

GJ#031950

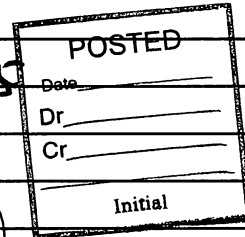
**Howard Braunstein Films****INVOICE**

1631 21st Street  
 Santa Monica, CA 90404  
 Phone: 310.207.6600 x204  
 Fax: 323.345.5407

**DATE:** June 2, 2015  
**INVOICE #** 60397  
**FOR:** Lead with Your Heart

**BILL TO:** CROWN MEDIA HOLDINGS, LLC  
 Attn: Mr. Charles Stanford  
 12700 Ventura Blvd, Ste 200  
 Studio City, Ca 91604

DESCRIPTION	AMOUNT
Initial license fee (1/8 of 1,425,000.00 USD) due upon delivery to and approval by Licensee of the producer's cut of Picture.	\$ 178,125.00
GL / Prod: 120/13217-178,125-	
Desc: 460/13217-(178,125-)	
Code: Inv # 60397 - Dom License 4 of 5	
Approval: MA	
Acct: MA	
Exec/UPM	
<b>Please wire payable to:</b>	
<b>Howard Braunstein Films, LTD</b>	
1631 21st Street Santa Monica, CA 90404	
City National Bank	<b>SUBTOTAL</b> \$ 178,125.00
400 N. Roxbury Drive Beverly Hills, CA 90210	
<b>Account Number: 123-407601</b>	
<b>Routing Number: 1220-16066</b>	<b>OTHER</b>
<b>Swift Code: CINAUS6L</b>	<b>TOTAL</b> \$ 178,125.00



003744

d

## LICENSE AGREEMENT

THIS AGREEMENT dated as of May 21, 2015 is between **CROWN MEDIA UNITED STATES, LLC**, a California limited liability company with principal offices at 12700 Ventura Blvd., Suite 200, Studio City, CA 91604 ("**Licensee**"), on the one hand, and **HOWARD BRAUNSTEIN FILMS, LTD.**, a California corporation with principal offices at 1631 21<sup>st</sup> Street, Suite 110, Santa Monica, CA 90404 ("**Distributor**") and **LWH77 PRODUCTIONS INC.**, a corporation organized under the laws of Ontario, with principal offices at 2 Pardee Avenue, Suite #102, Toronto, ON M6K 3H5 Canada ("**Producer**"), on the other hand (Producer and Distributor are hereinafter collectively referred to as "**Grantor**"), with respect to the motion picture project tentatively entitled "**Lead With Your Heart**."

WHEREAS, Producer has granted to Distributor certain distribution rights in and to the television motion picture described in paragraph 3 hereof; and

WHEREAS, Distributor desires to license to Licensee, and Licensee desires to license from Distributor, such television motion picture in accordance with the terms and conditions of this Agreement;

NOW THEN, in consideration of the mutual promises herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Conditions Precedent. All of Licensee's obligations under this Agreement are subject to and conditioned upon (a) Grantor's execution and delivery to Licensee of this Agreement, and (b) Licensee's approval of the budget of the Picture.

2. Definitions. As used throughout this Agreement,

"Agreement" means this agreement, including all exhibits and schedules annexed hereto.

"Ancillary Uses" means any and all means of distribution of the Picture other than Non-Standard Distribution, Standard Television, Consumer Video Devices and Non-Theatrical Distribution. Ancillary Uses include, without limitation, film in all gauges, publications, merchandising and sound recordings. 003725

"Consumer Video Devices" means distribution and/or exploitation of the Picture by means of videodiscs, videocassettes, laser discs and similar devices for non-commercial replay on a television screen by means of a playback device, where the television screen and playback device are both located in the home of a consumer.

"Deemed First Exhibition" means the earlier of (a) the first exhibition of the Picture on a Non-Standard Distribution network in the Territory authorized by Licensee and (b) six (6) months after Final Delivery of the Picture.

