



HOME ENTERTAINMENT SYSTEM

Designed and Prepared for

John & Mary Smith
1258 W Madison Avenue
New York, NY 756937



Dear John & Mary Smith,

This proposal represents a design carefully prepared with your requirements, our experience and industry standards all balanced to form a workable plan.

Please evaluate this proposal to determine if it meets your needs and budget. EME's design flexibility allows us to easily modify this proposal to truly meet your expectations. This plan can be fully implemented at this time or in stages as your needs grow.

Our best designs are the result of strong partnerships. When we take your ideas and partner them with our quality products and professional execution the results are always beyond expectations.

You will find our proposals to be very complete and well thought-out. We always specify everything in straightforward terms and in writing. No hidden costs or surprises. Changes are only made upon your written authorization.

Your house represents a substantial, long-term investment for you. The investment in quality audio and video electronics can greatly increase the enjoyment of your home for many years to come.

Please let me know how I can help make your ideas become reality.

Jim Engandela
Software Developer
Cell: 715-287-3335
Email: horizon@triwest.net

About EME Audio & Video

PROFESSIONAL AFFILIATIONS

EME Audio & Video is a member of CEDIA the Custom Electronics Design and Installation Association, the Chippewa Valley Home Builders Association, and the National Systems Contractors Association.

SYSTEM DESIGN GOALS

There are two primary principles which determine the content of your system. First, we create a system design that precisely matches your individual needs and wants for sound and styling. Second, we make every attempt to insure that the system is as easy to operate as possible. Design considerations include acoustics, noise control, intelligibility and musicality. All cable and connectors meet or exceed commercial codes.

OPTIMUM PERFORMANCE AND SEAMLESS INTEGRATION

Your system has been carefully engineered to blend with the architecture and interior decor of your home, while providing the best possible performance. Your system designer will work with your architect, interior decorator, builder or cabinetmaker to assure that the system installation meets their and your aesthetic requirements.

Meticulous attention to detail is paid to ensure that your system will not only look and sound great, but will also compliment the design of your home.

SIMPLICITY OF OPERATION

We realize that a system which is easy to operate, for all family members, will be used and enjoyed more often than a system that is complication and difficult to use.

With this in mind, we have recommended a combination of components that will provide the highest level of performance with a minimum amount of use operation. You are assured of receiving the maximum value for your investment.

Linn Products



Linn Products Limited is an independent precision-engineering company specialising in top performance sound reproduction. Founded in 1972 by Ivor Tiefenbrun, the company grew out of his belief that he could vastly improve the sound quality of his own hi-fi system.

Today the company employs over 200 people and has three product ranges, Linn Hi-Fi, The AV51 System and The Knekt System. It also has its own record label, Linn Records, recording and producing music with the same attention to detail that goes into every Linn product.

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Linn's first product was the revolutionary Linn Sondek LP12 transcription turntable. Linn's policy of continuous improvement means that, 25 years later it is still the turntable by which all others are judged.

Linn's hi-fi range today includes a versatile portfolio of over 50 products including CD players, tuners, amplifiers and speakers. Linn is demonstrated and sold in over 30 countries and we have earned our reputation as the sound technology leader in the world of specialist hi-fi and specialist multi-channel sound for our recording and reproduction expertise. Linn pursues the very best and most accurate sound quality through uncompromising, innovative design and precision engineering. Making our products upgradeable when possible is one way we work to protect our customers' investment, allowing them to benefit from the latest technology as it becomes available.

Artists on Linn's own record label, Linn Records include the internationally acclaimed Carol Kidd, Tommy Smith, Martin Taylor, Nigel North and Claire Martin. This recording expertise enables the engineers at Linn to control every critical stage in the sound recording and reproduction process, from artist to listener.

Linn launched The Knekt System in 1994. This advanced multi-room high-fidelity sound distribution and control system set new standards for sound quality, performance and ease of use in this new and technically challenging market sector.

Then in 1995 Linn entered the complementary new digital multi-channel sound market with the Linn AV 51 home cinema and multi-media high-fidelity sound system. The central System Controller is the most versatile and complete A/V product on the market. Together with an advanced, learning personal handset, specialised high output power amplifiers and a choice of discreet, attractive and versatile speakers, the complete system is designed to deliver the most intensely involving total cinema experience available.

