

(d) Any rights, such as but not limited to music publishing rights in and to music in the productions, not specifically licensed to Licensee hereunder are reserved to Licensor.

1. Intentionally deleted.

2. LICENSED RIGHTS: Licensor hereby grants to Licensee, and Licensee hereby accepts, the exclusive and irrevocable right and license to exploit in the media licensed and to advertise, market and otherwise exploit in all media certain rights (the "Licensed Rights") enumerated below with respect to the Productions set forth above, and to sublicense and otherwise authorize others to do so, during the Term and the Sell-off Period (as defined below), in the Territory (defined below) and in accordance with these "Basic Provisions" and the "General Terms and Conditions" attached hereto as Exhibit "A" and made a part hereof; the "Licensed Rights" are as follows and are defined in the attached Terms and Conditions.

(a) Video and Digital/Electronic Rights: (i.e. video rights, digital rental rights, digital sell-through rights, and commercial video rights)

Video/DVD	[yes]
Digital/Electronic Rental:	[yes]
Digital/Electronic Sell-Through:	[yes]
Commercial Video Rights:	[yes]

(b) Television Rights: [yes]

(c) Cinematic Rights: (i.e. theatrical rights, non-theatrical rights, public video rights, airline rights, ship rights)

Theatrical:	[yes]
Non-Theatrical:	[yes]
Public Video:	[yes]
Airline:	[yes]
Ship:	[yes]
Hotel:	[yes]

(d) Interactive Media (solely to the extent controlled by Licensor): [yes]

(e) Merchandising (solely to the extent controlled by Licensor) : [yes]

2A. SPECIAL RIGHTS PROVISIONS

(a) SPECIAL PROVISION RE: THEATRICAL WIDE RELEASE:

(i) If, at the time of a submission of a Production, Licensor owns, acquires, and/or controls Cinematic Rights (or any portion thereof) in and to such Production, then, such submission shall include a written statement ("Wide Release Notice")

as to whether Licensor is submitting the Production for possible "Wide Release". "Wide Release" shall mean the simultaneous first run release of the Production in not less than the top fifteen (15) United States markets and on not less than an aggregate of five hundred (500) screens exhibiting concurrently.

(ii) If Licensor does not seek to have a Wide Release of such Production and, if the Production is accepted by Licensee for distribution pursuant to paragraph 1(b) above, then Cinematic Rights (defined below) in and to the Production automatically shall be granted to Licensee (such rights shall be considered Licensed Rights for purposes hereunder), and the parties shall evaluate a potential Limited Theatrical Release as provided in paragraph 2A(c) (below).

(iii) If Licensor seeks to have a Wide Release of such Production, then Licensee shall have fourteen (14) days following receipt of such Wide Release Notice to notify Licensor if Licensee or, at Licensee's designation, its affiliate _____ ("_____"), seeks to negotiate for Wide Release Rights (defined below). If Licensee, or its affiliate, elect to negotiate for such Wide Release Rights, then parties shall negotiate in good faith for a period of up to thirty (30) days ("Negotiation Period") for the licensing by Licensee (or _____) of Cinematic Rights for Wide Release ("Wide Release Rights").

(iv) If Licensee elects not to negotiate for Wide Release Rights, or, if Licensee (or _____) and Licensor fail to conclude an agreement for Wide Release Rights during the Negotiation Period, then Licensor shall be free to offer the Wide Release Rights to others on such terms as it may determine; provided that if Licensor proceeds to negotiate with third parties and if Licensor fails to conclude an agreement with a third party for Wide Release Rights within ninety (90) days ("Licensor's Wide Release Sales Period") following the Negotiation Period, then Licensor shall notify Licensee of same in writing, and, although Licensee shall have no obligation to accept the Production for distribution under this Agreement, Licensee, at its election, may nevertheless accept the Production for distribution hereunder, by providing, written notice to such effect in which case Cinematic Rights shall automatically be granted to Licensee hereunder. If during Licensor's Wide Release Sales Period, Licensor concludes an agreement with another party for Wide Release Rights, then Licensor shall have no further obligation to Licensee with respect to the Licensed Rights in and to such Production in the United States.

(b) SPECIAL PROVISION RE: LIMITED THEATRICAL RELEASE:

(i) If Wide Release Rights are not licensed by Licensee or a third party, then the parties shall mutually evaluate a potential Limited Release based on market conditions at the time, it being understood that Licensee's decisions whether to have a Limited Release, the scope of such Limited Release, and the amount of print and advertising ("P&A") and theatrical marketing costs ("P&A and Theatrical Marketing Commitment") for such Limited Release shall be determinative.

(ii) If Licensee elects to engage in a Limited Release then Theatrical Rights and any other available Cinematic Rights are automatically granted to Licensee and shall be considered Licensed Rights for purposes herein. Licensor shall have the right but not the obligation to contribute a portion of the P&A and Theatrical Marketing

Commitment; however Licensee shall be obligated to put up the P&A to the extent Licensor does not elect to do so consistent with Licensee's determination as to the extent of the need therefor.

(iii) If Licensee elects not to engage in a Limited Release, Licensor may furnish the entire P&A and Theatrical Marketing Commitment in which case (i) Licensee may then elect to engage in a Limited Release under the terms hereof (by written notice to be provided within three (3) business days) in which case Theatrical Rights and all other available Cinematic Rights are automatically granted to Licensee and shall be considered Licensed Rights for purposes herein, or, if not, (ii) Licensor may offer the Theatrical Rights for the purposes of a Limited Release to third parties with no obligation further obligation to Licensee.

(iv) If Licensee engages in a Limited Release, and Licensor contributes any portion of the P&A and Theatrical Marketing Commitment then Licensor's contribution shall be recoupable from Gross Receipts actually received by Licensee from the exercise of Theatrical Rights as a P&A and Theatrical Marketing Commitment cost for theatrical distribution pari passu and pro rata with Licensee's recoupment of its contribution from same, it being understood that any of Licensor's and Licensee's unrecouped P&A and Theatrical Marketing Commitment costs may be recouped "off the top" from the Gross Receipts of any other source hereunder.

(v) If Licensee engages in a Limited Release, and Licensee contributes all of the P&A and Theatrical Marketing Commitment then same shall be recoupable "off-the-top" from any Gross Receipts hereunder as a P&A and theatrical marketing cost for theatrical distribution.

(vi) Notwithstanding anything else herein, if, after submission of a Production, but prior to the expiration of the Distribution Term of any Production, Licensor owns, acquires, and/or controls Cinematic Rights (or any portion thereof) in and to same and Wide Release Rights have not been acquired by Licensee or licensed by Licensor (pursuant to 2A(b) above), then such rights shall be automatically granted to Licensee and the parties may mutually evaluate a possible limited theatrical release pursuant to this 2A(c), but Licensee's decision shall be final.

(vii) Gross Receipts received in connection with the Limited Release of the Production shall be allocated in accordance with Paragraph 6 below.