"Derivative Picture" means a motion picture based on or adapted from the Picture or any elements thereof, including without limitation, a theatrical or television prequel, sequel or remake or a television series.

"Exhibition Day" means any twenty-four (24)-hour period during which the Picture is telecast one or more times on a program service.

"Final Delivery" means with respect to the Picture, the latest occurring of delivery to Licensee and/or to any other entity designated by Licensee of (a) the acceptable Videotape (as hereafter defined) and Licensee's approval thereof; (b) the music cue sheet; (c) an executed and notarized copy of the Memorandum of Exclusive Rights in the form of Exhibit I hereto; (d) the certificates of insurance referred to in paragraph 12 hereof; and (e) Grantor's full compliance with all delivery requirements set forth in this Agreement and in the Production and Delivery Packet.

"Force Majeure" means any event beyond a party's control, including, without limitation, a labor dispute or strike; the enactment of any law, executive order, or judicial decree; fire, earthquake or other acts of nature; and war, acts of terrorism or civil disturbance.

"Granted Rights" means all the rights granted to Licensee with respect to the Picture pursuant to paragraphs 4 and 10 hereof.

"Non-Standard Distribution" means transmission to individual or multiple receivers by any and all means of technology, whether now known or hereafter devised (other than exhibitions by means of Standard Television and Consumer Video Devices). Non-Standard Distribution includes, without limitation, transmission by means of cable, wire or fiber of any material, "over-the-air pay" or STV in any frequency band, any and all forms of regular or occasional scrambled broadcast for taping, master antenna, satellite master antenna, low power television, closed-circuit television, tape, cassette and disc distribution (excluding Consumer Video Devices), portable video device distribution, single and multi-channel multi-point distribution service, direct to satellite transmission and On-Line Distribution, all on a subscription, pay-per-view, video on demand, interactive, license, rental, sale or any other basis.

"Non-Theatrical Distribution" means distribution of the Picture by any means or methods to educational and institutional organizations, airlines for in flight distribution, ships-at-sea, remote corporate locations and U.S. military bases.

003746

"On-Line Distribution" means transmission by means of any telecommunications system or any broadcast technology (whether now known or hereafter developed) whether analog or digital, capable of reception and display on and/or through electronic devices (e.g. personal computers, network computers, televisions, handheld devices, cell phones or other reception devices whether now known or hereafter devised) using a central processing unit or similar device to access content, irrespective of whether such networks or devices are open or proprietary, interactive or non-interactive, public or private or whether a fee is charged or a subscription or membership is required in order to access such networks or devices. For the avoidance of doubt this encompasses, without limitation, any services distributed by means of

the worldwide matrix of interconnecting computers using the TCP/IP protocols or subsequent technologies and/or protocols such as, but not limited to the "Internet" or "World Wide Web" or higher speed connections.

"Picture" means the original motion picture more fully described in paragraph 3(a) hereof.

"Picture Term" means the period set forth in paragraph 5 hereof, as may be extended pursuant to said paragraph.

"Premiere Year" means the year in which the Picture is slated to premiere on Licensee's network.

"Production and Delivery Packet" means the production and delivery packet delivered by Licensee to Producer, which Production and Delivery Packet is incorporated herein by this reference.

"Standard Television" means television distributed by a UHF or VHF television broadcast station, the video and audio portions of which are intelligibly receivable without charge by means of standard home rooftop or television set built-in antennas.

"Territory" means the United States of America, its territories and possessions, including Puerto Rico, and military installations, airplanes and ships flying the flag of any of the foregoing.

3. Picture.

(a) Picture. The Picture shall be a full-length television motion picture based on the teleplay accepted by Licensee and tentatively entitled "Lead With Your Heart" (the "**Picture**").

(b) Production/Delivery.