Linn's engineering achievements have led to significant OEM manufacturing contracts to supply other leading edge companies who seek to further differentiate their own distinctive products with a demonstrable sound quality advantage.

In 1992 Ivor Tiefenbrun was awarded the MBE by her Majesty Queen Elizabeth II upon the

recommendation of the then Prime Minister Margaret Thatcher for his and Linn's engineering achievements and outstanding service to the electronics industry. Included in the Linn mission statement is "To thrill customers who want the most out of life from music, information and entertainment systems that benefit from quality sound."

Ivor is also fond of quoting Einstein's maxim, "Everything should be as simple as possible, but no simpler." This single minded approach has earned Linn its enviable reputation for uncompromising quality, but Linn people simply aim to treat customers the same way we would like to be treated.

THE LINN MISSION STATEMENT

"To thrill customers who want the most out of life from music, information and entertainment systems that benefit from quality sound by working together to supply them what they want when they want it."

Our Motto is 'Simply Better'

Our aim is to simplify and improve continuously in everything we do. Our customers are discriminating people for whom sound quality matters. The answer to their total entertainment requirements is Linn, the only sound.

Life is lived forward but understood backwards, so to avoid regret we think carefully about the things that matter most.

Because music is very important the people who work at Linn believe hi-fi really matters. They know that the best hi-fi can broaden our taste in music and that music can change the way people feel and live.

With such an important decision it is wise to listen to the best sound systems available before you make your choice and decide what you wish to buy. Whether you simply want to select a stand-alone hi-fi or define a full home theatre sound system or when you want to enjoy the best sound in integrated multi-media entertainment throughout your home, it makes sense to contact Linn and allow us to help you by arranging a demonstration. Because thrilled customers have built our business, you can be sure that you can depend upon the people that Linn recommend to look after you.

Linn are experts in multi-channel sound technology. Our systems are modular, expandable and upgradeable so they can better suit your current requirement, and yet can change and develop to address your needs as they emerge and develop in an ever-changing world. Above all, Linn's specialised sound components are always true to the genuine high-fidelity standards which lie at the heart of all Linn's pitch accurate sound systems.

Linn owners will confirm that the longer they own their system, the more they appreciate its value and performance. As their taste in music and entertainment expands and develops with the passage of time, Linn owners grow to enjoy their purchase more and more.

No-one ever regrets buying the best, but people do regret buying something when it fails to stand the test of time. A product cannot provide lasting satisfaction if it was not good enough for the task.

All Linn products are designed for accuracy and fidelity and proven to stand the test of time.

Areas & Products

HOME THEATER

This area includes the following products and features.

The design goal of this home theater is to recreate the movie theater sound to broadcast standards, so the artistic values of the movie director will be faithfully reproduced. this audio and video system will also blend in harmoniously with the decor of your home. eme is a licensed THX home theater designer. the thx surround sound system was developed by film director George Lucas. Mr. Lucas was the director of star wars and the producer of the Indiana Jones movies. most of the action movies created today have been edited and scored at the lucasfilm movie studio called the skywalker ranch in northern California.

George Lucas has received the prestigious Irving thalberg award for developing the thx standard for the motion picture industry. this standard enables us to design your home theater to the same exacting standards as a THX film studio and a THX movie theater. your home theater will sound exactly like the studio where the film was produced. you will be able to hear and experience exactly what the director heard when he made the movie.