(viii) If Licensee accepts a Production for distribution hereunder and subsequently fails to commence distribution or sale of the same either theatrically and/or television or by means of Video/DVD within twelve (12) months after delivery of elements (meeting Licensee's requirements for quality control) therefor, then at Licensor's written request, Licensee shall re-assign to Licensor any and all rights granted hereunder and Licensee shall have no further interest in such Production.

3. TERM/EXCLUSIVITY:

(a) The period (the "Term") during which Licensor shall submit proposed Productions hereunder shall commence as of the effective date hereof and shall continue for

three (3) consecutive years (each a “contract year”) following accepted delivery of the first Production.

(b) Licensee’s exclusive Distribution Rights (defined below) in and to each Production (“Distribution Term”) shall commence when all materials required to be delivered have been delivered (and accepted by Licensee) and shall continue as for a period of not less than _____ years plus a non-exclusive six-month period following the Distribution Term for such Production within which to sell-off existing inventory manufactured in commercially reasonable quantities prior to the end of the Distribution Term. Notwithstanding the foregoing, if any Production is released theatrically per the provisions of paragraph 2A(a) or 2A(b) above, then the Distribution Term for said Production shall be a period of not less than fifteen (15) years plus a non-exclusive six-month period following the Distribution Term for such Production within which to sell-off existing inventory manufactured in commercially reasonable quantities prior to the end of the Distribution Term.

4. TERRITORY: The territory (“Territory”) shall mean the United States, its possessions and territories including Puerto Rico, Canada, Australia and the United Kingdom, however, the Territory shall include the rest of World, or any portion thereof, to the extent available, if Licensor, in its sole discretion, elects to grant such rights.

5. ROYALTIES FOR VIDEO/DIGITAL RIGHTS:

(a) In connection with the exploitation of the Licensed Video and Digital/Electronic Rights, and provided that Licensor is not in default of any of its obligations hereunder, Licensee shall pay to Licensor an amount equal to the following applicable percentages of Adjusted Gross Receipts actually received by it from exercise of Video and Electronic Rights which shall be fully cross-collateralized with adjusted gross receipts from other licensed uses for the same production, but not with those of any other Production:

(i) In the case of any Production _____ as to which Licensee agrees to pay an advance, the percentage shall be ninety (90%) percent; or

(ii) In the case of any Production for which no advance is agreed to the percentages shall be one hundred (100%) percent until such time as either (A) Adjusted Gross Receipts from all sources equal \$ _____ at which time the percentage shall be reduced to ninety (90%) percent as to Adjusted Gross Receipts in excess of that amount or (B) the going in budget (i.e. final budget arrived at prior to commencement of photography, net of completion bond, financing and contingency) for the Production is in excess of \$ _____ in which event the percentage shall be decreased to ninety (90%) percent at the time and with respect to Adjusted Gross Receipts available when Adjusted Gross Receipts from all sources for the Production exceed the going in budget for the Production

(b) “Gross Receipts” shall mean all monies actually received, used, or credited to and earned by Licensee or on its behalf for (i) the license, sale, rental or other exploitation of Video devices without deductions for products that are returned, and (ii) the exploitation of digital rights by means of Digital/Electronic Rental and Sell-Through it being understood that sales taxes, turnover taxes and the like, and any monies received by

Licensee in the nature of refundable advances or security deposits, or deposits or periodic payments until such monies are earned or forfeited or otherwise become non-refundable shall not be considered as included in Gross Receipts. If any Production is licensed or sold in a package with other productions, proceeds will be allocated among all applicable production in good faith on a reasonable and non-discriminatory basis.

(c) Notwithstanding anything to the contrary contained herein, for the purposes of calculating Gross Receipts hereunder, Licensee shall, at its election (which election may be made in Licensee's sole discretion), either: (i) to the extent reported and accounted to Licensee, treat any receipts earned and received by an unaffiliated subdistributor and any distribution costs incurred by such subdistributor as though such receipts were received and earned by Licensee and such distribution costs were incurred by Licensee provided, however, that Licensee's applicable Distribution Fee shall include the subdistributor's distribution fee, and the licensing or other arrangement between Licensee and such subdistributor shall not be taken into account in Licensee's accounting to Licensor under this paragraph or (ii) treat any net monies actually received by Licensee from the subdistributor as Licensee's Gross Receipts. Licensee may elect option (i) or (ii) above at any time or times as to each subdistributor and/or licensing agreement. If Licensee assigns Cinematic Rights to _____, then _____ shall in no event be treated as a subdistributor and the distribution fees and distribution costs applicable to such distribution shall be those normally charged by _____ Films.

(d) Adjusted Gross Receipts "Adjusted Gross Receipts" shall mean Gross Receipts (as defined above) after deduction in the following priority of: (i) distribution fees equal to _____ percent (___%) of Gross Receipts, inclusive of fees of sub-distributors, provided, however, that in the case of Gross Receipts from a subdistributor as to which election (c)(ii) in the preceding subparagraph applies, Licensee shall be entitled to deduct a ___ percent (___%) sales agency fee based on the net monies so received in lieu of the above-specified distribution fee; and provided further that the resulting fee in either case is subject to adjustment as provided in paragraph 11(d)(ii) credits, discounts, rebates, incentives, co-op, settlements, allowances and deductions for products returned, unless any such item has been otherwise deducted in computing Gross Receipts; (iii) costs of collection; (iv) foreign currency exchange costs; (v) actual out-of-pocket costs for digital linear tape ("DLT"), authoring, mastering, artwork design, and of "bonus" or added material, and of the like; (vi) all manufacturing and production costs, including but not limited to out-of-pocket costs of physical materials (including, for example, prints, tapes, disks, pre-production materials and the like) including any costs of preparation or distribution of product distributed digitally; (vii) payments and costs incurred by Licensee to third parties for distribution and related charges; (viii) out-of-pocket direct advertising and marketing costs with the understanding that if these costs are incurred in connection with various products including the Production hereunder, such costs shall be allocated in good faith on a reasonable and non-discriminatory basis by Licensee among such product and shall in any event include an appropriate charge for costs of conventions, trade shows, festivals and trade association dues; (ix) any costs incurred in connection with Licensee's institution of and/or maintenance or defense of any claim by or naming Licensee affecting rights granted by Licensor hereunder; (x) any third party participations and/or music payments and/or payments under any collective bargaining agreement (whether paid or accrued) and any costs incurred in the administering the same that Licensee agrees to or becomes obligated to assume hereunder;

(xi) in the case of scan based trading all costs of such sales including but not limited to costs of goods, co-op, discounts, and of marketing, selling and distributing the same, and (xii) any other direct out-of-pocket costs paid to third parties of a similar or dissimilar nature actually incurred in connection with exploitation of rights hereunder.

For purposes of clarity, Licensee agrees that in computing costs there shall be no double deductions of costs, e.g. if a cost is deducted in computing Gross Receipts it shall not also be deducted in computing Adjusted Gross Receipts; deductions of costs are for actual out-of-pocket costs (net of any rebates or adjustments which reduce the amount thereof) paid or incurred and paid to unaffiliated third parties, it being understood that such deductions shall be exclusive of any mark up payable to Licensee or payments for overhead, employee salaries or in-house facilities or services.