(i) The Picture shall be approximately two (2) hours in length (inclusive of customary commercial time), shall conform to all elements approved by Licensee, shall conform to the format, technical and timing and commercial format requirements contained in the Production and Delivery Packet, and shall be of at least the same quality and have at least the same production standards as domestic network television programming currently being produced, taking into account the budget and format of the Picture. The Picture shall comply with all of Licensee's standards and practices requirements of which Producer shall be advised, including, without limitation, the requirements set forth in the Production and Delivery Packet and other guidelines that Licensee shall furnish Producer in a timely manner. Licensee acknowledges that Producer intends to produce the Picture in Canada so as to qualify as a "Canadian film or video production" as certified by the Canadian Audio-Visual Certification Office ("**CAVCO**") and to apply for available federal and provincial "Canadian-content" tax credits for the Picture. As such, Licensee agrees to exercise its approval rights hereunder in a manner that is consistent with the rules, regulations, policies and guidelines of the Canadian Radio-television and Telecommunications Commission ("**CRTC**") pertaining to "Canadian

Content" program recognition, administered by CAVCO in connection with productions eligible for the "Canadian Film or Video Production Tax Credit", and of any applicable federal or provincial investment and/or tax credit programs (collectively, the "**Regulatory Requirements**").

(ii) Prior to commencing production of the Picture, Producer shall submit in writing for Licensee's sole approval all "above-the-line" and major "below-the-line" elements of the Picture, including without limitation, production locations, line producer, director, writers, director of photography, production designer, editor, art director, music coordinator, composer, music, principal cast, key support cast, and any substitutes for elements previously approved. Licensee shall have the sole right to approve the title of the Picture and the opening and closing titles and credits in the Territory.

(iii) Licensee shall have the sole right to approve all stages of the production and post-production of the Picture, including without limitation the following: (A) the teleplay and all revisions thereof, (B) the detailed budget of the Picture, which budget shall in no event be less than Two Million One Hundred Thousand Dollars (\$2,100,000); (C) the final production and delivery schedule, specifying the number of rehearsal days, shooting days, the locations, the delivery dates for the producer's cut and corrected producer's cut, the Delivery Date (as hereinafter defined), the format and production and post production techniques of the Picture and such other items as are customarily included in a schedule; (D) the timing and commercial format of the Picture; (E) selected footage; (F) the producer's cut; (G) the corrected producer's cut; (H) the final mix; and (I) the final title of the Picture. Licensee shall exercise its approvals in a timely manner consistent with the approved delivery schedule for the Picture, and all changes and edits made thereafter to such materials shall be at Producer's sole expense (provided that any such changes and/or edits are consistent with elements or concepts that were previously approved by Licensee or were otherwise agreed by the parties). Distributor shall deliver the Videotape (as hereafter defined) of the Picture on or before a date to be approved by Licensee (the "**Delivery Date**"), provided that the Delivery Date shall in no event be no less than ninety (90) days prior to the anticipated first public exhibition of the Picture authorized by Licensee. Producer shall comply with all applicable guild and union agreements in connection with the production of the Picture. Licensee shall exercise its approval rights hereunder consistent with the applicable Regulatory Requirements.

(iv) It is understood and agreed that no cast member shall be entitled to receive more than One Hundred Thousand Dollars (US \$100,000.00) in total compensation for his or her services on the Picture, unless otherwise explicitly approved by Licensee in writing. No credits (other than Hallmark Channel's presentation credit) shall appear above the title of the Picture in the Territory. Major onscreen credits and all paid advertising credits shall be subject to Licensee's prior approval.

(v) Producer shall accommodate Licensee's reasonable requests for "product placements" in the Picture and Licensee shall be entitled to retain all revenues derived from such product placements. Producer shall not include any product placements or other product references in the Picture without first obtaining Licensee's written approval.

(vi) Designated representatives of Licensee may be present during all stages of production, including, without limitation, the screening of dailies. Producer shall deliver dailies of the Picture to Licensee in New York or Los Angeles or shall upload the same to a digital asset management system designated by Licensee, as Licensee may elect, and Producer shall deliver copies of the producer's cut, corrected producer's cut and final mix of the Picture to Licensee in New York or Los Angeles, as Licensee may elect, as soon as such producer's cut, corrected producer's cut or final mix, as applicable, is ready for viewing by Producer's production staff.

