Comics.

Dark Horse Comics will generally allow orders to be reduced or make publications and products returnable under the following circumstances:

- If the item in question ships more than four weeks after the end of the month in which it was originally solicited to ship;
- If the content, creative team, or price of the item in question changes substantially without advance notice, to be determined by Dark Horse Comics at its sole discretion; or
- If the item in question ships in a substantially different selling period than as solicited, or if it misses a timely on-sale date.

Additionally, if Dark Horse produces a miniseries during the run of which:

- The entire series ships an average of three weeks late or greater; or
- Two or more issues of said series are made returnable for any of the above-mentioned reasons then the entire series is deemed returnable.

Dark Horse Comics, at its sole discretion, will announce those items which are deemed order adjustable or returnable in Diamond Dateline. To adjust orders, accounts should notify Diamond by the due date indicated in Dateline. To return items, an account must complete the Returns Authorization Form contained in Diamond Dateline; and ship the form and the damaged goods to the account's Distribution Center. The package must be received by the due date designated on said form.

Like Damages, if the returnable goods are cover-priced at \$4.95 or more they should be returned as whole copies; if the goods are cover-priced less than \$4.95, stripped covers will suffice. The aforementioned notwithstanding, Dark Horse will accept affidavit returns from customers outside of the continental United States, Canada and the United Kingdom only. Dark Horse retains the right to audit damage claims upon thirty days written notice.

The account will be issued a credit for goods returned equal to the price the account paid for said goods. Dark Horse Comics is not responsible for lost revenues or any other costs, damages, or expenses incurred due to goods made returnable.

Allocations

When total orders for Dark Horse Comics products and publications exceed the quantity available, accounts will be allocated on a pro rata basis. The pro rata will be based upon the sum total of Dark Horse goods ordered by each account ordering the item in question. Accounts outside of terms may not be eligible to receive any copies of those items which must be allocated. Dark Horse will make allocations at its sole discretion. By placing an order, an account agrees to accept any partial deliveries due to such allocations.

Continuation of Sales

From time to time, and at their sole discretion, Dark Horse may produce or publish items unavailable to the comic-book specialty stores. That notwithstanding, so long as an account remains in good standing with Diamond Comic Distributors and Dark Horse Comics, that account will continue to be eligible to have access to those Dark Horse Comics publications and products which are made available to comic-book specialty stores, as allowed by territorial licenses.

Cancellation of Orders

Upon acceptance by Diamond Comic Distributors, all orders are binding and cannot be canceled or modified by the account, except as expressly provided herein. Dark Horse reserves the right to cancel orders at any time for any merchandise, in

whole or in part, at its sole discretion and without liability to the account.

Purchaser Representations and Warranties/Hold Harmless

The purchaser (also referred to variously as the account or the customer) represents and warrants to Dark Horse Comics, Inc., that the customer is: (a) a bona fide reseller of comic book goods and products; (b) a legally recognized business entity in good standing in the nation(s) and state(s) in which it does business; (c) willing and able to pay for the goods and products within the terms set by Diamond and this document; and (d) that the customer's purchases under these terms do not and will not violate any other agreements or laws. The customer hereby agrees to indemnify and hold Dark Horse Comics, Inc., its agents, affiliates and subsidiaries harmless from and against any loss, damage or expense suffered by Dark Horse Comics, including reasonable attorneys' fees and costs, by reason of (i) breach by the account of any warranties or agreements contained herein; (ii) any act or omission by the customer; (iii) any claim, cause of action or lawsuit arising from the sale, use, storage, transportation or handling of the merchandise sold hereunder; or (iv) any settlement, judgment or payment with respect to any of items (i), (ii) or (iii) hereof.

Except as expressly set forth in these terms, neither party makes any other warranties, expressed or implied, or arising from course of dealing or performance or trade custom and usage, with respect to the publications or products, or any other matter whatsoever. Each party disclaims all other warranties, express, implied, or arising from course of dealing or performance or trade custom and usage, including, but not limited to, any implied warranties of fitness for a particular purpose, merchantability, or otherwise. Neither party will be liable to the other or to any third party for any incidental, special, or consequential damages, whether based upon a claim or action or contract, warranty, indemnity, or contribution, or otherwise, arising out of this agreement.

