

VIDEO ON DEMAND (VOD) AGREEMENT

Date 20 December 2018

BETWEEN

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|-----------------------|--|
| Name: | KINOSMITH Inc. |
| Address: | 295 Lumisden Avenue Toronto, ON, M4C 2K9 |
| Phone: | (416) 992-2060 |
| Fax: | |
| Legal representative: | Robin Smith |
| Email: | robin@kinosmith.com |

herein after called "LICENSOR"

AND

| | |
|-----------------------|---|
| Name: | Cinema Politica |
| Address: | 5333 Casgrain Avenue, Suite 1101 Montreal, QC H2T 1X3 CANADA |
| Phone: | +1 514-575-1425 |
| Fax: | |
| Legal representative: | Svetla Turnin |
| Email: | Svetla@cinemapolitica.org |

herein after called "LICENSEE"

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|--------------------|--|---|
| Contract Date | | Effective date of contract for calculation of term shall be Release Date as specified |
| Release Date | | Release date for VOD of the title |
| Materials Due Date | | Materials as specified in Attachment A |

Video On Demand (VOD) Definition

Video On Demand (VOD) means *user selected content, regardless of business model* (eg, Pay-Per-Transaction, Advertiser supported, or any form of subscription based streaming content); as a *digital file; without regard to the means of transmission*, whether by internet protocol or any other encoding; *without regard to the physical means of delivery* (whether cable, fibre optic, copper wire, satellite or other connection); and *without regard to form of display* (whether fixed or mobile, digital or analogue); *without regard to the form of the transaction* (whether as a permanent sale, or temporary rental, or other license) .



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1. Films

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| Title: | THE CARBON RUSH |
| Director: | Amy Miller |
| Year of production: | 2012 |
| Country of production: | Canada |
| Runtime: | 84 minutes |
| Original Language: | English, French, Spanish, Portuguese |
| Language of Subtitles: | English |

2. Video On Demand (VOD)* Rights licensed granted to LICENSEE are:

Exclusive Non-Exclusive

| VOD (Regardless of business model) | Granted to Cinema Politica | Territory for which such rights are granted |
|---------------------------------------|--|--|
| Streaming | YES <input type="checkbox"/> NO <input type="checkbox"/> | Global <input type="checkbox"/> North America <input type="checkbox"/> Canada <input type="checkbox"/> Europe <input type="checkbox"/> Country(ies): _____ |
| Downloading (temporary and permanent) | YES <input type="checkbox"/> NO <input type="checkbox"/> | Global <input type="checkbox"/> North America <input type="checkbox"/> Canada <input type="checkbox"/> Europe <input type="checkbox"/> Country(ies): _____ |
| Non-theatrical (Educational) | YES <input type="checkbox"/> NO <input type="checkbox"/> | Global <input type="checkbox"/> North America <input type="checkbox"/> Canada <input type="checkbox"/> Europe <input type="checkbox"/> Country(ies): _____ |

LICENSOR grants to LICENSEE, and LICENSEE accepts, a non-exclusive license to exercise the Granted Rights and to advertise and publicize the exploitation of the Granted Rights – including to cause or permit commercial messages and announcements of no more than three (3) minutes of the actual Film provided the images and the sound of the Film shall not be used out of context.

3. Language

LICENSEE shall be entitled to exploit the original language version of the Film subtitled and/or dubbed in any and all languages spoken in the Territory.

4. Territory

All rights are strictly limited to the Territory. All other rights not specifically licensed are reserved to the LICENSOR for its unrestricted use and disposition (including in-flight rights).

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LICENSEE and its sub-licensees shall use geo-filtering technology and DRM control in order to prevent access to the Film outside the Territory.

5. Holdback

LICENSOR warrants that there are no holdbacks or other conflicting contract provisions that would prohibit distribution of the title in the granted territory(ies).

6. Term

Five (5) years commencing on signature of Distribution Agreement.

The initial Term shall be renewed automatically for an additional one year prior to the expiration of the then current term, unless either party determines not to renew and so notifies the other. The renewal shall be presumptive and automatic unless the parties explicitly agree not to renew.

6. Allocation of Gross Receipts

6.1 All costs of currency conversion, including banking charges, permit fees and transmittal costs – PayPal charges, wire transfer charges, file transfer charges – shall be paid from 100% of the Gross Receipts deriving from the exploitation of the Distribution Rights in the Territory.