6. ROYALTIES FROM SOURCES OTHER THAN VIDEO/DIGITAL RIGHTS:

(a) Licensee shall pay to Licensor sums equal to the applicable percentages (of Adjusted Gross Receipts actually received by it from exercise of Licensed Rights other than Video and Digital/Electronic Rights distribution, e.g. from theatrical and non-theatrical exhibition, Commercial Video, television, Interactive Media, Merchandising and any exploitation of any other rights licensed hereunder other than those enumerated above as Video/Electronic Rights, which royalties shall be fully cross-collateralized with the royalties from Video/Digital rights for the same Production and *vice versa* but not for any other Productions . The “applicable percentages” shall be determined by reference to paragraph 5(a)(i) and (ii) above.

7. RESERVES; FREE GOODS; RESIDUALS:

(a) In the case of Video Rights, Licensee may retain a reasonable reserve for returns of any products sold pursuant to exploitation of the Licensed Rights in each quarterly period, in a reasonable time period not exceeding nine (9) months after a reserve is set up in each instance taking into account current business and market conditions and based upon Licensee's business judgment.

(b) Licensee shall be permitted to distribute up to _____ (___%) of any products sold pursuant to exploitation of the Licensed Rights hereunder for promotional and review purposes without the payment of royalties.

(c) Licensee shall assume and pay any union residuals that may become payable as shown on the Residual Schedule to be delivered hereunder (see Exhibit DM) on account of its distribution of a Production hereunder, it being understood that all such payments (and the costs of processing the same) shall be treated as additional distribution costs hereunder but shall be charged against and recoupable out of Licensor's share of Adjusted Gross Receipts, including advances (if any are agreed to).

8. ACCOUNTINGS:

(a) Licensee agrees to account and pay Licensor its royalties hereunder on a calendar quarterly basis within sixty (60) days after the end of the Licensee's fiscal quarter following the initial release of the Production and sixty (60) days following each calendar quarter thereafter for five (5) years following the rendition of the first statement that is rendered; thereafter such accountings and payments, if any, shall be on a semi-annual basis. Each such accounting shall set forth in reasonable detail the amounts and sources of revenue and, where applicable, the permitted deductions therefrom. Licensor or its designee shall have the right, upon reasonable written notice, not more than once in each calendar year, to engage a firm of licensed, independent, certified public accountants to examine and take excerpts from Licensee's books and records as they pertain to this Agreement, which examination shall be conducted for no more than thirty (30) days at Licensee's principal offices (as designated by Licensee) during normal business hours and shall not unreasonably interfere with Licensee's normal business operations. Any such independent certified public accountants shall, upon Licensee's request, sign an appropriate confidentiality agreement. If any such examination results in a conclusion that monies earned for the period were under-reported and/or costs deducted (if applicable) during the period were overstated and if as a result thereof any payment is due, Licensee shall forthwith pay the balance due. Any statement that is rendered hereunder that is not contested within twenty four (24) months shall be final and incontestable as to matters shown thereon.

(b) If any foreign receipts are frozen or unremittable, Licensee will notify Licensor to such effect and upon Licensor's written request and upon condition that the same shall be permitted by authorities of such foreign country, transfer to Licensor, at Licensor's cost and expense, in such foreign country and in the currency thereof such part thereof to which Licensor would be entitled hereunder if the funds were transmitted and paid in the United States in accordance with the terms hereof. Licensee shall not be liable in any way for any losses caused by fluctuation in the rate of exchange or because of any failure to convert or remit any particular funds to the United States at any particular time or at a more favorable cost or rate of exchange than the cost or rate of exchange at which such conversion and remittance was accomplished, it being agreed that Licensor shall be bound by whatever arrangements Licensee may make for the conversion and remittance of foregoing funds and by whatever cost or rate of exchange is incurred for such conversion and remittance.

(c) Gross Receipts and Adjusted Gross Receipts for uses of the Production in all media shall be cross-collateralized for all purposes hereunder including without limitation the recoupment of any Advance(s) (if any are agreed to) and all permitted costs and expenses. If this Agreement covers more than one Production, then Gross Receipts and Adjusted Gross Receipts of such Productions shall not be cross-collateralized. As between Productions

9. VIDEO MARKETING EXPENSES: Marketing expenses in connection with the exploitation of Video Rights, excluding co-op and discounts, shall be capped at _____ percent (___%) of estimated Gross Revenues. Amounts in excess of such cap shall be subject to Licensor's prior approval.

10. MARKETING: For each Production, Licensee shall consult with Licensor with respect to (i) its marketing and promotion plans as the same pertain to the initial marketing campaign and thereafter as Licensee reasonably determines and (ii) the extent and nature of distribution, it being understood that in event of any dispute regarding (i) or (ii) Licensee's decision will be final.

11. MATERIALS TO BE DELIVERED:

(a) "Delivery" shall mean delivery to and acceptance by Licensee, in its reasonable discretion to be exercised in its sole discretion, of all delivery items (each a "Delivery Item" and the collectively the "Delivery Materials") referenced in the attached Schedule "DM" (the "Delivery Schedule"). The parties shall mutually determine (and confirm the same in writing) the time of delivery for each production to be delivered hereunder. (i.e. the "Initial Delivery Date" for each Production). At or prior to such Initial Delivery Date Licensor, at its sole cost and expense, shall deliver to Licensee at its address as set forth in the Basic Provisions, or such other place as Licensee may reasonably designate, the materials described in the Schedule DM (the "Delivery Materials"), in technically acceptable condition meeting Licensee's quality control (QC) requirements so that the Licensed Rights may be appropriately and professionally exploited. Licensee will review the Delivery Materials and will notify Licensor of any defects within thirty (30) days after delivery of all of the Delivery Materials. Delivery of the Delivery Materials shall be deemed complete when Licensee has approved the Materials by sending to Licensor a written notice of acceptance. If at the end of thirty (30) days no notice is given, Licensee is deemed to have accepted the Materials. In connection with Schedule DM it is agreed that Licensor's obligations as to theatrical trailers is only to deliver a "sales" trailer; any theatrical trailer would be made by Licensee or _____ and charged as a distribution expense.

(b) If Licensee shall notify Licensor of defects in the delivered Materials, Licensor shall within twenty (20) days after receipt of notice cause such defects to be corrected and new Materials to be made and delivered to Licensee. Such new Materials shall be subject to Licensee's approval, or deemed approval, as set forth above. Licensor shall pay the cost of manufacturing all such new materials. In the event that Licensor fails to correct any defect or to cause such new Materials to be delivered to Licensee within said twenty (20) day period, Licensee may proceed to exploit the Licensed Rights by use of the uncorrected delivered materials or may, upon written notice to Licensor, terminate this Agreement with no further liability or obligation to Licensor.

