

LENHOFF & LENHOFF



## GENERAL MATERIALS AND PACKAGING AGREEMENT

**Dated:**

This will confirm the following agreement between us:

1. You hereby engage Lenhoff & Lenhoff for a term of two (2) years commencing on the above date, as your sole and exclusive agent and representative in all fields and media, throughout the world, to negotiate for and with respect to the disposition, sale, transfer, assignment, rental, lease, use, exploitation, furnishing or otherwise turning to profit (herein collectively referred to as the "disposition") of all and/or any part of the following:

(a) All Materials in which any right, title or interest is owned or during the Term acquired, directly or indirectly, by you or by any person, firm, corporation, partnership, joint venture or other entity in which you have any direct or indirect interest, ownership, or control.

(b) The Materials described below and all Materials developed or derived from them:  
*[If Materials are listed under (b), then only (b) shall apply. If no Materials are listed under (b), then only (a) shall apply.]*

2. You hereby represent and warrant that you have the right to enter into this agreement and the right and authority to dispose of Materials, and that you have not given and will not give anyone else the authority to act for you, during the Term, in the capacity in which you have engaged Lenhoff & Lenhoff.

3. (a) Lenhoff & Lenhoff hereby accepts this engagement and agrees to render our services for you during the Term. You understand that Lenhoff & Lenhoff may render other or similar services to other persons, firms or corporations, and that services outside of the United States may, at the election of Lenhoff & Lenhoff, be performed by our appointee.

(b) In performing our services hereunder in connection with the disposition of Package Shows, Lenhoff & Lenhoff shall make available any one or more of the following specific services: (i) assistance in bringing together key elements of the Package Shows and/or assistance in the negotiating of agreements in connection therewith; (ii) advice and consultation as to the creation and/or development and/or production of the Package Shows; (iii) advice and services in connection with soliciting and negotiating agreements for the sale and/or other exploitation of the Package Shows.

830 Palm Avenue, West Hollywood, CA 90069 Tel: (310) 855-2411

(c) You agree that in connection with Package Shows, if you wish to employ other clients of Lenhoff & Lenhoff, or to acquire any rights or Materials from them, Lenhoff & Lenhoff may represent such other clients in their negotiations with you and in such negotiations Lenhoff & Lenhoff will be acting solely as their agent or representative and not as yours. Neither the representation of such other clients by Lenhoff & Lenhoff nor our receipt of compensation from them shall be construed as a breach of the obligations of Lenhoff & Lenhoff under this agreement, or of any fiduciary or other relationship between you and Lenhoff & Lenhoff, and Lenhoff & Lenhoff shall nevertheless be entitled to our compensation under this agreement.

(d) With respect to Syndication, merchandising, advertising, testimonials, and commercial tie-ups in and to the Materials and/or Package Shows hereunder, Lenhoff & Lenhoff shall collaborate with, and shall have the exclusive right to represent you in negotiating with and for, any person, firm or corporation specializing in and acting on your behalf in connection with such activities. The compensation to be paid by you to any such person, firm or corporation shall not diminish any sums payable by you under this agreement.

4. Except with respect to Package Shows for which your commission shall be as set forth in Paragraph 5 below, and except as set forth in Paragraphs 4(b), (c), (d), (e) and (f):

(a) You hereby assign to and agree to pay Lenhoff & Lenhoff, as and when received during and after the Term, ten percent (10%), except as set forth below in Paragraphs 4(b), (c), (d), (e) and (f), of the "Gross Compensation" paid and/or payable to you or any party on your behalf, and/or to any firm or corporation directly or indirectly owned or controlled by you or in which you now have or during the Term acquire any right, title or interest, pursuant to or as a result of any contract covered by this agreement, whether procured by Lenhoff & Lenhoff, you or any third party.

(b) Our commission shall be fifteen percent (15%) with respect to publication rights in any medium (including audio rights to such publications) in the United States and Canada, as well as any other rights granted in the publication contract to the United States and/or Canadian publisher, and with respect to readings and lectures, and/or appearances of a similar nature.

