

Televisión Metropolitana, S.A. de C.V.
CANAL 22 3482624

Atletas N°2 Edificio "Pedro Infante"
Col. Country Club C.P. 04220, México D.F.
5544-9022 correo@canal22.org.mx

www.canal22.org.mx

Ciudad de México a 25 de junio de 2018
Ref.: DP/220/210/2018

Lic. Gabriela Yesenia Vázquez Martínez
Directora de Asuntos Jurídicos
Presente.

De conformidad con los procedimientos establecidos remito a usted tres ejemplares originales del contrato por derechos de exhibición con el número I 11/4/2018 debidamente formalizado que se relaciona a continuación:


- Contrato número I 11/4/2018, por el uso de licencia de uso derechos no exclusivos de exhibición suscrito con la empresa **GAUMONT DISTRIBUTION TV LLC.**

Cabe mencionar que esta contratación fue autorizada en la Primera Sesión Ordinaria del Comité de Obras Audiovisuales de esta Entidad, con sustento en el artículo 16 de la Ley de Adquisiciones, Arrendamientos y Servicios del Sector Público.

Sin otro particular, reciba un cordial saludo.

ATENTAMENTE


LIC. ABEL ALEXIS FLORES SANHUEZA
DIRECTOR DE PROGRAMACIÓN

 TELEVISIÓN METROPOLITANA, S.A. DE C.V.
(CANAL 22)
DIRECCIÓN DE ADMINISTRACIÓN

27 JUN 2018

HORA: 11:29a RECIBE
ANEXOS: SI Ma Egojica

C c.p. Lic. Alfredo Marrón Santander. Subdirector General de Producción y Programación. - presente
C Victor Mancilla Escobar.- Director de Finanzas.- presente
Lic.- Alejandra Ayala Arroyo Directora de Administración. - presente.

DISTRIBUTION AGREEMENT N°GDTV-75

Date: May 1st, 2018

This distribution Agreement ("Agreement") sets forth the agreement between:

GAUMONT DISTRIBUTION TV LLC

whose registered offices are at 750 North San Vicente Boulevard, #1550 East Tower, West Hollywood, California, United States,

Hereinafter referred to as "Licensor "

And

TELEVISION METROPOLITANA S.A. DE C.V.

whose registered offices are at Atletas 2, edificio Pedro Infante, Colonia Country Club, Delegación Coyoacán CP 04220, Ciudad de México, México.

Hereinafter referred to as "Licensee"

Licensor and Licensee being hereinafter jointly referred to as the "Parties" or individually to as "Party".

DEAL TERMS

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties have agreed to the following: Licensor licenses to Licensee the Licensed Rights to the Program in the Territory for the Term and in the Authorized Languages identified below on all the terms and conditions of this Agreement.

ARTICLE 1 - THE PROGRAM

The word "Program" collectively refers to the feature films and television series containing the Required Elements as set forth in Exhibit A.


ARTICLE 2 - LICENSED RIGHTS

2.1. Subject to full payment of amounts stated in article 7, Licensor hereby grants to Licensee the rights under exclusivity terms and conditions as specified in article 2.3 below, to distribute, exhibit, market, promote and otherwise exploit the Program in the following media, as those rights are defined in the Standard Terms, excluding any other rights:

- "Free Television Rights": terrestrial / cable / satellite (cable and satellite being on a simultaneous and unaltered basis only) / catch-up subject to Note (i) below.

NOTES:

(i) Licensee shall have the Catch-up TV Rights which means the right to make available, at no fee/cost or any other charge to the viewer, by means of streaming and/or temporary downloading (i.e., no storage whatsoever on any of the viewer's reception device)

Licensor	
Licensee	

the Program to viewers of the authorized broadcaster in such a way that such viewers may access the Program from a place and a time individually chosen by them within a limited period of time of 7 days starting from the first initial broadcast made by the authorized broadcaster(s) irrespective of the reception device (i.e., computer, television and/or mobile phone) using technological safeguards to restrict the access to such service within the Territory. Within the scope of the exploitation of the 7 day catch-up Television for the TV Rights, Licensee guarantees such service does not generate any additional revenue for the Licensee.

(ii) Licensee and its preapproved sub-licensees, if any, shall have the right to exploit the Licensed Rights through digital or on-line transmission provided that a digital rights management ("DRM") technology generally recognized in the television industry is available and employed that limits the ability of authorized users or viewers to access or receive the Program on a geographic basis. Such DRM technology must incorporate safeguards to prevent unauthorized copying, downloading, dissemination, broadcast, distribution of the Program or other similar acts of piracy by the user or viewer and that prevent access, reception, broadcast, or transmission outside the Territory. If a DRM technology that Licensee and/or its sub-licensees use for Digital Delivery proves to be insufficient in preventing more than an insubstantial number of incidences of unauthorized copying or unauthorized dissemination, reception, broadcast or transmission of the Program outside of the Territory, or other similar acts of piracy by the user or viewer, Licensee shall immediately withdraw the Program from any Digital Delivery system using such insufficient DRM technology, and Licensee shall not further distribute the Program through such DRM technology until the deficiency of such DRM technology has been remedied.

2.2. All the rights not specifically granted above are reserved to Licensor.

2.3. Exclusivity

The Licensed Rights in the Authorized Languages shall be granted to the Licensee on an exclusive basis during the Term.

2.4. Vesting: Each Licensed Right will only vest in Licensee after payment of the License Fee and signature of this Agreement.

ARTICLE 3 - TERM

The Term of this Agreement shall start from its execution and shall expire two (2) years after the start of the Exploitation Period. Licensee will not exploit or authorize any exploitation of any Licensed Right after the Term except if provided so in this Agreement.

ARTICLE 4 - EXPLOITATION PERIOD

4.1. Exploitation Period

The Exploitation Period of the Program starts for each title as specified in Exhibit A attached hereto.

No exploitation of the Program in the Territory by the Licensee is authorized prior or after such period.

4.2. Television exploitation

1) Authorized Runs

Licensee is entitled to exploit the Program through television transmission for two (2) runs.

"1 run" shall mean 1 (one) original broadcast followed by 1 (one) repeat within 24 (twenty-four) hours.

2) Authorized Transmitters

Licensee shall broadcast the Program exclusively through the following channels: CANAL 22

ARTICLE 5 - TERRITORY

The Territory covers the following country:



GDTV Agreement

Licensor	
Licensee	

- MEXICO -

As its political borders exist on the date of this agreement excluding protectorates and possessions.

ARTICLE 6 - AUTHORIZED LANGUAGES

- 1. Licensee is only entitled to exploit the Program in the following Authorized Languages: Original French version of the Program always dubbed and/or subtitled in Latin American Spanish.
- 2. Licensor hereby reserves all rights to exploit the Program in the Territory in any and all versions other than the version(s) authorized here above.

ARTICLE 7 - PAYMENT

7.1. In consideration for the Licensed Rights, Licensee shall pay to Licensor a total license fee (the "License Fee") of USD 57,000 (Fifty-seven thousand US Dollars) payable in full upon execution of this Agreement, prior to delivery of the Materials, and in any event no later than June 15th, 2018.

The License Fee shall be allocated for each Program as indicated in Exhibit A,

7.2. As a material condition to this Agreement, Licensee acknowledges that all payments to Licensor under this Article 7 (the "Payment") will be paid free of any transmission charges to the account indicated on the invoice.