The parties acknowledge that the provisions of this agreement reflect an informed, voluntary allocation between them of all risks (known and unknown) associated with the transactions contemplated, and the limitation of liability reflects that allocation.

Governing Law

Except with respect to matters regarding collection of accounts, all legal disputes arising as a result of or with respect to these Terms of Sale will be governed and settled by the laws of the State of Oregon, excluding the conflict of law rules of that state, and the customer agrees that jurisdiction and venue shall rest exclusively within the state and federal courts of the State of Oregon. All disputes relating to the collection of accounts will be governed and settled by the laws of the State of Maryland, excluding the conflict of law rules of that state, and for all such matters the customer agrees that jurisdiction and venue shall rest exclusively within the state and federal courts of the State of Maryland.

General

Dark Horse Comics reserves the right to modify or amend these Terms of Sale upon written notice. Publications and products sold under these terms may carry different markings than those distributed through other markets.

Entire Agreement

These Terms of Sale are intended to be the final, exclusive and complete statement of the terms of agreement between the customer and Dark Horse Comics. Neither trade usage nor any terms and conditions that may be contained in any acknowledgment, purchase order, or other documentation of the account, nor course of prior dealing between the parties shall affect or modify these Terms of Sale. Upon receipt of the account's order by Diamond Comic Distributors, on behalf of Dark Horse Comics, these Terms of Sale shall constitute the entire agreement between the parties and may not be modified or rescinded except by a writing signed by Dark Horse Comics. If any part, term, or provision of these Terms of Sale are held to be invalid or unenforceable, the validity of the remaining portions shall not be affected and the invalid provision shall be deemed excluded from these Terms of Sale.



IMAGE COMICS Terms of Sale

To Comic Book Specialty Stores

The trade terms of Image Comics, Inc. ("Image") with respect to orders from comic book specialty stores ("Accounts") after the effective date hereof are set forth below. Each Account that submits an order to Diamond Comic Distributors ("DCD") on behalf of Image shall be deemed to accept and agree to the following trade terms without addition, change or modification of any kind and such trade terms shall be controlling over additional or different terms of any order, purchase order, confirmation, invoice or similar document of Account. None of the trade terms herein shall be changed, supplemented or modified without the expressed consent of Image in a writing specifically executed for such purpose. In the event it becomes necessary for either Image (or its representative) or Account to retain counsel to enforce any provision of said contract or to commence an action for the breach thereof, the prevailing party shall have the right to recover its costs, expenses and its reasonable attorneys' fees. If any provision of said contract is held to be invalid or unenforceable for any reason, all remaining provisions thereof shall remain valid and effective. Image reserves the right to modify or amend these trade terms at any time in its sole discretion. Image shall have the right to refuse to sell to, or fill any orders for, any Account for any reason whatsoever.

Discounts:

Image Comics currently matches the discounts you qualify for under Diamond's Discount Plateaus.

Order Minimums:

There is no minimum order required for any Image products. Accounts need only meet DCD's minimum monthly order to be eligible to buy Image products.

Multi-Store Purchasing:

The total retail orders of Image products placed by individual stores which are part of a multi-store chain under common majority ownership will be combined for purposes of discount calculation, provided that the proof of common majority ownership, satisfactory to Image in its sole discretion, is submitted to DCD for each store location.

Order Increases/Advance Reorders:

There will be no charge for order increase and/or advance reorder transactions. Also, accounts may increase orders for as many titles as they wish in any one transaction.

- There is no minimum increase required and there will be no shipping and handling surcharges.
- There is no limit on the number of increases which can be placed in a single call; and
- Increases will be billed at the same discount as the Account receives on initial orders for the previous Order Form month. If the Account has not ordered any Image products in the previous Order Form month, a 40% discount will be applied to said order increase/advance reorder.
- Image cannot guarantee fulfillment of order increases for any product which is received after DCD's scheduled deadline (The "Order Increase Date" printed in DCD's monthly Order Form). Increases placed after that date will be filled on a first-come, first-served basis.