(c) Our commission shall be twenty percent (20%) with respect to amateur stage performance rights, and with respect to publication and audio rights outside of the United States and Canada if such rights have not been conveyed to the United States and/or Canadian publisher.

(d) Our commission shall be twenty five percent (25%) with respect to merchandising, licensing and/or other commercial exploitation of trademarks, packaging, design, likeness, image, characters and similar content via manufacturing, publication, distribution, sale, promotion and other commercial exploitation of whatever kind, size or nature.

(e) Our commission with respect to Package Shows shall be as set forth in Paragraph 5 below.

(f) If Lenhoff & Lenhoff negotiates, and/or an affiliate, subsidiary or correspondent agent assists Lenhoff & Lenhoff in negotiations for and with respect to the disposition for usage outside the United States of the reproduction of any previously broadcast Television format covered by this agreement, you agree to pay Lenhoff & Lenhoff fifteen percent (15%) of Gross Compensation payable to you or on your behalf in connection with such disposition. If such disposition is made by you or by a distributor, then our compensation shall be five percent (5%) and shall be paid according to the provisions of Paragraph 5(f) of this agreement.

5. In connection with the sale, license, distribution, exploitation and/or any other disposition of any Package Show hereunder, the following shall apply:

(a) For any Package Show you directly own and/or distribute, you shall, in lieu of the ten percent (10%) commission in Paragraph 4(a), pay Lenhoff & Lenhoff the following package commission: (i) six percent (6%) of the Network License Fees, and (ii) ten percent (10%) of the Modified Gross, calculated and paid "off the top."

Except as set forth in Paragraphs 5(c), (d), and (e), one half of our commission on the Network License Fees shall be deferred and paid out of fifty percent (50%) of one hundred percent (100%) of the first Net Profits, and otherwise it shall be paid when received.

(b) For any Package Show you do not own or distribute, you shall pay Lenhoff & Lenhoff ten percent (10%) of Gross Compensation received by you or on your behalf, to be paid when received, unless such Package Show is sold or licensed to a studio or network which agrees to recognize our package commission on the project, in which case you shall have no direct commission obligations to Lenhoff & Lenhoff and the third party studio or network shall be solely responsible for paying Lenhoff & Lenhoff a package commission in accordance with our standard network formula.

(c) Notwithstanding anything to the contrary in Paragraph 5(a)(i) and (ii), our commission in connection with a Package Show that is initially produced for first run Syndication shall be five percent (5%) of the distributor's Gross Receipts derived from initial first run exhibition, payable when such Gross Receipts are received by the distributor, and ten percent (10%) of the Modified Gross derived from any subsequent exhibition and from all ancillary rights.

(d) If you own and/or distribute a Package Show which is produced as a "cost up to pilot", then no commission shall be payable by you to Lenhoff & Lenhoff on amounts paid to you to cover the costs of the pilot (excluding your fees for producing, executive producing, or other services rendered) except as follows: (i) if such pilot is broadcast as a so-called "movie of the week", "made for television movie", or "special" and Lenhoff & Lenhoff shall be entitled to receive commission per a separate agreement with the studio or network; or (ii) if the Package Show is sold as a series and the pilot is included as one of the episodes of the series, in which case our commission, to the extent not paid by the network, shall be payable as set forth in Paragraph 5(a) above.

(e) If a U.S. network licenses a Package Show for rerun broadcasts, including network stripping, which are not firmly ordered as part of the initial network license agreement, then you shall pay Lenhoff & Lenhoff ten percent (10%) of the license fee paid to you when you receive the license

fee for such reruns. If such reruns are part of the initial network license agreement, our commissions shall be as set forth in Paragraph 5(a). If during the initial network broadcast term the network orders repeats and only reimburses actual union or otherwise contractually obligated out-of-pocket residuals with no other compensation of any kind, Lenhoff & Lenhoff will not commission such reimbursement.