7.3. Limitation on Deductions: There will be no deductions from any payments due to Licensor because of any bank charges, withholding taxes, conversion costs, sales use or VAT taxes, "contingents", quotas or any other taxes levies or charges unless separately agreed to in writing by Licensor. No remittance taxes of any sort may be deducted from the License Fee. If Licensee is legally required to pay any remittance taxes on any amounts due to Licensor other than the License Fee, then Licensee will provide Licensor with all necessary documentation indicating Licensee's payment of the agreed amount on Licensor's behalf before deducting Licensee's payment from any sums due to Licensor.

ARTICLE 8 - DELIVERY

8.1. Upon availability of the Materials, Licensor shall deliver to Licensee the Materials set forth in Exhibit B hereto, necessary for the exploitation of the Program, at the Licensee's address specified in Article 12.


Said Materials shall be provided to Licensee on loan for a total duration of 30 (thirty) days. When not available on loan, Materials shall be paid by Licensee upon receipt of the corresponding invoice.

Materials shall be deemed delivered upon Licensee's acceptance of all the episodes of the Program.

In addition, Licensee hereby acknowledges that it is not entitled to modify any Materials delivered by Licensor prior to obtaining Licensor's written approval.

Licensor shall also deliver to Licensee, free of charge, all available promotional materials including still photos, trailers and Program descriptions.

8.2. Licensee is authorized to produce a subtitled and/or a dubbed version of the Program in the Authorized Language. Licensor shall be considered as the owner of the materials created by Licensee. Licensor shall have free access to copy, to exploit and to authorize any third party to exploit such version of the Program. For the avoidance of doubt, Licensee shall not be responsible for clearance of any rights and/or any fees payable to a third party incurred by Licensor's exploitation of such materials created by Licensee, it being nevertheless expressly understood that Licensee agrees to provide Licensor with all information required for the exploitation by Licensor of such version and agrees to execute any document reasonably required by Licensor in this respect.

Licensor	
Licensee	



8.3. All Materials will be considered technically satisfactory if Licensee does not notify Licensor of any defects in such Materials within fifteen (15) days after their delivery. If Licensee so notifies Licensor, then Licensee will return to Licensor any Materials which Licensee claims are defective with the technical notice of the Laboratory. If Licensee's statement of defect is accurate, then Licensor will timely correct any defects or deliver new Material.

8.4. **Internet Protection:** Licensee acknowledges that Licensor delivers a reference file of the Program to Google, claiming worldwide ownership over the Program. In order to avoid piracy in its Territory, Licensor will provide Licensee with the "AssetID" of Licensor's reference file, in order for Licensee to link such AssetID to any materials published online. Licensee agrees not to deliver any reference file of the Program to Google in order to avoid any conflict with Licensor's reference file.

ARTICLE 9 - SUBLICENSING

Licensee is not entitled to sublicense the Licensed Rights herein granted to any third party.

ARTICLE 10 - INFORMATION AND APPROVAL

10.1. **TV Broadcasting:** Licensee shall inform Licensor at any time the Program is broadcasted, at least 2 (two) weeks before.

10.2. **Home Video exploitation:** Intentionally Deleted

10.3. **Advertising campaign/billing Block:** Licensor will provide advertising requirements to Licensee (or if Licensor does not provide such requirements, then Licensee must demand same from Licensor before preparing any advertising or publicity for the Program) and Licensee undertakes to request for Licensor's first approval with regard to the advertising campaign, billing block before any exploitation of the Program. In case of failure to request this prior approval, the third parties will be entitled to act directly against Licensee.

10.4. **Title:** Licensee may change the title of the Program and/or each episode subject to Licensor's prior written approval. Licensee must notify Licensor of such proposed new title with its English translation to obtain Licensor's approval. The exploitation in the Territory of such new title or of the original title shall not subject Licensor to any liability whatsoever to third parties.

ARTICLE 11 - NOTICE

Any notice pertaining hereto shall be in writing. Any such notice due hereunder shall be served by delivering such notice: (i) by hand or registered mail with an appropriate receipt obtained; (ii) by Fedex or any other recognized international courier service; or (iii) by facsimile with confirmation of receipt, addressed as follows:

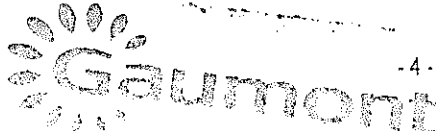
To Licensor:

Gaumont Distribution TV LLC – Business & Legal Affairs
750 N SAN VICENTE Boulevard, East Tower #1550, WEST HOLLYWOOD, CA 90069
Email: Coralie Galès (coralie.gales@gaumont.com)

To Licensee:

Atleas 2, edificio Pedro Infante, Colonia Country Club, Delegación Coyoacán CP 04220, Ciudad de México, México
Email: Abel Flores Sanhueza (abel.flores@canal22.org.mx)

or to such other address as the parties hereto may hereafter designate in writing, and the date of notice shall be deemed to be made or given on the business day at the place of receipt first following the date of transmittal when sent by fax or by hand (provided that a confirmation of receipt available), 5 (five) business days after mailing when sent by Fedex or any other recognized international courier service (provided that a confirmation of receipt issued by the courier service is available), and 10 (ten) business days after mailing when sent by registered mail (provided that a confirmation is available).



Licensor	
Licensee	

ARTICLE 12 - ENTIRE AGREEMENT

This Agreement states the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior negotiations, understandings, deal memos and agreements between the parties hereto concerning the subject matter hereof.

ARTICLE 13 - ADDITIONAL TERMS

This Agreement also includes Licensor's Standard Terms and Exhibit A, which are attached hereto. Such additional terms form an integral part of this Agreement and are hereby incorporated herein by reference. In the event of any inconsistency between the Deal Terms and the Standard Terms, the Deal Terms shall prevail.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.
Number of execution copies: 6

Licensor



By: Vanessa Shapiro
Title: President

Licensee



By: José Alejandro Villaseñor Valerio
Title: General Proxy



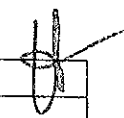
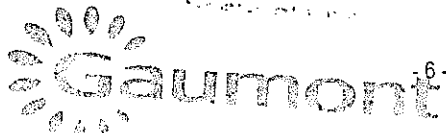
Licensor	
Licensee	

EXHIBIT A

TITLE	TYPE	START DATE	END DATE	LICENSE FEE per title
Le souffle au Cœur	Feature Film	05/01/2018	04/30/2020	\$3,000
Le feu follet	Feature Film	05/01/2018	04/30/2020	\$3,000
Ascenseur pour l'échafaud	Feature Film	05/01/2018	04/30/2020	\$3,000
La nuit de Varennes	Feature Film	05/01/2018	04/30/2020	\$3,000
La cite des femmes	Feature Film	05/01/2018	04/30/2020	\$3,000
Les possédés	Feature Film	05/01/2018	04/30/2020	\$3,000
Les fêtes galantes	Feature Film	05/01/2018	04/30/2020	\$3,000
La Chinoise	Feature Film	05/01/2018	04/30/2020	\$3,000
Le travail et l'amour	Feature Film	05/01/2018	04/30/2020	\$3,000
Sauve qui peut (la vie)	Feature Film	05/01/2018	04/30/2020	\$3,000
Un condamné à mort s'est échappé	Feature Film	05/01/2018	04/30/2020	\$3,000
The art of Crime	Television Series 6 x 60 minutes	10/01/2018	09/30/2020	\$24,000 (based on \$4,000 per episode)
TOTAL				\$ 57,000



