

ACQUISITION AGREEMENT

This agreement (the "Agreement") dated _____ between

_____ ENTERTAINMENT GROUP, LLC with its offices at _____
("Distributor"),

and _____ with offices at _____, ("Licensor"), sets forth the terms of the acquisition of certain rights in and to the motion picture currently entitled " _____ L" (the "Picture"), as further described below.

1. Picture Specifications: The Picture is a new and original live action, feature length, sound motion picture photographed on 35 mm film in color, recorded originally in the English language, telling a complete and continuous story, with all necessary dialogue, music, lyrics and sound effects, has a running time (including main and end titles) of not less than eighty five (85) minutes and not more than one hundred and twenty (120) minutes and shall qualify for an MPAA rating not more restrictive than "R". The Picture as delivered will include the following elements:

- a. Directed by:
- b. Starring:
- c. Produced by:

2. Conditions Precedent: All of Distributor's obligations hereunder shall be subject to and conditional upon the following: a. Review and approval by Distributor of the chain of title to the Picture. Licensor will submit to Distributor chain of title documents for the Picture in form and substance satisfactory to Distributor including, without limitation, a copyright report and title report indicating that the title is clear for use. Licensor shall promptly provide Distributor with any additional documentation to complete Distributor's chain of title requirements. b. Licensor's delivery to Distributor of signed originals of this Agreement, the Mortgage of Copyright, Assignment of Copyright, an IRS Form W-9 (for foreign Licensors, a Form W8BEN), and any other documentation reasonably required by Distributor in connection herewith. c. Licensor's Delivery of the Picture to Distributor in accordance with paragraph 10 below.

3. Territory: The "Territory" as used herein shall mean North America, including but not limited to the United States and Canada (including French-speaking Canada) and their respective possessions, trusteeships, territories and commonwealths (including the U.S. Virgin Islands, Puerto Rico and Guam), Bahamas, and Bermuda, any territory subject to the jurisdiction of an Indian tribe or band, or Alaskan village, which is recognized by U.S. federal law or formally acknowledged by a state of the United States, ships and airlines registered in and/or flying the flag of the United States or Canada, marine installations including oil rigs serviced from any jurisdiction comprising part of the Territory as described above, military installations wherever situated at which armed forces of the United States and/or Canada are stationed, and any other governmental installations of the United States or Canada wherever situated throughout the universe.

4. Term: The term of this Agreement (the "Term") shall commence on the date hereof and shall continue until seventeen and one half (17 ½) years after the date of completion of Delivery. With respect to Video Rights (as defined below), the Term shall include an additional six (6) month 2 exclusive sell-off period during which Distributor may continue to exercise the Video Rights with respect to its then available inventory ("Sell-Off Period").

5. Grant of Rights: Licensor hereby irrevocably grants, assigns and conveys to Distributor the sole and exclusive right, under copyright and otherwise, throughout the Term, to (and to license others to) exhibit, distribute, market, display, project, transmit, broadcast, perform, advertise, publicize, exploit, sell copies of, dispose of and otherwise communicate publicly or privately and/or turn to account the Picture (and its plot, themes and other elements), and trailers and clips and excerpts therefrom, in any and all languages and versions, in the Territory, on any and all kinds, sizes, gauges and/or widths of film, tape, computer, electronic, digital, "On-Line Transmission" (as defined below), by any and every means, method, process or device or other delivery systems now known or hereafter developed, and in all markets and media now known and hereafter exploited, and not yet known or devised, including but not limited to "Video Rights", "Television Rights", "Mobile/Wireless Rights", and "All Other Rights", as such terms are defined in Exhibit "A" hereto (hereinafter referred to as the "Rights").

6. On-Line Transmission: As used herein, "On-Line Transmission" shall mean exhibition, broadcast or transmission over what is commonly known as the Internet or World Wide Web, an intranet, or a multi-node computer network by any means, including satellite or over coaxial or fiber-optic cable, in such a manner as to permit viewing the complete Picture on video displays (including, without limitation, television monitors) without alteration of the original continuity of, or sequence of images comprising, the Picture. Distributor shall use good faith efforts (using the same technology as the major studios) to ensure that On-Line Transmission shall be limited to transmission (including residence on, or transmission via, servers) within the Territory to intermediate or ultimate users in the Territory by technical means which prohibit access (either directly or indirectly) to any person outside the Territory.

7. Minimum Guarantee: Subject to the terms and conditions of this Agreement and provided the Conditions Precedent set forth above have been satisfied, and that Licensor is not in breach of this Agreement, Distributor shall pay to Licensor a fully recoupable and cross-collateralized minimum guarantee ("Minimum Guarantee") in the amount of thirty five thousand dollars (US\$35,000) payable to Licensor as follows:

- a. 20% (\$7,000) shall be payable upon execution of this long form agreement and Initial Delivery (as defined below);
- b. 40% (\$14,000) shall be payable upon Complete Delivery (as defined below); and
- c. 40% (\$14,000) shall be payable 60 days following Complete Delivery. Each payment shall be paid against an invoice from Licensor to Distributor stating the amount due and detailing what the payment is for.

8. Distribution of Adjusted Gross Receipts: "Adjusted Gross Receipts" as used herein will mean all non-refundable amounts actually received by Distributor from exploitation of the Rights granted hereunder, less all costs and expenses of Distributor in connection with the creation and duplication of artwork and marketing materials, and all advertising and publicity for the Picture. Subject to the terms and conditions of this Agreement, Adjusted Gross Receipts of the Picture shall be applied by Distributor as follows:

3 a. Video Rights: Licensor will be entitled to fifteen percent (15%) of Adjusted Gross Receipts derived from exploitation of Video Rights, and subject to reasonable reserves for returns, damaged goods, and bad debt established in accordance with Distributor's customary practices. Licensor's share of such Adjusted Gross Receipts will first be applied to recoupment of the Distribution Expenses and Minimum Guarantee and Interest thereon, and the balance will be payable to Licensor.

b. Television Rights: Licensor will be entitled to forty-five percent (45%) of Adjusted Gross Receipts derived from exploitation of Television Rights. Licensor's share of such Adjusted Gross Receipts will first be applied to recoupment of the Distribution Expenses and Minimum Guarantee and Interest thereon as provided below, and the balance will be payable to Licensor.