	<u>Qty</u>	<u>Ext Price</u>
AUDIO		
Linn - Ekwil - Single channel speaker (Black) - Black	3 ea	3,450.00
Linn - 5125 - Five channel power amplifier (Black) - Black	2 ea	5,500.00
Linn - Melodik - Single Aktive isobarik bass extension loudspeaker (Black) - Black	1 ea	4,195.00
Linn - 5103 System Controller - Linn 5103 inc DTS, no RF demodulator (Black) - Black	1 ea	5,500.00
AUTOMATION		
Linn - 5101 Personal Handset - Universal learning remote - Gray	1 ea	390.00
VIDEO		
Sony - DVP-NS715P - Progressive Scan DVD player -	1 ea	199.95
Sony - KP-65WV600 - 65" HI-SCAN 1080I® 16:9 PROJECTION TELEVISION -	1 ea	3,799.99
Sony - SLV-N99 - VHS Video Cassette Recorder -	1 ea	199.00
	Equipment	23,233.94
	Installation	1,215.40
	Wire & Cable	1,085.00
	Misc. Parts	1,493.33
Home Theater Grand Total		25,812.27

MASTER BEDROOM

This area includes the following products and features.

	<u>Qty</u>	<u>Ext Price</u>
AUDIO		
Linn - Classik Speaker System - Complete 5 speaker surround system with subwoofer -	1 ea	1,995.00
Linn - Classik Movie System - Knekt/connectable integrated CD/Pre-amp/Power amp/Tuner DVD player (Black) - Black	1 ea	2,950.00
VIDEO		
Sony - KV-27FS13 - 27" FD Trinitron® WEGA® TV -	1 ea	549.99
Sony - SLV-N99 - VHS Video Cassette Recorder -	1 ea	199.00
	Equipment	5,693.99
	Installation	2,641.95
Master Bedroom Grand Total		<u>5,693.99</u>

Product Summary

AUDIO

- 1 ea Linn - Classik Movie System - Knekt/connectable integrated CD/Pre-amp/Power amp/Tuner DVD player (Black) - Black
- 1 ea Linn - 5103 System Controller - Linn 5103 inc DTS, no RF demodulator (Black) - Black
The heart of the finest multi-channel music and cinema systems providing powerful and flexible control and signal handling for hi-fi, home cinema and multi-room sound.
- 2 ea Linn - 5125 - Five channel power amplifier (Black) - Black
The Linn AV 5125 5-channel Class V modular power amplifier features the latest Linn switch mode power supply and amplification technology.
- 1 ea Linn - Melodik - Single Aktive isobarik bass extension loudspeaker (Black) - Black
- 3 ea Linn - Ekwil - Single channel speaker (Black) - Black
Center speaker designed to optimize both voice and music for a totally absorbing cinematic experience.
- 1 ea Linn - Classik Speaker System - Complete 5 speaker surround system with subwoofer -
Designed specifically for the highly acclaimed CLASSIK Movie and CLASSIK Music Systems, the Linn CLASSIK Loudspeaker Package is a music and cinema loudspeaker solution. Five small, attractive and discrete CLASSIK UNIK loudspeakers provide superb pitch accurate dynamic sound suitable for front, centre and rear channels. The compact CLASSIK AFEKT bass reinforcement loudspeaker delivers the deep clean bass essential for realistic home cinema. CLASSIK Loudspeakers are also simple to install



AUTOMATION

- 1 ea Linn - 5101 Personal Handset - Universal learning remote - Gray
Programmable, high-power, long range, infra-red remote control for hand held or table top operation



VIDEO

- 1 ea Sony - KP-65WV600 - 65" HI-SCAN 1080i® 16:9 PROJECTION TELEVISION -

It's the television you've been dreaming of ... Sony's KP-65WV600 65-inch Hi-Scan 1080i® 16:9 Projection TV. Featuring a New HD MicroFocus™ CRT and Lens System, New DRC™ MultiFunction V1 Circuitry, a New HD Detailer™ Wideband Video Amplifier, New ClearEdge VM™ Wideband Velocity Modulation, and a DVI-HDTV Interface, this TV enables the extraordinary. In addition, this New 720p Input Capable TV features New Memory Stick® Media Playback (JPEG) so you can view digital images from your digital camera! Also enjoy the sound experience that our DAC Speaker System (20Wx2), Simulated Surround Sound, and TruSurround™ SRS 3D Audio Effect features project. You want entertainment excitement and jaw-dropping impact? Choose the KP-65WV600.