Licensor	
Licensee	

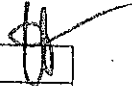
EXHIBIT B
Delivery Schedule

Materials available on loan:

- LE SOUFFLE AU CŒUR : HD CAM SR 16/9 1.66 at 24 fps Original Version French
- LE FEU FOLLET: HD CAM SR 16/9 1.66 at 24 fps OV French
- ASCENSEUR POUR L'ECHAFAUD: HD CAM SR 16/9 1.37 at 24 fps OV French
- LA NUIT DE VARENNES: HD CAM SR 16/9 1.66 at 24 fps OV itallan / French dubbing
- LA CITE DES FEMMES : HD CAM 16/9 1.85 at 25 fps French dubbing / M&E
- UN CONDAMNE A MORT S'EST ECHAPPE : Digital beta 4/3 1.33 OV French.
- LES POSSEDES: HD CAM SR à 24 i/s 16/9 1.66 OV French
- LA CHINOISE: HD CAM SR à 24 i/s 16/9 1.33 OV French

Materials to be delivered at Licensee's cost:

- LES FETES GALANTES: Beta SP 4/3 1.66 VF (Not restored). HD master available for duplication
- LE TRAVAIL ET L'AMOUR : Beta digitale 4/3 1.33. A restoration is in progress and a original master HD CAM SR will be available for duplication.
- SAUVE QUI PEUT (LA VIE): Beta digitale 16/9 1.66 VF. HD master available for duplication

Licensor	
Licensee	

STANDARD TERMS

- 1. LICENSED AND RESERVED RIGHTS
- 2. ADVERTISING AND BILLING, USE OF THE PROGRAM
- 3. DUBBING, SUBTITLING AND EDITING
- 4. CENSORSHIP
- 5. EXPLOITATION PERIODS
- 6. GROSS RECEIPTS
- 7. PAYMENT REQUIREMENTS
- 8. ACCOUNTING
- 9. OWNERSHIP, DELIVERY AND RETURN OF MATERIAL
- 10. COMMON AND CONTINUING OBLIGATIONS FOR EACH LICENSED RIGHT
- 11. HOME VIDEO EXPLOITATION
- 12. VIDEO ON DEMAND EXPLOITATION
- 13. ELECTRONIC SELL-THROUGH EXPLOITATION
- 14. TELEVISION EXPLOITATION
- 15. PAY PER VIEW
- 16. MUSIC
- 17. PROMOTION BY THE INTERNET
- 18. ANTI-PIRACY ARTICLES
- 19. LICENSOR'S WARRANTIES
- 20. LICENSEE'S WARRANTIES
- 21. INDEMNITIES
- 22. SUSPENSION AND WITHDRAWAL
- 23. DEFAULT AND TERMINATION
- 24. ASSIGNMENT
- 25. MODIFICATION AND LAW

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1. LICENSED AND RESERVED RIGHTS

1.1. **Grant:** All rights not expressly licensed to Licensee under this Agreement are reserved to Licensor ("Reserved Rights"). The inclusion of articles in this Agreement relating to rights not expressly licensed to Licensee in the Deal Terms of this Agreement is for ease of drafting only. Their inclusion does not mean these rights are hereunder granted to Licensee explicitly or by implication.

1.2. **Reservation:** Licensor may exploit or grant to any third party of its own choice during the Term and within the Territory all the Reserved Rights as Licensor sees fit without restriction, except as otherwise expressly provided in this Agreement.

1.3. Licensor shall not be responsible for the broadcast within the Territory made from foreign companies but primarily intended for reception outside the Territory. Licensee shall not broadcast or sell the Program or authorize broadcast or sale of the Program to companies which aim can be to exploit outside of the Territory.

2. ADVERTISING AND BILLING, USE OF THE PROGRAM

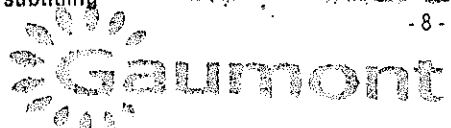
2.1. **Licensee's Obligations:** Licensee shall comply with all bills and credit requirements, which Licensor will timely provide to Licensee. Billing requirements shall include a list of all required screen credits (if not already contained in the Program), publicity and promotional requirements, Videograms packaging credit requirements and anti-piracy requirements specified for each Licensed Right. Licensee shall also add on the packaging of the Videograms of the Program the copyright Licensor will timely provide to Licensee.

2.2. **Licensee's Rights:** Subject to Licensor's prior written approval and to the articles of this Agreement, Licensee will have the right to: (a) advertise, publicize, and promote the Program; (b) include in the beginning or at the end of the Program the credit or logo of Licensee provided that Licensee shall not alter or delete any credit, logo, copyright notice or trademark notice appearing in the Program.

2.3. **Licensee's Interdictions:** Licensee shall not associate the Program to any other content, trademark, product or service (bundles, partnerships, etc.) on a promotional or commercial purpose without Licensor's prior written approval.

3. DUBBING, SUBTITLING AND EDITING

3.1. Dubbing and subtitling



Licensor	
Licensee	

(a) If Licensee has the right to dub and/or subtitle the Program according to the Deal Terms, Licensee shall dub and/or subtitle said Program only in the Authorized Language(s) and in its original continuity, without any alteration, interpolation, cut or elimination due to the translation of the original dialogue. Licensee shall not in any way cut, alter, re-mix or replace the music contained in the original version of the Program. Licensee shall give Licensor the name of each person responsible for preparing any dubbed and/or subtitled versions of the Program.

(b) Licensor will timely provide Licensee with any dubbing and/or subtitling requirements applicable to the Program and the actors (or if Licensor does not provide such requirements, then Licensee must demand the same from Licensor before dubbing the Program), in particular any rights granted by Licensor to any actor(s) in the Program to dub their part(s) in the Program into one or several languages and Licensee shall comply with any such rights granted by Licensor and notified to Licensee.

(c) In no event shall Licensor be held responsible for any modification(s) made by or on behalf of Licensee without Licensor's prior written consent to such modification(s). Ownership of any dubbed and/or subtitled versions of the Program vests in Licensor as provided in Paragraph 9.6 hereunder.

(d) Licensor shall be considered as the owner of the materials created by Licensee and Licensor is entitled to request at any time the free access to the above-mentioned materials. At the end of this Agreement (expiration or early termination), Licensee shall send back at Licensor costs all materials created.

3.2. Editing

The Program supplied by Licensor shall be exhibited in its original continuity, without change, interpolation, or elimination.

4. CENSORSHIP

4.1. Presentation of the Program:

(a) Promptly following receipt by Licensee of the Material to be delivered under the terms of this Agreement, Licensee shall submit such Material to the censorship authorities within the Territory and request such authorities' approval of the Program. Licensee shall use its best efforts to obtain the prompt approval of the Program. If the Territory is comprised of several countries, Licensee shall submit the Program to the censorship authorities of each country within the Territory. In the event the censorship authorities fail to approve the Program, Licensee shall immediately notify such failure to obtain Licensor's prior written approval and shall indicate the scenes or dialogue, if any, to be cut or modified in order to obtain the censorship authorities' approval.

