Company, its agents, assigns or licensees or purchased with Company's funds ("Recoverables"). Contractor acknowledges and agrees that work originating or created in connection with the production of the Picture, including, without limitation, correspondence and documents, shall be the exclusive property of Company and any disclosure or use thereof by Contractor shall be deemed a material breach hereof. Recoverables shall include, without limitation, props, wardrobe, equipment, tools, materials, supplies, and film stock.

- 11. <u>CREDIT</u>: All matters relating to credit, including without limitation the placement, position, form and nature of credit (including without limitation the name) to Contractor shall be at Company's sole discretion. For clarity, Company shall have sole discretion on placement of credit to Contractor, if any, with reference to the Picture, billing block and paid and excluded advertisements. Company shall at its sole discretion determine the exact size, nature, style, color, and placement of credit accorded to Contractor, if any. No casual or inadvertent failure by Company or others to comply with the credit provision of this Agreement shall be deemed a breach of the Agreement, nor shall failure by any third party to accord any credit to Contractor hereunder constitute a breach of this Agreement.
- 12. <u>LOANOUT COMPANY (if applicable)</u>: In the event Contractor's services hereunder are rendered through a loan-out company ("Lender"), the following provisions shall apply:
 - a) All references to "Contractor" in this agreement shall be deemed to be references to Lender and Contract jointly.
 - b) Lender and Contractor represent and warrant that Lender has the full right, power and authority to enter into this agreement and grant the rights granted to Company herein without the consent of any third party, and that neither Lender nor Contractor is subject to any conflicting obligation or any disability which will or might prevent Lender or Contractor from the performance of this Agreement.
 - c) Payments of compensation hereunder will be made to Lender and not to Contractor. In the event Company is subjected to any expenses or other liability by reason of a failure to withhold, report or pay taxes in connection with the compensation payable hereunder, Lender and Contractor shall indemnify and hold Company harmless there from.
 - d) Contractor confirms that (i) Contractor has read and understands the Agreement, and (ii) Lender has the authority to grant the rights and furnish Contractor's services in accordance with the provisions hereof. Further, as a material inducement to Company, Contractor agrees to abide by and be personally bound by the terms and provisions of this Agreement as if Contractor were a direct party hereto, and to look solely to Lender for payment of all compensation due Contractor in connection with Contractor's services and grant of rights hereunder.
- INDEPENDENT CONTRACTOR: The relationship of Contractor to the Company shall be exclusively that of an independent contractor and not that of an agent, partner, joint venturer, or employee. As an independent contractor, Contractor shall be a fiduciary with respect to matters within the scope of its engagement, and shall have (but not be limited to) the following fiduciary duties: The duty not to act as, or on account of, an adverse party without the Company's express written consent, and the duty not to compete with the Company on its own accounts, or for any other. in matters relating to the scope of its engagement with the Company. Contractor shall have no right or authority to make any contracts, agreements or commitments in the name of or for the account of the Company, nor to accept any orders on behalf of the Company, nor to assume or create any obligation or liability of any kind, express or implied, on behalf of the Company, nor to make any representation or warranty, express or implied, on behalf of the Company, without prior written authorization signed by an officer of the Company. CONTRACTOR SHALL NOT BE COVERED BY, ENTITLED TO PARTICIPATE IN OR RECEIVE ANY BENEFITS OF ANY RETIREMENT, PENSION, PROFIT SHARING, STOCK OPTION, BONUS, HOSPITALIZATION, VACATION, INSURANCE (NOT INCLUDING WORKMEN'S COMPENSATION; WORKMEN'S COMPENSATION POLICY WHICH WILL BE PROVIDED BY THE COMPANY FOR ALL INDEPENDENT CONTRACTORS), DISABILITY OR SIMILAR PLAN, ARRANGEMENT OR BENEFIT MAINTAINED BY THE COMPANY FOR ITS EMPLOYEES. AS AN INDEPENDENT CONTRACTOR, CONTRACTOR UNDERSTANDS THAT HE/SHE IS NOT AN EMPLOYEE OF COMPANY AND THEREFORE IS NOT ENTITLED TO ANY BENEFITS ACCORDED TO EMPLOYEES IN THE STATE OF CALIFORNIA AND THEREFORE EXPRESSLY WAIVES THE RIGHT TO FILE A CLAIM AGAINST COMPANY FOR UNEMPLOYMENT THROUGH THE CALIFORNIA EDD, CALIFORNIA LABOR BOARD OR ANY OTHER ORGANIZATION INTENDED FOR EMPLOYEES AND NOT INDEPENDENT CONTRACTORS. Contractor warrants that Contractor will make all

Contractor Initial	
Company Initial	

necessary payments due appropriate governmental agencies to comply with the foregoing and indemnify Company against all claims, liabilities, costs, or expenses that may arise out of breach of the foregoing.