- 1 ea Sony - KV-27FS13 - 27" FD Trinitron® WEGA® TV -

TV provides the entertainment experience you've been waiting for. Featuring Enhanced Stereo Sound, a 3-Line Digital Comb Filter, Matrix Surround™ Sound, and 16:9 Enhanced Mode, this TV's sharp images and rattling sound will amaze you from the moment you press the power button. Utilize convenience features like Jump Channel and Speed Surf™ Channel Selection when you feel like surfing. You want entertainment? The wait is over..



- 1 ea Sony - DVP-NS715P - Progressive Scan DVD player -

Enjoy beautiful film-like performance with Sony's DVP-NS715P Progressive Scan DVD Player. You'll find yourself bewildered by the benefits this player has to offer. Our Full 3-2 reverse conversion faithfully reproduces the films frame structure within a video source, and the 12-bit 108 MHz digital to analog converter for 480P output delivers smoother gradation for more realistic recreation of DVD video. Enjoy CD-R/CD-RW, DVD-R/DVD+RW, DVD-RW (Video Mode), and MP3 Playback, and utilize our Dolby Digital and dts digital output. Our Digital Video Enhancer improves crisp contrast and picture detail, while our TV Virtual Surround System generates the effect of surround sound speakers.



- 2 ea Sony - SLV-N99 - VHS Video Cassette Recorder -

The new SLV-N99 VCR is here. You won't believe the quality picture you see as you watch our Reality Regenerator™ picture enhancement circuitry at work. Additional features include an Advanced Quickset™ timer dial with Station ID, VCR Plus+® Gold, a Favorite Channel List with Station ID, and Cable Mouse® Control Capability for cable boxes and satellite receivers. Recording was never so easy.



ADDITIONAL FEES

Documentation, Phase 1

\$25.00

Digital Photos of the prewire and final installation taken, cataloged and stored on the our server. Detailed photos of significant details of the installation that would be important for future servicing of the system. As Built one line wiring diagrams detailing connection points, splice points and wiring color coding. List of the serial numbers of components installed. Owners manual packet of all product owners manuals. CD ROM with electronic versions of these items.

Project Management, Phase 1

\$1,060.91

Meetings designed to facilitate the seamless integration of the electronic systems with the home. These meetings may be with the Architect, Interior Designer, Contractor, Electrician, Cabinet Maker and other related companies. Verification of project progress so that we may schedule ordering of materials, products, programming and installation as needed to insure work needed on the electronic systems dovetail at the appropriate times with the project schedule. Project site visits to resolve questions or conflicts of the electronic systems with other items in the home. Project quality control checks at the prewire, cabinet installation and final installation to insure systems are delivered as intended by the system design document.

Design/Engineering, Phase 1

\$578.56

Design and Engineering of the following electronic systems: Home Theater, Whole House Music, Cable TV Distribution, Phone/Intercom Distribution and Security System. Create wiring schematics and packaging information to be incorporated by the architect in the design of the cabinetry and housings for the various electronic items.

Your needs and desires are evaluated and systems are specified to fulfill those desires and needs. Your personality and lifestyle are discovered and strategies on how to integrate the home electronic systems into the your lifestyle for the least intrusiveness and highest benefit are developed. Architectural schematic design is reviewed for its impact on the home's electronic systems and integration of these systems into the aesthetic program. Basic priorities are set and dialog with the architect and interior designer occurs on the impact of any electronic component on the home's architecture. Preliminary packaging issues are resolved so that any architectural changes necessary can be integrated into the design concept.

Concepts approved by the you are developed. Detailed one line wiring diagrams are produced detailing what wiring is to be run from point to point. System operation issues are dealt with by appropriate wiring types, wiring configuration and components. Speaker and control locations are specified, control types and preliminary product selections are made based on the system architecture, performance issues and priorities.

Subtotal \$1,664.47

TECHNICAL SERVICE FEES

5.1 Home Theater Audio, Phase 1

\$1,000.00

Calibration of a 5.1 Home Theater Audio System.

Check of left, center, right, left surround, right surround and subwoofer channel connections and phasing using test DVD disc.

Verify and adjust proper level of left, center, right, left surround, right surround and subwoofer according to industry standards using a calibrated level meter and the built in tone generator of the audio video receiver or processor.