c. Mobile and Wireless Rights: Licensor will be entitled to fifty percent (50%) of Adjusted Gross Receipts derived from exploitation of Mobile and Wireless Rights, subject to reasonable reserves for bad debt established in accordance with Distributor's customary practices, but in no event to exceed Distributor's standard practices. Licensor's share of such Adjusted Gross Receipts will first be applied to recoupment of the Distribution Expenses and Minimum Guarantee and Interest thereon, and the balance will be payable to Licensor.

d. All Other Rights: Licensor will be entitled to fifty percent (50%) of Adjusted Gross Receipts derived from exploitation of All Other Rights, subject to reasonable reserves for returns, damaged goods, and bad debt established in accordance with Distributor's customary practices, but in no event to exceed Distributor's standard practices. Licensor's share of such Adjusted Gross Receipts will first be applied to recoupment of Distribution Expenses and the Minimum Guarantee and Interest thereon, and the balance will be payable to Licensor.

e. Distribution Expenses: "Distribution Expenses" as used herein shall mean the costs of insurance (including producer's E&O if applicable), copyright registration (if applicable), quality checks and/or creation of any delivery materials not provided by Licensor (unless deducted from the Minimum Guarantee as provided herein), and all costs associated with the creation of the DLT and its bonus features.

f. Minimum Guarantee: Distributor shall be entitled to recoup the Minimum Guarantee on a fully cross-collateralized basis from Licensor's share of Adjusted Gross Receipts hereunder.

g. Interest: Distributor shall be entitled to deduct and retain interest on the Distribution Expenses and Minimum Guarantee at the prime rate of Bank of America plus 2% ("Interest").

9. Accounting and Payments: a. Rendition of Statements: Distributor shall render statements in relation to the Picture covering each accounting period and any payments shown due thereon, within ninety (90) days following the conclusion of such accounting period. The accounting periods shall be quarterly in length for the first two years commencing with the first quarter of release. Thereafter statements shall be rendered semi-annually for two years and annually thereafter. After the first two (2) years, no statement shall be required for any accounting period if such statement would indicate no payment would be due to Licensor; provided that Licensor may request one statement per year, within ninety (90) days of the close of the applicable accounting period. There shall be deducted from any remittance due or for the account of Licensor, the amount of any tax required to be withheld by Distributor based on payments due or for the account of Licensor, or any other withholding or deduction which Distributor may be required to make pursuant to any law or government order. All statements hereunder shall be deemed rendered when deposited, postage prepaid, in the mail, addressed to Licensor at the address designated herein.

b. Finality of Statements: Licensor shall be forever barred from maintaining or instituting any action or proceeding based upon, or in anyway relating to, any transactions had by Distributor, or its licensees, in connection with the Picture which are embraced by or reflected on any statement rendered hereunder, or the accuracy of any item appearing therein, unless written objection thereto shall have been delivered by Licensor to Distributor within twenty-four (24) months after the date of mailing of the statement on which such transaction or items was first reflected, setting forth in reasonable detail Licensor's objection, and unless such action or proceeding is commenced within twelve (12) months after delivery of such written objection.

c. Books of Account and Audits: Distributor shall keep books of account relating to the distribution of the Picture at its principal place of business. Licensor may, at its own expense, audit the applicable records at the place where Distributor maintains the same in order to verify statements rendered hereunder. Any such audit shall be

conducted only by a certified public accountant. Such audit shall take place at Licensor's expense, during reasonable business hours and in such manner as not to materially interfere with Distributor's normal business activities. Distributor shall be furnished with a copy of such auditor's report within thirty (30) days after the completion of such audit. In no event shall an audit with respect to any statement rendered hereunder commence after the date on which such statement has become incontestable pursuant to subparagraph (b), nor shall any audit continue for longer than five (5) consecutive days, nor shall audits be made hereunder more frequently than once annually, and nor shall any records be audited more than once. Licensor's right to examine Distributor's records is limited solely to the Picture, and under no circumstances shall Licensor have the right to examine records relating to Distributor's business generally or any other motion picture for the purpose of comparison or otherwise.

10. Delivery: "Delivery" of the Picture hereunder shall consist of Initial Delivery and Complete Delivery, as hereinafter defined, at Licensor's sole cost and expense. Licensor shall make Initial Delivery of the Picture not later than _____, 20____, and shall make Complete Delivery not later than _____, 20___. All materials shall conform to the Picture Specifications set forth in paragraph 1 above. Time is of the essence of this Agreement. a. "Initial Delivery" shall mean delivery to, and acceptance by, Distributor of the items marked with an asterisk on the attached Delivery Schedule. "Complete Delivery" means delivery to, and acceptance by, Distributor of all items set forth on the attached Delivery Schedule.

b. If Licensor shall fail to make Initial and/or Complete Delivery by the respective dates set forth above, Distributor shall have the right to (i) itself supply any missing items and deduct the same from the Minimum Guarantee, or (ii) terminate this Agreement upon written notice to Licensor. Upon any such termination, Distributor shall be (a) relieved of all obligations to Licensor hereunder, and (b) Licensor shall reimburse Distributor for all out-of-pocket costs theretofore incurred under this Agreement and the Minimum Guarantee, or any portion thereof, if paid, and interest thereon.

c. Distributor will cover the cost of one quality check ("QC") pass of the delivered materials, which shall be a recoupable Distribution Expense hereunder. Licensor agrees that any 5 additional QC procedures that are deemed necessary by Distributor, in Distributor's sole discretion, to confirm the acceptable status of the materials shall be at Licensor's cost, and shall be deducted by Distributor from any amounts due Licensor hereunder. Any costs required to repair defective delivery materials shall be deducted from the Minimum Guarantee; provided that Licensor shall have the first opportunity to make any such repairs and redeliver said materials, subject to exigencies of time with respect to the release schedule.

11. Editing: Distributor shall have the unfettered right to edit the Picture, for any reason including but not limited to compliance with standards and practices (broadcast and otherwise), potential or actual legal claims, censorship, to achieve a desired rating, panning and scanning requirements, subtitling, dubbing and closed captioning in the Territory. Distributor shall have the right to change the title of the Picture at Distributor's discretion.