(vii) In the Territory, the Picture shall contain only one opening credit stating "Hallmark Channel Presents" or such other presentation credit as Licensee shall require, and a final closing credit stating "This Has Been A Hallmark Channel Presentation" or such other credit as Licensee shall require. The closing credits shall not include any logos (other than Licensee's logo, Grantor's non-animated logos and union/guild/agency logos if and as required by any applicable collective bargaining agreements or regulations or guidelines of Canadian government agencies), graphics, photographs, addresses, telephone numbers or voice-over mentions. The Picture shall not contain any visual or audio promotional credits for the sale or distribution of Consumer Video Devices. Up to two (2) individuals designated by Licensee shall receive credit in the end credits of the Picture as the executive(s) in charge of production for an entity to be named by Licensee. All credits shall be subject to CAVCO approval, which Producer shall use good faith efforts to obtain.

003749

(viii) On or before the Delivery Date, Distributor shall deliver to such location as Licensee shall designate one (1) videotape of the Picture in the HDTV format, meeting the technical standards set forth in the Production and Delivery Packet (the "Videotape"). If the Videotape as delivered is not, in Licensee's sole judgment, of acceptable technical quality, Licensee shall have the right to require Distributor to deliver any additional Videotapes to Licensee until Licensee approves such a Videotape. Timely delivery of the Videotape meeting the production values and technical standards set forth in this Agreement and the Production and Delivery Packet is of the essence of this Agreement.

(ix) All costs (including, without limitation, shipping and forwarding charges and insurance) of transporting any Videotape shall be borne by Distributor. All costs of transporting and preparing the reproductions of any Videotape shall be borne by Licensee.

(x) On or before the Delivery Date, Distributor shall deliver to Licensee a music cue sheet for the Picture setting forth with respect to each musical composition such composition's running time, composer, publisher and performing rights society.

(xi) Upon Licensee's request, Distributor shall give Licensee access to any available foreign language versions of the Picture, which Licensee may duplicate or otherwise utilize for purposes of Licensee's distribution of the Picture in the Territory, subject to Licensee's payment to the distributor of any such foreign language version an amount equal to one-half (1/2) of the customary and reasonable manufacturing costs incurred by such distributor in connection with such foreign language version.

#### 4. Distribution Rights.

(a) Distributor hereby grants to Licensee the irrevocable, sole and exclusive right and license under copyright to cause to or to itself distribute, transmit, display, exhibit, exploit, project, license, simulcast and perform the Picture, and/or any portion thereof (collectively “**distribute**” or “**distribution**”, as applicable) in any and all languages, by any and all means, uses and media now known or hereafter devised (including, without limitation, distribution by means of Non-Standard Distribution, Standard Television, Non-Theatrical Distribution, Consumer Video Devices, On-Line Distribution and Ancillary Uses) during the Picture Term, throughout the Territory, without limitation as to the number of exhibitions or Exhibition Days. Licensee shall have the right to create or cause the creation of a closed-captioned version of the Picture and to cause its distribution simultaneously with the distribution authorized pursuant to this subparagraph 4(a).

(b) Licensee may distribute the Picture pursuant hereto as Licensee may elect in its sole discretion and without obtaining any approvals or consents from Grantor or any other person. Nothing in this Agreement shall obligate Licensee to distribute the Picture, and Licensee shall have discharged fully its obligations hereunder by paying Grantor the Licensee Fee set forth herein if the Picture is delivered in accordance with the terms and conditions of this Agreement.

(c) Grantor hereby acknowledges that transmission of the Picture by satellite, wireless or other broadcast technology for reception in the Territory may inherently be capable of reception or unauthorized pick-up or retransmission outside the Territory, and Producer agrees that any such resultant exhibition of the Picture outside the Territory shall not constitute a breach by Licensee of this Agreement. Notwithstanding anything to the contrary in the foregoing, Licensee shall use reasonable commercial efforts to limit access to any On-Line Distribution of the Picture by Licensee to users within the Territory.