Verify proper operation of Dolby Digital Decoding and DTS decoding by playing discs encoded with these surround modes on the DVD player in the system.

Confirm cable box Digital output operation as may be provided or not provided by Oceanic Cable

Subtotal \$1,000.00

TRAVEL & EXPENSES

Travel, Phase Trim

\$30.00

Travel charges per installer per trip is charged to the client to account for labor and vehicle expenses.

Travel, Phase Final

\$30.00

Travel charges per installer per trip is charged to the client to account for labor and vehicle expenses.

Travel, Phase Prewire

\$30.00

Travel charges per installer per trip is charged to the client to account for labor and vehicle expenses.

Subtotal \$90.00

Total Fees and Services \$2,754.47

CLIENT

John & Mary Smith
1258 W Madison Avenue
New York, NY 756937

Home Phone: 768-309-4857
Work Phone: 768-309-7554
Mobile: 768-309-4556
Fax: 768-309-6745

SYSTEM CONTRACT

Description

The attached equipment quotes, installation estimates and project descriptions are to be referred to as the proposal. All equipment, labor and materials quoted are valid for 30 days after receipt of proposal. Any changes or modifications to this proposal can only be made by EME Audio & Video.

Payments

All payments for this proposal must be made in accordance with stated dates and payment terms.

Service Calls After Installation

Service calls performed due to component failure will be billed for at time and materials, even if the component is under warranty.

Change Orders

Any requested changes or deviations from this proposal will be considered a "change order". Change orders must be presented to the client and signed for by both the client and EME Audio & Video. EME Audio & Video reserves the right to substitute any piece of equipment in this proposal in case of unavailability or discontinuation for an equal or greater value model. EME Audio & Video is not responsible in any way for a product's discontinuation or unavailability.

Drywall, Painting and Carpet

EME Audio & Video is not responsible for repairing, re-patching or re-painting drywall. The client will always be consulted before any unanticipated drywall cuts are made. EME Audio & Video is not responsible for painting of exposed wiring or conduit. EME Audio & Video is not responsible for re-stretching of carpet.

Special Order Products

All special order items must be paid for in full before they are ordered. Any items specially ordered are non-returnable and non-refundable.

System Design

Designing a system and preparing a proposal can take several hours. An hourly rate will be charged for system design.

Labor Rates and Billing

All labor and materials totals are estimates only. All work performed and materials used will be itemized and billed for. Often a "materials charge" is billed to account for miscellaneous things like wall plates, connectors and general installation supplies. All labor performed will be billed by the following:

General Installation: \$70.00 per hour/per man.

Basic Programming: \$249.00 per Pronto remote control. Flat rate, not hourly.

Out of Area Installation: \$75.00 per trip to job site.
System Design: \$70.00 per hour/per man

Remote Control Programming

If remote control programming is part of this proposal, it will be itemized in the labor estimate. Remote control programming will be done at our programmer's discretion. Requested programming changes or additions to original program will be billed at our current hourly labor rates.

Return Policy

If for any reason you should be dissatisfied with your purchase of regularly stocked merchandise, you may, within one week, return it for a refund of the full purchase price or return it for store credit towards other purchases. Returned equipment must be in original condition with all boxes, accessories, packing instructions, warranty cards and remote controls. Merchandise returned without meeting these conditions will be subject to a 15% restocking charge. A sales receipt must accompany all requests for adjustments. All products purchased from display are purchased as is and are non-refundable. All labor performed and materials used for installation of returned products are not refundable.

Equipment Cabinets and Wall Units

In the event a wall unit or equipment cabinet is installed after the final installation phase and requires additional trips for re-installation or un-installation of equipment, EME Audio & Video will charge for time and materials to re-install equipment. It is your cabinetmakers responsibility to measure equipment being installed into a custom wall unit. Most equipment is available on the sales floor for measurement. The measurements provided in the product literature handouts are not always accurate.

Picture-in-Picture (PIP)

The PIP feature is NOT a standard part of our home theater installations. PIP is only designed to work with a stand-alone TV, connected directly to Cable with no cable boxes. Making PIP work with a home theater, cable box or satellite receiver requires additional wiring, equipment, remote control programming and extensive user training. Request for PIP requires an additional site evaluation and proposal from the Wilshire Custom Installation Department.