12. Residuals and Third Party Participations and Deferrals: Licensor represents and warrants that all third party participations and payments (whether computed upon net profits, gross proceeds or otherwise) worldwide will be borne solely by Licensor. Licensor is solely responsible for and will make any payments required by applicable collective bargaining agreements ("Residuals") payable to any party by reason of Distributor's exercise of the Rights. Distributor shall not be responsible for any third party payments including, without limitation, any union or guild residuals, deferrals, or any payments in respect of music. Licensor shall indemnify Distributor and hold Distributor harmless against any liability for any such payments (including, without limitation, any third party payments paid by Distributor to preserve its rights or security interest granted

with respect to the Picture) and for any failure by Licensor or other person or company to make such payments, in whole or in part.

13. Credit: Distributor and/or its designee(s) shall be entitled to first position presentation credit in the Territory and Distributor and/or its designees(s) shall be entitled to its animated logo in first position in the Territory, on screen and in all paid advertising.

14. Distribution Matters: Distributor shall have final determination as to all matters relating to exploitation of the Picture in the Territory (including the title) and shall have final cut of the Picture in the Territory. Distributor shall have full, unfettered and acknowledged authority to permit, authorize, and license others to exercise and to sublicense all or any of the Rights and licenses granted hereunder, and to distribute, exhibit, advertise, publicize and exploit the Picture under any term or terms and in such matter as Distributor may deem proper or expedient.

15. Parties' Representations and Warranties: Each party makes the following respective representations and warranties to the other party, all of which shall survive the execution and delivery of this Agreement: a. Authority, No Breach. It has all of the rights, powers and authority to enter into, and perform fully all of its obligations under this Agreement. The execution, delivery and performance of this Agreement shall not result in the breach of its organizational documents or any agreements it and/or its Affiliates have with any third party. b. Corporate Action. It has taken all requisite corporate or other action to approve execution, delivery and performance of this Agreement, and this Agreement constitutes its legal, valid and binding obligation and is enforceable against it in accordance with its terms. c. Consents. The fulfillment of its obligations hereunder will not constitute a material violation of any existing applicable law. All material, necessary and appropriate public or private consents, permissions, agreements, licenses, or authorizations have been or shall be obtained in a timely manner. 16. Licensor's Representations and Warranties: Licensor makes the following representations, warranties and agreements to Distributor, all of which shall survive beyond the Term or any early termination of the Agreement:

a. First Class Quality. The Picture shall be completely finished, fully edited and titled, and in all respects ready and of first class technical quality in conformity with Distributor's standards for release throughout the Territory, as set forth in the Delivery Schedule attached hereto.

b. No Liens or Encumbrances. There are not, and shall not be, at any time during the Term any liens, claims, charges, encumbrances, restrictions, agreements, commitments or arrangements whatsoever with any person or entity, or any obligation (past, present or future) or any breaches of any contract, license or agreement, which in any way shall impair, abrogate or adversely affect the rights granted to Distributor pursuant to the Agreement.

c. No Infringement. Neither the Picture nor any part thereof, nor any materials contained therein or synchronized therewith, nor the title thereof, nor the exercise of any right, license or privilege granted Distributor, violates or shall violate, or infringes or shall infringe, any trademark, trade name, contract, agreement, copyright (whether common law or statutory), patent, literary, artistic, dramatic, personal, private, civil, property or privacy right or "moral rights of authors" or any other right of, or shall slander or libel, any person or entity. For the avoidance of doubt, all music in the Picture shall be clear for Distributor's exploitation of any and all of the Rights.

d. No Assignment or Sale. Licensor has not sold, assigned, transferred, encumbered or conveyed, and shall not sell, assign, transfer, encumber or convey, to any party or exercise itself any right, title or interest in or to the Picture inconsistent with the rights granted to Distributor hereunder.

e. Valid Copyright. The copyrights in the Picture and the literary, dramatic and musical material upon which it may be based or which is contained in the Picture shall be valid and subsisting during the Term throughout the Territory. Licensor shall take all steps necessary to validly renew and preserve the validity of such copyrights throughout the Territory during the full period of Licensor's grant of the Rights. Distributor shall have the right as attorney-in-fact for Licensor to renew or obtain and register the copyright therein in the name of Licensor, and to execute and record such documents as Distributor may deem necessary to evidence its rights as a matter of record.

f. Consents and Permissions. Licensor has secured all necessary and customary written consents, permissions and approvals for incorporation into the Picture of the names, trademarks, likenesses, and/or biographies of all persons, firms, products, companies and organizations depicted or displayed therein.

g. Further Actions. Licensor warrants to take, or cause to be taken, all commercially reasonable and feasible actions (including refraining from taking conflicting actions) and to do, or cause to be done, all other things necessary, proper or advisable to ensure Distributor's enjoyment of its rights as contemplated by the Agreement.

17. Indemnification. Licensor shall indemnify, defend and hold harmless Distributor, its subdistributors and licensees, their parents, subsidiaries, affiliates, successors, assigns and licensees, and their respective officers, directors, agents and employees, from and against any claim, loss, damage and expense (including legal fees and expenses) ("Claim") arising out of or in connection with any breach by Licensor of any covenant, agreement, representation or warranty made in this Agreement. Distributor may set off against any monies payable to Licensor by Distributor the amount of any liability of Licensor to Distributor under this section. In addition, pending the final determination of such liability, Distributor may withhold from any monies payable to Licensor such amounts as Distributor may deem necessary to cover Licensor's potential liability on account of any such Claim or action. All rights and remedies hereunder shall be cumulative and shall not interfere with or prevent the exercise of any other right or remedy which may be available to Distributor. Licensor shall not settle, compromise or consent to the entry of any judgment in or otherwise seek to terminate any Claim in respect of which the Distributor is entitled to indemnification hereunder (whether or not Distributor is a party thereto), without Distributor's prior written consent; provided Licensor shall be entitled to settle any Claim without Distributor's written consent so long as such settlement only involves the payment of money by Licensor and in no way affects any Distributor's rights. In the event Licensor fails to settle any such Claim within 5 business days of Distributor's request, Distributor shall have the right to settle such Claim and to set off the amount of such settlement against any amounts owed Licensor hereunder.