(b) In the event Licensor refuses or fails to make such cuts or modifications to the Program, or in the event that the censorship authorities irrevocably refuse their approval of the Program, Licensee shall take all reasonable steps and legal recourse, including appellate recourse, to contest the censorship authorities' decision and any judgment related thereto.

4.2. Irrevocable refusal:

(a) In the event of an irrevocable refusal of the Program conveying all the Licensed Rights, the Agreement regarding such Program shall come to an end automatically upon receipt of the certified copy of the Censorship Authorities' refusal. Licensee shall return to Licensor all the material regarding such Program within 48 hours after such notice and Licensor shall then immediately reimburse Licensee for any sums eventually paid to Licensor by Licensee in connection with the Program.

(b) In the event of a refusal of the Program conveying one of the Licensed Rights, the terms and conditions of this Agreement will be renegotiated in good faith between the parties. In either case, all Material related to the refused exploitation shall be sent back to Licensor net of any additional cost.

4.3. Approval subject to modification of the Program: In the event that the censorship authorities' approval is conditioned on the making of certain cuts, alterations and other modifications to the Program, Licensee shall, after having obtained Licensor's prior written consent to such modifications, proceed with such modifications and shall, together with Licensor, re-edit the Program, subject always to the supervision and control of Licensor.

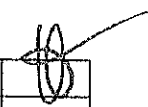
4.4. Approval: Licensor shall not be held responsible for any subsequent restrictions imposed on the exploitation of the Program if the censorship authorities approve the Program as delivered by Licensor. In general, Licensor shall not be held responsible for any restriction on the exploitation of the Program imposed by the censorship authorities or any other entity in the Territory.

5. EXPLOITATION PERIOD

5.1. First TV Broadcast: the "First TV Broadcast" of a Program means the date on which the Program is first broadcasted on television.

5.2. First Video or DVD Release: The "First Video or DVD Release" of a program shall occur on or before the earliest of the date on which Videograms embodying the program are first sold or rented within the Territory.

6. GROSS RECEIPTS

Licensor	
Licensee	

6.1. Gross Receipts - Defined: "Gross Receipts" means the sums on a continuous basis of the following amounts derived with respect to each and every Licensed Right:

(a) All monies of any kind (including all amounts from advances, guarantees, security deposits, received by Licensee or its subsidiaries, parent or affiliated companies, or pre-approved sublicensees from the exploitation of each Licensed Right in the Program, all without any deductions;

(b) All monies of any kind received by Licensee, any Licensee affiliate, or any preapproved sublicensee in compensation for the infringement or breach of contract by third parties of any Licensed Rights in the Program.

6.2. Gross Receipts Calculated at Source: Gross Receipts derived from the exploitation of any of the following Licensed Rights must be calculated at the following levels:

(a) For any Home Video Licensed Right at the Wholesale Level as defined hereafter;

(b) For any Commercial Video or Public Video Licensed Right, at the level at which payments are remitted by exhibitors of the Program;

(c) For any VOD, EST or other Internet Licensed Right, "source" means the level at which payments are remitted directly by parties operating any internet website or closed network from which content is directly made available to the general public subscribers or from which content of multiple sites or services are aggregated for access by the general public or subscribers.

(b) and shall include all Sponsorship revenues associated to the Program exploitations.

6.3. Wholesale Level: The "Wholesale Level" means the level of Home Video distribution from which Videograms are shipped directly to retailers for ultimate sale or rental to the paying public including intermediate distribution levels between the manufacturer and the retailer. Video Gross Receipts shall consist of no less than 60% of public retail price.

6.4. Royalty Income: All amounts collected by any author's rights organization, performing rights society or governmental agency which are payable to authors, producers and which arise from royalties, compulsory licenses, cable retransmission income, tax rebates, exhibition surcharges or the like, will be the sole property of Licensor and will not be included in or credited to any Gross Receipts.

By way of illustration but not limitation, this will apply to such amounts arising from royalties collected by AGICOA or any similar organization from cable retransmissions of television programs, and from collections by music performing or mechanical rights societies. Licensor has the sole right to apply for and collect all these amounts. If any of them are paid to Licensee, then Licensee will immediately remit them to Licensor with an appropriate statement identifying the payment.

7. PAYMENT REQUIREMENTS

7.1. Timely Payment: Timely payments are of the essence of this Agreement and are an express condition to Licensee's continued enjoyment of any Licensed Rights in the Program. Payment will only be considered made when Licensor has immediate and unencumbered use of funds in the required currency in the full amount due. Licensee will use diligent efforts to timely obtain all governmental permits necessary to make all payments to Licensor.

7.2. Flat Fee: The Flat Fee is non-returnable in strict conformity with the terms of this Agreement. The Flat Fee stated in the Deal Terms is a net sum and no taxes or charges of any sort may be deducted from it.

7.2. Limitation on Deductions:

(a) **Principle:** There will be no deductions from any payments due to Licensor because of any bank charges, conversion costs, sales use or VAT taxes, "contingents", quotas or any other taxes levies or charges unless separately agreed to in writing by Licensor.

(b) **Exception:** If Licensee is legally required to pay any withholding taxes, then Licensee will provide Licensor within six (6) months with all necessary documentation indicating Licensee's payment of the agreed amount on Licensor's behalf. If Licensee fails to provide Licensor with such documentation within 6 months after payment, such withholding taxes will not be deducted and shall be paid to Licensor.

7.3. Exchange Articles, Payment: All payments to Licensor will be in the currency designated by Licensor and be computed on the date due at the official government rate in the country of the currency.

In the event of a late payment, Licensor will be entitled to charge Licensee with the amount corresponding to the difference between the exchange rate on the date on which payment was due and the date on which payment is actually made.

7.4. Financial Charge On Late Payments: If Licensor does not receive a payment on the date it was due, then, in addition to any other right or remedy, Licensor will assess interest on such late payment of one point five (1.5) percent per late month. A financial charge, if made, will be retroactive to the date payment was due and will continue until payment in full.

The foregoing shall not be deemed an implied approval from Licensor to postpone the installments and Licensor reserves the right to invoke the terms of Paragraph 22 below.

8. ACCOUNTING

8.1. **Limits on Cross-Collateralization:** The Program will be treated as a separate and independent accounting unit apart from any other program licensed to Licensee. Gross Receipts may only be cross-collateralized among the Licensed Rights in the Program to the extent specifically authorized in the Deal Terms.

8.2. **Financial Records:** Licensee will maintain complete and accurate records of all financial transactions regarding the Program using generally accepted accounting principles on a consistent, uniform and non-discriminatory basis until five (5) years after the Licensed Period and during any period while a dispute about payment remains unresolved. Licensee will maintain full and accurate copies of every statements from third parties and any other writings (contract, electronic record, audio report, etc.) from preapproved sublicensees pertaining to the Program and will make available such records for inspection and copying at the Licensee's principal place of business.