Completion

EME Audio & Video agrees to perform all installation services outlined in this proposal in a timely and professional manner according to industry standards. Time and Materials
SALES AND INSTALLATION CONTRACT

GUARANTEE

EQUIPMENT: Each component in a custom-installed system is warranted by its manufacturer. The terms and lengths of these coverage's may vary.

INSTALLATION: Flanner's Audio & Video warrants residential installations against defects in materials and workmanship to two years from the date of the project's completion.

ITEMS NOT COVERED: This warranty does not cover failures due to abuse, lightning strike (we recommend surge protection products on all our installations; the surge protection manufacturer may offer some warranty against electrical surge damage) water damage or other similar natural occurrences. This warranty does not cover costs of removal and reinstallation of any defective components covered by a manufacturer's warranty. Routine maintenance is not covered.

PAYMENT TERMS

		Payment
Deposit	Due when the proposal is accepted and signed.	4,020.96
1 - Prewire	Due 10 days before the installation prewire phase.	12,062.89
2 - Trim	Due 10 days before the installation trim phase.	12,062.89
3 - Final	Due 10 days before the installation final phase.	8,041.92
Retainer	Due at the completion of the installation.	4,020.96

ELECTRONICS & INSTALLATION

Equipment	28,927.93
Installation	3,857.35
Wire & Cable	1,493.33
Misc. Parts	1,085.00
Additional Fees	2,754.47
Total	\$38,118.08
Tax	2,091.54
Grand Total	\$40,209.62

PRICE GUARANTEE

Products & Installation prices are estimated.

Total price will consist of installed products & actual installation.

Prices quoted are guaranteed until: 11/19/2002

PLEASE SIGN & RETURN THIS CONTRACT

Date: Authorized Signature - John & Mary Smith

Date: Jim Engandela, Software Developer
Cell: 715-287-3335 Email: horizon@triwest.net

GUARANTEED PERFORMANCE

INSTALLATION SERVICES AND RESPONSIBILITIES

- * Supervise all phases of the installation
- * Provide design assistance for cabinetry to house A/V equipment.
- * Review blueprints of equipment cabinetry, for dimensions, ventilation and wire management.
- * Coordinate work performed by other trades, such as electrical requirements, carpentry. etc.
- * Provide in-home training of system operation upon completion.

LABOR WILL INCLUDE

- * Pre-wiring of all speaker, volume and remote control and equipment location by electrician.
- * Installation of all in-wall speakers and controls.
- * Installation of all listed equipment.
- * Programming of TV and radio stations and remote controls as required.
- * Testing of all system functions.

MATERIALS WILL INCLUDE

- * Trim plates for all in-wall controls.
- * Audio & video interconnect cables an FM antenna.
- * Antenna/cable distribution network only if specified.
- * Meetings with architects, designers and contractors are subject to consultation charges.

SERVICE AND WARRANTIES

Manufacturer warranties for all new components will be in effect from completion, system failures due to any cause other than abuse, damage, or acts of God will be repaired at no charge for thirty days from that date of completion. If required, in-home service calls to troubleshoot, remove and reinstall defective components will be available at out customary rates after thirty days from completion.

Accept System Service Agreement _____ client initials _____ rep initials

I accept the system service option. ListenUp will trouble shoot, diagnose, and correct any system defects for no additional charge, except those caused by operator error. Defective components will be located, removed, repaired, and reinstalled at no additional cost, including pickup and delivery.

This warranty applies only to products listed in exhibit A.

5yr Service Agreement Fee: _____

Decline System Service Agreement _____ client initials _____ rep initials

I decline the system service agreement. I acknowledge that the only warranties applicable to this purchase are those provided by the equipment manufacturers, and that such warranties, unless otherwise stated in writing, only cover the repair of equipment delivered by the purchaser to an authorized repair center. System diagnosis, removal, reinstallation, pickup, delivery, training, and operator error are excluded from coverage and, when provided, they will incur extra charges at the ListenUp prevailing labor and material rates.