(c) Licensor shall make available to Licensee for copying and use, at Licensor's expense, such promotional materials not required pursuant to Schedule DM but nevertheless deemed appropriate by Licensee and as Licensor may have in its possession or to which it has access and which Licensee desires to use in exploiting the Licensed Rights hereunder.

(d) Licensor acknowledges that Licensee plans its release schedules based upon the delivery dates specified in this agreement or if none are specified then upon delivery dates which are mutually agreed upon between Licensor and Licensee; Licensor's failure to deliver a Production and to complete delivery as provided above, as agreed, shall

cause Licensee to not only postpone its release date but to incur additional expenses because of such delay. Because of this, Licensor agrees that if it fails to meet an Initial Delivery Date for any Production or fails to correct any defects within the time specified above, then the distribution fee which Licensee may charge for such Production shall be increased from the percentage amount specified in paragraph 5(d) above to a percentage which is five (5) percentage points greater.

12. OTHER BASIC TERMS: A courtesy copy of any notice given hereunder shall also be given to Licensee; Attention: Business Affairs Department,
_____.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

Licensee:

Licensor:

By: _____

By: _____

Its: _____

Its: _____

EXHIBIT A

GENERAL TERMS AND CONDITIONS

A. RIGHTS DEFINITIONS:

1. VIDEO/DIGITAL DEFINITIONS:

(a) **“Video”** means all forms of exploitation (including by means of rental or sales) of the Production, by means of a video cassette, laser disc, digital versatile disc (DVD), 8mm reproduction, HD-DVD, Blu-ray, or other delivery format or device, now or hereafter in existence or contemplated (each a “Videogram”), and any other method or delivery of the same whether now known or hereafter devised, intended for use in conjunction with a transmission device (other than “broadcast” as defined below) which causes a visual image, synchronized with sound, to be seen on the screen of a television receiver, computer, handheld device or other receiving device of any type whether now known or hereafter devised. Video uses include any linear uses of material embodied on a videogram as well as non-linear, i.e. interactive materials that are incidental thereto, e.g. materials that can be indirectly manipulated by the viewer of the Videogram.

(b) **“Digital/Electronic Rental”** means exploitation of a product embodied in an audio and/or video device or otherwise which is transmitted to a viewer by any means such as, but not limited to, internet streaming, download, or other internet protocol-based transmission, satellite, cable, or other means of digital or electronic transmission whether now known or hereafter devised for output, display, and viewing, by use of a decoding device or otherwise, on a basis whereby the viewer does not purchase or retain possession of the product but rather is granted the right to view the product for a limited period of time or a limited number of viewings. An example of Digital rentals is Video On Demand and various forms of such demand video, including so-called “Near” VOD and subscription video on demand (“SVOD”).

(c) **“Digital/Electronic Sell-Through”** means the exploitation of the Production embodied in an audio and/or video device which is transmitted to a viewer by any means such as, but not limited to, internet streaming, download or other internet protocol-based transmission/delivery, satellite, cable or other means of digital or digital transmission whether now known or hereafter devised for output, display, and viewing by means of a decoding device or otherwise on a basis whereby the viewer retains possession and purchases the product (examples of digital video sell-through are digital file downloads, “Download to Burn”, and download of ringtones, sounds, songs, images, wallpapers, and the like).

(d) **“Commercial Video”** means the exploitation of the Production embodied in a videogram only for direct exhibition before an audience by and at the facilities of either organizations not primarily engaged in the business of exhibiting motion pictures, such as in educational organizations, churches, restaurants, bars, clubs, trains, libraries, Red Cross facilities, oil rigs and oil fields, or by and at the facilities of governmental bodies such as in embassies, military bases, military vessels, and other governmental facilities flying the flag of the licensed territory, but only to the extent that

such exploitation is not otherwise utilized in the Territory as a form of Non-Theatrical exploitation. By way of clarification but not limitation, Commercial Video does not include Non-Theatrical, Public Video, Airline, Ship, or Hotel exploitation.

2. OTHER DEFINITIONS:

(a) **“Television Rights”** means the sole and exclusive rights to (and/or authorize others to) produce, broadcast, exhibit, distribute, perform, sell, lease, license, and otherwise dispose of, exploit, and turn to accounting any manner and by any means whether now known or hereafter devised, one or more television programs (herein singularly a “program” or “television program” and collectively “programs” or “television programs”) or series of programs of any type (including, but not limited to, film, tape, wire, disc, or other similar or dissimilar recordings whether now known or hereafter devised) based in whole or in part upon the Production; the term “broadcast” means the broadcast, transmission, and exhibition by means of television or comparable devices, methods and improvements now known or hereafter devised, over such facilities, including, but not limited to, “free”, and/or “cable”, and/or “pay”, and/or “satellite”, and/or “subscription” television as Licensee, it’s successors, assignees, and licensees may from at any time or times select under such sponsorships or type of sponsorship and/or on a sustaining (i.e. unsponsored basis).

(b) **“Cinematic”** means all forms of Theatrical, Non-Theatrical, and Public Video exploitation of the Production or excerpts, in the same or a different medium, therefrom defined as follows:

(i) **Theatrical** means exploitation of the Production only for direct exhibition in conventional or drive-in theaters, licensed as such in the place where the exhibition occurs, which are open to the general public on a regularly scheduled basis and which charge an admission fee to view the Production;

(ii) **Non-Theatrical** means exploitation of the Production only for direct exhibition before an audience by and at the facilities of either organizations not primarily engaged in the business of exhibiting motion pictures, such as in educational organizations, churches, restaurants, bars, clubs, trains, libraries, Red Cross Facilities, oil rigs and oil fields, or by and at the facilities of governmental bodies such as in embassies, military bases, military vessels, and other governmental facilities flying the flag of the licensed territory. By way of clarification but not limitation, Non-Theatrical does not include Commercial Video, Public Video, Airline, Ship or Hotel exploitation; and

(iii) **Public Video** means exploitation of a Production embodied in a videogram only for direct exhibition before an audience in a “mini-theater”, an “MTV theater”, or like establishment which charges an admission to use the viewing facility or to view the videogram, and which is not licensed as a traditional motion picture theater in the place where the viewing occurs.

(c) **Airline** means exploitation of a Production only for direct exhibition in airplanes, wherever located, which are operated by an airline flying the flag of any country in the licensed territory for which the Airline exploitation is granted, but excluding airlines which are customarily licensed from a location outside the licensed territory or

which are only serviced in but do not fly the flag of a country in the licensed territory. For the avoidance of doubt, nothing contained herein shall limit or disallow Licensee's rights to distribute Productions to airplanes via television or digital means.

(d) **Ship** means exploitation of a Production only for direct exhibition in ocean going vessels, wherever located, which are operated by a shipping line flying the flag of any country in the licensed territory for which Ship exploitation is granted, but excluding shipping lines which are customarily licensed from a location outside the territory or which are only serviced in but do not fly the flag of a country in the licensed territory.

