

AGREEMENT FOR DISNEY CHANNEL STORYTELLERS WRITING SERVICES

The following shall confirm the agreement made and entered into as of [REDACTED] (the "Agreement") between It's A Laugh Productions, Inc. ("Producer"), a Writers Guild of America ("WGA") signatory company, and [REDACTED] ("Artist") in connection with Artist's participation in the Disney Channel Storytellers Program ("DCSP"). DCSP is a new program designed to foster creativity and develop new television series creators and writers of original content that appeals to Disney Channel's and Disney XD's core audience of kids, tweens, and their families. DCSP provides the opportunity for participants to be mentored and supervised by highly experienced members of the entertainment business while engaging in ideation of new potential programming, development of a new potential pilot and series by way of a blind script commitment, and the rendering of other writing and non-writing services. In consideration of the mutual covenants and agreements set forth in this Agreement, Producer and Artist agree as follows:

1. CONDITIONS.

(a) Conditions Precedent. All of Producer's obligations under this Agreement are expressly conditioned upon, and subject to, the following: (i) Artist timely delivering and Producer receiving four (4) executed originals of the Artist's Certificate; (ii) Artist timely delivering and Producer receiving four (4) executed originals of this Agreement and four (4) executed originals of the concurrent agreement of even date between Artist and Original Productions Development Corporation attached hereto respecting ideation and non-writing services ("OPDC Agreement"); (iii) Artist's ability to prove Artist's identity and employment eligibility as required by the Immigration Reform and Control Act of 1986, as amended, and Artist's compliance therewith; and (iv) Artist timely delivering and Producer receiving any and all documentation required by Producer's payroll company.

(b) Condition Subsequent. All of Producer's obligations under this Agreement are expressly conditioned upon, and subject to, Artist not being in material breach or otherwise in default of this Agreement.

2. **ENGAGEMENT/START DATE/TERM.** Producer hereby employs Artist, and Artist hereby accepts such employment, to attend all training and supervisory sessions and to render Artist's exclusive services for the duration of the DCSP (the "Term"), which exclusive services shall commence on or about August 18, 2014. Artist's services hereunder shall include, without limitation, all services customarily rendered by a first-class writer in the U.S. television industry (e.g., writing, rewriting, and polishing services) and all services as may be requested by Producer in connection with DCSP, as, when and where required by Producer, which may be at the network offices or at Producer's production offices or otherwise, and which may take place during Producer's customary business hours or during series standard production and writing hours. Artist must work collaboratively with the other DCSP participants, and Artist agrees at all times to behave in a highly professional manner, and follow Producer's reasonable rules, directions, and instructions. Without limiting the foregoing, in no event will Artist render services to any third party or on Artist's own behalf which will or might materially interfere in any way with Artist's services hereunder.

3. COMPENSATION/SERVICES.

(a) Guaranteed Compensation. On the condition that Artist renders and fully completes all of Artist's exclusive services hereunder, and in full consideration of all services rendered by Artist, all rights now and hereafter granted to, or otherwise acquired by, Producer,

and all of the representations, warranties, and agreements of Artist hereunder, Artist shall be entitled to receive the minimum weekly salary specified by Article 13.B.7.s of the WGA Basic Agreement (“MBA”) for each week of the Term, with a guarantee of not less than twenty (20) such weeks of employment (*i.e.*, not less than Seventy-Five Thousand Nine Hundred Twenty Dollars [\$75,920]), (the “Guaranteed Compensation”). Artist’s Guaranteed Compensation shall accrue, and shall be paid, to Artist in accordance with Producer’s standard weekly payment schedule.

(b) Writing Assignments. During the Term, Artist may be assigned to the writing staff of one or more of Producer’s television series for the period of time reasonably determined by Producer in Producer’s sole discretion in each instance. Producer may also assign to Artist freelance WGA-covered writing assignments in Producer’s sole discretion, in connection with one or more of Producer’s television series. In the event that Producer assigns Artist to perform any such writing services, Artist agrees that the compensation payable therefore shall be the minimum amounts specified under the MBA (*e.g.*, an episodic story and teleplay shall be at the rate of Thirteen Thousand Nine Hundred Sixteen Dollars [\$13,916], a rewrite will be at the rate of Five Thousand Four Hundred Seventy-Eight Dollars [\$5,478]; a polish will be at the rate of Two Thousand Seven Hundred Fifty-Five Dollars [\$2,755]; and a 2-minute webisode will be at the rate of Seven Hundred Sixteen Dollars [\$716]) and that all such amounts shall be fully creditable to the maximum extent permitted by the MBA against the Guaranteed Compensation. In connection with all freelance writing assignments, Artist shall execute Producer’s standard form writing agreement prior to commencing such services.

(c) Pilot Script Commitment. Notwithstanding anything to the contrary contained herein, Artist shall be guaranteed one (1) one-half (1/2) hour pilot script writing assignment consisting of four (4) steps (*i.e.*, story, 1st draft teleplay, and 2 sets of revisions)(“Pilot Script”), at the rate of Fifty-Three Thousand Eight Hundred Four Dollars (\$53,804) (*i.e.*, the WGA “upset price”), which amount shall be fully creditable against the Guaranteed Compensation to the maximum extent permitted by the MBA. In addition, Producer shall have the option to engage Artist to write a polish (“Optional Polish”) in connection with the Pilot Script at the rate of Two Thousand Seven Hundred Fifty-Five Dollars (\$2,755), which amount shall be fully creditable to the maximum extent permitted by the MBA against the Guaranteed Compensation. In connection therewith, Artist shall execute Producer’s standard form writing agreement for such Pilot Script services. Artist shall also engage in a separate negotiation with Producer (which negotiation must reach satisfactory conclusion) regarding Producer’s acquisition of Artist’s reserved rights pursuant to Article 16.B.5 of the WGA MBA, to be memorialized in a separate document.

(d) Pilot Services/Compensation/Series First Negotiation. In the event that Artist renders and actually completes all required pilot script writing services, no subsequent writer provides more than a polish on the Pilot Script, and Producer proceeds to production of a pilot based on such Pilot Script (“Pilot”), then Artist shall be attached to render co-executive producer services on the Pilot for a fee of Eleven Thousand Dollars (\$11,000). Further, if Artist renders and actually completes all required co-executive producer services for the Pilot, and Producer proceeds to production of a series based on such Pilot (“Series”), then Artist shall have a first opportunity to be attached to render co-executive producer services for the Series, subject to a good faith negotiation for a period of five (5) business days respecting all of the terms and conditions therefor within Producer’s customary parameters for a deal of this kind.

(e) Series Contingent Compensation. If Artist receives sole “Created by” credit for the Series, Artist shall be entitled to receive: (i) a production bonus in the amount of Seven Thousand Five Hundred Dollars (\$7,500) (which will be prorated on an equal basis over the sixth (6th) through twelfth (12th) episodes of the initial order of the Series promptly following

the later of: completion of delivery to the telecaster of the applicable episodes or the date of the final WGA credit determination); (ii) an episodic royalty in the amount of Two Thousand Five Hundred Dollars (\$2,500) (fully creditable against WGA sequel payments); and (iii) five percent (5%) of one hundred percent (100%) of Defined Contingent Bonus, defined, computed and accounted for pursuant to Exhibit CB-CNG, attached to this Agreement and incorporated herein by this reference]); each of the foregoing shall be reduced by fifty percent (50%) for any form of shared writing credit for the Series that is accorded pursuant to the final WGA credit determination.

(f) **Sufficient Compensation for Services and Use of Material.** Artist agrees and acknowledges that the Guaranteed Compensation payable pursuant to this Agreement is by itself fair, reasonable and sufficient compensation for all Artist's services and all of the rights granted to Producer regardless of whether any contingent and/or other compensation ever becomes payable to Artist under this Agreement. All materials written by Artist pursuant to this Agreement shall be referred to herein as the "Material." The Guaranteed Compensation payable to Artist pursuant to this Agreement will be in respect of any and all uses of the Material and all works and elements based thereon in any and all languages, formats and media, now known and hereafter devised, throughout the universe, in perpetuity, in all versions (including, without limitation, digitized versions), and for any and all purposes, including, without limitation, all replays, broadcasts in any foreign area, theatrical exhibitions and exhibitions in any supplemental market, subject to any minimum payments due pursuant to the MBA. No additional compensation will be payable to Artist by reason of overtime, weekend work, holidays and the like. Producer is entitled to the maximum benefits for the minimum amounts required to be paid pursuant to the MBA.

4. **CREDIT.** Subject to telecaster approvals and guild requirements, Producer will accord Artist writing credit pursuant to the MBA. All other matters relating to credit will be at Producer's sole discretion. No casual, inadvertent or unintentional failure by Producer to comply with the credit provisions of this Agreement, nor any failure by any third party to comply with such credit provisions, will constitute a breach by Producer of this Agreement, nor will any such failure be considered irreparable or otherwise sufficient to entitle Artist to seek injunctive or other equitable relief. Nothing contained herein will obligate Producer to accord Artist credit other than as expressly provided in the Agreement.

