

## LICENSE AGREEMENT

This License Agreement (the "Agreement"), dated as of the date of this registration, (the "Effective Date") is entered into by and between Online Title Registrant (hereinafter referred to as "Licensor"), and Cross Market Films with offices located at 8032 Willow Glen Rd Los Angeles CA 90046 (hereinafter referred to as "Distributor" or "Sales Agent"), (individually each is a "Party" and collectively are the "Parties").

This Agreement sets forth the Terms and Conditions between the Parties in connection with the license as provided in this Agreement of certain video content, metadata, artwork, and other related materials by Licensor to Distributor ("Licensed Content")

1. **Picture [Series]:** See Exhibit B
2. **Territory:** See Exhibit B. All local languages in the Territory are authorized.
3. **Term:** For all "Licensed Rights" (as such term is defined in Section 4 below) herein, the term shall commence on the date of this agreement and expire 2 years later. The parties may elect to renew the agreement on 12 months rolling basis. Each title will have a term listed in Exhibit B.
4. **Rights Granted:**
  - (a) Licensor exclusively grants Distributor the right to distribute the Programs during the "Term" and throughout the "Territory" via any and all ad supported video-on-demand platforms and/or ad supported linear platforms. Advertiser Supported VOD Rights (AVOD) means making available a digital Motion Picture Copy by internet streaming to a user who is not required to pay a fee to view the Motion Picture Copy but where advertising, such as trailers or commercials, are included before, after, or within the continuity of the Motion Picture Copy, or where other advertising, such as banners, icons, hyper-text, meta-tags, or similar identifying information for a product or service or their supplier, is included the same Website as the Motion Picture Copy.
  - (b) Licensor exclusively grants Distributor the right to reproduce, use, distribute, transmit, publicly display, and publicly perform the Picture to digitally streaming video to Internet-connected devices (the "Devices").
  - (c) Subject to any restrictions which are notified to Distributor in writing on or before delivery of materials, Licensor hereby grants to Distributor the non-exclusive right to advertise, promote and publicize the Program(s) in all media in the Territory, including: (i) writing, publishing and exploiting synopses, serializations and/or resumes of the Program(s); (ii) copying, publishing and using the names, likenesses, photographs and voices of the artists and characters appearing within the Program(s) and all individuals credited in the Program(s) or engaged to perform production services in the Program(s); (iii) exhibiting, distributing and exploiting short extracts from the Program(s) of up to three (3) minutes in length
5. **Distributor Compensation:**
  - (a) **Distributor Fee:** Provided Distributor has rendered all services hereunder and is not in material breach or default of this Agreement, Distributor shall remit fee (the

“Licensing Fee”) calculated “off-the-top” from the “Gross Receipts” (as defined below) derived from sub-licensing procured throughout the Territory payable in full in accordance with Paragraph 7 below as follows: a fee of twenty-five percent (25%).

(b) **Ingestion Fee:** Distributor shall ingest and perform a spec check as the initial ingestion process for a flat fee in the amount of two hundred dollars (\$200) per Picture. For clarity, data ingestion is the process of obtaining and importing data for immediate use or storage in a database. The Ingestion Fee shall be recouped in accordance with Paragraph 7 below.

(c) **Platform Delivery Fee:** Distributor shall be reimbursed from Gross sales, a platform delivery fee of \$100 per platform.

(d) **CP Film Licensing (4K) - FEATURE (Level 1 QC and 1st Platform delivery) Includes file download, prep and full eyes-on QC to all TV platform spec, Closed Caption creation, packaging of video, audio , artwork, metadata and delivery per platform TV.**

~~\$4350.00~~    \$200

**Annual Account Management Fee**

The service charge includes access to Pay Panel, the management of all royalty payments, update on territories, prices, artwork etc.

~~\$2100.00~~    \$200

**Payment from all platform will be paid quarterly per platform instruction.**

6. **Delivery:** Licensor acknowledges and agrees that it will effect delivery (“Delivery”) of the delivery materials as listed on Exhibit A (“Delivery Materials”) to Distributor at its sole cost and expense within two (2) weeks of signature of this Agreement. Distributor shall have a period of up to thirty (30) days to either send a confirmation notice that the Delivery Materials are approved in accordance with Exhibit A or a rejection notice. In the event the materials are rejected, Distributor shall advance the costs to create the Delivery Materials and recoup one hundred twenty-five percent (125%) of the costs thereof (“Delivery Materials Costs”). All Delivery Materials Costs shall be recoupable by Distributor in full in accordance with Paragraph 7 below.

