

Sealed Bid Terms of Sale

All Property is being offered for sale in accordance with the terms of the retention of Tiger Group, LLC ("Tiger") by Thomas Seaman, Assignee for the Benefit of Creditors in the matter of Avid Ink. Tiger will offer for sale, through a Sealed Bid Process (the "Sale"), certain assets (collectively referred to as the "Property") of Avid Ink ("Avid" or the "Company").

1. **Bid Deadline.** All bids must be submitted to Tiger on or before 4:00 pm PT, May 10, 2016 ("Bid Deadline"). Bids received after the Bid Deadline may not be considered.
2. **Required Bid Documents.** All bids must include the following:
 - a. Completed and signed Bidder Qualification Form
 - b. Tiger's receipt of a deposit (the "Deposit") in the form and amount as defined below.
3. **Deposits.** All bids must be accompanied by a deposit equal to ten (10%) percent of the total bid price in U.S. Dollars. Deposits may be submitted in the form of wire transfer, cashier's check, or other certified funds made payable to Tiger Group. The successful bidder's deposit will be applied toward the purchase price of the Property. Unsuccessful bidders will have their deposits returned in full, by Tiger, within ten days of rejection of their bid.
4. **Due Diligence.** All prospective bidders are responsible to complete their own due diligence prior to submitting a bid for the Property. Tiger shall endeavor to support such due diligence efforts; however, under no circumstances shall bidder rely on any information provided by Tiger the Assignee, or the Company.
5. **Notice.** Bidders may be advised by notice(s) of additions, deletions or alterations in any document forming a part of the Bid Package any time prior to the Bid Deadline.
6. **Submission of Bid.** Bids must be completed and delivered to Tiger on the Bid Form provided. Except as otherwise permitted by this Bid Package, all bids submitted must be unconditional and without alteration to the Bid Form. All bidders must complete, execute and return to Tiger the Bid Form, executed by the bidder together with the required deposit before any bids will be considered. Bids must be delivered by hand or mail to Tiger Group, LLC 340 N. Westlake Blvd., Suite 260, Westlake Village, California 91362 to the attention of Jeff Tanenbaum or by email, provided all applicable deposit requirements have been met, to auctions@tigergroup.com. All bids must be received on or before 4:00 p.m. PT, May 10, 2016.
7. **Bidder's Premium.** A Bidder's Premium of fifteen (15%) percent will be added to the price of Property purchased.
8. **Bids Are Irrevocable.** By submitting a bid, the bidder is making an irrevocable offer to purchase the Property bid upon. The bidder acknowledges and agrees that by submission of its bid, it is accepting the terms and conditions set forth in these Instructions, Terms and Conditions of Bid and none other. Upon submission of a bid, the offers contained therein are irrevocable.
9. **Bids Are Submitted In Whole or In Part:** All Bidders acknowledge that all bids submitted are subject to consideration and acceptance by Tiger. Tiger reserves the right to accept or reject, in whole or in part, each bid submitted by a Bidder. Tiger reserves the right to add to, group, withdraw, re-catalog Property in this Sale, as well as the right to reject any bid for any reason. Tiger further reserves the right to sell the Property prior to the bid deadline, reject any and all other bids received and cancel the Sealed Bid.