Reorders:

- There will be no surcharge for reorders of Image products that are received after initial shipment of the product;
- There is no minimum order required;
- There is no ceiling on the number of reorders which can be placed in a single call; and
- Reorders of Image products will be sold to each Account at the same discounts as such Account's initial order of such product(s), except that Accounts not placing an original order in the previous Order Form month will receive a 40% discount on reorders. Accounts may elect to have reorders shipped separately or included in their next regular shipment. In either case, Accounts will be responsible only for the actual cost of shipping; there will be no shipping or handling surcharges.

Opening an Account:

Please refer to DCD's Terms of Sale for information on how to open an account.

Eligibility:

Image does not sell directly to hobbyists, consumer buying cooperatives or sub-distributors without Image's prior written approval. By placing an order with DCD for Image products, each Account that is an individual at-tests that he/she is of legal adult age and is legally authorized to open an account with DCD and to purchase the items ordered.

Resales by Accounts:

Accounts are prohibited from selling Image products to distributors and/or to other retail accounts, including, without limitation, newsstand, mass market, book trade, wholesale clubs, catalogs, and other comic specialty stores without Image's prior written approval. Accounts may, however, sell or trade limited quantities of Image products to other retail accounts for the sole purpose of adjusting their respective inventories.

Ordering Deadlines:

Orders for Image products must be received in accordance with DCD's ordering deadlines and procedures. Please refer to DCD's Terms of Sale for guidance.

Payment Terms/ Credit Guidelines:

Please refer to DCD's Terms of Sale for payment terms and credit policies.

Shipping:

Domestic shipments are generally available for pick-up or delivery once per week. Accounts may either pick up their shipments from their DCD Distribution Center and avoid shipping charges, or may, at Account's expense, elect to have their orders shipped. Domestic shipments shall be made by ground freight via the most efficient and economical carrier available unless otherwise agreed to by DCD and Image.

Except as expressly agreed otherwise, Accounts will be liable for all shipping charges. DCD may prepay shipping charges and pass these costs on to Accounts on their following week's invoice to be paid on the same terms as an Account's product orders. For additional details on shipping, Accounts should contact the DCD Distribution center servicing their Account. If the Account is unsure of which Distribution Center to contact, please call DCD's Home Office Customer Service Department at (800) 783-2981 or (410) 560-7100.

Damages/Shortages/Overages

To receive replacement copies of Image publications and products damaged in transit, accounts must adhere to the damage policy set forth in DCD's Terms of Sale.

If the Damaged Goods are cover priced at \$3.90 or more, they should be returned as whole copies. If the Damaged Goods are cover-priced at less than \$3.90, stripped covers will suffice. Notwithstanding the aforementioned, Image will accept affidavit returns from Accounts outside of the continental United States, Canada, and the United Kingdom only. Image retains the right to audit damage claims upon thirty days written notice.

If replacement copies are not available, a credit memo will be issued by DCD within 7 days from the time the damages were reported.

Please note: Products ship F.O.B. from Diamond, meaning title to the product and risk of loss and damage transfers to the customer once it leaves Diamond's facilities. Always check for visible damage caused in shipping and note any apparent problems before signing for a shipment, as this will enable you to recover the cost of damaged merchandise from the shipping company.

All shortages must be reported to DCD's Customer Service Department within 24 hours. DCD will make all reasonable efforts to replace any shortages within 7 days (if replacements are available) or will issue a credit memo for any unfulfilled amounts.

Do not reorder shorted merchandise, as this may result in duplicate replacement.

Image appreciates the Account's honesty in reporting the receipt of any merchandise for which the Account is not billed, and will reimburse the Account for its reasonable freight cost incurred when returning such overages.

Returns/Order Adjustments:

All Image products are sold on a non-returnable basis, except as follows:

(i) If products ship from the printer after the last day of the next month following the month they were originally scheduled to ship; (ii) if, without prior notice before original orders are due, the product as shipped contains a change in writer, penciller, guest star, or cover price from the product as solicited, or (iii) if, without prior notice before original orders are due, the product as shipped contains a material change in the storyline or format, or (iv) ships in a substantially different selling period than as solicited or misses a timely on-sale date (Holiday special issues and movie tie-ins).

