

## TURNAROUND AGREEMENT

This Agreement, dated as of August 6, 2012, is by and between Street Kid Productions, Inc. ( "Producer") and Home Box Office, Inc. ("HBO"), 2500 Broadway, Suite 400, Santa Monica, California 90404, in connection with the proposed television program entitled "Untitled Bello-Lennon Project" (the "Project")

CONDITION PRECEDENT: It is hereby acknowledged that turnaround in and to the Program was originally granted by HBO to Street Kid Productions, Inc. and Pariah (together "Producers"). In connection therewith, subject to HBO's receipt of Producers' written consent to grant turnaround in and to the Program solely to Street Kid Productions, Inc., at Producers' request HBO agrees to grant turnaround pursuant to the terms of this Agreement to Street Kid Productions, Inc. HBO hereby acknowledges receipt of Producers' written consent.

Whereas, HBO has elected not to proceed with the development and/or production of the Project, Producer and HBO hereby agree as follows:

1. (a) Producer hereby warrants and represents that Producer has the right to enter into this Agreement and to perform fully all of its obligations hereunder. Producer further warrants and represents that Producer has complied and will continue to comply with any collective bargaining agreement pursuant to which services were performed in connection with the Project, including payment of all compensation, pension and welfare contributions, penalties and the like.

(b) HBO warrants and represents that, to the best of HBO's knowledge, there are no liens, claims or encumbrances whatsoever adversely affecting or that would or might in any way prejudice Producer's rights in the Project.

2. On the condition that Producer is not in material breach or default of this Agreement, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Producer shall have the exclusive right during the eighteen (18) months period commencing on the date hereof (the "Turnaround Period") to acquire all rights, title and interest owned by HBO at such time in and to the Project, including, without limitation, the pilot script written by Gary Lennon for the Project (the "Pilot Script") and all drafts, revisions and polishes thereof and all ideas, suggestions, themes, plots, stories, characterizations, dialogue, titles and other material related thereto (collectively the "Literary Materials") and the agreements entered into by HBO in connection with the Project (the "Agreements"), the Literary Materials and the Agreements are listed in "Exhibit A" attached hereto (the Literary Materials and the Agreements are collectively referred to herein as "HBO's Rights"). Notwithstanding the foregoing, in the event that any individual is engaged to render services, or any loan-out is engaged to furnish the services of any individual to HBO or any parent, subsidiary or

affiliated entity of HBO (or any entity whose rights in connection with any production are assigned to HBO or any parent, subsidiary or affiliated entity of HBO) such services shall be in first position to HBO as against any services rendered for Producer or any permitted successor or assignee of Producer in connection with the Project.

3. (a) Producer may exercise its right to acquire HBO's Rights by paying to HBO the aggregate sum of all of HBO's actual, direct, third party, out of pocket costs incurred in connection with the Project plus interest thereon calculated at the lower of (i) two percent (2%) above the prime commercial rate from time to time in effect, as announced by JPMorgan Chase & Co. at its principal office in New York City, or (ii) the maximum rate allowable under any applicable law (collectively, the "Buy-Out Price").

(b) In addition to the Buy-Out Price, HBO shall be entitled to receive:

(i) a profit participation in an amount equal to five percent (5%) of one hundred percent (100%) of the defined proceeds, net profits or similar participation, however named, derived from any and all exploitation of any part of the Literary Material or the Project, or any other theatrical motion picture or television program or exploitation of any kind that is based upon or derived from, in whole or in part, any part of the Literary Material or the Project ("HBO's Profit Participation"). HBO's Profit Participation shall be computed, determined and paid no less favorably than the best definition by which the defined proceeds, net profits or similar participation, however named, are computed, determined and paid with respect to any other person or entity entitled to receive a contingent participation, however named, in connection with such exploitation, but in any event, no cross collateralization, or over budget penalties, as such terms customarily are understood in the motion picture and television industries, shall be applicable thereto.

(ii) for each new series episode produced based upon or derived from, in whole or in part, any part of the Literary Material or the Project, Producer shall pay to HBO a series royalty of Five Thousand Dollars (\$5,000) per episode. The series royalty shall be payable upon commencement of principal photography of the applicable series episode.