(e) **Hotel** means the exploitation of a Production only for direct exhibition in living places, hotels, or motels by means of closed-circuit television systems or other interconnected systems where the telecast originates within or in the immediate vicinity of such living places.

(f) **"Interactive Media"** means exploitation of the Production's audiovisual material in videogame format by means of a computing device or other similar device or over the facilities of a communications system that allows the material to be directly perceived and manipulated by the user of the computing device or communications. Interactive Multimedia does not include any videograms which are licensed for Video or electronic usage hereunder, or any portions or excerpts of such videograms, notwithstanding that such videograms may contain incidental interactive segments or materials.

(g) **Merchandising** means the manufacture and distribution of products containing illustrations which are either taken from the Production, or elements thereof which relate to the Production and/or to one or more of the characters contained in the Production.

B. ADDITIONAL PROVISIONS REGARDING THE LICENSED RIGHTS:

3. Licensee may, without Licensor's prior approval: (i) incorporate into the Productions, in front of the main title, or at the end titles of the Production, Licensee's name, trademark, and/or logos; (ii) any advertisements/trailers for other Production of Licensee; (iii) add to the Production, at Licensee's sole cost and expense, (A) closed captions for the hearing impaired, (B) subtitles in other languages, or (C) promotional tags (commercials) to which Licensor consents; and (iv) change, add to, omit or edit the Production in order to conform with the requirements of community standards in the Territory or any part thereof and/or to comply with any technical requirements Licensee shall comply with all credit obligations of Licensor of which Licensor advises Licensee in writing and Licensee shall not edit or cut any such credits or any copyright notices, provided that an inadvertent failure to do so either by Licensee or a designee shall not be a breach hereof but Licensee shall cause the same to be cured as to elements thereafter produced, Divisions, subsidiaries and/or affiliates of Licensee may be purchasers of products sold or distributed pursuant to Licensee's exploitation of the Licensed Rights. For purposes of determining payments under this Agreement, the transfer of products to affiliates of Licensee shall be deemed to be sales. All such sales shall be conducted on an arms-length, good-faith basis by Licensee, consistent with its dealings with unaffiliated third parties for productions of third parties and Licensee's own productions.

4. At the expiration of the Term hereof, Licensee shall have the right for a period of six (6) months thereafter (the "Sell-off Period"), to sell off any existing video stock of inventory manufactured hereunder. All activity during such six (6) month period shall be subject to the Basic Provisions and to these General Terms and Conditions (including Licensee's right to recoup any unrecovered advance (if any is agreed to) and its obligation to account and pay royalties to Licensor), except that Licensee shall not have the right to manufacture additional inventory during the Sell-off Period.

C. TRAILERS, TEASERS; EXCERPTS:

Licensee may use excerpts from Productions for promotional purposes including by way of example in connection with trailers, teasers, and clips for distribution on any platform including but not limited to television, online-internet and handheld devices such as mobile phones and other units. If Licensee generates any income from uses in connection with these excerpts, the same shall be added to Gross Receipts as to which royalties are payable under this Agreement; if it is determined that any such uses cause Licensor to become liable for any applicable scale union residual payments, then Licensee shall reimburse Licensor for such residual payments upon receipt of invoices therefore.

D. REPRESENTATIONS AND WARRANTIES:

1. Licensor warrants, represents, and agrees with respect to each Production that, except as otherwise set forth in the Basic Provisions:

(a) Licensor is the owner of the Production and/or that it has the full right, power, legal capacity, and authority to enter into this Agreement, to carry out the terms hereof, and to grant to Licensee, the exclusive rights, licenses, and privileges herein granted to Licensee. The Production will be registered with the United States Copyright Office, registration number(s) [_____] Neither the Production nor any of the contents thereof, nor any other materials contained therein or synchronized therewith, nor any other materials delivered hereunder, including cover artwork, nor the exercise of any of the rights granted hereunder, shall at any time violate or infringe upon the copyright, literary, dramatic, Production, privacy, publicity, trademark, service mark, or any other right of any person or party or constitute unfair competition against or defame any person or entity. Licensor represents that a valid and subsisting United States Copyright exists on the Production and that during the Term (including the Sell-off Period) it will take all actions necessary to preserve such copyright protection.

(b) There are not now, nor during the Term (including the Sell-off Period) shall there be any liens, claims, encumbrances, legal proceedings, restrictions, agreements, or understandings which might conflict or interfere with, limit, derogate from, be inconsistent with, or otherwise affect any of the provisions of this Agreement, any of the representations and warranties of Licensor contained herein, or the enjoyment by Licensee of the rights granted to Licensee hereunder.

(c) Licensor owns and controls, and throughout the Term (including the Sell-off Period) hereof shall own and control, without any limitations, restrictions, or encumbrances whatsoever, the performance, exhibition, advertising, and all other rights

granted to Licensee hereunder in and to the Production and the materials delivered by Licensor and Licensor has obtained all necessary licenses and permissions as may be required for the full and unlimited exercise and enjoyment by Licensee of all of the rights herein granted to Licensee. All persons involved in the production of the Production including but not limited to production personnel and performers, have been or will be fully paid for their services by Licensor and Licensee shall have the right to use the names, likenesses, signatures and biographical information and materials pertaining to all persons involved in the production of the Production in connection with Licensee's exploitation of the Licensed Rights. Licensee will enjoy such rights as Licensor's licensee without hindrance on the part of any person, firm or entity whatsoever throughout the full Term hereof (including the sell-off period).

(d) Licensor shall, upon Licensee's reasonable request, provide for Licensee's inspection and copying of the underlying agreements establishing Licensor's right to enter into this Agreement and to grant the rights granted by it to Licensee hereunder.

(e) Licensor's warranties, representations, covenants, and agreements are of the essence of this Agreement and shall survive the termination hereof. None of Licensor's warranties, representations, or agreements shall in any way be limited by reason of any investigation or lack of same made by Licensee or on behalf of Licensee.

(f) Licensor warrants that it has secured and will maintain during the Term, plus three (3) years thereafter, so-called Errors and Omissions Insurance coverage naming Licensee as an added insured and with limits of not less than one million dollars (\$1,000,000) / three million dollars (\$3,000,000) with a twenty-five thousand dollar (\$25,000) deductible, and providing for a minimum of 30 days notice of cancellation.

(g) Licensor warrants that if the Production is licensed for theatrical release it has or is capable of being accorded an MPAA rating (or similar rating if MPAA is not available) that is no more restrictive than "R" and if licensed for television exhibition it is also capable of being accorded a comparable level of rating for free television release.

(h) Licensor warrants that it shall deliver a complete residual schedule pursuant to Schedule DM and agrees to indemnify Licensee against any penalties, fees, charges, expenses, and the like which Licensee incurs as a result of Licensor's failure to deliver a complete and accurate union residual schedule.

2. Licensee warrants, represents and agrees that, except as set forth in the Basic Provisions:

(a) Licensee has the full right, power, legal capacity and authority to enter into this Agreement and to carry out the terms hereof.

