

Film Baby Distribution Agreement

The following, when accepted by you (whether as an individual, or if applicable, acting as the authorized legal representative for a motion picture, producer, director, company or corporation) and us (i.e. Film Baby, Inc. and collectively with our licensees and assignees referred to in this Agreement as “us” and “we”) shall constitute our Agreement. We are an Oregon Corporation with offices located at 5909 NE 80th Avenue, Portland, OR 97218 and are the owner and operator of the web pages at filmbaby.com (the “Film Baby Site”). Please read this Agreement carefully. By creating an filmmaker account and creating a username and password at filmbaby.com/member, you will become a party to, and will be bound by this Agreement with reference to your Motion Picture(s). We may modify this Agreement as further described in Section 13 below. The “Effective Date” of this Agreement is the date on which your account is created.

1. Authorization:

You hereby appoint us as your authorized representative for the sale and other distribution of Motion Picture as provided herein. The rights that are granted by you to us are non-exclusive. Accordingly, you hereby grant to us and our Distributors and licensees (herein each a “Licensee”) the non-exclusive right, during the Term and throughout the Territory, to:

1. perform and make available for promotional purposes, portions of Motion Picture (“Clips”) by “streaming” to promote the license, sale and distribution of Motion Picture;
2. promote, sell, distribute, and electronically fulfill and deliver the Motion Picture, and associated metadata to purchasers who may use such Motion Pictures in accordance with usage rules similar to those set forth by the Distributors.
3. use Motion Picture, Artwork and metadata as may be reasonably necessary or desirable for us to exercise our rights under the terms of this Agreement; and
4. authorize or appoint any Distributors to perform any one or more of the activities specified above

2. Term:

The Term of our Agreement shall commence on the Effective Date and shall continue unless and until terminated by either party providing thirty (30) days prior written notice. Notwithstanding the forgoing, such termination shall not affect the term of any licensing or exhibition agreements entered into with third-parties prior to your termination hereunder. Such licensing or exhibition agreements shall continue through the end of their then-current term.

3. Payment.

1. FOR PHYSICAL SALES OF YOUR FILM THROUGH THE WEBSITE, we shall pay you full retail value as listed on our site at the time of sale through the website minus our standard \$4 service fee. We will compute amounts payable to you and will provide a statement in accordance with our standard business practices. We shall make payments to you during the normal payment windows notified to you upon registration with our site. Such payment shall constitute full consideration for all rights granted and obligations undertaken by you hereunder.
2. FOR NON-PHYSICAL SALES, we shall pay you an amount equal to eighty-percent (80%) of the amounts received by us or a \$2 minimum charge, whichever is the greater. Accounting details are available and updated daily, when made available from Licensees, in the secure members' login area at www.filmbaby.com/member. We will compute amounts payable to you and will provide a statement in accordance with our standard business practices. We shall make payments to you during the normal payment windows notified to you upon registration with our site. Such payment shall constitute full consideration for all rights granted and obligations undertaken by you hereunder.

4. Content Restrictions for Digital Distribution

1. You shall retain control over the contents of the Motion Picture, provided however, the Motion Picture shall at all times be subject to Motion Picture Association of America ("MPAA") regulations and all other applicable federal and state regulations or in the event that a MPAA rating is not provided, the Motion Picture shall be defined as NR.
2. Our Licensees shall have the right (but not the obligation) in their sole discretion to refuse or remove any materials that are otherwise objectionable. Content that is deemed objectionable includes (but not limited to): illegal content, invasions of personal privacy, pornography or obscenity, hate or incitement of violence, graphic violence or other acts resulting in serious injury or death, violations of copyright.

5. Parental Advisory.

We use a custom variation of the MPAA rating system and will apply a rating to all films submitted for Distribution. The classifications are as follows:

Rated G – GENERAL AUDIENCES: All ages admitted.

Rated PG – PARENTAL GUIDANCE SUGGESTED: Some material may not be suitable for children.

Rated PG-13 – PARENTS STRONGLY CAUTIONED: Some material may be inappropriate for children under 13.

Rated R – RESTRICTED: Under 17 requires accompanying parent or adult guardian. (Some jurisdictions or theater companies may have a higher age.)

Rated NC-17 – No one 17 and under admitted. (Some jurisdictions or theater companies may have a higher age.)

Rated NR– No rating is given by you.

Films that are rated "R" or higher, may not be eligible to participate in certain distribution options or will be tagged as for Adult Audiences and will be given special treatment by Distributors. It is at our sole discretion to assign ratings, if possible, to films in the program as described in Section 1 of this agreement.