- OBLIGATIONS OF THE CONTRACTOR: Contractor will be issued a 1099 for services. The Company shall 14. not be obligated to withhold taxes payable to Federal, State or Local authorities, including FICA contributions, and shall be responsible only for the determination and payment of the entire fee to which Contractor is entitled per job contracted with the Company. Accordingly, Contractor shall be responsible for the payment of all Federal, State and Local taxes (including but not limited to FICA taxes), providing all necessary insurance (including but not limited to unemployment) and making all required records and reports relating to all engagements contracted with the Company. Contractor shall also provide and obtain all licenses and certificates necessary, if any, for Contractor's services. Contractor's services shall comply with all Federal, State and Local laws and regulations. Contractor retains exclusive control over the means and methods of performance of its services except as provided herein. Contractor's services shall meet the standards normally accepted in the entertainment industry. Contractor is not and will not become a party to any contract or agreement and is not and will not become subject to any law, rule, or regulation inconsistent with its obligation to the Company. Contractor's obligation to the Company is to complete the services described when contracted (for any individual job) and to meet any deadlines set forth by the Company. Contractor has no obligation to work any particular hours or days or any particular number of hours or days, except as specified in this Agreement. Naturally, Contractor retains the right to contract for similar services with other businesses or individuals. The Company agrees that it will have no right to control or direct the details, manner, or means by which Contractor accomplishes the results of the services performed for the Company.
- 15. <u>IMMIGRATION REFORM AND CONTROL ACT OF 1986 (IRCA)</u>: Contracting (or the engagement of services) hereunder is subject to Contractor providing the requisite documents required by IRCA and completing and signing the required Form I-9 pursuant to IRCA Section 274a.2. Contractor shall comply with the immigration verification contracting eligibility provisions required by law.
- 16. <u>FORCE MAJEURE/ILLNESS/INCACITY</u>: Company shall not be obligated to pay Contractor any compensation in respect to any periods that Contractor does not actually render services hereunder because of illness, incapacity, default, or force majeure event (collectively a "Suspension Event") and Company may extend the term of the Agreement and Contractor's services required hereunder by the length of time of any such Suspension Event. A force majeure event shall be defined as any labor dispute, fire, war or governmental action, or any other unexpected or disruptive event beyond Company's control which hampers or prevents Company's ability to develop, produce, promote, distribute and/or otherwise exploit the Picture.
- 17. <u>COMPANY'S OBLIGATIONS</u>: Company shall not be required to utilize Contractor's services hereunder or to utilize in any manner any of the results and proceeds of Contractor's services, or to produce, release, market, distribute or otherwise exploit any motion picture, or any other production in connection with which Contractor renders services hereunder. Nothing herein shall be deemed to relieve Company of its obligation to pay Contractor the compensation payable to Contractor for the period set forth above during which Contractor is actually rendering services hereunder, subject, however, to such rights of suspension, extension and termination as are contained herein.
- 18. <u>EXCLUSIVITY</u>: During the Term of this Agreement, Contractor's services will be on a non-exclusive, first priority basis, and will or will not engage in any other activity either on a third party's or his/her own behalf inconsistent with the performance of Contractor's services hereunder.
- 19. NON-UNION: Contractor acknowledges that the Picture is a non-union production. In the event that the Picture becomes a union production, all terms of the applicable union agreement shall govern and be incorporated into this Agreement. If any term of this Agreement is less favorable to Contractor than the applicable union agreement, the parties agree that the terms of the applicable union agreement shall control. All payments received by Contractor in accordance with Paragraph 3 above, shall be applied to the compensation required under the applicable union agreement.

