

CINESITE SUBMISSION AGREEMENT

This Submission Agreement (the “**Agreement**”) is entered into by and between Cinesite Animation Inc. (“**Company**”), a legal person duly incorporated under the laws of Canada, having its principal place of business at 250 rue Saint-Antoine Ouest, Suite 500, Montréal, Québec, H2Y 0A3, Canada; and you or, if applicable, the individual, company, or entity you represent (“**you**”). Cinesite Animation and you hereinafter individually referred to as “**Party**” and collectively as the “**Parties**”.

WHEREAS you are the sole owner of and/or control all rights, title and interest, including copyright and all motion picture, television, allied and ancillary rights in and to the Material;

WHEREAS you wish to submit the Material to be reviewed by Cinesite Animation;

WHEREAS Cinesite Animation desires to review the Material submitted by you; and

WHEREAS you desire to grant to Cinesite Animation the non-exclusive option to purchase the rights in and to the Material, as more fully set forth herein.

THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1 PREAMBLE

1.1 The preamble hereto shall be deemed to form an integral part hereof as if recited at length herein.

2 DEFINITIONS

2.1 For the purposes of this Agreement, unless the context otherwise requires, the following terms shall have the respective meanings set out below and grammatical variations of such terms shall have corresponding meanings:

- (a) “**Business Day**” means any day, other than Saturday, Sunday or statutory holidays in the Province of Quebec, on which commercial banks in Montreal, Quebec are open for business;
- (b) “**Claim**” means any claim, action, cause of action, suit, litigation, appeal, arbitration, alternative dispute resolution, investigation, audit, assessment, complaint, demand, directions or other legal proceeding that is commenced, brought, conducted, tried or heard by or before, or otherwise involving, any court, tribunal, commission, board, agency, or other similar entity.
- (c) “**Contribution**” means any ideas, plots, themes, stories, title or titles, dialogue, language, incidents, action, story, characters, characterizations or any other creative contributions made by a Third Party Contributor;
- (d) “**Material**” means the content of the material submitted by you to Cinesite Animation, which includes, without limitation, all screenplays, teleplays, treatments, artwork, drawings, designs, musical compositions, software programs, video or audio reels or any similar works, and all concepts, ideas, plots, themes, stories, title or titles, dialogue, language, incidents, action, story, characters, characterizations, and elements contained therein;
- (e) “**Participants**” means any and all Persons (as defined below) that submit material to Cinesite Animation for the purposes of review of said material;

- (f) “**Person**” means any individual, corporation, partnership, joint venture, association, trust or unincorporated organization or other entity whatsoever, including a foreign state, political subdivision thereof or any agency of such state or subdivision;
- (g) “**Third Party Contributors**” means any co-author, co-owner and/or individual who made or may have made a Contribution to the Material.

3 ACCEPTANCE

3.1 By submitting the Material to Cinesite Animation, you hereby confirm your acceptance of the terms and conditions of this Agreement, that you are voluntarily submitting the Material and that you have not been solicited by Cinesite Animation to submit the Material.

4 OBJECT

4.1 By submitting the Material to Cinesite Animation, you hereby grant to Cinesite Animation:

- (a) the right to review the Material and, in connection therewith, share the Material with any and all third parties engaged for the purposes of reviewing the Material; and
- (b) the non-exclusive and irrevocable option, but not the obligation, to purchase all rights, title and interest in and to the Material in Cinesite Animation’s sole and absolute discretion (the “**Option**”). The Option may be exercised only by written notice and payment of the Purchase Price (as defined below).

4.2 For greater certainty, prior to the payment of the Purchase Price, Cinesite Animation shall have no rights, title and interest in and to the Material and shall have no right to develop, produce, distribute or otherwise exploit a television series, motion picture or other artistic, dramatic, literary or musical work based, in whole or in part, on the Material.

5 PURCHASE PRICE

5.1 In full and complete consideration for the rights granted by you hereunder, Cinesite Animation shall pay you a fee, which shall be negotiated in good faith between Cinesite Animation and you (the “**Purchase Price**”), payable immediately upon Cinesite Animation’s exercising the Option.

5.2 You hereby acknowledge and agree that the Purchase Price shall represent adequate consideration for the rights granted hereunder and that no other form of compensation shall be owed to you following payment of the Purchase Price.

6 OWNERSHIP

6.1 Upon payment of the Purchase Price, you exclusively and irrevocably sell, assign, grant and transfer to Cinesite Animation, all rights, title, and interest in and to the Material, including, without limitation, the copyright and all motion picture, television, allied and ancillary rights therein and thereto, whether now known or hereafter devised, without the necessity of further documentation, in perpetuity, throughout the universe. Without limiting the foregoing, Cinesite Animation shall have the exclusive right to register the copyright in the Material in its name as owner thereof.