5. **MANNER OF PRODUCTION AND OWNERSHIP OF MATERIAL.**

(a) The Material and all results and proceeds of Artist's services hereunder (including without limitation all material, writing, ideas, titles, subtitles, plots, ideas, themes, stories, "gags," music, lyrics and dialogue written or created by Artist) and all trademarks and copyrights pertaining thereto and extensions and renewals thereof, are and will be the sole and exclusive property of Producer in any and all media, versions and forms, now known and hereafter devised, in perpetuity and in all languages, throughout the universe and will constitute "works-made-for-hire" specially ordered or commissioned by Producer. To the extent such results and proceeds may ever be determined by a court of competent jurisdiction not to be a "work-made-for-hire," Artist hereby irrevocably and exclusively assigns and/or grants to Producer, in consideration for the compensation provided hereunder, all right, title, and interest thereto, including, without limitation, all exclusive exploitation rights and trademark and copyright and associated rights therein and all extensions and renewals thereof in any and all media, versions and forms now known and hereafter devised, in perpetuity and in all languages, throughout the universe. As between Artist and Producer, Producer will exclusively own all now known and hereafter existing rights of every kind in perpetuity and in all languages, throughout the universe pertaining to the Material or any portion or element thereof (either alone or combined with other material), and any sequel, prequel, remake, or spin-off thereof, including,

without limitation, the trademarks and copyrights therein and any renewals or extensions thereof, for all now known and hereafter existing uses, media, versions, forms, means, and methods, including, without limitation, all television (including, without limitation, digitized television), motion picture, theatrical, literary, dramatic, musical, stage play, theme park, publishing, merchandising, recording, mechanical, radio, interactive, digital, Internet, video cassette and video and laser disc, video and computer games, any computer-assisted media (including, without limitation, CD-ROM, CD-I, and similar disc systems, interactive media, Internet media, multi-media, and any other devices and/or methods now known and hereafter devised), and all allied, ancillary, and subsidiary rights and uses thereof, and the foregoing is inclusive of a full assignment to Producer thereof. Without limiting the foregoing, Artist and Producer are aware and hereby acknowledge that new rights to the results and proceeds of Artist's services hereunder may come into being and/or be recognized in the future, under law, and/or in equity (collectively, the "New Exploitation Rights"), and Artist intends to and does hereby assign, grant, and convey to Producer any and all such New Exploitation Rights in and to such results and proceeds. Artist and Producer are also aware and do hereby acknowledge that new (and/or changed) technologies, uses, media, versions, forms, formats, modes of transmission, and methods of distribution, dissemination, exhibition, or performance (collectively, the "New Exploitation Methods") are being and will inevitably continue to be developed in the future, which would offer new opportunities for exploiting such results and proceeds. Artist intends to and does hereby assign, grant, and convey to Producer any and all rights to such New Exploitation Methods with respect to such results and proceeds. Artist hereby agrees to execute and deliver to Producer any and all instruments and documents Producer deems in its interest to confirm the existence of the preceding assignment, grant, and conveyance and to effectuate Artist's purpose to assign, grant, and convey such rights to Producer, including, without limitation, the New Exploitation Rights and any and all rights to the New Exploitation Methods and Artist hereby appoints Producer (which such appointment is coupled with an interest and hence irrevocable) as Artist's attorney-in-fact to execute any such instruments and documents in Artist's name. Artist further agrees that Artist will not seek to challenge through the courts, administrative governmental bodies, private organizations, or in any other manner the rights of Producer to exploit Artist's results and proceeds hereunder by any means whatsoever or to thwart, hinder, or subvert the intent of the preceding assignments, grants, and conveyances to Producer and/or the collection by Producer of any proceeds relating to the rights conveyed hereunder. Producer shall have the right, without additional compensation to Artist to: (i) use and grant others the right to use the Material, or any portion thereof, as a part of, or otherwise in connection with, any other television program or other means or method of exploitation; (ii) use and reuse the Material, or any portion thereof, in or as a trailer or spot advertisement in any media, versions or forms, now known and hereafter devised, to advertise, promote, or publicize the Material or any other program, or any portion thereof, of which Material may be a part; and (iii) combine any portion of the Material or any portion of programs based thereon with any other television program, or with any material of any nature whatsoever and may exhibit such combinations on television, in motion picture theaters, or otherwise. All rights granted or agreed to be granted to Producer under this Agreement will vest in Producer immediately and irrevocably and will remain perpetually vested in Producer or its successors or assigns, whether this Agreement expires in its normal course or is terminated for any reason whatsoever. Producer or any other person may conduct audience tests with respect to the Material or any program based thereon, and Artist agrees that no compensation will be payable to Artist therefor. Without limiting the generality of the foregoing, Producer may produce and license the Material or any program based thereon for initial telecast on a basic cable basis, in syndication or otherwise. Producer may produce the Material or any program based thereon in whatever manner, version or form it chooses, whether now known or hereafter devised, including, without limitation, recording by means of motion picture camera, tape, or other electronic device, or for live broadcast and may from time to time change from one manner, version or form of production to another. Artist agrees, acknowledges, and accepts

that the Material or any program based thereon and any other motion picture or work which may be produced which is based on or incorporates the results and proceeds of Artist's services hereunder may contain variations, alterations, and/or adaptations of such results and proceeds and that Producer will have the right, in Producer's sole discretion, freely to produce, cut, edit, add to, interpolate, subtract and omit from, arrange, rearrange, adapt, change, colorize, vary, transform, and revise in any manner the Material or any program based thereon, such other motion picture or work and such results and proceeds and any element(s) thereof, including, without limitation, any character, language, plot, theme, or scene as Producer, in its sole discretion, deems advisable. To the full extent permitted by applicable law, Artist hereby irrevocably assigns to Producer (or irrevocably waives, in the event assignment is not permissible) any and all benefits of any provision of law known as "droit moral," "moral rights," or any similar law in any and all countries of the world. Without limiting the foregoing, Artist agrees not to institute, support, maintain, or authorize any action or lawsuit based, in whole or in part, on any purported violation of any such law, including, without limitation, any action or lawsuit brought on the ground that any motion picture, sound recording, or other work produced hereunder in any way constitutes a violation of Artist's moral rights or constitutes a defamation or mutilation of the results and proceeds of Artist's services hereunder and/or the Material or any program based thereon, or any part thereof, or contains any unauthorized variation, alteration, modification, change, or translation of the results and proceeds of Artist's services hereunder and/or the Material or any program based thereon.

(b) Producer will at all times have complete control (whether business, creative or otherwise) over the production of the Material or any program based thereon, including, without limitation, the right to hire, fire, replace, or otherwise deal with all personnel employed in connection therewith, such as members of the cast, the executive producer, producer, writer, wardrobe, and similar personnel. Artist agrees that Artist does not have the authority to, and will not, employ any person to serve in any capacity, or contract for the purchase or renting of any article or material, or make any agreement committing Producer to pay any sum of money for any reason whatsoever in connection with any production based on, or adapted from, the Material, the Material or any program based thereon and/or the services to be rendered by Artist hereunder, or otherwise, without Producer's express prior written consent.

(c) Producer shall not be obligated to use the Material in any program, and may elect to use the Material in a television program other than the initial program designated.

(d) Artist will execute and deliver to Producer a certificate of authorship in the form designated by Producer and an assignment or other document or instrument as Producer may from time to time deem necessary or desirable to evidence, establish, maintain, enforce and/or defend its right and title in and to the Material and all results and proceeds of Artist's services hereunder. Artist irrevocably appoints Producer as Artist's attorney-in-fact coupled with an interest with full authority to execute, verify, acknowledge and deliver any such certificate, assignment or other instrument which Artist shall fail or refuse to execute or deliver.

(e) Artist grants to Producer the perpetual non-exclusive right in any and all media, versions and forms, now known and hereafter devised, in perpetuity and in all languages, throughout the universe, to use and grant others the right to use Artist's name, likeness, voice and biography without payment of additional compensation in connection with advertising, publicizing, merchandising or otherwise exploiting the Material, or any television program based on or utilizing the Material (including, without limitation, any "behind-the-scenes" or "making of" productions) or any telecaster thereof. Artist agrees not to issue or authorize or consent to the issuance of any advertising, publicity or information regarding the Material or any program based thereon without Producer's express prior written approval.

(f) All rights granted to Producer hereunder are irrevocable and shall vest and remain perpetually vested in Producer, its successors and assigns, and shall not be subject to rescission by Artist for any cause whatsoever. The termination or expiration of this Agreement for any reason (including Producer's breach), shall not affect Producer's ownership of the Material or any results and proceeds of Artist's services hereunder, and the rights granted pursuant to this Paragraph shall expressly survive the expiration or termination of this Agreement for any reason whatsoever. Artist agrees that the compensation payable pursuant to the Agreement constitutes the complete and sufficient consideration for all rights granted, assigned and licensed hereunder to Producer.

6. **EQUITABLE RELIEF.**

(a) Artist acknowledges that the services to be rendered by Artist under this Agreement are of a special, unique, unusual, extraordinary and intellectual character that gives them a peculiar value, the loss of which Producer cannot be reasonably or adequately compensated in damages, and that a breach by Artist of any provision of this Agreement will cause Producer irreparable injury and damage. Accordingly, Artist expressly agrees that Producer will be entitled to injunctive and other equitable relief to prevent a breach of this Agreement or any part of this Agreement by Artist and to secure its enforcement. Artist acknowledges that Producer has complied with the minimum compensation requirements of California Civil Code Section 3423 and California Code of Civil Procedure Section 526 with respect to such injunctive relief.

(b) Artist acknowledges that, in the event of any breach of this Agreement by Producer or any third party, the damage, if any, caused Artist by such breach will not be irreparable or otherwise sufficient to entitle Artist to seek injunctive or other equitable relief. Artist acknowledges that Artist's rights and remedies in any such event will be strictly limited to the right, if any, to recover damages in an action at law, and Artist will not have the right to rescind this Agreement or any of Producer's rights under this Agreement, nor the right to enjoin the production, exhibition or other exploitation of the Material, any episode or element based thereon, any subsidiary or allied rights with respect thereto, or any other results and proceeds of Artist's services under this Agreement, nor will Artist have the right to terminate Artist's services or obligations under this Agreement by reason of such breach. Without limiting the foregoing or Producer's other rights under this Agreement, at law or in equity, under no circumstances will any act or omission of Producer which would otherwise constitute a breach or alleged breach of this Agreement be deemed such unless Artist notifies Producer in writing setting forth in detail the basis for such breach or alleged breach and Producer fails to commence reasonable efforts to cure such breach or alleged breach within thirty (30) days of Producer's receipt of such notice and thereafter continue such efforts in good faith.