8.3. **Statements:** Except if otherwise stated in Deal Terms, Licensee shall render statements (a) within 60 (sixty) days after the end of each calendar quarter during the first 2 (two) years. (b) annually thereafter within 60 (sixty) days after the end of each annual calendar. When there are no more Gross Receipts left, Licensee shall still render such statements once a year until the end of the Term. Timely statements are of the essence of this Agreement. In addition to any other reporting requirements in this Agreement, Licensee will provide Licensor with a statement in English which sets forth from the time of the immediately prior statement with respect to the Program: all Gross Receipts broken down by category of Licensed Rights with the corresponding Distribution Fee or royalty, if any; and all exchange rates used, broken down by category of Licensed Rights.

Such information will be provided in reasonable detail on a current and cumulative basis.

With respect more specifically to the video exploitation of the Program the statements provided with by Licensee shall include the following information: (i) all Videograms manufactured, sold, rented or returned; (ii) the wholesale and retail selling prices of all Videograms; and (iii) all allowable deductions taken. The information will be provided in reasonable detail on a current and cumulative basis. Licensee may not withhold any receipts as a reserve against returned or defective Videograms for more than two (2) consecutive accounting periods, after which the reserve must be liquidated. The amount withheld may not exceed twenty-five percent (25%) of video gross receipts derived for accounting periods for which the reserve is retained.

8.4. **Audit Rights:** Continuing until 3 (three) years after the Term, Licensor may examine and copy Licensee's financial records regarding the Program on ten (10) days' notice. Licensee shall reimburse Licensor for the costs and expenses of any audit that reveals the underpayment by Licensee for the period audited of more than 5% of the amount properly payable by Licensee to Licensor hereunder for such period.

9. OWNERSHIP, DELIVERY AND RETURN OF MATERIAL


9.1. **Order of Material:** Licensee shall order to Licensor the list of required materials ("initial material") regarding each Program from the list of available material provided by Licensor. If Licensee has not ordered any material within six (6) months after the execution of this Agreement, this Agreement will automatically come to an end and Licensor will keep all amounts paid by Licensee.

Licensee may order additional material at any time during the Term, subject to the availability of such material and at Licensee's sole cost.

9.2. **Delivery:** Shipment to deliver the Material to Licensee will be paid by Licensor; shipment to send it back will be paid by Licensee. Risk of all materials shall pass to Licensee from the moment such materials leave the airport in the country addressed of Licensor's laboratory or office and Licensee shall be responsible for insuring all such materials at their full replacement cost from and with effect from such time to the moment such materials return Licensor's laboratory or office if material on loan.

9.3. **Evaluation of Material:** All Material will be considered technically satisfactory if Licensee does not notify Licensor of any defects in such material within fifteen (15) days after their delivery. If Licensee so notifies Licensor, then Licensee will return to Licensor any material which Licensee claims are defective with the technical notice of the laboratory. If Licensee's statement of defects is accurate, then Licensor will, at its election, either: (a) timely correct any defects or deliver new material; or (b) exercise its rights of suspension or withdrawal pursuant to Paragraph 22.

9.4. **Holding Of Material:** (a) Legal title to all Material, advertising materials, trailers, pre-print materials and other materials relating to the Program provided by Licensor or created and manufactured by Licensee subject to Licensor's prior written approval, and all rights therein (inclusive of copyright) shall at all times be deemed vested solely in Licensor, subject only to Licensee's authorized control during the Term

Licensor	
Licensee	

for the purpose of exercising the Licensed Rights. (b) Licensee will exercise due care in safeguarding Material and will assume all risk for theft or damage while they are in Licensee's possession.

9.5. Access and Ownership of Material Created by Licensee: If expressly specified in Deal Terms, Licensee shall be entitled to create additional material with respect to the Program. This additional material created by Licensee shall be approved in writing by Licensor prior to any exploitation of such additional material by Licensee. Licensor will at all time have free access to all alternate language tracks and dubbed and/or subtitled versions of the Program, and all other materials created by Licensee pursuant to this Agreement, including trailers and other promotional materials. Licensee will promptly notify Licensor of each person responsible for preparing any dubbed and/or subtitled tracks for the Program and each laboratory or facilities where such dubbed and/or subtitled tracks are located. Licensor will immediately become the owner of the copyright of such created material, subject to a non-exclusive free license in favor of Licensee to use such tracks during the Term solely for exploitation of the Licensed Rights, or, if such ownership is not allowed under the Laws of the Territory, then Licensee will grant Licensor a non-exclusive free license to use such dubbed and/or subtitled tracks worldwide in perpetuity without restriction and Licensee shall execute such documents and instruments requested by Licensor to effect Licensor's ownership or license of such tracks. Licensee shall also provide Licensor with the list of dubbed and/or subtitled dialogues of the Program, if any.

9.6. Return of Sold Material: Upon termination of this Agreement, Licensee shall draw up an inventory and provide Licensor with such inventory. Then at Licensor's election, Licensee will either: (a) return all materials to Licensor at Licensor's expense; or (b) destroy all materials and provide Licensor with a customary certificate of destruction.

9.7. Material on Loan

Said Material will be provided to Licensee on loan for a term specified in the Deal Terms. In case of failure to return such material, Licensee shall pay to Licensor an amount equal to 1% of the Flat Fee per week late in the return. Unless otherwise provided in the Deal Term, Licensee shall return all Material to Licensor at the expiration of the period of loan provided in the Deal Terms in the same conditions (notably by the same carrier) as used by Licensor in delivering the Material. If Licensee has not returned such Material to Licensor within 2 (two) months after such period, the price of said Material will be due by Licensee, without prejudice for Licensor's right to undertake any action it deems necessary to recover said Material under provisions of Paragraph 22 below. Licensor will send to Licensee an invoice with regard to the cost of the Material, which shall be paid within 30 (thirty) days.

9.8. Publicity obligations

All dubbed and subtitled versions and all advertising and publicity material created by Licensee and duly approved by Licensor shall clearly mention "Distributed under exclusive license from GAUMONT TELEVISION".

10. COMMON AND CONTINUING OBLIGATIONS FOR EACH LICENSED RIGHT

10.1. Best Efforts; Quality: Throughout the Term Licensee will use its best efforts and skill in the distribution and exploitation of the Program so as to maximize its Gross Receipts.

10.2. Approval Obligations - Ad-campaign: In addition to the obligations stated in the Deal Terms (article 11), Licensor will have prior written approval on an on-going basis of all significant aspects of the distribution of the Program in the Territory for each Licensed Right, including the marketing campaign.

10.3. Release Obligations: In releasing the Program by any or all Licensed Rights, Licensee will notify Licensor in advance of the time and place of the expected first exploitation of the Program for each Licensed Right in the Territory.

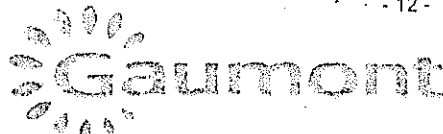
11. VIDEO EXPLOITATION

11.1. Definitions:

(a) **Home Video Sell Through** shall mean the right to sell and exploit the Program by means of Videograms directly to a wholesaler or retailer in the Territory for direct sale to the public, for home use only, by means of a playback device directly connected to or forming an integral part of a viewing screen.

(b) **Home Video Rental** shall mean the right to sell and exploit the Program by means of Videograms directly to a wholesaler or retailer in the Territory for rental purposes and supply to the public, for home use only, by means of a playback device directly connected to or forming an integral part of a viewing screen.