20.	GENERAL	PROVISIONS:

Contractor Initial	_
Company Initial	_

- a) <u>WARRANTIES</u>: Contractor warrants that Contractor is free to enter into this Agreement and is not subject to any conflicting obligations or any disability which will or might prevent Contractor from, or interfere with Contractor's execution and performance of this Agreement; and that the results and proceeds of Contractor's services hereunder, including any literary or other material, will be wholly original with Contractor or in the public domain throughout the world, and shall not infringe upon or violate any copyright of or the right of privacy or any other right of, any person, firm or corporation. Contractor further warrants and represents that he/she is over the age of 18 years.
- b) INDEMNIFICATION: Contractor agrees to indemnify, defend and hold harmless Company, the officer, directors, agents and employees of any and all thereof, from and against any and all liabilities, actions, claims, demands, losses, damages and expenses (including reasonable attorney's fees) caused by or arising out of the breach of any representation, warranty or the provision of the Agreement by Contractor. Company's approval of any material furnished by Contractor hereunder shall not constitute a waiver of Contractor's indemnity with regard thereto, other that with respect to actual or potential claims relating to such material, which claims are disclosed in writing by Contractor to Company prior to such approval by Company. Company and Contractor, upon the presentation of any such claim to either of them or the institution of any such action naming either or both of them as defendants, shall promptly notify the other of any such action giving such other party full details thereof.
- c) <u>CONFIDENTIALITY</u>: Contractor shall not, during or after the Term hereof, disclose to any person, firm, corporation or other entity any confidential or proprietary information or trade secrets (collectively referred to as "Confidential Information") of Company, its affiliates, subsidiaries, owners, officers, directors, employees or agents obtained or learned by Contractor while providing services to Company, including, without limitation, information about the Picture or any other projects being developed, produced or distributed by Company. Contractor recognizes and acknowledges that the Confidential Information of Company is a valuable, special, and unique asset of and belongs solely to Company. Notwithstanding the foregoing, Contractor may disclose such Confidential Information pursuant to a subpoena or other legal process after giving prior written notice to Company, which notice shall specify the Confidential Information to be disclosed and the circumstances of such disclosure, if and to the extent known to Contractor.
- d) NAME AND LIKENESS: Contractor hereby irrevocably grants Company, its successors and assigns, the right to use Contractor's name, and to photograph and make motion pictures and sound recordings of Contractor's physical likeness and voice in connection with the Picture, including without limitations for "behind-the-scenes" footage, DVD value added footage and other footage, DVD extras, interviews, excerpts from the Picture, electronic press kits, featurettes, trailers, videos and promotional films and to reproduce the same in any manner and any medium whatsoever, in perpetuity without further compensation.
- e) <u>FEDERAL COMMUNICATIONS ACT</u>: Contractor affirms that neither Contractor, nor any acting for Contractor, gave or agreed to give to any person associated in any manner with the Picture any portion of Contractor's Compensation for arranging Contractor's services in connection with the Picture, or anything else of value for arranging Contractor's services in connection with the Picture. Contractor understands that failure to disclose to Company any such arrangement constitutes a federal crime. Contractor is aware that it is a federal offense, unless disclosed to Company prior to broadcast, for Contractor to accept or agree to accept anything of value other than Contractor's regular compensation for services in connection the Picture paid by Company, for promoting any product, service or venture on the air. Contractor will immediately notify Company if any person attempts to induce Contractor to do anything in violation of the foregoing.
- f) GOVERNING LAW/ARBITRATION: The terms and conditions of this Agreement shall be interpreted and governed by California law applicable to contracts entered into and to be wholly performed in California without reference to choice of law rules. The parties consent to the jurisdiction of the courts of the State of California in the City and County of Los Angeles or the federal courts of the United States for the Central District of California located in the City and County of Los Angeles. Any dispute arising hereunder shall be resolved solely through binding arbitration conducted in Los Angeles, California under and pursuant to the commercial arbitration rules of the American Arbitration Association ("AAA Rules"), as said rules and may be amended from time to time with rights of discovery if requested by the arbitrator. Such rules and procedures are incorporated and made part of this Agreement by reference. It is agreed that the arbitration shall be before a single arbitrator familiar with entertainment law. The prevailing party in such arbitration shall be entitled to recover its attorneys' fees and costs