(c) Producer shall also deliver to HBO (i) all applicable union or guild assumption agreements, executed by a financially responsible entity accepted by any such guild, and (ii) an executed assumption and indemnity agreement or agreements (all such guild and other assumption and indemnity agreements are referred to collectively herein as the "Assumption Agreements") in form and substance reasonably satisfactory to HBO, whereby a financially responsible third party approved by HBO (which approval shall not be unreasonably withheld) assumes and agrees to perform all of HBO's executory duties,

obligations and liabilities in connection with the Project and agrees to indemnify, and upon request defend, HBO and its parent, subsidiary and affiliated companies, distributors, assigns and licensees and the respective shareholders, directors, officers, employees and agents of the foregoing, from and against any and all claims, liabilities, settlements, damages, losses and expenses (including, without limitation, legal fees and expenses) arising from or in connection with such assumption of or the use or exploitation of any part of the materials created during HBO's development of the Project, the Project or any other project based in whole or in part on any part thereon.

(d) Upon satisfaction of all of the foregoing terms and conditions, HBO shall (i) quitclaim all of its rights, title and interest owned at such time in and to HBO's Rights, and the Project to Producer, subject to the provisions of this Agreement, and (ii) warrant only that it has not theretofore transferred, hypothecated or otherwise assigned any of its rights, title or interest in or to the Project and HBO's Rights to any party other than Producer.

Notwithstanding the foregoing, Producer shall not have the right to acquire any right, title or interest in the Project or any part of the materials created during HBO's development of the Project for development or production of a project for initial exhibition on any form of premium pay television (non-basic cable) or subscription programming service delivered electronically to the consumer (e.g., Showtime, Starz, Epix or Netflix).

4. If, prior to Producer's paying HBO the Buy-Out Price (and for a period of sixty (60) days following HBO's receipt of the Buy-Out Price) and/or formally setting up the Project at a network or studio (*i.e.* such network or studio has committed development funds for the Project) within the Turnaround Period, any basic element (*i.e.*, principal member of cast, director, line producer, executive producer, screenplay or storyline, principal location, budget or method or structure of financing or distribution) is eliminated, introduced or materially altered ("Changed Elements") and/or any new or existing material term or condition is less favorable than as previously presented to HBO, including the financial terms regarding Producer's involvement in the Project ("Changed Terms"), Producer shall submit to HBO in writing, prior to paying the Buy-Out Price, if at all, an offer for HBO to proceed with the development and/or the production of the Project either on the terms set forth in the Agreements, or as modified by such Changed Elements and/or Changed Terms. HBO shall have a period of fifteen (15) business days after receipt thereof to reject such offer or to elect to proceed with the development and/or the production of the Project on such terms. HBO's proceeding shall not require the acceptance of any Changed Elements or Changed Terms that cannot be met as easily by one (1) party as another, nor the acceptance of financial terms more favorable to Producer than the financial terms set forth in the Agreements. It is hereby acknowledged that if such Changed Elements and/or Changed Terms are conditioned upon the production of the Project, then HBO may elect to

proceed only with respect to production of the Project and not with respect to development. If HBO rejects Producer's submission, Producer may acquire the rights, title and interest of HBO as herein provided, but the aforesaid first refusal procedure shall be repeated during the Turnaround Period each time Producer introduces Changed Elements and/or Changed Terms, prior to and until Producer pays to HBO the Buy-Out Price and delivers to HBO the Assumption Agreements, after which the provision of this subsection shall cease to apply.

5. In the event Producer does not pay the Buy-Out Price to HBO and/or does not deliver the Assumption Agreements to HBO on the earlier of (a) the expiration of the Turnaround Period or (b) commencement of principal photography of a production based on the Literary Material or the Project, then all rights, title and interest in and to HBO's Rights, the Project and any other material created in connection with HBO's development of the Project shall be perpetually vested in HBO without any further obligation or liability to Producer; and in this regard, in such event, Producer shall execute and deliver to HBO such assignments or other documents that HBO deems necessary or desirable to effectuate or evidence such vesting, following a reasonable opportunity for review and comment, and in the event Producer fails or is unable to execute any such documents or instruments, Producer hereby appoints HBO its attorney-in-fact with the full right and authority to execute and deliver any such documents or instruments. Said appointment shall be irrevocable and shall be deemed coupled with an interest. Upon written request by Producer, HBO shall provide Producer with copies of any such executed documents.

6. (a) Producer assumes liability for, and shall indemnify, protect, save and hold harmless HBO and its parent, subsidiary and affiliated companies, distributors, assigns and licensees and the respective shareholders, directors, officers, employees and agents of the foregoing ("HBO Indemnified Parties") from and against any claims, actions, losses, penalties, expenses or damages (including, without limitation, legal fees and expenses) of whatsoever kind and nature imposed on, incurred by or asserted against any of the HBO Indemnified Parties arising out of (i) any breach by Producer of any representation, warranty or covenant made, or obligation assumed, by Producer pursuant to this agreement or (ii) a claim alleging facts that if true would constitute such a breach; provided that HBO shall not be entitled to indemnification under (ii) above with respect to a claim that HBO determines in its sole good faith business judgment to be a so-called "frivolous" and/or "nuisance" type claim. The provisions of this section 6(a) shall apply, without limitation, to claims brought by HBO against Producer.