(f) You shall submit and/or cause the distributor to submit to Lenhoff & Lenhoff accounting statements setting forth, in reasonable and customary detail, the revenues derived from and expenses incurred with respect to each Package Show. Such statements shall be submitted no less frequently than quarterly during the term of the actual production, active Syndication, and/or other exploitation of the Package Show. Lenhoff & Lenhoff shall have the right to audit your records during business hours, on and at reasonable notice and intervals, as they relate to our commissions. If you have the right to audit a third-party distributor Lenhoff & Lenhoff may take part in such audit or if you elect not to do so Lenhoff & Lenhoff may audit the distributor in your place.

6. (a) As long as any contracts covered by this agreement relating to a specific Material or any rights therein shall continue in effect, and for one (1) year thereafter (or for the stated term referred to in Paragraph 1 above, whichever is longer), the Term of this agreement shall be automatically extended with respect to that specific Material or any rights therein.

(b) If any disposition is made of any Material covered by this agreement, in whole or in part, during or after the Term, you shall be obligated, during and after the Term, to pay commission as provided in Paragraphs 4 and 5 whenever such disposition of such Material is made.

7. No failure by Lenhoff & Lenhoff to perform the terms of this agreement shall be considered a material breach unless you serve written notice to Lenhoff & Lenhoff within thirty (30) days after you are made aware of such failure, and Lenhoff & Lenhoff does not remedy the failure within a period of fifteen (15) business days after receiving the notice.

8. (a) Any transfer of rights, title, or interest in or to any Material covered by this agreement, including by merger, consolidation or dissolution, shall require prior to any transfer the delivery to Lenhoff & Lenhoff of a written assumption agreement by the transferee, except as set forth below in Paragraphs 8(b), (c), and (d). The provisions of this paragraph and all its subsections shall apply to the first transfer of rights, title, or interest, as well as any subsequent transfers. Any future holder of any rights, title or interest in or to your Material shall assume this agreement. No such transfer shall relieve you of your obligations hereunder.

(b) If any transfer of rights, title, or interest is made by operation of law, then the transferee shall assume this agreement in writing. In absence of a written assumption agreement, such rights remain subject to the provisions and obligations of this agreement.

(c) The provisions of Paragraph 8(a) shall not be applicable to a transfer of rights of a Material, or any rights therein, in an arms' length transaction for full and adequate consideration. With respect to such transfer of rights, the provisions of Paragraph 4 or 5 hereof, as applicable, shall

apply, except that if the transfer of rights is an outright transfer of rights, then the provisions of Paragraph 8(d) hereof shall apply.

(d) If considering a complete transfer of all or a part of your rights, title and interest in and to a Material covered by this agreement, you agree to give Lenhoff & Lenhoff not less than fifteen (15) days prior written notice setting forth the proposed terms and conditions and pertinent information respecting the proposed purchaser. Lenhoff & Lenhoff shall then have fifteen (15) days from the receipt of such notice (or amended notice, if any) within which to elect in writing one of the following: (i) take our compensation in connection with such transfer; (ii) waive our compensation on such transfer. If Lenhoff & Lenhoff elects 8(d)(i) you shall pay Lenhoff & Lenhoff ten percent (10%) of the Gross Compensation paid or payable to you or on your behalf in connection with said complete transfer of rights, without any deductions whatsoever. If Lenhoff & Lenhoff elects 8(d)(ii), then concurrently with such outright transfer of rights, the purchaser shall execute and deliver to Lenhoff & Lenhoff a written assumption agreement; if such agreement is not delivered, you shall remain obligated to pay Lenhoff & Lenhoff the amount otherwise payable to Lenhoff & Lenhoff by the purchaser. In the absence of election of 8(d)(i) or 8(d)(ii), 8(d)(ii) shall be considered the default election.

9. When used in this agreement, the following terms are defined as follows:

(a) "Material(s)" means all rights, interests, properties of a literary, entertainment, and/or promotional nature, including, without limitation, books, magazines, newspapers, articles, stories, episodes, Package Shows, ideas, characters, titles, motion pictures, screenplays, teleplays, stage plays, musicals and revues, musical compositions, lyrics, advertising, merchandising, infomercials, product placement, and games, distributed via any technology now in existence or hereafter devised, and all rights and/or interests in or derived from such Materials now owned or controlled by you, or which you create or acquire, in whole or in part, during the Term, including any Material based upon, produced as part of, or developed from any element of any Material covered by this agreement.