7. **ADDITIONAL PAYMENTS.** In the event that Artist becomes entitled pursuant to the MBA to receive compensation or other consideration in addition to that provided for in this Agreement (including, but not limited to, compensation for television reruns, foreign telecasts, supplemental markets, and other uses of any scripts or other materials written by Artist or any program based thereon), Producer agrees to pay to Artist, and Artist agrees to accept, the minimum additional compensation provided for in the MBA, payable at the minimum applicable rates specified therein, and based upon the minimum applicable compensation payable to Artist thereunder, and not upon the actual compensation paid to Artist pursuant to this Agreement. Producer will be entitled to credit and apply any and all sums paid or payable under this Agreement against such additional compensation or any other compensation payable pursuant to this Agreement to the full extent permitted under the MBA, and vice versa.

8. **PAY-OR-PLAY.** Unless specified otherwise in this Agreement, Artist's employment to render services hereunder is on a pay-or-play basis. Producer will have no obligation actually to utilize Artist's services or any of the results and proceeds thereof or to produce, distribute, or otherwise exploit the Material or any of the rights granted to Producer hereunder. Producer's obligations to Artist under this Agreement will be fully performed by the payment to Artist of the Guaranteed Compensation, subject to all of Producer's rights hereunder to terminate Artist's services for death, default, disability or for events of force majeure. If Producer terminates this Agreement in accordance with the provisions of this Paragraph, Producer shall be released and discharged from any liability or further obligation whatsoever to Artist hereunder; provided, however, that if Producer terminates this Agreement pursuant to this Paragraph for any reason other than Artist's default, Artist shall be entitled to receive that portion of the compensation that has theretofore accrued and become payable to Artist hereunder for services rendered by Artist prior to the date of such termination.

9. **EMPLOYMENT VERIFICATION.** Notwithstanding any other provision of this Agreement, Artist acknowledges that any offer of engagement is subject to and contingent upon Artist's ability to prove Artist's identity and employment eligibility as required by the Immigration Reform and Control Act of 1986, as amended. Artist agrees (a) to complete accurately and truthfully and to sign Section 1 ("Employee Information and Verification") of an Employment Eligibility Verification ("Form I-9") at the time of Artist's signature of this Agreement or Artist's commencement of services, whichever is earlier, and (b) to deliver, in person, to Producer said Form I-9, together with documentation of Artist's employment eligibility, within three (3) business days of Artist's signature of this Agreement or Artist's commencement of services, whichever is earlier. Without limitation of Producer's rights and remedies, if Artist fails to complete and deliver the Form I-9 as provided above, Producer will have the right, to elect by notice to such effect given to Artist, to terminate this Agreement and thereupon Artist's employment will cease and terminate and neither party will have any right, duty or obligation to the other under the Agreement except such as will have accrued prior to the effective date of such termination.

10. **CONFIDENTIALITY.** Artist agrees not to communicate, disclose or make available to any third party any non-public information (whether by blogging, tweeting or any other form of communication) which comes into Artist's possession through Artist's participation in the DCSP or any work based on the Material (the "Confidential Information") (including, without limitation, concepts for story ideas and character development, scripts content and other non-public intellectual property, budgets and other financial information, Cast/Crew Information, and Personal Information). As used herein, "Cast/Crew Information" means any information (whether or not derogatory) about a cast or crew member (or such cast/crew member's family members, friends and associates), including, without limitation, information about prescription or other drug or alcohol use, eating habits, personal hygiene and dress, hobbies, proclivities, language, compensation and finances, travel plans, addresses, phone numbers, schools attended, dating or marital status and activities or problems, pregnancy, character, morals, and sexual activity. As used herein, "Personal Information" means any information that refers to, is related to, or is associated with an identified or identifiable individual, including, but not limited to, an individual's first name or first initial and his or her last name in combination with any one or more of the following data elements: (i) social security number, (ii) driver's license number or state identification card number, (iii) account number, credit or debit card number, in combination with any required security code, access code, or password that would permit access to an individual's financial account or (iv) any individually identifiable information regarding the individual's health insurance, medical history or medical treatment or diagnosis by a health care professional. Artist further agrees not to issue or authorize the issuance of any press release, news story or any other publicity relating to Producer, this Agreement or Artist's services hereunder, the DCSP or any work produced based on the Material (or either of their exhibitors or distributors), or the cast or crew, or to discuss any of the same with representatives

of the media. In addition, Artist agrees to return to Producer or to destroy (including by deletion from any personal computer of Artist) any Confidential Information (such as cast lists and scripts) held by Artist at the end of production, and Artist agrees to sign an affidavit at the end of production confirming that Artist has taken such actions. Artist will also exercise reasonable caution to maintain the security of any Confidential Information held by Artist during the course of production, including taking all reasonable measures to maintain the security of any computer on which non-public information may be present. The terms of this Paragraph shall survive the expiration or sooner termination of the term of this Agreement.

11. **PUBLICITY.** Artist agrees that Artist, as well as Artist's agents and representatives, will not without Producer's express prior written consent in each instance, issue or authorize the issuance of any press release, news story or any other publicity relating to this Agreement or any use by Producer, its successors, licensees or assigns of any of the rights granted to Producer under this Agreement, or discuss any of the terms or provisions of this Agreement with representatives of the media.

12. **ARTIST'S REPRESENTATIONS AND WARRANTIES.** Artist hereby represents, warrants, and agrees that:

(a) Artist is free to enter into this Agreement upon the terms and conditions set forth herein, to make the representations and warranties contained herein, and to grant the rights granted herein, and no rights of any third parties are or will be violated by Artist entering into or performing this Agreement. Artist is not subject to any obligation or disability which will or might prevent or interfere with the full completion and performance of any of the obligations and conditions to be kept and performed hereunder. Artist has not made and will not make any grant or assignment or any agreement with any third party which will or might conflict with or impair the complete enjoyment of the rights and privileges granted to Producer hereunder or the full performance of Artist's obligations and services hereunder.

(b) All Material furnished by Artist in connection with Artist's services hereunder is and will be wholly original with Artist and will not violate or infringe upon any right of any kind or nature whatsoever of any person or entity, including, without limitation, any right of privacy or publicity. No rights in such Material have been granted to others or impaired by Artist, and there are and will be no encumbrances, liens, conditions, or restrictions whatsoever upon or affecting such Material. No part of such Material has been registered for copyright, published, or otherwise exploited or agreed to be published or otherwise exploited. There is no pending or threatened claim or litigation in connection with such Material or the rights granted to Producer hereunder.

(c) This Agreement is not and will not be subject to any claim against Producer for fees or commissions by any agent or representative of Artist or any other person.

(d) Artist has obtained and will maintain at all times during the Term any and all work permits, immigration clearances (including the completion of Immigration Reform Act Form I-9), and any other work clearances, whether foreign or domestic, necessary to enable Artist to perform Artist's services hereunder.

(e) Artist is familiar with the provisions of Section 507 of the Federal Communications Act, as amended (47 U.S.C. Section 508) (prohibiting the acceptance or payment of money or other consideration for the inclusion of program matter), is aware that the violation of the foregoing Section constitutes a criminal offense, has not violated and will not violate any of the provisions of said Section, and has not and will not do any act that would require disclosure pursuant to said Section.

13. **INDEMNITIES**. Artist agrees to indemnify, defend, and save harmless Producer and any person claiming under or through Producer, including, without limitation, any telecaster or exhibitor of any production based upon the Material and/or their successors and assigns, and the parent and subsidiary companies, affiliated entities, officers, directors, shareholders, employees, attorneys, representatives, and agents thereof, from and against any liabilities, losses, claims, demands, costs, and expenses (including, without limitation, reasonable attorneys' fees) arising out of or in connection with: (1) any breach of any representation, warranty, or agreement of Artist under this Agreement; (2) any third party's claim to an amount payable hereunder; (3) any act or omission by Artist that results in or contributes to any damage to property or injuries to or the death of Artist or any other person; or (4) any act or omission by Artist that results in or contributes to damage to property owned (in whole or in part) by Artist. Artist further agrees to obtain and maintain in form acceptable to Producer appropriate general liability and property damage insurance to cover the foregoing obligation. Producer agrees to indemnify and save harmless Artist from and against any liabilities, losses, claims, demands, costs, and expenses (including, without limitation, reasonable attorneys' fees) arising in connection with Artist's use pursuant hereto of any material furnished to Artist by Producer. Each party hereto will, upon receipt of the presentation of any claim or notification of the institution of any action with respect to which indemnification might be required hereunder, promptly notify the other of the presentation of such claim or the institution of such action. Producer will have the absolute right to control the litigation or other resolution of any claim, demand, or action to which any indemnity under this Paragraph 13 applies. Artist's obligations pursuant to this Paragraph 13 will survive the expiration or earlier termination of this Agreement.