(b) Subject to Producer's indemnity of the HBO Indemnified Parties above, HBO assumes liability for, and shall indemnify, defend, protect, save and hold Producer harmless from and against any claims, actions, losses, penalties, expenses or damages (including, without limitation, legal fees and expenses) of whatsoever kind and nature imposed on, incurred by or asserted against Producer arising out of (i) any breach

or alleged breach by HBO of any representation, warranty or covenant made, or obligation assumed, by HBO hereunder; (ii) the use of any material supplied to Producer by or on behalf of HBO that, upon HBO's direction, is incorporated or interpolated into the Work by Producer, HBO or HBO's designees, and (iii) any matter concerning or arising out of HBO's development, production, exhibition or any other exploitation of any portion of the Work. The provisions of this section 6(b) shall apply, without limitation, to claims brought by Producer against HBO.

(c) HBO and Producer shall, upon presentation or institution of any claim or action covered by the foregoing indemnity, promptly notify the other of the claim or action, giving the details thereof. All aspects of the defense of such claims or actions, whether as part of any litigation, negotiation or otherwise (including, without limitation, any decision regarding settlement), shall be controlled by HBO. HBO shall be free to use counsel of HBO's choice in connection therewith. HBO's control shall not diminish Producer's obligations under section 6(a) above. Producer shall cooperate in the defense of any claim or action for which indemnification is provided hereunder and shall have the right (at Producer's expense) to have counsel present in connection therewith, provided such counsel fully cooperates with HBO's counsel and does not interfere with the reasonable handling of the claim or action by HBO.

7. All notices and other communications between the parties hereto shall be in writing and shall be deemed received when delivered in person or by electronic mail or facsimile or five (5) days after deposited in the mail, postage prepaid, certified or registered mail addressed to the other party at the address set forth below, or at such other address as such party may supply by written notice; provided, however, that a notice for change of address shall not be deemed effective until received.

Producer: Street Kid Productions, Inc.  
c/o Creative Artists Agency  
2000 Avenue of the Stars  
Los Angeles, CA 90067  
Attention: Nancy Etz  
E-Mail: [netz@caa.com](mailto:netz@caa.com)

courtesy copy to Loeb & Loeb  
10100 Santa Monica Blvd, Suite 2200  
Los Angeles, CA 90067-4164  
Attention: Craig Emanuel  
E-Mail: [cemanuel@loeb.com](mailto:cemanuel@loeb.com)

Courtesy copy to: Pariah  
c/o Ziffren, Brittenham, et al  
1801 Century Park West  
Los Angeles, CA 90067  
Attn: Pam Black Esq.  
E-Mail: [pamb@ziffrenlaw.com](mailto:pamb@ziffrenlaw.com)

HBO: 2500 Broadway, Suite 400  
Santa Monica, California 90404  
Attention: Senior VP, Business Affairs

with a copy to: Senior VP and Chief Counsel - West Coast Programming

8. HBO shall have the right to assign or delegate this Agreement and any or all of its rights or obligations under this Agreement, in whole or in part, to any person or entity. Neither this Agreement nor any of Producer's rights or obligations under this Agreement may be assigned or delegated by Producer to any person or entity without HBO's prior written approval and full compliance with the terms of this Agreement. Any assignment in violation of this section 8 shall be null and void.

9. The waiver by either party of any breach hereof shall not be deemed a waiver of any prior or subsequent breach hereof. All remedies of either party shall be cumulative and the pursuit of one remedy shall not be deemed a waiver of any other remedy.

10. This Agreement supersedes any and all prior negotiations, communications, agreements and/or understandings, written or oral, with respect hereto. This Agreement may not be amended except by an instrument in writing signed by the party to be charged with such amendment or modification.

11. Each party hereto shall execute any and all further documents or instruments that either party hereto may deem reasonably necessary and proper to carry out the purpose of this Agreement.

12. Nothing contained in this Agreement shall be construed so as to require the commission of any act contrary to law, and whenever there is any conflict between any provision of this Agreement and any statute, law, ordinance, order, regulation or applicable guild or union collective bargaining agreement contrary to which the parties hereto have no legal right to contract, such statute, law, ordinance, order, regulation or collective bargaining agreement shall prevail; provided that in such event the provision of this Agreement so affected shall be curtailed and limited only to the extent necessary to permit compliance

with the minimum legal requirement, and no other provisions of this Agreement shall be affected thereby and all such other provisions shall continue in full force and effect.