Any product designated by Image as qualified for order reductions or returnable shall be announced in Diamond Dateline. To adjust orders for an item, accounts should notify DCD by the due date published in Dateline. All returned items must be accompanied by a DCD Return Authorization Form within the time specified by Image therefore. If the cover price of any returnable book is \$3.90 or less, Accounts will be required to return covers only, unless otherwise specified by Image. If the cover price of any returnable book is greater than \$3.90, the Account must return full copies in salable condition to the DCD distribution facility specified by DCD. Notwithstanding the above, Image will accept affidavit returns from Accounts located outside of the continental United States, Canada, and the United Kingdom only. Image shall have the right to audit such returns, upon thirty days written notice, as Image deems necessary. Accounts will receive credit for all items properly returned.

Accounts will be issued a credit for goods returned equal to the price the Account paid for said goods. Image is not responsible for lost revenues or any other costs, damages, or expenses incurred due to goods made returnable.

Late returns are forfeited, and no credit will be issued.

Allocations:

Image's policy is to avoid having to make allocations whenever possible. However, in unusual circumstances, when the total orders of any Image product exceed the total quantity of such product which is available, Image shall make a pro rata allocation of the available amount based upon the Account's total order of Image products during the month in which the allocation is made. The Account agrees to accept any such partial deliveries.

Cancellation of Orders:

All orders are binding upon acceptance by DCD and cannot thereafter be canceled or modified by the Account, except as expressly provided herein. Image reserves the right to cancel orders, at any time and from time to time, for any merchandise, without responsibility therefor, in whole or in part, for good cause including insufficient orders.

Hold Harmless:

The Account hereby agrees to indemnify and hold Image, its agents, affiliates and subsidiaries harmless from and against any loss, damage or expense suffered by Image, including reasonable attorneys' fees and costs, by reason of (i) breach by Account of any warranties or agreements contained herein, (ii) any act or omission by the Account, (iii) any claim, cause of action or lawsuit arising from the sale, use, storage, transportation or handling of the merchandise sold hereunder, or (iv) any settlement, judgment or payment with respect to any of these items (i) through (iii) hereof.

Governing Law:

Except with respect to matters regarding collection of accounts, all legal disputes arising as a result of or with respect to these Terms of Sale will be governed and settled by the laws of the State of California, excluding the conflict of law rules of that state, and the customer agrees that jurisdiction and venue shall rest exclusively within the state and federal courts of the State of California. All disputes relating to the collection of accounts will be governed and settled by the laws of the State of Maryland, excluding the conflict of law rules of that state, and for all such matters the customer agrees that jurisdiction and venue shall rest exclusively within the state and federal courts of the State of Maryland.

Limited Liability:

NOTWITHSTANDING ANYTHING ELSE CONTAINED HEREIN OR OTHERWISE, IMAGE WILL NOT BE LIABLE WITH RESPECT TO ANY SUBJECT MATTER OF THESE TRADE TERMS UNDER ANY CONTRACT, NEGLIGENCE, STRICT LIABILITY OR OTHER LEGAL OR EQUITABLE THEORY FOR ANY INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES, LOST PROFITS OR LOST OPPORTUNITY BY ACCOUNT OR ANY OTHER PARTY. IMAGE SHALL HAVE NO LIABILITY FOR ANY FAILURE OR DELAY DUE TO MATTERS BEYOND ITS REASONABLE CONTROL.

Miscellaneous:

These Terms of Sale are intended to be the final, exclusive and complete statement of the terms of agreement between the Account and Image. Neither trade usage nor any terms and conditions that may be contained in any acknowledgment, purchase order, or other documentation of the Account, nor course of prior dealing between the parties shall affect or modify these Terms of Sale. Upon receipt by DCD, on behalf of Image Comics, of the Account's order, these Terms of Sale shall constitute the entire agreement between the parties and may not be modified or rescinded except by a writing signed by Image. If any part, term, or provision of these Terms of Sale are held to be invalid or unenforceable, the validity of the remaining portions shall not be affected and the invalid provision shall be deemed excluded from these Terms of Sale.



MARVEL COMICS

Terms of Sale

To Comic Book Specialty Stores

1. Application. These Terms of Sale shall apply to all orders of Marvel Comics ("Marvel") comic books, graphic novels and other all other offered merchandise ("Products") placed through Diamond Comic Distributors, Inc. ("DCD"), Marvel's sales agent, on or after November 1, 2004.