14. **NOTICES**. Any notice pertaining hereto shall be in writing. Any payments required hereunder shall be sent as provided in this Paragraph (or as subsequently designated in writing). Any notice required or permitted hereunder shall be given by delivering personally (by courier service) or by sending it by mail (postage or applicable fee prepaid), or by sending it by facsimile (provided sender has written confirmation of successful transmission), addressed as follows (or as subsequently designated in writing):

To Producer: It's A Laugh Productions, Inc.
Hollywood Center Studios
1040 N. Las Palmas, Bldg 9E
Los Angeles, CA 90038

To Artist:

Attention:

And a Mandatory Copy: ABC Cable Networks Group
3800 W. Alameda Avenue
Burbank, California 91505-6076
Attention: Deputy Chief Counsel

All such notices will be sufficiently given when the same are delivered in person, or deposited, so addressed, postage prepaid, and in the mail (certified mail, return receipt requested), or delivered, or when such notice has been faxed (provided sender has written confirmation of successful transmission) or sent by e-mail (provided sender receives e-mail confirmation of receipt or sender concurrently tenders notice by mail), and the date of said personal delivery, mailing, faxing or e-mailing will be deemed to be the date of the giving of such notice; provided, however, that any notice from Artist that commences the running of any period

of time for Producer's exercise of any option or Producer's performance of any other act will be deemed to be served only when actually received by Producer. If the last date on which a notice or payment that this Agreement requires or permits to be given, shall fall on a Saturday, Sunday, legal holiday or on a day when Producer's offices are closed ("closed day"), then such last date shall be deemed postponed until the first day that is not a Saturday, Sunday, legal holiday or closed day. Notwithstanding any other provision of this Agreement to the contrary, any notice or payment from Producer to Artist or to any agent or other representative of Artist which is actually received will be deemed, at Producer's election, sufficiently given hereunder. Any failure by Producer to provide any courtesy copy of a notice shall not be deemed a breach of this Agreement or render such notice or payment ineffective.

By their signature below, the parties acknowledge they have executed this Agreement as of the date first above written.

IT'S A LAUGH PRODUCTIONS, INC.

By: _____

Its: _____

Agreed To And Accepted:

By: _____

[ARTIST]

EXHIBIT CB-CNG

This Exhibit is attached to and made part of the agreement ("Agreement") dated _____ between It's a Laugh Productions, Inc. ("IALP") and _____ ("Artist") relating to one or more, or all, as the context may require, of the television programs produced pursuant to the Disney Channel Storyteller's Program ("DCSP"). Notwithstanding the foregoing, the parties acknowledge that any programs based upon materials written for the DCSP ("Program(s)"), if produced, will be produced for distribution by Disney Channel, a division of ABC Cable Networks Group ("DC") (or another ABC Cable Networks Group owned or operated network or service) and upon completion of delivery of the Program(s) to DC, DC shall become the sole owner thereof. Accordingly, upon such completion of delivery, this Exhibit CB-CNG shall be deemed assigned by IALP to DC, effective as of the date thereof.

NOTE: PLEASE READ CAREFULLY

This Exhibit CB-CNG sets forth the contractual formula to be used solely for the definition, computation, and accounting of Contingent Proceeds and payment, if any, of Artist's Contingent Bonus as provided in the Agreement.

Artist understands and agrees that: (i) the defined terms shall have the meanings described in this Exhibit CB-CNG; (ii) the words or defined terms used herein may not necessarily correspond in any way to generally accepted accounting principles or any other definitions associated with the practices of accounting or auditing; (iii) there is no guarantee whatsoever, and it is unlikely, that any Contingent Bonus will become payable to Artist, regardless of the level of income, revenues, profits and/or receipts, if any, that DC, Affiliates or Related Parties, or any distributor or exhibitor realizes from the exploitation of the Program(s); (iv) Artist shall be entitled to the payment of Contingent Bonus amounts only in accordance with the terms hereof, and Artist acknowledges and understands that any such payment is entirely speculative; (v) Artist has been represented by counsel or other representative(s) of their choice in the negotiation of the terms of the Agreement and this Exhibit CB-CNG; (vi) Artist has a full understanding of the terms of the Agreement and this Exhibit CB-CNG; (vii) DC's, Affiliates' and Related Parties' accountings for financial reporting, tax reporting or other purposes are not prepared in the same manner as accountings pursuant to this Exhibit CB-CNG; (viii) no fiduciary relationship whatsoever exists between DC, on the one hand, and Artist, on the other hand, including arising from the obligation of DC to account for Contingent Proceeds and potentially to pay a Contingent Bonus to Artist; (ix) the terms of this exhibit are part of a comprehensive negotiated agreement that contains both economic and non-economic terms, and, which taken as a whole, is the product of an arm's length give and take negotiation whether or not changes have been made to this Exhibit CB-CNG; and (x) no representations whatsoever, expressed or implied, have been made to Artist that are contrary to this Paragraph.

Initialed: _____ (Artist)

EXHIBIT CB-CNG

"Contingent Proceeds" shall mean the Defined Receipts, if any, remaining after DC deducts and retains for its own account, the following items on a continuing basis in the following order of priority:

- A. **FIRST DEDUCTION** - First, an amount equal to the following percentages ("Percentage Deduction") of Defined Receipts:
- o From Defined Receipts for licenses to a United States National Commercial Network, including summer and intermixed repeats of the Program(s), pursuant to any agreement with such network to telecast the Program(s) in prime time - 10%
 - o From Defined Receipts for any other license to a United States National Commercial Network, including any non-prime time stripping of the Program(s) - 15%
 - o From Defined Receipts for licenses to telecast on the entire CBC or CTV networks in Canada - 25%
 - o From Defined Receipts for all other licenses for Free Television exhibition of the Program(s) in the United States or Canada - 35%
 - o From Defined Receipts for licenses to United States national pay television networks such as HBO or Showtime - 25%
 - o From Defined Receipts for distribution in Supplemental Markets (other than United States national pay television networks):
 - United States, Canada and United Kingdom - 35%
 - Outside United States, Canada and United Kingdom - 40%
 - o If the Program(s) is released for exhibition before paying audiences in commercial motion picture theatres, then DC's standard Percentage Deduction and all other terms affecting the calculation of Contingent Bonus from such theatrical exhibition pursuant to DC's standard provisions in effect at the time for motion pictures distributed theatrically will apply to such exhibition of the Program(s) therein.
 - o From Defined Receipts for any other telecasting or use of the Program(s) not specified above, whether in the United States or elsewhere - 40%
- B. **SECOND DEDUCTION** - Next, from the remaining amount of Defined Receipts, an amount equal to the Distribution Costs.
- C. **THIRD DEDUCTION** - Next, from the remaining amount of Defined Receipts, if any, whether or not funds are actually borrowed for the Program(s), and irrespective of the actual funding arrangements or DC's actual financing costs for the Program(s) or DC's borrowing rate, as DC's funding charge, an amount equal to 1.25 times the prime rate of the Bank of America, as the same may vary from time to time, on the total amount of the Fourth Deduction below, commencing from the respective dates on which amounts chargeable under the Fourth

Deduction are paid or incurred (whichever first occurs) and continuing through the middle of the accounting period in which those amounts are recouped and in this regard the first accounting period (as defined in Paragraph 2.1 below) will commence one year prior to the end of the first accounting period.

- D. **FOURTH DEDUCTION** - Next, from the remaining amount of Defined Receipts, if any, an amount equal to the Cost of Production plus an additional 15% of Cost of Production, which 15% shall be charged concurrently with the incurring of the respective items of Cost of Production.
- E. **FIFTH DEDUCTION** - Next, from the remaining amount of Defined Receipts, if any, an amount equal to the Other Contingent Amounts.

The remaining amount, if any, shall be the Contingent Proceeds from which Artist's percentage or share thereof (the "Contingent Bonus") shall be calculated.

The terms used in this Exhibit CB-CNG are defined in, and the Contingent Bonus hereunder shall be accounted for, pursuant to the terms and conditions of the attached Schedule 1.

SCHEDULE 1

1. DEFINITIONS

1.1. Defined Receipts

A. "Defined Receipts" means the aggregate of all monies actually received by DC on behalf of the Program(s) in U.S. dollars in the U.S. or in a foreign currency which are not Restricted Funds, only from:

1. The broadcasting, distribution and exhibition (herein sometimes collectively called "distribution") of the Program(s) DC produces pursuant to, and during the term of, the Agreement to which this Exhibit is attached. With respect to the distribution of the Program(s) by any Person other than DC licensed by DC with an obligation to report receipts and expenses to DC (a "Subdistributor"), DC shall, to the extent reported and accounted to DC, treat all receipts received and earned by the applicable Subdistributor relating to the Program(s) as though such receipts were DC's Defined Receipts and all distribution costs of such Subdistributor relating to the Program(s), plus any distribution fees paid to such Subdistributor by DC, will be treated as distribution costs of DC.

2. Monies (less all costs and fees) from third parties who are found by a court of competent jurisdiction to have been copyright infringers of the Program(s);

3. The manufacture and distribution of audio-visual cassettes and video discs; and distribution of all electronic, digital and/or optical storage and/or transmission formats, any analog or digital reproductions, or any similar device and/or format embodying the complete Program(s) in linear form, whether now known or hereafter devised ("Video Devices"); provided that Defined Receipts from Video Devices shall be: (a) if DC distributes Video Devices, a royalty in an amount equal to 20% of the sums actually received by such entity (less taxes, credits and returns) from the distribution thereof; or (b) royalties actually received by DC from any unaffiliated third party Video Device distributor less royalties payable to other third parties.

4. The royalties as provided in Schedules A (Music) and B (Soundtrack Records, Merchandising/Publishing), which are attached hereto and incorporated herein by this reference. There will be no Percentage Deduction applied to the royalties under this subparagraph 1.1.A.4.

B. Defined Receipts Exclusions

The following are not included in Defined Receipts:

1. Receipts of broadcasters and other transmitters by all means now known or hereafter devised; wholesale or retail distributors, licensors or sellers of Video Devices, audio devices and other products; book or music publishers; merchandisers and retailers; or any other similar Person, whether or not any or all such excluded Persons are owned, operated or controlled by DC, Affiliates or Related Parties.