- 6.2 For greater certainty, Cinesite Animation shall have the exclusive right to exercise all rights associated with the Material, including, without limitation, the right to produce one or more audio-visual works, motion pictures, and television productions (including, without limitation, remakes, spin-offs (live or animated), prequels, sequels and specials), non-interactive and/or interactive electronic, computer, multimedia and on-line products and services and/or audio-visual works, stage plays, radio plays or other dramatic productions, websites, products and merchandise of any kind whatsoever (including, without limitation, the exploitation and/or licensing of characters and other elements of the Material for clothing, hats, costumes, housewares, paper products, toiletries, toys, games, amusements, theme parks, and otherwise), sound recordings (such term to include any device by which sounds may be recorded for later communication to listeners), and to exploit the same throughout the universe in perpetuity in all language versions and in all manner and media of communication and trade now known or in the future developed (including without limitation, all forms of television (pay, free, cable and otherwise), home video, multi-media and interactive media and theatrical and non-theatrical exploitation, the right to use excerpts from the foregoing works for any kind of promotional purposes related to the Material, and all other rights of distribution and other exploitation of any kind or nature whatsoever now known or in the future developed based on, inspired by, derived from and/or using and including all or some of the Material (including, without limitation, audio-visual devices, live stage and radio rights, music and publishing rights, soundtrack rights, print rights and graphic and electronic publication rights including all digitized version whether for linear viewing or not) (collectively, the “**Productions**”).
- 6.3 As between Cinesite Animation and you, all films, tapes, recordings (audio and visual), prints and copies thereof, as well as all the themes, stories, characters, plots, dialogue, and action contained in the Material, and all rights therein and thereto, shall be the sole property of Cinesite Animation and may be exhibited, used and/or exploited, in whole or in part, in perpetuity, throughout the universe, in any manner and through any media, whether presently in existence or subsequently devised, solely as Cinesite Animation may elect.
- 6.4 You shall not be entitled to any additional compensation, other than the Purchase Price, in connection with such broadcast, exhibition, use and/or exploitation of the Material unless such is expressly provided for in this Agreement.

7 MORAL RIGHTS

- 7.1 You hereby expressly waive any so-called “moral rights” or rights of droit moral that may be afforded to you under the laws of Canada or any other jurisdiction in connection with the Productions. Cinesite Animation shall be entitled to edit, add to, subtract from, change, revise, adapt, rearrange, change the sequence, change the characters and the description thereof contained therein and make variations of said results and proceeds, or any of the components thereof, in connection with the Production and other works wholly or partially independent of the Productions.

8 RENTAL AND LENDING RIGHTS

- 8.1 You acknowledge that the Purchase Price includes adequate and equitable remuneration for the Rental and Lending Rights (as defined below) and to the fullest extent permitted by applicable law, constitutes a complete worldwide buy-out of all Rental and Lending Rights, in perpetuity. You hereby irrevocably grant to Cinesite Animation throughout the universe and in perpetuity, the right to collect and retain for Cinesite Animation’s own account all amounts payable to Cinesite Animation in respect of Rental and Lending Rights and irrevocably directs any collecting societies or other persons or entities receiving such amounts to pay them to Cinesite Animation. “**Rental**

and Lending Rights” means all of your rights to authorize, prohibit, control or receive money (other than as provided in this Agreement) from the rental, lending, fixation, reproduction or other exploitation of the Material or any motion picture, program or other production based thereon, by any media or means now known or hereafter devised as may be conferred upon you under applicable laws, regulations or directives, in any jurisdiction throughout the world, including any so-called rental and lending rights pursuant to the European Community directives or enabling or implementing legislation, laws or regulations enacted by member nations of the European Community.

9 SIMILAR CONTENT

- 9.1 You acknowledge that Participants may submit screenplays, teleplays, treatments, artwork, drawings, designs, musical compositions, software programs, video or audio reels, concepts, ideas, plots, themes, stories, titles, dialogue, language, incidents, action, story, characters, characterizations and other material that may be similar to the Material (the “**Similar Material**”).
- 9.2 You hereby agree that you will not assert or make a Claim against Cinesite Animation or its affiliates, subsidiaries, officers, directors, employees, shareholders, representatives, attorneys, agents, assigns and licensees for any claim based on plagiarism, infringement, confidential relationship, implied contract, unfair competition, or otherwise arising out of any alleged use by Cinesite Animation of the Material. You understand and agree that you will not be entitled to any compensation or other consideration because of the use of Similar Material by Cinesite Animation. For greater certainty, you hereby release Cinesite Animation and its affiliates, subsidiaries, officers, directors, employees, shareholders, representatives, attorneys, agents, assigns and licensees for any and all Claims asserting that Cinesite Animation has used or appropriated the Material, or any portion thereof.