(b) Licensee warrants that it shall market and otherwise exploit the Licensed Rights (and each one) in good faith consistent with such terms as it may, in its reasonable business judgment and determination, so decide.

(c) Licensee shall include and cause others to include the following notice (or substantially similar language) at the beginning of the Production itself in

prominent type and in the Licensed Language: “WARNING: THE COPYRIGHT OWNER HAS LICENSED THIS PRODUCTION FOR PRIVATE HOME USE ONLY, ANY OTHER USE, INCLUDING, WITHOUT LIMITATION, COPYING, REPRODUCTION, HIRING, LENDING OR PUBLIC PERFORMANCE IN WHOLE OR IN PART, IS PROHIBITED BY LAW, VIOLATORS WILL BE SUBJECT TO PROSECUTION.”

E. INDEMNIFICATION; DEFAULT; WAIVER OF EQUITABLE RELIEF:

1. **Licensor’s Indemnity**: Licensor shall indemnify, save and hold Licensee harmless from all loss or damage arising out of or connected with any claim by a third party which is inconsistent with any of the recitals, agreements, representations, or warranties herein made by Licensor, and shall defend, at Licensor’s expense, against any third party claim asserted against Licensee arising out of any representations and warranties made by Licensor hereunder and/or Licensee’s exercise of the Licensed Rights and Licensor shall reimburse Licensee on demand for any payment made by Licensee at any time after the date hereof in respect of any liability or claim to which this indemnity relates (including reasonable outside attorneys’ fees).

2. **Licensee’s Indemnity**: Licensee shall indemnify, save and hold Licensor harmless from loss or damage arising out of or connected with any claim by a third party which is inconsistent with any of the recitals, agreements, representations, or warranties herein made by Licensee, and shall defend, at Licensee’s expense, against any third party claim asserted against Licensor arising out of any representations and warranties made by Licensee hereunder and shall reimburse Licensor on demand for any payment made by Licensor at any time after the date hereof in respect of any liability or claim to which this indemnity relates (including reasonable outside attorneys’ fees); provided that such payment is due to a claim which has resulted in an adverse final judgment against Licensor, or a settlement approved by both parties.

Default; Waiver of Equitable Relief: In the event of a failure or omission of any of either party’s obligations hereunder, the other party reserves all of its rights to enforce the provisions hereof provided that (a) Licensee’s rights shall include the right to offset payments due Licensor hereunder against any amount of damages incurred as a result of Licensor’s breach and (b) notwithstanding the foregoing, Licensor expressly agrees that Licensor’s sole remedy shall be the right, if any, to seek damages in an action at law, and Licensor hereby waives any right or remedy in equity, including any right to terminate this Agreement, to rescind Licensee’s right, title, and interest in and to the Licensed Rights, or to enjoin, restrain, or otherwise impair in any manner the distribution, licensing, advertising or any other exploitation of the Production hereunder except that Licensor reserves all rights at law or in equity to prevent any distribution by Licensee or under its authority outside of the Territory or subsequent to the expiration of the license of rights licensed hereunder; provided that in the case of exhibitions made in the Territory which are inadvertently received in other territories Licensee agrees only that Licensee shall use reasonable efforts to maintain geofiltering (DRM) and other means to avoid such exhibitions but failure to prevent the same shall not be a breach of this agreement or permit Licensor to attempt to enjoin any uses of the production within the Territory.

F. FORCE MAJEURE:

If production of the Production (if not yet Produced) or exhibition or distribution of the Production is interrupted or interfered with by reason of any Act of God (flood, fire, earthquake, and any similar or dissimilar catastrophe), war, riot, strike, labor dispute, or any other contingency beyond the control of Licensor and/or Licensee, as the case may be, then in any such event, neither party shall have any responsibility for its non-performance by reason of the happening of such contingency, and as long as such event continues, production or distribution (as the case may be), or both, of the Production shall be suspended during the happening of any such contingency and thereafter until production or distribution, or both, may be resumed.

G. GENERAL PROVISIONS

1. **Notices:** All notices required to be given hereunder shall be in writing and shall be delivered personally, electronically, or by express, certified or registered mail to the respective addresses of the parties hereto set forth elsewhere in this Agreement or at such other addresses as may be designated by written notice. Delivery of any notice shall be deemed conclusively made (i) if personally delivered, at the time of delivery, (ii) if delivered by transmittal over electronic or telephonic transmitting devices (such as facsimile or email transmission) to the addressee's telecopier number or email address, at the time of transmittal, provided that the party to whom the notice is delivered has a compatible device and the sender receives confirmation of successful transmission, (iii) if delivered by any overnight express mail service, twenty-four (24) hours after deposit with such service (seventy-two (72) hours if addressed to or from a party outside the United States), or (iv) if mailed, properly addressed and postage prepaid, three (3) business days from date of mailing (seven (7) business days if mailed to or from a country other than the U.S.). The party transmitting any notice shall use reasonable efforts to furnish a courtesy copy of the same to any intended recipients of courtesy copies referenced in the Basic Terms; failure to furnish a courtesy copy shall not be a material breach hereof, but shall be cured as soon as the sending party realizes or is advised of such failure.

2. **Waiver:** A waiver by any party of any of the terms or conditions of this Agreement in any one instance shall not be construed to be a waiver of such term or condition for the future, or any subsequent breach thereof; all remedies, rights, undertakings, obligations and agreements contained in this Agreement shall be cumulative, and none of them shall be in limitation of any other remedy, right, undertaking, obligation, or agreement of any party.

3. **Construction:** This Agreement shall be governed by and construed in accordance with the laws of the State of California applicable to contracts entered into and fully to be performed therein. In view of the fact that this Agreement was in whole or in part negotiated and entered into in California, the parties consent to and agree to submit to the jurisdiction of the courts of the State of California (and/or the federal court within California), and each party agrees that service of process may be effected by mail (by oversight express service or by certified or registered mail, return receipt requested) to or

by personal service upon such party (or any officer of a corporate party) at such party's address as set forth in this Agreement or such other address as such party may have specified in writing. Whenever the content of this Agreement requires it, each gender shall be deemed to embrace and include the others and the singular shall be deemed to embrace and include the singular.

In construing this Agreement it is agreed that all parties have participated in the negotiation and preparation of this Agreement and there shall be no presumption that this Agreement is to be construed against any party as having drafted or prepared the same.

4. **Severability of Provisions**: If any provision hereof as applied to any party or to any circumstance shall be adjudged by a court to be void or unenforceable, the same shall in no way affect any other provisions hereof, the application of such provision in any other circumstances or the validity or enforceability hereof.

5. **Entire Understanding**: This Agreement contains the entire understanding of the parties hereto relating to the subject matter hereof, and this Agreement supersedes and replaces any prior or collateral negotiations, understandings or agreements. This Agreement cannot be changed, rescinded or terminated orally.