## 5. Picture Term.

003750

(a) The Picture Term shall be the period of twenty-five (25) years commencing on the Deemed First Exhibition (the “**Initial Term**”), provided that Distributor hereby irrevocably grants to Licensee two (2) exclusive, consecutive options (each, an “**Extension Option**” and together, the “**Extension Options**”) to extend the Picture Term for additional consecutive periods of twenty-five (25) years each, for no additional compensation. (The first extended period of twenty-five (25) years is referred to herein as the “**First Extension Period**”). The Extension Options shall automatically be deemed exercised unless Licensee provides Distributor with prior written notice that Licensee elects not to exercise an Extension Option prior to the expiration of the preceding option period. For the sake of clarity, if Licensee fails to provide Distributor with prior written notice that Licensee elects not to exercise either one or both Extension Options, then each Extension Option shall be deemed exercised in its turn, and the Picture Term shall be extended accordingly without the need for further documentation.

(b) Notwithstanding anything to the contrary in the foregoing,

(i) During a one (1)-week period (the “**Notice Period**”) commencing on the date that is one (1) year prior to the expiration of the Initial Term, Producer may give Licensee

written notice that Producer desires to purchase the Granted Rights for the period of fifty (50) years remaining after the Initial Term. If Producer gives such written notice within the Notice Period, then Producer and Licensee (or Licensee's designee) shall negotiate in good faith for a period of ten (10) business days (the "**Negotiation Period**") with respect to the fee payable to Licensee for the purchase of the Granted Rights. In the event that Producer fails to give written notice within the Negotiation Period or if such notice is given but no agreement is reached by the end of the Negotiation Period, then the Picture Term shall be automatically extended as provided in paragraph 5(a) hereof.

(ii) If Producer does not purchase the Granted Rights pursuant to paragraph 5(b)(i) hereof, then during a one (1)-week period (the "**Second Notice Period**") commencing on the date that is one (1) year prior to the expiration of the First Extension Period, Producer may give Licensee written notice that Producer desires to purchase the Granted Rights for the period of twenty-five (25) years remaining after the First Extension Period. If Producer gives such written notice within the Second Notice Period, then Producer and Licensee (or Licensee's designee) shall negotiate in good faith for a period of ten (10) business days (the "**Second Negotiation Period**") with respect to the fee payable to Licensee for the purchase of the Granted Rights. In the event that Producer fails to give written notice within the Second Negotiation Period or if such notice is given but no agreement is reached by the end of the Second Negotiation Period, then the Picture Term shall be automatically extended as provided in paragraph 5(a) hereof.

(iii) It is understood and agreed that if Producer purchases the Granted Rights pursuant to this paragraph 5(b), such purchase shall be subject to the terms and conditions of all agreements entered into by Licensee during the Picture Term with third parties for the exploitation of the Granted Rights (each, a "**Third Party Agreement**"), provided that the duration of any Third Party Agreement entered into in the Initial Period may not extend more than one (1) year past the expiration of the then-current Picture Term.

#### 6. Holdbacks and Restrictions.

003751

(a) Grantor has not, and shall not cause, authorize, license or permit (other than as to Licensee hereunder) any distribution, promotion, publicity or advertisement of the Picture, or any portion thereof, or any footage from the Picture, in any form,

(i) In the Territory, by any means, uses or media, now known or hereafter devised, at any time during the Picture Term. For the avoidance of doubt, any distribution of the Picture by means of On-Line Distribution shall be confined to locations outside the Territory by means of geo-filtering or similar technology capable of preventing user access inside the Territory;

(ii) Outside the Territory by any means, uses or media until thirty (30) days after the Deemed First Exhibition.

(b) Grantor has not, and shall not cause, authorize, license or permit any third party to make, issue, or release any public announcements, statements, press releases or



acknowledgments relating to this Agreement or Licensee's distribution of the Picture without first obtaining Licensee's written consent.