10 NO OBLIGATION TO USE

- 10.1 Nothing in this Agreement shall obligate Cinesite Animation to actually use and/or exploit the Material. In the event Cinesite Animation decides to use and/or exploit the Material, it may cease the use and/or exploitation of the Material in its sole and absolute discretion.

11 CREDIT

- 11.1 Provided: (i) you are not in default of any of your representations, warranties, covenants and obligations hereunder; and (ii) the Production is based, in whole or in part, on the Material, you shall receive writing credit, on screen, on a shared card, in the main titles and in all paid advertising (subject to customary distributor and broadcaster exclusions). Except for the foregoing, the size, placement, duration and all other characteristics of said credits shall be at Cinesite Animation's sole discretion. No inadvertent or casual failure by Cinesite Animation nor any failure by a third party to accord credit in accordance with the provisions of this section shall be deemed a breach of this Agreement.

11.2 REVERSION

- 11.3 Cinesite Animation shall have a period of twelve (12) months commencing as of the submission of the Material to Cinesite Animation to exercise the Option (the “**Option Period**”). In the event the Option is not exercised within the Option Period, all rights granted hereunder shall revert to you. Notwithstanding the foregoing, Cinesite Animation may suspend the Option Period and the running of time thereunder for so long as any of the following continue: (i) any and all periods

during which you are in breach or default under any provisions of this Agreement; and (ii) any and all periods during which an event of force majeure (as the term is commonly defined in the entertainment industry) exists.

12 REPRESENTATIONS AND WARRANTIES OF YOU

12.1 You hereby represent, warrant and covenant to Cinesite Animation as follows, and acknowledge that such representations, warranties and covenants are now true and in effect and will remain true and in effect and that Cinesite Animation is relying upon such representations, warranties and covenants without any independent inquiry in entering into this Agreement:

- (a) that you possess the necessary power, authority and capacity to enter into this Agreement and fully perform all of your obligations hereunder;
- (b) you are not a member of any union, guild or other similar association and that no other terms, conditions, compensation or residuals will or may be owing to you as a result hereof, the whole to the complete exoneration of Cinesite Animation c;
- (c) you are the sole author or creator of the Material, or you are the sole holder of all rights, title and interest in and to the Material, or, if you are a co-author or co-owner of the Material, that you have obtained all necessary rights, title and interest from any and all Third Party Contributors and that the Material has not been registered with any guild, union or government agency;
- (d) you have obtained from any and all Third Party Contributors a waiver of any so-called “moral rights” or rights of droit moral in and to the Material,
- (e) you have not sold, granted, assigned, licensed or transferred and will not sell, grant, assign, license or transfer to any other Person, any rights in and to the Material which might in any way impact upon or interfere with any such rights granted, assigned or transferred to Cinesite Animation hereunder;
- (f) you have obtained all rights of publicity to any Persons appearing in the Material in all media, in perpetuity, throughout the universe;
- (g) you have obtained valid synchronization, performance, master use and mechanical reproduction licenses to use any music in the Material in all media, in perpetuity, throughout the universe;
- (h) you have obtained all rights necessary to use the locations or premises appearing in the Material in all media, in perpetuity, throughout the universe;
- (i) you have obtained all rights necessary to use any name, product, signage, trademark, service mark, trade name, logo, art, poster and/or artwork appearing in the Material in all media, in perpetuity, throughout the universe;
- (j) the Material, in whole or in part, is not taken from, based upon or adapted from any other literary material, dramatic work or motion picture;

- (k) the exercise of the Option will not give rise to any obligation of Cinesite Animation to pay you or any third party any royalty or other form of compensation except as provided herein;
- (l) neither the Material, nor the rights you granted herein, will infringe upon or violate any statutory right, common law right, copyright, including, but not limited to, private, civil and property rights or the right of privacy, the right of publicity, the right not to be defamed or any other rights of any Person;
- (m) the Material does not contain any unlawful, libelous, or defamatory content;
- (n) no copyright registration has been made in your name in any territory of the world, and no conflicting copyright registration in respect of the Material is registered in Canada, the United States or any other territory of the world; and
- (o) there are no claims or litigation pending or threatened, the outcome of which may affect any of Cinesite Animation's rights or your authorship in and to the Material.