2. Amounts received from advance payments or security deposits unless earned by exhibition or broadcast, or unconditionally non-returnable, and refunds, rebates or adjustments granted to other Persons by DC.

3. Amounts payable in foreign currency and not received by DC in the U.S. due to remittance restrictions ("Restricted Funds"). Restricted Funds shall not be included in Defined Receipts nor accounted for unless and until they have been received by DC in U.S. dollars in the U.S. or expended by DC in the territory in which held, except as provided in 1.1.B.3(a) below.

(a) If any Contingent Bonus becomes payable to Artist under this Agreement, Artist may notify DC in writing that Artist desires to have included in Artist's Contingent Bonus, Artist's share of Restricted Funds in a particular territory and designates a bank or other representative in such country, to whom payment may be made for Artist's account. Upon DC's receipt of such notice and all required permissions, such payment shall be made to Artist's representative at Artist's expense. Upon payment of Artist's share of Restricted Funds, DC shall have no further obligation to account for such Restricted Funds whether as Defined Receipts or otherwise.

(b) On Artist's written request, DC shall report to Artist the amount of Restricted Funds (if any) which under this Paragraph 1.1.B.3 have not yet been included in Defined Receipts as of the closing date of the most recent statement which has been furnished to Artist under Paragraph 2.1 below.

4. Amounts collected in connection with the distribution of the Program(s) as taxes or for payment of taxes (e.g., admission, sales, use or value-added taxes, etc.).

5. Amounts collected from exhibition of the Program(s) contributed to charitable organizations.

6. Receipts from any Spinoff, remake, prequel, sequels, radio, theatrical production, or other derivative uses of the Program(s) or any element thereof.

7. Salvage value or receipts derived from prints, tapes, film stocks, clips from film or tape, stock footage, stills, props, sets, wardrobe, or other items included in Cost of Production.

1.2. **Percentage Deduction**

"Percentage Deduction" means the percentage of Defined Receipts set forth in the Exhibit CB-CNG as the First Deduction which DC shall deduct and retain for its own account.

1.3. **Distribution Costs**

A. "Distribution Costs" means the aggregate of all costs, expenses and charges paid, advanced or incurred by DC or a Subdistributor, directly or indirectly, in connection with the distribution, exhibition and exploitation of the Program(s), which are not included in Cost of Production or are customarily treated as distribution expenses under customary accounting in the television industry, including any of the following:

1. **Ad and Publicity Costs**

Advertising, promoting, marketing, exploiting and publicizing (collectively "ad" or "advertising") in connection with the Program(s), including the cost of ad space, time, and physical material used for ads and commercials; shipping, integrating and monitoring of ads and commercials; preparation and dissemination of ad material; salaries, fees, travel and business expenses of DC advertising and marketing executives, personalities connected to the Program(s), and publicists, press representatives and field exploitation persons appropriately allocated (in DC's business judgment) to the Program(s), whether or not incurred by or paid to DC employees or other persons; previews, screenings, premieres, trade shows and sales events; entertainment of press and personalities; research and tests of ad concepts and effectiveness; press books and kits, trailers, stills and other accessories and publicity releases; commercial tie ups; other advertising and publicity costs whether directed to the consumer or the exhibitor and institutional costs.

2. **Conversion**

Conversion to U.S. dollars and remittance of Defined Receipts to the U.S., including costs and fees of contesting the imposition of restrictions.

3. **Checking**

Checking receipts, and investigating unauthorized use of the Program(s), whether payable to or incurred by DC employees or other Persons.

4. **Claims**

All expenses, costs and attorneys' fees in connection with the investigation, assertion, prosecution or defense of claims or litigation relating to the Program(s) and the gross amount paid for the settlement or satisfaction of any claims, judgments or decrees in connection therewith.

5. **Collections**

Collection of Defined Receipts, including attorneys' and auditors' fees and costs, and liability incurred by DC in connection therewith.

6. **Copyright and Royalties**

Copyright, trademark and patent costs in connection with the Program(s) and royalties payable with respect thereto.

7. **Other Versions**

Costs and expenses attributable to modifying the Program(s) for any and all uses which may be made of it, including, but not limited to, any costs incurred in retitling the Program(s), removing commercial material, dubbing or subtitling the Program(s) for foreign distribution, or otherwise altering or editing the Program(s) for any uses (whether for censorship purposes or otherwise).

8. **Additional Payments**

Additional payments (including both those expressed in fixed amounts or in percentages, including television rerun, theatrical use or reuse payments and/or any other payments required to be made to or on behalf of personnel used in connection with the Program(s), or to any organization with which they are associated, by reason of any collective bargaining agreement and/or any individual

employment or other agreements) required to be made with respect to any and all Persons who furnish material for or who have rendered services and/or granted rights in connection with the Program(s) together with all fees, taxes, pension fund contributions and similar expenses attributable to such payments.

9. Insurance

Insurance coverage for any and all risks of loss or liability with respect to the Program(s) and any elements or components thereof. DC may elect in its sole discretion to self-insure as to any items of risk, and charge an amount equal to the insurance premium DC would otherwise have paid for such insurance.

10. Trade Dues

The allocable portion, as determined in DC's business judgment, of dues, assessments, legal fees and costs (including antitrust and piracy matters), and contributions to the MPAA, AMPTP or similarly constituted or substitute Persons throughout the universe.

11. Licenses

All licenses, duties, customs charges, fees or any other amounts to permit exploitation of the Program(s).

12. Prints

Prints, tapes and other copies of the Program(s), including lab, labor, service and materials, titles, discs, dubbing, subtitling, gauge reductions, inspection, repair, checking, renovating, packing, shipping, storage, delivery and insurance thereon.

13. Taxes

Taxes and governmental fees of any nature, including costs of contesting them, and interest and penalties thereon (other than DC or Subdistributor corporate income taxes), imposed directly or indirectly on the Program(s) or any part thereof or on a group of programs in which the Program(s) may be included or on the Defined Receipts or the license, distribution or exhibition of the Program(s), and collection, conversion or remittance of monies connected therewith. Foreign remittance and withholding taxes charged to the Program(s) shall be determined as follows: the then-current effective tax rate for a particular country and distribution medium shall be multiplied by the Defined Receipts from such country and distribution medium.

14. Transportation, Shipping Packaging, etc.

Transportation, shipping, warehousing, reels and containers, and all other costs of delivering the Program(s) for exhibition.

B. All discounts, rebates or credits received by DC specifically relating to the Program(s) shall be taken into account in computing Distribution Costs hereunder other than those based on: (i) volume or quantity of advertising, prints, negatives or other materials, or (ii) the manner or time of payment of any Distribution Cost item.

1.4. Other Contingent Amounts

"Other Contingent Amounts" means amounts such as deferments, defined receipts, contingent bonus (or similar payment), or otherwise, to any Person including Artist for rights or services in connection with the Program(s), excluding: (1) the Contingent Bonus payable to Artist or retained by DC hereunder; and (2) contingent bonus payments (or other contingent payments) which reduce Artist's Contingent Bonus to the extent provided in this Agreement. Other Contingent Amounts will be deducted if, when and to the extent that DC's obligation to pay them accrues, whether or not such payments have become due or been made and regardless of whether DC has recovered the Cost of Production.

1.5. Cost Of Production

"Cost of Production" is the aggregate of all costs, charges, claims and expenses paid or incurred by DC in connection with the development, production and delivery of the Program(s) and its trailers, including, if applicable, commissions payable to an agent or other Person as consideration for assisting in the licensing of the Program(s) or for causing talent to be available for the Program(s), and including payments required to be made following production of the Program(s), determined in the customary manner DC accounts for production costs at the time of production of the Program(s). If DC's facilities are used, a use charge shall be included in the Cost of Production in accordance with the then-current DC facilities charge schedule. To the extent that DC employees render services in connection with the Program(s), employee fringe benefit costs for such employees shall not exceed the effective fringe benefit rate for DC employees during the fiscal year preceding the fiscal year in which the services were rendered. To the extent that DC's contractual obligation to pay Defined

Receipts to any Person, including Artist, for rights or services in connection with the Program(s) accrues before any Defined Contingent Proceeds hereunder have been derived, and to the extent DC pays any advance against its contractual obligation to pay Defined Receipts to any Person, including Artist, for rights or services in connection with the Program(s), such payments of Defined Receipts and advances shall be deemed included in the Cost of Production regardless of whether the obligation is fixed or dependent upon Defined Receipts.

1.6. **Miscellaneous Definitions**

A. **Free TV**

"Free TV" is television exhibition for which no fee or subscription is charged to the viewer.

B. **National Commercial Network**

"National Commercial Network" means ABC, NBC or CBS or any other similar affiliated group of Free TV television stations broadcasting more than fifteen hours of prime time programming per week with eighty percent U.S. clearance.

C. **Includes**

"Includes" (and equivalents "included" or "including") and "such as," are illustrative and not intended to be limiting.

D. **Person**

Any corporation, partnership or other business entity or natural person.

E. **DC**

For the purposes of this Exhibit CB-CNG, "DC" means Disney Channel and Affiliates engaged in the business of theatrical, non-theatrical and television distribution of motion pictures and Program(s). "DC" shall not include: any theatrical exhibitor or others who may actually exhibit the Program(s) to the public, radio or television transmitter or broadcaster (including any television network); any satellite, cable or other pay television operator, nor any Person transmitting the Program(s) to such operators or any one else by any method or delivery system; any wholesale distributor or retailer of video discs, videocassettes or similar devices; any book or music publisher; any producer or distributor of audio products; any merchandiser; or any other similar Person, whether or not any of the foregoing excluded Persons are owned in whole or in part, operated or controlled by DC.