(c) Grantor shall not at any time during the Picture Term produce, authorize, license or permit the production of any Derivative Picture for distribution in the Territory by any means, uses or media, now known or hereafter devised. Nothing in the foregoing may be deemed to derogate in any way from Licensee's rights of first negotiation/last refusal pursuant to paragraph 11 hereof. Nothing in the foregoing may be deemed to derogate in any way from Producer's sole and exclusive ownership of the copyright in the Picture.

7. Fees.

(a) License Fee. Subject to and as full compensation for Grantor's full performance of all obligations and for all rights granted to Licensee hereunder, Licensee shall pay to Distributor the aggregate amount of One Million Four Hundred Twenty-Five Thousand Dollars (US \$1,425,000) (the "License Fee"), provided that (x) if Licensee has paid or incurred any costs or expenses in connection with the development or production of the Picture (collectively, "**Licensee Costs**"), then Licensee shall be entitled to reimbursement of all Licensee Costs, by deduction of the full amount of the Licensee Costs from the License Fee, and (y) if Grantor has requested the Publicity Assets pursuant to paragraph 10 below, but has not paid the Publicity Assets Fee (as defined in said paragraph), then Licensee shall be entitled to deduct the full amount of the Publicity Assets Fee from the License Fee. The License Fee (less the Licensee Costs, if any, and the Publicity Assets Fee, if applicable) shall be payable as follows:

(i) One-quarter (1/4) of the License Fee not later than the occurrence of all of the following: (x) the commencement of pre-production of the Picture; (y) Licensee's receipt and approval of the certificates of insurance referred to in paragraph 12, and (z) Distributor's invoice therefor;

(ii) One-quarter (1/4) of the License Fee not later than ten (10) business days after the occurrence of all of the following: (x) the commencement of principal photography of the Picture, and (y) Distributor's invoice therefor;

(iii) One-quarter (1/4) of the License Fee not later than ten (10) business days after the occurrence of all of the following: (x) completion of principal photography of the Picture, and (y) Distributor's invoice therefor;

(iv) One-eighth (1/8) of the License Fee not later than ten (10) business days after the later occurring of (x) the delivery to and approval by Licensee of the producer's cut of the Picture, and (y) Distributor's invoice therefor;

(v) One-eighth (1/8) of the License Fee (less the Licensee Costs, if any, and the Publicity Assets Fee, if applicable) not later than ten (10) business days after the later occurring of (x) Final Delivery, (y) receipt of an executed and notarized copy of the Memorandum of Exclusive Rights in the form of Exhibit I hereto and (z) Distributor's invoice therefor.

(b) Tax Withholding. If any amounts payable pursuant to this Agreement (including the License Fee and Term Extension Fee (if any)) are subject to the tax withholding requirements of the United States Internal Revenue Code or the laws of any other applicable taxing authority (as determined by Licensee's counsel), then Licensee shall withhold and remit to the proper authority all required amounts and shall pay the balance to Producer. If Producer claims an exemption from tax withholding requirements or that a reduced tax treaty rate of withholding applies to payments due hereunder, then Producer shall timely provide to Licensee completed tax certificates or other documents that are required (in the opinion of Licensee's counsel) to substantiate such a claim.

(c) Payment. Payment of the License Fee and the Term Extension Fee (if applicable) shall be made to Distributor, and Producer and Distributor hereby acknowledge and agree that such payment shall constitute payment in full to both Producer and Distributor for the performance of all of their respective obligations and all rights granted by them hereunder.