6. Your Obligations.

1. **You shall obtain and pay for any necessary clearances and licenses in the Territory for all Motion Picture and Artwork.** Specifically, you shall be responsible for and timely pay (i) any royalties and other income due to artists, authors, co-authors, copyright owners, co-copyright owners, producers and other royalty participants from sales or other uses of Motion Pictures, (ii) all mechanical royalties payable to publishers and/or authors or co-authors of copyrighted musical compositions embodied in Motion Pictures from sales or other uses of Motion Pictures, (iii) all payments that may be required under collective bargaining agreements applicable to you or third parties other than us, (iv) any other royalties, fees and/or sums payable with respect to Motion Picture, Artwork, metadata and other materials provided by you to us, (v) any and all rights, clearances and permissions necessary to use all names, likenesses, trademarks and service marks of all teams, individuals and entities participating in or otherwise associated with the Motion Picture.

7. Rights to Withdraw Material.

You shall have the right at any time during the Term hereof upon thirty (30) days prior written notice to us to withdraw further authorization for the sale or other uses of Motion Picture and Authorized Artwork. Promptly following our receipt of your notice to us hereunder of your requested withdrawal, we shall advise our

Distributors or Licensees that they are no longer authorized to offer the sale or other use of such of Motion Picture or Authorized Artwork as you shall provide us with a withdrawal notice concerning. The foregoing shall not limit your responsibility for sales and other uses of Motion Picture and/or Authorized Artwork occurring prior to the implementation of such withdrawal and shall not limit in any way the rights of customers who have acquired Motion Picture or Authorized Artwork. Notwithstanding the foregoing, such withdrawal shall not affect the term of any licensing or Exhibition agreements entered into with third-parties prior to your withdrawal hereunder. Such licensing or Exhibition agreements shall continue through the end of their then-current term and you shall remain responsible for all such Motion Pictures and/or Authorized Artwork. We shall request that such third-parties withdraw such materials, but are not responsible in any way if such requests are denied.

8. Names and Likenesses; Promotional Use and Opportunities.

1. We may use and authorize our Distributors or Licensees to use the names and likenesses of, and biographical material concerning, any Motion Picture, actor, awards, producers, as well as name, and Artwork, in any marketing materials for the sale, promotion and advertising of the applicable Motion Picture which is offered for promotion or other use under the terms of this Agreement (e.g., a Motion Picture or actor/actress name and likeness may be used in an informational fashion, such as textual displays or other informational passages, to identify and represent authorship, production credits, and performances of the applicable artist or band in connection with the authorized exploitation of applicable Motion Pictures). You warrant that you have all necessary rights to grant us the foregoing authorization, including rights from all relevant talent or crew members.
2. Film Baby and any of its Distributors shall have the right to market, promote and advertise the Motion Picture as available for purchase or license as we and they determine in our and their discretion and that we make no guarantees whatsoever about there being any minimum sales or uses of any Motion Picture.

9. Ownership.

Subject to our rights hereunder or under any prior agreement between you and us, insofar as we are concerned, all right, title and interest in and to (i) Motion Picture and Authorized Artwork, (ii) the Clips, (iii) all copyrights and equivalent rights embodied therein, and (iv) all materials furnished by you, except as to any rights of Film Baby (whether pre-existing or under this Agreement), shall be and remain your property.

10. Modification, Termination and Effect of Termination

We reserve the right to change, modify, add to or remove all or part of this Agreement. Notice of any such changes shall be sent to you by email at least seven (7) days prior to their effective date. In the event that you do not consent to any such proposed changes your sole recourse shall be to terminate the Term of this Agreement by notice to us as provided above, and your failure to do so within ten (10) days of the date of any such email from us to you shall constitute your acceptance of such changes. The expiration of the Term of this Agreement shall not relieve either party from their respective obligations incurred prior to or during the Term. Accordingly, provisions of this Agreement will continue to apply even after the expiration of the Term.

11. Indemnification and Limitation of Liability.

If we receive a claim that the use of Motion Picture or Authorized Artwork or any other materials provided or authorized by you is in violation of any third party rights, you agree to fully indemnify and hold us harmless, and upon our request, defend us and our Licensees and affiliates (and their respective directors, officers and employees) from and against any and all losses, liabilities, damages, costs or expenses (including reasonable attorneys' fees and costs) concerning any such claim. Accordingly, you agree to reimburse us and our Licensees and our affiliates on demand for any payments made in resolution of any liability or claim that is subject to indemnification under this Section 13, provided that we obtain your written consent prior to making any such payments. You agree that your consent will not to be unreasonably withheld, delayed or conditioned. We shall promptly notify you of any such claim, and by obtaining and posting and maintaining an appropriate bond for our benefit you may assume control of the defense of such claim, provided that we shall have the right in all events to participate in the defense thereof.