F. **Affiliate**

For purposes of this Exhibit CB-CNG, "Affiliate" shall mean any entity (other than DC) that is a subsidiary of The Walt Disney Company or ABC, Inc. (i.e., an entity of which The Walt Disney Company or ABC, Inc. owns, directly or indirectly through one or more intermediaries, more than 50% of the voting stock) and each other entity which, directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, The Walt Disney Company or ABC, Inc. For purposes of this definition, the terms "control," "controls," and "controlled" mean the power to direct the management and policies of such entity, whether through the ownership of voting securities, by contract or otherwise.

G. **Related Party**

For purposes of this Exhibit CB-CNG, "Related Party" shall mean any entity (other than an entity included in the definitions of DC and Affiliate) which The Walt Disney Company or ABC, Inc. owns directly or indirectly through one or more intermediaries, more than 10% of the voting stock.

H. **Agreement**

"Agreement" is the agreement to which this exhibit is attached, together with this exhibit, and any other attached amendments, exhibits and schedules.

I. **Spin-off**

"Spin-off" means all episodes of a new television series, other than those which are part of the Program(s); but which are based on and incorporate any continuing character or substantial element from the Program(s).

J. **Supplemental Markets**

Supplemental Market is exhibition in pay, cable and subscription television (including so-called basic cable), as well as audio visual cassettes, video discs and similar devices for transmission of audio and visual images whether now known or hereafter devised.

2. ACCOUNTING

2.1. Statements

The first accounting period hereunder will commence on the date hereof, and will continue through: (a) for episodic television series Programs, the September 30th of the year in which occurs the completion of the initial order of the Program(s); or (b) for all other Programs, the end of the calendar quarter following initial commercial exploitation. Each 12-month period thereafter will constitute a separate accounting period. However, at such time, if ever, as DC licenses the Program(s) for exhibition following all exhibitions licensed under agreement(s) and any amendments(s) thereto authorizing the first run of the Program(s) on a United States National Commercial Network, such statements will be rendered quarterly for two years and thereafter annually if any Contingent Bonus is payable to Participant or, if none is due, only on Artist's written request, provided such request is made not more than once per year. DC will render an accounting statement to Artist within 90 days after the end of each applicable accounting period. If DC makes any overpayment to Artist hereunder for any reason or if Artist is indebted to DC for any reason, Artist will reimburse DC such amount on demand, or at DC's election, DC may deduct and retain for its own account an amount equal to such overpayment or indebtedness from any sums that may become due or payable by DC to Artist for account of Artist.

2.2. Incontestability

Statements are subject to correction or amendment by DC at any time. Each statement and all matters of accounting and methodology are conclusive and binding on Artist 12 months after each statement is issued, unless Artist objects in writing within that 12 month period, specifying in detail the particular items on the statement and the nature of the objection(s). If the objections are raised timely, but are not resolved, Artist may initiate a claim with respect to such objections, provided such claim is instituted within 6 months following the date of the initial written objection or prior to the expiration of the period of the applicable statute of limitations, whichever occurs first. Artist may not institute or maintain a claim against DC with respect to any item or transaction on a statement, whether in a lawsuit, an arbitration or any other proceeding unless Artist has first provided DC with a timely and detailed written objection to such item or transaction. DC must keep books of account for any given transaction on a statement for 12 months after the initial reporting of such transaction. All time periods referred to in this paragraph commence upon issuance of the first statement on which any particular transaction is reflected, and the reappearance of a transaction in cumulative statements shall not cause the running of any time period to toll or recommence.

2.3. Books

The items reflected in the statements, to the extent they have not become incontestable or have not been previously examined, may be examined at Artist's expense, once in each 12 month period (the first of which commences upon issuance of the first statement hereunder). Such statements may only be examined by a national firm of reputable CPA's, the selection of which is subject to DC's approval not to be unreasonably withheld. DC shall make available for examination those books of account with respect to the distribution of the Program(s) which DC customarily maintains at its Burbank-area offices. Each examination of any statement or statements for a particular accounting period must be concluded within the earlier of six months following commencement or an aggregate of 30 examination days. A copy of the report of such examination shall be delivered by Artist to DC when it is made available to Artist. Artist shall have no right to inspect or copy any tax return of DC or any Subdistributor, Affiliate or any Related Party, or require the production of any such tax return or any information contained therein

2.4. Withholdings

All amounts payable to Artist under this Agreement shall be subject to all present and future laws and regulations requiring the reporting, deduction or withholding of payments for taxes or otherwise. DC will have the right to make such deductions and withholdings, and the payment or reporting thereof to the governmental agency concerned in connection with DC's good faith determination of such laws, statutes, rules, orders and regulations shall constitute payment hereunder to Artist. DC shall not be liable to Artist for the making of such reports, deductions and/or withholdings or the payment thereof to the governmental agency concerned. In any such event, Artist shall have the sole responsibility for bringing and maintaining any claims against third parties regarding such reporting, deductions or withholdings.

2.5. Address

All statements will be deemed issued when mailed to Artist at the address for notices under this Agreement.

2.6. Reserves

DC will have the right from time to time and in its business judgment to establish and adjust reserves for any distribution costs, uncollected accounts or other items which DC believes in its business judgment will be deductible from or credited against Defined Receipts hereunder. DC agrees to liquidate reserves within an appropriate period of time within DC's business judgment.

2.7. Tax Credits

DC will have the sole right to take whatever credits (including investment tax credits), deductions or other benefits that may be available throughout the universe, with respect to taxes and excises payable in any way in connection with the Program(s) or otherwise, without any accounting, credit or payment obligation to Artist.

3. ADDITIONAL TERMS

3.1. Arbitration

DC and Artist agree that any dispute between them concerning the rights and obligations of DC and Artist under this Exhibit CB-CNG, whether sounding in contract or tort, may only be adjudicated in accordance with the following procedure:

A. Either (i) DC and Artist shall mutually select an arbitrator, or (ii) if they cannot agree on such arbitrator, DC and Artist shall each select one arbitrator and those two arbitrators shall then select a third arbitrator.

B. The parties shall arbitrate the dispute in accordance with the then-prevailing Commercial Arbitration Rules of the American Arbitration Association (except to the extent expressly set forth elsewhere in this Exhibit CB-CNG) and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.

3.2. No Representation

DC has no obligation to distribute the Program(s) and if it does so, Artist acknowledges that DC has no obligation to maximize Defined Receipts and has not made any representations with respect to the likelihood or amount of Defined Receipts, deferrals, Contingent Proceeds or Contingent Bonus, if any, which will or may be derived from distribution of the Program(s).

3.3. Control of Exploitation

A. As between DC and Artist, DC will have exclusive and perpetual control of the distribution, advertising, publicizing, exploitation, sale or other disposition of the Program(s) and may distribute, or withhold or withdraw the Program(s) or any part thereof from distribution at its sole discretion with respect to one or more territories or media. DC may distribute the Program(s) with other motion pictures whether or not DC has any interest in such other motion pictures.

B. For all purposes under this Exhibit CB-CNG, allocations of Defined Receipts, costs, rights and other matters relating to the Program(s) and other motion pictures shall be allocated by DC in its business judgment and in accordance with DC's prevailing business practice.

C. As between DC and Artist, DC owns all rights to the Program(s) and its Defined Receipts and Contingent Proceeds, including the right to encumber, transfer or dispose of them and Artist shall have no right, title or interest therein. Artist acknowledges that its sole right under this Exhibit is a contractual right to contingent compensation in the form of, and measured by, the Exhibit CB-CNG.

D. DC, its agents and assigns, in its and their business judgment, shall be entitled to distribute the Program(s) on a percentage basis or make flat sales, make and cancel contracts, adjust and settle disputes, and give allowances and rebates to distributors, licensees, exhibitors or other Persons whether or not any such entity is owned, operated or controlled by DC, Affiliates or Related Parties.

E. DC shall have complete discretion in determining the extent, if any, to which it will audit or check payments or charges to DC or assert claims with respect thereto.

F. Artist acknowledges that DC is part of a large, diversified international group of affiliated companies engaged in a variety of business activities. DC has informed Artist that it frequently enters into business transactions with Affiliates and Related Parties, and Artist acknowledges and agrees that DC is entitled (but is not obligated) to, and may, in its sole discretion, enter into agreements or other arrangements with Affiliates and Related Parties in connection with any or all rights relating to the Program(s), including all exploitation rights and all subsidiary, ancillary or other rights relating thereto (the "Exploitation Rights"). Artist hereby acknowledges and agrees that DC is under no obligation, express or implied, to offer the Exploitation Rights or any part thereof to unaffiliated or

unrelated third parties, whether in lieu of or in addition to offering such rights to Affiliates and Related Parties, or to otherwise seek or secure any business arrangements with any unaffiliated or unrelated third parties with respect thereto. Without limiting the generality of any other provision of the Agreement, Artist hereby waives any right to make any claim or seek any relief, whether at law or in equity (specifically including injunctive relief), asserting the existence and/or breach of any such express or implied obligation.