18. Security Interest. In order to secure the performance of Licensor's obligations hereunder, Licensor hereby grants to Distributor a first priority security interest ("Security Interest") in the Rights granted hereunder, including without limitation, the right of access to the Materials, Distributor's recoupment rights hereunder and the right to any monies Distributor may be able to obtain from its exploitation of the Rights granted in this Agreement ("Collateral"). Licensor warrants and represents that it has not previously assigned, granted or transferred any interest in or lien on the Collateral to any party which would conflict, interfere or be inconsistent with the Security Interest granted to Distributor herein. Licensor hereby irrevocably authorizes Distributor to file, at any time and from time to time and in any jurisdiction, without the signature of Licensor, one (1) or more financing or continuation statements and amendments thereto, relating to the Collateral. Licensor agrees to execute such other and further documents, including but not limited to, copyright mortgages, laboratory access letters, and any such other document as Distributor may require to perfect, protect or evidence the foregoing Security Interest. If Licensor fails to deliver such security documents within ten (10) days after Distributor's request therefor, Licensor irrevocably appoints Distributor to execute such security documents as Licensor's attorney-in-fact, which appointment is coupled with an interest and is irrevocable.

19. No Injunctive Relief: Following payment in full of the Minimum Guarantee, no breach of this Agreement by Distributor, or any other action by Distributor, shall entitle Licensor to terminate this Agreement or to enjoin the distribution, marketing, publicity, promotion or other exploitation of the Picture, and Licensor's sole remedy for any breach of this Agreement shall be limited to an action at law for money damages.

20. Governing Law: This Agreement shall be governed by the laws of the State of California applicable to agreements wholly entered into and wholly performed within the state. The parties hereby submit and consent to the exclusive jurisdiction of the courts in Los Angeles County in the State of California in any action brought under or relating to this Agreement.

21. Arbitration: Any dispute under this Agreement will be resolved by final and binding arbitration under the IFTA Rules for Arbitration in effect as of the Effective Date of this Agreement ("IFTA Rules"). Each Party waives any right to adjudicate any dispute in any other court or forum, except that a Party may seek interim relief before the start of arbitration as allowed by the IFTA Rules. The arbitration will be held in the Forum and under the Governing Law designated in this Agreement, or, if none is designated, as determined by the IFTA Rules. The Parties will abide by any decision in the arbitration and any court having jurisdiction may enforce it. The Parties submit to the jurisdiction of the courts in the Forum, with respect to interim relief, to compel arbitration or to confirm an arbitration award. The Parties agree to accept service of process in accordance with the IFTA Rules and agree that service in accordance with the IFTA Rules satisfies all requirements to establish personal jurisdiction over the Parties. Both Parties waive application of the procedures for service of process pursuant to the Hague Convention for Service Abroad of Judicial and Extrajudicial Documents in Civil or Commercial Matters. Both Parties acknowledge that for an unsatisfied arbitration award that is confirmed by a court of competent jurisdiction, the prevailing Party may request that the other Party be barred from attendance at the American Film Market in accordance with the arbitration and barring provisions of the most current IFTA Guidelines.

22. Further Instruments: Licensor shall, at its expense, furnish and execute and provide Distributor with any other instruments or documents that Distributor may reasonably require to evidence, effectuate or protect any of the rights or interests granted under this Agreement. If Licensor fails to deliver such documents within ten (10) days after Distributor's request therefor, Licensor appoints Distributor to execute such documents as Licensor's attorney-in-fact, which appointment is coupled with an interest and is irrevocable.

23. Entire Understanding; Modification; Waiver: This Agreement (including any Schedules and Exhibits hereto) contains the entire understanding of the parties relating to the subject matter hereof and no terms, obligations, representations, promises, conditions (whether written or oral, express or implied) relating to the subject matter have been made or relied upon, other than those contained herein. This Agreement may not be modified, nor may any provision be waived, except in a writing signed by both parties hereto. Payment under this Agreement shall not operate as a waiver under any provision hereof. No waiver of any breach or default under this Agreement shall operate as a waiver of any preceding or subsequent breach or default.

24. Notices: Any notice or other communication required or permitted hereunder shall be in writing and shall be deemed given and received on the date of delivery or on the third business day following the day of mailing of the same, or on the day of transmission by telecopier, email, or other form of recorded communication service of the same, as the case may be to the party to be notified at the addresses first set forth above.

25. Assignment: Distributor shall have the right, at any time, to sell, transfer, assign or hypothecate any or all of its right, title and interest, in and to the Picture and the negative and copyright thereof to any party, person or entity without limitation; provided that any such sale, transfer, assignment or hypothecation shall be subject to

Licensor's rights hereunder. Upon the purchaser, transferee or assignee assuming in writing the performance of Distributor's executory obligations hereunder in place and instead of Distributor, Distributor shall be released and discharged of and from any further liability or obligation hereunder and none of the monies or other consideration received by, or paid or payable to, Distributor shall constitute Gross Receipts hereunder, and Licensor shall have no rights in respect of any thereof.

26. Relationship of the Parties: The parties are independent contractors, and nothing in this Agreement shall be deemed or construed to create, or have been intended to create a partnership, joint venture, employment or agency relationship between the parties. Each party agrees that it neither has nor will give the appearance or impression of possessing the legal authority to bind or commit any other party in any way except as provided in this Agreement.

27. Effect of Headings: The headings and subheadings of the sections of this Agreement are inserted for convenience of reference only and shall not control or affect the meaning or construction of any of the agreements, terms, covenants and conditions of this Agreement in any manner.

28. Construction: This Agreement has been fully reviewed and negotiated by the parties and their respective legal counsel. Accordingly, in interpreting this Agreement, no weight shall be placed upon which party or its counsel drafted the provision being interpreted.

29. Severability: If any term or provision of this Agreement shall be found to be void or contrary to law, such term or provision shall, but only to the extent necessary to bring this Agreement within the requirements of law, be deemed to be severable from the other terms and provisions of this Agreement, and the remainder of this Agreement shall be given effect as if the parties had not included the severed term herein.