13. Nothing contained in this Agreement shall be construed to limit, or to be prejudicial to, or operate in derogation of, any rights, licenses, privileges which HBO or its respective successors, licensees or assigns may enjoy or be entitled to enjoy as a member of the public even if this Agreement were not in existence.

14. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof, and no amendment of this Agreement shall be valid unless in writing and signed by the parties hereto.


15. This Agreement may be executed in two (2) or more counterparts each of which shall be deemed an original, but all of which taken together shall constitute one (1) and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above specified.

Home Box Office, Inc.

By:   
Its: Senior Vice President

Street Kid Productions, Inc.

By:   
Its: owner/President

ACKNOWLEDGED AND AGREED:

Pariah

By:   
Its:

**EXHIBIT A**

Literary Material is described as follows:

**Pilot Script for the Project written by Gary Lennon,**

The Agreements consist of the following:

- **Certificate of Engagement and Assignment dated December 8, 2008 between Aurora Entertainment, Inc. (f/s/o Maria Bello) and Home Box Office, Inc.**
- **Certificate of Authorship and Assignment dated December 12, 2008 between Street Kid Productions, Inc. (f/s/o Gary Lennon) and HBO Films, Inc.**
- **Upset Price Agreement dated December 9, 2008 among Street Kid Productions, Inc., Gary Lennon and HBO Films, Inc.**
- **Unexecuted – Certificate of Engagement and Assignment between John Carrabino, Inc. (f/s/o John Carrabino) and Home Box Office, Inc.**
- **Unexecuted – Certificate of Engagement and Assignment between Pariah (f/s/o Gavin Polone) and Home Box Office, Inc.**
- **Unexecuted - Memorandum of Agreement, dated as of December 10, 2008 between Aurora Entertainment, Inc. (f/s/o Maria Bello) and Home Box Office, Inc.**
- **Unexecuted - Memorandum of Agreement, dated as of December 10, 2008 between Street Kid Productions, Inc. (f/s/o Gary Lennon) and Home Box Office, Inc.**
- **Unexecuted - Memorandum of Agreement, dated as of December 10, 2008 between John Carrabino, Inc. (f/s/o John Carrabino) and Home Box Office, Inc.**



## LITERARY MATERIAL ASSUMPTION AGREEMENT

The undersigned \_\_\_\_\_ (hereinafter referred to as "Buyer") agrees with \_\_\_\_\_ ("Company") that all literary material being acquired and covered by this Assumption Agreement is subject to the 2004 Writers Guild of America Theatrical and television basic Agreement ("Basic Agreement"), including but not limited to the provisions of (i) Article 15.B. thereof pertaining to the payment of additional compensation to writers for reruns and foreign telecasting, and theatrical exhibition of a television photoplay based on the material and payment for other uses of the material or characters therein; (ii) Article 51.C thereof pertaining to additional payments to writers on release of a motion picture based thereon in the Supplemental markets (but excluding paragraph 8. of said Article 51.C.), and (iii) the Theatrical and Television Schedule A relating to screen and advertising credits. Buyer hereby agrees, expressly for the benefit of the Writers Guild of America, west, Inc., and Writers Guild of America, East, Inc. (the "Guild"), as representative of the writers involved, to abide by and perform the provisions of the Basic Agreement and make the additional compensation payments required thereby. For the purpose of applying such provisions of the Basic Agreement, the writer or writers of the literary material being acquired shall be treated in all respects as though such material were written by such writer or writers while in the employ of the Buyer.

It is expressly understood and agreed that the rights of Buyer to exhibit or license the exhibition of any motion picture based upon said material shall be subject to and conditioned upon the payment to the writer or writers involved of additional compensation, if any, required under Article 15.B. and Section C. (except paragraph 8. thereof) of Article 51 of said Basic Agreement for reruns and foreign telecasting as provided in the Basic Agreement. It is agreed that the Guild shall be entitled to injunctive relief against Buyer in the event such payments are not made.

If the Buyer shall sell, transfer, assign or otherwise dispose of its rights in such material to any person or company with headquarters in the United States, it may obtain from the party acquiring such rights a separate agreement in the same form (including this sentence) as this Assumption Agreement, and will notify the Guild thereof, together with the name and address of the transferee, and delivery to the Guild a copy of such Assumption Agreement; it being the intent hereof that the obligations set forth in this Assumption Agreement shall be continuing obligations on the part of such subsequent owners of such material so headquartered in the United States.

DATE: \_\_\_\_\_

BUYER: \_\_\_\_\_

BY: \_\_\_\_\_

(Please print name and title)

ADDRESS: \_\_\_\_\_