(c) **Commercial Video Right** shall mean the right to exploit the Program, only on video devices, at the facilities of organizations not primarily engaged in the business of exhibiting feature-length motion pictures including educational, social and religious institutions, Red Cross facilities or by and at the facilities of governmental bodies such as embassies.



Licensor	
Licensee	

(d) Mail order: means Home Video sell-through exploitation in which the sale occurs by placing an order for and receiving delivery of the Videogram through use of the postal service or other shipping service and not a retail establishment. Ordering a Videogram over the telephone or through the Internet is not Mail Order.

(e) Special operations: means distribution of Videograms of the Program sold with other material (such as booklet, leaflet, fascicle or any other product) and/or through the agency of a distributor not primarily engaged in the sole business of renting and/or selling Videograms. It includes without limitation bundles, cover deals, newspaper stand circuit, and all operations with magazines, petrol stations, etc..

(f) Videogram" shall mean any type of videocassette, disc, 12 inch laser disc, software program and other electronic storage device now existing (including but not limited to VHS, BETAMAX, DVD, Blu-ray Disc, CD-Rom linear version, etc.) or to be devised in the future, to be used in conjunction with a reproduction apparatus which causes a sequence of visual images capable of being shown as a moving picture, including any associated sound trace, to be visible on a viewing screen embodying the Program in whole or in part.

11.2. Efforts And Quality: Licensee will use all diligent efforts and skill in the manufacture, distribution, and exploitation of the Program. The Videograms manufactured by Licensee will meet quality standards at least comparable to other Videograms commercially available through legitimate outlets in the Territory.

11.3. Special approval for Video exploitation: Licensee has to obtain the prior written approval from Licensor on the release date, the versions (subtitled and/or dubbed), bonus and packaging used on Videograms and Laboratory chosen by the Licensee only if this laboratory is not standard. It being understood that all submissions for approval will be sent electronically.

11.4. Licensor's Packaging Approval: Licensee shall request for Licensor's approval with regard to the packaging of all Videograms. Licensor shall give its approval or its comments within five (5) business days after receipt of the request. It being understood that all submissions for approval will be sent electronically

11.5. Limits On Included Material: Licensee will not authorize or allow any other program or other material to be included on any Videograms embodying the Program without Licensor's prior written approval.

11.6. Release Notice: Upon request of Licensor, Licensee shall furnish reports to Licensor by fax or by email with acknowledgement of receipts requested, setting forth all information available to Licensee regarding the results of the Video exploitation.

11.7. DVD bonus: Upon Licensee request, Licensor shall deliver at a negotiated price to Licensee all bonuses which rights are available for the Territory. Licensee shall not include in the DVD bonuses without the Licensor's prior approval, and Licensee is not obligated to include a DVD bonus.

11.8. Sell-Off Period: During the last three (3) months of the Term Licensee will not manufacture Videograms in excess of those reasonably anticipated to meet normal customer requirements. If the Agreement has not been terminated per Paragraph 23, then during the three (3) month period following the end of the Term, Licensee will have the non-exclusive right to sell off its then existing inventory of Videograms for such Program for Video exploitation only. At the end of this period, Licensee will at Licensor's election either sell its remaining Videograms and their packaging to Licensor at Licensee's cost, or destroy them and provide Licensor with a customary certificate of destruction.


11.9. Supplying: if granted, Licensee shall, with no charge, supply Licensor with five (5) Videograms (both DVD and Blu-Ray if Blu-Ray is granted) of the Program when the Program is release in such media.

12. VIDEO ON DEMAND EXPLOITATION

12.1 Definitions: Video on demand ("VOD") means exploitation of the Program by means of a signal for reception in homes and similar permanent living places where a charge is made to the viewer for the right to use a device to view the Program at a time selected by the viewer for each viewing.

Video on demand includes Near Video on demand, Subscription Video on demand, Transactional Video on demand, Advertising Video on demand, Free Video on demand exploitation of the Program:

(a) Near Video on demand ("NVOD") means multiple regularly scheduled transmissions in a short time period over related transmission facilities of the Program by means of a signal for reception in homes and similar permanent living places where a charge is made to the viewer for the right to use a decoding device to view the Program at one of the scheduled transmission times selected by the viewer for each viewing.

Licensor	
Licensee	

(b) Subscription Video on demand ("SVOD") means an on demand service whereby the viewer(s) make(s) a payment of a weekly or monthly (or as otherwise determined by the SVOD operator of the service) subscription fee which enables such a viewer(s) to access and view gratis other than the subscription fee, inter alia, the Program for a period of time determined by the operator.

(c) Transactional Video on demand ("TVOD") means a service whereby the customer pays a fixed fee for a program which is made available on the basis that the precise scheduling of the transmission of the Program is not pre-determined by the operator of the service in which the Program is comprised but by the customer, who may view the Program at a time of his/ her choice, subject always to any usage rules imposed by the service provider. For the avoidance of doubt, TVOD does not include broadcast.

(d) Advertising Video on demand ("AVOD") means the right to make available a program for free use on an advertised financed platform or for free during certain promotional activities which are designated to endorse other sales of a program.

(e) Free Video on demand ("FVOD") means the exhibition of a program for which no fee is actually payable by the customer, whether due to no fee being charged or due to the application of credits, coupons, give-aways or other offset of any kind.

12.2. **Technological Security:** Licensee may only make the Program available on VOD services that incorporates all commercially reasonable and current technological and anti-circumvention safeguards to ensure that accessing, streaming or downloading of the Program is limited solely to end users whose habitual residence is verifiably located within the Territory and to Computers whose Internet addresses are verifiably located within the Territory.

13. ELECTRONIC SELL-THROUGH EXPLOITATION

13.1. **Definitions:** Electronic Sell-through exploitation shall mean the right to make a transmission or other transfer of data whereby the Program is delivered to the consumer for storage on a device elected by the consumer for permanent retention (and/or whereby the Program is otherwise made permanently available (i.e. in perpetuity) to the consumer including from a remote location and not actually downloaded).

13.2. **DRM Security:** Licensee may only make the Program available over the Internet using digital copies of the Program that incorporate all commercially reasonable and current DRM technology and anti-circumvention that continually restricts unauthorized copying, accessing, streaming or downloading of such copies both while available on the Internet and after any authorized streaming or downloading.

14. TELEVISION EXPLOITATION

14.1. Definitions:

(a) Pay Television rights: mean Terrestrial Pay TV, cable Pay TV and satellite Pay TV exploitation of the Program.

Terrestrial Pay TV: means over-the-air analog broadcast of the Program by means of encoded Hertzian waves for television reception where a charge is made to viewers in private living places for use of a decoding device to view a channel that broadcasts the Program along with other programming.

Cable Pay TV: means originating analog transmission of the Program by means of an encoded signal over coaxial or fiber-optic cable for television reception where a charge is made to viewers in private living places for use of a decoding device to view a channel that transmits the Program along with other programming.

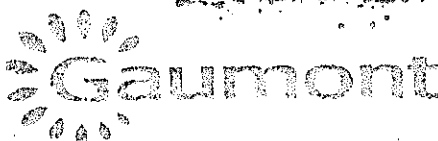
Satellite Pay TV: means the uplink analog broadcast of a signal to a satellite and its down-link broadcast to terrestrial satellite reception dishes of the Program for television viewing located in the immediate vicinity of their reception dishes where a charge is made to viewers in private living places for use of a decoding device to view a channel that broadcasts the Program along with other programming.