30. Counterparts: This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

31. Survival: All representations, warranties, indemnities and return privileges made or provided herein shall survive the termination of this Agreement and shall remain in full force and effect. All of a party's rights and privileges, to the extent they are fairly attributable to events or conditions occurring or existing on or prior to the termination of this Agreement, shall survive termination and shall be enforceable by such party and its successors and assigns.

32. Attorneys Fees: In any action or proceeding between the parties arising out of this Agreement, the prevailing party shall be entitled to recover its reasonable attorney's fees and costs from the non-prevailing party. ACCEPTED AND AGREED: ENTERTAINMENT GROUP, LLC.

("Distributor")By: _____

("LicenBy: _____ Its: _____ Its:

10 EXHIBIT "A" RIGHTS DEFINITIONS A. Video Rights. "Video Rights" means and includes the sole and exclusive right

(1) to manufacture, advertise, promote, exploit and distribute the Picture on a sale, lease or rental basis on its own or through licensees or sub licensees, in all languages, versions, and sizes, on all formats of video devices now known or hereafter known or devised, including without limitation

(a) any and all forms of videocassettes, cartridges, phonograms, tape, video discs, laser discs, 8mm recordings and any other visual or optical recording, or any storage medium,

(b) any and all forms of DVD, DVD-ROM, and Internet access-ready DVDs, CD-I and CD-ROM, Video Compact Discs, PSP discs or

(c) any and all forms of computer software, or any configuration of computer software and technology, for private use by consumers by any means, whether now known or hereafter known or devised (all such devices collectively, "Videograms"), and

(2) the sole and exclusive right to exploit the Picture by means of "Video-On-Demand" or "Near Video-on-Demand" (as such terms are defined below), and all forms of digital or on-line exploitation, distribution and/or transmission (including, without limitation, Internet transmission) and computerized or computer-assisted media. "Video-On-Demand" shall mean the transmission of the Picture, through any method now known or hereafter devised, including, without limitation, broadcast television signal, whether analog or digital, or via satellite, cable, telephone wire, fiberoptics, cyberspace, Internet or other computerized or digital technology, on-line transmission, every sort of electronic transmission or any and all other delivery systems, to a television receiver, computer monitor or other comparable display, whereby the consumer can select the Picture from a central library and whereby the consumer determines the starting time of the Picture. "Near Video-On-Demand" incorporates the definition of Video-On-Demand, except that, instead of the consumer determining the starting time for viewing the Picture, the consumer is able to select the starting time from viewing times determined by the provider, where the provider permits a selection of starting times not more than fifteen (15) minutes apart. B.

Television Rights. "Television Rights" means and includes the sole and exclusive right to exploit the Picture by means of television signal, without regard as to how such signal is distributed (e.g., broadcast over the air, or via satellite, fiber optic cable, telephone wire, or any and all forms of Internet or other computer or digital technology, or any other form of technology, now known or hereafter known or devised) or exhibited. Television Rights includes, but is not limited to, the right to exploit the Picture via "Pay Television," "PayPer-View" and "Free Television." "Pay Television" means exhibition over a service for which subscribers pay a premium for the programming transmitted (e.g., HBO). "Pay-Per-View" means exhibition over a service for which subscribers pay a premium on a per-program basis for each program which they choose to receive. "Free Television" means

(a) exhibition over television broadcast stations, whether network stations or independent stations, where no charge is made to the viewer and/or (b) exhibition by means of satellite or cable television for which subscribing members of the public may pay for the transmission service provided by the satellite or cable system, but do not otherwise pay a premium for the programming transmitted by the satellite or cable system. C. Mobile and

Wireless Rights. "Mobile and Wireless Rights" means and includes the right to develop, produce, distribute, advertise, promote and otherwise exploit items of Mobile Content (as defined below) for distribution to and use on Wireless Devices (as defined below). As used herein, items of "Mobile Content" shall mean the following products created in any format now known or hereafter devised utilizing, bearing, or otherwise relating to the Picture or any underlying material, for distribution to, or use with any and all Wireless Devices including, without limitation, GSM, 3G, WCDMA, JAVA "J2ME", BREW(tm), MOPHUN, Symbian, Microsoft Mobile OS and Palm interactive games, interactive and non-interactive audio, image and graphic rights (such as wallpapers, screensavers for phone personalization), SMS and MMS messaging services, ringtones (monophonic, 11

polyphonic, mastertones and other ringtones), voicetones, sound effects, video clips (provided that video clips of the Picture shall not to exceed three (3) minutes in length), "smartskins," book and comic book viewing rights. As used herein, "Wireless Devices" shall mean all wireless mobile telephone handsets (commonly referred to as "cell phones"), smart phones (combination cell phone/personal digital assistant ("PDA") devices) and all other wireless devices now known or hereafter devised that allow for distribution of items of Mobile Content via over-the-air download, streaming distribution or using any technology now known or hereafter devised for the distribution of items of Mobile Content. D. All Other Rights.

a. Theatrical Rights. "Theatrical Rights" means and includes the sole and exclusive right to rent, lease, license, sub-license, exhibit, distribute and otherwise deal in and with the Picture for viewing by the public in theatres, in any and all languages or versions, and including without limitation the right to enter into rentals, leases and licenses respecting all theaters or other places of public viewing, without regard as to how the Picture is distributed to theatres (e.g., on any and all sizes and gauges of film, tape or disc, or distribution to theatres by any other means, whether now known or hereafter known or devised, including, without limitation, satellite, cable or other electronic transmission).

b. Non-Theatrical Rights. "Non-Theatrical Rights" means and includes the sole and exclusive right to rent, lease, license, sub license, exhibit, distribute and otherwise deal in and with the Picture in "non-theatrical markets" (as defined below) by any and all means, whether now known or hereafter known or devised. "Non-theatrical markets" means and includes airlines, schools, libraries, hospitals, hotels, Army, Navy, Air Force and other military or armed services installations, and ships at sea flying the flag of a country in the Territory or which are serviced from within the country of such flag, and other institutions that typically license recorded entertainment materials from programming suppliers.

c. Ancillary Rights. "Ancillary Rights" means and includes the sole and exclusive right to exploit all ancillary, incidental and subsidiary rights in and to the Picture including, without limitation, all "merchandising" (as defined below), music, music publishing (whether administration or copyright ownership), "Soundtrack Album" (as defined below), photonovel, novelization, screenplay publication, interactive media, multi-media, and theme park (or other "themed" or location-based attraction) rights. "Merchandising" includes but is not limited to the right to create and exploit computer, video and other electronic games based upon the Picture or any element thereof, including without limitation the sole and exclusive right to create or license the creation of interactive programs, whether in CD-ROM, DVD, settop or arcade formats; and the right to create and exploit toys, comic books and so-called "making of books," apparel, food and beverages, posters, and any and all other commodities, services or items based upon the Picture or any element thereof. "Soundtrack Album" includes the exclusive right to produce, license and/or distribute soundtrack albums based on the Picture. Advance payments received from the Soundtrack Album distributor that are applied to Soundtrack Album related costs and/or costs in connection with the Picture shall not be considered Gross Receipts under this Agreement.