8. Production Costs/Residuals.

(a) Producer shall pay all costs and expenses required respecting the production and delivery of the Picture and shall obtain and pay for all rights and licenses necessary for Licensee's exercise of the Granted Rights throughout the Territory, including, without limitation; all above-the-line and below-the-line personnel engaged or employed in connection with the Picture; all underlying rights; music synchronization rights, music master recording rights, still photo, film and videotape footage rights in connection with such distribution and all other material included in the Picture. Grantor shall use commercially reasonable efforts to buy out all residuals and reuse fees (and any pension, health and welfare contributions applicable thereto) prescribed by any applicable union or guild collective bargaining agreement (collectively, "**Residuals**") for the exercise of the Granted Rights in the Territory to the extent possible in all agreements for the Picture. Without limiting the foregoing and notwithstanding anything to the contrary therein, Licensee shall not be obligated for the payment of any Residuals with respect to the Picture on account of the first forty (40) telecasts of the Picture over any basic cable network (including without limitation any existing or future basic cable programming service of Licensee, including Hallmark Channel and Hallmark Movie Channel), the payment of such Residuals being the sole responsibility of Distributor. If Producer is unable to buy out all Residuals in the Territory using commercially reasonable efforts, then Producer shall provide in each agreement with parties furnishing materials and/or services for the Picture that any such additional Residuals shall be at "scale." Upon receipt of Distributor's invoice and written substantiation, Licensee shall reimburse Distributor for the amounts of any required Residuals paid by Distributor on account of Licensee's distribution of the Picture (other than on account of the first forty (40) telecasts of the Picture over any basic cable network), and in this regard, Licensee shall upon Distributor's request furnish periodic usage reports with respect to the Picture.

(b) Producer shall pay all covered persons and/or entities providing services in connection with the Picture at least the minimum scale compensation prescribed by any union or guild collective bargaining agreement applicable to the Picture and shall make any required contributions to any such union or guild's pension, health and welfare fund.

(c) Grantor shall be solely responsible for the payment of Residuals and any other payments required in connection with the distribution of the Picture outside the Territory as permitted under this Agreement.

9. Ownership.

(a) Producer shall be the sole and exclusive owner of the Picture, including the worldwide copyright therein (and all extensions and renewals thereof). Producer shall include after the credits in the Picture a copyright notice, clearly visible for at least three (3) seconds, in the following form: "(c) [year of creation] [Producer] All Rights Reserved." Grantor shall register or cause to be registered the copyright in the Picture in the United States Copyright Office, designating the Picture and all constituent elements thereof as works made for hire, and shall protect the copyright in the Picture throughout the Territory. Grantor shall deliver to Licensee an executed and notarized Memorandum of Exclusive Rights, substantially in the form annexed hereto as Exhibit I, upon delivery of the Videotape. Grantor shall execute such other assignments and instruments consistent herewith as Licensee may from time to time deem reasonably necessary or desirable to evidence, maintain, protect, enforce or defend its right or title in or to the Picture. For such purpose only, Producer and Distributor hereby irrevocably appoint Licensee the attorney-in-fact of Producer and Distributor, respectively, to execute, verify, acknowledge and deliver any and all such assignments and instruments that Producer and/or Distributor, as the case may be, shall fail or refuse to execute, verify, acknowledge or deliver within five (5) business days after Licensee's written request.

(b) Grantor acknowledges that "Hallmark Channel", "Hallmark Movie Channel" and any other trademarks, service marks or trade names of Licensee (or any of Licensee's affiliated companies) and any logos and variations incorporating the same (each, a "**Licensee Mark**") are, as between Licensee and Grantor, the exclusive property of Licensee. Grantor shall not utilize any Licensee Mark in connection with Grantor's distribution of the Picture as permitted hereunder, and Grantor shall not disseminate any promotional or other materials that utilize any Licensee Mark without obtaining Licensee's prior written consent. Notwithstanding anything to the contrary contained in paragraph 18 hereof, Licensee shall be entitled, without first seeking or obtaining any decision in arbitration, to bring any claim or suit in any court or forum of competent jurisdiction for the purpose of evidencing, enforcing, registering or defending its intellectual property rights in the Licensee Mark.

10. Incidental Rights. In addition to the rights to distribute the Picture granted to Licensee pursuant to paragraph 4 hereof, Grantor hereby grants to Licensee the following rights with respect to the Picture (subject only to (x) third party contractual restrictions of which Licensee has given its prior written approval and/or (y) any guild restrictions of which Producer has informed Licensee in writing prior to the execution of this Agreement are applicable to the Picture):

(a) Licensee shall have right in the Territory at any time to use, and to grant others the right to use, by any means, uses and media (including, without limitation, any print medium and radio), for information purposes and to advertise, market, promote and publicize Licensee's