(b) Free Television rights: mean Terrestrial Free TV, cable Free TV and satellite Free TV exploitation of the Program:

Terrestrial Free TV: means over-the-air analog broadcast by Hertzian waves for television reception in private living places without a charge to the viewer provided that for this purpose, government television assessments or taxes will not be deemed a charge to the viewer.

Cable Free TV: means originating analog transmission of the Program by means of an encoded signal over coaxial or fiber-optic cable for television reception in private living places without a charge to the viewers provided that for this purpose, government television assessments or taxes will not be deemed a charge to the viewer.

Satellite Free TV: means the uplink analog broadcast of an encoded signal to a satellite and its down-link broadcast to terrestrial satellite reception dishes of the Program for television viewing located in the immediate vicinity of their reception dishes without a charge is made to viewers in private living places provided that for this purpose, government television assessments or taxes will not be deemed a charge to the viewer.



Licensor	dk
Licensee	

(c) Runs: For purposes hereof, a Run shall be deemed taken each time any channel duly authorized hereunder commences transmission of the Program or episode considered; provided that (i) the simultaneous transmission of the Program or episode considered by more than one authorized channel shall only constitute in 1 (one) run on the Licensed Right, and (ii) the transmission of the time-shifted versions of the Licensed Rights to account for multiple time zones shall be deemed to be simultaneous transmission hereunder so long as the transmission of the Licensed Rights is identical in each time zone.

14.2. Usage Reports: Upon Licensor's request, Licensee will promptly provide Licensor with the following information:

- (a) the title of the Program in the Authorized language used for each telecast of the Program ;
- (b) each laboratory holding any dubbed or subtitled tracks for the Program ;
- (c) the time, place and telecaster of each telecast of the Program, including the number of telecasts.

14.3. Commercials: Where Free TV Rights are licensed, Licensee may then insert and permit others to insert commercial announcements within the Program for such Free TV exploitation. The Program can be cut in the solely aim to insert commercial. Licensee guarantees there will be no shortening and/or reconstruction of the Program (its credits included).

14.4. Conclusion of Run(s) : The Term for Licensed Television Rights granted to Licensee hereunder shall terminate on the earlier of the expiry of the Term specified in the Deal Terms or the completion of the last Authorized Run. For example, if Licensee is granted 2 (two) Runs on Free TV then the Term for Free TV Rights shall expire at the end of the second Authorized Run. The Term will not be extended because Licensee failed to use all Authorized Runs for the applicable Licensed Television Right.

15. PAY PER VIEW

Pay per view means the broadcast by means of a signal for reception on television receivers in homes or similar living places where a charge is made to the viewer for the right to use a decoding device to view the broadcast of the Program at a time designated by the broadcaster for each viewing excluding VOD & NVOD. The Paragraphs 14.2, 14.3 & 14.4 are applicable to Pay per view.

16. MUSIC

16.1. Synchronization Royalties:

- (a) Warranties : Licensor represents and warrants to Licensee that it has the right to allow exploitation of the music synchronization rights in all music embodied in the Program throughout the Territory for the entire Term.
- (b) Cue Sheets : To the extent required and available, Licensor will supply (if available) Licensee after delivery with music cue sheets listing the composer, lyricist and publisher of all music embodied in the Program. Licensee will, to the extent necessary, promptly file with the appropriate music rights society in the Territory a copy of such music cues sheet without making any changes to such cue sheets.

16.2. Performance Royalties:

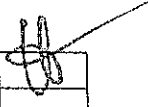
- (a) Generality : Licensee shall be responsible for making any necessary payments to any and all local performing rights societies necessary for the exhibition in the Territory of all music embodied in the soundtrack of the Program.
- (b) Mechanicals: Licensee shall acknowledge that a mechanical, performing or author's right society in the Territory may attempt to collect mechanical royalties in connection with the exploitation of the Licensed Rights. Licensee shall then be solely responsible for such royalties

17. PROMOTION ON THE INTERNET

Promotion of the Program by the Internet is granted to Licensee but only in the language stated in the Deal Terms. Besides, Licensee shall request for Licensor's prior written approval before proceeding to any kind of promotion of the Program on the Internet. Licensee will have the right to extract no more than 3 (three) minutes of the Program up to the Internet for promotional purpose only. Licensee is entitled to put the trailer, artworks, approved photographs, a brief synopsis and biographical material for key talent and staff of the program up on the Internet as provided by Licensor without any modification or alteration.

18. ANTI-PIRACY ARTICLES

18.1. General: During the Term, Licensee shall take all available steps to protect the Program against piracy and to protect Licensor's right, title and interest (including copyright) in and to the Program. If Licensee fails to take necessary anti-piracy action, Licensor may, but will not be obligated to, take such action in Licensor's or Licensee's name, with all recoveries belonging to Licensor. 18.2. New Technology: If during the Term a new technology which provides protection against the unauthorized duplication, distribution, or public performance of copies of program is in use in the Territory, then Licensee will reasonably apply such technology to all copies of the Program manufactured, distributed or publicly performed under its authority.

Licensor	
Licensee	

18.3. **No Warranty in Piracy:** Licensor and Licensee acknowledge that it is their mutual best interest to prevent piracy of the Program in or outside the Territory. Licensor and Licensee shall inform each other of any act of piracy of the Program in the Territory. No piracy of the Program, whether occurring before or after the execution of this Agreement, will allow Licensee to terminate this Agreement or reduce any amounts due to Licensor.

19. LICENSOR'S WARRANTIES

19.1. Licensor represents and warrants that it has full authority and ability to enter into and completely perform this Agreement and to license all Licensed Rights to Licensee. Licensor has not and will not undertake any action which might impair those Rights. There are no existing or threatened claims or litigation which would adversely affect or impair any of the Licensed Rights.

19.2. If this Agreement is fully executed although the Program is not totally shot or edited and if it happens that the Program cannot be completed and/or be exploited for any reason, Licensor will immediately notify Licensee and the Agreement shall immediately come to an end regarding such Program. Licensor shall not be held responsible for such event and such cancellation. All sums already paid to Licensor for said Program would be fully reimbursed to Licensee without interest.

20. LICENSEE'S WARRANTIES

Licensee represents and warrants:

20.1. Licensee has full authority and ability to enter into and completely perform this Agreement. There are no existing or threatened claims or litigation which would adversely affect or impair Licensee's ability to completely perform this Agreement.

20.2. In case royalties payments are due to collecting societies in connection with the television broadcast of the Program in the Territory, Licensee shall be solely responsible for these payments. Licensee guarantees Licensor in this respect and hold harmless Licensor against any claim in this respect.

Licensee will honor all restriction on the exercise of the Licensed Rights as such restrictions may be duly given to Licensee by Licensor in conformity with this Agreement. Licensee will not exploit any rights not specifically licensed to Licensee in this Agreement, nor will Licensee exploit the Program outside the Territory or after the Term/

Licensee hereby warrants and agrees that it shall use reasonable efforts to market, advertise and promote the Program in the Territory.

20.3. In case of any assignment of this Agreement pursuant to Paragraph 24.1, Licensee makes the following additional representations and warranties to Licensor:

As a condition to the effectiveness of such assignment the assignee can and will make all of the representations and warranties set forth in this Paragraph directly to Licensor as if such Assignee executed this Agreement directly with Licensor.