7. **Gross Receipts:** “Gross Receipts” shall mean and include all monies and receipts of every kind received by or credited to the Distributor. Distributor does not make any representations or warranties as to the amount or timing of Gross Receipts, if any, to be derived from the exploitation of the Picture. The parties hereby agree that Gross Receipts shall be disbursed as follows:

- (a) First, Distributor shall retain the Distributor Fee;
- (b) Second, Distributor shall retain the Ingestion & Platform Delivery Fee;
- (c) Third, Distributor shall retain Delivery Materials Costs, if any;
- (d) All remaining Gross Receipts shall be wired to Licensor.

(e) Payment Period: Distributor will make payments on a quarterly basis to Licensor, no later than 60 days from the end of the calendar quarter. The payments will reflect Licensor's share of Gross Receipts up to ninety (90) days prior to the payment date.

8. **Music Contained in the Picture:**

(a) Licensor will be responsible for acquiring all rights necessary to synchronize the music contained in the Picture as delivered to Distributor and exploited by Distributor hereunder, and for paying all royalties or charges incurred in obtaining and maintaining such synchronization licenses in effect for the Term.

(b) The Performance Rights with respect to the music contained in the Picture shall either be in the public domain in the Territory, be controlled by Licensor sufficient to allow Distributor to exploit all of Licensed Rights without the necessity of any additional payment, or be available by license from the local music performing rights society in the Territory affiliated with the American Society of Composers, Authors and Publishers (ASCAP), Broadcast Music, Inc. (BMI), or SESAC, Inc. (SESAC).

9. **Clearances:**

Licensor shall be responsible for all clearances and all third-party payments in connection therewith. Excluding payment of Licensor's share of Gross Receipts. Distributor shall not have any obligation or responsibility for payments that are or may become due to Licensor or third parties (whether pursuant to collective bargaining agreements or other agreements) by way of profit on revenue participations, royalties, talent or license fees, contingent compensation [including, without limitation, box office bonuses, deferments, and participations], production related costs, reuse fees, music and/or royalty payments, guild residuals, guild fees and costs and any such like items whether by way of Distributor's exploitation of its rights hereunder, the revenues generated there from or otherwise (all the foregoing. "Third-Party Payments"). At all times and throughout the Term hereof, Licensor shall timely pay or cause to be timely paid any and all any Third-Party Payments.

9. **Sub Distribution/Licensing:**

Distributor shall be entitled to sub-distribute any Licensed Rights to the Picture without Licensor's prior written approval of the sub-distributor and the material terms of the sub-distribution agreement.

10. **Representations and Warranties:**

(a) Licensor represents and warrants to Distributor that:

(i) With respect to all intellectual property related to the Picture, Licensor either owns or has licensed the necessary rights from third parties to provide the license to Distributor as stated in this Agreement.

(ii) Licensor has all necessary rights to grant Distributor the Terms contained herein.

(iii) The Picture provided by Licensor, and used in accordance with the terms of this Agreement, does not violate or infringe upon any law or any right of any third party

(including defamation, or any copyright, trademark, literary, dramatic or motion picture right, right of privacy or publicity, or contract right).

(b) Distributor represents and warrants to Licensor that:

(i) Distributor has the power and authority to enter into and perform its obligations under this Agreement;

(ii) Distributor is under no obligation, contractual or otherwise, which might in any way interfere with its full and complete performance of this Agreement; and

11. **Confidentiality**: All terms of this Agreement shall be confidential and not disclosed to any third party except each party's accountants, attorneys and agents, and as necessary to perform each parties' rights and obligations hereunder, and except as required by law or judicial order.
12. **Indemnification**: Each Party agrees at all times to indemnify, defend, and hold harmless the indemnified Party, from and against any and all claims, actions, judgments, damages, and liabilities, including reasonable attorneys' fees and costs, resulting from any third-party claim of a violation of its intellectually property rights by the indemnifying Party's intellectual property licensed under this Agreement.
13. **Limitation of Liability**: Except for obligations related to confidentiality and indemnification, neither Party, in connection with or related to this Agreement, shall be liable to the other Party for any indirect, incidental, consequential, special, reliance, or punitive damages (including loss of business, revenue, profits, use, data, or other economic advantage), however caused and regardless of theory of liability, even if such Party is informed in advance of the possibility of such damages. The liable Party's aggregate liabilities pursuant to this Agreement shall not exceed the liable Party's net revenue earned from this Agreement in the last six months from the date of when the liability arose. In the case of an action, lawsuit, court proceeding, or dispute resolution matter, the prevailing Party shall have the right to collect its reasonable costs and necessary disbursements and attorney fees from the other Party incurred in enforcing this Agreement or in connection with any action, lawsuit, court proceeding or dispute resolution matter between the Parties.
14. **Assignment**: This Agreement may not be assigned by either Party unless in connection with an acquisition, merger, or the sale of substantially all of the assigning Party's assets.
15. **Arbitration; Governing Law; Jurisdiction**: Any and all disputes under this Agreement shall be submitted exclusively to binding arbitration ("IFTA Arbitration") in Los Angeles, California under the Rules of Independent Film & Television Alliance ("IFTA Arbitration Rules") in effect as of the date the request for arbitration is filed. Each party waives any right to adjudicate any such dispute in any other court or forum and Distributor waives its rights to seek equitable or injunctive relief. Los Angeles County will be deemed the "Forum" under the IFTA Arbitration Rules. Licensor and Distributor agree to accept service of process for IFTA Arbitration in accordance with such Rules and to accept service of process for any judicial or other proceedings provided for in this by registered mail, return receipt requested, at the address indicated on this Agreement. Licensor and Distributor agree to abide by any decision rendered in an IFTA Arbitration, and that any court having jurisdiction may enforce such a decision. The laws of the State of California (without giving effect to principles of conflicts of laws) will be applicable for all purposes hereunder.