12 EXHIBIT "B" COPYRIGHT MORTGAGE AND ASSIGNMENT KNOW ALL MEN BY THESE PRESENTS that for good and valuable consideration, receipt of which is hereby acknowledged, the undersigned, _____ ("Mortgagor") does hereby mortgage, assign, grant, convey and transfer for security to _____ ENTERTAINMENT GROUP, LLC ("_____"), its successors and assignees, under the copyright laws of the countries constituting the "Territory", the following "Rights" in and to the motion picture hereinafter designated "Picture", for the "Territory" and the "Term", all as hereinafter specified.

- (a) "Picture": "_____"
- (b) "Territory": North America
- (c) "Term": 17 ½ years from Complete Delivery
- (d) "Media": All media

(e) "Rights": All right, title and interest and all collateral described herein, as further set forth below: (i) Subject to and in accordance with the terms of the Agreement (as defined below), Mortgagor hereby grants to _____, on a exclusive basis, all rights in and to the Picture (and all versions thereof) and the underlying materials with respect thereto (the screenplay upon which the Picture is based was registered with the U.S. Copyright Office on under entry number), under copyright and otherwise, throughout the Territory for the duration of the Term, in all languages and in all media, whether now known or hereafter devised, including, without limitation, all forms of Theatrical, NonTheatrical (including, without limitation, airlines, ships, hotel, oil rigs, educational institutions, and military bases and embassies), Home Video (including, without limitation, rental, sell-thru, Video-OnDemand, and other pay-per-transaction methods of distribution), Television (including, without limitation, advertising supported programming, premium programming, network television, ad hoc network television, television syndication, closed circuit, and Pay-Per-View by all methods of delivery, now known or hereafter devised, whether re-uplinked or otherwise, including, without limitation, terrestrial, digital terrestrial, Satellite, Cable, MMDS, MDS, DBS, DDT, DIVA, DIVX, SMATV, MATV, ADSL, LPTV, CATV, and other telecommunication systems), and ancillary rights in and to the Picture, by all methods of delivery, whether now known or hereafter devised, including, without limitation, all Internet Delivery Mechanisms, and all advertising and promotional rights of the same, and all Electronic Publishing Rights, music publishing rights, soundtrack album rights, literary publishing rights (including, without limitation, all print publication and novelization rights) and merchandising rights in and to the Picture, all as more specifically set forth in the Agreement; (ii) That certain agreement (the "Agreement") dated as of December 3, _____ by and between Mortgagor and _____ with respect to the Picture (capitalized terms utilized herein and not otherwise defined shall have the same meaning as in the Agreement); (iii) All revenues, results and proceeds that _____ is entitled to receive under the Agreement, including, but not limited to its Distribution Fees, Distribution Expenses, Gross Receipts, and all recoupable expenses; and, 13 (iv) All other collateral necessary for _____ to exercise its rights under the Agreement (which collateral is defined in Exhibit "A", attached hereto and incorporated herein by reference). Mortgagor agrees that if any person, firm or corporation shall do or perform any acts which _____ believes to constitute a copyright infringement of the Picture or constitute a plagiarism, or violate or infringe any rights of _____ or the Mortgagor therein or if any person, firm or corporation shall do or perform any acts which _____ believes to constitute an unauthorized or unlawful distribution, exhibition, or use thereof, then and in any such event, _____ may and shall have the right to take such steps and institute such suits or proceedings as _____ may deem advisable or necessary to prevent such acts and conduct and to secure damages and other relief by reason thereof, and to generally take such steps as may be advisable or necessary or proper for the full protection of the rights of the parties. _____ may take such steps or institute such suits or proceedings in its own name or in the names of the parties jointly. Without limiting the generality of the foregoing, the aforesaid conveyance and assignment includes all prior choses-in-action, at law, in equity and otherwise, the right to recover all damages and other sums, and the right to other relief allowed or awarded at law, in equity, by statute or otherwise. This Copyright Mortgage and Assignment is expressly made and is subject to the terms and conditions contained in the Agreement, as it may be amended, amended and restated, modified supplemented, renewed or replaced and in the case of any inconsistency between this instrument and the Agreement, the Agreement shall govern. IN WITNESS WHEREOF, the undersigned has executed this Mortgage of Copyright by its duly authorized officer as of the _____ day of _____, 2007. _____ FILMS By: _____ Its: _____ 14 STATE OF CALIFORNIA) SS. COUNTY OF LOS ANGELES) On _____, 2007, before me, _____, notary public, personally known to me (or proved on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument. WITNESS my hand and official seal. _____ Notary Public 15 EXHIBIT "C" _____ ENTERTAINMENT GROUP, LLC DELIVERY SCHEDULE A. FILM AND VIDEO MATERIAL: 1. Pre-Print Elements a) Lab access to the 35mm fully assembled original negative, if