In addition, Artist acknowledges and agrees that any agreement or other arrangement by DC with an Affiliate or Related Party regarding the Exploitation Rights shall be conclusively presumed to be fair, reasonable and unobjectionable unless Artist shall establish that such agreement or other arrangement is on financial terms which, taken as a whole, are materially less favorable economically to DC than the terms of Similar Transactions generally entered into by DC with unaffiliated or unrelated third parties; or if there are no such unaffiliated or unrelated Similar Transactions, then by DC with Affiliates or Related Parties (as applicable); or if there are no such Similar Transactions with Affiliates or Related Parties, then by Affiliates with any other Affiliate or Related Party (any such materially less favorable agreement or arrangement being hereinafter referred to as a "Less Favorable Arrangement"). For purposes hereof, the term "Similar Transactions" shall mean agreements or other arrangements relating to motion pictures similar to the Program(s) (including DC or non-DC Program(s)) which involve rights which are comparable to the Exploitation Rights or any relevant part thereof. DC and Artist agree that in any arbitration between them under Paragraph 3.1 above, concerning whether DC has entered into a Less Favorable Arrangement, the arbitrator(s) shall select an independent national accounting firm with entertainment accounting expertise who shall be present with the arbitrator(s) during the arbitration proceedings, and, on the basis of the evidence presented (including any expert testimony presented by the parties and admitted into evidence), shall provide a written report to the arbitrator(s) solely on the issue of whether there was a Less Favorable Transaction; and the above referenced records and report shall be kept in strictest confidence by the accounting firm and disclosed only to the arbitrator(s) who shall have authority, subject to a protective order maintaining the confidentiality of the information to the fullest extent permitted by law, to disclose to the parties only those relevant portions of the report indispensable to the adjudication of the issue. If pursuant to Paragraph 3.1 above, the arbitrator(s) conclude(s) that DC has entered into a Less Favorable Arrangement with an Affiliate or Related Party, Artist's sole and exclusive remedy shall be the right to receive an adjustment on the next accounting statement when due, including any additional payments that may be required, pursuant to Paragraph 2.1 hereof, modified to the extent required to render such Less Favorable Arrangement not a Less Favorable Arrangement.

3.4. Sales of All Rights

A. If after completion and delivery of the Program(s) to DC, DC sells all its right, title and interest in the Program(s) (other than to an Affiliate or through merger or consolidation), Artist may elect that:

1. The net sum received by DC will constitute Defined Receipts hereunder but further income of purchaser in connection with the Program(s) will not be included in Defined Receipts, or,

2. The net sum received by DC shall not be included in Defined Receipts and all receipts and expenses (other than the purchase price paid to DC) of the purchaser relating to the Program(s) will be treated for purposes of accounting to Artist, as though they were receipts and expenses of DC, provided that upon assumption by purchaser of such obligation, the sale shall be considered a novation and DC shall thereafter have no obligation of any kind to Artist.

B. Artist's election shall be made within 7 days after DC notifies Artist in writing that it proposes to make such sale and identifies the purchaser and purchase price. If DC does not receive written notice of Artist's election within 7 days after issuance of DC's notice, then DC shall have the right, but not the obligation, to make such election on Artist's behalf.

3.5. Assignment by Artist

A. Artist may assign Artist's right to receive its Contingent Bonus hereunder in whole or in part, at any time after the initial airing of the first of the Program(s) produced hereunder, subject to DC's approval not to be unreasonably withheld and provided that such assignment does not subject DC to any additional liability in connection with the assignment. However, in no event shall DC be obligated to account to more than one Person. In any event, DC's obligation to pay in accordance with any assignment, or designation of a disbursing agent, shall be conditioned on DC's receipt of written notice thereof, in form satisfactory to DC, and DC's payment in accordance therewith shall satisfy DC's payment obligations to Artist hereunder. Artist's right to examine DC's books of account shall not be assignable without DC's prior written consent and in any event shall be limited to one Person.

B. DC will have the right of first refusal with respect to any proposed assignment of Artist's right to receive Contingent Bonus hereunder upon equivalent terms (to the extent economically matchable) offered to Artist by a bona fide third party. Artist shall notify DC of the terms of any such proposed assignment and DC shall have 7 business days within which to elect to accept such terms. Artist shall make no change in such terms which are adverse to Artist's interest without giving DC the opportunity to accept such changed terms. If DC does not elect to accept such terms, then Artist shall be free to accept the proposed terms of assignment from such bona fide third party provided that if such proposed assignment is not concluded within 30 days following the expiration of the 7 business day period referred to above, DC's right of first refusal under this Paragraph 3.5.B shall revive and shall apply to each subsequent offer received by Artist.

3.6. **General Terms**

A. This Agreement is not for the benefit of any third party and shall not create a partnership, joint venture, agency, trust or fiduciary obligation between DC and Artist or make Artist DC's agent or create a relationship between DC and Artist other than creditor-debtor to the extent amounts are due hereunder.

B. DC may, in its business judgment, commingle Contingent Proceeds or Defined Receipts with any other funds.

C. Nothing in this Exhibit CB-CNG or the Agreement shall give Artist the right to a lien on the Program(s), the Contingent Proceeds or Defined Receipts.

D. Artist shall not be entitled to interest or any other gain which may accrue as a result of DC's obligation to pay Artist's Contingent Bonus (or part thereof) even in the event of a dispute between Artist and DC concerning the interpretation of this Exhibit CB-CNG, non-payment hereunder or otherwise.

E. Headings are for convenience only and are of no effect in construing the contents of this Agreement.

F. Artist waives any right at law or equity to revoke, terminate, diminish or enjoin any rights granted or acquired by DC hereunder by reason of a claimed non-payment of monies allegedly due and payable hereunder, it being agreed that Artist's sole remedy for any such alleged non-payment shall be limited to a claim for any such money that is due and payable hereunder.

END OF EXHIBIT CB-CNG

SCHEDULE "A"
REFERRED TO IN PARAGRAPH 1.1.A.4 OF SCHEDULE 1 TO EXHIBIT CB-CNG

MUSIC PUBLISHING

1. A royalty equal to fifteen percent (15%) of Music Publishing Contingent Proceeds ("MPCP") received by DC from the exploitation of music publishing rights (i.e., mechanical reproduction, public performance, sheet music/folios and synchronization) to the original music and/or lyrics written specifically for and synchronized in the Program(s) as generally released (the "Music") shall be included in Defined Receipts.
2. Music Publishing Defined Receipts ("MPDR") shall mean all monies actually received by DC with respect to the Music excluding any advance, guarantee or minimum royalty payment received by DC in connection with any subpublishing, collection, licensing or other agreement, unless such payment is specifically attributable to the Music.
3. MPCP shall mean MPDR less the following:
 - (a) Royalties or other monies payable by DC to the composer(s) and/or lyricist(s) of the Music.
 - (b) All additional shares of MPDR payable by DC to such composer(s), lyricist(s) and/or any other third party co-publishers, administrators or other participants.
 - (c) Collection or other fees customarily and actually charged by The Harry Fox Agency, Inc., or any other collection agent used by DC.
 - (d) Copyright registration fees and the costs of transcribing lead sheets.
 - (e) All other administration and exploitation expenses incurred with respect to the Music including the costs of producing demonstration records, advertising and promotion expenses, costs or amounts payable to third-party publishers, co-publishers, administrators, publishing participants, subpublishers, licensees, trustees or collection agents, attorneys' and accountants' fees directly related to the Music, and damages and expenses incurred by reason of infringement claims, but excluding rents, overhead, salaries and other similar general expenses.
4. If Artist is entitled to receive a direct royalty or other type of payment with respect to the Music, then no portion of MPCP will be included in Defined Receipts.

DISNEY CHANNEL
MUSIC PUBLISHING
SCHEDULE "A" TO EXHIBIT CB-CNG

SCHEDULE "B"
REFERRED TO IN PARAGRAPH 1.1.A.4 OF SCHEDULE 1 TO EXHIBIT CB-CNG

1. **SOUNDTRACK RECORDS:** In the event DC receives any royalties in respect of the soundtrack album(s) ("Album") and/or other "phonorecords" (as that term is defined in the U.S. Copyright Act of 1976, 17 U.S.C. Sections 101, et. seq.) derived from the soundtrack of the Program(s) ("Soundtrack Records"), then DC agrees that such royalties will be computed as follows for inclusion in Defined Receipts:

1.1 If an Affiliate distributes Soundtrack Records, then the royalty included in Defined Receipts shall equal 2¼% ("Royalty Rate") of the suggested retail list price (or the equivalent wholesale royalty) for net sales of the Album through normal retail channels in the United States ("USNRC Sales"). The Royalty Rate shall be otherwise defined, computed, reduced and accounted for on the same basis that the Affiliate customarily accounts to third party recipients including, in respect of foreign sales, configurations variations, taxes, flat fee licensing, coupling, singles, free goods, packaging deductions, royalty base and all other reductions and deductions. Royalties hereunder shall only be included in Defined Receipts prospectively after the recoupment from the aggregate royalty payable (or accrued against advances or other charges) by DC in respect of Soundtrack Records (including royalties payable to artists, producers, record companies, film personnel, music supervisors, musicians and the royalty payable pursuant to this Schedule B) of the following: (i) all recording costs of the master recordings embodied in Soundtrack Records; (ii) any re-recording costs of master recordings which are re-recorded for Soundtrack Records; and (iii) all costs of converting the master recordings in the Program(s) from motion picture recordings to phonograph record use (including, re-recording costs, reuse fees, editing, sweetening, etc.).

1.2 In the event that DC receives its royalties from the exploitation of Soundtrack Records by a third party distributor, then the royalty to be included in Defined Receipts shall be the "Soundtrack Contingent Proceeds" (as defined below).

1.3. "Soundtrack Contingent Proceeds" shall mean all revenues received by DC from the exploitation of Soundtrack Records, if any, as set forth in the applicable Soundtrack Records agreement after deduction of the following costs and third party royalties:

(a) A sum equivalent to the actual dollar amount (including any fixed cash amounts, advances and/or royalties) actually paid to all third party performers and/or participants with respect to the music/soundtrack contained in Soundtrack Records and/or the Program(s), including cash payments and/or royalties payable to artists, producers, record companies, film personnel, music supervisors and musicians.

(b) A sum equivalent to all artwork costs for Soundtrack Records to the extent such artwork costs are paid by or charged to DC, remixing and remastering costs, re-recording costs, reuse fees, license fees and similar costs attributable to the recording/production and/or licensing of the master recordings embodied on Soundtrack Records, except to the extent such costs are included in the negative cost of the Program(s) and to the extent such Soundtrack Records costs and fees have actually been incurred directly or indirectly by DC.