16. **Entire Understanding; Amendment; Construction:** This Agreement embodies the entire and exclusive understanding of the Parties with respect to the subject matter hereof, constitutes a binding agreement of the Parties upon the execution hereof, and supersedes all prior written or oral commitments, arrangements, or understandings with respect thereto. No Party has relied on any statement, representation, warranty, or promise not expressly contained in this Agreement. No change, amendment, or modification of any provision of this Agreement shall be valid unless set forth in a written instrument signed by the Party subject to enforcement of such amendment. Notice shall be provided in writing, which may include electronic mail. The failure of one Party to enforce any of the provisions of this Agreement, or the failure to require at any time the performance of the other Party of any of the provisions of this Agreement, will in no way be construed to be a present or future waiver of such provisions (or any other provision), nor in any way affect the ability of a Party to enforce each and every provision thereafter. If any provision of this Agreement is found unenforceable, invalid, or otherwise contrary to law, it and any related provisions shall be interpreted to best accomplish the unenforceable provision's essential purpose, and all other provision hereof shall continue in full force. The Parties are independent contractors, and this Agreement does not create an agency, partnership or joint venture. There are no third-party beneficiaries to this Agreement. The headings and titles of the provisions of this Agreement are inserted for convenience of the Parties hereto only and shall not affect the construction or interpretation of any provision hereof.

IN WITNESS HEREOF, the Parties, intending to be bound hereby, have agreed to the Terms and Conditions of this Agreement as of the date first set forth above (the Effective Date).

**AGREED AND ACCEPTED BY:**

\_\_\_\_\_  
("Licensor")

**Cross Market Films**  
("Distributor / Sales Agent"):

By:

By:

Print Name:

Print Name: Sam Okhade

Title:

Title: CEO

## **EXHIBIT A – Delivery Requirements**

### Section 1: Video Asset Files

#### Content Types

A Title can be categorized as either a Movie or a Series.

All required assets (metadata, video(s), artwork, trailer(s), CCs\*) must be received up to spec.

#### General Title Specifications For The Video Asset

- Program Material is the actual video content that is to be shown to the viewer. There must be no more than 2 seconds of black before and after the Program Material.
- Program Material must not contain color bars, production credits, overlays, advertisements, textless elements, or QuickTime edit lists. Burned in Closed Captions will only be accepted with special permission.
- There can be no periods of black longer than 1 second within the Program Material.
- There must be only 1 video stream along with at least one stereo audio stream in the file.
- Each Title must be self-contained. E.g. If the Title is a 120 minute movie it must be received as a single 120 minute media file.

#### Video Formats

The preferred video codecs in decreasing order are:

- ProRes 422 HQ
- ProRes 422
- H.264 (AVC)

Accepted file container formats are:

- .mov
- .mp4
- .mpeg
- .mpg
- .mxf

Frame Rates:

- Accepted frame rates are 23.976, 24, 25, 29.97p, 50i, 59.94i fps.
- If the native frame rate is one of our accepted rates, we would prefer to receive that native frame rate. However, if the native frame rate is not an accepted frame rate, conversion is required.
- Interlaced content is only accepted for SD content or for HD content at 59.94i fps.

Resolution:

- Native resolution is required along with a minimum size of 640x480 pixels.
- Preferred resolution is 1920x1080
- All upscaled content will be rejected.