6. **Successors and Assigns**: Unless expressly provided to the contrary, this Agreement and all provisions hereof shall inure to the benefit of and be binding upon the parties hereto, their successors and assigns. Licensee shall have all rights to sublicense rights hereunder and/or assign this Agreement or rights hereunder, and any assignee(s) thereof may likewise sublicense or assign such rights. Any assignment by Licensor of this Agreement shall be subject to Licensee's prior reasonable written approval or shall be deemed void and have no effect.

7. **Paragraph Titles**: The titles of paragraphs of this Agreement are for convenience only and shall not in any way affect the interpretation of any paragraphs of this Agreement or of the Agreement itself.

8. **Counterparts**: This document may be executed in counterparts, the executed pages of which, taken together with the balance of the Agreement, shall constitute the whole of the agreement as between the parties.

9. **Facsimile Signature**: Any signed copy of this Agreement or of any other document or agreement referred to herein, or copy or counterpart thereof, delivered by facsimile transmission, shall for all purposes be treated as if it were delivered containing an original manual signature of the party whose signature appears in the facsimile and shall be binding upon such party in the same manner as though an originally signed copy had been delivered.

10. **Confidentiality**: The terms of this Agreement will remain confidential except that they may be divulged to the respective parties' attorneys, accountants, agents, and representatives, as may be necessary as part of the normal course of business and as otherwise required by law or court order or to enforce the applicable party's rights.

SCHEDULE DM

DELIVERY REQUIREMENTS – Summary Bullet Points

DVD/INTL

- (1) HDCAM-SR (High Definition 1080p 23.98fps 1.78 / 16:9 aspect ratio) Master.
- (1) Pro Tools Session or one (1) DA-88 of complete Dolby 5.1 print master
- (1) Pro Tools Session or one (1) DA-88 of combined 5.1 music and effects
- (1) Pro Tools Session or one (1) DA-88 of combined DM&E
- (1) Pro Tools Session or one (1) DA-88 (with M&E) of any other available foreign language dubs
- (1) Copy of original music masters, CD-R or pro-tools session.
- (9) DVD-R screeners of feature with “For Screening Purposes Only”
- (1) NTSC Digital Betacam of trailer
- (1) NTSC Digital Betacam 4x3 NTSC stereo letterboxed videotape master (promo master)

TV

- (1) D-5 1080i (high definition) full frame NTSC
- (1) NTSC Digital Betacam 4x3 NTSC stereo full frame pan and scanned videotape master
- (1) NTSC Digital Betacam 4x3 NTSC stereo letterboxed

FILM

- (1) 35mm widescreen color picture negative and optical sound negative
- (1) 35mm composite positive print (the “answer print”)
- (1) 35mm widescreen color inter-positive (conformed)
- (1) 35mm Dolby SR-D/Dolby SR combined Optical Soundtrack Negative
- (1) Foreign background (textless) negative
- (1) Magnetic sound master (three-stripe) D,M&E track
- (1) Access to any and all additional materials

Promotional Materials

- At least 250 different original color production stills

Documents

- Shooting Script.
- Combined Dialog and Action Continuity Script
- Synopsis of Production
- Music Cue Sheets

- Synchronization licenses and/or master use licenses for musical composition embodied in the Production
- Final Main and End Credits taken directly from the film
- Paid Ad Credit and Other Requirements
- Video Packaging Credit and Other Requirements
- Dubbing and Subtitling Restrictions
- Certificate of Errors & Omissions Insurance Coverage
- If produced outside of United States, necessary import licenses covering any materials shipped into U.S
- List of Main cast and personnel and their contact information
- Title and Copyright Reports
- Proof of Copyright Registration of Script
- All Chain-of-Title Documents
- Written instructions, if any on the preferred use of Licensor's copyright and trademark notices
- Union Residual Schedule
- Documentation, rating that is no more restrictive than "R" by the MPAA or an equivalent
- Completed W-9 for any entities to be paid
- Contingent Liabilities Schedule

Access

- Laboratory Access Letter

SCHEDULE DM

DELIVERY REQUIREMENTS

1. Physical Elements if Delivered on Tape:

A. One (1) HDCAM-SR (High Definition 1080p 23.98fps 1.78 / 16:9 aspect ratio) Master. The video signal shall conform to SMPTE 274M, SMPTE 260M and related documents. Productions should fill the full 16:9 aspect ratio of the HDTV format. There shall be at least one minute of color bars and tone at the head of each tape as defined below, followed by slate information, as described below, before the start of program. The test bars must accurately represent the subsequent material. Production should begin at 01:00:00:00. Long form programs delivered on multiple tapes shall use different time code for each part (but not 00 or 23 hours). There shall be 10 seconds of black slug, with no audio, between episodes (if episodic). Audio channels 1 through 6 should contain a Dolby 5.1 Surround Sound Mix in original language. The following Dolby 5.1 Surround Sound channel order should apply: CH 1 = Left Front, Ch 2 = Right Front, Ch 3 = Center, Ch 4 = LFE, Ch 5 = LS, Ch 6 = RS. Channels 7 & 8 should contain a full LTRT Stereo Mix encoded using Pro Logic II in original language. Channels 9 & 10 should contain a LT-RT stereo M&E mix encoded using Pro Logic II. Channel 11 should contain mono original language dialog track. Channel 12 should contain a mono music and effects track. If the Program has any subtitles, an additional master shall be delivered without subtitles.

(i) Production should be in 4x3 1.33 picture safe, for potential center cut extraction for future deliveries for TV.

(ii) The foreign background (textless) elements should be included at the back of the HDCAM-SR delivery master. This should include the main and end titles and all descriptive titles, including backgrounds for inserts of any or other portions of the Production for which superimposed lettering is used. This should include a widescreen (16x9 1.78 aspect ratio) and full frame version (4x3 1.33 aspect ratio) of the main and end titles.

(iii) If the production is not shot in High Definition, if approved in advance by licensee, an NTSC Digital Betacam with Original language stereo mix on channels 1&2 and Music and effects mix on channels 3&4 will be accepted.

B. One (1) Pro Tools Session or one (1) DA-88 of complete Dolby 5.1 print master sound mix synchronized to the production by continuous non-drop frame SMPTE/EBU NTSC time code on channels 1-6 and stereo LT/RT original language mix on channels 7&8 and stereo LT/RT on channels 9 & 10.

C. One (1) Pro Tools Session or one (1) DA-88 of combined 5.1 music and effects tracks synchronized to the production by continuous non-drop frame SMPTE/EBU NTSC time code on channels 1-6 and stereo LT/RT M&E on channels 7&8.

D. One (1) Pro Tools Session or one (1) DA-88 of combined DM&E soundtrack split on channels 1-6, the dialogue, sound effects and backgrounds (fully filled), all orchestral music and all vocal renditions of that music re-recorded in continuous non-

drop frame SMPTE/EBU time code synchronized to the Production. The full stereo mix should be included on channels 7&8.

E. One (1) Pro Tools Session or one (1) DA-88 (with M&E) of any other available foreign language dubs, including, but not limited to Spanish, English, French.