13 INDEMNIFICATION

- 13.1 You hereby agrees to defend, protect, indemnify and hold Cinesite Animation and its affiliates, subsidiaries, officers, directors, employees, shareholders, representatives, attorneys, agents assigns and licensees (collectively, the “**Cinesite Animation Indemnitees**”) harmless from and against any and all claims, demands, actions, causes of action, suits, legal proceedings, judgements, losses, liabilities, penalties, damages, interest, fines, costs, disbursements and expenses (including, the fees and disbursements of counsel for the Cinesite Animation Indemnitees) in connection with any dispute, action, suit or claim or any investigative, administrative or judicial proceeding imposed on, incurred by, or asserted against the Cinesite Animation Indemnitees (whether direct, indirect or consequential and whether based on any federal, provincial or state laws or other statutory regulations, under common law or at equitable cause, or on contract or otherwise), arising from or in connection with any breach by you of any of your covenants, agreements, representations or warranties hereunder (the “**Cinesite Animation Indemnified Matters**”).

14 GENERAL PROVISIONS

- 14.1 **RELATIONSHIP BETWEEN THE PARTIES**: It is expressly agreed that you are acting as an independent contractor and that this Agreement is an agreement between separate entities and neither is the agent or servant of or possesses the power to obligate the other. This Agreement is not intended to create and shall not be interpreted or construed as creating between Cinesite Animation and you a relationship of principal and agent, employer and employee, joint venturers, partners or any similar relationship, the existence of each of which is hereby expressly denied. Neither Party shall have the right or authority to create or assume any obligations in the other Party's name or on the other Party's behalf, whether express or implied, or act or purport to act as the other Party's agent or legally empowered representative for any purpose whatsoever. Neither Party shall be liable to any third party in any way for any engagement, obligation, commitment, contract, representation, transaction, act or omission to act of the other Party.
- 14.2 **NON-UNION**: You acknowledge that this Agreement is not subject to the jurisdiction of any guild, union or labour organization. You specifically represent and warrant that you are not a member of any union or guild and acknowledge and agree that if any guild, union or labour organization attempts to assert jurisdiction over the Material, you shall co-operate with all efforts of Cinesite Animation to obtain a waiver from such jurisdiction, or to minimize the overall budget cost, use

fees and administrative burdens on Cinesite Animation, provided that in any event, if such jurisdiction would result in greater budget costs, and greater royalties, backend participations and administrative costs, Cinesite Animation shall be entitled to immediately terminate this Agreement. You hereby irrevocably and unconditionally waive any and all rights you have or may later have to seek recourse or redress from any guild or union in respect of the Material, including, without limitation, the filing of arbitration proceedings for claims pertaining to screen credit or compensation hereunder.

- 14.3 ENTIRE AGREEMENT: This Agreement constitutes the entire agreement of the Parties with respect to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether written or oral. There are no conditions, covenants, agreements, representations, warranties, promises, understandings or provisions, express or implied, collateral, statutory or otherwise, relating to the subject matter hereof except as expressly provided herein.
- 14.4 BINDING EFFECT: This Agreement shall inure to the benefit of and shall be binding on and enforceable by and against the Parties and, where the context so permits, their respective agents, principles, heirs, executors, beneficiaries, successors and permitted assigns. Nothing in this Agreement shall create or be deemed to create any third party beneficiary rights in any person or entity not a party to this Agreement except as provided herein.
- 14.5 HEADINGS: The captions used in connection with the paragraphs and subparagraphs of this Agreement are inserted only for the purpose of reference. Such captions shall not be deemed to govern, limit, modify, or in any other manner affect the scope, meaning, or intent of the provisions of this Agreement or any part thereof; nor shall such captions otherwise be given any legal effect.
- 14.6 ILLEGALITY: Nothing contained herein shall require the commission of any act or the payment of any compensation which is contrary to an express provision of law or contrary to the policy of express law; and if there shall exist any conflict between any provision contained herein and any such law or policy, the latter shall prevail; and the provision or provisions herein affected shall be curtailed, limited or eliminated to the extent (but only to the extent) necessary to remove such conflict; and as so modified this Agreement shall continue in full force and effect.
- 14.7 SEVERABILITY: If any provision of this Agreement is determined by a court of competent jurisdiction to be void, illegal, invalid, inoperative or unenforceable in any respect, no other provision of this Agreement shall be affected as a result thereof, and accordingly, the remaining provisions of this Agreement shall remain in full force and effect as though such void, illegal, invalid, or inoperative provision had not been contained herein.
- 14.8 AMENDMENTS & WAIVERS: No amendment, modification or discharge of this Agreement, and no waiver hereunder of any provision of this Agreement, shall be binding on any Party unless consented to in writing by such Party and duly executed by the Party against whom enforcement of such amendment, modification, discharge or waiver is sought. A waiver by either Party of any term or condition of this Agreement in any instance shall not be deemed or construed to be a waiver of such term or condition for the future, or any subsequent breach thereof.
- 14.9 ASSIGNMENT: Cinesite Animation shall have the right, in its sole and absolute discretion, to assign any of its rights hereunder, in whole or in part, to any individual, company or entity, and such assignment will be deemed a novation under law forever releasing Cinesite Animation from any and all obligations and liabilities under this Agreement. You shall not have the right to assign