2. Eligibility for Purchases of Marvel Products Through DCD.

A. Only comic book specialty stores engaged in a legitimate business of re-selling Products in a permanent retail venue with a current mailing address may purchase Products through DCD. Marvel will not sell Products directly to hobbyists through DCD, and may require that any prospective or existing customer submit proof of eligibility for purchase at the time that any order is placed.

B. Prospective customers must complete and return a DCD new account application, including all documents and materials specified in DCD's separate terms of sale (the "DCD Terms"). No orders will be processed unless an application is on file with DCD and a customer account has been created and approved. The DCD Terms shall govern the terms of payment and availability of credit for any particular account, and DCD's determination with respect to the terms of payment and credit to be extended (if any) to a particular customer shall apply to each order placed by that customer.

C. Marvel, in its sole discretion, has the right to refuse to sell Products to any prospective or existing customer for any reason.

3. Placement of Orders Through DCD.

A. Procedures:

1. Each Product offered for sale through DCD will be identified in Marvel Previews or an email or mail solicitation by reference to its title and price. Each Product may also be identified in a DCD publication by reference to its title, DCD Code, UPC Code and price. A first published day of sale (the "First Published DOS"), which is the day when the product is intended to be offered for sale to the consumer, will be noted for each Product offered for sale. A final order cut off date (the "Final Order Cutoff Date") or order increase cutoff date (the "OIC Date"), which is the day Marvel commits to an inventory build, will also be noted for each Product offered for sale. Marvel may, in its sole discretion, change the First Published DOS and the corresponding Final Order Cutoff Date for any particular product by noting the change in a DCD publication or by e-mail prior to the then-current Final Order Cutoff Date for the product. It is the customer's responsibility to monitor the DCD publications, e-mails sent

by Marvel or DCD, as well as any other communications from DCD for any changes to the First Published DOS and Final Order Cutoff Dates for Products that have been ordered.

2. Any order for a Product must comply with the guidelines specified in the DCD Terms and is subject to the Conditions of Sale in both these Terms of Sale, and the DCD Terms.

B. Order Deadlines and Order Adjustments

1. Firm Orders: All orders for a Product, in order to be eligible for delivery on the First Published DOS, must be received in accordance with the DCD order guidelines (available for review from DCD) and placed by the Final Order Cutoff Date to be considered a firm order (a "Firm Order"). A Firm Order can be increased, decreased or cancelled up until 5:00 p.m. E.S.T. on the Final Order Cutoff Date without penalty or surcharge, after which time a Firm Order shall become a final order ("Final Order"). A Final Order may not be reduced or cancelled, and product that has been shipped pursuant to a Final Order may not be returned except as specified in section 5 of these Terms of Sale.

2. Open Orders: Any order which does not meet the criteria to be considered a Firm Order will be considered an open order (an "Open Order"). DCD and Marvel shall attempt to fill an Open Order for each Product from existing inventory after all Final Orders for that product have been processed. Neither DCD nor Marvel warrants or represents that there will be available or sufficient inventory to fill any Open Order, and Marvel reserves the right to allocate available inventory to fill any Open Order as it deems appropriate. DCD will endeavor to notify any customer who has placed an Open Order whether there is inventory available to fill that order within 10 business days after receipt of the Open Order and, at that time, will advise the customer of the anticipated date of shipment for each Product ordered. Any Open Order that cannot be filled will be deemed cancelled.

3. Marvel reserves the right to cancel all or part of any order at any time in its sole discretion.

4. Shipments of Marvel Comics Product.

A. Release Date. All shipments of Products are made by DCD directly to the customer. DCD ships Products to customers who have ordered those Products in a manner intended to ensure that those Products reach all customers on or about the same date, the "On Sale Date", for each Product. The On Sale Date is

the date on which a comic book retailer may offer each Product for sale to its customers. The On Sale Date for each Product offered for sale will be identified in a DCD publication, on the DCD website or through an e-mail communication. Any comic book retailer who purchases Products is required to refrain from selling any Product prior to its On Sale Date.