#### H.264 (AVC) Target Data Rates

Quality	Bitrate (kbit/s)
SD	2,000 – 5,000
720p	5,000 – 10,000
1080p	10,000 – 20,000

#### ProRes Target Data Rates

Dimensions	Frame Rate	ProRes 422 (Proxy)		ProRes 422 (LT)		ProRes 422	
		Mb/s	GB/hr	Mb/s	GB/hr	Mb/s	GB/hr
720 x 486	24p	10	4	23	10	34	15
	60i, 30p	12	5	29	13	42	19
720 x 576	50i, 25p	12	6	28	13	41	18
960 x 720	24p	15	7	35	16	50	23
	25p	16	7	36	16	52	24
	30p	19	9	44	20	63	28
	50p	32	14	73	33	105	47
	60p	38	17	87	39	126	57
1280 x 720	24p	18	8	41	18	59	26
	25p	19	9	42	19	61	28
	30p	23	10	51	23	73	33
	50p	38	17	84	38	122	55
	60p	45	20	101	46	147	66
1280 x 1080	24p	31	14	70	31	101	45
	60i, 30p	38	17	87	39	126	57
1440 x 1080	24p	31	14	70	31	101	45
	50i, 25p	32	14	73	33	105	47
	60i, 30p	38	17	87	39	126	57
1920 x 1080	24p	36	16	82	37	117	53
	50i, 25p	38	17	85	38	122	55

Audio Formats:

Preferred delivered audio formats include:

- PCM 16-32 bit, 44.1k-48kHz audio
- AAC audio

- A stereo audio stream is required when available
- Any extra audio channels should be mapped as described in the Audio Mapping Guidelines.
- Important: A stereo stream or correctly labeled streams that can be down mixed to stereo are required.

We require at least one channel of audio information with every video file. Our preference is to receive at minimum, a single stereo audio stream. In QuickTime, streams are called Audio Tracks. If there are more audio channels than the required stereo channels, they would have to be mapped correctly, with each additional audio channel in it's own individual stream. The Additional Helpful Information section provides a more detailed explanation of the differences between a stream and a channel

#### Different Types of Audio Channels and Groups of Channels

- Mono - One channel of audio information. This single channel is sent to both the left and the right speakers or headphones of whatever device is playing the media file.
- Stereo - 2 channels of individual audio information where one channel is sent to the left and one channel is sent to the right speakers or headphones of whatever device is playing the media file.
- Surround Sound - Multiple channels of separate audio information that are individually sent to different speakers in a surround sound system. The main configurations are 5.1 and 7.1. These contain 6 channels of information for 5.1 and 8 channels for 7.1. The .1 stands for a sub audio channel of very low frequency.
- M+E - This stands for Music and Effects. It is usually 2 channels of audio information which contains the entire audio mix, except for any dialogue. This is used in case a different language is needed to be overdubbed over the original soundtrack

## Section 2: Artwork Specifications

Before any Title goes live, all needed artwork must be received and approved. A Film or Series will have three different images associated with it; a Poster Image, Landscape Image, and Hero Image. The specifications are as follows:

#### Image Parameters for Films and Series

- JPEG or PNG (quality unconstrained)
- RGB
- Max file size for images is 6MB and must contain no more than 70,000,000 pixels. Please resize your images as needed

#### Image 1: Poster / Title Image

- Size: At least 900 x 1285 pixels at 72 dpi



- Aspect Ratio: .7
- Additional Information:
- Do not include credits, ratings, company logos, and promotional information on the artwork image.
- Include all image text within the title safe area (approx. 90% of poster dimensions)

#### Image 2: Landscape Image

- Size: At least 896 x 504 pixels at 72 dpi
- Aspect Ratio: 1.77
- Additional Information: Images must contain the title, preferably without any other additional text. Required only for Movies and Series

#### Image 3: Hero Image

- Size: At least 1920 x 1080 pixels at 72 dpi
- Aspect Ratio: 1.7778 (16:9)
- Additional Information: Do not include any text, including title art, credits, ratings, company logos, and promotional information on the artwork image.

#### Section 3: Closed Captions

FCC rules require captioned programs shown on U.S. TV after September 2012 to be captioned when re-shown on the Internet. For complete federal guidelines see:

<https://www.fcc.gov/guides/captioning-internet-video-programming>

All Closed Captions must be delivered at the same frame rate as the source video. Closed Caption timecode should be normalized to a 00:00:00 start time so that the Closed Captions are in sync with the video (Closed Captions starting at 01:00:00 will be rejected).

Accepted Formats are:

- .SRT files with UTF-8 encoding
- .VTT files with UTF-8 encoding
- .SCC files

#### Section 4: Music Cue Sheet (for trailer and feature)

Section 5: E&O Insurance – Licensor may need to procure Errors & Omissions Insurance or cause their Licensor's to obtain E&O Insurance. Distributor will advise on an as needed basis, including policies and terms.

Section 6: Metadata – Licensor shall submit all necessary metadata required by Distributor.