6.2 Commissions to sub-distributors shall be equally split between the LICENSEE and the LICENSOR. Sub-distributor refers only to Cinema Politica On Demand platforms themselves and no additional.

7. Allocation of Royalties

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| LICENSOR | LICENSEE |
| <u>60%</u> | <u>40%</u> |

8. Additional Sales

8.1 LICENSEE shall seek the approval of LICENSOR to the best of their abilities for any Sub Distribution Agreement/VOD contracts partnerships, including sub licensee agreements, partnerships, timing, and manner of execution of specific distribution programs.

8.2 LICENSEE shall use its reasonable commercial endeavours to maximize sales of the Film. For the avoidance of doubt, it is understood and agreed that the LICENSEE makes no guarantee of any kind in respect of sales that may be achieved in any individual revenue channel or group thereof.

8.3 LICENSEE shall cooperate with the LICENSOR in providing complimentary access to the title on LICENSOR's sites as may be required by LICENSOR for personal and/or promotional use. Such complimentary access will be for time periods and uses agreed to by the parties.

9. Material Delivery Terms

9.1 Essential materials delivery shall occur upon signing of this agreement. Publicity materials shall be sent to LICENSEE at the same time.

9.2 All costs and expenses including shipping incurred by LICENSEE in connection with the material delivery and the material order shall be paid by LICENSEE

9.3 Publicity Materials

All promotional items created by LICENSEE (i.e., poster, artwork, trailer, etc) will fairly represent the Film.

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LICENSEE logo shall appear in all promotional materials created by the LICENSEE (posters, videograms, etc.)

9.4 LICENSEE shall have the right to cancel or postpone this agreement in its sole discretion based on failure to Licensor to deliver assets by the required dates.

10. Reporting

Every six (6) months for the next two (2) years and every year thereafter.

All payments will be made in Canadian currency via cheque, bank, wire transfer or online payment system.

LICENSEE shall keep full, true, and accurate books of account pertaining to the VOD distribution of the Film. Said books of the account may be examined on behalf of LICENSOR at LICENSEE's offices upon reasonably prior written notice.

11. Breach and Litigation

11.1 LICENSOR shall have the right to terminate this distribution agreement upon sending notice, if:

- LICENSEE fails to pay any sums due to LICENSOR (example LICENSOR's entitlement to gross receipts) or fails to remedy any material breach of this agreement;
- LICENSEE ceases to engage in the business of VOD distribution for a continuous period of 30 (thirty) Business Days or a petition for bankruptcy, receivership or a similar proceeding is filed against LICENSEE and not dismissed within 20 (twenty) Business Days;
- LICENSEE's failure within 10 (ten) Business Days after demand by LICENSOR to remedy completely any other act or failure constituting a material breach of this Agreement

11.2 A material breach of this Agreement may be treated by LICENSOR as a material breach under all licenses and agreements between LICENSOR and LICENSEE and shall entitle LICENSOR at its option to terminate any and all of the same

11.3 In case of termination of the Agreement LICENSOR shall have the right to collect and retain for LICENSOR's own account all monies due or to become due

11.4 Jurisdiction:

The plaintive may choose to either have the distribution Agreement governed by and interpreted in accordance with the laws of its country or may choose to have it governed by the defendant law. Any claim or matter arising under this Distribution Agreement shall be submitted to the exclusive jurisdiction of the Courts chosen by the plaintive.

11.5 LICENSEE has relied solely on his or her judgement and investigation in deciding to enter into this agreement.

11.6 Unless a Long Form Agreement is mutually agreed upon, this Distribution Agreement is fully binding between the parties and with full legal force and effect.

12. Warranties

12.1 LICENSOR certifies and guarantees that it has all rights necessary to enter into this Agreement and to perform all of its obligations hereunder, there exists no outstanding contract or other arrangement that conflicts with this Agreement or might in any way limit, restrict or impair the rights granted to the LICENSEE.

12.2 LICENSOR certifies and guarantees that it will proceed, at its own costs, with all payments, of any nature, to any parties not included in this Agreement, that could be and/or become due and/or claimed for any reasons whatsoever.

12.3 Licensor undertakes to indemnify and hold harmless the LICENSEE against any third-party claim, action, or other proceedings of any nature whatsoever relating to the Film.

SAT

Date Dec. 20/18

LICENSOR

Legal representative duly authorized thereof

ROBIN SMITH

LICENSEE

Legal representative duly authorized thereof

Svetla Turchin