B. Shortages/Overages. All claims of shortages or overages must be reported to DCD customer service within twenty four (24) hours of signed customer receipt to receive a credit or replacement. Credits or replacements for these items will be processed according to the "Shortages and Overages" section of DCD's Terms. Overages should be returned immediately. Customers placing an order for Products with DCD agree to accept partial shipments.

C. Damaged Products. All claims of receipt of damaged Product must be reported to DCD's customer service department within twenty four (24) hours of signed customer receipt to be eligible to receive a credit or replacement. All Products are shipped F.O.B. by DCD. Marvel is not responsible for damage to product incurred during shipment. Customer shall be required to return the covers of damaged Product to DCD at DCD's request. Damaged Product with a retail value of Six United States Dollars (\$6.00) per unit or more should be returned to DCD intact. Marvel reserves the right to audit all reported damage claims upon thirty (30) days written notice.

5. Authorized Product Returns.

A. All Product is sold on a non-returnable basis unless otherwise specified in a DCD publication with respect to each Product being offered for sale.

B. DCD has the discretion to authorize a product return in exchange for credit if, in its judgment, the circumstances surrounding the request for the return warrant an exception to Marvel's stated policy (an "Authorized Product Return"). In any such instance, such return must be approved in writing by DCD prior to shipment by customer and must be accompanied by all documentation or information reasonably requested by DCD including, but not limited to, DCD's written authorization for the return and any return authorization number assigned to the return. Authorized Product Returns must be received at DCD's designated returns location by the due date set by DCD for each Product. Specific shipping information relating to the Authorized Product Return will be communicated through a DCD customer publication or DCD customer representative. Any Product returned pursuant to an Authorized Product Return must be in salable condition, with no obvious internal or external defects, damages, or alterations or credit will not be issued. All freight expenses associated with merchandise returns are the customer's responsibility.

6. Pricing and Discount Policy. The prices for all Products, discounts and fees related to the purchase of Products will be identified in the Diamond Previews Order Form and online at www.DiamondComics.com.

A. Multi-Store Purchases:

1. Orders for Products placed for one or more stores in a multi-store chain under common majority ownership will be combined for the purpose of discount calculation, provided satisfactory proof of common majority ownership is provided and accepted by Marvel. Please note (as it applies) that the common majority owner or franchiser must agree in writing to be ultimately responsible for any and all debts of the multi-store chain or franchisee(s), if there is delinquency.

2. Incentive rebates for multi-store accounts will be calculated using the combined retail total of all stores represented under the account. Marvel also reserves the right to offer incentives based on individual chain store purchases, following written notification in any DCD or Marvel's customer publication or on-line or email notification by DCD.

7. Trademarks & Copyrights. All Products, logos, characters and their distinctive likenesses are trademarks and copyrights of Marvel Characters, Inc. and may not be reproduced in whole or part without the express written approval of Marvel.

8. Hold Harmless. Customer hereby agrees to indemnify and hold Marvel Enterprises, Inc., its agents, affiliates, and subsidiaries harmless from and against any loss, damage, or expense suffered, including reasonable attorney's fees and costs by reason of breach by the customer of any warranties, representations or agreements contained herein, in its Account Application or any act or omission of the customer.

9. Governing Law. All legal disputes arising as a result of or in connection with these Terms of Sale shall be governed by the laws of the State of New York, without regard to its conflict of law procedures. Customer agrees that jurisdiction and venue shall rest exclusively in New York County for state court and the Southern District of New York for federal court with respect to any dispute concerning these Terms of Sale. Customer hereby waives any rights it may have to a trial by jury in respect of litigation based on, or in connection with, these Terms of Sale.

10. Entire Agreement. These Terms of Sale are intended to be the final, exclusive and complete statement of the agreement between customer and Marvel, and may only be modified or rescinded in a written notice by Marvel or in a writing signed by an officer of Marvel Enterprises, Inc. If any provision contained herein is deemed invalid or unenforceable, the validity of the remaining portions shall not be affected. In the event of any conflict between these Terms of Sale and any other terms and conditions that may be contained in any other documentation, these Terms of Sale shall be controlling. Marvel reserves the right to modify or amend these Terms of Sale upon written notice published in any of the DCD publications or by email.