(c) Any legal fees or related expenses incurred by DC for outside legal counsel engaged at DC's election to: document and/or negotiate the applicable Soundtrack Records agreement; in protecting or defending DC's rights, privileges and benefits with respect to Soundtrack Records and/or any master recordings recorded/acquired for the Program(s) and/or Soundtrack

Records; and/or in connection with any dispute involving any release/distribution agreement pertaining to Soundtrack Records.

(d) In the event the Soundtrack Records distributor pays DC any nonreturnable advance against royalties, a reasonable reserve shall be applied towards (i) third party payments payable prior to the Soundtrack Record distributor's recoupment of such advance at the "net" artist rate; and (ii) unrecouped costs incurred by DC in respect of any Soundtrack Records and/or in excess of the budgeted cost of the music for the Program(s).

1.4. Notwithstanding the foregoing, no royalties shall be included hereunder for promotional copies of records or for records sold below the cost of manufacture or for any so-called "storyteller" or "read-along" phonorecords or for any phonorecords embodied in other merchandise or for any audiovisual devices now known or hereafter devised.

1.5. If Artist is entitled to receive a direct royalty or other type of payment with respect to Soundtrack Records, then no royalties from Soundtrack Records will be included in Defined Receipts.

2. MERCHANDISING/PUBLISHING. With respect to items of merchandising (including interactive games and other products and services) and book publication (including children's storytelling recordings, as distinguished from soundtrack records, but excluding souvenir programs and similar publications) based on the Program(s), then:

2.1 For items sold by a licensee of DC, the royalties DC receives from such licensee shall be included in Defined Receipts of the Program(s) after first deducting (i) a percentage deduction of: fifty percent (50%), inclusive of subdistributor fees, for items sold in the U.S. and sixty-five percent (65%), inclusive of subdistributor fees, for items sold outside the U.S.; and (ii) out-of-pocket costs and royalties to third parties; or

2.2 For items that are sold by DC or an Affiliate at the wholesale or retail level, at DC's discretion, either: (i) an amount equal to seven (7%) of the wholesale price of such items sold by DC or an Affiliate at the wholesale level (less a reasonable allowance for returns); or (ii) an amount equal to seven percent (7%) of fifty percent (50%) of the gross retail revenues of such items sold by DC or an Affiliate at the retail level (less a reasonable allowance for returns) shall be included in Defined Receipts of the Program(s) after first deducting (a) a percentage deduction of fifty percent (50%) for items sold in the U.S. and sixty-five percent (65%) for items sold outside the U.S.; and (b) out-of-pocket costs and royalties to third parties.

2.3 In no event shall any items of merchandise be treated as falling under both provisions 2.1 or 2.2 above.

2.4 If Artist is entitled to receive a direct royalty or other type of payment with respect to the exercise of merchandising and book publication rights, then no royalties therefrom will be included in Defined Receipts.

DISNEY CHANNEL
SOUNDTRACK RECORDS/MERCHANDISING/PUBLISHING
SCHEDULE "B" TO EXHIBIT CB-CNG

SCHEDULE "C"
PERTAINING TO PARAGRAPH 1.1.A.1 OF SCHEDULE 1 TO EXHIBIT CB-CNG
INITIAL EXHIBITION ON DISNEY-OWNED NETWORKS

1. If the initial television exhibition of the Program(s) is on Disney Channel, Toon Disney, ABC Family Channel, SOAPnet, Disney XD, ABC Kids, or any other television channel, network or service owned, managed or operated, now or in the future, by Disney/ABC Cable Networks Group, ABC Family Worldwide, Inc., The Walt Disney Company, and/or any Affiliate (each, a "Disney-Owned Network, and collectively, "Disney-Owned Networks"), then Defined Receipts shall not include monies earned, allocated or recorded by the Disney-Owned Networks in connection with any such television exhibition of the Program(s) except as follows:

(a) Twenty-five percent (25%) of the amount that is equal to one hundred percent (100%) of the Cost of Production (as defined in Paragraph 1.5 of Schedule 1) of the Program(s) shall be deemed credited to Defined Receipts upon the initial exhibition of such Program on a Disney-Owned Network;

(b) Twenty-five percent (25%) of the amount that is equal to one hundred percent (100%) of the Cost of Production of the Program(s) shall be deemed credited to Defined Receipts upon the date that is one (1) year from the date of the payment credited pursuant to the immediately preceding paragraph provided that the Program is then being exhibited, or will be exhibited at any time during the next year, on any Disney-Owned Network; and

(c) Twenty-five percent (25%) of the amount that is equal to one hundred percent (100%) of the Cost of Production of the Program(s) shall be deemed credited to Defined Receipts upon the date that is one (1) year from the date of the payment credited pursuant to the immediately preceding paragraph provided that the Program is then being exhibited, or will be exhibited at any time during the next year, on any Disney-Owned Network.

2. The amounts that are deemed credited pursuant to Paragraph 1 of this Schedule C shall constitute the license fee for unlimited distribution on an unlimited number of exhibition days, in perpetuity, on the Disney-Owned Networks.

3. The First Deduction with respect to the license fee specified in this Schedule C for distribution on the Disney-Owned Networks shall be in the amount of ten percent (10%) only, notwithstanding any other provision of Section A of Exhibit CB-CNG.

DISNEY-OWNED NETWORKS
CNG TV LICENSE FEE
SCHEDULE "C" TO EXHIBIT CB-CNG

ARTIST'S CERTIFICATE

_____ ("Artist") hereby certifies, agrees and acknowledges that I am rendering and will continue to render services in connection with the "Disney Channel Storytellers Program" ("Project") pursuant and subject to all of the terms and conditions of that certain agreement dated as of _____ between It's A Laugh Productions, Inc. ("Producer") and Artist. In connection therewith, Artist further hereby certifies, agrees and acknowledges that, in consideration for the amounts paid by Producer to Artist, and for other good and valuable consideration, all literary, artistic and other material of whatever kind or nature created, developed, furnished, submitted and/or written by Artist and all of the results and proceeds of Artist's services (collectively, "Material") in connection with the Project, were, or will be, written, created and/or rendered at Producer's request during the course of Artist's employment with or engagement by Producer and constitute or will constitute a "work-made-for-hire" as defined in the United States Copyright Act of 1976, as amended; the Material was specifically ordered or commissioned by Producer for possible use in the Project; Producer is and shall be the sole and exclusive author of said "work-made-for-hire" and the owner of all rights, title and interest in and to the Material throughout the universe, in perpetuity and in all languages, for all now known and hereafter existing media, uses, purposes, versions and forms, including, without limitation, the copyrights and trademarks therein and thereto (including all extensions and renewals thereof); and Producer shall have the right to make such changes therein and such uses and disposition thereof, in whole or in part, as it may from time to time determine as the author and owner thereof. To the extent that the Material is not recognized as a "work-made-for-hire," Artist hereby assigns, transfers and conveys to Producer, without reservation, all of Artist's right, title and interest in and to the Material throughout the universe, in perpetuity and in all languages, for all now known and hereafter existing media, uses, purposes, versions and forms, including, without limitation, the copyrights and trademarks therein and thereto (including all extensions and renewals thereof). The term "Material" shall include all of the results and proceeds of Artist's writing, performing, artistic, creative and/or other services, including without limitation, any premise, outline, format, material, music, lyrics, script, storyboard, artwork, direction, performance or other development and/or production services with respect to the Project, and any and all literary and/or artistic works, designs, drafts and revisions thereto that are, or will be, written, created or developed by Artist in connection therewith, as well as any theme, plot, characters, dialogue, ideas and stories contained therein. Artist hereby waives all rights and benefits of "droit moral" or "moral rights of authors" or any similar rights or principles of law which Artist may now or later have in and to the Material throughout the universe. Artist hereby represents and warrants that: (i) Artist has the right to execute this Certificate; (ii) the Material is and shall be original with Artist; (iii) the Material does not and shall not defame, infringe upon or violate the rights of any person or entity; and (iv) the Material is not the subject of any litigation or, any claim that might give rise to litigation.

Artist agrees to execute and deliver to Producer such further documents consistent herewith and do such other acts consistent herewith as may be required by Producer or its successors, licensees, or assigns to evidence or effectuate Producer's rights hereunder; and in the event that Artist fails to do so within five (5) days after receipt of a request therefor, unless time exigencies (as determined by Producer in its sole discretion) require immediate execution, Artist hereby appoints Producer as Artist's attorney-in-fact with the full power and authority to do so on their respective behalves, which power is coupled with an interest and is irrevocable. Producer's rights in the Material may be assigned, licensed, or otherwise transferred, and this Certificate shall inure to the benefit of Producer's successors, licensees, and assigns. Artist hereby agrees to defend, indemnify and hold harmless Producer, its affiliates, successors, licensees, and assigns against any liabilities, losses, claims, demands, costs and expenses (including attorneys' fees) arising out of any breach of any representation or warranty provided by them herein. Producer agrees to indemnify and hold harmless Artist from and against any liabilities, losses, claims, demands, costs and expenses (including attorneys' fees) arising in connection with Artist's use pursuant hereto of any material furnished to Artist by Producer (except to the extent that Artist modifies such material). Any remedies Artist may have against Producer in connection with the Material and/or the Project shall be limited to the right to recover damages, if any, in an action at law, and Artist hereby waives any right or remedy in equity, including without limitation, the right to seek injunctive relief.

ARTIST:

[Artist's Name]

IT'S A LAUGH PRODUCTIONS, INC.

By: _____

Its: _____