F. Copies of original music masters, CD-R or pro-tools session.

G. Nine (9) DVD-R screeners of feature with "For Screening Purposes Only" burned into picture mid centre.

H. One (1) NTSC Digital Betacam of trailer with two (2) passes; as follows: 1st pass: texted with CH 1&2: stereo English, CH 3&4: stereo M&E. 2nd pass textless with Ch 1: mono narration, CH 2: mono dialog, CH 3: mono music, CH 4: mono sound effects.

I. One (1) NTSC Digital Betacam 4x3 NTSC stereo letterboxed videotape master. Channel 1 with mono dialogue and Channel 2 with mono sound effects. Channels 3&4 with stereo music left and right, including drop frame time code on address track, and any textless sections (if titles, must include entire title section from the first title to the last with no missing cards in between) must be included at end of program. If the Program has any subtitles, we need a Digital Betacam with subtitles and without subtitles

J. If television rights are granted hereunder, one (1) D-5 1080i (high definition) full frame NTSC videotape master of each Program, with comp Channel 1 left and Channel 2 right and combined music and effects on Channels 3 left and 4 right, including time code on address track, drop frame and textless sections (if titles, must include entire title section from the first title to the last with no missing cards in between) at beginning or end.

K. If television rights are granted hereunder, one (1) NTSC Digital Betacam 4x3 NTSC stereo full frame pan and scanned videotape master of each Program, with comp Channel 1 left and Channel 2 right and combined music and effects on Channels 3 left and 4 right, including time code on address track, drop frame and any textless sections (if titles, must include entire title section from the first title to the last with no missing cards in between) at beginning or end. If the Program has any subtitles, we need a Digital Betacam with subtitles and without subtitles. Closed captioning on line 21 - should conform to the Electronic Industries Association's standard, "EIA-608 Recommended Practice for Line 21 Data Service".

L. If television rights are granted hereunder, one (1) NTSC Digital Betacam 4x3 NTSC stereo letterboxed videotape master of each Program, with comp Channel 1 left and Channel 2 right and combined music and effects on Channels 3 left and 4 right, including time code on address track, drop frame and any textless sections (if titles, must include entire title section from the first title to the last with no missing cards in between) at beginning or end. If the Program has any subtitles, we need a Digital Betacam with subtitles and without subtitles. Closed captioning on line 21 - should conform to the Electronic Industries Association's standard, "EIA-608 Recommended Practice for Line 21 Data Service".

M. LABELS and SLATES: Each recording shall be identified with a label on the cassette and cassette container and slate on the tape. The labels must be clearly marked with:

- TITLE OF PROGRAM
- PROGRAM EPISODE TITLE
- DATE OF RECORDING
- AUDIO TRACK ASSIGNMENT
- TOTAL RUNNING TIME
- REEL # OF # OF TOTAL REELS
- SD DOWN-CONVERSION DISPLAY FORMAT and ASPECT RATIO FORMAT
- INDICATE IF TEXTLESS AT EOP
- RECORDING FACILITY

2. Physical Elements if Delivered on Film

A. The original technically first-class 35mm widescreen color picture negative and optical sound negative, both main and end titled, fully edited, scored and conformed in all respects to the approved final version of the Production.

B. A complete final sample 35mm composite positive print (the “answer print”) from the above original negative of the Production in color, color balanced and assembled, with soundtrack printed thereon in perfect synchronization with the photographic action.

C. One (1) 35mm widescreen color Interpositive (conformed) manufactured directly from the original picture negative and optical sound negative referred to above.

D. One (1) additional technically first-class 35mm Dolby SR-D/Dolby SR combined Optical Soundtrack Negative of the Production in perfect synchronization with the photographic action.

E. One (1) foreign background (textless) negative of the main and end titles and all descriptive titles, including backgrounds for inserts of any or other portions of the Production for which superimposed lettering is used.

F. One (1) magnetic sound master (three-stripe) made from original sound elements for foreign dubbing and, if separately available, one international M&E track.

G. Additionally, access to any and all additional materials trailers, TV and/or Radio Spots, deleted scenes, bloopers, alternate endings, EPKs/interviews, making of documentaries/featurettes, first cut/alternate versions of the film/director’s cuts, auditions and/or readings and key art, as available.

3. Promotional Materials:

A. At least 250 different original color production stills per title delivered digitally on both PC /MAC compatible disc as jpngs or PSD's or Tiffs. We need these delivered with the following specs: 8 x 10 at 600 dpi or 5 x 7 at 800 dpi. If they are scanning from film they will need to scan in at this size and resolution.

B. Synopsis of Production.

4. Documents: All documentation listed below shall be delivered on one (1) CD or DVD to Licensee at: _____
Attention: Business & Legal Affairs

A. Shooting Script.

B. Combined Dialog and Action Continuity Script: must include time codes.

C. Music Cue Sheets.

D. Synchronization licenses and/or master use licenses for musical composition embodied in the Production.

E. Final Main and End Credits taken directly from the film.

F. Paid Ad Credit Requirements, if any.

G. Video Packaging Credit Requirements, if any.

H. Dubbing and Subtitling Restrictions, if any.

I. Certificate of Errors & Omissions Insurance Coverage bound in accordance with the General Terms.

J. If produced outside of United States, necessary import licenses covering any materials shipped into U.S.

K. List of Main cast and personnel and their contact information.

L. Title and Copyright Reports.

M. Proof of Copyright Registration of Script (Proof of transmittal to Copyright Office by private carrier will suffice).

N. All Chain-of-Title Documents as are reasonably and customarily required by distributors in the motion picture industry to evidence Licensee's right, title and interest in and to the Licensed Rights pursuant to this Agreement

O. Written instructions, if any on the preferred use of Licensor's copyright and trademark notices, if applicable, on all packaging and material.

P. Union Residual Schedule: A complete schedule of all residuals due for all media. Licensor warrants that it shall deliver a complete residual schedule pursuant to Schedule DM and agrees to indemnify Licensee against any penalties, fees, charges, expenses, and the like which Licensee incurs as a result of Licensor's failure to deliver a complete union residual schedule.

Q. Documentation, satisfactory to Licensee (i) establishing that Production shall qualify for and receive a rating that is no more restrictive than "R" by the MPAA or an equivalent mark of approval or rating by any similarly constituted authority which may succeed the MPAA if theatrical rights are granted, and (ii) capable of being accorded a comparable level of rating for free television if television rights are granted.

R. Completed W-9 for any entities to be paid hereunder.

5. Access:

A. Laboratory Access Letter in form approved by Licensee giving access to (i) all video masters, and all audio recordings and tracks (including 6-track if available), and masters, all cuts and trims, b-roll and all work materials, none of which are to be destroyed unless approved by Licensee in writing and, if Production was photographed on film, access to all original negative and sound elements, trailer elements and the like as listed in Paragraph 2 above, stored at approved laboratory(ies), including all picture elements, sound elements, all video masters, and all audio recordings and tracks (including 6-track if available), and masters, all cuts and trims, b-roll and all work materials, none of which are to be destroyed unless approved by Licensee in writing.

SCHEDULE I
PRODUCTIONS