available b) Lab access to the 35mm Interpositive of the full feature, if available 2. Videotape Elements (a) Physical delivery of High Definition Digital Masters in 16x9 (respecting the original aspect ratio the film) and 16x9 1.33:1 with Side Mattes formats with stereo mix on channels 1 & 2 and separate music and effects on Channels 3 & 4 with the textless background sections included after the Picture. (b) Physical delivery of a Digital Betacam NTSC broadcast quality 16x9 videotape master (respecting the original aspect ratio of the film) and 4x3 1.33:1 Master with stereo mix on channels 1 & 2 and separate music and effects on channels 3 & 4 and the textless background sections included after the Picture. These elements may not be conversions. (d) Physical delivery of the following Sound Elements on DA-88 or Magneto Optical Disc conformed to the final version of the Picture: Dolby Stereo 2 track Printmaster Dolby Digital 6 track digital Printmaster Dolby SR-D 6 track discreet M & E master w/ Dialogue Guide Dolby SR 4+2 M & E master Dolby Stereo Separate Dialogue, Music and Effects Tracks Master 3. Promotional Materials - If available, delivery of all unused takes and trims and all other film materials, including, without limitation, soundtracks (whether negative, positive or magnetic) produced for or used in the process of preparing the Picture. 4. Foreign Language Dub Versions - (a) If available, physical delivery the Neutral Spanish (i.e. non-Castilian) overlay. (b) If available, free access to the Neutral French (i.e. non-Canadian) overlay. B. TRAILER MATERIAL: 1. Videotape Elements 16 (a) Physical delivery of a Digital Betacam NTSC broadcast quality videotape master with stereo mix (if applicable) on channels 1 & 2 and separate music and effects on channels 3 & 4 and the textless background sections (if applicable) included after the Picture. (b) Physical delivery of Sound Elements on DA-88 or Magneto Optical Disc conformed to the final version of the trailer, with separate Dialogue, Music and Effects tracks. 2. Foreign Language Dub Versions - Free access to the Neutral Spanish (i.e. non-Castilian) overlay. 3. Dialogue Continuity/Spotting List - Combined dialogue action continuity and spotting list containing all spotted dialogue, narration, sound vocals, all opening titles and complete end credits appearing in Trailer, as well as a cut-by-cut description of the action of the Picture in its final form, with footage and frame counts showing footage in, footage out and total duration of each line of dialogue. C. *PUBLICITY MATERIAL 1. Key Art - Physical delivery of first generation duplicates of the textless transparencies created for the final one-sheet as well as any teasers. Reproduction quality transparencies must be 8"x10". 2. Advertising/Publicity Material - All publicity which may have been prepared in connection with the Picture, but not less than one complete set of all advertising materials available, including, without limitation, press books, posters and publicity material. In addition, a written report of all additional photography in existence, including, without limitation, special shoots, photo agency art, etc. 3. B/W Stills - A dupe negative and one positive print from the approved originals negatives of at least ten (10) 8"x10" black and white photographs. Contact sheets of all black and white photographs, and access and loan of all other available black and white negatives if and when requested. Each of the 10 photographs shall bear an appropriate caption identifying the subject and scene depicted. Any and all approvals or other authorizations that may be required in connection with the use of said photographs will be secured and delivered. 4. Slides - Two (2) sets of at least one fifty (50) 35mm color transparencies from the approved original transparencies depicting key scenes from the Picture and access and loan of all other color slides if and when requested. Each of the 100 transparencies shall bear an appropriate caption identifying the subject and scene depicted. Any and all approvals or other authorizations that may be required in connection with the use of said transparencies will be secured and delivered. 5. Press Kits - Five (5) press kits which include a synopsis, production notes, biographies for key players, director, producer, screenwriter, and credit list of both cast and crew (and their English translations, if in a foreign language). 6. Electronic Press Kit - If available, delivery of EPK Materials on Digital Betacam Videotape. D. DOCUMENTATION MATERIAL: 1. E&O APPLICATION - Completed and signed application for Producer's Errors & Omissions insurance (Distributor to supply form). 2. SHOOTING SCRIPT - 17 a) Physical delivery of the final shooting script of the Picture. (b) If Available, physical delivery of the final shooting script of the Picture on disk. 3. DIALOGUE CONTINUITY/SPOTTING LIST - Combined dialogue action continuity and spotting list containing all spotted dialogue, narration, sound vocals, all opening titles and complete end credits appearing in Picture, as well as a cut-by-cut description of the action of the Picture in its final form, with footage and frame counts showing footage in, footage out and total duration of each line of dialogue. 4. *CREDIT INFORMATION - Statements