(b) "Package Show" means a Television program for which you are the owner or distributor, or a Television program for which one or more key elements (including but not limited to writer(s), director(s), producer(s), and/or on-screen performer(s)) are represented by Lenhoff & Lenhoff, and for which Lenhoff & Lenhoff has been recognized as a packager by the third party owner or distributor of the program, and shall include all manner of exploitation of the such Television program by any present or future means or process, including, but not limited to, television motion pictures, mini-series, presentations, pilots, or series of programs, whether produced for initial exhibition via network, Syndication, basic or pay cable or otherwise, and all rights in and to such Television programs, including, without limitation, all derivatives or spin-offs thereof and all ancillary, allied and subsidiary rights therein, and all elements of such Television programs.

(c) "Gross Compensation" means the total amount of money or other consideration, without deductions of any kind, however characterized or paid (including, but not limited to, advances, deferments, allowances, salaries, royalties, license and other fees, bonuses, securities, shares of and/or participations in Gross Receipts and/or Net Profits, and the proceeds from dispositions of

Materials and from Materials agreements), received by you or any person, corporation, partnership, joint venture, or other entity now or hereafter owned or controlled by you or in which you have any right, title or interest in connection with Materials, whether in connection with arrangements procured by Lenhoff & Lenhoff, by you, or through any third person, firm, or corporation. Gross Compensation shall also include all Gross Compensation received by any third party for the furnishing of any element of any Materials, or the rendition of any services in connection with such Materials, which you would have been obligated to furnish or render.

(d) "Gross Receipts" means all payments, revenues and consideration, of any kind and however characterized, with respect to the sale, lease, license, distribution and/or any other exploitation of a Package Show, without deductions of any kind. If the definition in an agreement for the disposition and/or distribution of a Material differs from the foregoing, that definition shall apply with respect to such Material.

(e) "Network License Fee" means the amount paid by a broadcast network, basic or paid cable outlet, or other exhibitor, as consideration for the initial broadcast rights to a Package Show.

(f) "Net Profits" shall be determined by compiling the total of Gross Receipts derived from the disposition of a Package Show, and/or rights therein, in any and all fields, and deducting the following: Negative Cost (inclusive of firm non-contingent fixed fees payable at a specific time in the future); our commission actually paid; distribution fees (provided, however, that no distribution fee shall be deducted in connection with the initial network sale, whether free TV or pay or basic cable, other than our commission hereunder); the actual costs of editing, rerun fees as and when incurred, contingent liabilities (when such liabilities become firm and payable); dubbing; and any other actual costs directly attributable to the disposition of a Package Show and/or rights therein (but excluding any deduction whatsoever for any ownership interest or profit participation for any person, firm or corporation). Our deferred compensation, contingent rerun costs, and any other contingent deferments or obligations shall not be treated as a cost until paid. If you or any affiliated company actually act as the distributor, then your distribution fees shall not exceed twenty percent (20%) domestic and thirty percent (30%) foreign.

(g) "Negative Cost" shall be defined as the actual cost incurred in the production of a Package Show, computed in accordance with customary accounting principles. This shall include only actual direct costs and an overhead fee equaling no greater than ten percent (10%) of the non-overhead Negative Cost, and shall exclude our commission and any contingent liabilities. If you provide facilities, equipment or post production personnel, you shall include, in Negative Cost, a charge for such items at competitive industry rates. You may also include interest you actually pay, but there shall be no overhead on interest or interest on overhead fees. If the definition in an agreement for the disposition and/or distribution of a Material differs from the foregoing, that definition shall apply with respect to such Material.