any part of this Agreement or of your rights or obligations contained herein without Cinesite Animation's prior written consent, which may be withheld in its sole and absolute discretion.

- 14.10 NO INJUNCTIVE RELIEF: Upon exercise of the Option as expressly provided hereunder, all rights granted hereunder shall be irrevocable under all or any circumstances, and shall not be subject to rescission, termination or injunction. In case of breach of this Agreement by Cinesite Animation, including failure to pay any part of the consideration, the your remedies, if any, shall be limited to an action at law for monetary damages, and the rights granted hereunder by you shall not be rescinded or terminated by reason of such breach. For the avoidance of doubt, in no event may you terminate this Agreement or obtain injunctive or other equitable relief with respect to any breach of Cinesite Animation 's obligations hereunder. For greater certainty, you agree that you shall not have the right to seek equitable or injunctive relief to enjoin, rescind or terminate any rights granted to the Cinesite Animation hereunder. You further agree that your sole remedy in the event of any default by the Cinesite Animation of its obligations pursuant to this Agreement shall be an action at law for damages and/or for an accounting. At all times, the Cinesite Animation shall have all rights and remedies it has in law or in equity.
- 14.11 RIGHTS AND REMEDIES: Except as otherwise provided in this Agreement, all rights and remedies herein or otherwise shall be cumulative and none of them shall be in limitation of any other right or remedy.
- 14.12 FURTHER ASSURANCES: You hereby agree to execute, acknowledge and deliver expeditiously to Cinesite Animation and to procure the execution, acknowledgment and delivery to Cinesite Animation of any additional documents or instruments consistent with this Agreement which Cinesite Animation may require (in the exercise of its good faith business judgment) to fully effectuate and carry out the intent and purposes of this Agreement. If the you should fail to execute, acknowledge or deliver to Cinesite Animation any agreements, assignments or other instruments to be executed, acknowledged and delivered by you hereunder within five (5) business days following your receipt of request therefor, then Cinesite Animation is hereby irrevocably appointed your attorney-in-fact with full right, power, and authority to execute, acknowledge and deliver same in the name of and on your behalf. Cinesite Animation will promptly provide you with copies of any documents executed by Cinesite Animation pursuant to the foregoing power of attorney.
- 14.13 APPLICABLE LAW: This agreement shall by governed by, interpreted and construed in accordance with the laws of the Province of Quebec and the federal laws of Canada applicable to contracts made and entirely performed therein, as if executed and wholly performed within the Province of Quebec, notwithstanding the rules of conflict of laws of the respective jurisdictions of the Parties. This agreement shall not be subject to the terms of any collective, guild or union agreement, including, without limitation, the IPA Agreement of the Writers Guild of Canada. The Parties hereby attorn to and agree irrevocably to submit to the exclusive jurisdiction of the Courts of the Province of Quebec, in the Judicial District of Montreal.
- 14.14 DISPUTE RESOLUTION: Any and all disputes arising between the Parties in connection with this Agreement shall be subject to binding arbitration under the auspices of the Independent Film and Television Alliance (“**IFTA**”) and commenced by an arbitration notice given in accordance with IFTA's Rules of International Arbitration then in effect (the “**Rules**”). The arbitration shall take place in the Montreal, Province of Quebec, and shall be submitted to a single arbitrator mutually selected by the Parties. The person selected must have substantial experience in the motion picture industry (and may be on the list of IFTA approved arbitrators). If within ten (10) business days after the issuance of an arbitration notice, the Parties have failed to agree on an arbitrator who is

available and willing to serve, and not otherwise disqualified, then the arbitrator shall be selected in accordance with the Rules. If any arbitration is instituted regarding this Agreement and/or the subject matter hereof, the prevailing party shall be awarded its costs, including without limitation reasonable outside attorneys' fees.

- 14.15 LANGUAGE: The Parties acknowledged that they have expressly required the present agreement to be drawn up in the English language. *Les parties reconnaissent avoir expressément exigé la rédaction en anglais de la présente convention.*