12. Additional Representations and Warranties of the Parties.

1. You represent and warrant that you have the full authority to act on behalf of any and all owners of any right, title and interest in and to the Motion Picture.
2. You represent and warrant that you own or control the necessary rights in order to make the grant of rights, licenses and permissions herein, and that the exercise of such rights, licenses and permissions by the other party hereto shall not violate or infringe the rights of any third party.
3. Each party represents and warrants that it has full authority to enter into this Agreement and to fully perform its obligations hereunder and has obtained all necessary third-party consents, licenses and permissions necessary to enter into and fully perform its obligations herein.

4. Each party represents and warrants that it shall not act in any manner which conflicts or interferes with any existing commitment or obligation of such party, and that no agreement previously entered into by such party will interfere with such party's performance of its obligations under this Agreement.
5. Each party represents and warrants that it shall perform their obligations in compliance with any applicable laws, rules and regulations of any governmental authority having jurisdiction over such performance.

13. General Provisions.

1. The parties agree and acknowledge that the relationship between the parties is that of independent contractors. This Agreement shall not be deemed to create a partnership or joint venture, and neither party is the other's agent, partner, employee, or representative.
2. This Agreement, including any annexes, schedules and exhibits hereto, contains the entire understanding of the parties relating to the subject matter hereof, and supersedes all previous agreements or arrangements between the parties relating to the subject matter hereof. This Agreement cannot be changed or modified except by s notification via electronic mail. A waiver by either party of any term or condition of this Agreement in any instance shall not be deemed or construed as a waiver of such term or condition for the future, or of any subsequent breach thereof. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable, such determination shall not affect any other provision hereof, and the unenforceable provision shall be replaced by an enforceable provision that most closely meets the commercial intent of the parties.
3. This Agreement shall be binding on the assigns, heirs, executors, personal representatives, administrators, and successors (whether through merger, operation of law, or otherwise) of the parties.
4. Any notice, approval, request, authorization, direction or other communication under this Agreement shall be given in writing and shall be deemed to have been delivered and given for all purposes: (i) on the delivery date if sent by electronic mail to the addresses provided to and by you upon registration with the our Site, or as properly updated.
5. This Agreement shall be governed and interpreted in accordance with the internal laws of the State of Oregon applicable to agreements entered into and wholly to be performed therein, without regard to principles of conflict of laws.

6. Nothing herein shall expressly or impliedly obligate us or any of our Distributors or Licensees to use any or all of Motion Picture or exercise any rights granted hereunder.
7. To the extent permitted by applicable law, the rights and remedies of the parties provided under this Agreement are cumulative and in addition to any other rights and remedies of the parties at law or equity.
8. The titles used in this Agreement are for convenience only and are not to be considered in construing or interpreting the Agreement.
9. This Agreement is for the sole benefit of the parties hereto and their authorized successors and permitted assigns. Nothing herein, express or implied, is intended to or shall confer upon any person or entity, other than the parties hereto and their authorized successors and permitted assigns, any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

14. Definitions.

The following terms shall have the following meanings for purposes of this Agreement:

1. "Motion Picture" means a form of entertainment that enacts a story by sequence of images of continuous movement as an art form created, owned or controlled by the RIGHTS HOLDER in retail ready format, which FILM BABY may authorize Distributors to display, promote, broadcast or showcase, pursuant to the terms and conditions of this Agreement.
2. "Distributor" means any third party that FILM BABY may authorize to carry out the marketing, distribution and sale or other use of the Motion Picture pursuant to the terms of this Agreement.
3. "Territory" means the Universe.
4. "Our Site" means the retail website owned by Film Baby at www.filmbaby.com where you have registered to sell the Motion Picture through us according to the terms thereon. By agreeing to this Agreement, any Motion Picture made available on the Our Site that you designate will be made available for Distribution by us to our Distributors according to the terms of this Agreement.
5. "Artwork" means DVD cover artwork and any other artwork relating to Motion Picture that you provide to us. Any artwork that exists is provided by or on behalf of you to us before or during the Term will be deemed to

have been cleared by you unless you promptly notifies us in writing to the contrary.

6. "Exhibition" means a public showing of Motion Picture through all outlets available today and in the future.

A handwritten signature in black ink, appearing to read "Jamie Chvotkin". The signature is fluid and cursive, with a long horizontal stroke extending to the right from the end of the name.

Jamie Chvotkin
Film Baby Inc
Portland, OR