(h) "Modified Gross" shall be defined as Gross Receipts from all sources less only actual out-of-pocket production and distribution costs paid to any third parties (excluding any fees retained by you for services rendered, acquisition of rights, profit participation or other similar payments). There shall be no deductions for any form of distribution fees or overhead. If the definition in an

agreement for the disposition and/or distribution of a Material differs from the foregoing, that definition shall apply with respect to such Material.

(i) "Contracts covered by this agreement" means every oral or written agreement connected to the disposition of any Material, as defined in Paragraph 9(a), as well as any modifications, supplements, extensions, additions, or renewals to and of such agreements. All such contracts shall be covered by this agreement whether negotiated by Lenhoff & Lenhoff, you, or any third party, and whether such contracts are now in existence, to take effect during the Term of this agreement, or to take effect within six (6) months after the Term on terms reasonably similar to and with the same offeror (or any party connected to such offeror) as any offer made during the Term.

(j) "Term" means the period specified in Paragraph 1 and any and all extensions or renewals pursuant to the provisions of Paragraph 6(a).

(k) "Syndication" means any disposition of the Television and/or radio rights in a Package Show, throughout the universe, other than a disposition for national network broadcasts and repeat national network broadcasts in the United States.

(l) "Television" means, without limitation, all present and future forms of transmission of "live" or recorded sounds and images through the air, by wire, or by any other method or by any combination thereof whether now in existence or hereafter discovered and whether for free reception or on subscription or other charge basis or at places where admission is charged and shall include motion pictures and/or recordings of, prepared for, or in connection with such transmission, whether in whole or in part and whether directly or indirectly.

10. Any disputes, claims, and controversies arising under or by reason of this agreement shall be settled by arbitration in accordance with the rules of JAMS, The Resolution Experts. The award rendered and the obtaining thereof shall be binding and conclusive upon the parties. You and Lenhoff & Lenhoff agree that in any arbitration proceeding instituted hereunder full rights of discovery (including, but not limited to, depositions, interrogatories and production of documents) shall be available to each of us. We each hereby waive the benefit of any provisions of applicable law in California or any other jurisdiction that may now or hereafter limit or restrict such discovery rights or the power of an arbitrator to order such discovery. If such proceedings are in California, we both hereby agree that the provisions of Section 1283.05 of the California Code of Civil Procedure (relating to discovery in arbitration proceedings) shall be incorporated into and applicable to our agreement to arbitrate. The arbitrators may also decree specific performance or grant injunctions or any other equitable relief they deem proper under the circumstances. It is agreed that the prevailing party shall be entitled to reimbursement of all arbitration costs, including reasonable attorney's fees. Any process or notice of motion or other application to the Court or the judge thereof may be served upon the parties in writing.

11. This agreement shall be governed by the laws of the State of California. Any arbitration under this agreement shall occur in Los Angeles County, California, and any award specified by the arbitrators under the arbitration provision of Paragraph 10 shall be filed with and enforced by the courts of the State of California.

12. This contract, together with any forms you and Lenhoff & Lenhoff execute, sets forth the entire agreement between us with respect to its subject matter. It shall be effective when signed below or in counterpart, and photocopy, facsimile, electronic or other copies shall have the same effect for all purposes as an ink signed original. You hereby represent and warrant that in signing this agreement you have not relied on any statements, promises, representations or inducements, except as specifically set forth herein. This agreement may not be changed, modified, waived or discharged in whole or in part except by an instrument in writing signed by you and Lenhoff & Lenhoff.

13. You and Lenhoff & Lenhoff shall have the right to assign this agreement to any successor entity, or, pursuant to any reorganization, consolidation or merger, to any person, corporation, partnership or other firm. The pronouns "our", "you", and "your" where used in this agreement shall likewise refer to our and your heirs, distributees, executors, administrators and assignees, who shall be bound by this agreement and accorded all its rights, privileges, and benefits.

14. Should any provision of this agreement be void or unenforceable, such provision shall be deemed omitted and this agreement with such provision omitted shall remain in full force and effect.

Sincerely,

**Lenhoff & Lenhoff**

---

**Authorized Signatory**

**AGREED TO AND ACCEPTED**

---

**CLIENT**  
**(SS#: )**