If such Assignee breaches any such representation and/or warranty, then Licensor, in addition to any right or remedies it may have against such assignee, may proceed directly against Licensee for such breach without first proceeding against such assignee or exhausting any of Licensor's rights or remedies against such assignee.

21. INDEMNITIES

Licensee will indemnify and hold harmless Licensor (including Licensor's officers, directors, subsidiaries, partners, owners, shareholders, employees and agents) from and against all claims and expenses (including reasonable attorney's fees) and liabilities due to Licensee's failure to abide by any restriction on the exercise of any rights granted as set forth hereunder and/or any breach of any Licensee's obligations, representations or warranties set out in this Agreement. Licensee will remain responsible for honoring Licensee's indemnities despite any assignment or sublicense allowed by Licensor pursuant to Paragraph 24.1.

Licensor will indemnify and hold harmless Licensee from and against all claims, loss, liability, damages or expenses, including reasonable attorney's fees, but not including lost profits, due to breach of any of Licensor's representations or warranties or due to Licensor's use of the materials created by Licensee referenced in Paragraph 9.5 hereof. Licensor will remain responsible for honoring Licensor's indemnities despite any assignment pursuant to Paragraph 24.2.

22. SUSPENSION AND WITHDRAWAL

22.1. Causes of Suspension:

(a) Licensor may in its absolute discretion suspend Delivery or exploitation of the Program or withdraw the Program:

- (i) If Licensor determines that its continued exploitation might infringe the rights of others, violate any law, or subject Licensor to any liability;
- (ii) If Licensor determines that its Materials are unsuitable for the manufacture of first class commercial quality prints or other exploitation materials;
- (iii) If Licensee makes an assignment for the benefit of creditors, seeks relief under any bankruptcy law or similar law for the protection of debtors, or allows a petition of bankruptcy to be filed against it or a receiver or trustee to be appointed for substantially all of its assets that is not removed within thirty (30) days;
- (iv) If Licensee is in breach of payment of the costs incurred by the initial materials, and after a written notice to Licensee without any response within 3 months. All of the amounts already paid (i.e. any amount as per Articles 6 and 7 of the Deal Terms) shall be retained by Licensor.
- (v) If any television service that acquired the TV exploitation rights of any Program in the Territory, requires holdbacks on SVOD exploitations during the license period of such TV rights. Should Licensee fail to comply with such holdbacks, Licensor shall be entitled to immediately terminate this agreement subject to written notice and without prejudice to any claim for damages.

(b) Either party may suspend Delivery or exploitation of the Program or withdraw the Program in case of a Particular Event. "Particular Event" means any strike, riot, war, insurrection or civil unrest; any fire, flood, earthquake or public disaster; breakdown of electrical or sound equipment; failure to perform or delay by any laboratory or supplier; delay or lack of transportation, embargo; any Act of God or any other cause beyond the reasonable control of either party which constitutes a cause of "Force Majeure".

22.2. Effect of suspension: None of the parties will be entitled to claim any damages or lost profits for any suspension. Instead, the Term will be extended for the length of each suspension. If any suspension lasts more than three (3) consecutive months, either party may terminate this Agreement on ten (10) days' notice, in which case the Program will be treated as provided in Paragraph 22.3.

22.3. Effect of Withdrawal: If the Program is withdrawn or this Agreement is terminated after a period of suspension, then Licensor may either substitute a mutually satisfactory program of like quality, or refund Licensee all sums paid to Licensor regarding such Program if exploitation of the Program has been fully hindered or in proportion to time Licensee has been hindered to fully exploit the Licensed Right hereby granted in comparison to the whole Exploitation Period during which he would have fully exploit the Program in the absence of termination - (except as provided in Paragraph 22.1 (a)(iv); the corresponding material shall be sent back to Licensor within twenty (20) days following such termination). Notwithstanding the foregoing, in case of the event as described in Paragraph 22.1 (a)(iii) above, Licensee will be deemed to be in default and Licensor may elect to terminate this Agreement as per Paragraphs 23.1 and 23.2 below.

23. DEFAULT AND TERMINATION

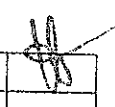
23.1. In case of default in the performance of any of its obligations by either party, the non-defaulting party will give the defaulting party notice of any claimed default. The defaulting party will have 20 (twenty) days after receipt of such notice to cure its default. If the defaulting party fails to cure within time provided, then the non-defaulting party shall have the right, at its sole discretion, to terminate automatically this Agreement in all or in part with full and immediate effect, without prejudice to any other rights or remedies it may have, including legal proceedings.

23.2. When it is Licensee's failure, Licensor shall immediately recover all the Rights licensed to Licensee hereunder. If the Agreement concerns more than one program, such termination procedure may be available for all the programs. In any case, Licensor shall keep all sums already paid by Licensee and all sums still due become immediately payable without prejudice to any other rights or remedies Licensor may have, including legal proceedings. All Material shall be sent back to Licensor within 48 hours after said termination. Once Licensor has fully recovered all Licensed Rights, all the sums due to Licensee by its authorized sub-licensees, if any, shall be due to Licensor. Provisions of this article shall be applicable in whole or in part depending on Licensor's own election.

23.3. When it is Licensor's failure, Licensor shall refund Licensee - in proportion to time Licensee has been hindered to fully exploit the Licensed Right hereby granted in comparison to the whole Exploitation Period during which he would have fully exploit the Program in the absence of termination - the sums paid by Licensee to Licensor relating to the Program pursuant to this Agreement, without prejudice to any other rights or remedies Licensee may have, including legal proceedings.

24. ASSIGNMENT

24.1. Licensee's Right: This Agreement is personal to Licensee. Licensee may not assign or transfer this Agreement in whole or in part without Licensor's prior written approval. If any assignment is authorized, this Agreement will be binding on such authorized assignee or equivalent but will not release Licensee of any of its obligations and warranties under this Agreement.

Licensor	
Licensee	

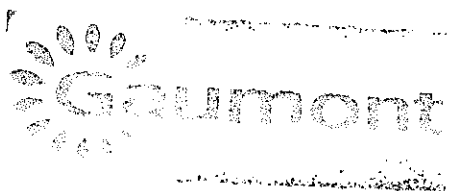
24.2. Licensor's right: Licensor may freely assign, transfer or sublicense any of its rights under this Agreement. Licensor may not assign or transfer this Agreement without having informed Licensee of any such assignment or transfer. In the event of any assignment, this Agreement will be binding on such assignee or equivalent and will release Licensor of any of its obligations under this Agreement.

25. MODIFICATION AND LAW

25.1. Modification: No modification or amendment of this Agreement will be effective unless in writing, signed by both parties.

25.2. Applicable Law: This Agreement shall be construed and governed by the laws of State of California; Licensor and Licensee hereby consent and submit to the exclusive jurisdiction and venue of Los Angeles for the adjudication of any dispute between Licensor and Licensee pertaining to this Agreement or the alleged breach of any article hereof, unless Licensor decides at its sole discretion to designate a jurisdiction in the country where Licensee's registered office is located.

(Handwritten mark)



Licensor	<i>(Handwritten initials)</i>
Licensee	