and/or lists summarizing all conceptual credit/likeness obligations applicable to the Picture, including, but not limited to the following. Credits must comply with all applicable guild and union requirements, and any and all guild related waivers or determination must be obtained prior to Delivery. (a) Screen Credits (i) A list of all contractual screen credit obligations. (If there is no contractual obligation to accord a certain credit which has been accorded on screen, the "obligation" should be stated as "Licensor's Discretion"). (ii) A typed list of the final main and end credits as they ultimately appear on screen. (b) Paid Advertising Credits (i) Artwork title credit obligations, inclusive of proper positioning information. (ii) Billing block credit obligations, inclusive of proper positioning information. (iii) Excluded advertising credit obligations. (iv) Camera-ready stats (in size and quality suitable for reproduction) of any and all logos which must contractually appear below the billing block. (c) Photograph/Likeness Approvals (i) A list of all cast members who have been granted approval rights, as well as specifics regarding those rights (e.g. percentage of kills alone, percentage of kills with one other person, etc.) 5. AGREEMENTS - Access to (and copies of, upon Distributor's request) and location of all agreements and documents relating to the Picture; e.g., employment agreements, clearances, releases, location agreements (and evidence of payment in full with respect thereto) as may be required by Distributor, including, but not limited to: (a) Cast/Talent/Personnel Agreements - Fully executed agreements for the all cast, crew and other entities and related personnel who have been accorded paid advertising and/or screen credit whose names are accorded paid advertising credit. (Should agreements for any of the cast members not exist, then signed releases for those individuals). 18 (b) Releases - Signed releases from all persons identified by name or likeness in the Picture, who do not have signed contracts. (c) Music Licenses - Fully executed synchronization and master use licenses on an all media buy-out basis for each item of licensed music used in the Picture; fully executed agreements for each composer of underscoring on an all media buy-out basis; and evidence of payment under each composer of underscoring on an all media buy-out basis; and evidence of payment under each synchronization and master use license and composer agreement. (d) Clip Licenses - If any clips from other films are used in the Picture, Licensor shall provide copies of all necessary licenses, or permissions granting the rights to use the clips in the Picture. (e) Laboratory Access Letter – Laboratory Access Letter in the form attached as Exhibit "E" to this Agreement, signed by the Licensor and each respective Laboratory and/or facility having possession of the preprint and sound materials for the Picture (all versions) and trailer(s), including film, sound and storage facilities. 6. *STATEMENT OF RESTRICTIONS - If requested, a statement from Licensor listing all dubbing, cutting and any other restrictions applicable to the Picture of which Distributor and its licensees must be aware. 7. MUSIC CUE SHEETS - A Music cue sheet stating for each composition in the Picture: the title, the composers, publishers, copyright owners, performers, arrangers, usage, performing rights society, as well as the film footage and running time. 8. *CHAIN OF TITLE - All documents evidencing proof of ownership and all documents evidencing proof of payment in connection with any transfer of rights, including but not limited to: (a) A filed U.S. Copyright Registration form for the screenplay; (b) A filed U.S. Copyright Registration form for the Picture; (c) Title Report dated within sixty (60) days of Delivery; (d) Copyright Report dated within sixty (60) days of Delivery; and (e) Five (5) original Certificates of Authorship. 9. MORTGAGE OF COPYRIGHT - Two (2) originals of a Mortgage of Copyright (Exhibit "B"). 10. ASSIGNMENT OF COPYRIGHT - Two (2) originals of an Assignment of Copyright (Exhibit "C"). 11. *IRS FORM W-9 – One (1) completed and signed Form W-9 (for foreign Licensors, one (1) completed and signed Form W-8BEN) 12. CERTIFICATE OF ORIGIN - Five (5) originals of a Certificate of Origin. 13. *FACT SHEET: One (1) completed original Fact Sheet. 19 14. DOLBY LICENSE - If applicable, a copy of the executed license agreement in full force and effect between the producer and Dolby Laboratories, Inc. in connection with the Picture, as well as a copy of the license with the appropriate digital entity (e.g. SRD, Sony Digital/SDDS or Digital Theater Systems). 15. MPAA RATING - A paid rating certificate from the Motion Picture Code and Rating Administration of America, Inc., no more restrictive than R. 16. COVERAGE - If requested, laboratory access to the original negative, answerprint, work picture, magnetic or digital soundtracks, filled music and effect tracks and the original sound recordings, of all alternative takes, cover shots looped dialogue lines and other materials (collectively referred to as "coverage") for the purpose of re-transferring and / or conforming to rating requirements, broadcast standards and practices and censorship. 17. NEGATIVE COST STATEMENT - A one

line statement for the final negative cost of the Picture and signed by an officer of Licensor or a completion guarantor. 18. GUILD AFFILIATION INFORMATION - a. Guilds and Unions: A letter, signed by the producer or director of the Picture setting forth all United States and foreign guilds and unions whose members rendered services on the Picture. b. SAG: If the Picture was produced under the jurisdiction of SAG: Completed copies of the SAG "Final Cast Report" covering all actors engaged on the Picture, including without limitation actors rendering singing, looping and "voice-over" services in post-production. c. DGA: If the Picture was produced under the jurisdiction of the DGA: The name, social security number, loan-out information (where appropriate) and job description of all DGA members engaged on the Picture; and the DGA approval of the final main and end title credits, signed by an authorized representative of the DGA. d. WGA: If the Picture is subject to WGA jurisdiction: The name, address, social security number and loan-out information (where appropriate) for all writers receiving credit on the Picture; a copy of the final WGA notice of final determination or credit on the Picture, signed by an authorized representative of the WGA; and the WGA approval of the final main and end title credits, signed by an authorized representative of the WGA. 20 EXHIBIT "D" LABORATORY ACCESS LETTER December 3, 2007 [LAB NAME] [LAB ADDRESS] Re: Lab Access Letter – "CHILL" Gentlemen: This will confirm that the undersigned has agreed to grant _____ ENTERTAINMENT GROUP, LLC ("Distributor") access rights in and to certain materials relating to the above-captioned motion picture (the "Picture"). You hereby represent that there are on deposit in your laboratory in our name and for our account, the materials set forth on the attached Exhibit "1" (the "Materials"), relating to the Picture. The undersigned hereby certifies to Distributor that the Materials are in technically first class condition suitable for the manufacture of commercially acceptable release materials. We hereby authorize, direct and instruct you, and you agree, to fill all orders from Distributor or its designees at Distributor's sole cost and expense, for positive prints of, or other laboratory services and materials with respect to the Picture, as Distributor may from time to time order, subject to Distributor's making satisfactory arrangements with you regarding payment for any such services or materials. You agree to deliver to Distributor, upon their request, such preprint material and other materials as they may order. Upon our periodic written request, you will send statements to us setting forth, in detail, all orders placed by Distributor in connection with the Picture during the period while this Access Letter is in effect. You shall not permit the Materials to be removed from your possession without our written consent. All materials and services which you may supply to, or order for, Distributor are to be paid for solely by Distributor. You agree that we shall not be liable to pay any of your charges which may be incurred by Distributor for any services or materials relating to the Picture, and that you will neither refuse to process our orders for materials and services relating to the Picture, nor assert any lien on the Picture or any materials relating thereto as against us by reason of the failure of Distributor to pay charges which it may incur for materials of services relating to the Picture. You agree that Distributor shall not be liable to pay any of your charges which may be incurred by us or any of our other licensees for any services and materials relating to the Picture. You will neither refuse to process Distributor's orders for materials and services relating to the Picture nor assert any lien against the Picture or any materials relating thereto as against Distributor by reason of the failure by us (or any of our other licensees) to pay any charges which we or they may incur for services and materials 21 relating to the Picture, except that your laboratory shall comply with all applicable Federal, State, and Local statutes. If the Materials remain inactive for a period of twelve months or more, Laboratory is hereby permitted to terminate this agreement by giving the undersigned written notice of not less than thirty (30) days. Upon the occurrence of such termination, you are authorized to release and deliver the Materials to the undersigned at its last known address unless otherwise advised of an alternate location by the undersigned before termination. Please indicate your agreement to the foregoing by signing in the space provided below. Very truly yours, _____

FILMS By: _____ Its: _____ Agreed to: [LABORATORY]
By: _____ Its: _____ Approved: _____ ENTERTAINMENT
GROUP, LLC By: _____ Its: _____