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10. **Reservation of Rights.** Any bid conditioned upon any change in any of the documents provided in the Bid Package, either by way of addition or deletion, may be summarily rejected by Tiger in its sole discretion.
11. **Notification.** Tiger will review all bids received by the Bid Deadline. In the event that multiple bids, each meeting the requirements defined herein, are deemed by Tiger as competitive with one another (“Qualified Bid(s)”), Tiger reserves the right to convert the Sealed Bid to a live auction (“Auction”), to occur by telephone or in person, as may be appropriate between these Bidders (“Qualified Bidders”). Qualified Bidders will be notified by Tiger as to the time and details of the Auction. If there is only one Qualified Bid, no Auction will be held, and Tiger will determine in its sole discretion whether or not such Qualified Bid is accepted or rejected. All bidders acknowledge that Tiger reserves the right to accept any Qualified Bid, in whole or in part.
12. **Auction.** If an Auction is held, it will take place as soon as possible and practical. Only Qualified Bidders and advisors will be allowed to participate in the Auction. The highest and best bid received by the Bid Deadline will be the lead bid (“Lead Bid”) at the Auction. The Auction will open at the Lead Bid amount. Qualified Bidders will be allowed to overbid in minimum bid increments as determined by Tiger at the time of the Auction. Tiger shall moderate the Auction, during which any and all competitive bid options will be considered, including the cash equivalent of prospective piecemeal sales. In all cases, Tiger shall consider the highest and best value, including considerations of time, cost, contingencies and liabilities. The Auction will conclude once the highest bid and next highest bid have been awarded, rejected or held subject to further consideration.
13. **Bidding.** Tiger reserves the right to add to, group, withdraw, re-catalog Property in this Sale, as well as adjust minimum bids and/or reserve prices and extend or shorten closing times. In the event there is a dispute between two or more claims of entitlement as the successful bidder, Tiger reserves the right to re-sell the Property(s) in dispute. Tiger reserves the right to reject any bid, sell the Property prior to the Bid Deadline and/or cancel the Sale until such time as the Bill of Sale has been executed by all parties and the purchase price has been received by Tiger.
14. **Deposits.** After the conclusion of the Sealed Bid or Auction, as applicable, the deposits of the highest Bidder and next highest Bidder will be held by Tiger until the closing of the Sale transaction. If Tiger closes with the highest Bidder, the highest Bidder’s deposit will be credited against the purchase price determined at the Auction. If the highest Bidder does not close, it forfeits its deposit and Tiger will close with the next highest Bidder and its deposit will be credited against the purchase price. If Tiger closes with the highest Bidder, Tiger will return the full deposit to the next highest Bidder within two (2) business days after the closing with the highest Bidder. The deposits of any and all other Bidders at the Auction will be returned in full within ten (10) business days after the Auction.
15. **Closing: Execution of Asset Purchase Agreement and and Final Payment.** Within 24 hours of the conclusion of the Sale, the highest Bidder must do the following:
 - a. Execute an Agreed Upon Bill of Sale (“Bill of Sale”)
 - b. Pay Tiger the full amount of the purchase price, after application of the Deposit. Payment of the balance may be submitted in the form of wire transfer, cashier’s check, or other certified funds payable to ‘Tiger Group’.
16. **Financing.** Buyers are to obtain their own financing. The Sale is not contingent upon the Buyer securing or obtaining financing.
17. **Representation.** Tiger, the Assignee, and the Company represents and warrants that:

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- a. It has and will continue to have the legal right, power and authority to conduct a public auction and to execute any documents required to record or otherwise support the transfer.
 - b. To the best of their knowledge, the Property was either purchased from reputable design studios or is original to Avid and was created by Avid employees in the course of scope of their employment. Although it may incorporate elements from public domain and licensed sources (including source artwork books), to the extent it does said elements are intermixed with wholly original elements and/or constitutes an original selection and arrangement not copied from any other material(s) or source(s).
 - c. If any one or more of the provisions of this Property are found to be invalid, illegal, or unenforceable, then such provision(s) shall be stricken from this Auction and shall not affect the validity, legality or enforceability of the remainder of the Property.
18. **Failure to Pay.** In the event Bidder fails to pay the entire purchase price by the payment deadline, Tiger may retain and/or recover, upon demand, from Bidder the required Deposit as liquidated damages for such failure. Such payment is not a penalty, but is for liquidated damages sustained, it being mutually agreed and understood by Tiger and Bidders that such amount is reasonable as liquidated damages. In addition thereto, Tiger may, at its discretion, either resell Bidder's Property without further notice to Bidder and/or dispose of the Property at the Bidders sole expense. Any difference between the bid price for a Property by the defaulting Bidder and the price received by Tiger at a resale shall be paid to Tiger by the defaulting Bidder. In addition, a defaulting Bidder shall be deemed to have granted Tiger a security interest in the Property, which Tiger shall retain as collateral security for Bidder's obligation to Tiger.
19. **Non-Delivery.** Until such time as purchased Property are transferred or removed by the Bidder, Tiger shall have the right to cancel or void the sale of any such Property purchased by Bidder. Neither Tiger, the Assignee, nor the Company shall have any liability to Bidder due to the non-delivery of any purchased Property other than the return of Bidder's deposit for a canceled or voided sale Property. No claim of any kind for purchased Property, whether or not based on negligence, shall be greater in amount than the purchase price paid by Bidder.
20. **Absence of Warranties.** The condition of the Property being offered varies. The Bidder understands and agrees: (1) that any description or sample of the Property given or furnished by Tiger is solely for identification, and does not create any warranty expressed or implied, that the Property actually conforms to such description or sample, (2) that Bidder or agent on Bidder's behalf has inspected or has had the opportunity to inspect, all of the Property upon which Bidder will be bidding and/or does purchase, (3) that all Property are purchased and accepted by Bidder "AS IS", "WHERE IS" and "WITH ALL FAULTS". TIGER MAKES NO REPRESENTATIONS, WARRANTIES OR GUARANTEES WHATSOEVER WHETHER WRITTEN, ORAL OR IMPLIED AS TO QUALITY, QUANTITY, CONDITION, USABILITY, SALABILITY, YEAR, CONDITION, PERFORMANCE, OR OTHER SPECIFICATIONS, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR WARRANTY AGAINST PATENT, TRADEMARK, COPYRIGHT OR TRADE SECRET INFRINGEMENT, (4) in the event there are manufacturer warranties in effect for the Property purchased, Bidder must make all claims hereunder directly with the provider of the warranty. No statement or statements of any other paragraph herein shall be construed to in any way contradict the provisions of this paragraph.
21. **Limits of Liability.** In no event shall Tiger's liability to Bidder exceed the purchase price actually paid for an individual Property or lot. A Bidder's claim shall be limited to the amount paid for the Property and shall not extend to any obligation, risk, liability, right, claim, remedy for loss of use, revenue or profit, liability of Bidder to any third party, personal injury, or any other direct, indirect, incidental or consequential damages. Bidder further acknowledges that each Property it purchases represents a separate transaction, and that no one transaction shall be conditioned upon another transaction. Bidder

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hereby holds Tiger harmless from: (1) the acts or omission of any party who provided any Property to Tiger for sale, (2) any claims Bidder may have against Tiger, Tiger's client(s) or any former owner of the property being sold, (3) Bidder's failure in any way to properly inspect Property and/or fulfill its obligations per the terms and conditions of the sale, as indicated within this document or as announced by Tiger at the time of sale. In the event Bidder provides a deposit or payment using a Credit Card, Bidder acknowledges that it is purchasing under the As-Is, Where-Is terms of the auction and that Bidder shall waive all rights of charge back based on any claims of misrepresentation, non-delivery or non-performance.

22. **Indemnification.** Bidder shall indemnify, hold harmless and defend Tiger, the Assignee, and the Company from and against any and all losses, damages, liabilities and claims, including attorney fees, costs and expenses arising out of or based upon or resulting from, (1) any act or omission of Tiger or the Assignee or their respective agents, representatives or employees, relating to or affecting the Property bid on or purchased by Bidder, (2) the claim of any third party claiming or challenging title to any Property purchased by Bidder or claiming infringement of any proprietary interest, (3) the claim of any person resulting from Tiger offering for sale or selling the Property purchased by Bidder.
23. **Severability.** If any provision of these Instructions, Terms and Conditions of Bid are deemed to be illegal, invalid, or unenforceable, the legality, validity, and enforceability of the remaining parts shall not be affected.